

7. Development and Tourism

7.1 Introduction

Population growth in the Kaikoura District has been minimal over the last decade 1991 - 2001. The population and the number of occupied households in both the rural and settlement areas have increased (see Table 1).

Table 1 - Population and Dwellings Statistics, Kaikoura District

Area Unit	Population				Occupied Dwellings			
	1991	1996	2001	% Change (1996-2001)	1991	1996	2001	% Change (1996-2001)
Kaikoura Township	2028	2208	2106	-5.0	788	864	840	-2.7
Rural and Settlement Areas	1245	1308	1377	+5.02	447	478	501	+4.8
Total	3273	3516	3483	-0.01	1235	1342	1341	NIL

Source: 1991, 1996 and 2001 Statistics New Zealand.

Future residential development is restricted by the availability of services, by physical features (the coastline, mountain ranges, and rivers) and the threat of natural hazards such as flooding.

While the permanent population has increased moderately, visitor numbers have increased significantly from a few thousand in the 1980s to 873 000 visitors in 1998. Of these, 356 000 visitors stay for at least one night. This level of growth is expected to continue with the projected number of visitors for 2005 being 1.6 million people.

The key motivators for visitors are:

- easy access to marine mammal species
- the “small coastal village atmosphere” in an unspoilt natural environment
- the friendliness and acceptance of local residents

Source: Lincoln University Kaikoura Case Study: Volume 10, “Towards a Tourism Plan for Kaikoura”

Growth in the District, largely driven by tourism, has created immediate benefits for the Kaikoura district. However, this growth has the potential to change the character of Kaikoura. The degree to which the existing character and amenity values of Kaikoura Township as a small coastal village are maintained or enhanced will depend on the nature, scale and quality of future development.

The combination of growth and development can also lead to effects in relation to the following:

- pressure on infrastructure and services including public facilities
- detraction of amenity values and character of the District, including noise
- effects of increased traffic
- effects on townscape design

It is also important to recognise the positive economic effects which development and tourism bring to the district in the form of jobs, security and income. The Lincoln study identifies the following benefits, attributable to tourism:

- 330 full time equivalent people employed directly by tourism;
- 700 people employed in businesses which are either wholly or partly tourism based;
- 30% of all jobs in Kaikoura depend directly or indirectly on tourism;
- total direct spending by visitors estimated at \$28 million per year;
- total indirect spending from tourism sector estimated at \$36 million per year;
- an estimated additional \$6.5 million revenue and 50 jobs created per year from tourism

Source: Lincoln University Kaikoura Case Study: Volume 10, "Towards a Tourism Plan for Kaikoura"

If growth is to continue to provide jobs and income for locals, and if the town is to retain its essential elements of a "small coastal community" which attracts visitors and residents alike, tourism and development must be planned for rather than simply left to evolve.

7.2 Issue 1 - Effects of Urban Growth

Due to the density of urban development, the potential exists for urban growth to adversely affect the environment.

7.2.1 Objective 1

To provide for urban growth where any adverse effects on natural and physical resources are mitigated, avoided, or remedied.

7.2.2 Policies

1. To accommodate additional urban development only where the risk from flooding, land instability and coastal erosion or inundation are low.
2. To ensure additional urban growth does not adversely affect traffic safety and efficiency of the State Highway.
3. To ensure that additional urban growth does not adversely impact on the ability of the drinking water supply and sewerage systems to protect public health.
4. To provide for peripheral urban development where the adverse effects on other activities are able to be avoided or mitigated.
5. To ensure that any proposals for urban growth respect the obligations under the Treaty of Waitangi, and the needs of Te Runanga o Ngai Tahu.
6. To discourage un-planned urban growth between the coastal settlements to protect the amenity of coastal areas as viewed from the State Highway.
7. To provide for a comprehensive living environment just west of Kaikoura Township.

