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Explanatory Statement and Section 32 Report

Plan Change 18 – Cromwell Industrial Extension

Contents

1	Introduction	3
1.1	Purpose of this report	3
1.2	Background	3
1.3	Explanatory Statement - Proposed Changes	3
1.3.1	Objective of the Plan Change	3
1.3.2	District Plan Provisions	6
1.3.3	Exclusions	6
1.3.4	Proposed Cromwell Industrial Extension	6
1.3.5	Proposed Amendments to operative District Plan	7
1.3.6	Consultation	7
2.	Statutory and Policy Context	8
2.1	Functions under s31	8
2.2	Functions under s32	8
2.3	Part 2 of the RMA – Sections 5, 6, 7 & 8	9
2.4	Objectives and Policies of the Plan	10
2.5	Statutory Documents	12
2.5	Evaluation of proposed plan change	16
2.5.1	Introduction	16
2.5.2	Benefits and Cost	16
2.5.3	Scale and significance	18
2.5.4	Risk of acting or not acting	20
2.6	Conclusion / Reasons	20

1 Introduction

1.1 Purpose of this report

Section 32 of the Resource Management Act 1991 ('the RMA') requires an evaluation to be undertaken of the proposed Plan Change. The evaluation must be provided in a report which examines whether the objectives are the most appropriate in achieving the purpose of the RMA, and whether the policies and methods, considering their costs, benefits, efficiency, and effectiveness, are the most appropriate way to achieve the objectives. The report must also assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions. The analysis set out in this report is to fulfil the obligations of the Council under s32 of the Act.

1.2 Background

The Central Otago District Plan (the Plan) was publicly notified on 18 July 1998 and became operative in April 2008. Early 2018 the Central Otago District Council commenced a master planning programme for Cromwell in response to growth pressures in the Cromwell basin, to help manage and provide for projected growth in the Cromwell basin through to 2050 Eye to the Future Cromwell Masterplan (the Masterplan).

The Cromwell Spatial Plan (the Spatial Plan) was completed as part of the Masterplan. The focus of the Masterplan was to consider how and where to accommodate growth for the 30 years. The Spatial Plan was approved by Council in June 2019 to provide projections indicating that the population is likely to double by 2050.

The Spatial Plan process involved extensive community and key stakeholder engagement, workshops, commissioning of technical reports, development of plans and business cases over a period of 18 months.

Plan Change 18 (PC18) is the first plan change initiated to give effect to the outcome of the Spatial Plan by re-zoning of land identified in the Spatial Plan as future Industrial land.

1.3 Explanatory Statement - Proposed Changes

1.3.1 Objective of the Plan Change

The proposed plan change will give effect to the outcome of the Cromwell Spatial Plan by extending the industrial area in Cromwell, zoning an additional area of 52 hectares of Council owned land on Bannockburn Road from Rural Resource Area to Industrial Resource Area. The proposed re-zoning will also include an additional area fronting onto State Highway 6 between Cemetery Road and McNulty Road, connecting with the existing industrial land on McNulty Road. The latter was identified in the Cromwell Masterplan "*Let's Talk Options*" consultation document but was not included in the final Spatial Plan as approved in 2019 (see Figure 1 below).

The "*Let's Talk Options*" survey was consulted on from Friday 19 October until Monday 19 November 2018. A total of 477 responses were received, analysed, and published in "*Let's Talk Options: Survey Analysis*" in November 2018.

No submissions or feedback were received regarding the extent of the industrial land identified in the consultation document. Advice received at that time was that the land adjacent to the State Highway provided more industrial yield that was considered necessary and was subsequently removed from the final Spatial Plan.

Since 2019 there has been a considerable increase in demand for industrial zoned land in Cromwell. Land previously identified for industrial use adjacent to State Highway 6 is now considered appropriate for inclusion in the industrial plan change, ensure future demand is met and to provide consolidation of industrial activity in Cromwell, providing enough land for new businesses and employment opportunities to support industrial and service sectors.



Figure 1 - Extension to Cromwell Industrial Resource Area as identified in the Cromwell Masterplan “Let’s Talk Options” consultation document¹

Plan Change 18 amends planning maps to include approximately 52 ha of land described as Lots 3-4 DP 526140 and Section 2 SO 526035, as contained in OT 894762, an area of approximately 11ha described as Lots 1 - 2 DP 390710 (owned by Cerise Orchard) and two areas from Lot 3 DP 505292 (2.376ha and 1547m²), from Rural Resource Area to Industrial Resource Area as shown in Figure 2.

