

Section 32 Report



evaluation paper



District Plan options, benefits and costs for the future management of the former Chest Hospital, Alexandra Road, and adjoining land

To meet the requirements of Section 32 of the Resource Management Act 1991

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Executive Summary

The purpose of this paper is to examine the options for the District Plan to manage the environmental effects of the proposed reuse of the former Chest Hospital and adjoining land between Alexandra Road and Coromandel Street. The paper is intended to support the Proposed Plan Change in the form of an evaluation report meeting the requirements of Section 32 of the Resource Management Act 1991 (RMA).

A little over 3 hectares of land formerly controlled by the Capital and Coast District Health Board (CCDHB) as part of Wellington Hospital was gifted in December 2002 to the City Council with the purpose of including it within the Inner Town Belt. Nearly three-quarters of this land is wooded hillslopes, with the remaining area containing the former Chest Hospital, built in 1918-20 and listed as a heritage building under the District Plan.

A change to the District Plan is necessary because the Inner Residential rules that currently apply to the land are, as explained in this report, an inappropriate method to manage land that is now in public ownership and is part of the Inner Town Belt. The proposed rezoning to the Open Space C zone, as well as the introduction of a new Heritage Area is the most appropriate way of managing this site. The costs associated with this proposed Plan Change are considered to be minimal, and are significantly outweighed by the benefits derived from the rezoning, which will enable the effective use of this site.

After reviewing the options, the following Plan Change is proposed:

- Rezone Lots 3 and 4 from Inner Residential to Open Space C as this supports the Transfer Agreement.
- Define Lot 4 as a Heritage Area (by including an appendix to Chapter 21).
- Provide for the *use* of the former Chest Hospital Heritage Area as a Permitted Activity under the Open Space rules, subject to compliance with appropriate Open Space standards.
- Control the *development* of the Chest Hospital Heritage Area as a Discretionary (Restricted) Activity in the Open Space rules. This includes any additions and alterations to heritage buildings, construction of new buildings or structures, and the modification of open space areas, additional hard surfacing which is less than 100m² and additional site coverage that is less than 35%. Any change beyond these thresholds would require resource consent as a non-complying activity.
- Resource consent applications would be assessed according to a range of criteria, including the effects on the heritage values of the scheduled buildings, recreation values and Open Space C values, the necessity for the structure for the effective use of the site, the level of intensification, and public access.
- Refine the District Plan listing of the former Chest Hospital premises as a heritage item by specifying both the exterior *and interior* of the building as warranting protection.

In conjunction with the above Proposed District Plan Change, it is proposed that a Reserve Management Plan will be prepared for the Chest Hospital site. This Management Plan will

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provide policies that would guide the use of the site and buildings for only as long as the existing registered historic buildings remain viable, after which the area would be integrated into the Inner Town Belt, and therefore the Inner Town Belt Management Plan would apply.

1 Introduction – Purpose of Paper

The purpose of this paper is to examine the options, benefits and costs for the Proposed District Plan Change to manage the environmental effects of the proposed reuse of the former Chest Hospital and adjoining land between Alexandra Road and Coromandel Street. The paper has been prepared to comply with the requirements of Section 32 of the Resource Management Act 1991.

A little over 3 hectares of land formerly controlled by the Capital and Coast District Health Board (CCDHB) as part of Wellington Hospital was gifted in December 2002 to the City Council with the purpose of eventually including it within the Inner Town Belt. Nearly three-quarters of this land is wooded hillslopes, with the remaining area containing the former Chest Hospital, built in 1918-20 and now a listed heritage building under the District Plan.

A change to the District Plan is necessary because the Inner Residential rules that currently apply to the land are, as explained in this report, an inappropriate method to manage land that is now in public ownership and has open space values.

This paper examines the resource management issues that are likely to arise with the proposed use of the former Chest Hospital and its immediate surrounds, the options for addressing those issues in an appropriate manner, the effectiveness and efficiency of the alternative methods, as well as the costs and benefits of each method. The report also discusses the risks of not acting to change the District Plan management framework applying to the former Chest Hospital site.

This assessment was undertaken after preliminary consultation with appropriate Council staff and with key stakeholders: namely, the Tenth Trust, the Friends of the Wellington Town Belt, the Capital and Coast District Health Board, and the Newtown Residents' Association.

This paper first assesses how the land is currently managed under the District Plan, the types of resource management issues that might arise from the use and possible development of the former Chest Hospital, and the options for managing the actual and potential adverse effects. While the focus of the plan change is on the former Chest Hospital premises, the proposed plan change also deals with the appropriate zoning and controls relating to two other areas:

- ▶ The land immediately surrounding the former Chest Hospital site, which is also has Open Space C values; and
- ▶ The land containing the Parkview Clinic and Ewart Hospital buildings, which remains under the control of the Capital and Coast District Health Board.

