

Subject: Heavy Vehicle Restrictions in the Rural Industrial Zone

Prepared by: Kim Smith (District Policy Team Leader)

Meeting Date: 9 June 2010

Report to ENVIRONMENT & POLICY Committee for decision

SUMMARY

As a result of submissions on the Annual Plan, Council has asked the Environment and Policy Committee to consider whether to initiate a review of rule 19.14.11a) of the District Plan. The rule applies in the Rural Industrial zone and restricts movement of heavy vehicles to and from sites in the zone at night (9pm to 6am).

It is considered that this issue is worthy of further consideration and a review should be initiated.

RECOMMENDATIONS

That the Committee

- 1. receives the report**
- 2. instructs staff initiate a review of rule of 19.14.11a) and any associated provisions**

Kim Smith
District Policy Team Leader

Hans van Kregten
Environment and Planning Manager

1. BACKGROUND

Council has referred consideration of 'whether to initiate a review of the provisions relating to heavy vehicle movements in the Matawhero Rural B Industrial zone' to the Environment and Policy Committee. The decision to refer this matter was a result of submissions by Eastland Wood Council and Eastland Port on the Annual Plan that oppose rule 19.14.11a) in the District Plan.

Rule 19.14.11a) states:

The movement of heavy vehicles to and from sites within the Rural Industrial B Zone shall be restricted to the hours of 0600 to 2100 hrs.

Heavy vehicles are defined in Chapter 24 of the Plan as:

a motor vehicle the gross laden weight of which exceeds 3,500kg.

Rule 19.14.11a) is in the form of a 'general rule', so activities that seek to operate with heavy vehicle movements outside of those hours must seek resource consent.

The rule has been included in the plan since it was notified in 1997. However the hours of restriction were reduced slightly in from 7am to 6am, following submissions by Juken Nissho.

As further background, Eastland Port Ltd is currently seeking to establish a 24-hour log storage facility in the Rural Industrial zone at the beginning of Dunstan Road. The activity requires resource consent for non-compliance with the heavy vehicle traffic restriction, amongst other matters. The application is currently on hold while further information is sought. Should the Committee determine to review 19.14.11a), it is likely that the Port will consider withdrawing the resource consent application and waiting for the outcome of the review.

Eastland Port's submission on the annual plan states that Council has done a good job getting 'the correct' zone in place to develop industry in the Matawhero area. However in order to achieve a smooth and cost effective consenting process, which will encourage industry to establish, traffic and drainage restrictions must be addressed. 'Without resolution of these issues the overall attractiveness of the area to industry is significantly diminished, which in turn will adversely affect the ability and motivation of industry to move into this area, defeating the purpose of what was the original intent of the zone'.

Eastland Wood Council's submission to the annual plan expressed concern about how this rule might affect operation of Hikurangi Forest Farm's new mill. It states it will be a serious limitation if they are unable to maintain a smooth supply of logs throughout the day and will require additional onsite storage and truck movements to be compressed into a smaller window. Eastland Wood Council believes that, with the establishment of specific rural industrial zoning and the location of other industry in the area, the context has changed from when the traffic restrictions were first imposed on Juken NZ's mill. It believes that the industrial area should be able to operate with freedom to maximise its effectiveness and economic potential.

Eastland Wood Council's submission to the Annual Plan also referred to changes in heavy vehicle weights. It considers that the plan's heavy vehicle movement restrictions inhibit the spread of flow of heavy vehicles, and instead encourage concentration of traffic at the time when other users are on the road. It believes imposition of the restrictions on the Port's proposed log storage yard would also result in expensive logistic and planning issues.

Eastland Wood Council also states that the agricultural sector operates heavy vehicle plant and vehicles in the area on a 24-hour basis.

The other side of the issue is the potential adverse effects of night-time heavy vehicle movements, especially on people living in the area. Noise has been an ongoing concern for local residents.

2. DISCUSSION AND OPTIONS

It is recommended that the Committee agree to initiate a review of rule 19.11.4a) and any associated provisions.

The review would consider potential options to relax the rules and the costs and benefits of these options (including potential adverse effects on people living in the area). Relevant context would include potential changes to the heavy vehicle weights and sizes and potential growth in the rural industrial zone.