The plan change does not include all of Lot 3 DP 505292. The 2.376ha Strip along the eastern boundary of Lot 3 DP 505292 is proposed to be amalgamated with Lots 1 - 2 DP 390710 (Cerise Orchard Limited) to allow for the continuation of Old Saleyard Road from McNulty Road, through to Cemetery Road. This is considered necessary as a continuation of the current alignment of Old Saleyard Road would result in insufficient land on the eastern side of the future road to create titles of a suitable size and dimension to support industrial activities.

¹ <https://www.codc.govt.nz/your-council/project-updates/cromwelleyetothefuture#toc-link-2>

The second area of Lot 3 DP 505292 to be included in PC 18 is an area of 1547m² on the eastern boundary to be amalgamated with Lot 5 DP 559026. Both Lot 3 DP 505292 and Lot 5 DP 559026 are owned by Council and Lot 5 DP 559026 is currently zoned industrial.

The existing Lot 5 DP 559026 is an irregular shape and did not lend itself to a practical layout for industrial development. A subdivision plan has been prepared and the proposal is to adjust the boundary between Lot 5 DP 559026 and Lot 3 DP 505292 by an area of 1547m², to facilitate a better layout.

Lot 3 DP 505292 is currently zoned rural, and it is necessary to change the zoning of the two areas to be amalgamated, enabling a better layout for future industrial subdivision. A boundary adjustment subdivision consent will be sought for both the areas of Lot 3 DP 505292 that are to be re-zoned.

The balance of Lot 3 DP 505292 will remain Rural Resource Area and will be retained to enable future expansion of the Cromwell Cemetery. When the area required to provide adequate space for the future expansion of the Cemetery is known, the remainder may be the subject of a future plan change.

The land is located between Bannockburn Road and Cemetery Road, north of the Department of Conservation administered Schaffer Beetle Reserve and fronting onto State Highway 6 between the intersections of Cemetery Road and McNulty Road (see Figure 2 below).

