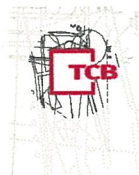


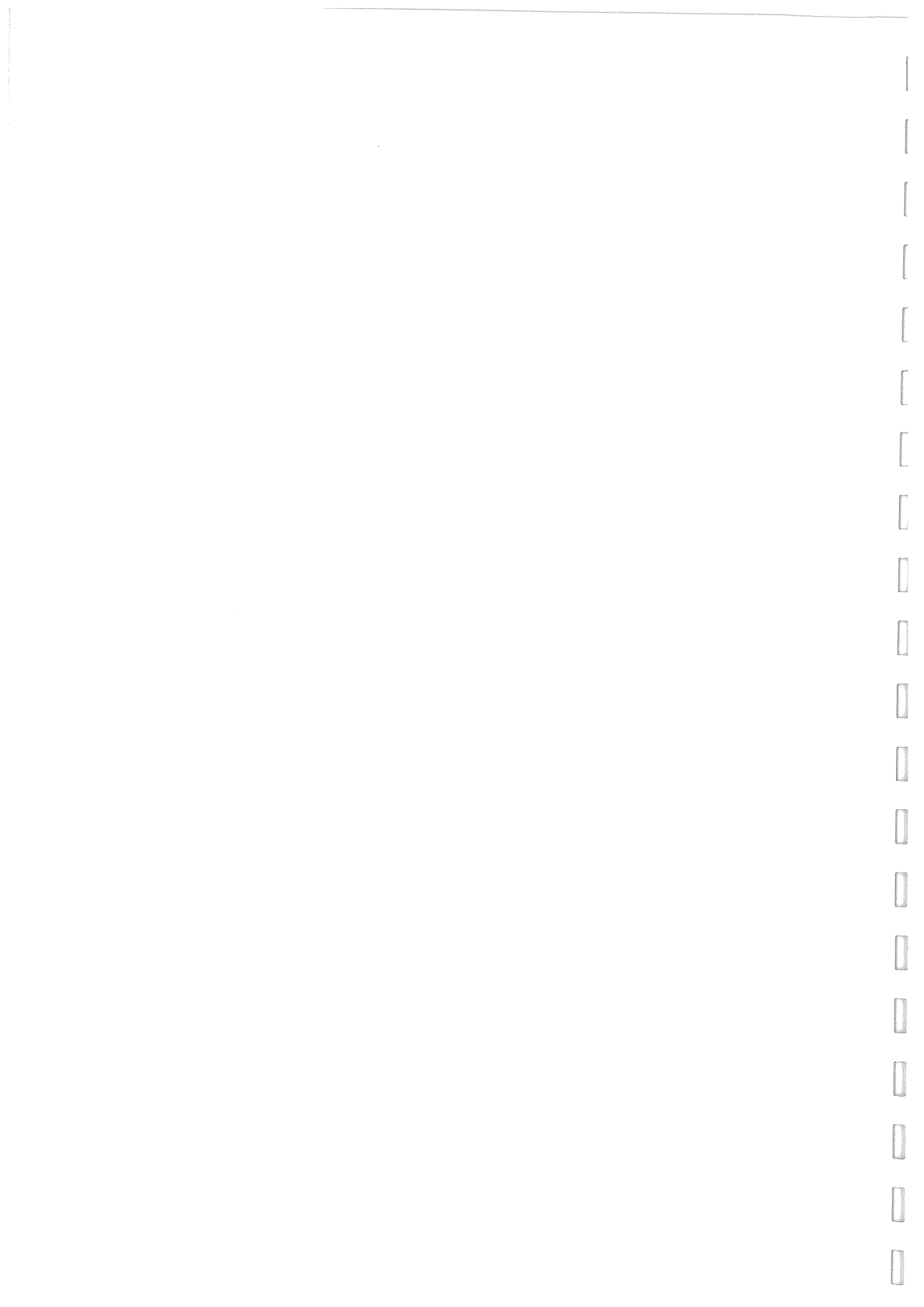
# Wanganui District Council

## INDUSTRIAL GROWTH STRATEGY

*for the*  
**WANGANUI URBAN AREA**



Prepared by  
**TRUEBRIDGE CALLENDER BEACH LTD**  
in association with  
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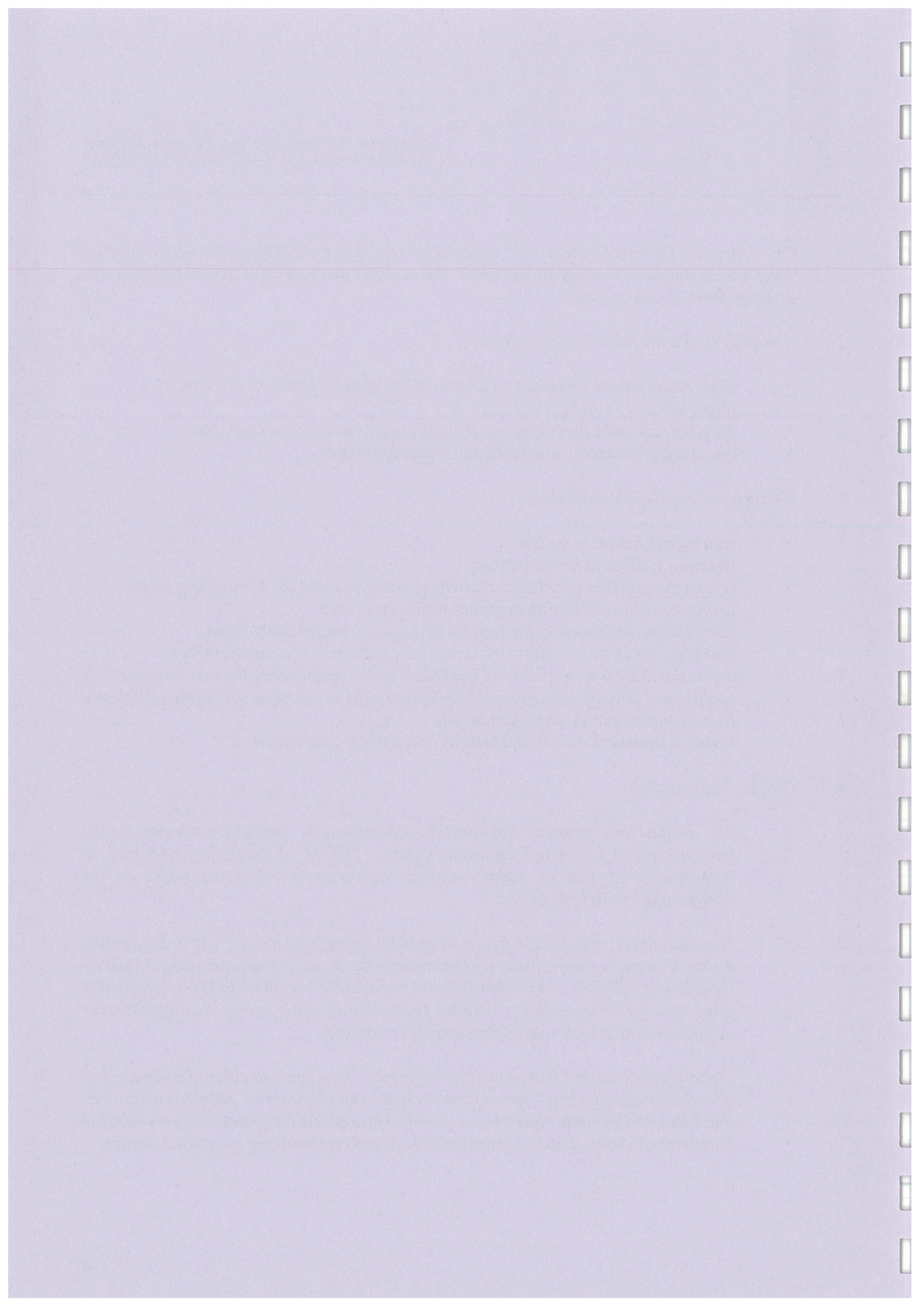


## EXECUTIVE SUMMARY

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1. *The Industrial Growth Strategy was prepared in response to Wanganui District Council's brief which sought a strategy to determine the location and size of a demand led growth strategy for a 20 year period.*
2. *The brief sought the following key outputs:*
  - *likely future trends for industrial growth in Wanganui for the next 20 years;*
  - *future demand for industrial land;*
  - *the adequacy and relationship of existing manufacturing zoned land; and*
  - *any changes necessary to existing zoned industrial land.*
3. *The process involved the following:*
  - *undertake a literature review;*
  - *interview a range of key stakeholders;*
  - *review the structure of industrial activity in Wanganui and the surrounding region;*
  - *assess the industrial growth dynamics within the district;*
  - *carry out an assessment of the existing development and available land;*
  - *assess the influences of industrial land release policies and location thereof;*
  - *assess the likely level of industrial land likely to be required over the next 20 years;*
  - *identify and development rationale for industrial sites and zones in terms of industry type, quantum, quality and location; and*
  - *review infrastructure costs and benefits of any major alternatives.*
4. *The key findings were:*
  - *The demand for industrial land will be determined as much, if not more so, by international and national economic trends. This is of particular relevance to Wanganui given that its major industrial operators are very dependent on the international market for success.*
  - *The analysis showed that the future demand for industrial land is likely to be with the district's primary (agriculture) and manufacturing sector (food processing). Overall the analysis indicates a slow growth in the demand for industrial land over the next 5 years with industries tending to expand production by better use of existing resources through improved technology and management systems.*
  - *The study showed that Wanganui, like many other New Zealand cities of a similar size is currently experiencing some decline in industrial employment although output has fluctuated and in many instances increased. This reflects the greater improvements in industrial efficiency, application of technology and centralisation of product storage.*

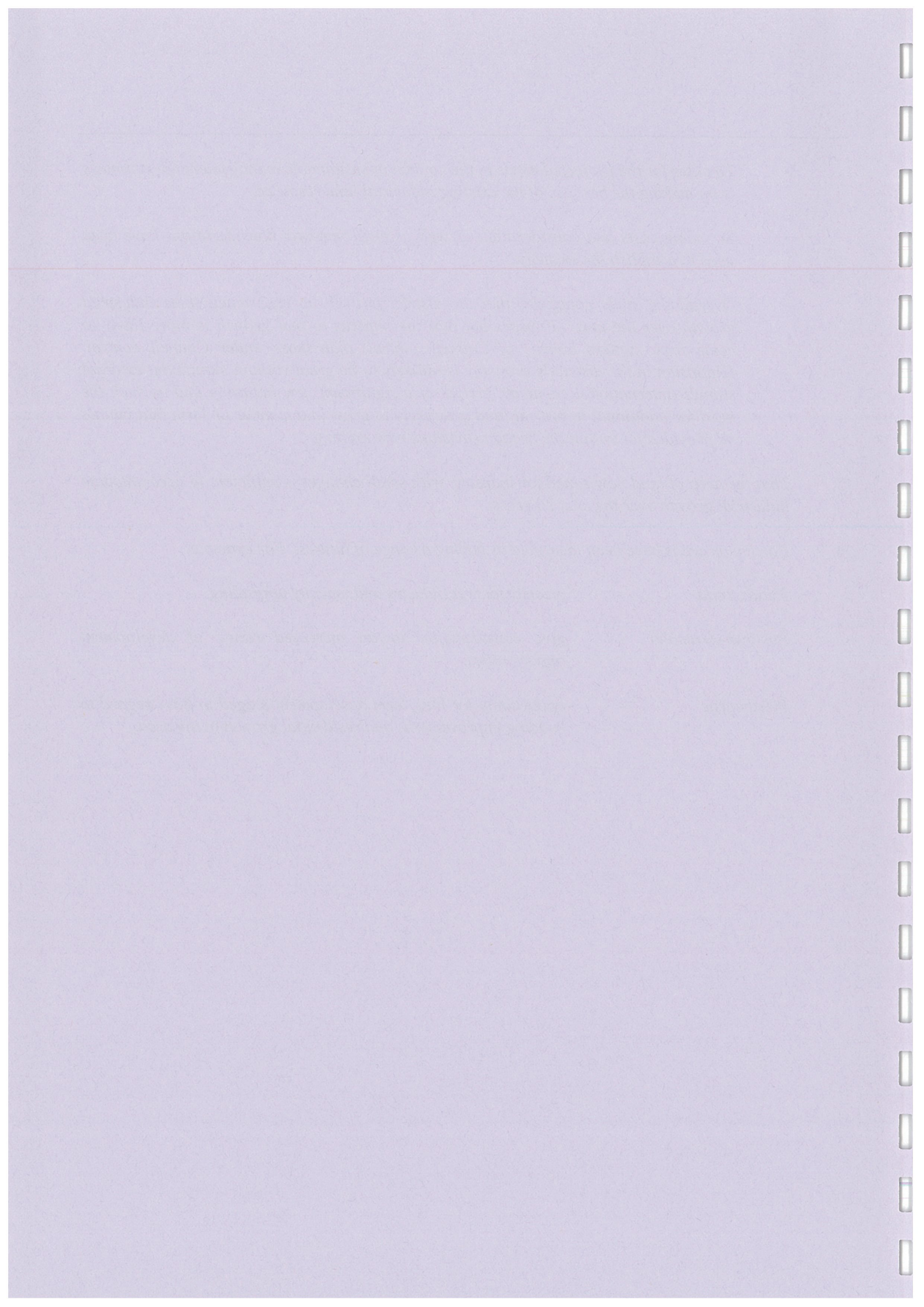






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- *To cater for the projected needs in the context of sustainable management the emphasis is on making the best use of the existing industrial land resource.*
  - *Servicing costs and consideration as well as environmental considerations have been used to establish the strategy.*
  - *Overall the study concludes that the district is likely to experience some industrial growth over the next 20 years but that the impetus to that growth is more likely to come from matters outside of Council control, than those under Council control. Expansion in the district's economy is unlikely to be great without significant external stimuli (international economy, arrival of a significant new industry) and as such the need for additional industrial land is unlikely to grow in a manner or form that cannot be provided for within the broad provisions now existing.*
5. *That the area of land now zoned for industry, with small changes is sufficient to accommodate industrial growth over the next 20 years.*
6. *Particular areas have been identified as having a range of futures. For example:*
- |                        |          |  |
|------------------------|----------|--|
| <i>Heads Road</i>      | <i>-</i> | <i>priority for wet industry and amenity upgrading.</i>  |
| <i>Eastown-Aramoho</i> | <i>-</i> | <i>give consideration to an increased range of development opportunities.</i>  |
| <i>Westbourne</i>      | <i>-</i> | <i>opportunity for long term development staged to have regard to roading improvements and residential growth in the area.</i> |



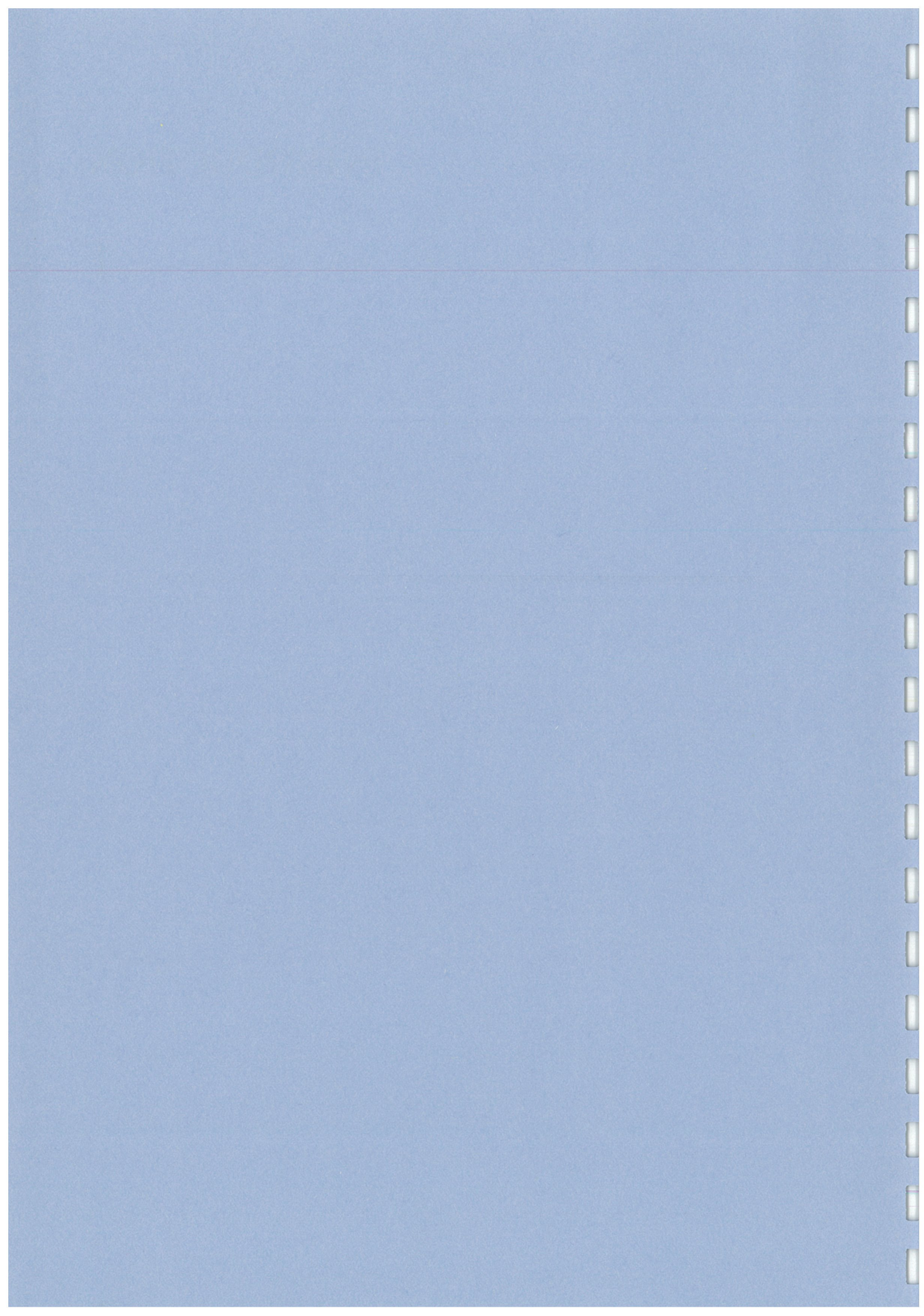




# INTRODUCTION

1





## 1.1 STUDY OBJECTIVE

The objective of this study, as set out in the brief, is:

*to determine the location and size of a demand-led growth strategy which is financially and environmentally sustainable for a 20 year period.*

The study has two central areas of investigation:

- i. The **demand** for industrial land, based on an assessment of current and future patterns of industrial activity in Wanganui; and
- ii. The **supply** of land to meet market demand. This aspect considers the locations available within the District and the opportunities and limitations of each location, with particular emphasis on financial and environmental effects.

The strategy examines the types of industrial use and the likely future changes and trends and provides a framework for decisions on land use issues as part of the District Plan, as well as other council policy options.

## 1.2 STUDY APPROACH

The past and present state of industrial activity in Wanganui is reviewed in Part 2 of the study. This includes a summary view from a cross section of operations, not as the basis for analysis but as part of general consultation and feedback on positive and negative elements in the current industrial climate.

Part 3 of the study examines the major growth generators including changes in the primary production sector. Primary production is one of the main generators of industrial activity and the changes in that sector will likely impact significantly on the future outlook and needs of industry. A series of conclusions are drawn from the assessment of trends in the manufacturing sector which provide the basis for growth projections.

Part 4 of the strategy reviews the current land use provisions for industrial growth in the district plan and assesses the need for any changes in that provision, having regard to the analysis undertaken in Part 3 of the Study and the statutory purpose of the Resource Management Act 1991.

Part 5 of the study incorporates the assessment matters in Parts 3 and 4 and sets out the recommendations having regard to:

- the growth in industrial activity in Wanganui;
- the likely need for additional land; and
- the suitability of the existing industrial land supply and controls thereon.



### 1.3 THE RESOURCE MANAGEMENT ACT 1991

The District Plan is the statutory means by which the Council carries out its functions in order to achieve the purpose of the Resource Management Act 1991. The purpose of the Act is to promote the sustainable management of natural and physical resources. The sustainable management of resources allows people and communities to use the resources to provide for their social, economic, and cultural well-being and health and safety while at the same time ensuring that the resources are not adversely affected in a way that makes them unable to meet the needs of future generations or to sustain life. Any adverse effects of activities must be avoided, remedied or mitigated.

Many industrial activities have effects on the environment. The use of raw materials and the storage or disposal of waste products are two examples. While industrial growth is desirable to satisfy economic and social needs, such growth can be undesirable if adverse effects are not mitigated and the purpose of the Act is ignored.

Applying the concept of sustainability to future industrial growth options involves a wide range of considerations, as well as some balancing of benefits and costs, values and priorities.

It is not possible to definitively state a set of criteria on which proposals or alternatives can be evaluated. However the following principles have been taken into account in evaluating options in this study. They are not in priority.

- *Avoid and/or acknowledge areas of great value to the community, which, because of their values, cannot be replaced (e.g. coastline and river edges and water quality, waahi tapu, valued recreational areas).*
- *Avoid natural hazards where for example:*
  - *there will be an ongoing maintenance cost to the community, for little benefit*
  - *there will be uncertain effectiveness or remedy in the long term*
  - *there is a very high capital (engineering) cost.*
- *Make best (wise) use of existing buildings, services, community resources and infrastructure.*
- *Where existing environmental problems are identified, ensure these are recognised and not exacerbated (e.g. future use of the landfill site).*
- *Avoid locating activities which are incompatible, and where effects cannot be adequately mitigated in terms of adjacent activities.*
- *Retain as many options as possible for the future. Do not foreclose options unless the benefits are significant and clear.*

## 1.4 INDUSTRIAL GROWTH STRATEGY

The traditional sources of employment and economic livelihood in the district of Wanganui are changing. Although the economic state of the district is in large part determined by the demands and fluctuations of the marketplace, the district can respond to the challenge of sustaining and building its economy by strategic planning that facilitates growth. This has clearly been the challenge for a large number of the established industrial operators.