7.2.3 Implementation Methods

1. Provision of Residential, Comprehensive Living, Small Settlement, Rural, Tourism and Business Zones and rules to control the effects of the use, development and subdivision of land in these zones.
2. Provision of rules and performance standards relating to the following:
 - Connection to reticulated potable water supply and sewage treatment and disposal systems within urban areas where such systems exist.
 - Development within areas prone to flooding and land instability.
3. Through the Council's annual planning process, encourage the planting of native species and where applicable the use of Maori place names.
4. Reliance on Regional rules concerning urban development in areas prone to coastal erosion or inundation.

Explanation and Reasons

On-site sewage treatment and disposal has the potential to adversely affect groundwater quality. Wherever possible, it is preferable for urban developments to be serviced with a reticulated sewage treatment and disposal system, as such systems reduce the likelihood of sewage treatment and disposal adversely affecting ground water quality. Urban water supplies should also be serviced by a reticulated potable water supply that is adequate and reliable.

Parts of Kaikoura township and surrounding land have a high probability of being flooded from the Kowhai River and other streams in the Kaikoura Plains catchment. Other natural hazards prevalent in the District include the threat of coastal erosion or inundation in coastal areas, and seismic hazards. In order to reduce risks to life and property, it is important that urban development does not take place in areas at high risk of being affected by natural hazards. For flood hazard and inundation, low flood risk generally means land which is outside the risk areas as indicated on the flood hazard maps, or for areas not included in these maps, where the probability of a flood event is less than a 10% chance in 50 years (0.2% Annual Exceedance Probability). The risk from coastal erosion is low on land outside the Coastal Hazard Lines, as shown in the Regional Council's Proposed Regional Coastal Environment Plan.

To maintain the safety and efficiency of State Highway 1, urban development should be contained within defined settlements.

Any future growth of urban areas must take into account potential conflicts with nearby activities. The perceptions of people to the effects of surrounding land uses can vary considerably. For example, there may be concern regarding the potential for conflicts between residential activities in the rural area and traditional farming activities. The need to protect the amenities of existing and future residential areas from the potential adverse effects of some rural activities must be balanced against the need to enable farmers and other rural landowners to use their land.

Unplanned urban development between existing coastal settlements of the District has the potential to adversely affect the amenity of this environment as viewed from the State Highway.

Recognition of the Council's obligations in terms of the Treaty of Waitangi and the needs of Te Runanga o Ngai Tahu is important in respect of urban growth. Te Runanga o Ngai Tahu would like to see consideration of Te Runanga o Ngai Tahu values in any future urban developments, through the adoption of Maori place names, planting of native species and provision of services which meet high water quality and waste disposal standards.

Provision has been made for a comprehensive residential living environment on 135 hectares of rolling hill country just west of Kaikoura Township between State Highway 1 and Green Lane/Ludstone Road. Unlike the Residential A and B Zones, the Ocean Ridge Comprehensive Living Zone has specific controls on the number and location of houses, which are to be developed in a setting of open space and native restoration plantings.

The Ocean Ridge Comprehensive Living Zone is connected with Kaikoura Township, being reliant on the town's services including being connected to the town's reticulated sewerage system. While also reliant to a greater extent on the town's businesses, the zone provides the opportunity for some visitor accommodation and other small-scale business such as a convenience store to establish within the zone. The establishment of such small-scale business will be convenient for residents, will reduce the frequency that residents may need to travel into the township and will assist in fostering a sense of community.

A high degree of transport connectivity is also to be provided between the Ocean Ridge Comprehensive Living Zone and the existing township, including that of alternative transport to private motor vehicles. In time the Ocean Ridge Comprehensive Living Zone will form a natural outer extent for Kaikoura Township in this direction with the Kaikoura Golf Course and the Kowhai River forming the western barrier.

7.3 Issue 2 - Efficient Use of Physical Infrastructure

Existing physical infrastructure and energy will be used most efficiently where urban growth is located within existing urban areas or on the periphery of these areas provided that adverse effects on infrastructure are avoided.