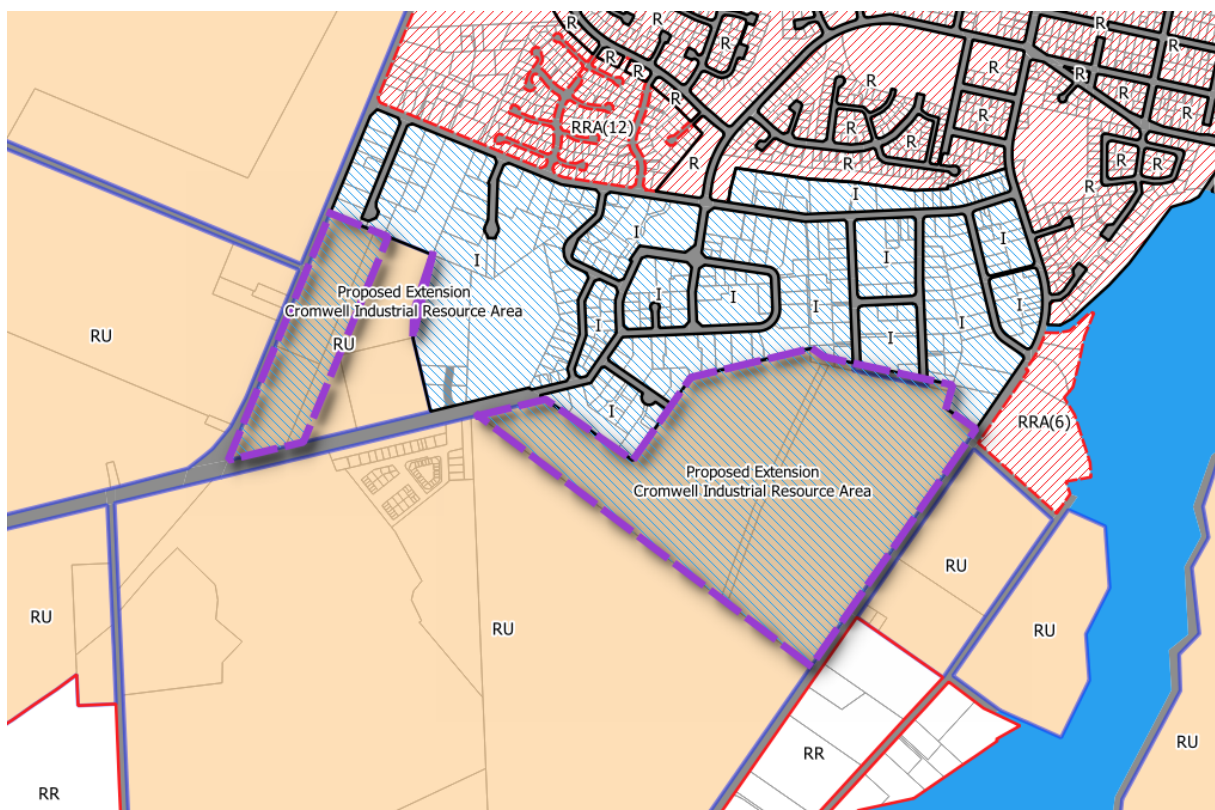


Figure 2 - Proposed Extension to Cromwell Industrial Resource Area

1.3.2 District Plan Provisions

Industrial activities have the potential to generate significant adverse environmental effects on residential or commercial activities.

The Plan in Chapter 9 notes that *“Industrial activities tend to be located within large purpose-built buildings with little visual appeal. The activities themselves may create noise, odour and use or store hazardous substances or generate wastes. Heavy vehicles are normally used to transport materials and products to and from these activities. Consequently, more sensitive activities such as residential or commercial activities can be adversely affected by these activities.”*

The primary effects associated with the proposed Cromwell Industrial Extension is likely to be Transportation and Noise.

PC 18 makes minor amendments to the provisions in the Plan in relation to heavy vehicle access by the addition of a new performance standard applicable to the Cromwell Industrial Extension, restricting direct property access onto Bannockburn Road, providing road access for light vehicles only and no direct access onto SH 6. This will assist with the management of heavy traffic movements through existing arterial routes and intersections with State Highway 6.

The Plan Change seeks to provide for areas within which industrial activities can operate without compromising the environmental quality or the amenity values of neighbouring areas. The proposed Cromwell Industrial Extension consolidates the activity away from the residential and commercial areas towards the rural zoned land, the Department of Conservation (DoC) managed Schaffer Beetle Reserve and the Highlands Motorsport Park.

Council commissioned a traffic report that indicated pressure from existing and proposed industrial development would impact on the intersections of McNulty Road and Cemetery Road with the State Highway, and the intersection of McNulty Road and Barry Avenue.

An initial discussion has taken place with the New Zealand Transport Agency Waka Kotahi, regarding the intersections with the State Highway.

The noise standards in the operative plan reflect the traditional and accepted noise levels permitted in the district.

1.3.3 Exclusions

A comprehensive review of the Industrial chapter of the operative District Plan is currently underway, with the intention of aligning with the National Planning Standards. There are no changes proposed to the objective or policy framework of Chapter 9 as part of PC18.

1.3.4 Proposed Cromwell Industrial Extension

The proposed Cromwell Industrial Extension is shown in Figure 2. The area is currently zoned Rural Resource Area and in part subject to three designations described in Schedule 19.2 Part B as outlined in Table 1. The intention is to remove or amend the existing designations through the process outlined in Part Eight of the Resource Management Act 1991 through a separate process.

Number	Designation Purpose/Description	Requiring Authority	Zone
D100	"Refuse Management Purposes" – Cromwell Landfill	Central Otago District Council	Rural
D101	"Amenity Planting Purposes" – Cromwell Landfill	Central Otago District Council	Rural
D102	"Road to be stopped – Refuse Management & Amenity Planting Purposes"	Central Otago District Council	Rural

Table 1

1.3.5 Proposed Amendments to operative District Plan

Insert the following new performance standard:

7.3.6 **Access – Cromwell Industrial Extension**

(vi) (j)

- a) Access to properties in the Cromwell Industrial Extension shall be from existing and future legal roads and constructed in accordance with Rule 12.7.1 on page 12:13 provided that there shall be no direct property access to the following roads:
1. Bannockburn Road
 2. State Highway 6
- b) Any new intersection with Bannockburn Road from the Cromwell Industrial Extension will be constructed to a standard suitable for light vehicles only.

