



SECTION 82 REPORT

Rotorua Operative District Plan

**Proposed Plan Change 9:
Housing for Everyone**

August 2022



ROTORUA
LAKES COUNCIL

Contents

1.0	Executive Summary	5
2.0	Introduction	8
3.0	Scope of Changes Proposed	10
4.0	Rotorua Context	10
4.1	The Need for Additional Housing Capacity	10
4.2	Infrastructure	16
4.3	Mana Whenua	19
4.4	Whenua Māori	19
4.5	Whenua Māori within the Rotorua District	20
5.0	Statutory and Planning Context	22
5.1	Resource Management Act 1991	22
5.2	Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021	23
5.3	National Policy Statement on Urban Development 2020	26
5.4	Other Relevant Statutory Documents	35
5.5	National Planning Standards	35
5.6	Regional Policy Statement	35
5.7	Iwi Management Plans	37
5.8	Other Relevant Plans and Strategies	37
6.0	Plan Change Development Process	38
6.1	Development of Plan Change Provisions	38
6.2	Supporting Evidence Base	39
6.3	Testing of Provisions	41
6.4	Engagement Programme	42
6.5	Consultation with Iwi Authorities	42
6.6	Section 32 Analysis	45
7.0	Residential Amendments	47
7.1	Structure of this Section	47
7.2	Overview and Scope of Amendments	48
7.3	Summary of Rules Proposed	48
7.4	Summary of Qualifying Matters	49
7.5	Background and Issues of Concern	50
7.6	Appropriateness of Proposed Objectives for Residential 1 and 2 Zones	51
7.7	Evaluation of Provisions for the Residential 1 Zone	60
7.8	Evaluation of Provisions for the Residential 2 zone	69
7.9	Evaluation of Provisions for the Residential 1 and 2 Zones	99
8.0	Residential 3 Zone	104
8.1	Structure of this Section	104
8.2	Overview and Scope of Amendments	104
8.3	Operative District Plan Approach	104
8.4	Qualifying Matter and Justification of Incompatibility of MDRS	106
8.5	Impact on Development Capacity	108

8.6	Appropriateness of Proposed Objectives	109
8.7	Evaluation of Provisions	110
9.0	Development Areas	116
9.1	Structure of this Section	116
9.2	Overview and Scope of Amendments	116
9.3	Background Issues of Concern	116
9.4	Appropriateness of Proposed Objectives	117
9.5	Evaluation of Provisions	117
10.0	City Centre and Commercial	121
10.1	Structure of this Section	121
10.2	Overview and Scope of Amendments	121
10.3	Background and Issues of Concern	121
10.4	Appropriateness of Proposed Objectives	122
10.5	Evaluation of Provisions	127
11.0	Review of Transport Provisions	154
11.1	Structure of this Section	154
11.2	Overview and scope of Amendments	154
11.3	Background and Issues of Concern	155
11.4	Relevant Objectives	155
11.5	Evaluation of Provisions	155
12.0	Flooding	164
12.1	Structure of this Section	164
12.2	Overview and Scope of Amendments	164
12.3	Background and Issues of Concern	164
12.4	Extent of Qualifying Matter	165
12.5	Qualifying Matter and Justification of Incompatibility with the MDRS	165
12.6	Impact on Development Capacity	166
12.7	Appropriateness of Proposed Objectives	166
12.8	Evaluation of Provisions	166
13.0	Geothermal Hazards	185
13.1	Structure of this Section	185
13.2	Overview and Scope of Amendments	185
13.3	Background and Issues of Concern	185
13.4	Appropriateness of Proposed Objectives	187
13.5	Evaluation of Provisions	187
14.0	Historic Heritage	190
14.1	Structure of this Section	190
14.2	Overview and Scope of Amendments	190
14.3	Background and Issues of Concern	190
14.4	Extent of Qualifying Matter	191
14.5	Qualifying Matter and Justification of Incompatibility of MDRS	192
14.6	Impact on Development Capacity	192
14.7	Appropriateness of Proposed Objectives	194
14.8	Evaluation of Provisions	194

