



STAFF REPORT

TO: Environment & Planning Committee

FROM: Rose Biss, Policy Planner

REFERENCE: L304

SUBJECT: **MOTUEKA WEST DEVELOPMENT STRATEGY - REPORT EP08/03/04** - Report prepared for 4 March Meeting

1. PURPOSE OF THE REPORT

The purpose of the report is to update the Council on progress towards developing a strategy for Motueka West and inform the Council on the current supply and likely future demand for industrial and commercial land at Motueka.

2. BACKGROUND

Motueka, as the second largest township in the district has enjoyed a steady level of growth since 1996. The population has grown from 6594 to 7122 in the period 1996 to 2006 (8% growth – which is very similar to the district growth rate of 7.9% for the same period). In the last few years the Council has progressively uplifted deferred residential zonings that were imposed on several areas for stormwater reasons - once the drainage limitations have been overcome. These areas were on the west side of Motueka.

In 2005 three draft variations were approved by the Council for public discussion purposes. These draft variations were known as

- Motueka East – residential
- Motueka South - residential
- Motueka West - residential, commercial and industrial

Motueka East proceeded to be notified as Variation 48 in March 2006. It added 4 hectares of residential zoning at Courtney Street East and is now operative.

Motueka South did not proceed because of servicing difficulties and public opposition.

Motueka West has proceeded to the stage of a possible draft structure plan which has been discussed with the major landowner who in 2007 proceeded to prepare a modified structure plan.

The modified structure plan was presented to staff in September 2007. Because the modified structure plan challenged the proportion of residential, commercial and industrial land needed at Motueka West the Council has undertaken additional work on the future supply and demand for industrial and commercial land in Motueka. There have also been requests from business interests to review the amount of industrial land in Motueka.

3. INDUSTRIAL AND COMMERCIAL LAND SUPPLY AND DEMAND

Two recent studies are now available to assist the Council in assessing current supply of, and future demand for industrial and commercial land. These are the Telfer Young Land Supply Study and the Motueka and Environs Industrial and Commercial Land Assessment (Property Economics January 2008); copies of both are available to the Committee members if requested.

3.1 Telfer Young Land Supply Study

A recent study (Telfer Young December 2007) has assessed the current supply of industrial and commercially zoned land in Motueka at 34 hectares of industrial land and 15 hectares of commercially zoned land. However the amount of this land that is vacant (ie. undeveloped) is 10 percent and 2 percent respectively. High Street South has the only vacant industrial lot of any significant size at 1.1 hectares.

The conclusion drawn from the Telfer Young report and from business interviews (undertaken as part of the demand study by Property Economics) is that industrial and commercial activity is using existing zoned land at capacity.

Motueka and Environs Industrial and Commercial Land Assessment (Property Economics January 2008)

- a) The Property Economics study adopts a broad timeframe and looks 50 years ahead. From forecasted employment numbers and land utilisation rates the demand for industrial, commercial and retail land for Motueka has been assessed.

The forecasted additional land requirements for Motueka by year 2056 are:

- 24 hectares of industrial land
- 15 hectares of commercial land
- 5 hectares of retail land

These figures are slightly greater than those areas included in the Council's draft structure plan prepared in late 2006 which was based on planning to the year 2031.

The Study included business interviews with 11 Motueka business representatives. A key concern for business is access to customers, labour and raw materials. Commercial customers are primarily focussed on access to customers as their businesses are largely service businesses with little need for raw materials. Their main requirements are for office space, exposure and accessibility to their customers. This means a fairly central location with large pedestrian flows and good parking is preferred.

Industrial businesses are more focussed on accessibility to raw materials and labour, and to a lesser extent customer accessibility. Most important is land and labour and access to a distribution network.

With regard to the latter the future planning of location and timing for a Motueka Bypass is becoming increasingly important. At present there is nothing indicated on the planning maps other than State Highway 1 and the Motueka Valley Highway as the main routes in and out of Motueka. The adverse environmental effects of heavy traffic passing through the Motueka CBD will be well known to councillors.