Reason

Restricting property access will minimise the impact of heavy vehicles on the safety and efficiency of the roading network.

Cross Reference
Policy 9.2.5

Breach:
*non-complying
see Rule 9.3.5*

1.3.6 Consultation

Plan Change 18 has been prepared in accordance with the provisions of the First Schedule to the Resource Management Act 1991, through the development of the Cromwell Spatial Plan.

The Cromwell Spatial Plan has been developed with the community and was adopted by the Council in June 2019. The spatial plan forms part of the wider Cromwell Master Plan and provides a coordinated approach to growth management for Cromwell over the next 30 years. The spatial plan reflects the community's preferred option for providing for the anticipated growth within Cromwell. The development of the spatial plan included extensive consultation in the form of workshops, surveys, and public meetings. Workshops were held with key stakeholders including Iwi representation from Kāi Tahu ki Otago.

Following publication of the draft spatial plan in 2018 for public feedback, the Cromwell Spatial Plan was finalised and approved by the Cromwell Community Board then adopted by Council in June 2019. Plan Change 18 is based on the outcome of this consultative process and the findings of the spatial plan report.

As noted above PC 18 has resulted from the extensive consultation process which occurred during the development of the Cromwell Spatial Plan and gives effect to the zoning identified in the spatial plan.

As the plan change is generally site specific those likely to be directly affected will to be sent a copy of the plan change, however any person is entitled to make a submission in response to Plan Change 18, and such submissions will be given all due consideration in the context of the statutory process provided for in the First Schedule of the Act.

2. Statutory and Policy Context

Sections 74 and 75 of the RMA set out legal obligations when preparing a District Plan. Consideration needs to be given to matters including whether the plan accords with the Council's functions under Section 31 of the RMA and the provisions of Part 2 of the RMA. They also direct how the plan is to be drafted/considered in relation to a range of other statutory documents. The following section sets out those matters addressed in sections 74 and 75 that are relevant to this topic.

2.1 Functions under s31

The Resource Management Act (RMA) sets out the functions of territorial authorities in Section 31. The key function for the district council is the integrated management of the use, development, or protection of land and associated natural and physical resources of the district. "Natural and physical resources" includes natural landforms, buildings and structures.

Section 31 sets out the functions given to territorial authorities for the purpose of giving effect to the RMA in their district.

Section 31 (1) (a) confers responsibility to territorial authorities for establishing provisions to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district.

The proposed plan change makes no changes to the objective, policy, or rule framework of the Industrial Resource Area of the Plan. The proposed Plan change extends the existing Cromwell Industrial area to include the areas identified in Figure 2.

2.2 Functions under s32

Section 32(5) requires that the evaluation report be available for public inspection at the same time as the plan change.

The Council's evaluation has identified and assessed alternatives to PC 18. These include:

- a) Status quo.
- b) Take no action.
- c) Use of alternative and non-regulatory methods.
- d) Initiate variation.

Each of these alternatives has been assessed based on the following, for Plan Change 18:

- Whether method most appropriate
- Efficiency and Effectiveness
- Environmental Benefits/Costs
- Economic and Social Benefits/Costs

Council's overall conclusion in each instance, is that Plan Change 18 results from an extensive process and consideration of feedback received, constraints and options, and is the most appropriate alternative.

2.3 Part 2 of the RMA – Sections 5, 6, 7 & 8

The purpose of the Act is to promote the sustainable management of natural and physical resources.

Section 5 and section 7 are relevant to all the variations that are subject to this report.

Section 5 of the Act states that:

“In this Act, “sustainable management” means 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 wellbeing 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*

...

(c) *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.”*

Plan Change 18 is consistent with the purpose of the Resource Management Act 1991 as stated in section 5, which is to promote the sustainable management of natural and physical resources. Plan change 18 will provide for the sustainable management of the land resource in Cromwell.

Section 7 of the Act states:

“In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to-

...

(b) *The efficient use and development of natural and physical resources:*

- (c) *The maintenance and enhancement of amenity values:*
- ...
- (f) *Maintenance and enhancement of the quality of the environment:*

- (g) *Any finite characteristics of natural and physical resources..."*

Plan Change 18 is considered necessary in achieving the purpose of the Act and to be consistent with the matters stated in section 7 of the Act that are relevant to the Industrial Resource Area. Industrial activities are vital to the economic and social wellbeing of the district but should be balanced against amenity and reverse sensitivity considerations.