Industry is one of the primary indicators of economic well-being and the changes within this sector largely determine movements in other sectors, particularly residential and retail activity.

The district, through the Council and other organisations (WBDB, WEDCO) as well as existing Wanganui suppliers of private built infrastructure, continues to seek to enhance its attractiveness to existing and new industry, and to promote and facilitate economic growth so as to maintain and improve the quality of Wanganui's environment and community well-being.

A growth strategy is intended to identify the likely form of industrial development and how and where that development can best be accommodated. The strategy can be implemented through a number of initiatives by the Council including annual plans, business incentives and outside or related agencies. It is not simply a matter of district plan provision.

Other impacts arising from both central and local government reform are relevant and will be influential in determining change and timing. These include:

- The extent to which the Council will apply the "user pays" philosophy to development;
- The ability to hold rate levels at as low a level as possible; and
- The ability to rate differentially on an area basis for specific utilities and benefits.

The decisions on how and if to apply the above considerations will rest with Council having regard to its own strategies and annual plan process.

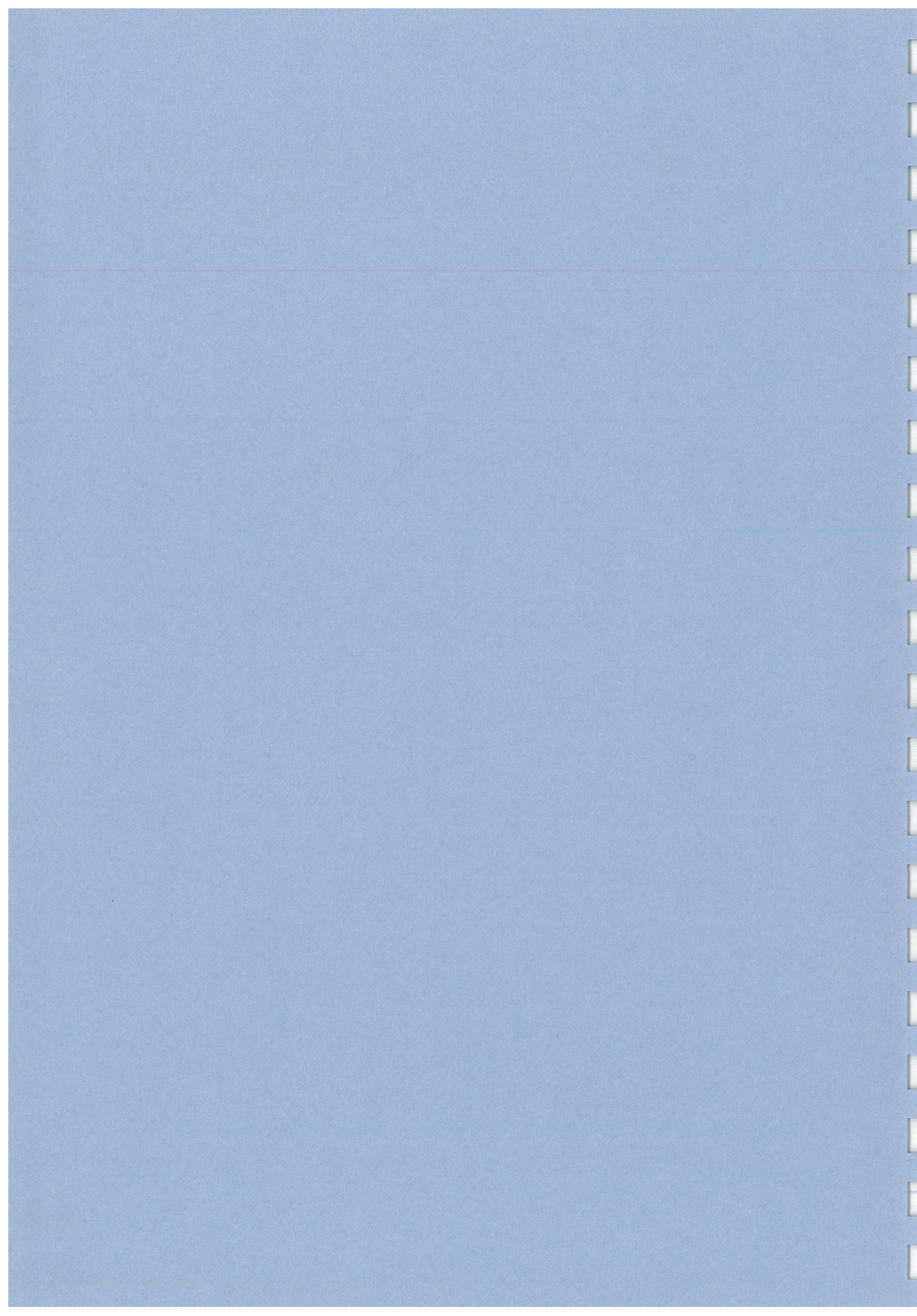




# BACKGROUND TO INDUSTRY IN WANGANUI

2





This section provides a brief overview of the development history of industry in Wanganui as well as a commentary on the current state of industry. Throughout the text a number of locations are referred to and these are shown on Plan 1.

## **2.1 WANGANUI - THE SETTING**

The Wanganui District is well served with natural and physical resources, particularly in the area of agriculture. It has built a strong base of processing and engineering companies, many of which compete strongly in the international market.

The district has a population of 52,000 of whom approximately 42,000 are resident in the Wanganui urban area. It has a stable and skilled workforce a matter referred to extensively in previous research and in the interviews undertaken as part of this report.

Wanganui also contains a number of other resources, amenities and educational institutions and is well endowed with sports facilities.

## **2.2 REVIEW OF INDUSTRIAL ACTIVITY - PREVIOUS STUDIES**

The Wanganui District is well served with source material on the development trends in industrial activity, output and employment in both the district and the wider region. This material has been used to provide a background to industrial development in the District. The information sources are detailed in **Appendix 7**.

## **2.3 REGIONAL PERSPECTIVE**

The Manawatu-Wanganui-Taranaki region is rich in agriculture, fishing and forestry and this is reflected in the manufacturing sector of the Wanganui economy and in the level and type of industrial activity in the district.

The region is also well represented in the food and beverage, metal product manufacture and the textile and leather manufacturing sectors and this is reflected in the industrial base of Wanganui district. (**Refer Appendix 1.**)

## **2.4 WANGANUI DISTRICT - ACTIVITY AND EMPLOYMENT TRENDS**

Wanganui has been through a decade of significant changes in the industrial-business sector with the down-sizing or closure of Tranzrail (830 jobs lost), Telecom (400 jobs lost), Works Construction (200 jobs lost) and the government computer centre (100 jobs lost). As a result the type and form of industrial activity in the district has changed.

Wanganui has built a strong industrial base of primary processing industries and engineering companies. It is these companies and industries that have consolidated in the community and provided the strength and depth to the local economy. The commitment and strength of these



companies is all the more remarkable given that the majority of the companies source a significant amount of the raw material needed for processing outside of the district and rely heavily on national and international markets to sell product.

The key primary sector activities centre around agriculture, fishing and forestry. The district is one of the country's major suppliers of meat, contains one of the biggest seafood processors and a major national tannery. A large number of engineering industries have also established in the district specialising in engineering services and products in their own right or in support of the major processing outlets.

Forestry is seen as the industry most likely to grow in the district and in the surrounding region. However, any significant development of the industry based on recent and current plantings is likely to be in the medium rather than short term.

A number of trends are evident in industry in Wanganui. Based on the time series observations between 1987-1996 the following has happened.

### *Output*

- Overall output declined in the manufacturing sector by 12% between 1987-1996.
- Overall output in the construction sector fell by 47% between 1987 and 1996.

### *New Activities*

- Wanganui is establishing similar trends to that of New Zealand generally.
- Business units by number have increased in Wanganui between 1987-1996 by 25% compared to the national increase of 50%.
- The service sector has shown the strongest level of growth in the urban area.

### *Full-Time Employment*

- Full-time employment in Wanganui has dropped by 23% from 11,658 in 1987 to 8,924 in 1996. Full-time employment in NZ fell by 7% over the same period.
- Significant falls in full-time employment have occurred in food production, construction, transport and storage.

The fall in full-time employment is not a trend peculiar to Wanganui or New Zealand. Full-time employment has been dropping in all western countries since the 1970's.

### *Part-Time Employment*

- Part-time employment in Wanganui now equals 19.3% of FTE or around 32% of the workforce.
- Most of the employment growth has been in the service sector.

*In summary the following has taken place:*

**Figure 1 - Employment Trends - Wanganui**

	1987	1991	1996	% Change 87-96
<b>Full Time</b>	11658	9254	8924	-23%
<b>Part Time</b>	2683	3273	4257	+59%
<b>TOTAL</b>	14341	12527	13181	-8%

## 2.5 RECENT INDUSTRIAL DEVELOPMENTS IN WANGANUI

Industry has continued to develop within the Wanganui urban area. Over the period 1993-96 many industries have established or relocated in Wanganui including those in **Appendix 4**.

## 2.6 CURRENT PERCEPTIONS OF INDUSTRY IN WANGANUI

In addition to analysing the trends in industrial activity in Wanganui (**Refer Appendix 2**) a series of discussions were held with a cross section of operators. Views about Wanganui's industrial future are broad and often conflicting, but there was cautious optimism that industry in Wanganui will grow slowly but steadily.

The material in this section is a representation of views as part of a consultation process, not the view of the authors of the report.

Confidence in the growth of industry is in part reliant on a belief, rightly or wrongly, that any progress must be matched by a desire and commitment from the Council and the community to provide for and promote growth. In other words, although the Council endeavours to be extremely helpful to industry, it could be more proactive in seeking out new opportunities. There are very positive views about initiatives promoted by the Council (such as the wastewater disposal facility) which contribute to better strategic positioning of Wanganui in the marketplace. However, there are also some more questioning statements about other facets of the Council's functions and approach. These are:

- *The apparent "bureaucratic" difficulties in acquiring harbour endowment land;*
- *The length of time that potential newcomers in industry may wait for information from the Council on land and infrastructure issues;*
- *A perception that the Council should not encourage new players in industry into investing in land that is inherently unsuitable for the specific needs of the industry, e.g. landfill site;*
- *The perceived lack of effort in promoting desirable relationships with new industries in a way that will foster growth opportunities;*
- *Criticism of the comparatively high level of rates for industrial land in Wanganui. An industry could be on superior land with cheaper rates in many other towns.*

- *Suggestions that the Council should not continue to be involved in many aspects of its business: namely water supply, works, sewerage, and forestry ownership. These functions and assets should be divested to enable spending in other areas.*

There are other, more general critical perceptions about the state of industry, industrial land and growth in Wanganui. These are:

- *There are industries which would like to be in Wanganui, but are unable to because they cannot find adequate premises;*
- *There is a need for an attractive, open site that is highly visible in an attractive area enabling industries to obtain a higher visual profile and image for marketing.*
- *Wanganui's existing industrial areas suffer from poor visual amenity and this can be a disadvantage for industries that use image and a quality physical environment as part of their overall marketing package.*
- *The image of Wanganui in general is thought to be low - it is perceived that Wanganui residents themselves have a low opinion of their city, and they also perceive that outsiders hold the same view of Wanganui.*
- *The Main Street town centre revitalisation programme has gone some way to restoring the city's low esteem (even though it has not catalysed a retail upsurge), and there is the same potential in the industrial sector.*
- *The economic state of Wanganui is perceived to be low, but this is acknowledged to be nation-wide phenomenon and not unique to Wanganui.*
- *The Council and allied public organisations should "put themselves in their customers' shoes" during strategic planning exercises so that outcomes that are more aligned with the primary target -the new industry - can be more realistically achieved.*
- *There is a perceived lack of existing buildings to establish in, and many suitable pockets of land in existing industrial zones are not available for development because they are not for sale or lease. This translates into a related observation that it is inappropriate (but possibly necessary) to rezone new areas for industrial use when there are so many existing sites in prime locations with suitable zoning.*
- *Some would choose not to invest or reinvest in Wanganui because there is no capital growth. Speculative development of industrial premises (i.e. buildings for rent or purchase) is therefore rare, even though some believe there is a strong potential market for it.*
- *Central government is at fault for allowing polarisation of growth in the main centres and stagnation and decline in the regions, and for the commensurate social and economic problems that follow this trend.*
- *Wanganui is a quality area and should strive to retain and attract quality places of work and better skills and knowledge.*

## 2.7 COMMENT

The current view is that while the likelihood of new large industries entering Wanganui is low the town should actively encourage new operations. There was support for the district improving its marketing and that a better system is required for ascertaining the needs of

prospective industries and providing early advice on what the district offers. The solution may lie in better co-ordination between the Council, the Business Development Board and WEDCO in promoting a “one-stop-shop”. The Council and the main agencies (BDB and WEDCO) have successfully “stalked” new players and this should continue.

Overall, the business community views Wanganui as a good location for industry as much for the lifestyle and amenities offered, as the economic advantages. The reasons are:

- *Wanganui is a good place to live: high quality residential properties are available at reasonable prices, rents are comparatively low, education services are good, sports and recreation facilities are superior than those in most other cities, congestion is low, and it is a better place to bring up children.*
- *Wanganui's infrastructure for industry is superior.*
- *Wanganui is located adjacent to main transport routes, including road, rail and sea.*
- *Wanganui is located close to the main sources of many raw materials in particular forests, pastoral and arable land.*
- *Wanganui is suitable for high volume sea transport by barge, and can actively promote this option, particularly as a link with the South Island.*
- *Wanganui has a good, stable and reliable work force.*

Based on these advantages, a large section of the business community believe that growth in industry will stem from new small-scale industries over a wide variety of markets (i.e. less than 30 employees) not from large industries. To be a buoyant industrial town, Wanganui should play on its strengths and these lie in primary and secondary processing. This may mean not trying to attract industries or competing with business activities already well established in other nearby centres.

The above is not intended to provide a scientific analysis of strategies for “industry” in Wanganui but rather a synopsis of what people in industry are thinking. It should be seen in the context of:

- scientifically analysed trends;
- as background information for the Council at a corporate and marketing level; and
- as part of the consultation process against which district plan policy is established.

Industry is a critical factor in any Council growth strategy and the anecdotal comments generally accord with the more rigorous survey undertaken by GAMEPLAN<sup>1</sup> - 1997. That highlighted the following in the context of Wanganui.

- ***Strengths***  
*suitable land*  
*good history of business in Wanganui*  
*growing area*

<sup>1</sup> GamePlan - Inward Investment Survey 1997



*stable workforce*  
*raw material supply*  
*lifestyle*  
*cheap labour costs*  
*co-operative attitude of contribution toward waste disposal.*

- ***Resignation***

*Locked into existing plant.*  
*Cannot think why would want to be in Wanganui.*

- ***Concerns***

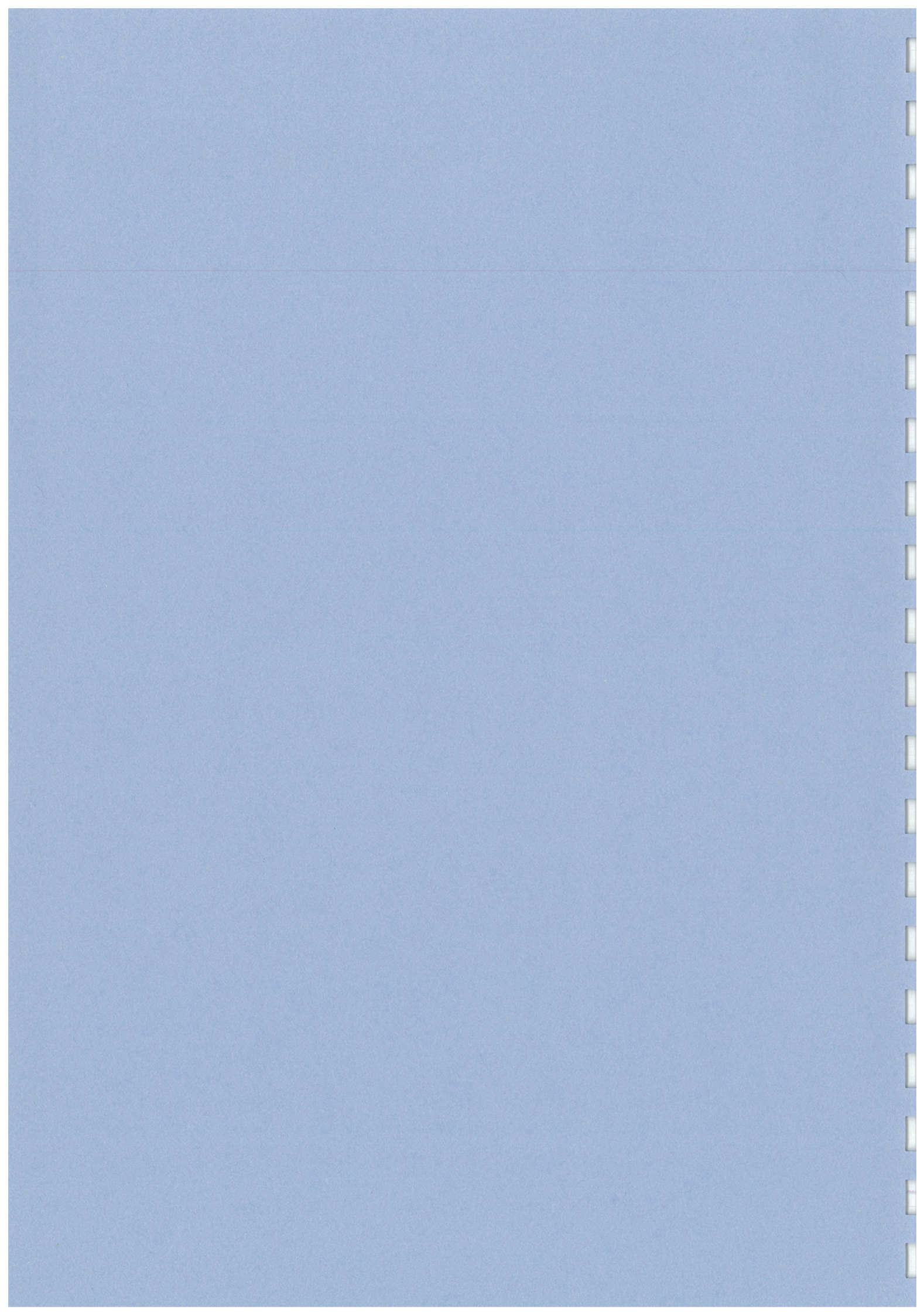
*Need to make the place more attractive.*  
*Need to keep energy costs down.*  
*More competition.*  
*Transport.*  
*Need for cost advantages - rates etc.*  
*Lack of local incentives.*

As noted in the GAMEPLAN report there are a number of very significant operations with a substantial production base in the district. The cost of switching to another locality, although suggested by a number of parties in the interviews undertaken for this report, represents a significant factor favouring reinvestment in the Wanganui locality.

# INDUSTRY TRENDS

3





### 3.1 MARKET INDICATORS

Wanganui is part of an international market place and to a large extent what happens in terms of industrial performance in the district will be determined by international and national markets. The District will have no control over international trends in the share market, GATT agreements to free up trade or the future of, for example, pinus radiata as a construction timber.

In much the same way the District has only limited control over national factors and policy changes such as the removal of SMP subsidies, rationalisation of meat works or removing tariffs which will continue to affect the viability of industry in Wanganui.

The inevitable consequence of change in the international and national markets will have a multiplier effect on the local economy as change in one sector (industry) clearly impacts on other sectors (housing and retailing).

The following section of the report summarises the major industrial trends and provides an analysis of these changes in terms of the impact on or likely demand for industrial land.

### 3.2 PRIMARY SECTOR

#### 3.2.1 Dairying

Dairying is strengthening in the primary sector of New Zealand. Deregulation of the milk industry has shifted the emphasis from small town milk supply companies to larger specialist units. The Nimmo Bell<sup>2</sup> report identified the opportunity for around 100 additional dairy farms mainly inland from Waimarino. Dairy cattle numbers in the district have grown significantly over the last 7 years from 7135 in 1990 to 16455 in 1996, an increase of 130%

<b>Figure 2: Dairy Cattle</b>						
	<b>Wanganui District</b>		<b>Production Region</b>		<b>NZ (000s)</b>	
	<b>No<sup>s</sup></b>	<b>% Change (90-96)</b>	<b>No<sup>s</sup> (000s)</b>	<b>% Change (81-96)</b>	<b>No<sup>s</sup></b>	<b>% Change (81-96)</b>
<b>1981</b>			653		2,969	
<b>1985</b>			714		3,308	
<b>1990</b>	7,135		742		3,441	
<b>1992</b>	7,778					
<b>1994</b>	11,637					
<b>1996</b>	16,455	(+130)	895	(+37)	4,341	(+46)

<sup>2</sup>Nimmo-Bell:



### 3.2.2 Horticulture

Horticulture does not have a major stake in the district. Although the district has a temperate climate and available land at competitive prices, there is not a well established industry likely to generate growth such that it will have any major impact on the future demand for industrial land over the next 20 years.

### 3.2.3 Arable

There are limited areas of arable land and this is likely to face competition from dairying and intensive sheep farming. The area does not have the levels of infrastructure generally required for high production arable farming (e.g. irrigation). The Nimmo Bell Study noted that the industrial-manufacturing clusters built around the arable industry are small and reflect the low key approach this industry has taken over the last 10 years.

### 3.2.4 Sheep Meat and Wool

The Nimmo Bell Study highlighted the critical uncertainties inherent in this industry, most noticeably the growth of forestry and a strengthening dairy industry.

Sheep numbers have fluctuated in the district over the last 15 years, registering a small decrease from 722,000 in 1981 to 707,000 in 1996. However, perhaps of greater significance is the fact that sheep numbers in the district have only declined by 2% over the period while sheep numbers nationally have declined by around 44%.