2 The Site

[Note – Unless otherwise specified, in this report “Chest Hospital site” refers to the land and buildings contained within Lot 4 as described below.]

The former Chest Hospital site is contained within a larger block of land that was, until recently, Crown land administered by the CCDHB. As well as the former Chest Hospital, this large block of land contains various hospital buildings at the end of Coromandel Street (Parkview Clinic and Ewart Hospital), as well as over 2 hectares of wooded slopes.

The Chest Hospital site contains a complex of buildings that include the original “Fever Hospital”, built in 1918-20, as well as a Nurses’ home, a ward built in 1973 and several other ancillary buildings. The site also contains the levelled areas that form the gardens and lawns surrounding the complex, and the driveway providing vehicular access to Alexandra Road. This site is distinct from the much larger area of wooded hillside that surrounds the site, and extends down the hill to the hospital facilities at the northern end of Coromandel Street.

These areas are now legally defined by separate titles, created by the subdivision that occurred as part of the transfer of the majority of the land from the Crown to the City Council in December 2002:

- ▶ **Lot 1** DP 316137 – containing Ewart Hospital, a site area of 5506m²;
- ▶ **Lot 2** DP 316137 – containing Parkview Clinic, a site area of 5001m²;
- ▶ **Lot 3** DP 316137 – containing the wooded slopes above and below the former Chest Hospital, a site area of 2.3028 hectares; and
- ▶ **Lot 4** DP 316137 – containing the former Chest Hospital and surrounding level areas, a site area of 8973m².

The total area of these lots is 4.2508 hectares, and the total area of land gifted to the Wellington City Council for inclusion within the Inner Town Belt (Lots 3 and 4) is 3.2001 hectares, or 75% of the total area.

Currently, the former Chest Hospital complex (including the ancillary buildings) has a total gross floor area of 2794m², which is 31% site coverage of the total Lot area of 8973m².

3 Background

All of the Hospital land from the Chest Hospital site through to the northern end of Coromandel Street was zoned Open Space C in the Proposed District Plan as notified in 1994. Capital and Coast District Health Board appealed against that zoning, contending that an Inner Residential zoning was more appropriate for its land, especially as it was not Council owned land.

In an interim decision, the Environment Court upheld CCDHB's appeal and sent both parties away to develop appropriate provisions to be put in the Plan. These provisions, confirmed in the final decision of the Environment Court (W4/2000), are detailed in Appendix 19, Chapter 5, of the Wellington City District Plan (Chapter 5 sets out the policies and rules for the City's Residential Areas).

In the time since the Plan was made operative, CCDHB has decided the Chest Hospital buildings and surrounding land were surplus to its needs. Consequently, the Crown agreed to gift the buildings and land (over 3 hectares) to the Council so that it would eventually be included within the Inner Town Belt. The land exchange between the Council and CCDHB was ratified on 19 December 2002 via an Order-in-Council. The Council was gifted the land (being Lots 3 and 4) and associated buildings so that "members of the public will be able to enjoy the land", although the area in Lot 4 is to be treated separately to reflect the need to make day-to-day use of the heritage buildings it contains.

Under the transfer agreement, the Wellington City Council has a number of obligations in respect of the future management and use of the land transferred to it from the Crown.

1. In regard to Lot 3, which comprises the largest proportion (72%) of the land transferred, Council's obligations are that it:
 - Must preserve the open space character of the land; and
 - It must promote a new classification or purpose of the land under the Reserves Act 1977 that is consistent with its obligation to preserve its open character and that, subject to any restrictions that may be imposed under that Act, gives the public access to the land.
2. Council's obligations in relation to Lot 4, the Chest Hospital site, which forms 28% of the total area transferred from the Crown, are that it:
 - Must promote a new classification or purpose of the land under the Reserves Act 1977 that is consistent with any lawful restriction on the use of the land; and
 - In the event that the land becomes vacant land, the Council must—
 - Carry out any work required to give the land the character of open space land; and
 - Then preserve the open space character of the land.
 - As soon as practicable, it must promote a new classification or purpose of the land under the Reserves Act 1977.

Furthermore, in respect of both areas of land, the Council must not transfer, or agree to transfer, its estates in fee simple in the reserve lands.

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The remaining land, Lots 1 and 2 at the northern end of Coromandel Street, continues to be in the ownership of the District Health Board.