Sections 6 and 8 of the Act are not considered to be of any particular relevance in the context of these variations.

2.4 Objectives and Policies of the Plan

In addition to achieving the purpose of the Act, Plan Change 18 must also be consistent with the objectives and policies of the operative Central Otago District Plan. Plan Change 18 is considered to be consistent with the relevant objectives and policies from Sections 6 and 9 of the Plan as outlined below:

Objective 6.3.1

Objective - Needs of People and Communities

To promote the sustainable management of the urban areas in order to:

- (a) *Enable the people and communities of the district to provide for their social, economic and cultural wellbeing and their health and safety; and*
- (b) *Meet the present and reasonably foreseeable needs of these people and communities*

Objective 6.3.4

Objective - Urban Infrastructure

To promote the sustainable management of the district's urban infrastructure to meet the present and reasonably foreseeable needs of the district's communities.

Objective 9.1.1

Objective - Protection of Amenity Values

To manage industrial activities to ensure that:

- (a) *Adverse effects on other land uses are avoided, remedied or mitigated, and*
- (b) *Amenity values of neighbouring resource areas are maintained.*

Objective 9.1.2

Objective - Management of the Effects of Industrial Activities

To manage industrial activities within the Industrial Resource Area to ensure that:

- (a) *A reasonable working environment for other industrial activities is maintained, and*
- (b) *The sustainable management of network utility services including roading is promoted, while*
- (c) *Enabling the operation of a wide range of activities*

Policy 6.4.2

Policy - Expansion of Urban Areas

To enable the expansion of urban areas or urban infrastructure in a manner that avoids, remedies or mitigates adverse effects on:

...

- (f) *The integrity of existing network utilities and infrastructure, including their safe and efficient operation.*
- (g) *The life supporting capacity of land resources.*

...

Policy 9.2.1

Policy - Provision for Industrial Activities

To provide for the location of industrial activities to avoid, remedy or mitigate adverse effects on other land use activities.

Plan Change 18 is considered to be necessary in achieving the relevant objectives and policies of the Plan.

Policy 9.2.3

Policy - Adverse Effects

To ensure industrial activities are managed so that:

- (a) *Waste products are disposed of adequately, and*
- (b) *The effects of noise, odour, dust, lightspill and electrical interference on neighbouring areas are avoided, remedied or mitigated, and*
- (c) *The community's safety and wellbeing is safeguarded from the effects of noxious or objectionable processes.*

Policy 9.2.4

Policy - Maintenance of Industrial Resource Area

To ensure that activities which locate within the Industrial Resource Area that may be sensitive to lower standards of environmental quality recognise the prevailing environmental characteristics of the Industrial Resource Area.

Policy 9.2.5

Policy – Infrastructure

To ensure that industrial activities avoid, remedy or mitigate adverse effects on infrastructure by:

- (a) *Providing appropriate access and facilities for the loading and manoeuvring of vehicles.*
- (b) *Maintaining and enhancing the safe and efficient operation of the roading network.*
- (c) *Contributing a fair and reasonable proportion to any upgrading or development of infrastructure that may be required as a result of the activity.*

2.5 Statutory Documents

Table 1 below outlines the statutory documents to be considered under sections 74 and 75 of the RMA, and their applicability to the proposed plan change.

Statutory document	Comment	Applicable Y/N
National Policy Statements	<p>Section 75(3)(a) of the RMA requires a plan change to give effect to any national policy statements. The only national policy statement of potential relevance to PC18 is the National Policy Statement on Urban Development 2020 (NPSUD), which sets out the objectives and policies for planning for well-functioning urban environments under the RMA.</p> <p>However, the provisions of the NPS-UD only apply to local authorities that have all or part of an “urban environment” within their district or region. The definition of an “urban environment” means any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that is, or is intended to be, part of a housing and labour market of at least 10,000 people.</p> <p>This currently does not apply within the district, while noting that growth projections indicate that Cromwell is expected to reach this threshold in 20 plus years.</p>	Y
Regional Policy Statement	<p>Section 75(3)(c) of the RMA requires the district plan to give effect to any regional policy statement. The regional policy statement that applies within the Central Otago District is the Partially Operative Otago Regional Policy Statement (PORPS), and the proposed Otago Regional Policy Statement 2021 (PRPS21). Relevant provisions are outlined below.</p> <p><u>PORPS</u></p> <ul style="list-style-type: none"> • Policy 4.5.1 – Provide for urban growth and development in a strategic and co-ordinated way by monitoring supply and demand of industrial zoned land. • Policy 5.3.3 – Manage the finite resources of land suitable for industrial activities by providing 	Y