15.0	Residential and Industrial Interface	198
15.1	Overview of Issues	198
15.2	Potential for Air Quality Issues	199
15.3	Potential for Noise Effects at the Residential and Industrial Interface	200
16.0	Financial Contributions for Reserves	200
16.1	Structure of this Section	200
16.2	Overview and Scope of Amendments	200
16.3	Background and Issues of Concern	201
16.4	Appropriateness of Proposed Objectives	201
16.5	Evaluation of Provisions	203
17.0	Papakāinga Housing in the District	209
17.1	Structure of this Section	209
17.2	Overview and Scope of Amendments	209
17.3	Background and Issues of Concern	209
17.4	Appropriateness of Proposed Objectives	210
17.5	Evaluation of Provisions	210
18.0	Conclusion	227

Appendices

Appendix 1:	PC9: Housing for Everyone – Provisions and Amendments to Maps
Appendix 2:	Evaluation of Existing Qualifying Matters
Appendix 3:	Evaluation of ‘Other’ Existing Qualifying Matters
Appendix 4:	Evaluation of New Qualifying Matters
Appendix 5:	Regional Policy Statement Objectives and Policies Assessment
Appendix 6:	Iwi Management Plans Assessment
Appendix 7:	Barker & Associates - Policy 5 - Accessibility & Demand Assessment
Appendix 8:	Market Economics - Rotorua Intensification Economic Assessment
Appendix 9:	Barker & Associates – Urban Design Report
Appendix 10:	Boffa Miskell – Pukehangi Landscape Opinion
Appendix 11:	Commute Transport Consultants – Transport Assessment
Appendix 12:	Areas affected by Flooding Qualifying Matter
Appendix 13:	Tonkin & Taylor – Flood Provisions Memo
Appendix 14:	Tonkin & Taylor – Geothermal Risk Assessment
Appendix 15:	Salmond Reed Architects – Heritage Assessment
Appendix 16:	Tonkin & Taylor – Potential Reverse Sensitivity Effects to Air Quality Assessment
Appendix 17:	Styles Group – Acoustic Assessment
Appendix 18:	Qualifying Matters Map
Appendix 19:	Consultation Report

1.0 Executive Summary

Purpose of PC9

- (1) This Section 32 report is prepared by Rotorua Lakes Council (“**Council**”) to fulfil the statutory requirements of section 32 of the Resource Management Act 1991 (“**RMA**”) for Proposed Plan Change 9 – Housing for Everyone (“**PC9**”). PC9 is an Intensification Planning Instrument (“**IPI**”) under Section 80E of the RMA and amends the Operative Rotorua District Plan (“**District Plan**”). The Council is required to prepare and notify an IPI following the enactment of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (“**Amendment Act**”).
- (2) The National Policy Statement Urban Development 2020 (“**NPS-UD**”) that came into effect on 20 August 2020 promotes the concept of "well-functioning urban environments." The NPS-UD classifies Rotorua as a Tier 2 Urban Environment.
- (3) On 14 March 2022 an Order in Council (“**OIC**”) was made to incorporate the Council in the requirements of the Amendment Act, after the Council requested to be included, based on its acute housing need. Rotorua’s inclusion means that it is now a “specified territorial authority” under the Amendment Act, which requires Council to amend the District Plan to:
 - a. Give effect to Policy 5¹ of the NPS-UD; and
 - b. Ensure every relevant residential zone incorporates the Medium Density Residential Zone Standards (“**MDRS**”) unless a qualifying matter exists.
- (4) This is the purpose of PC9. A range of other supporting changes are also proposed that will support the implementation of the MDRS and Policy 5.

Medium Density Housing

- (5) The application of the MDRS will enable medium density housing to be built across most residential areas in urban Rotorua. This supports an increase in the variety of sizes and forms, including detached dwellings, terrace housing and low-rise apartments. This will enable greater development capacity to cater for population growth within the existing urban footprint, supporting the delivery of a compact and sustainable urban form.
- (6) The rules permitting residential units that comply with the MDRS will have legal effect from 20 August 2022 and the Amendment Act specifies that the provisions in the District Plan that are replaced by the MDRS will “cease to have effect”, meaning that the MDRS will be treated as it they are the operative rules. The MDRS, however, will not have immediate legal effect where a qualifying matter applies (see section 3.6 below for further explanation on qualifying matters). Put differently, the new rules proposed in PC9 will only have immediate legal effect if they permit a residential unit in a relevant residential zone in accordance with the MDRS, and no qualifying matter applies to the site.