Meat processing represents one of the major investments and employers in the Wanganui area and the national trend towards a continuing decline in sheep numbers and the potential for over-capacity at processing works must remain an issue for the District.

The sheep meat industry highlights one of the more striking elements of Wanganui industry being the extent to which it relies on product from outside the district and/or is geared to a market either well outside the district and more often than not, export based.

The situation is summarised in the Nimmo Bell report. To quote:

*“The threats in the system which have the ability to disrupt the sheep industry in Wanganui revolve around the competing land uses and the over-capacity in the whole processing industry. It is a very fragile situation at present which despite the large improvements in recent years, could still go either way.*

However, the report does go on to note that Wanganui has the opportunity to create an important niche as a prime supplier of chilled lamb as the industry shrinks throughout

the North Island. Wanganui is one of the few centres in the North Island producing lambs.

The significance of the meat and wool industry to the district can be seen in the industrial clusters that are attracted around it. These make up a significant component of the manufacturing sites in the district and include a number of the operations with ambitions to consolidate and expand in Wanganui.

<b>Figure 3: Sheep Numbers (000s)</b>						
	<b>Wanganui District</b>		<b>Production Region</b>		<b>NZ (000s)</b>	
	<b>No<sup>s</sup></b>	<b>% Change (90-96)</b>	<b>No<sup>s</sup> (000s)</b>	<b>% Change (81-96)</b>	<b>No<sup>s</sup></b>	<b>% Change (81-96)</b>
<b>1981</b>	722		7,375		68,772	
<b>1985</b>			7,365		67,854	
<b>1990</b>	540		6,146		57,852	
<b>1992</b>	620					
<b>1994</b>	813					
<b>1996</b>	707	(-2)	4,801	(-34)	47,264	(-44)

### 3.2.5 Fishing

Wanganui has the benefit of a modern and successful seafood processing company. Consumption of fish is rising and with good local transport infrastructure Wanganui is well placed to service New Zealand and overseas markets.

A local port is not a critical factor in the processing industry, with most catches being landed away from Wanganui. Future development around the existing port infrastructure may provide some advantages but a major port facility in Wanganui able to cater for the large fishing trawlers is a remote possibility. The Sanford-Wanganui operations are one of the largest quota holders and opportunities to expand exist within the industry at Wanganui.

### 3.2.6 Beef - Venison

Deer farming does not represent a significant component of the farming industry in the district. Deer numbers have almost doubled between 1990-96 from 8,048 to 14,942. Although an increase in deer farming as an alternative pastoral activity is possible, this would require a major change in direction for the farming industry in the district.

The North Island and in particular the area north of Taupo is the centre of beef production in New Zealand. However, there is clearly a lot of instability in the beef market (internationally) which is reflected in the industry.

The cluster development around beef remains important within the district with the secondary processing of produce. In addition, the Council's initiative in developing a split system for industrial and domestic waste has the potential to offer a competitive advantage to the district in terms of compliance with the Resource Management Act.

<b>Figure 4: Beef Cattle Numbers (000s)</b>						
	<b>Wanganui District</b>		<b>Production Region</b>		<b>NZ (000s)</b>	
	<b>No<sup>s</sup></b>	<b>% Change (90-96)</b>	<b>No<sup>s</sup> (000s)</b>	<b>% Change (81-96)</b>	<b>No<sup>s</sup></b>	<b>% Change (81-96)</b>
<b>1981</b>			653		5,162	
<b>1985</b>			588		4,613	
<b>1990</b>	46		607		4,593	
<b>1992</b>	52					
<b>1994</b>	76		659		5,183	
<b>1996</b>	75	(+63)	611	(-6)	4,989	(-3)

### 3.2.7 Forestry

Forestry represents one of the major growth opportunities for the district. In 1983 the Central North Island Study<sup>3</sup> affirmed Wanganui's potential to develop a new high quality forest estate. More recently, a report commissioned on the state of Wanganui's forestry, confirmed a developing trend for hill country farmers to look for greater sustainability for land use through forestry.

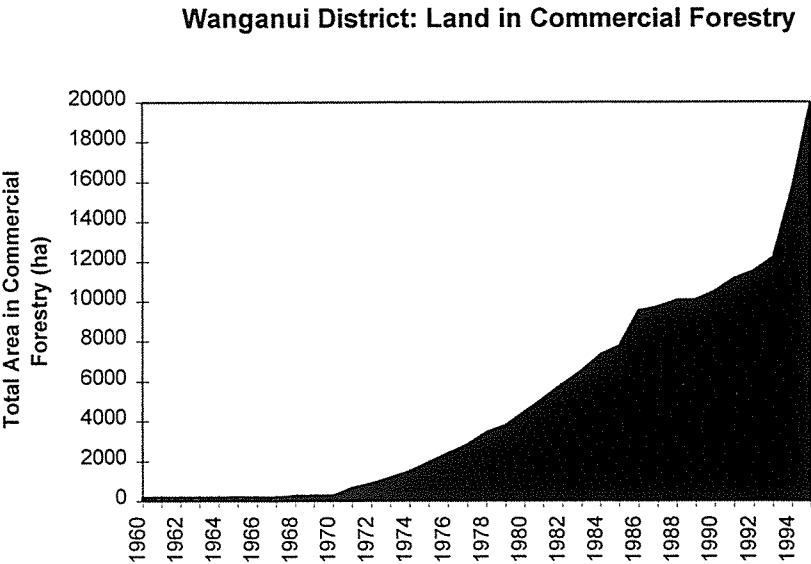
Significant investment is going into forestry in the district. The district (and region) is considered to be one of the top two areas in the country for forestry with a combination of the required soil and climate allowing for harvesting up to two years ahead of other areas.

At present some 10% of the district's land resource is in forestry. The signals are for a substantial increase from 6600ha in 1983 to over 20,000ha in 1995.

<sup>3</sup> Central North Island Forestry Study



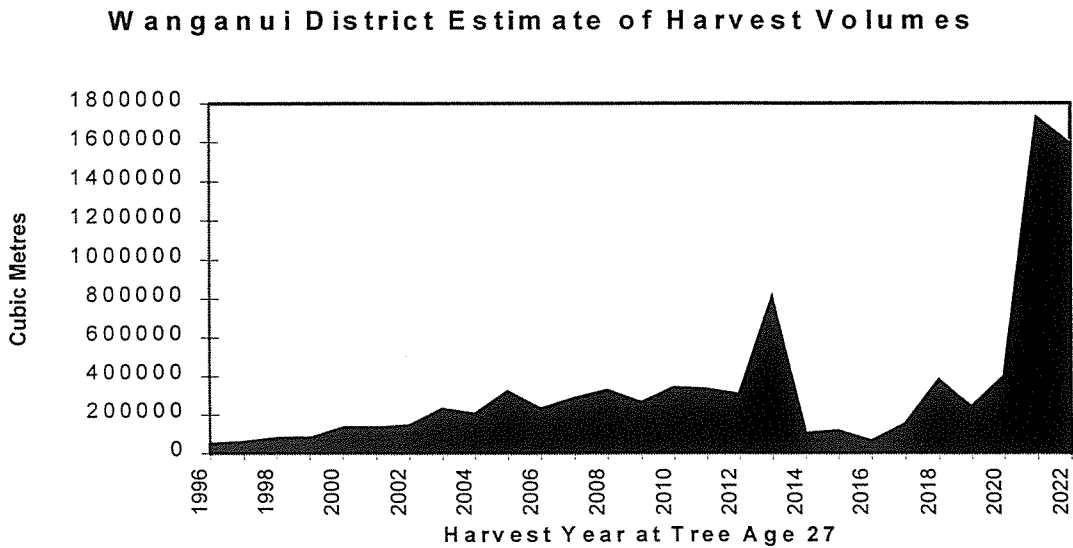
Figure 5



Source: Wanganui Mayoral Forestry Working Party: Draft Report 1997

The success of the forestry industry is closely tied to the potential harvest. The establishment of NDG Pine at Westbourne is a strong indicator of future development potential where the benefits of an available zoned site, infrastructure and potential harvest values in the area came together.

Figure 6



Source: Wanganui Mayoral Forestry Working Party Draft Report 1997

### **3.3 SECONDARY SECTOR**

#### **3.3.1 Manufacturing Sector**

The majority of companies depend on customers or supplies nation-wide with 39% (1995/96) involved in exporting. In addition overseas parent companies have a major stake in Wanganui, e.g. Suzuki, MARS.

The majority of Wanganui's manufacturing companies employ less than 20 full-time staff and confidence in the sector remains high.

Although committed to the District a number of the companies anticipated some difficulty with raw product. There is competition within the district and throughout the north island and New Zealand for some of the raw materials processed in Wanganui, e.g. hides, timber.

#### **3.3.2 Construction**

The district's construction sector output and employment is driven largely by the economic environment of the primary and manufacturing industries including out of town contracts. The number of business units in the construction sector has grown slightly over the period 1987-96 although employment in the sector has declined by around 30%.

#### **3.3.3 Transport**

The transport and storage sector can generate a significant demand for industrial land. Road freight has continued to strengthen as a factor in the local industrial economy. This could be as a result of Wanganui pushing its strengths as a central location and growth area for industry.

#### **3.3.4 Social, Community Services, Business Services**

Employment in the social and community services sectors of Wanganui has grown strongly. The number of people employed in the social and community services has grown from 1,615 in 1987 to 2,181 in 1996, or 35%. This sector represents 24% of the workforce. In addition, employment in business services now represents 7.5% of the workforce.

### **3.4 INDUSTRIAL ACTIVITY TRENDS IN WANGANUI**

#### **3.4.1. Background**

The area requirements for industrial land are determined by productive activity within the district. Demand is derived from land being one of the factors of production.

An assessment of future industrial land requirements in the Wanganui Urban area necessitated:

- (i) establishing productive activity and trends within the district for industries which are dependent on industrial land; and
- (ii) assessing market demand for their products over the 20 year planning period, and
- (iii) recognising changes in technology. These often result in greater output from a much reduced work force.

In respect of past trends in the number of activity units, full time equivalent employment, gross output growth and net value added were analysed. It would be ideal if the relationship between specific industry output and land area input required could be identified. However, no data sources are available for this purpose.

#### **3.4.2 Demand for Land**

Demand for industrial land is driven largely by the following production groups, manufacturing, construction, wholesale trade and transport and storage. In addition, the production activities of a number of other industries (e.g. agriculture, forestry and logging, retail trade) will indirectly generate a demand for industrial land. This demand should express itself through increased activity in the manufacturing sector, wholesale trade, transport and storage.

The economic restructuring over the last decade has complicated the task of projecting demand for industrial land in the Wanganui urban area because of the retrenchment that has occurred in some of the major industrial activities that have traditionally supported and driven the local economy; e.g. railways. Some industrial activities have been lost to the District while others have significantly altered their level of production.

#### **3.4.3 Production Model**

A production model was developed for the purpose of analysing trends within the district. The model analysed three years data, namely 1987, 1994 and 1996. The 1987 year was selected as the base because it coincides with the first economy wide census (EWOC) of New Zealand. The EWOC survey provided detailed information on output and employment. The analysis also provided an overview of the local economy before the economic reforms and share market collapse.

The 1994 year was the latest year for which (detailed) industry data was available. It also marks the end of the recession generated by the economic reforms and share



market crash and the start of the recovery of the New Zealand economy. The 1994 data was used to estimate the District's 1996 output and added value.

#### 3.4.4 Industry Trends 1987-1994

The following Section summarises the major industry trends. A more detailed analysis is set out in **Appendix 2**.

##### (i) *Manufacturing*

The manufacturing sector generates a significant part of the demand for Wanganui District's industrial land. In 1996 there were 182 activity units operating in the urban area.

The analysis of the manufacturing sector shows Wanganui District has suffered adversely from economic restructuring. The number of full time equivalent employees (FTE's) has declined from 3874 in 1987 to 2536 in 1996 or 35%. Measured in 1982 constant prices, the Wanganui District's manufacturing sectors gross output declined from \$282 million in 1987 to \$247 million in 1996 (12.5%) while net output declined by \$21 million to \$64 million (26%).

While there was a small reduction in the early 1990's the number of manufacturing activity units had recovered by 1996. As a consequence, the number of activity units remained largely unchanged for 1996 (182) compared with 1987 (183). The main manufacturing industries for the District are food (meat processing), textiles (tanneries), apparel, wood and fabricated metal products. Together these industries contribute approximately 85% of the manufacturing sectors 1996 employment, output and added value.

The decline in employment and output in local operations has been driven by national rather than local factors and in particular the decline in stock numbers, rationalisation of freezing works, the removal of import licensing protection, lowering of tariffs, restructuring of central government and privatisation.

It is noteworthy that while food and beverage employment and net output fell, gross output actually increased. This anomaly reflects the higher number of stock units processed in a reduced number of plants for less return to the processors and employees.

The decline in employment in wood, paper and paper products between 1987 and 1994 was due primarily to the losses in carpentry and joinery manufacture, prefabricated buildings and wooden furniture and fittings manufacture and repair. The recovery during the period 1994 to 1996 was due to an expansion of the New Zealand economy as a whole.

Fabricated metal products comprise a number of diverse manufacturing industries. This sub group was responsible for the greatest proportion of the total decline and includes the manufacture of rail and road equipment and motor vehicles. The activities of this sub group were largely lost to the district.

**(ii) Construction Trade**

The total number of construction activity units in 1996 was 286 compared with 264 in 1987. While a number of these activity units will have operated out of industrial sites, many would have based their operations from residential sites (e.g. residential building construction, blocklaying).

Employment in the construction sector fell by 33% between 1987 - 1996 from 1525 to 1022. In 1982 constant prices gross output is estimated to have fallen by 47% or \$56 million in 1996 compared with 1987.

The District's construction sector's output and employment was driven largely by the economic environment created by primary industries and manufacturing industries. Consequently, the decline in construction activity was indirectly linked to adverse national factors that affected these two production groups.

**(iii) Wholesale Trade**

The wholesale trade sector generates a significant part of the demand for industrial land. In 1996 there were 108 activity units most of which would have operated from industrial sites. While the number of units demanding industrial sites are high, the aggregate industrial land requirement for some wholesale groups (e.g. wholesale of household items) will be comparatively low. Because the demand is for wholesale show room type premises and or bulk storage facilities (e.g. food). However, the group includes sub groups which tend to require larger industrial sites such as wholesaling of building products, agricultural machinery and transport equipment.

The wholesale trade sector's employment increased slightly in 1996 (505) compared with 1987 (494) but was down on 1994 levels (564).

Two of the sectors sub groups, namely wholesaling of agricultural machinery and equipment and transport equipment registered strong increases in employment, output and/or added value for 1996 compared with 1987. The former increased employment by 36%, output by 55% and added value by 74%, while the latter respective increases were 29%, 8% and 49%.

(iv) *Transport and storage*

The transport and storage sector generated a significant demand for industrial land. In 1996 there were 86 activity units, a number of which operate from large industrial sites. On average this sector is responsible for a disproportionate area of industrial land demand.

While the number of activity units remained more or less unchanged, employment in the District's transport and storage activities declined in 1996 compared with 1994. FTE's fell from 473 in 1987 to 286 in 1996 or 40% while output in 1982 prices fell from \$163 million to \$57 million. Added value declined by \$20 million to \$28 million.

Road freight, which employed 55% of FTE's in 1996 registered significant increases in output (9%), gross output (42%) and added value (54%).

### 3.5 CONCLUSION

The analysis of the key growth indicators of the main NZSIC groups responsible for industrial land demand in the Wanganui urban area indicates a relatively flat market that broadly compares with the situation in 1987. While the number of activity units remained relatively unchanged in 1996 the analysis suggests demand for developed industrial land actually fell for a period following the share market collapse. In this sense the 1996 statistics indicate a slight recovery in demand. The analysis concludes the following:

- (i) That the catalyst for future growth in demand for industrial land lies with the District's primary (particularly agriculture) and manufacturing sector (especially, food and beverages; textiles apparel and footwear, wood paper and paper products, and manufacture of some fabricated metal products). Because of their relative weight in total production and/or their growth generating influence on the District's total output, these industries will determine largely the growth in demand for industrial land.
- (ii) While transport and storage and wholesaling and to a lesser extent construction are responsible for a significant part of total industrial land demand, their expansion is linked to other sectors, particularly the industries referred to above.
- (iii) While economic restructuring may have affected Wanganui to a greater extent than other districts, there are positive signs of growth. For example employment in agricultural contracting services increased from 146 in 1987, 190 in 1994 and 340 in 1996. Similarly numbers employed in forestry and logging rose from 74 in 1987 to 125 in 1996.

GATT agreements to free up trade in agricultural products should in the medium to long term lead to an expansion of pastoral farming. In addition the forestry sectors



world market share should continue to increase because of environmental and other factors.

The New Zealand manufacturing sector has made dramatic advances in the percentage of its output exported since the removal of import licensing and tariff protection. While a large percentage of the increase is in the area of processed agricultural products new exports, unrelated to processing primary production, are rapidly developing (e.g. plastic blow moulded products, electronic equipment).

- (iv) While a gradual medium term (i.e. 5 to 10 year) recovery in the output of Wanganui's key industries can be anticipated it will not necessarily translate into a significant growth in demand for industrial land. The harsh reality of the last 10 years has encouraged most producers to be extremely cost conscious. As far as is practical producers will look to improve plant and equipment rather than duplicating existing resources. Productivity will be the catch call resulting in higher labour output ratios and less demand for industrial land per unit of product produced. Because of this the manufacturing sector's demand for industrial land is likely to grow at a much slower rate than output.
- (v) The output of the construction, wholesale trade and transport and storage sector is largely dependent on final consumption demand and/or the level of activity in key catalyst activities. For example, demand for residential housing and/or household appliances is likely to increase if employment grows and/or real income levels rise because of increased activity in the District's export sector. Similarly, the demand for the services of the transport and storage sector are likely to increase if export activity increases. Because of this there is a strong linkage between growth in these industries output and growth in the primary/manufacturing industries production.
- (vi) There is likely to be a relatively fixed relationship between growth in output of construction, wholesale trade and transport and storage and demand for industrial land. For example, increased demand for transport and storage services is more likely to lead to a pro rata expansion in industrial land to store transport vehicles and goods. However, technological and distribution/marketing innovations have likely reduced the industrial land requirements per unit of output compared with 1987. For example, stock management systems have considerably reduced the levels of stock that will be held at a district level by wholesalers and retailers, while the trend to have large bulk retail establishments will also reduce area demand for industrial land per unit of output.
- (vii) The analysis indicates a slow growth in the demand for industrial land. Demand as a whole could well remain at around current levels for at least the next 5 years. The trend will be to expand production by better utilising existing resources through investing in improved technology rather than expanding inputs as a whole. Continued technological innovations in stock control systems and marketing and distribution arrangements are also likely to suppress the need for more industrial land to accommodate production increases.

- (viii) The analysis does not reveal any significant shift in resources into new activities that may lessen the District's economic dependence on traditional primary and/or manufacturing activities. While new activities may well develop in the District, their nature cannot be predicted, e.g. NDG Pine. On the basis of the analysis and the land currently available Wanganui has adequate industrial land to meet foreseeable future needs well into the next century. However some changes in the opportunities provided by the existing land area and the performance standards applicable may be appropriate.