It is likely that consultants would be commissioned to assist, so as to enable the review to commence promptly and reduce the impact on other planning projects. It is estimated that in total (including notification, hearing costs, consultation, plan change process, etc.) the project would cost at least \$30,000. This could be accommodated within existing budgets. Actual costs could be significantly more, particularly if any potential changes to the plan were to result in an appeal to the Environment Court.

The Committee could instead decline to initiate a review at this time. Rule 19.11.4a) would then remain in the District Plan until it is eventually reviewed under normal plan review cycles. This is unlikely to occur for many years. In the meantime, industrial operators could choose to initiate a private plan change and pay the associated costs. However, it is considered that the issue is significant to the District and worthy of further investigation as a priority. Even if the current consent for log storage consent is resolved, the appropriateness of the rules is likely to be raised again.

3. SIGNIFICANCE

The decision as to whether to initiate a review of rule 19.11.4a) is not considered of high significance in terms of Council's significance policy.

4. CONSULTATION

If the Environment and Policy Committee decides to proceed with a review of the heavy vehicle traffic provisions in the Rural Industrial zone further consultation would occur with stakeholders to identify options and issues. If a plan change is developed this would then be notified for submissions.

5. COMMUNITY OUTCOMES

The relevant community outcomes are:

- 'Environmentally Sustainable Tairāwhiti' – issues of noise, amenity and potentially energy efficiency effects associated with heavy vehicle movement regulation options.
- 'Prosperous Tairāwhiti' – impacts on regulation on industrial operations.

The review would consider and balance these issues against each other.

6. LEVELS OF SERVICE

No levels of services issues have been identified.

7. FINANCIAL

As discussed above, initiating the review would cost Council at least \$30,000 and potentially significantly more if an appeal to the Environment Court were to occur.

8. LEGAL

The decision as to whether to initiate the review is consistent with the Environment and Policy Committee's delegation to 'finalise and adjust working programme priorities within the agreed budgets and activity management plans as per the Council's LTCCP'.

If initiated, the review will be governed by the Local Government Act 2002 (particularly in terms of principles of consultation) and the plan change process specified in the Resource Management Act 1991.

9. POLICY

Various policy documents would be relevant to the review, including the objectives of the District Plan, the Urban Coastal Strategy and Urban Development Strategy.

10. APPENDICES

Appendix A Submissions by Eastland Port and Eastland Wood Council to the Annual Plan

Appendix A

Copies of Submissions

#55

25/03



23rd March 2010

Mr Lindsay McKenzie
CEO - Gisborne District Council
P.O. Box 747
Gisborne 4010

Dear Lindsay

In response to your council officer's review of provisions in the District Plan I would like to raise Clause 19.14.11 (Traffic) to your attention.

The clause, as written, prohibits heavy vehicle movement outside of the hours 0600 to 2100, a restriction that has significant limitations on the operational capacity of the various commercial entities in the McDonald's Road /Matawhero area and others.

Some of the primary limitations are:

1. When the Hikurangi Forest Farm mill reaches full capacity they will be operating on a 24 hour per day basis. It will be a serious limitation if they are unable to maintain a smooth supply of logs throughout the day. To not have this ability will require additional onsite storage and truck movements will be unnecessarily compressed into a smaller window.
2. Jaken New Zealand Ltd already operates their Matawhero mill on a 24 hour by 7 days a week basis. The trucking to and from JNL has been restricted as part of its consent agreed to in 2002. At that time, JNL was an isolated industrial island amongst rural and domestic land users and whilst a major inconvenience the restrictions were perhaps appropriate for that time.

Since then, other industry has located to the Matawhero area and GDC have deemed the area to be an industrial park. It is now inappropriate that transport to and from such major industries be restricted to anything less than 24 hrs per day. Such restrictions do not apply to other major industrial parks around the country. This counts against Gisborne when companies are considering sites for establishing facilities.