- (b) Industrial Trends – the study includes a section on industrial trends. National employment trends forecast more warehousing and logistics based industry. Many operators are now consolidating their inventory into a smaller number of larger warehouses.
- (c) Industrial Locational Criteria

While the location decision process for industry is often complex there is a set of key locational criteria affecting most business location decisions. These are outlined below:

- Undisrupted water and electricity supply
- Digital capability
- Close proximity to transport hubs eg roads and airports
- Proximity to appropriate labour supply
- Location of customers/ target markets
- Location of suppliers
- Room for expansion and growth on the site
- Land and property costs
- Potential to secure resource consent
- Level of congestion at peak times
- Exposure /profile

4. ISSUES IN MOTUEKA

It is clear that the issues identified for Motueka in the Tasman Resource Management Plan in 1996 now need to be revised.

4.1 Some of the major issues today that need to be addressed in Motueka are:

- Provision of necessary infrastructure (roading, stormwater, wastewater and water). A summary of infrastructure projects is given in section 6 of this report.

- Residential - should there be an increase in density (related to proximity to community facilities, walkability to shops and public transport)? What can be done to improve affordability and provide a wider range of accommodation options?
- Industrial - located close to major transport route/s
- Commercial / retail - whether to develop around the present central business area or to create a complementary retail hub
- Protecting versatile productive horticultural land

5. GUIDING PRINCIPLES

Overarching the major issues is the need for sound guiding principles to encourage future growth in Motueka to contribute positively to the town as a great place to live, work and play and to sustain its natural and physical resources. Principles adopted in 2006 in relation to Motueka are

- *Consolidate the urban form of Motueka, rather than extend it lengthways or develop unconnected satellite areas*
- *Provide connections within new urban areas and into the existing urban fabric, facilitating access to the town centre and the other community facilities*
- *Encourage diversity in the choice of living environment and housing size, through a range of standard and more compact residential areas.*
- *Adopt a LISD (low impact stormwater design) approach to managing the stormwater from new urban development.*
- *Recognise the transport needs of the residential and business activities. This includes appropriate street hierarchies and a potential highway bypass as well as walking and cycling infrastructure to encourage a low energy journey to work.*
- *Recognise the natural value of the estuarine environment and the Motueka River as the underlying context for the Motueka area, and to incorporate this in to the urban area's identity.*
- *Recognise the need for a subcentre within Motueka west to provide local services and a community heart as the urban growth progresses.*
- *Provide recreational opportunities and linkages within the urban area, to recognise the passive activity needs of current and future Motueka residents.*

6. SERVICES

The following major capital projects for Motueka are included in the LTCCP:

Stormwater

- New cutoff drain in West Motueka
- Improvements to Lammas Drain outfalls and widening of drains
- New pipework along High Street / Poole Street
- Improvements to the drains and outfalls off Parker Street

Wastewater

- Motueka treatment plant upgrade
- Replacement of significant mains at Courtney Street – Hau Road; Thorp Street – treatment plant

Stopbanks

- The Motueka Stopbank rehabilitation is programmed for 2012 – 2016

Water

Some major capital projects were deferred from the 10 year forecast in the LTCCP.

The construction of a new town water supply at Motueka was deferred.

7. FUTURE PROCESS

A consideration is the appropriate approach to take in liaising with the major landowner, bearing in mind the staff level liaison in 2006 / 2007, and the fact that there were differences in draft structure plans produced for Council and for the landowner before the two studies reported on here became available. It is advantageous to continue liaison with the landowner, but it is possible that there may remain gaps in preferences for urban development in Motueka West. A process to progress the Motueka West strategy and structure plan is set out below:

a)	March – May 2008	Initiate discussion between the Council, the major landowner and the Community Board on the scope, direction and issues for urban growth in Motueka West using a draft discussion document
b)	June 2008	Discussion document and structure plan available for public comment
c)	July – September 2008	Three months of public comment and meetings
d)	October 2008 – January 2009	Staff, Council and Community Board refine the structure plan and use it to prepare a draft plan
e)	February – March 2009	Public comment on the draft

f)	April – May 2009	Prepare the final proposed Plan Change
g)	June 2009	Notification of change to TRMP

8. RECOMMENDATIONS

It is recommended that the Committee

1. Receive the two studies on supply and demand for commercial and industrial land in Motueka.
2. Agree to the process steps in Section 7 of the report.

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