4 Current District Plan Status

Zoning Requirements

Under the District Plan, the Chest Hospital site, the surrounding open space, and the Hospital facilities at the end of Coromandel Street are managed under the rules set out in Appendix 19 to the Residential Area section of the District Plan, “*Particular Provisions for the Land Described as NZ GAZ 1939 P 3181 – for Purposes of General Hospital, NZ GAZ 1973 P 1021 – vested in Wellington Area Health Board, and CT 190–99, now 45C/357 (Capital Coast Health Land), Newtown*”.

Appendix 19 applies all of the Inner Residential rules relating to subdivision, land use and development, but replaces or modifies some of the rules for specific parts of the land as defined by a map that is included in Appendix 19 and described as:

- ▶ **Area 1** – The Ewart and Parkview Hospital premises;
- ▶ **Area 2** – The unbuilt areas surrounding the Chest Hospital and extending to the Ewart and Parkview properties; and
- ▶ **Area 3** – The Chest Hospital building and its immediate surrounds.

The boundaries defining these three areas do not coincide with the Lot boundaries arising from the recent subdivision.

Essentially the rules in Appendix 19 focus on providing for residential development and use of the land, with subdivision and development proposals assessed through the resource consent process to address the visual effects, particularly through earthworks and the siting of buildings.

Heritage Controls

The Chest Hospital is listed as Heritage Item No.9 under the Schedule of Heritage Buildings in Chapter 21, and is described as “Former Hospital 1918-19 (including the former Nurses Home and associated covered walkway but excluding the central wing built in 1973)”.

While the use, repair and maintenance of the premises, and any internal alterations, would be a permitted activity under the Heritage rules, resource consent would be required for any external alterations or additions, assessed according to the effect on the heritage values.

The Parkview Clinic, which remains with the District Health Board, is also a scheduled heritage item, and is subject to the same requirements.

The history and heritage values of the Chest Hospital (excluding the Nurses’ Home) and Parkview buildings are set out in the Council’s *Non-residential Heritage Inventory*. Both these buildings also have a Category II listing by the NZ Historic Places Trust (ref 5376 and 5375).

Maori Precinct

The land is also located within the *Te Ranga a Hivi Precinct*, which, under the general provisions for the Inner Residential Area, requires the result of consultation with tangata whenua be provided with resource consent applications for subdivision, earthworks, and non-residential activities and buildings.

5 Reasons for a Plan Change

A Plan Change is necessary for three principal reasons:

1. To rezone the land from its current special Inner Residential zoning, which is not an appropriate management framework for the land that has been gifted to the Wellington City Council, has Open Space C values and which is not intended to be developed and/or used for residential purposes;
2. To rationalise the zoning boundaries in accordance with the new boundaries created by the subdivision that occurred as part of the transfer of the land to the City Council; and
3. To provide for the potential adaptive renewable reuse of the heritage buildings reflecting the expectation by the Crown that the Chest Hospital site requires to be managed in a different manner from Lot 3 (being the remaining land vested with Council).

Retaining the Inner Residential zoning would be an inappropriate management framework to provide for the adaptive reuse of the premises, given that, under that zoning regime, practically any use other than residential activities requires resource consent, no matter how minor the change in use. The Residential zone is intended to protect the amenity values and character of the City's residential neighbourhoods, a management framework that is largely irrelevant to the Chest Hospital site due to its isolated location.

Prima facie, a rezoning to Open Space C (the zoning for the Inner Town Belt under the District Plan) would appear to be the most appropriate means of managing the bulk of the land transferred to the City Council. However, to manage the long-term use of the former Chest Hospital site, a straight rezoning to Open Space C by itself, is unlikely to be the most effective and appropriate method. This is because the rules for that zone were not intended to provide for an adaptive reuse of these premises and the special circumstances of this site as part of the Inner Town Belt. The rules also not do specifically recognise the relationship between the heritage values of the buildings and their immediate surrounds.

Therefore some consideration needs to be given to introducing specific provisions that afford opportunities for the premises to be used in a manner that would neither unduly affect the heritage values of the premises nor conflict with the amenity values and character of the open space area.

6 Options, Costs and Benefits for Changing the District Plan

In considering the options for changing the District Plan, there are two key matters that need to be recognised and taken into account as appropriate:

1. **The inclusion of the land within the Open Space C zone** and its consequent management under the Reserves Act through a new Reserve Management Plan; and
2. **The need to provide for the adaptive reuse of the former Chest Hospital** premises in a manner that would avoid, remedy or mitigate any adverse effects on the environmental quality, character and amenity values of the site and its environs, particularly its historic heritage values, and to protect its Open Space C values.

Taking the above matters into account, the principal options for promoting the sustainable management of the land in question under the Wellington City District Plan are discussed below, with the comparative costs and benefits of each option identified.