The general trends and the contribution of the main industrial groups to the local economy are set out in Figures 7 and 8. A more detailed breakdown of the industry trends is set out in **Appendix 2, Table 1.**

FIGURE 7 - WANGANUI - SUMMARY OF INDUSTRIAL ACTIVITY (1996), EMPLOYMENT AND OUTPUT					
Industry Group	Employment		Contribution GDP		Rank
	No.	% Workforce	Added Value	Rank	
Food beverages & tobacco	856	6.26	34924	2	3
Textiles, apparel & footwear	666	4.87	17997	3	6
Wood, paper & paper products	356	2.61	18914	5	5
Chemicals, petroleum, rubber, plastic	135	0.99	6822	8	8
Bastic metal industries	101	0.74	6498	9	9
Fabricated metal products	327	2.39	16728	6	7
Other manufacturing	23	0.17	869	10	10
Construction	1022	7.48	37409	1	2
Wholesale trade	505	3.7	30782	4	4
Transport & Storage	286	2.09 31.3	48763 219706	7	1

Note: For detailed breakdown of industrial groups refer Appendix 2, Table 1



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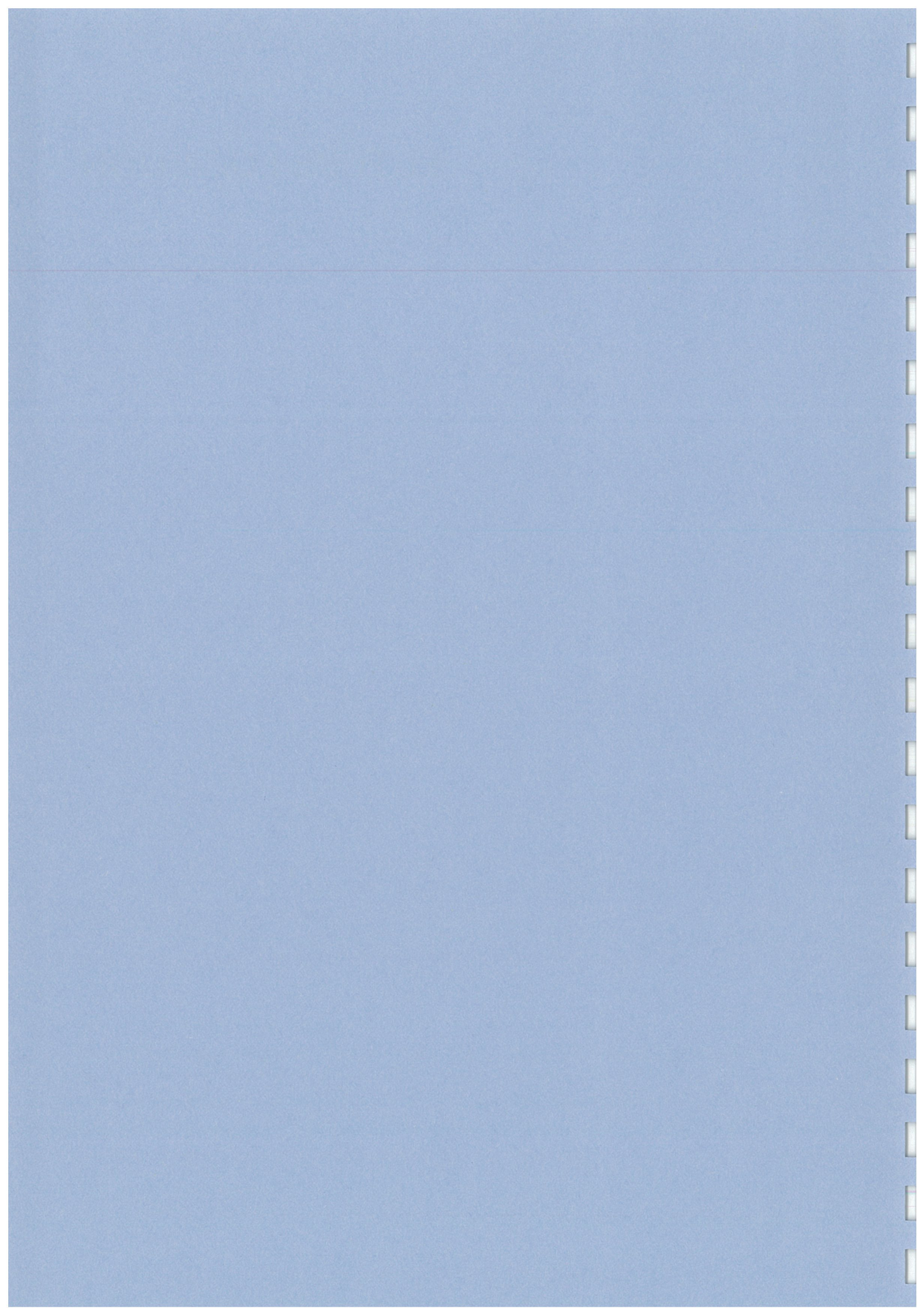
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# FUTURE LOCATION

4







## 4.1 THE REGULATORY FRAMEWORK

Part 1.3 of the study set out in the statutory context for the study. The purpose of the Resource Management Act is to promote the sustainable management of natural and physical resources being:

*“... managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural well-being and for their health and safety while -*

- (a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- (c) Avoiding, remedying or mitigating any adverse effects of activities on the environment.”*

In giving effect to the purpose of the Act, the District Council has a number of functions under section 31 of the Act which can be summarised as:

- the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of activities and*
- the control of any actual or potential effects of the use, development and protection of land.*

## 4.2 PROPOSED DISTRICT PLAN

The District Plan is the main vehicle by which the Council carries out its functions under the Act. The Proposed District Plan contains a range of zones for promoting the sustainable management of the District’s natural and physical resources, a number of which either directly or indirectly provide for industrial activities. These are:

### i. ***Manufacturing Zone***

The purpose of the Manufacturing zone is to provide for both wet and dry manufacturing activities and supporting industries, namely transportation, warehousing, machinery and building suppliers. The zone rules allow manufacturing and recreation facilities as permitted activities, and imposes a number of regulations for noise emissions, light spill, vibration, air discharge, hazardous substances, parking, loading and access, and advertising. The location and height of buildings on sites fronting a road or a residential area is controlled, and the proposed plan imposes a 10 metre height limit on all buildings. Any permitted activity which does not comply with the relevant regulations is a restricted discretionary activity, with discretion only in respect of the regulation which is not met.

The subdivision of land in the zone is a controlled activity, with no minimum lot size but with controls under the general provisions for subdivision in the District.

The rules list a number of restricted discretionary activities: these are community facilities, commercial activities (including offices), any activity which shall disturb or effect any waahi tapu or sites of significance to Maori, any activity that damages or changes the structure of any identified heritage resources, and any other activity that is not permitted or controlled. A number of general assessment criteria are provided for determining whether unrestricted discretionary activities should proceed or not.

Visitor accommodation, recreation, tourism facilities and residential activities including marae are listed as non-complying activities.

The Proposed District Plan also contains provisions for financial contributions from subdivision and development for reserves, water supply, sewage disposal and road upgrading or widening.

The Manufacturing Zone applies to a number of areas in Wanganui City. These are Aramoho, Eastown Road, the eastern end of London Street, Heads Road (east)/Taupo Quay area, the Heads Road/Balgownie/Castlecliff area, a small area at the end of Morgan Street adjacent to the entrance to the Whanganui River, and Westbourne Estate.

ii. ***Outer Commercial Zone***

This zone provides for a range of extensive, large-scale retail, commercial and manufacturing uses around the central commercial zone. The Wilson Street area contains the highest concentration of manufacturing activities in the zone. The purpose of the zone is to promote the efficient use and viability of existing physical resources through an environment which encourages a high public profile while being convenient to vehicular traffic.

iii. ***Central Commercial Zone***

This provides for intensive retail and office development, with limited manufacturing activity. Manufacturing is an unrestricted discretionary activity in this zone.

iv. ***Neighbourhood Commercial Zone***

This zone is found in a number of locations throughout the urban area. It is intended to accommodate retail activities and other community-oriented businesses and services, for the day-to-day commercial needs of neighbourhoods while avoiding direct competition with the central commercial area. Manufacturing is an unrestricted discretionary activity in the zone.

v. *Residential Zones*

Home occupations are permitted provided that a number of regulations are met. These include restrictions on the number of people employed, hours of operation, sales, loading and access, and a number of other matters. Manufacturing is a non-complying activity in the zone.

Within these zones manufacturing is provided for in a variety of forms, from large scale heavy industries through to home occupation.

At the time of preparing this report the period for lodging submissions to the proposed District Plan had closed.

#### 4.3 SECTION 32 OF THE RESOURCE MANAGEMENT ACT 1991

The Council has a duty under Section 32 of the Act to consider alternatives and assess the benefits and costs of different provisions of the District Plan. The section requires that the Council be satisfied that any provision of the Plan is necessary in achieving the purpose of the Act and is the most appropriate means of exercising the Council's function, having regard to its efficiency and effectiveness relative to other means.

Fundamentally, Section 32 gives rise to two questions in respect of industry in Wanganui:

- i. *Do the proposed zones and rules for Manufacturing achieve the purpose of the Act?*
- ii. *Could the purpose be better achieved by other zoning configurations and regulations, or, can the Council be more proactive in promoting the sustainable use of natural and physical resources?*

The study has revealed several issues in respect of manufacturing activity in Wanganui:

- *There is likely to be only slow growth in the demand for industrial land in Wanganui;*
- *There is no indication of a significant shift of resources into new activities that may lessen the District's economic dependence on traditional primary and manufacturing activities.*
- *There is a good supply of land zoned for industrial use. Growth projections would indicate that the demand for land is low and it can therefore be expected that much of the land will remain under-utilised for an indeterminate period.*
- *While new activities to the District may well develop, their nature cannot be predicted. The NDG Pine project at Westbourne Estate exemplifies this.*
- *Wanganui's continued economic - and by implication social - well-being is largely dependent on primary and secondary industry.*



- *The economic well-being of Wanganui put significant reliance on the maintenance and enhancement of industry: growth is assumed to be beneficial.*

Despite some restrictions, it is natural to support the expansive areas of land zoned for industry in the Proposed District Plan. The zoning also provides an opportunity for industrial growth, but does not create it. The zoning provides for a range of different industrial activities and thereby the use and development of resources for economic well-being is encouraged. It is considered that the answer to question *i* above is positive.

The provisions of the Manufacturing Zone provide for industrial activities but preclude other activities. This may ensure that adverse effects are minor but it does not address the issue of whether the land or buildings are able to be used in the most sustainable manner. It may well be feasible to provide for other activities in these zones that can operate within the same performance standards. If this is the case then adverse effects including those arising from reverse sensitivity, can be avoided, the land is more efficiently used and the purpose of the Act better achieved. The disuse of physical resources such as buildings, roads, services and the port, is unsustainable and inefficient. At the same time, the visual amenity of an area suffers when structures and land fall into disrepair.

Similarly, while the zoning encourages industrial activity, some rules may be unnecessarily restrictive in terms of the most sustainable and/or alternative uses of the land. This may not best serve the purpose of the Act let alone the economic well-being of the community.

The Council is not restricted to setting objectives, policies, and rules for achieving the purpose of the Act. Other means may be used, including the provision of information, services, incentives and the levying of charges, including rates, e.g. Westbourne.

Each of the industrial areas have different histories, locations, sizes, layouts, neighbourhoods, infrastructure and uses can contribute in different ways to the District-wide achievement of growth and sustainable management. Each area has been assessed in terms of the respective strengths, weaknesses and opportunities and options for future use recommended.

## 4.4 ARAMOHO INDUSTRIAL AREA

### 4.4.1 General

The Aramoho industrial area straddles the main trunk railway north of the Whanganui River. It occupies approximately 65 hectares of which about 13 hectares is utilised while a further 13 hectares is hillside and unsuitable for industry. The area has a mixed character which includes heavy industry, green fields sites, and small industrial uses scattered amongst the residential areas.

Rail activities in the area have been down-sized and there are now several unused railway lines and buildings. A fertiliser storage operation occupies part of a large building adjacent to the railway line. The balance of the building, is derelict. Four

other manufacturers/retailers occupy buildings in the western part of the zone including precision engineering, stock food and clothing.

#### 4.4.2 Zoning and submissions

The Aramoho area is zoned Manufacturing B in the Transitional District Plan. It extends from Somme Parade westwards, bounded by Kaikokopu Road and Brunswick Road, and the rural zone boundary to the north-west. The Proposed District Plan retains most of the land within the Manufacturing zone. The area generally north of Rotherham Street and south-west of George Street was zoned for manufacturing in the Transitional Plan. The only submissions in respect of the Aramoho area seek the reinstatement of the Manufacturing zone for this area. The area in question contains a number of small manufacturing uses which have operated in a manner compatible with the residential neighbours.

#### 4.2.3 Analysis

- |                             |   |
|-----------------------------|---|
| <b><i>Strengths</i></b>     | <ul style="list-style-type: none"> <li>• Contains a large area of flat land available for industry.</li> <li>• Has access to railway and road network.</li> <li>• Contains a number of existing older vacant but possibly usable buildings.</li> <li>• Has an existing water supply, stormwater disposal and sewer reticulation.</li> </ul>   |
| <b><i>Weaknesses</i></b>    | <ul style="list-style-type: none"> <li>• Surrounded by residential development.</li> <li>• Road access is via established residential areas and increased industrial activity may generate conflict.</li> <li>• Part of the area near Brunswick Road is located on deep soft clay deposits. Primarily suited to light construction building techniques.</li> <li>• Part of the zone is located on hillside and not suitable for industry.</li> <li>• The greater part of the zone has remained undeveloped for many years.</li> <li>• The area is not provided with a separate industrial wastewater stream.</li> </ul> |
| <b><i>Opportunities</i></b> | <ul style="list-style-type: none"> <li>• Large area available for development, including rail access.</li> <li>• Space and opportunity for a range of activities that may not necessarily be industrial in nature. Other activities, such as recreational or residential, may be appropriate.</li> </ul>  |

- Reinstatement to manufacturing or mixed use is sought by submitters for the area around George Street.
- Closest areas to large Aramoho residential area.

**Threats**

- Economic conditions may affect future use of the land if the zoning remains restrictive.

#### 4.4.4 Future Options

The opportunities for the Aramoho area are limited by the constraints of topography, infrastructure, access and ground conditions and proximity to residential activity. Future industry is likely to be limited to activities which do not have the potential to generate significant off-site effects (e.g. traffic). The area is suitable for small industries or mixed use development is good. The following options are identified:

**i. *Rezone the land for non-industrial purposes***

**Advantages:** Would free up land for other opportunities - rural residential. May avoid some potential conflicts between residential and other uses.

**Disadvantages:** There is little pressure for residential or other development in the area.  
Existing infrastructural advantages for industry, such as proximity to the railway will be lost.  
Established industries may be constrained by new zoning.

**ii. *Retain Proposed District Plan Zoning***

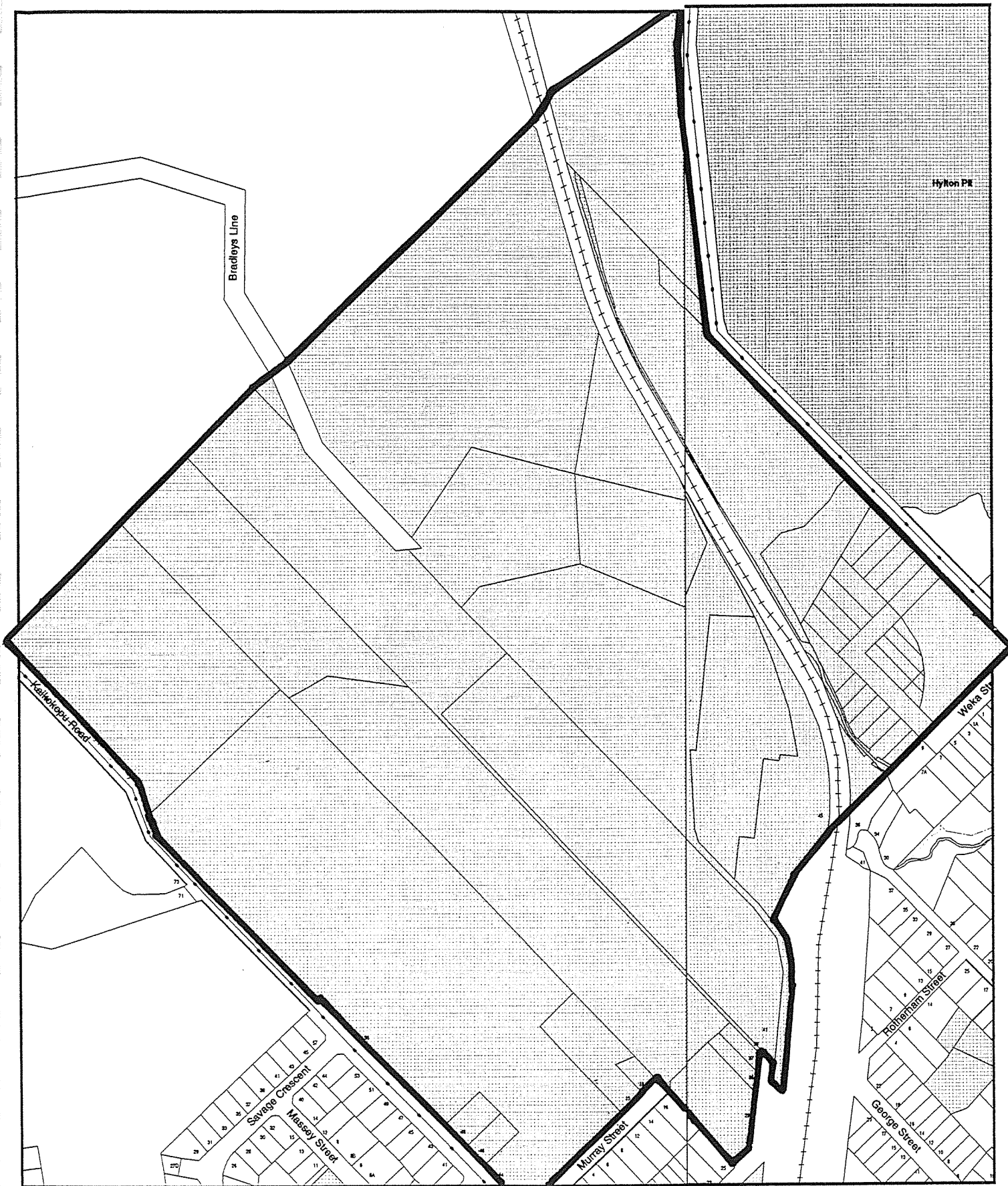
**Advantages:** The zoning opportunity remains, with little impact on existing operations.

**Disadvantages:** New activities would be discouraged by the zoning provisions and performance standards. Some new industries may prefer the area for rail access or other locational advantages but may be limited by constraining factors such as wastewater, road access, foundation conditions.

**iii. *Provide for mixed use zoning over all or large part of Aramoho, return hillside to rural, reinstate manufacturing or mixed use zone around George Street as per the Transitional Plan.***

**Advantages:** Provision for mixed use development encouraging small-scale or home based industries.





# ARAMOHO

Scale 1: 5000



ADDITIONAL ZONING

# GEORGE STREET

Scale 1: 5000

Potentially better utilisation of land.

*Disadvantages:* Require alterations to the District Plan.  
Potential opposition from parties affected.

#### 4.4.5 Summary - Preferred Option

The preferred option is option iii. The area has historically been zoned for industrial uses but zoning which encourages a mix of uses is considered to be the most appropriate method of achieving the purpose of the Act.

The investment in industrial wastewater infrastructure in other areas and the lack of an industrial wastewater stream in Aramoho means that use of Aramoho by “wet industries” should not be favoured. Infrastructure is otherwise adequate for the options above.

### 4.5 EASTOWN ROAD INDUSTRIAL AREA

#### 4.5.1 General

The Eastown Road industrial area is a narrow strip of land running parallel to Eastown Road immediately adjacent to the main trunk railway line. The railway activity was the primary reason for the Eastown zoning. The zone is approximately 15 hectares in area and is generally split by Holyoake Street. The eastern section contains the Wanganui rail yards. The western section includes several large buildings which are used for manufacturing and storage. The zone is adjacent to and bounded by residential areas, separated only by roads and landscaping.

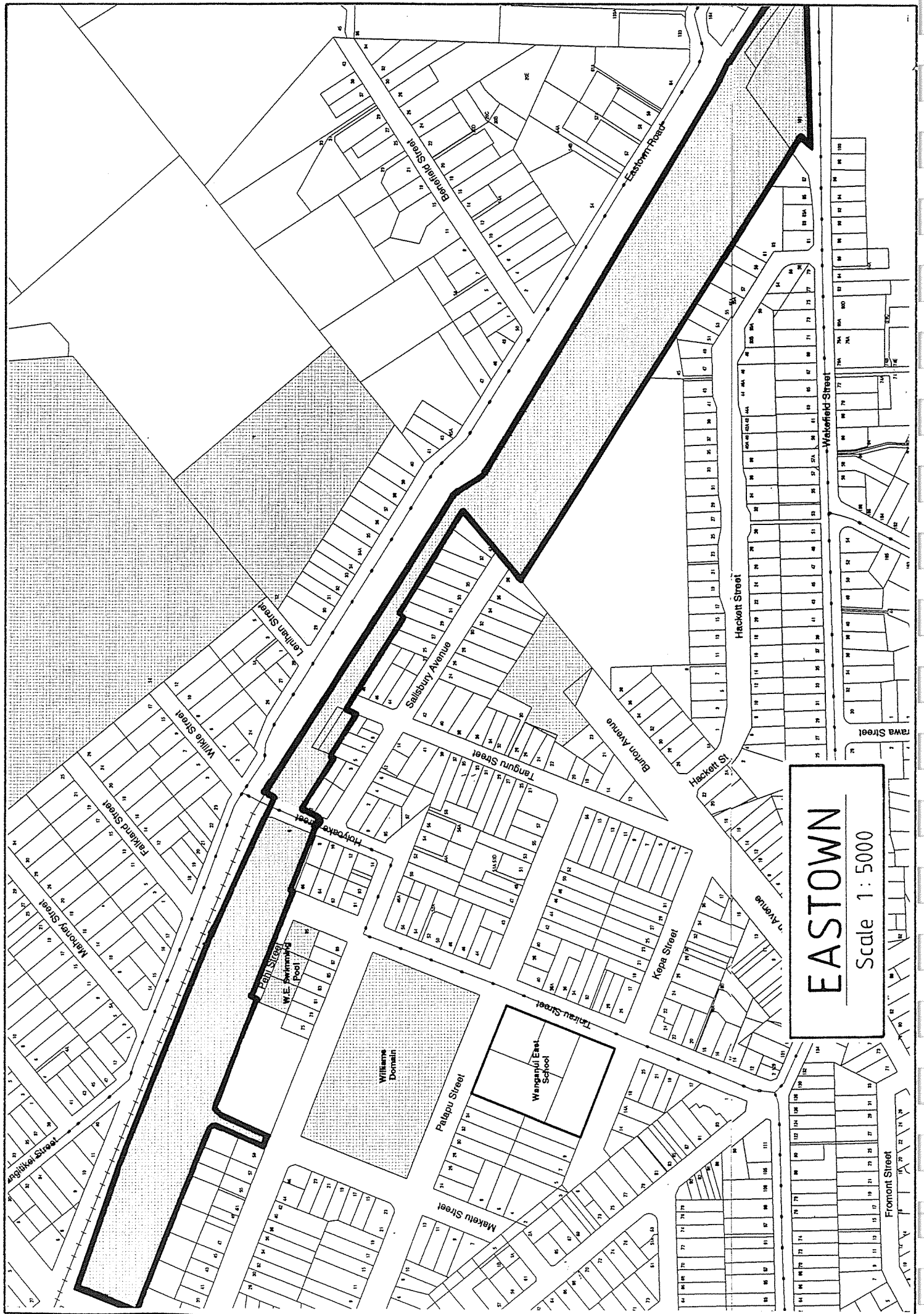
#### 4.5.2 Zoning and submissions

The Eastown Road area has retained a large portion of the manufacturing zone from the Transitional District Plan. The remaining land, in the vicinity of Eastown Road, is residential in the Proposed District Plan. This change attracted some objections from landholders affected landholders.

#### 4.5.3 Analysis

- Strengths**
- The land is flat, some is sealed and has been used for industry.
  - Has ready access to the road network and the main trunk railway.
  - There are a number of significant existing buildings which still have an economic life but are only likely to be suitable for storage and low technology industrial uses.
  - All infrastructure provided; good foundation for building.