¹ Policy 5 requires district plans applying to tier 2 Councils to enable heights and density of urban form commensurate with the greater of:

a) the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or
b) relative demand for housing and business use in that location.

- (7) The MDRS, that is, those standards that the Amendment Act specifies will have immediate legal effect, relate to the following controls:
- Number of residential units per site
 - Building height
 - Height in relation to boundary
 - Setbacks
 - Building coverage
 - Outdoor living space
 - Outdoor space (per unit)
 - Windows to street
 - Landscaped areas
- (8) Other provisions that are proposed in the Plan Change that are not part of the MDRS include:
- Rules that regulate minimum dwelling size, maximum building length, maximum impervious area and fences;
 - Assessment criteria for four or more dwellings to achieve quality-built outcomes;
 - Minimum lot size for subdivision of vacant lots in residential zones; and
 - Rules associated with qualifying matters.

High Density Housing

- (9) The Amendment Act and the NPS-UD also direct that the District Plan enable higher density housing with more building height around the city centre and suburban centres across the city, and close to public transport. It is therefore proposed within the Plan Change to broadly retain the spatial extent of the current medium density Residential 2 zone but enable high density residential development within this zone.
- (10) Being close to the City Centre, the proposed Residential 2 High Density Zone is aligned to the most accessible areas within Rotorua, enabling more people to live in areas which can access amenities and employment through active and public transport modes. It is proposed to apply a 19.5m height limit within the Residential 2 High Density zone. This will enable six storeys in this zone as opposed to the three storeys permitted through the MDRS.

Commercial Areas

- (11) The Plan Change has further considered how to enable residential development in the Commercial and City Centre Zones, due to their accessible location relative to amenity. The primary method of doing so is by enabling a greater building height through more permissive height standards in these locations, to accommodate for a wider range of activities that are supported by a greater density (that is, more people living in the area).
- (12) The proposed amendments to height limits within the City Centre and Commercial Zones include:
- Amending the City Centre 1 Zone (Mid City) height limit from 20m to 32m.
 - Amending the City Centre 3 Zone (Northern Edge/ Lake Front area) height limit from 20m to 24m.

- Introducing² a 24m height limit for the City Centre 2 Zone (Central Mall).
- Amending the Commercial 1 and 2 Zone (Suburban Centres e.g. Ngongotaha and Owkata) - height limit from 12m to 20m.
- Amending the Commercial 4 Zone (City Entranceway/ Fenton Street and Lake Road) - height limit from 12m to 24m.
- Amending the Commercial 6 Zone (Southern Edge/ Trade Central) - height limit from 20m to 24m.

(13) Given the City Centre 2 and the Commercial 6 Zones are centrally located and highly accessible it has been proposed to enable residential use within these zones. Amendments have therefore been made to the provisions of the City Centre 2 and Commercial 6 Zones to permit residential units, which enables mixed-used³ development.

(14) The amendments also intent to support quality design in these zones through amendments to the provisions relating to the assessment of the design of buildings and additions.

Papakāinga

(15) This Plan Change also includes proposed amendments to the rules for papakāinga to make developments of this nature more enabling. The proposed amendments are in accordance with section 80E of the RMA, which enables the Plan Change to amend provisions to enable papakāinga housing in the district in both urban and rural areas.

Qualifying Matters

(16) The Amendment Act enables height and density to be restricted where there are “qualifying matters⁴”, also known as development constraints. Through the Plan Change, we must justify why qualifying matters should be given a greater level of protection than other matters in the District. These reasons or ‘qualifying matters’, can’t be used to prohibit intensification altogether, but they can be used to moderate the level of building height and density in places.