Do Nothing

The current Inner Residential zoning of the site applies the objectives and policies of the zone to the land, and therefore provides no recognition, explicit or implicit, of the status of the land, its future environmental character and Open Space C values.

Furthermore, the rules that apply to the site provide for its development and use for residential purposes, which is contrary to its intended future role within the Inner Town Belt. The continued management of the land as part of the Inner Residential Area under the District Plan (i.e., the “do-nothing option”) is therefore inappropriate.

Re-zoning

Given that the Open Space C zoning within the District Plan was developed specifically to recognise and provide for the continued functioning and contribution of the Inner Town Belt to the environmental quality of Wellington City, it would be neither necessary nor appropriate to promulgate a new separate zoning or management approach under the District Plan for the land.

An underlying zoning of Open Space C would support the management of the land in conjunction with the policies of the new Reserve Management Plan and the statutory requirements of the Reserves Act. The Open Space C policies are directly focused on the general purpose and environmental outcomes being sought for the Inner Town Belt, and are therefore the most appropriate zoning for the land.

If the land is rezoned to Open Space C, regardless of whether or not specific provision is made for the adaptive use of the former Chest Hospital premises, Appendix 19 to Chapter 5 will become largely redundant, as most of the rules and related provisions focus on the subdivision and development of Lots 3 and 4 for residential purposes. The few rules in Appendix 19 that apply to Lots 1 and 2 (the Parkview Clinic and Ewart Hospital premises) differ little from those in the Inner Residential Area in general. Therefore, it would be appropriate to delete Appendix 19 in its entirety, and rationalise the zoning boundaries to bring Lots 1 and 2 within the Inner Residential Area.

Heritage Area and Heritage Listing

The future use and function of the Chest Hospital site is clearly to be as part of the Inner Town Belt. For example, if the land were ever to become vacant, the Council is required to carry out such works on the site as are necessary to give it open space character.

However, until that occurs, the Order-in-Council acknowledges that “because buildings are located on the smaller area of land [i.e., Lot 4] it must, for the time being, be treated separately from the larger area”. Any change to the District Plan therefore will need to reflect that aspect of the conditions on which the Crown gifted the land to the City Council, and recognise the particular historic heritage values of the site.

As discussed above, in comparison with an Inner Residential or any other zoning under the Wellington City District Plan, an underlying zoning of Open Space C would provide the most appropriate method of recognising and providing for the overriding function of the land as part of the Inner Town Belt.

The Chest Hospital has significant heritage values that the City Council has committed to maintain. It recently carried out external restoration work on the Chest Hospital, with the Nurses’ Home to be restored in the near future. To ensure that the historic heritage values of these buildings and surrounding premises are sustainably managed, the City Council is seeking some form of viable and compatible use of the premises. The terms of occupancy will be set by the conditions of the lease guided by the new Reserve Management Plan, which may include a number of operational and performance matters relating to the use of the site, such as the building’s heritage values and the land’s reserve status.

Heritage Values of the Buildings

The heritage values of the buildings are managed through the rules relating to the alteration, modification, or destruction of buildings listed in the Schedule of Non-Residential Buildings in the Wellington City District Plan. Any use of the premises that involves an alteration to the external appearance of those parts of the Chest Hospital that have been scheduled as a heritage item would be assessed and determined through the resource consent process in accordance with the heritage policies of the District Plan.

There is a difficulty with the present listing of the buildings in that it does not identify whether there are any elements of the building other than exterior features that should be specifically recognised and managed under the Heritage rules. For example, it is unclear at present whether the large verandahs are protected under the rules, as they arguably are deemed to be interior features given their enclosed attributes. However, given the important function that these features had in the use of the hospital, some form of protection is warranted.

Ian Bowman, Heritage Architect, has prepared an extensive list of exterior and interior features requiring protection. The present listing of the buildings as a heritage item will need to be updated to reflect the special and unique heritage features of these buildings.

Heritage Values of the Site

The reuse of the premises might also create other effects that could adversely affect the environmental values, in particular heritage values of the site, and its intended long-term role as part of the Inner Town Belt. For example –

- ▶ Additional parking may be required to reflect the building’s isolation (for example, from public transport) and large floor area, with a consequent reduction in open space and landscape values;
- ▶ Additional structures may be required to support the effective use of the premises by future occupants, including fencing, which may affect the landscape values and special qualities of the site; and
- ▶ Those structures not protected under the heritage rules may be required to be demolished.

Further, another important consideration is whether controls are required to limit the extent of any changes to the premises in terms of sustaining the long-term function of the site as part of the Inner Town Belt. Given the site is now part of the Inner Town Belt, it is considered preferable to impose limits on the extent of changes to the site, as any significant further intensification of land use and capital investment would further increase its anomalous situation.