- Weaknesses**
- Close to residential areas.
  - Adjacent to established residential zones, increased industrial activity may generate conflict.
  - Industrial uses could be constrained by the performance criteria for industry in the Proposed District Plan, because of the proximity to residential areas.
  - Not well located for large scale industry.
  - No separate industrial wastewater stream.
  - Possible soil remediation works required.
- Opportunities**
- Land is available for industrial use.
  - Opportunity for a range of activities that may not necessarily be industrial in nature. Recreational, community or commercial uses, may be appropriate in the area.
  - A “mixed-use” zone is feasible given the area already contains activities such as the Polytechnic.
- Threats**
- Economic conditions may affect the future viability of the area for industry.
  - Over the longer term the area is likely to prove less attractive to industry because of road access and proximity of residential neighbours, compared to areas such as Heads Road or Westbourne.

#### 4.5.4 Future Options

The opportunities for the Eastown area are limited by the location and infrastructure. The following options are identified:

*i. Rezone the land for non-industrial purposes*

*Advantages:* Free up land for residential or other uses. May avoid conflict between residential and industrial uses.

*Disadvantages:* There is little pressure for residential land. Advantages, such as proximity to railway, are lost. Existing established industries would require consent for expansion, and new industries would be discouraged from locating there. Little use for major buildings still with reasonable economic life.

*ii. Retain the Provisions of the Proposed District Plan; promote mixed use opportunities*

*Advantages:* Provides for increased range of uses.  
The area already has industrial amenity.  
The proposed zoning is well defined and includes existing infrastructure and buildings.

*Disadvantages:* Limits development opportunities especially given the low growth rates for industry.

*iii. Expand zone to include land formerly zoned for Manufacturing/promote mixed-use zone*

*Advantages:* Provides additional opportunity for manufacturing, mixed use activities.

*Disadvantages:* Very little existing mixed use activity in the area.  
Eastown is not well located to further establish manufacturing-mixed use activities.  
Conflict with existing residential community.  
Sufficient land at Eastown already zoned.

#### 4.5.5 Summary - Preferred Option

The preferred option is option (ii). The total supply of land zoned for manufacturing and the advantages of areas such as Heads Road dictate a more open approach to Eastown. The area has been zoned industry for a considerable time and has the advantage of rail access and some building infrastructure. However, the physical configuration of the site, proximity to residential neighbours and being remote from the main industrial areas indicates that a restrictive industrial zoning is not sustainable.

The investment in industrial wastewater infrastructure in other areas and the corresponding lack of an industrial wastewater stream serving Eastown means that the use of Eastown by “wet industries” should not be favoured. Infrastructure is otherwise adequate for the options above.

## 4.6 LONDON STREET INDUSTRIAL AREA

### 4.6.1 General

The northern and southern ends of London Street contain a number of clusters of small industrial and service/retail businesses. The railway line runs adjacent to London Street on its northern side. The northern area abuts residential land to the east and south and is generally contained within a residential neighbourhood that includes schools and retail

activities. This effectively defines the form of industrial activity. The mix of activities gives the area a vibrant and active character.

#### 4.6.2 Zoning and Submissions

The northern area is zoned Manufacturing [B] in the Transitional District Plan and Manufacturing in the Proposed District Plan. The southern end is zoned Outer Commercial. The zoning attracted limited submissions. A limited number of submissions sought an end to manufacturing in the area. Others near Aramoho sought some increase in industrial activity.

The Proposed District Plan contains provisions to widen portions of London Street. The sections are: part of the block between Spier Street and Russell Street, the part adjacent to St Mary's School, the block between Barrack Street and Lowther Street, and parts of the Lowther Street - Argyle Street block.

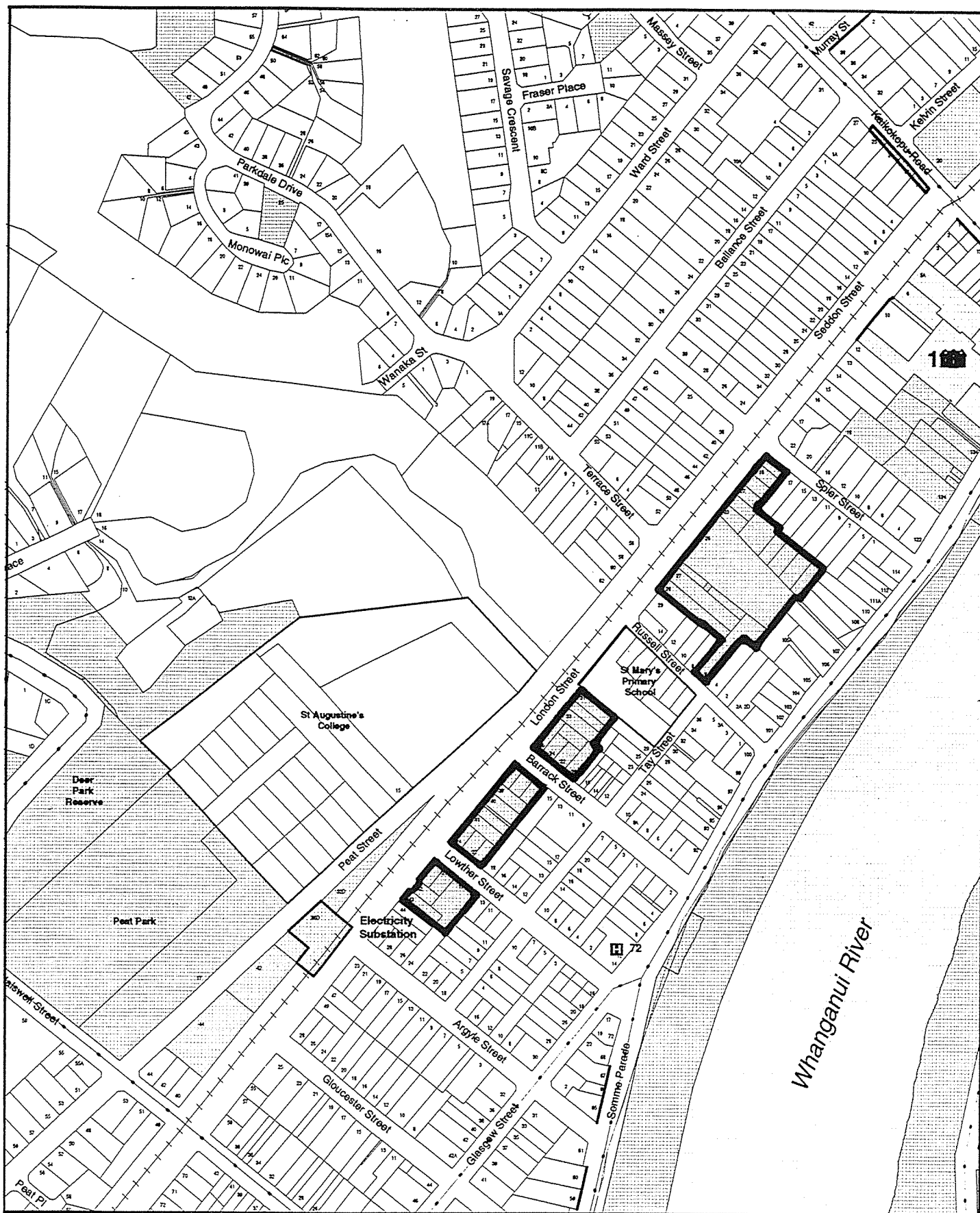
#### 4.6.3 Analysis

- |                      |   |
|----------------------|---|
| <b>Strengths</b>     | <ul style="list-style-type: none"><li>• Located close to, and within, easy access of the local population and offers convenience.</li><li>• Existing infrastructure (buildings and services) which are suitable for light industry.</li></ul> |
| <b>Weaknesses</b>    | <ul style="list-style-type: none"><li>• Located adjacent to noise sensitive activities - residential area and school - potential for conflict.</li><li>• Road access is in large part via residential streets.</li></ul>                      |
| <b>Opportunities</b> | <ul style="list-style-type: none"><li>• Available for continued light industrial activity, utilising the existing services and infrastructure.</li><li>• Well suited to provide for a range of small business activities.</li></ul>           |
| <b>Threats</b>       | <ul style="list-style-type: none"><li>• Economic conditions may affect the future viability of the area.</li><li>• Small lot size reduces development flexibility.</li></ul>  |

#### 4.6.4 Future Options

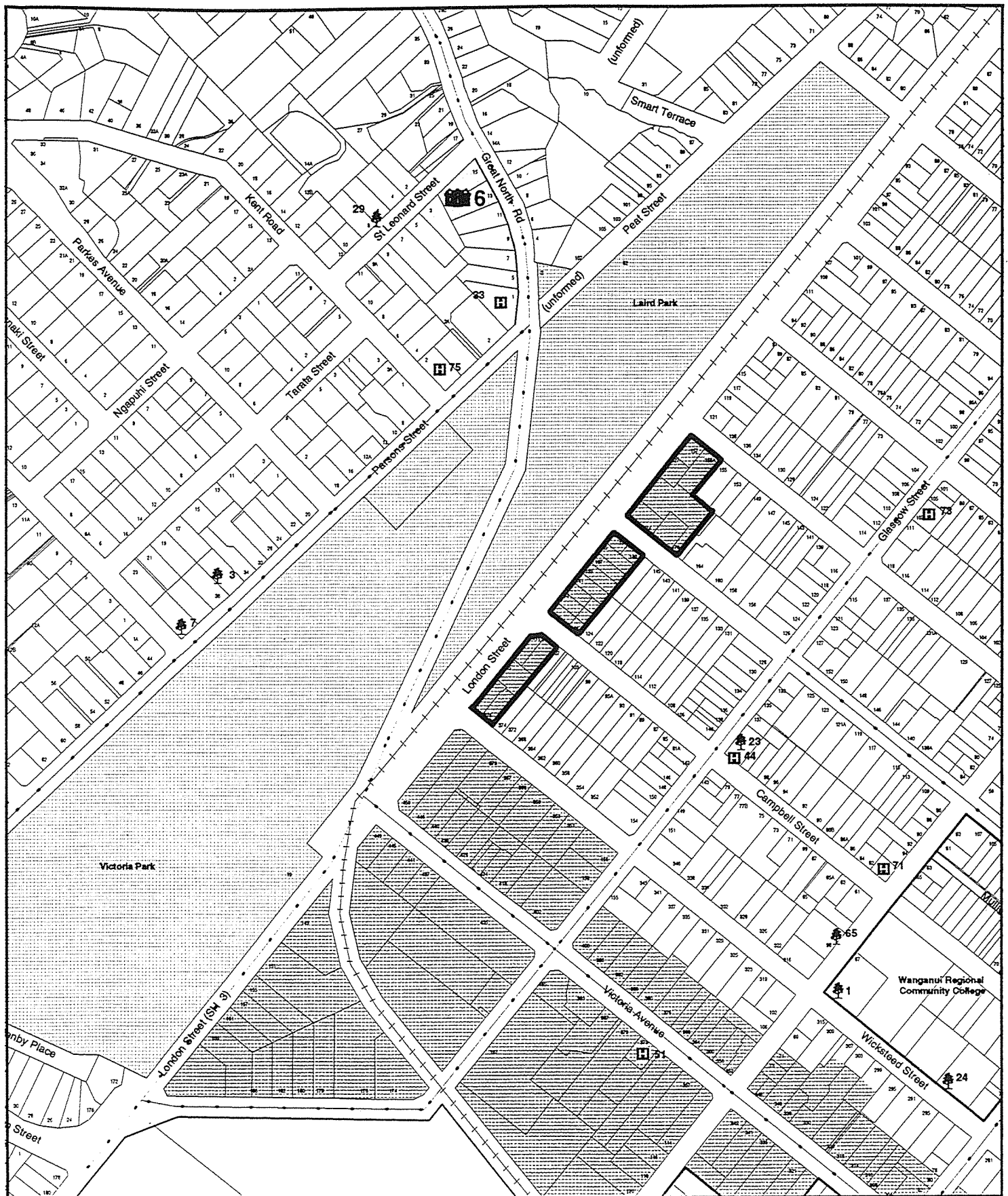
There are few opportunities for the London Street area. The size of the area is limited by the zoning and surrounding development and there is little economic or resource management justification for expansion of the area. The performance standards for the zone in the Proposed District Plan will ensure that adverse effects are mitigated. The options therefore focus on the activities within the zone.





# LONDON STREET

Scale 1: 5000



# LONDON STREET (OUTER C.L.)

Scale 1:5000

*i. Retain the provisions of the Proposed District Plan*

*Advantages:* Physical resources (buildings and other infrastructure) are well utilised. Performance standards of the Plan will assist in avoiding any potential adverse effects in respect of proximity of industrial, residential and other uses. Advantages can be maximised, within the boundaries of the zone.

*Disadvantages:* Restricts future viable alternatives.

*ii. Promote mixed-use zone*

*Advantages:* The area is very localised and well suited to a range of small businesses and service uses. There would be little resource management merit in preventing a mix of uses. The critical matters in this locality are to recognise the scale of development in the residential area and to minimise conflict along the zone boundary.

*Disadvantages:* Nil.

#### **4.6.5 Summary - Preferred Option**

Option ii is the preferred option. It increases the opportunities for the area without increasing the potential for conflict along the zone boundary. Furthermore, given the growth in importance of small scale business operations then areas such as London Street remain important.

Infrastructure is adequate to support existing development. Constraints on road and rail access and the lack of an industrial wastewater stream mean further development of ... industry is not favoured.

### **4.7 MORGAN STREET INDUSTRIAL AREA**

#### **4.7.1 General**

A small piece of land is zoned Manufacturing at the southern (coastal) end of Morgan Street. It is currently vacant coastal sand dunes. It is approximately 2.4 hectares in area and intended to provide an opportunity for the storage of product associated with the port. It has historically been part of a much larger manufacturing zone which has been reduced over time.

#### **4.7.2 Zoning and Submissions**

The inclusion of the zone has attracted opposition from residents in the Morgan Street/Tregenna Street area. Many request that the area be rezoned for open space or become reserve land.

#### 4.7.3 Analysis

- Strengths**
- Physical characteristics such as location and proximity to deep water make it suitable for bulk storage associated with the port.
- Weaknesses**
- Vacant, green fields site.
  - Development cost would be high.
  - No services feed this area.
  - Rooding to the area is residential and/or partly unformed. Considerable upgrading would be required.
  - Adjacent to established residential areas.
  - The area is around an access to the beach and entrance to the Whanganui River, and has ecological significance, amenity and heritage values.
- Opportunities**
- Long term opportunity for industrial storage use related to the port.
- Threats**
- Economic reality in terms of need.
  - Coastal environment.
  - Conflicting recreation needs.

#### 4.7.4 Future Options

The opportunities for Morgan Street are:

**i. *Rezone the land for non-industrial purposes - reserve/open space***

**Advantages:** Satisfy the concerns of the submitters opposed to the proposed zoning.

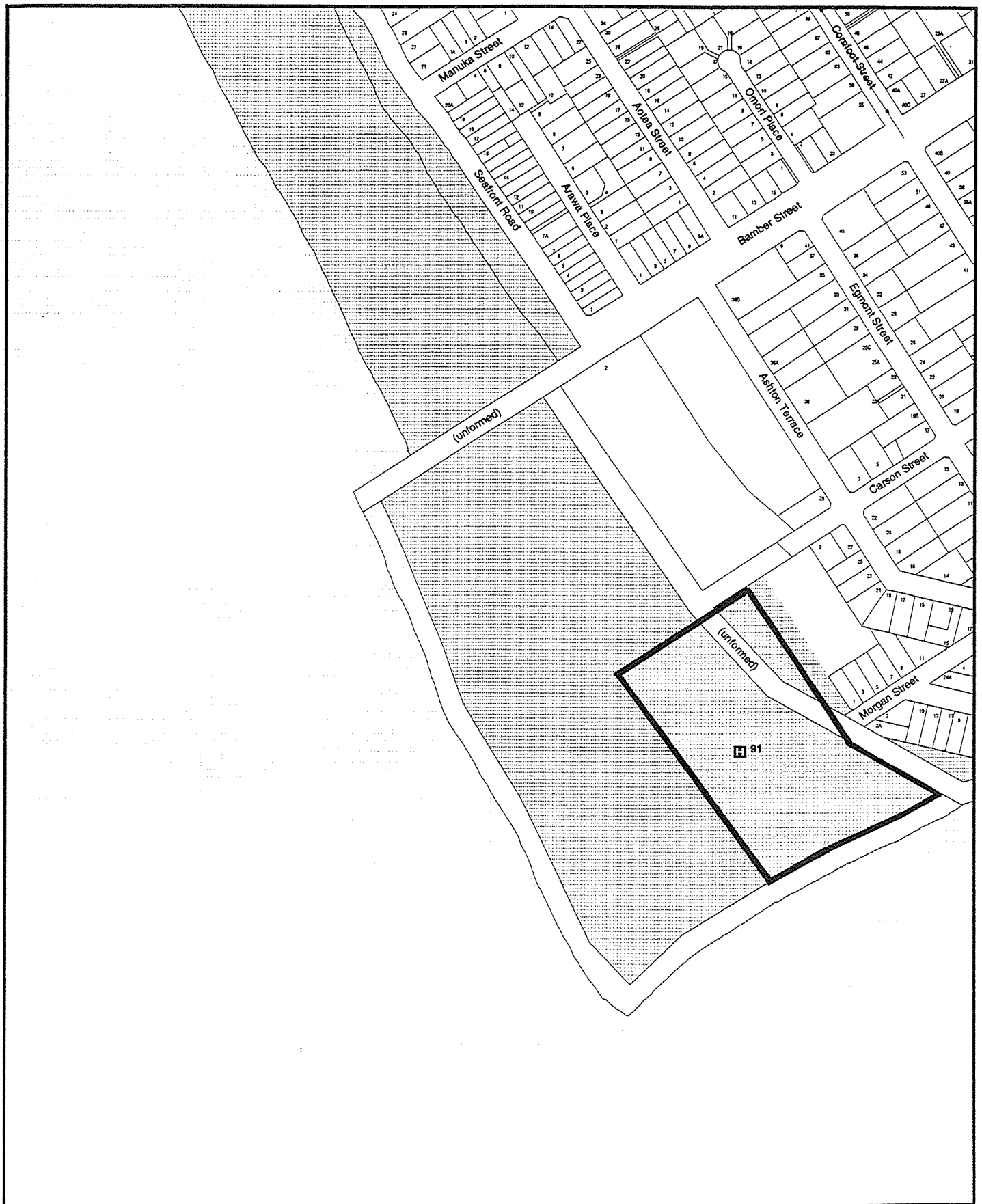
**Disadvantages:** The opportunity for industrial storage use related to the port would not be available and unlikely to be successful.

**ii. *Retain the provisions of the Proposed District Plan***

**Advantages:** The plan would promote the opportunity for port related activities.

**Disadvantages:** Potential conflict with the residential areas nearby.  
Significant costs of providing infrastructure.  
Potential loss of ecological and amenity values.





# MORGAN STREET

Scale 1: 5000

#### **4.7.5 Summary - Preferred Option**

Option i is the preferred option. The possibility of the land being used for activities associated with the port is remote. If in the future its value for industrial or port-related uses increases, then more comprehensive strategies need to be examined for realising the value and for ascertaining the actual effects on the environment.

### **4.8 HEADS ROAD EAST/TAUPO QUAY INDUSTRIAL AREA**

#### **4.8.1 General**

This part of the manufacturing zone is close to the city centre and adjacent to the main arterial roads including the state highway, Heads Road, and Taupo Quay. It also fronts the Whanganui River. It is a prominent site with high visibility. The zone contains the main electricity substation and depot and a number of large businesses but is located opposite some residential areas. The railway line runs through the area adjacent to Taupo Quay. The river edge has been dominated by the wood processing industry which has impacted on the visual amenity of the locality and its gateway position to Wanganui.

#### **4.8.2 Zoning and Submissions**

The land has retained its zoning, although part of the area adjacent to the river is within the River Edge Landscape Conservation Zone (Overlay Zone). This zone recognises that the Whanganui River is an outstanding landscape feature which can provide a visually attractive and distinctive setting for the city. The zone statement acknowledges that the waterfront area has a poor visual image and environmental quality, limited public access, and that much of the physical development is incompatible with the values of the river.

The zone seeks to redress those problems by imposing discretionary assessment criteria in respect of the effects of any activities on views, access to and along the water and on landforms. Control over the form and mass of any development and its impact on the visual amenity is achieved by landscaping and assessment of the overall impact of the development, whether or not it makes a positive contribution to the character of the zone.

A large number of submissions seek protection of the river's edge from development and would prefer the area be zoned reserve or open space.

The remainder of the Heads Road East/Taupo Quay area is unaffected by the submissions except for the general alterations to the rules which are not site specific and are minor in their overall effect.

#### 4.8.3 Analysis - Heads Road East/Taupo Quay industrial area

- Strengths**
- Adjacent to main road routes (including the state highway) in a prominent area close to the commercial centre of the city. High degree of visibility.
  - No upgrading of roading is necessary.
  - Close to rail access adjacent to Taupo Quay.
  - Base for a number of major industrial companies.
  - All main services but not linked to the industrial wastewater system.
  - Close to Central Business District.
- Weaknesses**
- Close to residential areas but separated by main roads which act as a buffer.
  - Will not be serviced by the split industrial wastewater system.
  - No opportunity for physical expansion of zone.
  - Visually sensitive area.
  - Areas on the river side of Taupo Quay are subject to flooding from the Whanganui River.
- Opportunities**
- Is prominent and visible and suited to industries which seek a higher public image, particularly for those that produce for local and national markets and have a greater number of visitors.
  - Opportunity to make the area more attractive given its position at the main entrance to the city.
  - Opportunity for a major overhaul of amenity in the area within the Landscape Conservation Overlay Zone. The Council able to take action both through, and independent of, the District Plan.
  - Opportunity to create more public space in the Overlay zone adjacent to the river front and to enhance the opportunity for walkways and recreation areas.
  - Some areas within the Overlay Zone may be more suitably zoned for other uses (open space or residential) than manufacturing.
- Threats**
- Some resistance to initiatives for improving the visual quality of the area.
  - Flood risk will impact on some sites.