(17) Existing qualifying matters within the District Plan address:

- Nationally significant infrastructure (the National Grid, Rotorua Regional Airport and state highways);
- Natural Hazards;
- Historic and Cultural Values;
- Significant Natural Areas;
- Outstanding Natural Character;
- Outstanding Natural Features and Landscapes;

² In the current operative District Plan there is no maximum height

³ In this case we are enabling residential development above the existing commercial use

⁴Qualifying matters are characteristics of some properties or within some areas where it is appropriate to modify or reduce building height or density sought by the MDRS changes. This includes sites of cultural, historical, or ecological significance or to avoid development in areas with natural hazards.

- Public Access;
 - Notable trees;
 - Development areas - provision of supporting te provision of infrastructure, addressing reverse sensitivity and protection of the landscape values of the Rotorua Caldera Rim.
- (18) It is proposed to retain the current District Plan rules pertaining to these qualifying matters. Supporting amendments are made to qualifying matters for Pukehangi Heights Development Area to protect landscape values of the Caldera Rim and to performance standards for Wharenuī relating to the Eastern Arterial and road upgrades.
- (19) New qualifying matters are proposed in areas which are incompatible with the level of development permitted by the MDRS. These new qualifying matters are as follows:
- **Flooding** – amendments to the rules to more effectively manage flood risk in higher risk locations;
 - **Residential 3 zone** – retention of the Residential 3 zone applying to the cultural villages of Ōhinemutu, Whakarewarewa, and Ngāpuna to enable Māori to maintain their culture and traditions with their ancestral lands;
 - **Historic heritage** – amendments to the rules to ensure that the heritage values of protected buildings are maintained.

Additional Supporting Changes

- (20) There are also further supporting changes that are proposed through this Plan Change, key changes are summarised below:
- **Financial contributions for reserves** – amendments to the provisions to reduce the financial contribution requirement from 5% to 3.5% in the urban zones and 2.5% in the Rural zones, with lower rates applying to minor residential units, and related changes to the objectives and policies.
 - **Transport** – amendments to the transport provisions to ensure that the access standards safely and efficiently provide for all modes of transport and that the effects of moderately scaled development on the immediately adjoining transport network are appropriately managed.
- (21) The Section 32 report comprehensively assesses these amendments against the applicable statutory tests in the RMA and the Amendment Act. This is supported by a range of technical analysis attached to the report.

2.0 Introduction

- (1) This report is prepared by Rotorua Lakes Council to fulfil the statutory requirements of section 32 of the RMA for PC9. This report should be read together with the text of District Plan and PC9. PC9 is an IPI under Section 80E of the RMA. Council is required to prepare and notify an IPI by the Resource Management (Territorial Authorities Required to Prepare and Notify Intensification Planning Instruments) Regulations 2022.
- (2) The key drivers of PC9 are to:
- a) Give effect to the Amendment Act and the relevant policies of the NPS-UD;

- b) Enable a greater variety of homes that meet Rotorua's needs;
- c) Achieve a well-functioning urban environment;
- d) Enable Māori to express their cultural traditions and norms with particular reference to papakāinga development;
- e) Ensure development is integrated with infrastructure planning and funding for open space; and
- f) Ensure that significant risks from natural hazards are appropriately managed.

(3) PC9 introduces amendments to the District Plan in respect of the following:

- a) Amendments to Part 2: District Wide Matters - Strategic Direction objectives and policies, which guide urban development to give effect to the relevant objectives and policies of the NPS-UD;
- b) Amendments to Part 3: Area Specific Matters - Residential Zones to amend the Residential 1 zone to incorporate the MDRS and related amendments; and to enable high density residential development within the Residential 2 zone and related amendments;
- c) Amendments to Part 3: Area Specific Matters - Commercial Zones and City Centre Zones to amend building height limits and the design-based rules and matters of discretion and criteria that guide development; and to enable residential activities within the City Centre 2 and Commercial 6 zones;
- d) Amendments to Part 3: Area Specific Matters - Development Areas to amend the provisions for Pukehangi and Wharenuī development areas to align with the MDRS but retain rules relating to existing qualifying matters with some amendments;
- e) Amendments to Part 2: District Wide Matters – Subdivision related to the implementation of the MDRS and to clarify the rules for subdivision on sites subject to flooding;
- f) Amendments to Part 2: District Wide Matters – Historical and Cultural Values to manage development on the same site as listed heritage structures;
- g) Amendments to Part 2: District Wide Matters – Hazards and Risks to manage development in areas of flood risk and geothermal risk;
- h) Amendments to Part 2: District Wide Matters – General District Wide Matters to amend the provisions for papakāinga to be more enabling of this form of development;
- i) Amendments to Part 2: District Wide Matters – General District Wide Matters to amend the provisions relating to financial contributions.
- j) Amendments to Part 1: Introduction & General Provisions - Interpretation to support the changes outlined and the MDRS;
- k) Amendments to Appendix 1 regarding transport assessments for residential units;
- l) Amendments to the zoning maps to alter the spatial application of the Residential 1 and 2 zone to give effect to Policy 5 of the NPSUD and remove the 2% AEP lake flood level maps.