3. The NZ road transport industry is about to embrace significant change by way of increased weights and dimensions of heavy trucks. It is hoped Tairāwhiti will be among the first regions to adopt these changes. GDC needs to recognise that spreading the flow of heavy trucking over 24 hours will significantly reduce the daytime heavy traffic concentrations on our local roads, the very time when most other users are using them.
4. The Eastland Port log storage yard at Matawhero should be able to operate freely otherwise there will be expensive logistic and planning issues during ship loading. Without the ability

to transfer directly from the truck to the ship will enforce double handling and additional cost.

During the times when the wood storage at the port is at maximum, harvesting operations will have to be reduced because the trucks would not have the ability to unload until McDonalds Road was open and available. Since Matawhero is an overflow facility, i.e. that usually means the port is full, that reduces the benefit of having the facility in the first place.

It must be recognised that the Matawhero area is designated Rural Industrial so to have the heavy vehicle access and movement limitations is a disincentive to investment in new industrial capacity. These restrictions do not apply to other industrial zones.

We note that the agricultural sector operates heavy plant and road vehicles at Matawhero on a 24 hour per day basis and therefore it is inconsistent to expect an industrial park to be restricted as stated in Clause 19.14.11 of the GDC District Plan.

An industrial park of the scale planned here must be able to operate with freedom so that it can maximise its effectiveness, maximise its ability to contribute to the economic well being of the district, minimise costs to its business and provide expanded employment opportunities.

There is no requirement to operate in the Willows Road area, only McDonalds Road. However it has to be stressed that this is Rural Industrial and therefore should be treated as such. The wood industry would be happy to install rigorous discipline around "quiet driving rules" so as to minimise the impact of night time transport on other domestic activity in the region.

The Eastland Wood Council requests to be heard at the public hearings in regards to this matter.

Regards,

Trevor Helson
CEO Eastland Wood Council

#58



24 March 2010

Mr Lindsay McKenzie
CEO - Gisborne District Council
P.O. Box 747
Gisborne 4010

RE: Annual Plan Submission

Dear Lindsay,

As you are aware the port has lodged a resource consent application for the construction of an inland port, located in the councils designated industrial zone at Matawhero. Going through this process has highlighted a number of issues that need to be addressed by council if the Matawhero Industrial Zone is to reach its full potential and meet the expectations of not just industry but the council and the community also.. In order for Gisborne to entice new industry into the region and compete with other regions it is imperative our industrial zoning and any required consenting is as quick and risk free as possible. In this regard the council has done a good job of getting the correct zone in place to develop industry in this area, however in order to achieve a smooth and cost effective consenting process which will encourage industry to establish here, two prominent issues must be resolved

1. Traffic Restrictions

As you are aware the district plan in its current form prohibits the movement of heavy vehicles in the Rural B Industrial zone between the hours of 9pm and 6am. We are aware that this provision we made as part of the original zoning to allow the construction of the JNL mill. However the area has changed significantly since this time and the council is now actively promoting this area for the development of industry. In order for this area to function as a true industrial zone, this rule must be removed from the district as a matter of urgency. A council initiated plan change is the most cost effective and timely way of achieving this.

2. Drainage

A large portion of the Matawhero Industrial zone drains toward and through land owned by the Awapuni Moana Charitable Trust. This land is prone to flooding and any consent for development in this area will require a discharge consent.

As an effected party the trust has to be duly notified as part of the consenting process, the trust have indicated they will oppose any new consent for development in the industrial area until the existing drainage issues are remedied. They perceive any further development will have an adverse impact on their land due to increased storm water discharges.

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Rough estimates put the cost of improving the stormwater system at \$265,000, which is relatively insignificant when compared to what council has already invested in this zone in terms of land and infrastructure. However this relatively small investment which could be recovered either through a development contribution or drainage rates would remove an important obstacle to the development of the zone and the ease with which industry is able to gain consent.

Without resolution of these issues the overall attractiveness of the area to industry is significantly diminished, which in turn will adversely affect the ability and motivation of industry to move into this area, defeating the purpose of what was the original intent of the zone. The council has worked hard and has invested significant sums to develop a specialised heavy industrial zone for the region and for this you are commended. However the task is not complete and without a timely remedy to the issues raised above the zone will struggle to attract investment from industry due to ongoing uncertainty over consenting for development.

We would like the opportunity to be heard in support of this submission.

Regards,



Andrew Gaddum
General Manager- Logistics
Eastland Group