

# SOUTH WAIRARAPA DISTRICT COUNCIL

5 APRIL 2017

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## AGENDA ITEM C6

### MARTINBOROUGH URBAN AREA – RESIDENTIAL GROWTH: EXPLORING OPTIONS

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#### **Purpose of Report**

To advise Council of the outcome of the consultants scoping study for residential growth options for Martinborough.

#### **Recommendations**

Officers recommend that the Council:

1. *Receive the information contained in this report titled "Martinborough Urban Area : Residential growth focus, a process for exploring growth options" dated 15 March 2017, Kaha Consultancy".*
2. *Approve the commissioning of a second phase of work as set out in the above named report relating to the preparation of a structure plan and plan change to the Wairarapa Combined District Plan after 1 July 2017.*

#### **1. Executive Summary**

Council has not reviewed urban growth options for the district as a whole since before the District Plan became operative in May 2011.

Work has however been commissioned by Council last year, in relation to the release of the land contained within the designated Future Development Area for Greytown for residential development. Consultants are currently working on a structure plan for that area and a plan change. This work should be completed by mid-year. A plan change process can then be launched by Council should that be agreed.

Even with that work progressing, other residential growth options need attention. Martinborough in particular has been the subject of concern from local real estate people and developers, who have stated that there is a land shortage for subdivision and development. The local business group have expressed similar concerns about the lack of medium to low cost housing options for workers in town. This commentary has been picked up on by the community board as well.

Recognising these factors a report was commissioned to review the situation in Martinborough and put forward a proposal for a way forward.

The report attached in Appendix 1 is the outcome of that review process.

It recommends a staged approach, including extensive consultation, to define what Council's response should be. In essence it anticipates that a low density growth area could be provided (with pockets of more intensive development) on the outskirts of Martinborough, subject to validation through a combined structure plan/plan change process.

The estimated cost of these processes is around \$100,000 (this could vary depending on the exact process adopted). At present a sum of \$50,000 has been included in the planning consultancy budget for the 2017/18 year to commence/advance this work.

## **2. Background**

Legislation provides for Council to plan for the physical future of its district, including land supply (residential, commercial, industrial), infrastructure (roads, sewage, water supply, parks), environmental conditions (quality of the built and natural features; amenity) and development rules (setbacks, yards, height, living space, density). It also provides for Council to recover costs of servicing development on a user pays basis. The primary statutes involved in these processes are the Resource Management Act 1991 and the Local Government Act.

These statutory provisions are enabling, that is, Council can use them to develop the provisions of the district plan which then manages the growth process through policies and rules. Council's district plan can then list the parameters for permitted activities relating to landuse and subdivision and also requirements for resource consents.

The structure plan process sits alongside this legal management framework and specifies the desired form of development in a given area in relation to public facilities such as roading, water infrastructure (supply and waste) and recreational needs and plans.

## **3. Discussion**

### **3.1 Kaha Consultancy report**

The report was not designed to determine exactly what should be done i.e. where development is in demand and should be provided for. It was instead designed to provide a broad evaluation of whether a case for more detailed work existed and then to outline how that work should be progressed.

The report was also structured to reflect and form the basis for one of the statutory requirements under the Resource Management Act 1991 (RMA), a Section 32 Report (an assessment of the need for and then benefits and costs of undertaking, an action – Plan Change). Hence the moderately detailed description of growth patterns and forecasts and needs.

The report recommends a concurrent and dual process be undertaken by Council to develop a structure plan and plan change for a “preferred area” of land for development.

It outlines the linkages between the structure plan and Councils Long Term Plan (due for review in 2018) and any plan change under the RMA.

The preferred area of land for development has not been irrevocably committed to through this report, as it is too early in the process to be making such a decision. The report has however identified the large block of land ( between New York Street, Todds Road, Dublin Street and Regent Street) for “investigation” which may then lead to it (all or part) being selected as the future development area for Martinborough.

Lastly the report only addresses residential requirements.

### **3.2 The key findings / recommendations**

#### ***3.2.1. The key findings are listed sequentially***

- Any action by the Council to change the zoning arrangement for residential growth in Martinborough needs to consider the Long-Term Plan, the three strategies above ( Contributions Policy, Water Management strategy and Implementation Plan, Infrastructure Strategy), along with other relevant strategies.
- The Plan (WCDP) anticipates urban growth and sets out criteria, particularly in respect of infrastructure that need to be considered.
- The Plan (Regional Policy Statement) clearly anticipates urban growth in an integrated and controlled manner, and seeks compact urban form rather than sporadic and uncoordinated development.
- Central government has clearly set an expectation that councils address growth capacity issues in urban areas, and doing so in Martinborough clearly falls within the scope of this national policy.