7.3.1 Objective 2

To encourage an urban form where existing physical infrastructure and energy is used efficiently and where any adverse effects on natural and physical resources, including infrastructure, are mitigated, avoided, or remedied.

7.3.2 Policies

1. To ensure that existing physical infrastructure is used efficiently by accommodating additional urban development within the existing urban areas or on the periphery of these areas.
2. To reduce the need for the use of fossil fuels by accommodating additional urban development within existing urban areas or on the periphery of these areas.
3. To provide adequate public facilities, such as ablution facilities and litter receptacles, to meet the demands of locals and visitors.
4. To ensure that population and visitor growth does not place undue demand on existing infrastructure and services.

7.3.3 Implementation Methods

1. Provision of Residential, Comprehensive Living, Small Settlement, Rural, Tourism and Business Zones and rules to control the effects of the use, development and subdivision of land in these zones.

2. Creation of a Tourism Management Strategy to manage effects of tourist activities on infrastructure.
3. Financial Contribution provisions to require contributions for upgrades from new development.
4. Provision in the Annual Plan for the continuous upgrading of infrastructure, including public facilities, to meet anticipated demand.

Explanation and Reasons

Section 7(b) of the Resource Management Act requires the Council to have particular regard to the efficient use and development of physical resources. Further urban development must therefore take into account the efficient use of physical infrastructure. The Council seeks the efficient long-term utilisation of existing service infrastructure, and the future economic expansion of this infrastructure.

Consolidation of development within existing urban areas, as far as can be achieved without upgrading of public services, is considered a sustainable use of the land resource and existing infrastructure. Consolidation of urban areas also has potential benefits for fossil fuel usage. It is preferable for urban areas to be developed as self-contained areas, so that people's homes are close to work places and social services. However, servicing for development outside the urban areas can be provided by a range of options, including alternatives to conventional options, provided that it is an efficient use of resources and so that any adverse effects are mitigated or avoided.

Kaikoura's reticulated water, sewerage systems and stormwater will require progressive upgrading over the next ten years. The sewerage system in particular is near capacity, and upgrading is required to meet present demand on the system. Continued growth and increased visitor numbers will place additional demand on all infrastructure and services, and this must be factored into any upgrades. However, this should not be a barrier to development which is appropriate for the district and which has only minor adverse environmental effects ("appropriate development"). For example, the Ocean Ridge Comprehensive Living Zone, which is to connect to the Kaikoura sewerage system, will contribute towards this upgrading.

7.4 Issue 3 - Growth and Development of Commercial Activities

Provision for the growth of commercial activities and associated development within the District, where this is appropriate.

7.4.1 Objective 3

To provide for a pattern of land use that promotes a close relationship between areas having different characteristics while recognising the distinction between commercial and non-commercial activities.

7.4.2 Policies

1. To recognise and provide for principal retail / commercial areas through the use of zoning.
2. To limit mobile vendors to the following strategic areas around the Peninsula in accordance with the recommendations of the Kaikoura 1998 Coastal Management Strategy:
 - The Esplanade end of Margate Street, adjacent to the playground.
 - Jimmy Armers Beach.
 - South Bay Recreation Reserve (eastern end of South Bay Parade).

— Corner of South Bay Parade and SH1, opposite the racecourse.

7.4.3 Implementation Methods

1. The use of Business zones to identify principal retail / commercial areas.
2. Encouraging and providing opportunities for activities that are able to co-locate.
3. Allowing small scale food and eco-tourism mobile vendors to operate via the resource consent process.

Explanation and Reasons

One of the most important factors in managing growth is the interrelationship between residential/ living areas and business areas where commercial activities occur. It is an efficient use of resources, and will minimise adverse effects, if commercial activities can co-locate in the same general area, where practicable, particularly where this provides easy access and convenience for residents.