#### 4.8.4 Future Options

The opportunities for the Heads Road east/Taupo Quay area are limited because of infrastructure and the confined nature of the area. However, there are options which may enhance its attraction to certain industries and its contribution to the character of Wanganui.

*i. Retain the provisions of the Proposed District Plan*

*Advantages:* Good location, high visibility.  
Retain benefits of River Edge Landscape Conservation Overlay Zone.

*Disadvantages:* Some possible loss of amenity and public access.

*ii. Retain proposed zoning with modifications to enhance public use/amenity*

Provisions could be developed to create greater public open space or improved visual amenity.

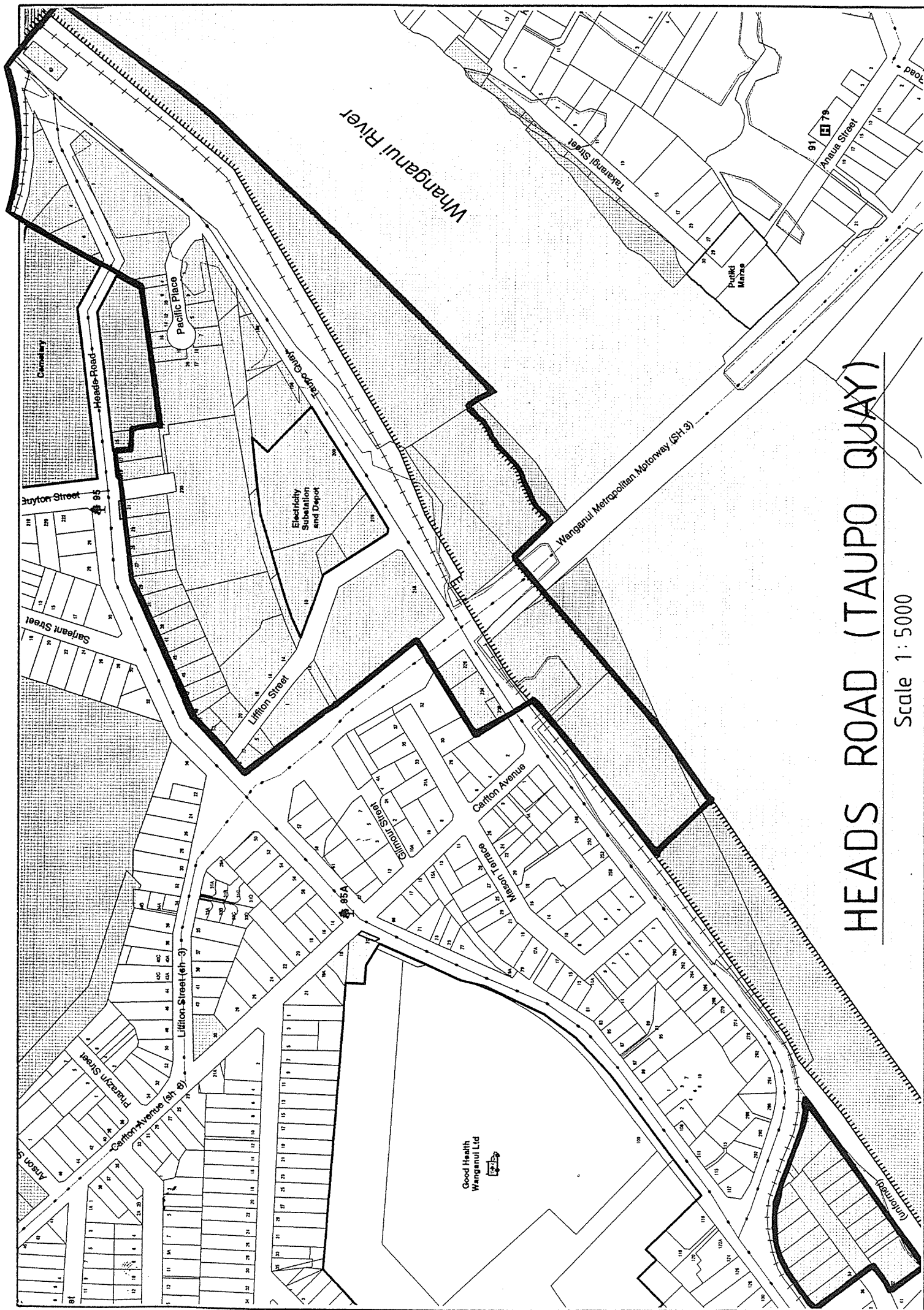
*Advantages:* Public benefits could result from enhancing the visual and public amenity values of the river front area, adding a dimension to the city's character that is presently limited to the north edge of the river.  
Long term value of the land will not necessarily be derived from a private use but from restoring its natural character and the recreational opportunities of the land/water interface.

*Disadvantages:* There may be difficulties in establishing methods or incentives to achieve the changes.

#### 4.8.5 Summary - Preferred Option

Option ii is the preferred option. The area is well located for industry and will continue to fulfil that function. The zoning provisions in the Proposed District Plan will be beneficial to the physical character and outlook of the area, but some commitment to restoring the character and public usability of the waterfront is desirable. This would involve a review of public access, planting and screening opportunities. The area is well serviced and supported by existing infrastructure. Flood risk limits the potential use of some sites but has no effect on much of the area. The area has good access to major transport routes and the urban centre.





# HEADS ROAD (TAUPO QUAY)

Scale 1:5000

## 4.9 HEADS ROAD WEST INDUSTRIAL AREA - BALGOWNIE/CASTLECLIFF

### 4.9.1 General

This is the main industrial area of Wanganui and includes all of the industrial zone in the Heads Road, Castlecliff, Balgownie area, between Heads Road, Balgownie Avenue, Gilbert Street, Wharf Street, Hinau Street, Bryce Street and Short Street. It also comprises part of the landfill site. It is bounded to the south by the Whanganui River, and has access to the railway and the main roads from the south and the city. The area is home to a wide variety of heavy and light industries, including all the major wet industries.

The Balgownie landfill is proposed to close in the year 2000. A large part of the landfill will be used for recreation purposes, although some land on the south side may be available for industry. Consolidation of the landfill area is to be expected and special foundation design may be required.

In general the landfill area is more suitable for uses which are based around the use of large open yard areas and not sensitive to ground settlement.

Provision for a new road through the Balgownie area from Heads Road via Rogers Street to Mosston Road and the Westbourne Estate is shown in the Proposed District Plan. This link is described in Appendix 3 of this report.

The Heads Road area is largely developed although there are many pockets of land - large and small - which are undeveloped or contain vacant buildings. Some of this land is Port endowment land.

### 4.9.2 Zoning analysis and submissions

The Heads Road area is affected by many of the general submissions requesting removal of the manufacturing zone from the river edge and replacing it with reserve and open space. This is a response to the relatively untidy waterfront in the area and the ecological values of the area.

The zoning does not have any particular provisions to improve the visual appearance of structures and activities in the zone, particularly those with frontage to Heads Road. No submissions sought the inclusion of any regulations to improve the visual amenity of the area.

### 4.9.3 Analysis

- |                         |  |
|-------------------------|--|
| <i><b>Strengths</b></i> | <ul style="list-style-type: none"><li>• Significant infrastructure advantages, (i.e. sewer, waste water)</li><li>• Well served by roads.</li><li>• Access to rail facilities.</li><li>• Access to Port facilities.</li></ul> |
|-------------------------|--|

- Development opportunity still exists in the area.
- Largely separated from potentially incompatible zones and uses.
- Prominent and visual.
- Variety of occupants and operations.

**Weaknesses**

- Limited availability of land made known to the public.
- Availability of the port endowment land.
- Sections of the area unattractive. This contributes to the low image and amenity of the area to the extent that some industries would prefer not to locate there.
- Main through route to the Castlecliff residential area. The untidy road frontage is a point of concern for residents.
- The Balgownie landfill area will be available for other uses in the short term. It would provide a significant improvement in visual amenity.
- Considerable frontage to the Whanganui River which has a low standard of amenity. This could have implications in terms of section 6(a) of the Resource Management Act 1991.
- Some areas between Heads Road and the Whanganui River are affected by the 50 and 100 year flood levels.

**Opportunities**

- Significant opportunities for expansion of activity within the existing zone, maximising the use and efficiency of the physical resources.
- Opportunity for growth in all industrial types, particularly wet industries because of the split scheme.
- Opportunity for the visual amenity of the area to be improved. Any zone-wide impetus for upgrading would almost certainly need to originate from the Council.
- Possible opportunity for the port endowment land to be rationalised and made more marketable for prospective developers.

**Threats**

- Some resistance to initiatives for improving the visual image of the area.
- The most efficient use of the infrastructure in the Heads Road area will be achieved by encouraging further development and release of land in the area. This may affect investment in other areas of Wanganui.

#### 4.9.4 Future Options

The area is the most suitable in Wanganui for a wide range of industrial uses and is the only part of Wanganui to be provided with an industrial wastewater stream. This area has the best overall level of infrastructure provision for industry and is generally able to support further development. There is little opportunity for expansion of the zone to the west or east (residential zone boundaries) or to the south (the river). Expansion to the north across the landfill site is considered in the options. Other options refer to provisions within the zone. The options are:

*i. Retain the provisions of the Proposed District Plan*

*Advantages:* The benefits of location and infrastructure will continue.

*Disadvantages* The Manufacturing zone does not contain any regulations to mitigate the effects on the Heads Road frontage area or the waterfront area.

*ii. Retain zoning in Proposed District Plan with additional provision for enhancing visual amenity*

The Council could embark on a landscape improvement programme to improve the road and river frontage. The opportunity to use harbour rental to the Port Company for this purpose should be investigated. It could include additional provisions such as:

- Redevelopment of industrial land adjacent to Heads Road be a controlled activity restricted to certain criteria for amenity and visual improvement, or, any new development be a permitted activity subject to certain regulations including elementary design controls, fencing, and landscaping.
- Improved screening of storage areas from Heads Road.
- Requirement for any redevelopment of land adjacent to the waterfront to be carried out in a manner which achieves the purpose of the Overlay zone, and the inclusion of provisions for public walkways and public space adjacent to the waterfront, whenever possible. The objectives of industry and public amenity will need to be examined and weighted accordingly.

*Advantages:* Improved amenity values for those working within the area and persons travelling through the area.  
Better public image and community “esteem”.  
Encourage more investment

*Disadvantages:* Additional cost to landowners and/or the Council.





# HEADS ROAD (BALGOWNIE - CASTLECLIFF)

Scale 1:12,500

*iii. Provide more relaxed rules for height and position of buildings (subject to option ii above)*

The height of buildings in areas which do not front a road is restricted to 10 metres. This may limit the potential of some sites where greater height will have no adverse effect. A height of 12 metres with opportunity to go beyond that should be considered.

*iv. Expand industrial area into landfill site*

*Advantages:* The land is close to the existing industrial area and infrastructure and contains opportunity for expansion.

*Disadvantages:* The land is only suitable for a limited range of structures and activities. Some of the land is close to the residential area to the north-east, and is more appropriate for other uses including recreation.

*v. Propose more efficient method for disposal of endowment land*

Review and ensure Port Endowment land is readily available for consideration by prospective manufacturers.

#### **4.9.5 Summary - Preferred Options**

The preferred future for the Heads Road west area would comprise a combination of options ii - v above. The objective would be to increase the attraction of Heads Road to investors, workers and residents passing through.

### **4.10 WESTBOURNE ESTATE INDUSTRIAL AREA**

#### **4.10.1 General**

The Westbourne Estate contains about 1.25 square kilometres of generally flat land, most of which is currently used for farming. A small area was acquired by the Council as part of an initiative to assist in the establishment of the timber mill venture by NDG Pine Limited.

There is little or no immediate demand for land at Westbourne. In part this is because the site represents too many uncertainties including the absence of infrastructure or marketable opportunities.

#### **4.10.2 Zoning Submissions**

The zoning has been extended to include a small area to the west but remains generally as provided in the Transitional Plan. This attracted some objections from residents in the Waitai Street area. The possible solution to this problem involves the extension of

the greenbelt near the Aranui School/Aranui Avenue area and repositioning the zone boundary between the residential and manufacturing zones. However the western end of the zone is fronted by road and reserve land acting as a buffer and reducing potential conflict with the residential area.

One of the major planning issues for Westbourne is road access (Refer Appendix 3). At present road access to the new mill is via Manuka Street through a residential zone. The proposed plan contains a designation for an extension of the proposed road link from Rogers Street to Mosston Road, and for widening of Mosston Road to enable better access from the north.

One submission to the Proposed District Plan seeks a rail link to the site. This would require a new designation.

#### 4.10.3 Development Costs

The Westbourne area is predominantly unserviced at present and considerable costs will be incurred in establishing the initial bulk services. However the requirements of committed development in Westbourne or necessary service improvements in other areas will initiate some bulk service work, specifically:

- access roads and water supply for the NDG Timber Mill;
- upgrading of the Castlecliff Supply Main in 2004 to improve the supply to existing areas;
- construction of Rogers Street Extension to connect to Mosston Road by June 2001 as recommended by the "Transportation Impact Study of the NDG Timber Mill";
- drainage requirements for possible residential developments east of Mosston Road.

As a result the Westbourne area will be provided with basic water supply services and good road access. Development of an industrial wastewater connection from Heads Road will allow further development of the Westbourne area, and maximise the value of the already committed infrastructure.

The infrastructure described above will service the Westbourne area east of Manuka Street. This area should be considered as the first stage of further development of Westbourne for industrial use, with development proceeding west of Manuka Street only if the potential of the eastern area is reached.

If serviced the Westbourne area offers infrastructure advantages over the Balgownie/Castlecliff industrial areas. The Balgownie/Castlecliff area is not fully developed and it would not be economically beneficial to fund further infrastructure to Westbourne until the Balgownie/Castlecliff area reaches its potential development or requirements for land by specific industries are not able to be met in

Balgownie/Castlecliff. The Council's funding policy allows for services to the benefit of individual properties to be recovered from those properties. This would apply to the costs of any additional infrastructure provided for Westbourne.

Possible staging of infrastructural development for Westbourne is set out in the table below:

<u>Item</u>	<u>Estimated Cost</u>	<u>When</u>	<u>Trigger</u>
1. Water Connection	\$47,000	1997	NDG Timber Mill
2. Road: Mosston-Westbourne	\$600,000	Post 1997	NDG Timber Mill (Transportation Impact Study)
3. Rogers Street Extension to Mosston Road	\$1,530,000	Post 2001	NDG Double Shift (Transportation Impact Study)
4. Castlecliff Supply Main Duplication	\$300,000 (share)	by 2004	Water Augmentation Study <u>or</u> earlier if specific bulk user identified.
5. Sewer - connection to Industrial Trunk Sewer	\$500,000	unknown	Balgownie/Castlecliff becoming fully developed <u>or</u> earlier if specific bulk user identified.
6. Rogers Street Stormwater Completion	\$150,000 (share)	unknown	Requirements of Springvale residential <u>or</u> specific Westbourne development identified.
7. Water Supply Link: Westbourne-Springvale	\$63,000 (share)	unknown	Requirements of Springvale residential.
8. Rail connection from Heads Road	\$3,600,000	unknown	Requirements of specific developers in Westbourne.

#### 4.10.4 Analysis

##### *Strengths*

- Distant from residential areas.
- Able to be serviced.
- Expansive with scope to accommodate a wide range of new industries.
- Green Fields land suitable for development and provides the opportunity for an attractive masterplanned industrial estate.
- Well located to link with the Wanganui urban area generally, Heads Road in particular and to share infrastructural costs on the west side of Wanganui.



- Weaknesses**
- The Castlecliff water supply main passes through the area, and the supply for the NDG Pine is from the existing infrastructure.
  - No stormwater reticulation serves the area. On-site disposal may accommodate stormwater for limited development.
  - No sewer reticulation serves the area. A new sewer pipe would be required to reticulate sewage to the proposed industrial trunk sewer and the Castlecliff or Balgownie areas.
  - Transport to the site is through the residential area of Castlecliff, from the end of Manuka Street.
  - No direct rail or port access.
- Opportunities**
- The area may provide a good alternative long term option for industries looking to establish in Wanganui.
  - Services can be provided (although at significant private or public cost) to create a modern industrial park for Wanganui.
- Threats**
- Options involve considerable financial outlay.
  - Private interests may be disinterested in contributing.
  - Costs of promoting the opportunities presented by Westbourne Estate and of installing the necessary services would fall on the community as an incentive for economic growth in general. This may be a speculative exercise set against the uncertainty of future markets and economic conditions.

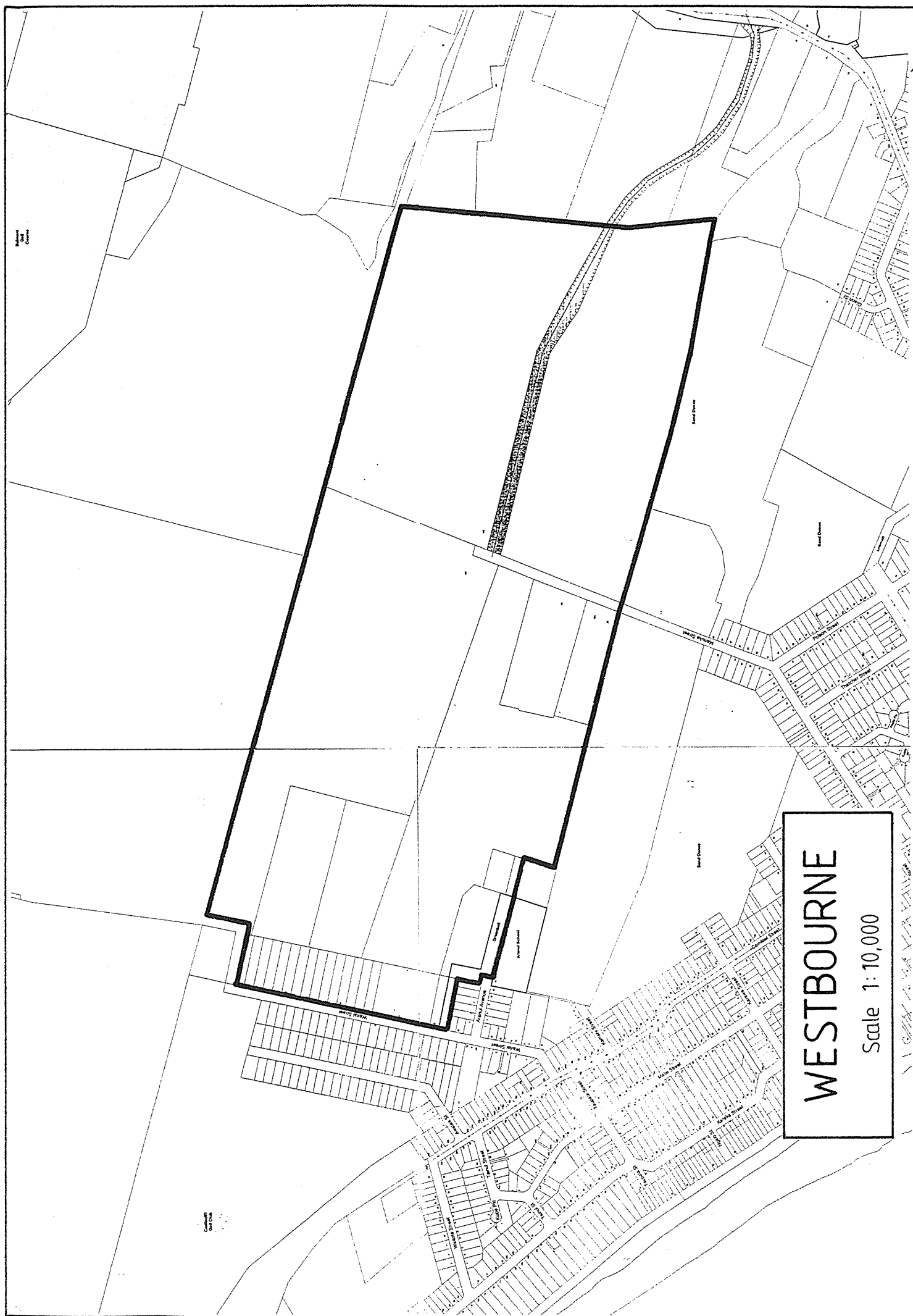
#### 4.10.5 Future Options

The opportunities for the Westbourne Estate must be considered against the likely public cost and uncertainties.

##### i. *Rezone the land for non-industrial purposes*

*Advantages:* The land would be suitable for rural and recreational purposes only. The community would be saved from the potential cost of servicing the area, and the potential incompatibilities associated with access to the industrial zone.

*Disadvantages:* The potential advantages the area presents to Wanganui would be lost.



**ii. Retain provisions of the Proposed District Plan**

*Advantages:* The zoning is a promotion for industry, but does not ensure industrial growth. The rate of conversion from rural open land to developed industrial is unknown.

*Disadvantages:* No real disadvantages. It may be appropriate to review the zone provisions in respect of on-site development controls to ensure the maximum development opportunity is provided. The area is isolated from other urban zones and greater relaxation of controls on buildings and performance standards may be desirable.

**iii. Invest in the provision of services for the zone:**

*Advantages:* Developing the site with infrastructure for industry will assist in promoting Wanganui as a location for new industry, provided that end charges for services are competitive.

*Disadvantages:* There is a significant element of risk, given the growth projections outlined in part 3 of this report.

**4.10.6 Summary - Preferred Option(s) for Westbourne Estate**

Option ii is the preferred option. This retains the opportunity and flexibility for the Council in terms of attracting industry, albeit long term. The outcomes of rezoning the land rural are negative and involve foreclosing on options, creating an environment of uncertainty in terms of resource consents and discouraging the development of a long term industrial growth strategy. The zoning as proposed is not unsustainable but does open the way for the preparation of a long term marketable strategic plan for the area from the west boundary of the Wanganui urban area, across Mosston Road through to at least Manaka Street.