#### ***3.2.2. The key recommendations are listed sequentially***

In relation to the preparation of a structure plan, the structure plan should address:

- Likely demand for additional residential capacity in Martinborough and current availability to accommodate growth.
- Desirability of promoting further residential growth in the context of community outcomes sought in the Council’s Long Term Plan.
- Alignment with policies of central, regional and local government.
- Locational and development options for future development and deciding which option would be preferable. The effects of doing nothing should also be considered.
- Staging of development over time.

- Integrated management of environmental issues within the Martinborough urban area and immediate surroundings such as urban growth, transport, local access, open space planning, agricultural capacity, natural hazards management, water quality and quantity management, and protection of natural and cultural heritage values.
- Links to existing commercial, employment areas and to commercial and social services.
- How co-ordinated and compatible patterns and intensities of development across parcels of land in different ownership can be realistically achieved. This will involve obtaining both the support of affected landowners and the wider community.
- Infrastructure provision and other services across land parcels in different ownership and funding of additional infrastructure and need for council services. The issue of "betterment", i.e. the likely increase in property values of affected property and how any additional costs of providing the necessary community infrastructure can be paid for also needs to be addressed.

In relation to the preparation of a Plan Change, the Plan Change should include:

1. An analysis under section 32 of the Resource Management Act ... with the appropriate scope, and
2. The preparation of a structure plan to assist with the section 32 analysis of this Act, particularly in respect of:
  - The evaluation of alternatives, including the "Do Nothing" option.
  - The appropriateness of the plan change to promote the purpose of the Act.
  - The efficiency and effectiveness of the Plan Change to promote the purpose of the Act.
  - The consultation process required under Schedule 1 to promote a plan change.
  - Reducing the number of submissions in opposition to the plan change, and

in tandem with a plan change, amendments to Council's WCDP Financial / LTP Development Contributions Policies if required.

### **3.3 Financial Considerations**

The project, if it proceeds, could have financial implications for Council. The consultant's report identifies these as being potentially significant in terms of engineering works to service any development area. It also recommends that these works be considered through the next LTP 2018-28.

Outside of those potential major infrastructural matters, the cost of the work required to be undertaken is not insignificant, with the consultants estimate being in the order of \$100,000+. However these costings are influenced by a number of factors such as the extent of public consultation and how much of the work, particularly engineering design, can be done "in-house". It would not be unreasonable to expect costs to be around the \$100,000 estimate regardless of any attempts to trim back some components, as the current figure is an initial costing without a fully detailed work programme.

At present a sum of \$50,000 has been included in the planning consultancy budget to commence this work (would likely fund most of the structure plan cost but not plan change).

#### **4. Conclusion**

A scoping study has been completed to assist Councils deliberations around whether to proceed with a full review of residential growth options for Martinborough. The Council now needs to decide whether it should progress this work commencing in the 2017-18 Annual Plan year with wider matters being considered as part of the 2018-28 LTP.

#### **5. Appendices**

Appendix 1 – "Kaha Consultancy Limited – Martinborough Urban Area – Residential growth focus, a process for exploring growth options"

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**Appendix 1 – “Kaha  
Consultancy Limited –  
Martinborough Urban Area –  
Residential growth focus, a  
process for exploring growth  
options”**



## Martinborough Urban Area

Residential growth focus, a process for exploring growth options

Kaha Consultancy Ltd

15 March 2016

## 1. Introduction

South Wairarapa District Council engaged Kaha Consultancy Ltd to generate a description and scheduling of work (project programme) required to address low density residential growth demand for Martinborough in the context of overall urban form and growth for the township.

There are concerns that the availability of land for low density residential development is limited and may not be sufficient to meet demand.

Addressing the low density growth options may lead to a district plan change to rezone rural land on the edge of Martinborough to allow for low density and possibly some more intensive residential development in the township such as retirement villages.

The feasibility of such rezoning needs further evaluation. Alternative residential capacity options would need to be considered before any final decisions are made. Any rezoning process must be capable of being incorporated into the Wairarapa Combined District Plan by way of a Council sponsored Proposed Plan Change.

Section 32 of the Resource Management Act 1991 requires that the Council carries out an evaluation which examines how the proposal is the most appropriate way to achieve the purpose of the Act. Council staff have suggested that as part of such a rezoning process, a structure plan for the future development and growth of the township is also required.

A significant rezoning proposal would also affect the potential total population in Martinborough, its character, and amenity, its economic base and prospects and its social environment. There would likely be effects on Council provided infrastructure, infrastructure provided by other utility operators (electricity and telecommunications), as well as providers of commercial and community facilities such as education and health services.

As such it is appropriate that any proposal to progress this matter have political approval from the Council. In terms of any changes to the Long-Term Plan, the Council would also need to be assured of reasonable community buy-in and a structure plan process may be helpful to generate such buy-in.

This report sets out background and summarises the relevant local, regional and national policy frameworks within which any change must occur.

