

2. CITY PLAN VARIATION - CREATION OF THE CENTRAL CITY EDGE ZONE

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The purpose of this report is to ask the Council to adopt the attached s32 report and provisionally approve and publicly notify the attached proposed variation.

CONTEXT OF REPORT

In the 'Turners and Growers' (T & G) report to the 19 April 2002 Strategy and Finance Committee meeting, which was considered by the full Council at its 24 April 2002 meeting, the Council was advised to purchase the Turners and growers site because:

- *"The purchase of the site represents a significant strategic opportunity for the Council to control the comprehensive redevelopment of one of the last central city blocks;*
- *The intention following purchase is to prepare, for Council approval, a comprehensive redevelopment plan for the site that would contribute to the central city revitalisation through the provision of open/recreation space and residential and mixed-use development. The development of the site in accordance with this plan would be achieved through partnerships;*
- *If the Council does not pursue this opportunity, it is likely that Turners and Growers will sell down the site into smaller parcels, that would inevitably be used for light industrial/commercial purposes and therefore this opportunity would be lost.*
- *Funding is available for the purchase price and the proposal would have the effect of being rates neutral over a six year period.*
- *The Central City Mayoral Forum enthusiastically supports the purchase of Turners and Growers for comprehensive redevelopment and use the \$2m Central City Capital fund. Over the last two years they have sacrificed pursuing other opportunities so that they were prepared to do a project with significant impact and benefits. This is seen as that project."*

Consequently, the Council resolved:

1. *That the Council purchase the Turners and Growers site under section 572 of the Local Government Act;*
2. *That the purchase be funded and budget provisions established as detailed in the Public Excluded report to the 24 April Council meeting by the Chair of the Strategy and Finance Committee.*
3. *That a process for the future comprehensive redevelopment of the site to include the creation of a new public park, residential and mixed-use opportunities, and joint venture development partnership(s) with the private sector be reported back to the Council for its approval.*

(The T & G site is on the block bordered by Lichfield, Tuam, Madras and Barbadoes Streets).

This report deals with the City Plan implications concerning the process for the future comprehensive redevelopment of the T & G site to include the creation of a new public park and residential and mixed-use opportunities (resolution 3). As noted in the original report to the Council, the City Plan provisions are relevant because the T & G site is currently zoned B3 (Inner City Industrial) which has as its purpose the maintenance of existing industrial employment opportunities while progressively enhancing amenity standards. This zoning does not provide for unrestricted residential activities, nor the proposed public open space. Therefore, in order to achieve the potential redevelopment of the site in accordance with resolution 3 either a resource consent or a variation to the Proposed City Plan is required.

PLANNING PROCESS SINCE PURCHASE OF THE T & G SITE

In accordance with the Council's decision, a consultant (Beca Carter Hollings & Ferner Ltd) was engaged to consider the necessity for, and form of changes, to the City Plan to provide for the T & G redevelopment. It was agreed by council officers and the consultant that, given the strategic aims of the redevelopment proposal and that it represented a significant shift away from the traditional land uses in this industrial area, a variation to the Proposed City Plan was more prudent than a resource consent. Therefore, in accordance with s32 of the Resource Management Act (RMA) the consultant was commissioned to determine whether a change in zoning for the site and/or the wider area was

needed and what was the best method of achieving s5 of the RMA and the policies and objectives of the Proposed City Plan (this s32 analysis is attached as Appendix 1). The consultant's conclusion was that in order to achieve an integrated development and impetus for revitalisation a variation to create a new zone that covered the Turners and Growers site and blocks to the north and south was the best way to proceed with the development of the area (this area is shown on the revised planning map attached as part of the proposed variation as Appendix 2). On the basis of this assessment, the consultant was commissioned to proceed with the preparation of a draft variation.

As part of the variation investigation work, significant external consultation has been undertaken with the following stakeholders: statutory consultees; owners and occupiers in the immediate area; business associations; and residents groups. Although not stakeholders, language schools were also consulted given that a potential future use of the T & G site is for student accommodation.

Internal consultation was undertaken with council staff from various units, the T & G Project Control Group (staff members with direct involvement in the project) and the T & G Working Party which comprises senior staff members, Mayoral Forum members, Councillors and a Community Board representative. The process has also had input from key Council teams including City Plan, Urban Design and Heritage and the Central City Revitalisation team.

The variation has now been drafted and is attached as Appendix 2. It has been approved in principle by the T & G Working Party and the T & G Project Control Group.

DETAILS OF THE VARIATION

In brief, the proposed variation involves the creation of a new zone - the Central City Edge Zone covering 3½ blocks, which provides principally for both business and residential activities. The zone allows for the creation of public open space and restricts offices and retailing to ancillary uses. The principal objective of this new zone is the enhancement and rejuvenation of the south eastern central city edge area (and in turn the central city) by enabling a mix of activities.

The policies and rules of the new zone recognise the nature of the existing environment and the need to avoid reverse sensitivity issues in the proposed mixed-use zone. A key method of achieving this compatibility between potentially competing uses is the requirement for noise mitigation measures in noise sensitive activities. In addition, new buildings and significant additions to buildings on large sites are controlled in order to ensure good design outcomes and streetscape compatibility with residential buildings and activities.

TIMETABLE

Assuming the variation is approved by Council, it is intended that it will be publicly notified after the June 2003 Council meeting. It is likely that it will be heard by an independent commissioner in November 2003, with a decision due by December 2003.

It is not considered that this proposed variation will delay the City Plan becoming operative as the business provisions of the City Plan are unlikely to be decided until after this variation process is complete.

CONCLUSION

It is considered that the s32 assessment has been adequately carried out in accordance with the requirements of the RMA. On this basis, the officers recommend that the s32 assessment is adopted and that Variation 83 is notified pursuant to Clause 16A of the First Schedule of the RMA.

Staff

Recommendation: That the Regulatory and Consents Committee recommend that the Council adopts the attached s32 report and publicly notify Variation 83 pursuant to Clause 16A of the First Schedule of the Resource Management Act 1991.

Chairman's and Deputy Chairman's

Recommendation: For discussion.