Under the existing Open Space C rules, nearly any non-recreational¹ use of the premises would require resource consent as a non-complying activity, no matter how minor the effects of such activity. Resource consent applications for non-complying activities are assessed against the objectives and policies of the Open Space zone, which provide no recognition of the special circumstances of the Chest Hospital site and therefore do little to assist decision-making.

Given that most potential uses of the Chest Hospital site would be non-recreational in nature, resource consents would be required even for changes in use. The significant uncertainty and administration costs that this situation would create are generally unnecessary, as many potential uses of the premises would have few if any external environmental effects, particularly given the site’s isolation from residential areas or key public areas. It is also likely to be detrimental to getting a good use of the building, thereby reducing the ability to maintain its heritage values, contrary to the conditions of the Order-in-Council. The only significant source of potential adverse effects is limited to those arising from any physical changes to the premises that might be sought – these are discussed below.

As an instrument of the Resource Management Act, the District Plan is focused on the management of any potential adverse effects on the environment that could be created by the use of the premises. Primary consideration should therefore be given to whether any controls are required by targeting the likely types of adverse environmental effects.

While any changes to the external appearance of the principal buildings are largely controlled through the heritage rules that apply to the former Hospital, some consideration is needed to the management of the surrounding environment, such as the potential effects arising from those changes that might be required to the grounds around the building to accommodate, for example, additional parking and any new structures.

¹ The District Plan defines recreational use as “means any activity whose primary aim is the passive or active enjoyment of leisure, whether competitive or non-competitive, casual or organised, (but does not include the use of motor vehicles in Conservation Sites or Open Space Areas). Recreation has a corresponding meaning.

A Heritage Area similar to the management framework in the District Plan for the Mount Street Cemetery Heritage Area is a more appropriate method than a simple rezoning for managing the use and development of the Chest Hospital site within the Inner Town Belt. A defined Heritage Area enables specific rules to apply to a restricted area, where special circumstances warrant such a management framework. These rules can be designed to reflect the special and unique features of the site, while still providing flexibility and certainty for any potential occupier of the site. Such rules would allow for the use of the premises, focussing any control on those aspects of physical works that might adversely affect the site's heritage and amenity values. These aspects are addressed in more detail in the next section of this paper in terms of the specific controls for the Heritage Area.

Heritage Area Controls

A number of potential issues that might arise from the proposed reuse of the Chest Hospital have been identified to date that would not be addressed either through the current heritage rules relating to most of the buildings or through the general provisions of the Open Space C zone.

Provision for Development

The efficient use of the Chest Hospital premises might require some minor physical changes to accommodate or provide facilities ancillary to the principal use. The changes may bring about adverse effects to the character and amenity values of the Chest Hospital site, including signs, earthworks, new buildings or additions to existing buildings, and additional parking and access drives. A range of standards in the Open Space zone currently address most of these effects, although because of their generic nature, not all are relevant or appropriate to the Chest Hospital site.

Current Rules

In reviewing the current relevant rules applying to physical development within the Open Space zone, a number would be appropriate to apply to activities within the Chest Hospital site:

1. **Signs** – Rule 17.1.4 imposes a number of maximum standards for any signs in the Open Space zone, including a maximum area of 1m² for any sign other than interpretative or directional signs, which have a maximum sign area of 4m². These limits seem appropriate for the types of signs likely to be needed on the Chest Hospital site, which are likely to be limited to simple identification or directional signs. Larger signs would require resource consent, and would be assessed according to a number of criteria including the effects on the character of the site.
2. **Demolition of Structures** – Rule 17.1.5 provides for the total or partial demolition of buildings and structures as permitted activities, other than those listed in the District Plan as heritage items. There would appear to be no benefit in requiring resource consent for the demolition of any structures that are not heritage items within the Chest Hospital site.
3. **Earthworks** – Rule 17.1.6 imposes maximum standards for earthworks as permitted activities, including limits of no more than 1.5m vertical disturbance or 100m² of

ground surface disturbance. It is unlikely that any significant level of earthworks would be required within the Chest Hospital site, given that it is mostly level or previously earthworked. However, if additional parking space is required (as discussed below) it may entail a total area of ground disturbance that would trigger resource consent under this rule. Given the potential adverse effects on the character of the site that might arise from such ground disturbance, it would be appropriate to assess proposals through the resource consent process.

4. **Building Height** – Rule 17.1.9.5 sets a maximum building height of 10m. None of the existing buildings exceed this height, and, in terms of protecting the character and amenity of the site, it would be appropriate to apply this limit to any additional structure on the Chest Hospital site.