It then recommends how the Council can address the issue in a structured process that can meet the requirements of the Local Government Act 2001 and Resource Management Act 1991. This can be done by preparing a structure plan under the provisions of the Local Government Act 2002 prior to promulgating a plan change under the Resource Management Act 1991.



## 2. Background

### 2.1 Development

The township of Martinborough has been the subject cyclic development in a market driven context. Thus far, Council staff say it has largely been driven by developers and largely in an ad-hoc manner. This has led to incomplete developments, slow uptake of sites and then periods of high demand as the market rose and fell.

It has also led to a somewhat unplanned urban form with development of random locations at the urban fringes of the township, with possibly inefficient use of public resources, and less than optimal provision of vehicle, reserve, cycleway and pedestrian connections.

It is apparent that since 2006 Martinborough has experienced a significant growth phase, with population and dwelling numbers growing in the next seven years by more than ten per cent. It is not clear whether this growth is sustainable, as prior to 2006 the township saw a small loss in total population. Council staff report that local real estate agents and out of town developers have advised Council they have had to scour the market for sites to be developed/or develop.

The Martinborough Community Board, in consequence of representations from the local land development interests, has requested that options for new growth areas be explored for Martinborough.

A prima facie case for creating additional development options seems to exist.

Providing growth opportunities is not a new issue to Council, as the need for a district wide urban development strategy involving all three townships (Martinborough, Featherston and Greytown) and plans for expansion areas have been discussed in 2015. The development of such a strategy has been deferred until the 2017/18 financial year due to cost and budget constraints.

Council has funded the development of a structure plan for the Future Development Area at Greytown in 2016-2017. This was a pre-requisite for this area to become available for residential use.

Nationwide, there is concern that councils' planning provisions contribute to a lack of residential development capacity, leading to higher housing costs. This is particularly so in faster growing areas, but scarcity of residential land can also affect development in smaller urban centres where there is growth pressure.

Staff have identified an area that appears to have potential for lower density (and perhaps within it small more intensively developed areas) residential development in Martinborough. Such development would allow for gardens, privacy and outdoor living to an extent that is not readily available in metropolitan Wellington. Lower density residential development would allow for logical integration into the existing urban area and could facilitate further growth and add to vitality of the township.

## 2.2 Population development and trends

Statistics New Zealand information suggests that Martinborough has indeed experienced high recent population growth. Between the 2006 and 2013 censuses, the population of the township increased by 147, or almost ten per cent. The inter-census period between 2001 and 2006 showed a loss of 27 residents for Martinborough. (The 2011 Census was postponed to 2013 following the 2011 Canterbury Earthquake).

### Population

Martinborough	2013			2006			Change 2006 to 2013
	Number	%	South Wairarapa District %	Number	%	South Wairarapa District %	
Population (excluding O/S visitors)	1,470	100.0	100.0	1,323	100.0	100.0	+147
Females	762	51.8	51.0	702	53.1	50.3	+60
Males	708	48.2	49.0	621	46.9	49.7	+87

Source: Statistics New Zealand, [Census of Population and Dwellings](#) 2006 and 2013.

The increase in the number of dwellings increased by 99, from 855 in 2006 to 954 in 2013. The higher dwelling growth results from a lower occupancy rate and an increase in the number of unoccupied private dwellings.

### Dwellings

Martinborough	2013			2006			Change 2006 to 2013
	Number	%	South Wairarapa District %	Number	%	South Wairarapa District %	
Private dwellings	639	67.0	74.7	588	68.8	76.5	+51
Unoccupied private dwellings	300	31.4	24.4	261	30.5	23.0	+39
Pop in private dwellings	1,401			1,269			+132
Average Household size	2.19		2.36	2.16		2.40	0.03
Non private dwellings	15	1.6	1.0	6	0.7	0.5	+9
Pop in non-private dwellings	24			18			+6
<b>Total dwellings</b>	<b>954</b>	<b>100.0</b>	<b>100.0</b>	<b>855</b>	<b>100.0</b>	<b>100.0</b>	<b>+99</b>

Source: Statistics New Zealand, [Census of Population and Dwellings](#) 2006 and 2013

The recent growth of the Martinborough population is in line with similar growth rates for the Greytown and Carterton urban areas. See Appendix 1 [for](#) further details.

Meanwhile, medium projections produced by the Department of Statistics in 2016 for the whole South Wairarapa District show only marginal population growth for the whole district up to 2043. Medium projections are considered the most likely to eventuate.