	<p>specific areas to accommodate the effects of industrial activities, providing a range of land suitable for different activities, restricting industrial activities that are likely to result in reverse sensitivity effects or inefficient use of industrial land or infrastructure.</p> <ul style="list-style-type: none"> • <p><u>PRPS21</u></p> <ul style="list-style-type: none"> • RMIA – AA -L1 -The cultural impacts of discharges to Air • AIR-P5 – Manage the effects of discharges to air beyond the boundary of the property • LF-FW-P15 – industrial or trade waste to be discharged into reticulated wastewater system • UFD-P2 – Sufficient development capacity in urban areas including providing for industrial activities in accordance with UFD-P5 and UFD-P6 • UFD-P6 – identify specific locations suitable for industrial activity and their needs 	
Iwi Management Plan	<p>Section 74(2A) of the RMA requires the council, when preparing its district plan, to take into account “any relevant planning document recognised by an iwi authority and lodged with the territorial authority”.</p> <p><i>There are two Iwi management plans relevant to PC18.</i></p> <p>Within Otago the relevant Iwi management plan is the <i>Kāi Tahu Ki Otago Natural Resource Management Plan 2005</i>. The <i>Kāi Tahu ki Otago Natural Resource Management Plan</i> is the principal planning document for Kāi Tahu ki Otago which reflects the Kāi Tahu ki Otago philosophy to resource management. Provisions relevant to PC18 are:</p> <ul style="list-style-type: none"> • <i>5.5.2 (Issue) – Poorly managed landfills, industrial sites and wastewater disposal sites have created contaminated sites</i> • <i>5.7.1 (Issue)– Discharges from industrial or trade premises adversely affect local and ambient air quality and can affect papakāika and mahika kai.</i> • <i>5.8.2 (Issue) – Discharge and Waste Stormwater discharges e.g., from urban roads containing contaminants such as oil, carbon particles</i> 	Y

- *5.3.4 (10) (Policy) – To encourage all stormwater be treated before being discharged.*

Within Southland the relevant Iwi management plan is *Te Tangi a Taurā – The Cry of the People* is the iwi management plan that assists Ngāi Tahu ki Murihiku to participate in natural resource and environmental planning. This plan is a written statement that consolidates Ngāi Tahu ki Murihiku values, knowledge and perspectives on natural resource management issues and is an expression of kaitiakitanga.

3.2.1 Discharges to Air

Nga Take (Issues)

- Increased noise pollution from localised industry, e.g., airports, industrial premises and car stereos.
- Discharges to air from industrial and trade premises impact on mahinga kai, taonga species, e.g., tītī, biodiversity and wāhi tapu, wāhi taonga.
- Discharges to air from chemical, fertiliser and other industrial manufacturing.

Ngā Kaupapa (Policy)

- Discourage discharges from industrial and trade premises that will have an impact on mahinga kai, taonga species, biodiversity, wāhi tapu and wāhi taonga.
- Ngāi Tahu ki Murihiku shall provide qualified recommendations with respect to concerns raised related to odour and offensive discharge, from rural, urban and industrial activities.

3.5.2 Wastewater Disposal

Nga Take (Issues)

- *Appropriate management of wastewater and stormwater.*
- *Sewage and stormwater disposal provisions for new subdivision applications.*
- *Stormwater run-off from roads or industrial sites, and potential for contaminants to enter water or contaminate soils.*

Ngā Kaupapa (Policy)

- *(9) - Encourage creative, innovative and sustainable approaches to wastewater disposal that make use of the best technology available, and that adopt principles of waste reduction and*