In terms of the other current development standards within the Open Space zone, some are not particularly relevant to the Chest Hospital site (for example, those pertaining to the interface with residential properties). However, there are several other standards that would impose unduly restrictive limits on the Chest Hospital site, as they were intended to generally apply to the Open Space zone and therefore do not recognise the special circumstances and heritage values of the property:

- ▶ **Rule 17.1.9.3** – Buildings, structures car parking areas and access drives may not exceed a total net coverage of 10% of the site's total area (i.e., 897m²). This limit is already exceeded by the existing building coverage of 31%, not including the area used for parking and access (approximately 1100m²)¹.
- ▶ **Rule 17.1.9.4** – No building or structure may exceed 200m² in gross floor area – the existing gross floor area of 2794m² already exceeds this limit.
- ▶ **Rule 17.1.12** – Car parking areas and access drives must be associated with a recreational activity, and any new car parks and new access drives must not exceed a total net coverage of 200m² per hectare. The existing total area dedicated to parking and access already exceeds this limit (it equates to 1261m²/hectare).

The application of these standards to the Chest Hospital site would require any new parking, access drive or building to require resource consent, no matter how minor. Consideration therefore should be given as to whether some specific development standards for new parking, access and buildings should be introduced within the Heritage Area that provide some opportunity for further changes to the site within a scale that is appropriate to protecting the character and qualities of the premises.

Proposed New Development Controls

There are two key factors to consider in determining what, if any, standards should apply to parking, accessway and building coverage for the proposed Heritage Area over the Former Chest Hospital site:

1. An underlying principle should be to avoid promoting any significant intensification of buildings on the site, as this would be contrary to the gifting the land to the City Council for eventual inclusion within the Inner Town Belt. Any new structures

¹ For comparison purposes, the total area containing buildings parking and access drives (3894m²) represents about 12% of the total combined area of Lots 3 and 4 (3.1821ha).

should be relatively minor and necessary only for the effective use of the main hospital buildings and/or the protection of their heritage values.

2. Any additional parking areas, access drives and structures have the potential to adversely affect the character and amenity values of the site, as well as the heritage values of the Chest Hospital itself (its park-like setting is a part of the historical context of the hospital). To a degree, however, the scale of any changes may not be as important as other factors, such as the proximity to the building, which may not be able to be quantified as standards.

Taking these matters into account, the principal options specifically relating to development controls are:

1. Setting some standards to allow a certain degree of new parking areas, access drives and buildings to be developed as permitted activities within the Heritage Area – any proposal that exceeded these standards would require resource consent, either as a restricted or unrestricted discretionary activity; or
2. Require resource consent for new structures, parking areas or access drives within certain thresholds as a restricted discretionary activity within the Heritage Area. If the thresholds were exceeded, the proposed development would be considered a non-complying activity.

The second option is comparatively the most appropriate in that it ensures any physical changes to the site will be subject to the resource consent process. This will enable any adverse effects on the heritage and amenity values of the site to be assessed prior to any changes taking place. The thresholds would be set at a certain level recognising the need to undertake minor changes to accommodate different uses on this site.

Assessment criteria will need to be developed to provide guidance when assessing any resource consent application. The criteria will need to complement the existing assessment provisions in the Open Space and Heritage Chapters in the District Plan, and should include consideration of the heritage values of the premises, the character and amenity values of the site and its surrounds, public access, and the future long-term function of the land in the vicinity of the Inner Town Belt.

Development Thresholds – Parking and Access

At present, the site contains a total area of approximately 1100m² for parking and access, although the existing parking area is only 300m² with capacity for about 10-12 car parks. Given the lack of public transport to the site and the site's relative remoteness, the current parking capacity is insufficient for a building of such a relatively large floor area and potential occupancy rate. Consequently, it is highly likely that additional parking will be required to enable the efficient reuse of the premises.

As an increase in the area of parking and access could affect the site's environmental qualities and heritage values, it would be appropriate to set some thresholds for such minor changes, which would require resource consent as a restricted discretionary activity. For example, a limit of 100m² of further hard surfaces would allow for about five additional spaces plus access and manoeuvring area. This threshold is consistent with the ground area disturbance limit of 100m² for earthworks.

It is likely that the initial establishment of new uses within the Chest Hospital premises would require a larger area of parking than that which would be provided by a threshold of 100m², and therefore would need resource consent as a non-complying activity. It is also likely that the initial need to provide additional parking capacity would be considered in conjunction with any other changes to the site to accommodate a new use(s) and that might also trigger consent (for example, earthworks, signs, and alterations to buildings). Collectively, all of these changes would be considered together in an integrated manner through the resource consent process, with the changes assessed to ensure that they are consistent with the preservation of the building's historic heritage values, with the environmental qualities of the grounds, and with the site's relationship with the rest of the Inner Town Belt.