<a href="#"><u>Dataset: Area unit population projections, by age and sex, 2013(base)-2043</u></a>								
Projection		Medium						
Sex		Total people, sex						
Age		Total people, age						
Year at 30 June	<a href="#"><u>2013</u></a>	2018	2023	2028	2033	2038	2043	
South Wairarapa district	9800	10250	10400	10450	10450	10400	10250	

Source: Statistics New Zealand, [Census of Population and Dwellings](#)

However, these demographic projections are not predictions. They represent the statistical outcomes of various combinations of selected assumptions about future changes in the dynamics of the population. These assumptions are formulated from the latest demographic trends and patterns, as well as international experiences.

The reliability of population projections for smaller sub-areas near a larger urban centre such as South Wairarapa or Martinborough can be limited. Local demographic developments can be influenced by specific local factors such as the fortunes of a specific economic sector, a large employer, or more general market developments on matters such as interest rates, petrol prices, residential preferences and market conditions and nearby larger centres.

The population trends for the smaller Wairarapa centres are not uniform both over time, and per different urban area. The trends are likely to be subject to continued fluctuation over time. Some caution should thus be exercised when considering the higher recent growth in Martinborough, as a straight continuation of this growth may not occur.

### 3. Further residential development

Within the current planning framework in the Wairarapa Combined District Plan there will be capacity for further residential development in the township, both on the urban fringes, as well as in the form of infill development. In terms of the Plan, such development may be a permitted activity, or require a resource consent. Any larger scale development is likely to require such a consent.

No detailed information on development capacity under current rules is available for Martinborough. It should be noted that development capacity under the current District Plan arrangements does not mean that such capacity is actually available on the market as land owners may not wish to sell their land at this time for a variety of reasons.

Council staff have indicated that there may be significant interest in further urban residential development in the township within specific market sectors.

Interest in such development is likely to be influenced by factors such as:

- Proximity to metropolitan Wellington.
- A ready market for attractive residential dwellings in a village-semi rural setting with larger degrees of privacy and larger gardens than are available in metropolitan Wellington.
- The range of existing facilities in Martinborough and its attraction as a tourist area.
- The existence in the Wellington region of distinct markets for weekend and holiday homes.
- The existence in the region of a market of (semi) retirees or people who have working and professional relationships in Wellington but who do not need to travel there daily.

Benefits for further urban growth in Martinborough may include:

- Increase for the demand for commercial and community services, thus helping to sustain the local availability of such services;
- Increased community vitality;
- Creation of local employment and wealth.

Such benefits may help to further the Council Long Term Plan's community outcomes.

## 4. Policy Framework

### 4.1 South Wairarapa District Council's Long Term Plan 2015-2025

The Long-Term Plan addresses Council's activities for a ten-year period, and is reviewed every three years. Ultimately, Council's activities should contribute to the realisation of those outcomes.

In the 2015-2025 Long Term Plan, the Council's Community Outcomes<sup>1</sup> are:

***"HEALTHY & ECONOMICALLY SECURE PEOPLE***

*Working towards healthy and well housed people who are economically secure, active and involved in their community.*

***EDUCATED AND KNOWLEDGEABLE PEOPLE** Educated and knowledgeable people who feel confident that they can achieve their aspirations.*

***VIBRANT AND STRONG COMMUNITIES***

*A place where people feel safe, are proud to live and have a sense of belonging.*

***SUSTAINABLE SOUTH WAIRARAPA***

*A sustainably managed district where economic development and environmental management go hand in hand.*

***A PLACE THAT'S ACCESSIBLE AND EASY TO GET AROUND***

*Well served by a range of transport options (including roading), local and regional services and telecommunications."*

The Plan contains a number of strategies that Council must take into account when it considers actions to facilitate further residential development of the Martinborough.

These include:

- Revenue and Financing Policy.
- Development Contributions/Financial Contributions Policy.
- Infrastructure Strategy.

The Revenue and Financing Policy needs to consider matters such as intergenerational equity and beneficiaries of Council's actions.

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<sup>1</sup> South Wairarapa District Council Long Term Plan 2015/2025

The Council's Development Contributions Policy outlines the requirements for financial contributions payable by developers at the time of subdivision, land use or building consents. The contributions can be used by Council to fund community infrastructure and services that are created by the additional development. However, the Policy is currently not being used, and development levies are imposed as financial contributions through the Wairarapa Combined District Plan provisions.

The Infrastructure Strategy sets out how the Council wishes to balance adequate infrastructural capacity to meet current and future demand whilst being affordable to the community.

In addition Council has adopted other strategies that are relevant to demand for services, the most recent and relevant being its Water Management Strategy and the subsequent Water Implementation Plan. These seek to manage demand for fresh water and ensure Council compliance with resource consent requirements imposed on Council.

## Conclusion

Any action by the Council to change the zoning arrangement for residential growth in Martinborough needs to consider the Long-Term Plan, the three strategies above, along with other relevant strategies.

## 4.2 Wairarapa Combined District Plan

The Wairarapa Combined District Plan sets out (section 2.2.7) the management of growth as a Strategic Environmental Issue.