The 1998 Kaikoura Coastal Management Strategy identifies a number of sites on the coastal fringe of the peninsula where mobile vendors may be appropriate. Mobile vendors include mobile tourist operators, equipment hire and food and beverage sales. Rather than permit these areas activities as of right, it is considered that appropriate mobile vendors should be allowed to operate via the resource consent process. This enables effects on the environment to be assessed, and allows Council to impose conditions if necessary.

7.5 Issue 4 - Kaikoura's Character and Townscape

The potential effects of development, including tourism on the "small coastal village" character of Kaikoura.

7.5.1 Objective 4

To provide for sustainable development, including tourism in a way which avoids or mitigates adverse effects on Kaikoura's amenity values and distinctive character.

7.5.2 Policies

1. To encourage developers and tourist operators to undertake activities in a manner which recognises and enhances Kaikoura's "small coastal village" character.
2. To provide for certain types of tourist activities in specific areas, such as the airport, the Kaikoura Peninsula Tourism Zone and the Whaleway Station, where higher noise levels are appropriate.
3. To promote and encourage building design and tourist facilities which reflect and incorporate elements of a small coastal village.
4. To encourage development to proceed in accordance with the design guidelines in Appendix F.

7.5.3 Implementation Methods

1. Creation of a Tourism Management Strategy to manage effects of tourist activities.
2. Financial Contribution provisions to require contributions for upgrades from new development.
3. Provision in the Annual Plan for the continuous upgrading of infrastructure, including public facilities, to meet anticipated demand.

Explanation and Reasons

Kaikoura has a character that has been frequently described by visitors as reminiscent of a “small coastal village”. Some of the more important elements of this character type are: wide streets; low traffic volumes; low noise emissions; ample parking; no traffic lights; low rise and small scale buildings; low density development; building orientation to take in expansive sea views; non-intrusive colours and; retention and enhancement of historic buildings. The resources of the District are attracting an increasing number of domestic and international visitors, most of whom visit because of its uniqueness.

It is therefore important to ensure that future development is undertaken in a manner which recognises, maintains and enhances the existing character and amenity values of Kaikoura township, and which avoids or mitigates adverse effects. Any development which fails to achieve this is potentially undermining Kaikoura’s profile both internationally and nationally, and the opportunity for the District to be a “showcase” as a sensitively developed tourist destination.

The tourism and visitor related activities and buildings proposed for the Kaikoura Peninsula Tourism Zone is an important example of "showcasing" Kaikoura as a tourist destination. Although the style and scale of the development is not typical of the township, the location of buildings, building height and design are to be controlled to ensure the development is in sympathy with the peninsula's landform. Although a self-contained development, it is closely linked to the township.

7.6 Issue 5 - Economic Significance of Tourism

The significance and contribution of tourism activities to the District and indirect flow-on benefits.

7.6.1 Objective 5

To recognise and enhance the significance of tourism to Kaikoura’s economy, and to provide for sustainable tourism growth and development while avoiding, remedying or mitigating adverse effects on the environment.

7.6.2 Policies

- 1.** To encourage appropriate development in the District in recognition of the changing role of Kaikoura as a tourist destination.
- 2.** To recognise and encourage the opportunities for new tourist and non-tourist activities throughout the District.
- 3.** To provide for new tourist activities provided the District’s resources are managed sustainably.
- 4.** To permit, through appropriate zoning, the continued operation and expansion of existing tourist activities such that adverse effects are avoided, remedied or mitigated.
- 5.** To balance the economic importance of tourism and associated growth opportunities with the needs of the community and the desire to retain Kaikoura’s small coastal village character.

7.6.3 Implementation Methods

- 1.** Financial and development contributions.
- 2.** Creation of a Tourism Management Strategy.
- 3.** Conditions on resource consents.

4. Provision in the Annual Plan for the continuous upgrading of infrastructure, including public facilities, to meet anticipated demand.

Explanation and Reasons

The economic base of the Kaikoura District has diversified from the traditional farming and fishing industries into tourism activities. Tourism now employs approximately 30% of the District's workforce.