	<p><i>cleaner production (e.g., recycling grey water for use on gardens, collecting stormwater for a pond that can then be used for recreation in a new subdivision).</i></p> <p><u>3.5.4 Industry</u></p> <p>Nga Take (Issues)</p> <ul style="list-style-type: none"> • <i>Stormwater management on industrial sites, potential for effects on soils and water.</i> • <i>Contaminated run off (stormwater) entering waterways.</i> <p>Ngā Kaupapa (Policy)</p> <ul style="list-style-type: none"> • (1) Encourage industry to set an example through demonstrating a commitment to best practice, new technology, environment, community and public health. The use of resources in industrial operations must be balanced with investments in the community and the environment. • (3) Address adverse effects on cultural values as a result of industrial activity via the following order of priority: <ul style="list-style-type: none"> a. avoiding adverse effects. b. on site mitigation; c. off-site mitigation (e.g., Kākāpō recovery programmes); d. compensation • (5) Focus on finding ways to avoid adverse effects on cultural values as a result of industrial activities. <p><u>3.5.12 Discharge to Water</u></p> <p>Nga Take (Issues)</p> <ul style="list-style-type: none"> • Discharge of stormwater from roads into open drains. <p>Discharges to air and wastewater disposal (stormwater) are the main issues to be considered in the context of the new industrial zoning proposed by PC18.</p>	
National Environmental Standards	<p>Under sections 43B and 44A of the RMA, a district plan cannot conflict with or duplicate a national environmental standard (NES), unless an NES itself states that a rule can be more stringent, or more lenient, than the NES.</p> <p>The proposed plan change may trigger the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011 in relation to</p>	N

	the existing orchard activity on Lots 1 - 2 DP 390710 which would be a HAIL site. Future subdivision or land use would be required to address the NES and take any necessary action under the standard.	
Regional Plans	Section 75(4)(b) of the RMA requires that the district plan is not inconsistent with any regional plan matter. The proposed plan change as drafted does not trigger any requirements of any regional plan, however future land uses will have to comply with the provisions of the Regional Plan: Air for Otago and the Regional Plan: Waste in relation to discharges to air and ground.	N

Table 1

2.5 Evaluation of proposed plan change

2.5.1 Introduction

Section 32(1)(b) requires an evaluation of whether the provisions are the most appropriate way to achieve the objectives by identifying other reasonably practicable options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions.

The assessment must identify and assess the benefits and costs of environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including opportunities for economic growth and employment. The assessment must, if practicable, quantify the benefits and costs and assess the risk of acting or not acting if there is uncertain or insufficient information available about the subject matter.

2.5.2 Benefits and Cost

The Cromwell Industrial Extension is located immediately adjacent to the existing industrial area on Cemetery Road, McNulty Road, State Highway 6 and Bannockburn Road. The land subject to PC18 has access via Cemetery Road and Old Saleyard Road. The proposal will have environmental, economic, and social benefits by providing for efficient use of the land resource which is in close proximity to the existing Industrial Resource Area south of McNulty Road.

The following table identifies and assesses the benefits and costs of the environmental, social, economic, and cultural effects that are anticipated from the implementation of Plan Change 18.

	Benefits	Costs
Environmental	<ul style="list-style-type: none"> The land subject to Plan Change 18 is located immediately adjacent to the existing industrial area on Cemetery Road, Barry 	<ul style="list-style-type: none"> Effect on an increase in the number of heavy vehicles on the roading network and State Highway intersections.

	<p>Avenue and Old Sale Yard Road</p> <ul style="list-style-type: none"> • Consolidation of Industrial Activity will have a positive effect in terms of managing effects associated with heavy industry such as traffic and noise. 	
Social	<ul style="list-style-type: none"> • The consolidation of industrial land zoned land in Cromwell and providing for efficient use of the land resource which is near the existing Industrial Resource Area south of McNulty Road will move any potential adverse effects away from existing residential uses. 	<ul style="list-style-type: none"> • Potential health impact on air quality associated with future land uses if Air Plan not complied with.
Economic	<ul style="list-style-type: none"> • The expansion and consolidation of Industrial land in Cromwell will have significant economic benefits for Cromwell in terms of the local economy and labour market. • Encourages a more efficient use of land for industrial purposes and increases efficiency of existing and future infrastructure • Increases potential development opportunities across the district and wider Otago region. 	<ul style="list-style-type: none"> • Intersection upgrading necessary to accommodate additional heavy vehicle movements • Increase in infrastructure costs associated with industrial intensification.
Cultural	<ul style="list-style-type: none"> • None Identified. 	<ul style="list-style-type: none"> • None Identified

The following table provides an assessment of the effectiveness and efficiency of the proposed provisions.