It states:

*"Population growth in some parts of the Wairarapa is putting existing infrastructure under pressure and generating demand for urban expansion. Increasing recreational and tourism development is also placing pressure on the natural and physical resources of the area such as the coast, lakes, rivers and natural areas.*

*Urban growth will necessitate improving or building new infrastructure such as streets, water, wastewater and reserves networks. The infrastructure is an essential part of the Wairarapa's physical resources and is crucial to the social, physical and economic wellbeing of the people. Urban development needs to be managed so that the infrastructure, such as water supply, roads, reserves and wastewater systems are economically efficient and environmentally sustainable.*

*The market will influence the location and type of development, but growth will need to be managed in a comprehensive and efficient manner to minimise adverse effects on the environment and existing infrastructure.*

*Where significant public investment exists, or is required, then development must not compromise the efficiency and sustainability of the infrastructure. Furthermore, some areas may be unsuitable for urban development, including areas of highly versatile soils, and land subject to significant risks from natural hazards, such as flooding.*

*How and when new development occurs will be influenced by existing development, land ownership issues, planning rules and the capacity of existing infrastructure. Furthermore, communities' expectations and aspirations towards where and how they want to live change over time."*

Objective 18.3.10 and Policy 18.3.11 outline in some more detail how this issue can be addressed. These state:

*“18.3.10 Objective SLD4*

*Managing Urban Growth to provide for urban expansion adjoining existing urban areas where such growth does not adversely affect the safe and efficient use and development of land, roads and infrastructure.*

*18.3.11 SLD4 Policies*

*(a) Identify the urban environments of the Wairarapa within which further urban development is appropriate, including areas of potential growth.*

*(b) Manage subdivision and development within growth areas on a comprehensive basis to ensure a structured and integrated pattern of development, with the environmental qualities of the land fully identified and sustainably managed.*

*(c) Manage urban subdivision and land development to connect with the existing infrastructure and transportation network, according to the capacity limitations of that network and the potential requirements for upgrading its capacity.”*

## Conclusion

The Plan anticipates urban growth and sets out criteria, particularly in respect of infrastructure that need to be considered.

## 4.3 Wellington Regional Council Regional Policy Statement

The Regional Council’s Regional Policy Statement<sup>2</sup> sets out poor quality urban design and sporadic, uncontrolled and/or uncoordinated development and integration of transport and land use as regionally significant issues in relation to form, design and function of urban areas.

Relevant objectives include Objective 22 which seeks to further:

*“A compact well designed and sustainable regional form that has an integrated, safe and responsive transport network, and*

*(e) urban development in existing urban areas, or when beyond urban areas, development that reinforces the region’s existing urban form;*

*(f) strategically planned rural development;*

*(g) a range of housing (including affordable housing);*

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<sup>2</sup> Regional Policy Statement for the Wellington region. <http://www.gw.govt.nz/assets/Plans--Publications/Regional-Policy-Statement/Regional-Policy-Statement-full-document.pdf>

- (h) integrated public open spaces;*
- (i) integrated land use and transportation;*
- (j) improved east-west transport linkages;*
- (k) efficiently use existing infrastructure (including transport network infrastructure); and*
- (l) essential social services to meet the region’s needs.”*

The Regional Policy Statement also says that *“sporadic, uncontrolled and/or uncoordinated, development (including of infrastructure) can adversely affect the region’s compact form.”*

It says that this can result in:

- “(a) new development that is poorly located in relation to existing infrastructure (such as roads, sewage and stormwater systems) and is costly or otherwise difficult to service*
- (c) the loss of rural or open space land valued for its productive, ecological, aesthetic and recreational qualities*
- (d) insufficient population densities to support public transport and other public services*
- (f) loss of vitality and/or viability in the region’s central business district and other centres of regional significance*
- (h) adverse effects on the management, use and operation of infrastructure from incompatible land uses under, over, on or adjacent.”*

## Conclusion

The Plan clearly anticipates urban growth in an integrated and controlled manner, and seeks compact urban form rather than sporadic and uncoordinated development.

## 4.4 Central government

Central government is concerned that councils’ planning provisions contribute to a lack of residential development capacity, and lead to higher housing costs.