The Council recognises the growing profile of New Zealand and Kaikoura in the international arena, and the opportunities which this provides. The Council also recognises that opportunities exist for further diversification within the tourist sector and flow-on effects into other related industries and businesses. Such diversification will assist in balancing the present summer seasonality and consequential peak loads on infrastructure.

While recognising these opportunities, the Council is aware of the need to control effects of a potential "gold rush" mindset of developers. This will be achieved by controlling adverse effects of new activities through rules in the plan.

The Kaikoura Peninsula Tourism Zone covers a large part of the Kaikoura Peninsula. It is an example of the way in which tourism, research, recreational, and commercial activities (including visitor accommodation) can be provided for whilst providing adequate controls to ensure that the adverse effects of new activities are controlled.

7.7 Issue 6 - Visitor Accommodation Activities

The requirement to provide adequate visitor accommodation which does not result in adverse effects on the environment.

7.7.1 Objective 6

To recognise the need to provide visitor accommodation for visitors to the District while avoiding or mitigating the impact of increased visitor numbers on the sustainable management of the District's resources.

7.7.2 Policies

1. To provide for existing and proposed visitor accommodation activities as well as additional affordable housing.
2. To control the effects of visitor accommodation activities through rules in the Plan and to assess effects of activities which do not comply through the resource consent process.
3. To balance the need to accommodate visitors with the need to avoid over-demand on the District's resources and adverse effects on the environment.

7.7.3 Implementation Methods

1. Rules in the District Plan to allow appropriate visitor accommodation activities in the appropriate zones.
2. Resource consents to assess the effects of visitor accommodation on the environment on a site specific basis, including the effects of servicing on existing public infrastructure.

3. Financial and development contributions to require any new visitor accommodation development to pay for the effects on critical infrastructure including sewerage, water, roading and reserves.
4. Preparation of the Tourism Management Strategy.

Explanation and Reasons

Visitor accommodation is an inherent part of any tourism industry. Tourism can only be successful if there is enough accommodation available to cater for all different needs. Providing an increase in the range of facilities may encourage visitors throughout the year, reducing dependence on seasonal peaks. This has economic benefits for the District. However, accommodation activities can also attract additional visitors, with consequential effects on traffic, infrastructure and amenity. Visitor accommodation activities need to be undertaken in a manner which ensures these effects are avoided, remedied or mitigated. Of particular concern is the effect of increased short-term populations on services. The plan defines visitor accommodation as a “Commercial Activity” for the purposes of the plan, to ensure that adverse effects can be managed.

There is also a risk of accommodation oversupply through internal factors, such as expectations which are too high, or through external factors, such as a change in exchange rates. While Council does have a role to play in the provision of information, determining the economic risk of a new venture should be left to entrepreneurs.

7.8 Anticipated Environmental Results

1. A compact and coherent urban form which recognises the need to achieve:
 - a well-defined boundary between urban and rural activities ;
 - residential accommodation close to employment and social services;
 - energy efficiency;
 - protection of property and lives from the effects of natural hazards;
 - efficiency in the provision and use of public infrastructure.
 - recognition of the Treaty of Waitangi and the needs of Te Runanga o Ngai Tahu.
 - the maintenance and enhancement of the amenity value of coastal areas as viewed from the State Highway.
 - the safety and efficiency of State Highway 1.
2. Consolidation of urban growth to:
 - avoid conflict between urban and rural uses
 - consolidate access to properties in promoting the safe and efficient functioning of local roads
 - maintain the quality of ground water.
3. Sustainable growth and development which:
 - retains Kaikoura’s small coastal village character
 - enhances the architectural style of the township
 - avoids over-demand on the District’s resources
 - contributes to and expands the District’s economic wellbeing

- avoids or mitigates adverse effects on the environment
- provides opportunities for the development of tourism and recreation related activities
- provides for a comprehensive living environment just west of Kaikoura
- increases the range of available visitor accommodation.