**4.11 WILSON STREET AREA****4.11.1 General**

The provisions of the Proposed District Plan provide for large scale commercial activities and a number of other activities including manufacturing in the Outer Commercial Zone. It reflects the existing commercial environment around the central business core. The highest concentration of manufacturing in the zone is around Wilson Street. It contains a number of smaller-medium scale businesses and retail outlets.

#### 4.11.2 Zoning and Submissions

All activities are regulated by performance standards which control noise, light, vibration, discharges and hazardous substances. These are similar to those contained in the Manufacturing Zone, although the night-time maximum noise event limit in the Outer Commercial zone is lower. This would restrict the kind of businesses which can locate in the area. A further difference from the Manufacturing zone is the allowable height of buildings (13 metres, as opposed to 10 metres in the Manufacturing Zone).

#### 4.11.3 Analysis

##### *Strengths*

- Close to the central city.
- Contains a large area of flat land and built infrastructure.
- Has access to main roads and is very visible.
- Has existing water supply, stormwater disposal and sewer reticulation.
- Ability to combine manufacturing or other industrial activity and retail.
- Height provisions allow more height than in other zones, including the Manufacturing Zone.
- Presents established commercial environment.

##### *Weaknesses*

- Will not be serviced by industrial wastewater system.
- Zoning includes residential activities as a permitted activity which may generate conflicts to some industries.
- Area generates considerable traffic which may cause inconvenience to some industries.
- The noise standards may preclude some industries.

##### *Opportunities*

- The area is prominent and visible and suited to industries which seek a higher public image.

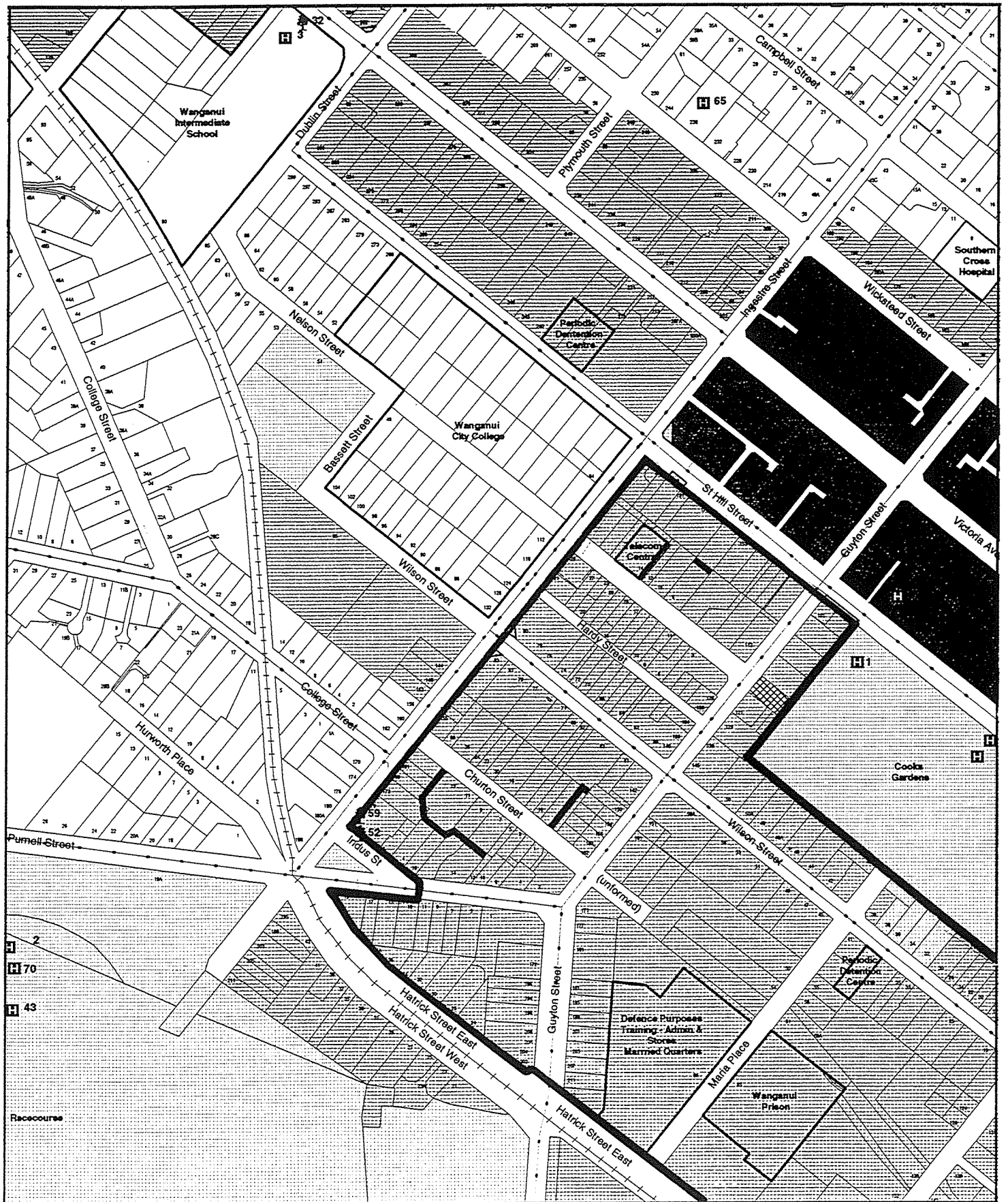
##### *Threats*

- Nil.

#### 4.11.4 Future Options

The zone is predominantly for large scale retail activities, and is not “tailor-made” for manufacturing. Its future value for industry will remain in the role that it already plays (small-medium businesses with or without retail component), and this is not expected to change. The performance standards will ensure that the amenity of the area is





# WILSON STREET

Scale 1:5000

retained in its current state. No future options other than retaining the existing zone boundaries and provisions are considered appropriate.

## 4.12 RESIDENTIAL ZONES

### 4.12.1 General

The Residential zones provide for home occupations, which are controlled by a number of performance standards. A home occupation is defined as an occupation, craft or profession which typically includes art/pottery studio, dressmaking, outwork for manufacturers, hairdressing and teaching of speech, drama, music and ballet, and other similar activities, and which is carried out by a member of the family residing in the dwelling unit, is clearly incidental and secondary to the use of the dwelling as a dwelling, and conforms with the conditions and terms of the Plan.

### 4.12.2 Zoning and Submissions

The rules require that not more than one person outside the family shall be employed in the home occupation and the total number of persons is not to exceed three. The rules prevent exterior display or storage of materials, and signage is restricted. Hours of operation and retail sales are confined.

Commercial activities and Manufacturing activities are, respectively, unrestricted discretionary and non-complying activities in the zone. The definition of home occupation includes in an indirect way commercial and manufacturing activities, which may give rise to some ambiguity. The wording in rules 13.6.2 and 13.7 should be altered to clarify this, by inserting the words “except home occupations” after the “Commercial activities” and “Manufacturing activities”.

### 4.12.3 Analysis

<b><i>Strengths</i></b>	<ul style="list-style-type: none"> <li>• Ability for people to work at home.</li> <li>• Provision of employment and local services within residential areas.</li> </ul>
<b><i>Weaknesses</i></b>	<ul style="list-style-type: none"> <li>• Potential for incompatibilities with residential areas.</li> <li>• Performance standards restrict some home occupations.</li> </ul>
<b><i>Opportunities</i></b>	<ul style="list-style-type: none"> <li>• Opportunity for people to expand or diversity their own work; part-time opportunities for family.</li> </ul>
<b><i>Threats</i></b>	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>

#### 4.12.4 Future Options

The provisions for home occupations promote mixed uses in the residential zones. These opportunities should be encouraged by retaining the provisions.

The requirement that only one person outside the family may be employed in a home occupation is considered to be overly restrictive. The effects of two or more part-time people may well be the same as a single person, and the wording should be amended to reflect this. The words “full-time equivalent” may be sufficient. It may also be possible to allow more than one full-time equivalent to work in the home occupation as a discretionary activity, and this is achieved through rule 13.6 of the plan. Aside from the minor alterations suggested, it is not considered that any option other than retaining the relevant provisions in the Proposed District.

#### 4.13 NEW OR ALTERNATIVE AREAS

Consideration has been given to the value or opportunity of identifying new areas for manufacturing. This has been addressed having regard to a number of factors, but primarily:

- the need to assess alternative means of achieving the industrial growth strategy;
- the adequacy or otherwise of the current industrial land bank in Wanganui; and
- the possibility that alternative locations may better provide for manufacturing in Wanganui.

In considering all three matters, regard was also had to the process involved and in this respect the Council can adopt a number of approaches. Firstly, it can be proactive in establishing zones as a means of ensuring, at least in part, that opportunity exists and resource management issues are addressed. This can represent a major contribution on the part of the Council to the industrial growth strategy.

Alternatively the Council can indicate through a strategic plan and the form by which the areas where it would prefer to see industrial growth occur. This will leave greater initiative with the private or development sector.

Finally, the Council could determine that the location of any new manufacturing areas be left to private initiatives, by way of requested Plan Change or resource consent.

The provision of industrial land in Wanganui has been reviewed and found to be more than adequate to satisfy both the likely demand and likely type of manufacturing activity anticipated over the next ten to twenty years.

Changes have been suggested to improve the attraction of some areas although in a number of locations, the likelihood of major industrial activity is doubtful. However, the land can be made available for a range of uses.

Based on supply and demand there is little or no justification for any major expansion. In addition, even if some of the less attractive areas were dropped completely there is little evidence to support any major additional provision elsewhere.

The only case for promoting alternative or new locations rests with the desirability or otherwise of establishing a high quality, well planned and easily accessible location incorporating all the benefits of a modern business park. The arguments in support of this are not strong in the present context and it is suggested that similar outcomes can be achieved within the confines of the existing industrial areas in the short term, and at Westbourne, longer term.

Having regard to the above, no strong arguments in terms of either resource management or financial considerations have been identified to support new manufacturing areas.

#### 4.14 CONCLUSION

Although the analysis set out in Part 3 would indicate that the underlying prospects for economic growth are not significant, each of the industrial areas contain a number of advantages which should assist in promoting a strategy that is both environmentally and financially sustainable.

The main issues in relation to each industrial area are summarised in Figure 9. The implications of these for the future of each area are considered features in the context of the issues discussed in Chapter 3, to form the main body of a Strategy for industrial growth. This is contained in Chapter 5.

The main strengths and weaknesses have been summarised in Figure 9. This confirms the pre-eminent position of the Heads Road area as a site for manufacturing activity, across the spectrum. It is strong in terms of access, financial sustainability, location and amenity.

Aramoho and Eastown, although performing well in terms of most issues contain sufficient constraints to undermine their future for any major manufacturing expansion especially given the sector of industry which is most likely to grow. They remain to some extent areas where alternative opportunities should not be encouraged.

London Street will continue to serve a market for small scale manufacturing activities as will areas such as George Street and Wilson Street.

Westbourne, although scoring badly in terms of its financial sustainability remains a significant opportunity for the future. At present the opportunity cost of retaining the manufacturing zoning is very low.

Morgan Street is unlikely to be a viable proposition, certainly in the 20 year period.

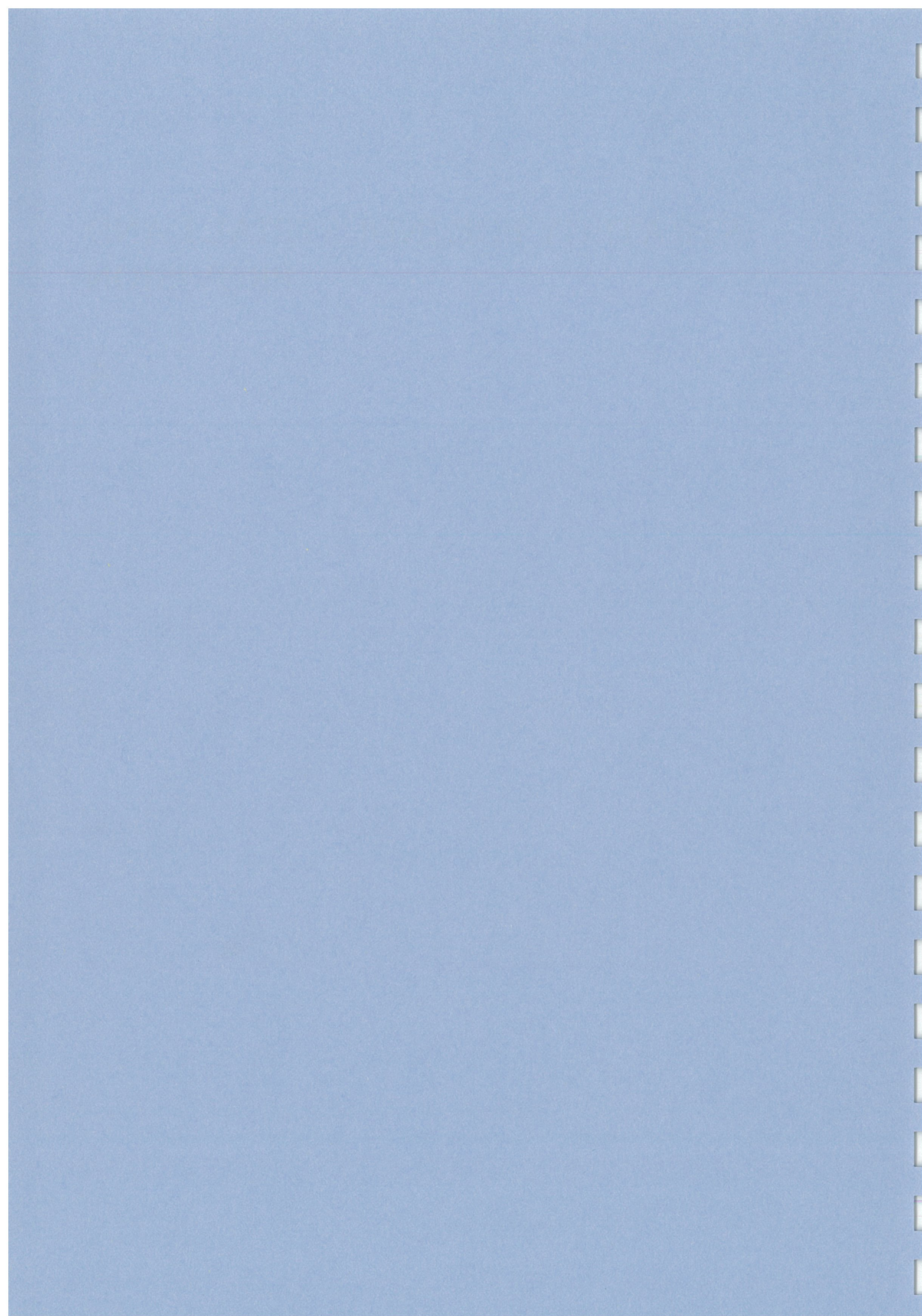


FIGURE 9 - WANGANUI INDUSTRIAL AREA - SUMMARY OF DEVELOPMENT CONSIDERATIONS																			
AREA	INFRASTRUCTURE								AMENITY CONFLICT			COSTS				ALTERNATIVE OPTIONS			
	Water	Indust. Waste W	Sewer	Power	Foundations	Drainage	Road Access	Rail Access	Resid. N°hours	Eco-systems	Natural Values	Stormwater	- Roading	- Sewer	- Water	Mixed	Residential	Commercial	Open Space
Aramoho	4	1	3	4	2	3	2	5	4	3	3	1	1	1	2	5	3	2	4
W.Bourne	2	4	1	2	5	2	3	1	5	5	5	5	5	4	5	4	1	3	4
Eastown	3	1	3	4	5	4	3	5	2	4	4	1	1	1	1	5	3	2	4
Heads Road *	3	5	3	4	3	3	4	4	4	1	2	1	1	1	2	3	1	2	2
Morgan Street	2	3	2	4	4	3	2	2	1	1	1	1	2	2	2	1	1	1	5
Wilson Street	4	1	3	4	4	3	4	1	3	5	5	1	1	1	1	4	2	4	1
London Street	4	1	3	4	4	3	2	2	2	5	5	1	1	1	1	5	3	3	1
Taupo Quay	3	1	3	4	3	2	5	5	3	4	2	1	1	1	1	3	1	2	3
	1 = Poor 3 = Average 5 = Good								1 = High 3 = Medium 5 = Low			1 = 0 - \$20,000 2 = \$20 - \$100,000 3 = \$100,000 - \$200,000 4 = \$200,000 - \$400,000 5 > \$400,000				1 = Poor 3 = Average 5 = Good			
* Allowance made for flooding risk Whanganui River																			

# STRATEGY FOR INDUSTRIAL LAND PROVISION

5





## 5 STRATEGY FOR INDUSTRY IN WANGANUI

### 5.1 STRATEGY FOR INDUSTRIAL LAND - BASIS AND PRINCIPLES

The purpose of this study is to develop an environmentally and financially sustainable strategy for industrial growth. The Strategy as outlined has been founded on the analysis and conclusions presented in the preceding chapters in this section. Chapter 2 provided a brief overview of industrial development in Wanganui, based on an analysis of recent trends as well as discussions with a number of industrial operators in Wanganui. Chapter 3 focused on future economic trends within each industrial sector and the contribution of each sector to the local economy. The resource management background for industry, being the Resource Management Act and the district plans for Wanganui, were considered in Chapter 4. Chapter 4 also included the more specific assessment of the regulatory issues as they relate to the individual industrial areas of Wanganui, and options for the future potential of each, based on the trends identified in Chapter 3 were examined.

The contents of Chapters 2, 3 and 4 are brought together in the Strategy, which is developed in the context of the following considerations:

- the key trends in industrial activity in the Wanganui district;
- the key trends in employment and land use activity;
- the desirability for economic growth;
- the opportunities presented by natural and existing physical resources in Wanganui; and
- the purpose and principles of the Resource Management Act 1991.

To be effective, any strategy must fulfil a number of criteria, and in particular be:

- capable of accommodating a range of uses and developments over time;
- capable of adapting to change as time goes by, but sufficiently firm to encourage long term investment of capital and other resources;
- readily responsive to market demand but at the same time be an effective vehicle for marketing land and promoting the kind of development desired for it.

These matters have been used in determining the preferred outcomes. The Strategy contains principles, developed from consideration of the key elements of the study brief, along with specific recommendations, being an adaption of the principles to each industrial area.



## 5.2 STUDY FOCUS: KEY ELEMENTS OF BRIEF

### 5.2.1 Future Trends for Industrial Growth in Urban Wanganui for the Next 20 Years

The analysis undertaken for the report identified the following trends (refer Part 3, and Appendix 2):

- i. Growth in industry is likely to remain slow.
- ii. The catalyst for growth lies in the primary producing sector.
- iii. Although there are signs of a medium term recovery in the output of key industries this is unlikely to translate into a significant demand for industrial land. The manufacturing sector's demand for land is likely to grow at a much slower rate than output.
- iv. Technological, distribution and marketing innovations have reduced the need for industrial land requirements in the last decade. The quantity of stock held at a district level has declined, reducing the need for large storage capacity.
- v. The overall demand for industrial land is likely to be low unless there is a major shift of resources into new activities which would lessen the District's economic dependency on traditional primary manufacturing.
- vi. The growth in the formation of small businesses will remain a very significant part of the local economy. The land needs of this category are different and transcend the provisions for sites in residential zones (home occupations) to small sites in the manufacturing zones. The implication of this, having regard to changes in the structure of the workforce and the growth in part-time employment, could be to increase the opportunities for these activities across a wider part of urban Wanganui.
- viii. Businesses of 0-5 people represented 82 percent of the total number of businesses in Wanganui in 1996, up from 77 percent in 1987;
- ix. Part time jobs in Wanganui have increased to 32 percent of total jobs, up from 18 percent in 1987 (an estimated 50 percent of the New Zealand workforce will be part time by 2010);
- x. Of all new jobs created in Wanganui between 1987 and 1996, 66 percent were in the service sector (compared with 89 percent for New Zealand in the same period);
- xi. Of all new businesses created in New Zealand since 1987, 97 percent are small firms;

- xii 83 percent of all jobs created between 1987 and 1996 in New Zealand went to women. The fastest growing employment group during the period was for women aged between 45-54;
- xiii Around the world, the proportion of blue collar workers in the workforce has declined from 33 percent in the 1960's to 17 percent in 1995. Only two percent of the world's workforce is projected to be blue collar in 2025.

### **5.2.2 The Future Demand for Industrial Land by Location and Type of Industry**

The analysis has identified the following:

- i. Future growth in the demand for industrial land is likely to remain with the District's primary producing sector. The relative weight of these industries in terms of total output is likely to determine the growth in demand for industrial land.
- ii. The transport, storage and wholesaling sector, although a major user of industrial land, is in large part dependent for its expansion on the primary industry sector.
- iii. The industries most likely to generate growth and a demand for land are those currently located at Heads Road. The area is well suited to the primary manufacturing sector and there is some opportunity for expansion within the area.
- iv. Limited expansion of smaller industries (i.e. 1-5 employees) can be expected in those areas which have traditionally provided for such, namely London Street, George Street and the Wilson Street areas but all industrial areas can expect an increase in the number of smaller industries.
- v. Given the significant growth in small businesses then demand for purpose built or good quality small industrial premises could be expected.
- vi. There is little indication that the most likely growth sectors of the larger scale manufacturing industry (i.e. primary production) will find the greater part of either the Eastown Road or Aramoho areas, an attractive location to establish.

### **5.2.3 Adequacy and Suitability of the Existing Manufacturing Zoned Land to Satisfy Demand**

The analysis has identified the following:

- i. Given the growth projections and the availability of land then there is more than adequate land to satisfy future demand over the next 20 years.
- ii. Some areas, namely Eastown and Aramoho, are unlikely to see major growth. The development of Westbourne could eventually see those areas move away from any significant manufacturing base.
- iii. Westbourne is well sited as a development option but is constrained by demand and establishment cost. (Refer Part 4 and Appendix 3.)
- iv. Concentration of activity in the main area of Heads Road and expanded opportunity for alternative activities in Eastown and Aramoho represents the most sustainable financial option over the medium term.