To help address this matter, central government, in 2016, has promulgated a National Policy Statement on Urban Development Capacity. Its main objective is to ensure that:

*“urban environments that have sufficient opportunities to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.”<sup>3</sup>*

<sup>3</sup> <http://www.mfe.govt.nz/sites/default/files/media/Towns%20and%20cities/summary-A3-of-the-nps-udc.pdf>



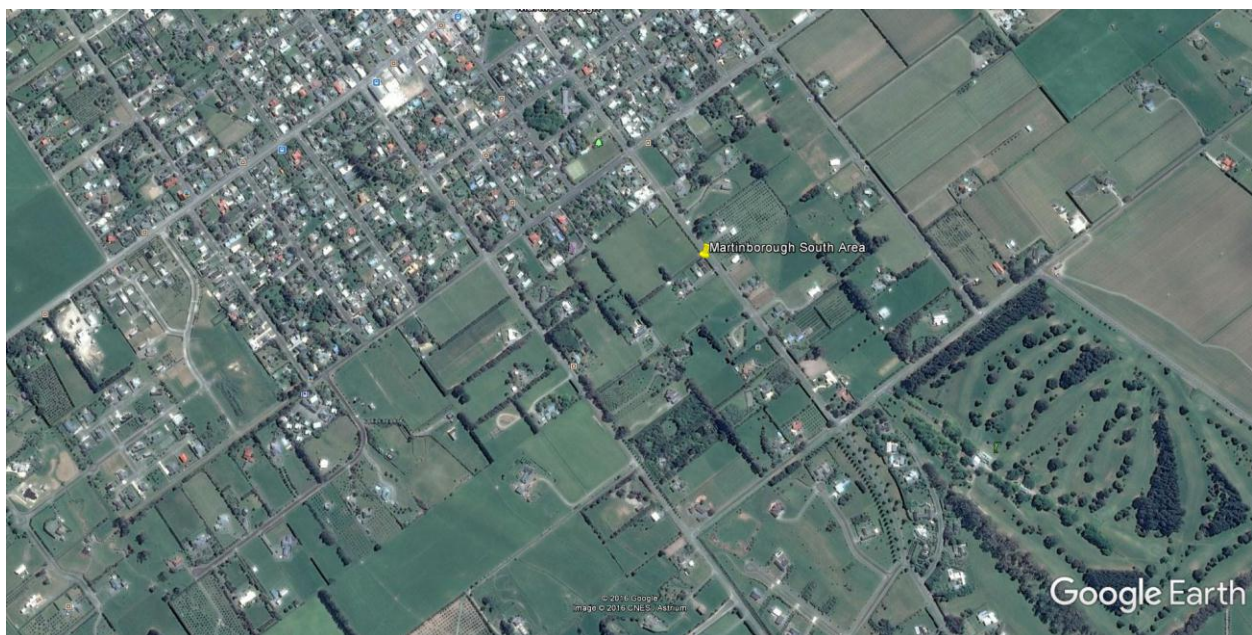
## Conclusion

Central government has clearly set an expectation that councils address growth capacity issues in urban areas, and doing so in Martinborough clearly falls within the scope of this national policy.

## 5. Options for additional residential capacity in Martinborough

### 5.1 Martinborough South Option

Council staff have identified an area bounded by New York Street (northern extent), Todds Road (eastern extent), Dublin Street (southern extent) and Regent Street (western extent) as a possible location for future residential development.



The area is zoned Rural(Primary Production) apart from the properties on the southern side of Regent Street between Dublin Street and Oxford Street, which are zoned Residential.

The area is currently characterised by sporadic urban development. There are tracts of grass covered and underutilised land, as well as small areas which are farmed or in some cases have vineyard uses established.

It is also close to recently established urban fringe developments on the southern side of the township and a golf course.

The area is some 28.5 hectares in size, and contains smaller lots along Regent Street and the eastern side of Oxford Street. It also contains some 27 larger lots in excess of 8,000 square metres, but no single lot exceeds 3 hectares in size. The current minimum lot size in the Rural (Primary Production) for further subdivision is 1 hectare subject to a number of conditions (such as a 2ha average).

Those larger lots could potentially see redevelopment to accommodate more intensive residential development with a zoning change. Current zoning for the area would also enable some additional residential development as some lots are currently vacant.

Infrastructure services are available to the area including well established collector roads, cycle paths, water-supply systems and sewage mains. In some places footpaths (unsealed) have been installed. More intensive development of the area may require upgrading of these services. At this stage, it is unclear whether water supply, wastewater reticulation or stormwater reticulation would need to be provided to the area, as lower level development could possibly be serviced with rainwater tanks for potable water and onsite wastewater systems for wastewater disposal. The Council has resource consents in place from the Wellington Regional Council to abstract water for water supply purposes, but water is at times scarce in the region and restrictions are regularly imposed on water use.

Depending on density parameters, this area could potentially accommodate a large number of residential dwellings. If the average section size is 1,500 square metres, at least a further 100 dwellings could be accommodated and possibly more.

No formal or informal community consultation over the promotion of this option has taken place. As such, it is not clear whether there is support from land owners in the area or in the wider community. Absence of such support would severely affect the viability of this option.

## 5.2 Other options

Other residential development capacity options are also likely to exist in and around the township, including for more infill in the established urban area, or on other fringe locations. These options have not been further developed at this stage.

These options may or may not require changes to the District Plan, or the development of further infrastructure.