(4) The Rotorua Design Guidelines have also been prepared to complement the changes to the residential and business zones proposed by PC9. The Design Guidelines are a non-statutory document that will encourage high quality residential urban design outcomes for multi-unit residential developments.

- (5) The following parts of the District Plan are not proposed to be amended by PC9:
- a) Residential 3 Zone: This zone is proposed to be retained as a new qualifying matter on the grounds that it provides for the relationship of Māori and their culture and traditions with their ancestral lands;
 - b) Residential 4 Zone: In accordance with the definition of ‘relevant residential zone’ as set out within Section 2 of the RMA this zone is excluded from the application of the MDRS on the basis that it is equivalent to a Settlement Zone;
 - c) Residential 5 zone: In accordance with the definition of ‘relevant residential zone’ as set out within Section 2 of the RMA this zone is excluded from the application of the MDRS on the basis that it is equivalent to the Large Lot Residential Zone;
 - d) Commercial 5 zone: this zone functions as a special purpose recreation / tourist zone, which does not provide for residential; and
 - e) Industrial, Business and Innovation, Rural, Future growth, Reserves, Community Assets and Water zones.
- (6) Documents for PC9 are set out in *Appendix 1* and show the proposed amendments to the District Plan, and any consequential amendments.

3.0 Scope of Changes Proposed

- (1) PC9 is not a full plan review, but a focussed suite of changes to enable additional housing capacity and choice through specific zoning, rule and policy changes and to enable more efficient use of urban land. A full review of all the commercial and residential zone provisions and zoning across Rotorua was not undertaken. PC9 is as focussed as possible, and the scope has been deliberately limited to those changes needed to implement the intensification policies of the NPS-UD and the Amendment Act, as required by sections 77G and 80E of the RMA.
- (2) The objectives, policies and methods proposed as part of PC9 have been evaluated in accordance with Section 32 of the RMA on a topic basis. A description of the topic and an overview of the amendments categorised to each topic is provided at the beginning of *Sections 7 to 17* of this report. The mandatory changes required by the Amendment Act are identified in PC9 as required by Section 80H of the RMA. The Section 32 report does not include an evaluation of these mandatory provisions.

4.0 Rotorua Context

4.1 The Need for Additional Housing Capacity

- (1) The NPS-UD sets out requirements relating to planning for growth and development in urban environments, including the need to provide at least sufficient development capacity to meet expected demand (Policy 2). The relevant objectives and policies of the NPSU-UD are outlined in *Section 5.3* below.
- (2) The NPS-UD requires a Housing and Business Development Capacity Assessment (“HBA”) to be prepared, which Market Economics (“M.E”) completed in 2021 in collaboration with the Council

to provide a robust assessment of Rotorua's housing and business market within the urban environment (refer *Figure 1*).

- (3) The reporting undertaken for the HBA was extensive and included a detailed evaluation of housing and business demand and plan-enabled, feasible, infrastructure ready, and reasonably expected to be realised capacity. A full copy of the HBA is available on the Council's website⁵. As detailed in the sections below, the HBA concludes that there is strong demand for housing and business use over the next 30 years, however, there is insufficient feasible capacity to cater for this, which the current planning framework contributes to.