#### **5.2.4 Any Changes Required to the Existing Zoning**

The analysis has identified the following:

- i. The areas presently zoned for manufacturing represent the most sustainable environmental and financial options.
- ii. The changes proposed are:
  - greater recognition for mixed or alternative uses at Aramoho and Eastown.
  - reinstatement of the manufacturing zone providing for a wider range of uses in the George Street locality at Aramoho.
  - possible retirement of the Morgan Street industrial area.
  - greater recognition of the importance of street scene and the river front area.
- iii. There is no need in terms of projected demand for additional land provided Westbourne is retained as a longer term option pending the preparation of a market and budget strategy.

In all other respects the Proposed District Plan should remain as it is, subject to decisions on submissions. Primary submissions have been considered in the amendments.

### **5.3 IMPLICATIONS FOR LAND USE PROVISION**

Overall, the analysis suggests that the current supply of industrial land will be more than adequate to provide for growth over the next 20 years. This does not mean that the Council should rely solely on market forces to dictate future outcomes. The Council can be proactive in facilitating growth by endeavouring to optimise the use of land and infrastructure. This can

be achieved both through district planning mechanisms and Council corporate initiatives, i.e. land acquisition, provision of infrastructure, rates mechanisms, etc.

In Wanganui as with the rest of New Zealand and the entire western world, fundamental changes are occurring in the character of employment. There are now fewer full time jobs and more part time and/or multiple jobs. The deregulated labour market has accelerated this trend in New Zealand. The statistics highlight the characteristics of the post-industrial economy which is dominated by part time work, low paid jobs and small businesses.

In considering its ability to cater to, inspire or enhance Wanganui's future employment market, the Council will need to continually review and monitor its zone-based approach across all zone types in light of trends away from segregated land uses and towards more mixed use communities that are more responsive to and prepared for changing employment dynamics. The dynamics are exemplified by the trends described in the points above, which indicate in part that smaller industries with fewer workers are overtaking larger businesses in overall employment and opportunities. This does not mean that stand-alone zonings for industries are or will ever be inappropriate; certainly in the past the basis for planning has included the need to separate incompatible uses from each other, and in many instances discrete zones are still very important for this reason. Rather it means that more flexible zonings should be considered in areas where residential and business objectives can co-exist. The planning justification for this is more apparent as technologies, employment and behaviour patterns change.

There is some evidence in the 1990's with the increase in the number of two income households that each household requires 1.5 jobs in order to be economically independent. Strategies that promote more flexible zoning and a mix of uses will assist Wanganui to satisfy this need. No figures for home-based business in New Zealand have been identified, although in Australia an estimated 16 percent of all dwellings contain home-based businesses. This is projected to increase by 8.5 percent annually. In the United States, with more flexible zoning and changing labour markets, 37 percent of all dwellings contain a home business. This figure is projected to grow to 49 percent by the turn of the century.

The Proposed District Plan has limited provision for home-based employment. It is appropriate to re-visit these provisions and to consider higher levels of home-based business operations in some locations especially where factors such as greater vehicular movement have the dual effect of lowering residential amenity and increasing the success conditions for home-based business.

At the same time, however, the traditional zoning techniques based on certain locational advantages (such as proximity to raw materials or port access) have given rise to considerable capital investment, agglomeration and economies of scale. The physical resources in established industrial areas have significant status and are required to be used, developed and protected in a sustainable and efficient manner that optimises their current and future potential and value for both personal and community well-being.



Specific land use options are also founded on two central factors: firstly, the perceived desire for an increased level of economic activity and growth in Wanganui; and secondly the purpose and principles of the Resource Management Act. In effect the principles, and the strategy which they guide, seek to maximise opportunities for industrial activity at any scale but with full cognisance of the effects of such development on the environment, in line with the purpose of the Act.

In achieving the purpose of the Act there are nationally important responsibilities to preserve the natural character of rivers and their margins and protect them from inappropriate subdivision, use, and development, and to maintain and enhance public access along river margins. This principle is important in the context of this Strategy because a significant part of the riverfront area of Wanganui is or has been used for industry. In some case the effects of this may be adverse, and the Council has a role in remedying these effects. This duty must also be viewed in the context of weighing the overall value of the riverfront area to the town in terms of the public attraction and amenity it can provide against its economic value for industrial development.

Similarly, the design of a building, a landscape or streetscape can have an important effect on the visual outlook and amenity of an area and whether it is successful in attracting and retaining activity. This is particularly so for more prominent areas which have a number of functions including primary access corridors. The maintenance and enhancement of amenity values and the quality of the environment are important matters which the Council must have particular regard to.

#### 5.4 PRINCIPLES/GOALS OF THE STRATEGY

Based on industry and workforce trends in Wanganui and the resource management issues discussed in 5.1.1, the following objectives have been developed as the basis for the strategy.

1. *MAINTAIN AND SUPPORT EXISTING INDUSTRIAL AREAS CONTAINING IMPORTANT PHYSICAL RESOURCES*
2. *OPTIMISE THE USE OF EXISTING PHYSICAL RESOURCES AND ENCOURAGING NEW INVESTMENT IN INDUSTRY AT ALL LEVELS.*
3. *MAXIMISE OPPORTUNITIES FOR ALL TYPES OF NEW INDUSTRY BY MINIMISING RESTRICTIONS OR REGULATIONS THAT MAY OTHERWISE FRUSTRATE SUCH OPPORTUNITIES.*
4. *REVIEW THE OPPORTUNITIES PRESENTED BY LAND AND INFRASTRUCTURE WHICH ARE UNLIKELY TO BE OF DIRECT VALUE FOR INDUSTRY*

5. *INCREASE THE FLEXIBILITY FOR NEW ACTIVITIES AND HOME-BASED INDUSTRIES.*
6. *RETAIN OR PROMOTE NEW 'MIXED-USE' URBAN AREAS WHERE RESIDENTIAL AND BUSINESS OBJECTIVES CAN CO-EXIST*
7. *AVOID THE ADVERSE EFFECTS OF INDUSTRIAL ACTIVITIES ON THE ENVIRONMENT INCLUDING ON NEIGHBOURING ACTIVITIES AND OTHER LAND USES.*
8. *ENCOURAGE A STANDARD OF AMENITY WHICH IS PLEASANT TO VISIT AND WORK WITHIN WHILE RECOGNISING THE PRIMARY ECONOMIC FUNCTIONS OF ALL FORMS OF INDUSTRY.*
9. *CONSIDERATION OF THE NATURAL AND RECREATIONAL VALUES OF THE MARGINS OF THE WHANGANUI RIVER*
10. *CONSIDERATION OF THE IMPORTANCE OF DESIGN IN MITIGATING IMPACTS AND IMPROVING THE VISUAL AMENITY OF INDUSTRIAL AREAS.*

## **5.5 STRATEGY FOR INDUSTRIAL LAND - LOCATION AND ACTIVITIES**

Having regard to the principles set out, the specific components of the Strategy to achieve the principles are presented in terms of each industrial area. Where changes to the terms of the Proposed District Plan are recommended, the form of the suggested change is contained in the Schedule at the end of Chapter 5.

### **5.5.1 Aramoho**

It is unlikely that Aramoho will be a preferred destination for new industry. Under the present provisions in the Proposed District Plan, the area is more likely to remain in its present physical state particularly given the constraints of infrastructure and foundation conditions.

The preferred option for Aramoho is to promote a broader range of activities, without discouraging industrial growth. Such a zoning may be extended to include the area formerly zoned for Manufacturing (the George Street/Brunswick Road area), which is primarily residential in nature but could accommodate a mix of uses and home-based industries. These are already examples of this in the area based on previous zoning for industry. These provisions would be balanced with the existing methods to avoid adverse effects on the environment.

**RECOMMENDATIONS: ARAMOHO AREA**

- i Provide more flexible zoning for this area which does not confine uses to industrial activities.*
- ii Remove zoning from steep land which is inappropriate for industrial or urban development.*
- iii Provide mixed use zoning over land which was formerly zoned for Manufacturing purposes and over part of the zoning as set out in the Proposed Plan.*

**5.5.2 Eastown Road**

The Eastown Road area has basic infrastructure advantages but like Aramoho, it is not well located for the main primary industries. The future use of Eastown is in large part tied to its history (existing building infrastructure) and the rail access. Without these considerations it is unlikely that the extent of industrial zoning would be necessary or even desirable.

Depending on district wide growth, zoning at Eastown should ensure the opportunity for a range of service, light manufacturing and community uses. The railway line is not of itself an impediment to residential use although the residential market is unlikely to see future growth at Eastown as viable in the short-medium term.

The infrastructure, buildings and land provide the opportunity for new industries to establish particularly those capable of using very basic buildings or requiring large areas for open storage.

**RECOMMENDATIONS: EASTOWN ROAD AREA**

- i Retain the boundary of the Manufacturing zone.*
- ii Provide a wider range of uses including community, recreation, visitor and residential.*

**5.5.3 London Street Industrial Area**

There are few future opportunities for the London Street area. The size of the area is limited by the zoning and existing residential development around it and there is no strong economic or resource management justification for promoting any major physical expansion. Nevertheless, the area is established as a physical resource and can

provide for certain activities. The retention of the London Street Manufacturing zone in its current size and form should continue although there is opportunity for a greater range of activities, should the market so desire.

#### RECOMMENDATIONS: LONDON STREET AREA

- i Retain the boundary of the Manufacturing zone.*
- ii Provide a wider range of uses including community, recreation..*
- iii Elementary design control for new activities.*

#### 5.5.4 Morgan Street

Morgan Street is well located to service future storage functions associated with the Port. However, there are considerable cost implications given the almost total absence of infrastructure, close proximity to neighbours and its location in the coastal environment. If the zoning is simply to ensure the opportunity is available then it fulfils a function. It does not appear to have a realistic chance of being developed without substantial cost. There is however very little cost implication in retaining the zoning. The issue is more about the environmental implications of the site for the proposed zoning given its location on the coastline and near a residential area. Development in accordance with the Manufacturing zone provisions is likely to have adverse effects on the environment. Any future proposal can and should be assessed more fully in the context of a plan change, designation or resource consent application.

#### RECOMMENDATIONS: MORGANS ROAD AREA

- i Delete the zone from the Proposed District Plan.*

#### 5.5.5 Heads Road

Heads Road will remain the main option for the major wet industries (primary manufacturers) until and unless there is significant infrastructure development at Westbourne Estate. Heads Road is also the area likely to come under the most pressure in terms of land requirements because it is best suited for those activities likely to determine any growth in the demand for industrial land, i.e. primary manufacturing, transport and construction. It already contains a large number of those industries.

There is some evidence to suggest that land is available at Heads Road albeit not by way of the open market. A number of the larger manufacturers who own land in the area are likely to retain control of surplus land to ensure expansion opportunities. This will cause some restriction on the supply.



Heads Road remains attractive to the major industry groups because of the high quality of infrastructure, minimal amenity conflict and lower overall development costs. It is not well suited to any significant expansion in the range or mix of uses.

**i Heads Road -Taupo Quay Area**

The area fulfils a demand for industries requiring particular locational advantages and this should not change. Although the zoning provisions in the Proposed District Plan will be beneficial to the physical character of the area, there are further opportunities for restoring the character and public usability of the waterfront area. The preferred option would include modifications promoting more attention to enhancing the amenity of land immediately adjacent to the waterfront, and for public use. Provisions could encourage, by way of zoning incentives or other mechanisms, the conversion of more public land from private ownership.

**RECOMMENDATIONS: HEADS ROAD - TAUPO QUAY AREA**

- i Retain Manufacturing zone over this area.*
- ii Promote amendments to provide for better appearance of built environment and streetscape.*
- iii Retain River Edge Landscape Conservation Zone (Overlay Zone) boundaries.*
- iv Promote amendments to further provide for the protection of and public access to and over the margins of the Whanganui River.*
- v Investigate the benefits and costs of works to protect against flooding from the Whanganui River.*

**ii Heads Road - Balgownie/Castlecliff Area**

This area is established and well-endowed with locational advantages including superior access and infrastructure. It is the preferred location for a wide range of industries. The zone provisions should be modified to promote landscape improvement and more relaxed rules for height and position of buildings. There may also be scope for more efficient methods for utilising endowment land. These actions would assist in likely maximising the area's attraction for industry.

**RECOMMENDATIONS: HEADS ROAD - BALGOWNIE AND  
CASTLECLIFF AREAS**

- i Retain Manufacturing zone over this area.*
- ii Establish inventory of available sites now and potential future sites.*
- iii Clearly identify which areas of the landfill site are available for industrial development.*
- iv Subject to the Urban Transportation Study, retain the opportunity for the Rogers Street extension.*
- v Initiate a programme to investigate the upgrading of Heads Road. The programme should include:*
  - input from representatives of industry*
  - input from representatives of the Castlecliff community*
  - detail of which area(s) are being considered with priority on the Heads Road frontage*
  - review of opportunity for a design study to achieve the following:*
    - information about business location and land/building availability within Heads Road*
    - boundaries of the area*
    - signage*
    - lighting*
    - planting*
    - assistance to landowners for amenity improvements.*
- vi Ensure the availability or otherwise of Port Endowment land is understood.*
- vii Review particular district plan rules in respect of height and yard setbacks particularly for sites that do not front Heads Road, with a view to relaxing some rules where restrictions are not justified in terms of the effects they control.*
- viii Provide for the extension of River Edge Landscape Conservation Zone (Overlay Zone) over part of the area to further provide for the better protection of and public access to the margins of the Whanganui River.*
- ix Investigate the benefits and costs of works to protect against flooding from the Whanganui River.*

### 5.5.6 Westbourne Estate

It is readily apparent that there can be a great deal more confidence and certainty about the basic physical framework for the development of Westbourne than about its future land uses and uptake. The present evidence is that there is no manufacturing use of the land which is likely to be financially viable independent of Council funding of infrastructure.

This is not to say that there is not a rewarding or economically beneficial use of the land. However, in the absence of demonstrable demand for the land from the private commercial or industrial sectors it will be essential to actively seek out potential users and to promote and market the land on the basis of its intrinsic suitability for a range of purposes.

This may be a disappointing outcome to some, but it is more realistic, and will eventually be far more beneficial to the community than planning in a quasi-definitive mode for uses which may prove illusory.

Until specific decisions are made concerning the form of development it is premature to discuss any staging in detail. However, a high priority should be given to retaining the proposed link to Rogers Street. This will establish the future association of Westbourne with the major Wanganui manufacturing area.

Based on the analysis, a simple overall framework should be maintained. This would include:

- ensuring connections with the city's urban area and Heads Road. The level of integration between the two is desirable over the longer term.
- ensure the opportunity is provided to allow for the widest range of manufacturing uses.
- promote staged development such that massive investment in infrastructure is not required in advance of development or disposal of sites.
- be conscious of the interrelationship between residential growth, industrial opportunity and infrastructure needs on the western side of the Wanganui urban area.

There is a limited range of financial incentives available to the Council in order to service private sector investment. It is more likely that it would be necessary for the Council to work through the cost issues and to look at how realistic it is to meet essential early costs. It is also appropriate to consider the provision of services in conjunction with any residential expansion in the town. Further review should take place of the future use of the land between the urban area and Westbourne Estate.

## RECOMMENDATIONS: WESTBOURNE

- i Retain Manufacturing zone over the site.*
- ii Establish performance standards which can provide for a wide range of manufacturing business uses.*
- iii Prepare an indicative concept plan as a framework for future development.*
- iv Prepare and review a schedule of indicative costs for:*
  - roading*
  - sewer*
  - water*

*This can be used to access possible development levies (if any) that can be attributed to development or become an incentive cost to the Council.*
- vi Ensure any indicative concept plan and infrastructure costings have regard to the proximity of and opportunity for residential development around the Mosston Road/Fitzherbert Avenue area.*
- vii Review the position of the land surrounding Westbourne. Much of this land which has in indicative terms been identified as landscape/green belt may well have the potential for more sustainable use in terms of lifestyle, residential and recreation activity. This in turn would provide both a better development linkage between the urban area of Wanganui as well as some advantage in terms of the viability of infrastructure.*

## 5.5.7 Wilson Street/Outer Commercial Areas

The zone however is predominantly for commercial activities - mainly large scale retail activities, and is not “tailor-made” for manufacturing. Its future value for industry will remain in the role that it already plays (small-medium businesses with or without retail component), and this is not expected to change. The performance standards will ensure that the amenity of the area is retained in its current state.



**RECOMMENDATIONS: WILSON STREET**

- i Retain zoning boundaries and zone provisions for Outer Commercial Zone.*

**5.5.8 Residential Areas**

The Residential zones provide for home occupations which promotes mixed use activity. It is likely that, in light of the trend towards smaller businesses and the rapid rise in the number of part-time work, the opportunities for home occupation should be retained. There are a number of minor wording changes suggested to clarify the rules; these are identified in Chapter 4.12.

**RECOMMENDATIONS: RESIDENTIAL AREAS**

- i Amend wording to clarify intention of rules, otherwise retain provisions for home occupations as set out in Proposed District Plan.*

**5.5.9 New or Alternative Areas for Industry**

No new areas of manufacturing zone are considered necessary. The growth projections, industry trends and output analysis indicates that the current provision for manufacturing activity is adequate and generally appropriate for Wanganui's needs over the next 20 years.

**RECOMMENDATIONS: NEW AREAS**

- i That no new industrial zones be provided in the Proposed District Plan other than the suggested extensions to existing areas.*

**5.6 OTHER ACTIONS**

During the course of the study some matters have been identified which, although not critical could assist the Council in achieving better outcomes for industrial growth. These matters are not in order of importance nor are they related.

- i. To ensure there is a good access to the combined resources of the Council (in the Strategic or Corporate planning operation), WEDCO and the BDB. These groups have considerable skills and information. A method of pooling the information and co-ordinating those attributes would be beneficial. It would allow a more positive and thorough response to enquiries about land, infrastructure, and opportunities in Wanganui.
- ii. Review the position in respect of Port Endowment land and the way in which rents from the land are used, and the way the land is disposed. A more efficient disposal method would be advantageous.
- iii. Endeavour to set up an accessible record which identifies available land at Heads Road for prospective purchasers.
- iv. Continually monitor the form of the manufacturing zone rules. The success of any strategy is going to depend on it being continually challenged and reviewed. At present the rules tend towards a prescriptive rather than performance-based approach. The latter, although more difficult to design, will likely increase the range of activities that can establish in some of the manufacturing zones. In addition, differing performance standards can apply in different sections of the manufacturing zone.
- v. Establish trade waste regulations to ensure that wastewater from industry is appropriate for the domestic wastewater stream and to encourage "wet industry" to be located in areas served by the Industrial Wastewater Stream.

**1. General Provisions - Manufacturing Zone**

- (a) Increase height limit to be consistent with Commercial Zone (13 metres, to base of eave for building with pitched roof, or to height of walls for building with flat roof) in rule 19.5.6(b).
- (b) Establish trade waste regulations to ensure that wastewater from industry is appropriate for the domestic wastewater stream.

**2. For Aramoho, Eastown Road and London Street Industrial Areas**

- (a) Expand permitted activities to include recreation and tourism facilities, community facilities and (commercial activities).
- (b) Adjust zone boundaries to avoid zoning of steep and undeveloped land.

**3. For Residential Area Adjacent to Aramoho Industrial Area (area bounded by Brunswick Road, Kaikokopu Road, Somme Parade, and proposed Manufacturing zone)**

- (a) Expand permitted activities (rule 13.4) for residential zone to include manufacturing, commercial, recreation and tourism facilities (all as defined in the Proposed District Plan) and retain all performance standards in rule 13.4.
- (b) Amend rule 13.4.7 (home occupation) to allow for more than one full time equivalent person employed on the site who resides off the site).

**4. For Heads Road Industrial Area, including Taupo Quay, Castlecliff, Balgownie Areas**

- (a) Amend rule 19.5.6 (Structures, Manufacturing zone) to provide for elementary design control as part of performance standards for permitted activities. These provisions would apply to only the land described in the first sentence of 19.5.6(a). New clauses to be added as 19.5.6(b) would be worded as follows:

*No outdoor storage area shall be located within any minimum distance of a building from a street or zone boundary (as calculated in (a) above).*

*At least 10 percent of the minimum distance of a building from any boundary adjacent to Heads Road or onto a zone boundary shall be landscaped and planted in trees which have a minimum height of 3 metres at maturity, at a density of one tree per 5 metres of road frontage.*

- (b) Renumber 19.5.6(b) as 19.5.6(c). Remove “Reason” paragraph at end of 19.5.6(a) and include it following new 19.5.6(b) as reason for both (a) and (b).

## **SCHEDULE - SUGGESTED ALTERNATIONS TO PROVISIONS OF PROPOSED DISTRICT**

Industrial Growth Study

- (c) Extend River Edge Landscape Conservation Overlay Zone to include the following land:
  - a strip (width to be determined) with frontage onto Kororo Road (unformed)
  - area between Gilbert Street frontage and riverfront reserve
  - a strip (width to be determined) north of riverfront boundary, south of Gilbert Street, Wharf Street and through to Short Street.
- (d) Amend River Edge Landscape Conservation Overlay Zone by adding new rule 20.6(b) to provide for all restricted discretionary activities to be controlled activities only within the parts of the zone described in (c) above, with controls to be listed as those contained in 20.7.1(b).
- (e) Renumbering and rewording as required from (d) above.
- (f) Identify a public access and landscape corridor along the edge of the Whanganui River and determine a concept plan for its implementation. Accordingly, add new provision in River Edge Landscape Conservation Overlay Zone to include concept plan as a criteria for control in new rule 20.6(b), with references to rule 29.2 (financial contributions from subdivision and development).

### **5. For Residential and Restricted Services Residential Zones**

Amend wording in rules 13.6.2 and 13.7 by inserting the words “except home occupations” immediately after the words “Commercial activities” and “Manufacturing activities” in those rules.

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