## 6. Zone change and structure plan.

A zoning change in Martinborough South would likely have an important relative impact of the overall scale and nature and amenity of the urban environment in Martinborough, which currently has a total of some 950 dwellings. A rezoning process that could potentially lead to a development of 100 or more dwellings would be a significant change in that context.

Developments of such a scale generally require careful consideration of matters such as amenity, transport, local access, reticulated infrastructure, impact of stormwater and access to social and commercial facilities.

The idea to promote a rezoning process in Martinborough South has not been advanced by local landowners. A rezoning process could be Council promoted, if the change meets the purpose of the Resource Management Act and is in the public interest.

Local landowners would be affected by potentially adverse impacts (loss of amenity, increased noise and traffic, and loss of privacy) of more intensive development, but they could also benefit from an increase in development rights under the Resource Management Act which could lead to an increase in their property values. Conversely, the additional availability of residential land may suppress property values elsewhere.

Because of these complexities, it is suggested that Council develops a district plan change in tandem with a structure plan process. The structure plan process will consider the need for additional residential development capacity in Martinborough in a wider context, develops options to accommodate such an increase, addresses the impact on council infrastructure and services, and other wider environmental effects. It will then inform the Council to enable a decision on which option would be preferable.

The Quality Planning website<sup>4</sup>, describes a structure plan as *“a framework to guide the development or redevelopment of an area by defining the future development and land use patterns, areas of open space, the layout and nature of infrastructure (including transportation links), and other key features and constraints that influence how the effects of development are to be managed.”*

The website states that structure plans can be particularly useful to coordinate the staging of development over time where large areas are to be developed or redeveloped.

In the case of growth options for Martinborough it is considered that a structure plan would also help to:

- Promote a better understanding of the inter-relatedness of issues, through the use of visual material such as maps, plans and diagrams.
- Promote good urban design outcomes by defining the layout, pattern, density and character of new development and transportation networks.

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<sup>4</sup> <http://www.qualityplanning.org.nz> The site was developed by the Ministry for the Environment, New Zealand Planning Institute, Resource Management Law Association, New Zealand Institute of Surveyors, Local Government New Zealand and New Zealand Institute of Architects

- Show how economic, social and cultural matters are being provided for and managed alongside environmental considerations.
- Help Council to meet its section 32 duties under the Resource Management Act 1991, particularly in relation to the assessment of costs, benefits and alternatives.
- Help Council to calculate the appropriate level of financial contributions or development contributions in an area that is rezoned and address the issues of “betterment” and fairness.
- Create community and stakeholder buy-in for a Council proposal.

The structure plan process would contain a number of stages, and at each stage the Council would have the opportunity to stop the process if the proposal is no longer feasible or appropriate.

## 7. Contents of Structure Plan for Martinborough Urban Growth

In this case, the structure plan should address:

1. Likely demand for additional residential capacity in Martinborough and current availability to accommodate growth.
2. Desirability of promoting further residential growth in the context of community outcomes sought in the Council's Long Term Plan.
3. Alignment with policies of central, regional and local government.
4. Locational and development options for future development and deciding which option would be preferable. The effects of doing nothing should also be considered.
5. Staging of development over time.
6. Integrated management of environmental issues within the Martinborough urban area and immediate surroundings such as urban growth, transport, local access, open space planning, agricultural capacity, natural hazards management, water quality and quantity management, and protection of natural and cultural heritage values.
7. Links to existing commercial, employment areas and to commercial and social services.
8. How co-ordinated and compatible patterns and intensities of development across parcels of land in different ownership can be realistically achieved. This will involve obtaining both the support of affected landowners and the wider community.
9. Infrastructure provision and other services across land parcels in different ownership and funding of additional infrastructure and need for council services. The issue of "betterment", i.e. the likely increase in property values of affected property and how any additional costs of providing the necessary community infrastructure can be paid for also needs to be addressed.

Council will need to determine under its Significance and Engagement Policy<sup>5</sup> whether the adoption of a Structure Plan is a significant decision. This decision should be informed, amongst other things, by:

- The cost of the process.
- The impact on Council infrastructure provision and funding.
- The effect on landowners in any area where a zone change is contemplated.
- The effect on other landowners.
- The effect of not taking any action.

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<sup>5</sup> South Wairarapa, SIGNIFICANCE AND ENGAGEMENT POLICY, <https://www.swdc.govt.nz/sites/default/files/PolicySignificanceandEngagementPolicy2015.pdf>

At first glance, the decision may be significant, and Council could decide to incorporate the outcomes of a structure plan (new services) for Martinborough as part of the preparation of the 2018-2028 Council LTP. This would integrate this plan with the wider strategic approach for district growth and management issues, and avoid the costs of a separate consultation process.