Development Thresholds – Site Coverage

The existing building coverage in the Chest Hospital site is 31%. An appropriate site coverage limit for the site (Heritage Area) could be 35%, as this is equivalent to the limit applying to the Outer Residential Area. Such a limit would allow for a small amount of additional building to occur to supplement the use of the principal buildings.

Reserve Management Plan

On consideration of what additional controls may be required under the District Plan, it should be recognised that the Chest Hospital site will also be managed under two other processes: first through the policies and requirements of the new Reserve Management Plan and, secondly, through the conditions of any lease of occupancy for the premises. Cumulatively, many aspects of the reuse of the Chest Hospital can be addressed through these instruments. In particular, any limitations on the *type of use* that may be made of the premises would be more appropriately determined through the Reserve Management Plan.

In developing the Plan Change, it is important to recognise the role of the new Reserve Management Plan in managing the area around the Former Chest Hospital. Given the unusual and anomalous character of the Chest Hospital site with the remainder of the Inner Town Belt, the site will be subject to its own Management Plan, which would complement the Town Belt Management Plan. This approach is consistent with the management of the Zoo, which, while formally part of the Inner Town Belt, is quite distinct in its use and development requirements as guided by its own Management Plan.

Lease Agreement

Any occupier of the former Hospital will be subject to a lease agreement with the City Council. This lease agreement will be guided by the new Reserve Management Plan, in terms of an appropriate use and any necessary conditions. The lease agreement is a flexible method, as it can be tailored to the individual requirements and characteristics of the lessee. However, this flexibility also creates uncertainty for any potential occupier and the Council, as the specific terms and conditions of the lease are unknown until formal negotiations are entered into.

Summary of Costs and Benefits

Method	Benefits	Costs
Do Nothing	<p>Continued application of the existing provisions, providing certainty for all parties</p> <p>Any change in use or development would require resource consent, enabling a case-by-case assessment of effects, ensuring all adverse effects are avoided, remedied or mitigated.</p>	<p>Inflexible provisions for a range of potential uses, creating potential for missed opportunities to re-use the building, leaving the building potentially uninhabited, leading to degradation.</p> <p>Any non-residential use would require resource consent, creating uncertainty and compliance costs.</p>
Re-zone to Open Space C	<p>Enables a variety of recreational based activities to establish as a permitted activity.</p> <p>Supports the viable use of the Former Hospital Building, contributing towards the long-term management of a heritage building.</p> <p>Ensures the appropriate zoning applies to land located in the vicinity of the Inner Town Belt.</p> <p>Provides certainty as to the nature of activities and their effects on the nearby Inner Town Belt.</p>	<p>Non-recreational based activities will be subject to the resource consent process, increasing compliance costs.</p> <p>Relies on the Reserve Management Plan to recognise the unique and special attributes and associated management framework.</p>
Heritage Area	<p>Enables area specific provisions to be used, to manage unique and specific heritage attributes of an area.</p> <p>Ability to restrict new development to particular thresholds as a permitted activity, enabling minor modifications while still protecting the heritage values of the site. Reduces compliance costs, as it would avoid the requirement for resource consent.</p> <p>Provides flexibility for a range of uses, supporting the on-going viable use of the building, therefore contributing to the preservation of a valuable heritage</p>	<p>Introduces new controls protecting the heritage values of the site. The new controls require resource consent for site development works, potentially increasing compliance costs.</p> <p>The thresholds for permitted development may not be set at an appropriate level. If the controls are too restrictive, they could inhibit development and the re-use of the building. Conversely, if the control were too open, there would be potential for the degradation of the heritage values.</p>

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	<p>resource.</p> <p>Provides certainty as to the level of development that is permissible.</p>	
<p>Reserve Management Plan</p>	<p>Flexible to address the specific issues associated with the management of the Former Chest Hospital site.</p> <p>Provides certainty as to the level of development that is permissible.</p>	<p>Potential overlap with the Town Belt Management Plan, and inconsistent policies.</p> <p>Financial costs of preparing an individual Reserve Management Plan for an isolated area.</p> <p>Not integrated with District Plan, creating potential inconsistencies.</p>
<p>Lease agreement</p>	<p>Tailor lease agreement to reflect the individual characteristics of each lessee.</p>	<p>Uncertainty as to conditions in a lease agreement, both for the Council and any potential lessee.</p>

7 Effectiveness and Efficiency of the Options

The evaluation of the options for changing the District Plan must also consider the efficiency and effectiveness of the proposed change, and whether it is the most appropriate way of achieving the objectives in the Plan.