<p>Efficiency and Effectiveness</p> <p>Section 32(2)(c) of the RMA requires that the efficiency and effectiveness assessment also assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.</p> <p>Council has sufficient information through the spatial planning process to inform the plan change and it is therefore considered that PC18 will be efficient and effective as it will provide for subdivision and development of land for industrial purposes.</p>
<p>Alternative Approach</p> <p>The status quo and taking no action is not considered appropriate given the significant demand for industrial zoned land in Cromwell. Cromwell is strategically located on main transport routes between Christchurch and Queenstown/Wanaka and the wider Otago Region. The District Plan provides for land to be located within particular resource area, and alternative and non-regulatory methods are not considered to be appropriate.</p>
<p>Appropriateness Assessment</p> <p>Plan Change 18 is considered to be the most appropriate way to achieve the purpose of the Act. Demand for Industrial zoned land is high, and the opportunity to increase supply and consolidate industrial land may not always present itself.</p>

2.5.3 Scale and significance

Section 32(1)(c) of the RMA requires that the s32 evaluation report contains a level of detail that corresponds with the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.

When considering the scale and significance of any changes to the Industrial Resource Area, these changes must be considered in context of the strategic directions and national and regional directives as outlined in Section 4 above.

The following approach seeks to secure the supply of industrial land into the future and maintain the integrity of the industrial Resource Area for industrial and industrial support activities as, by

- a) restricting the establishment of non-industrial activities within the Industrial Resource Area, and
- b) ensuring that industrial land is developed to maximise the efficient and effective use of the land resource by requiring lot sizes and development standards to provide for industrial activities; and
- c) providing additional industrial land which can be made available in an integrated and co-ordinated manner as future demand arises.

The changes relating to the transport objective seek to recognise Cromwell’s strategic location and develop the industrial area as a distribution hub to serve the wider region.

The key issues relevant to the proposed Cromwell Industrial Extension are set out in the tables below:

Table 1: Scale and significance arising from implementation

Issue:	Scale			
	Minor	Low	Medium	High
Sufficient land is provided for existing industrial activities and additional land made available in an integrated and co-ordinated manner to respond to future demand.				
Degree of change from the Operative Plan		✓		
Scale of effects geographically (local, district wide, regional, national).			✓	
Scale of effects on those with specific interests, e.g., Tangata Whenua		✓		
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?		✓		
Likelihood of increased costs or restrictions on individuals, communities, or businesses.		✓		
Issue:	Scale			
	Minor	Low	Medium	High
Strategic transport corridors protected and enhanced.				
Degree of change from the Operative Plan			✓	
Scale of effects – geographically (local, district wide, regional, national).			✓	
Scale of effects on people (how many will be affected – single landowners, multiple landowners, neighbourhoods,			✓	

Issue:	Scale			
	Minor	Low	Medium	High
Sufficient land is provided for existing industrial activities and additional land made available in an integrated and co-ordinated manner to respond to future demand.				
the public generally, future generations?).				
Scale of effects on those with specific interests, e.g., Tangata Whenua			✓	
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?		✓		
Likelihood of increased costs or restrictions on individuals, communities, or businesses.		✓		

Overall, it is assessed that the proposed changes are necessary to give effect to the higher order planning instruments and strategic direction documents.

2.5.4 Risk of acting or not acting

Section 32(2)(c) of the RMA requires that the efficiency and effectiveness assessment be assessed the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

It is considered that the risk of not acting outweighs the risk of acting. There is sufficient information not to act on this approach.

2.6 Conclusion / Reasons

This evaluation has been undertaken in accordance with Section 32 of the RMA. It has provided an assessment of the appropriateness of the provisions within the proposed District Plan relating to correction of anomalies and errors in mapping, at achieving the purpose of the Act. This has included considering their efficiency and effectiveness, their alignment with relevant direction in other statutory documents.

The Council has conducted an evaluation of alternatives through the development of the Cromwell Spatial Plan. This evaluation has found that Plan Change 18 is appropriate and is proposed to be included in the District Plan.

Plan Change 18 is considered to be efficient, effective, and appropriate, and will impose minimum costs on the community whilst achieving benefits which are consistent with the purpose and principles of the Act and with the relevant objectives and policies of the amended Proposed District Plan.