## 8. Possible Structure Plan for Martinborough Urban Growth Plan Process

The process of the development of the actual structure plan would contain the stages outlined in the table in this section.

The actions required and costs involved cannot be more accurately predicted at this stage. Much will depend on the consultation process involved, and the levels of buy-in and support from stakeholders and community. There is no real clarity at this stage about the detail of the options, including the need for additional council infrastructure and services, local access arrangements, or the desirability or otherwise of urban design criteria and rules.

The estimates therefore are purely a first indication. The total number of professional hours of work required is estimated to be approximately 355. Realistically, the total number of hours could vary by plus or minus 50 per cent. Some of this work can be carried out by Council staff, other work is likely to require consultants.

This work does not include the formal processing cost of a special consultative procedure under the Local Government Act 2002.

Process stage	Why important	What needs to be done	Action (agency) and time professional person hours
1. Describe possible overall vision for future of Martinborough Township, and identify need to develop a Structure Plan	Determining need to facilitate further growth, assess potential costs and benefits	Demographic analysis, analysis of likely growth.  Consultation of key stakeholders (land owners immediately affected, iwi, Greater Wellington Regional Council, electricity provider, council engineering and parks/community services staff)	In house by Council staff, or consultancy 20 hours  Meetings with 5-10 key stakeholders <b>50 hours</b>
2. Develop options to accommodate growth, including Martinborough South option, other growth areas, infill development and doing nothing	An initial scan of possible options. It is important to start the process with an open mind, and to ensure that Council is not predetermined in its options.	Identify options, rough scan of benefits and costs of each. Develop design detail for larger areas, including internal transport links, urban design criteria, and density options.	Consultancy in combination with Council staff  <b>50 hours</b>



		<p>Consultation of key stakeholders as under 1.</p> <p>Public meeting</p>	<p>Meetings with 5-10 key stakeholders</p> <p><b>20 hours</b></p> <p><b>15 hours</b></p>
3. Assess options	Weighing up costs and benefits	<p>Assess impact on:</p> <ul style="list-style-type: none"> <li>• Creation of new residential opportunities.</li> <li>• Council infrastructure (water supply, wastewater reticulation, stormwater treatment, roading network, parks and reserves, council facilities).</li> <li>• Other community infrastructure (electricity, education and health facilities)</li> <li>• Commercial facilities and local economy.</li> <li>• Amenity, local vitality, community connectedness.</li> <li>• Natural hazards.</li> <li>• Natural environment</li> <li>• Loss of agricultural production land.</li> </ul> <p>Assess options against national, regional and local government policies.</p> <p>Consider funding mechanism to fund any additional infrastructure required.</p> <p>Consultation with stakeholders and wider community (public meeting) is required in this process</p>	<p>Consultancy and council staff</p> <p><b>100 hours</b></p> <p><b>20 hours</b></p> <p><b>20 hours</b></p>

			<b>60 hours</b>
4. Adopt option and sign off on a Structure Plan, either as a separate decision by Council in line with Council's Significance Policy, or as part of development of 2018-2028 LTP.	Make clear decision on basis of available information.	Consultation with stakeholders and wider community is required in this process	To be decided

## 9. Plan change under Resource Management Act

The process of preparing and adoption of a structure plan under the Local Government Act can be aligned with the development of a district plan change under the Resource Management Act, which would see the Council rezone areas for higher intensity residential development. The plan change would also contain provisions on matters such as internal access, stormwater management, urban design etc.

Both processes would be inter-active and influence each other and involve matters such as density, zoning rules, staging and detail of council infrastructure servicing provisions.

The detailed provisions of the plan change will flow logically from the structure plan. The public consultation process that has been followed to adopt the structure plan can also be used to inform the district plan change process, so that there is the best possible integration of processes. It should be recognised that the statutory processes for adoption of both plans are separate, and that full integration and overlap of these processes cannot occur.

The plan change will require an analysis under section 32 of the Resource Management Act. These evaluations need to be undertaken with the appropriate scope.

The process to prepare a structure plan will clearly assist with the section 32 analysis of this Act, particularly in respect of:

- The evaluation of alternatives, including the “Do Nothing” option.
- The appropriateness of the plan change to promote the purpose of the Act.
- The efficiency and effectiveness of the Plan Change to promote the purpose of the Act.
- The consultation process required under Schedule 1 to promote a plan change.
- Reducing the number of submissions in opposition to the plan change.

In tandem with a plan change, amendments to Council’s Development Contributions Policy may also be required.

It is premature at this stage to identify all actions that are required to prepare and process a plan change. There is insufficient knowledge at this stage of the detail of the change, the nature of its provisions, and the level of support and opposition to such a change, but a process of this nature would likely require 200 hours or more professional hours’ time. Realistically this figure could vary by +- 50%. Some of this work can be carried out by Council staff, other work is likely to require consultants.

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