No new objectives or policies are proposed in the Plan Change. The current objectives and policies in the District Plan remain relevant, and are considered the most appropriate means of achieving the purpose of the Act, in relation to the management of the effects of development of the Former Chest Hospital site. The relevant current objectives and policies are:

Open Space

Objective: 16.5.1: To maintain, protect and enhance the open spaces of Wellington City.

Policies

16.5.1.1: Identify a range of open spaces and maintain their character, purpose and function, while enhancing their accessibility and usability.

16.5.1.2: Recognise the special status of the Inner Town Belt as public recreation land held in Trust by the Council under the Town Belt Deed 1873 and identify that land on the District Plan Maps.

16.5.1.3: Manage the impacts of activities in the Inner Town Belt in order to protect and preserve its special qualities for the benefit of future generations.

16.5.1.4: Recognise the special status of Wellington's Inner Town Belt and manage the impacts of activities in order to protect and manage its special qualities for the benefit of future generations.

Heritage

Objective 20.2.1: To maintain and enhance the city's heritage to ensure continuity with the past in the development of the city.

Policies

20.2.1.1: Identify and list items (buildings, objects, areas, trees and sites) of significant heritage value.

20.2.1.2: Avoid the loss of heritage value associated with listed items.

20.2.1.3: Manage the effects of activities that cause the loss of heritage values associated with listed items.

These objectives and policies identify that areas of open space and significant heritage features have special qualities in Wellington City, that need to be managed appropriately. The current methods, including rules, in the District Plan relating to the Former Chest Hospital site (discussed earlier in this paper), do not provide an effective or efficient framework for the use of this site.

Rezoning the site from Inner Residential to Open Space C would be consistent with the objectives and policies in the District Plan. The site is physically part of the Inner Town Belt, and applying the Open Space C zoning will be the most effective and efficient means

of appropriately achieving the objectives in the Plan for open space. In addition, identifying the site as a separate Heritage Area recognises its special heritage values, which will provide an effective and efficient management framework for the site. This approach is consistent with the current objectives and policies in the Plan, and is considered the most appropriate.

Reserve Management Plans are not prepared under the Resource Management Act, therefore they do not directly contribute towards achieving the objectives, or achieving the purpose of the Act. However, indirectly, Reserve Management Plans can assist in achieving the District Plan objectives and purpose of the Act. The Reserve Management Plan is likely to complement the policies and methods in the District Plan, but it should not be relied upon to achieve the objectives. For this reason, the new Reserve Management Plan is not an efficient and effective approach.

The final option is managing the use of the site through the lease agreement, with conditions and clauses used to control site use and development. This method is similar to the Reserve Management Plan, in that the lease agreement would not be prepared under the Resource Management Act, and would indirectly contribute towards achieving District Plan objectives, and the purpose of the Act. Therefore, lease agreements are not considered an efficient and effective option.

8 Risk of Acting or Not Acting

The evaluation must consider the risk of acting or not acting if there is uncertain or insufficient information about the proposed methods. In this case, it is considered the Council is fully aware of the issues associated with the management of this site, therefore there is a low level of uncertainty and sufficient information.

Given the above assessment concludes that the status quo (i.e. do nothing option) is not acceptable for the on-going management of the Former Chest Hospital site, the risk of not acting is considered unacceptable.

9 Conclusion

Based on the above analysis, it is considered that the Proposed Plan Change is the most appropriate approach to managing the use and development of the Former Chest Hospital Site. Following an evaluation of the alternative options, the proposed rezoning, new heritage area and associated development controls, are the most efficient and effective methods. Below is a summary of the proposed changes to the District Plan:

1. Rezone Lots 3 and 4 from Inner Residential to Open Space C.
2. Define Lot 4 as a Heritage Area (by including an appendix to Chapter 21).
3. Provide for the *use* of the former Chest Hospital Heritage Area as a Permitted Activity under the Open Space rules, subject to compliance with appropriate Open Space standards.
4. Control the *development* of the Chest Hospital Heritage Area as a Discretionary (Restricted) Activity in the Open Space rules. This includes any additions and alterations to heritage buildings, construction of new buildings or structures, and the modification of open space areas. Additional hard surfacing which is less than 100m² and additional site coverage that is less than 35% is also a Discretionary (Restricted) Activity. Any change beyond these thresholds would require resource consent as a non-complying activity.
5. Resource consent applications would be assessed according to a range of criteria, including the effects on the heritage values of the scheduled buildings, recreation values and Open Space C values, the necessity for the structure for the effective use of the site, the level of intensification, and public access.
6. Refine the District Plan listing of the former Chest Hospital premises as a heritage item by specifying both the exterior *and interior* of the building as warranting protection.