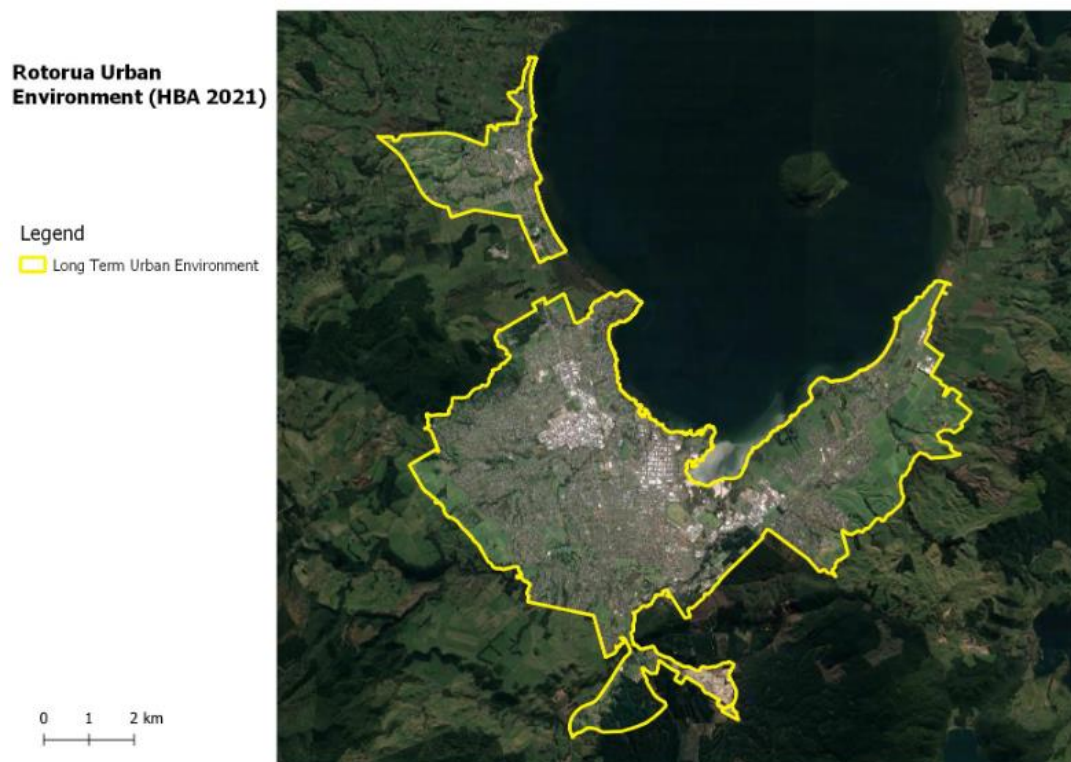


Figure 1: Showing the extent of the Rotorua urban environment (HBA, 2021).

4.1.1 Population Growth and Household Change

- (1) The Council has adopted the population and household projections developed by Infometrics Ltd (2020). The Infometrics projections were preferred over those from Statistics New Zealand (SNZ) as they do not only consider population and household projections, but employment projections as well.
- (2) The population and household projections were produced according to three scenarios, low, medium, and high growth (in keeping with SNZ practice). The medium growth scenario is Council's preferred growth outlook and the scenario has been used for the HBA (as well as for the Infrastructure Strategy and Long Term Plan ("LTP") – to ensure consistency across the strategic documents). The low and high scenarios provided a range around the medium as the baseline, to account for a margin of error.

⁵ <https://www.rotorualakescouncil.nz/repository/libraries/id:2e3idno3317q9sihrv36/hierarchy/our-services/planningservices/districtplan/districtplan/documents/proposed-district-plan/research/rdc-1225139-rotorua-housing-and-business-development-capacity-assessment-2021-main-report.pdf>

- (3) The current resident population of the Rotorua district as at 2020 is estimated at 76,190, which makes up approximately 29,000 residential households. The medium growth projection from Infometrics suggest that household numbers are projected to increase from the current 29,000 households (June 2020) by 6% (1,700 households) in the short term, then 15% (4,300 households) in the medium term, and 27% (7,800 households) in the long term (refer *Figure 2*).

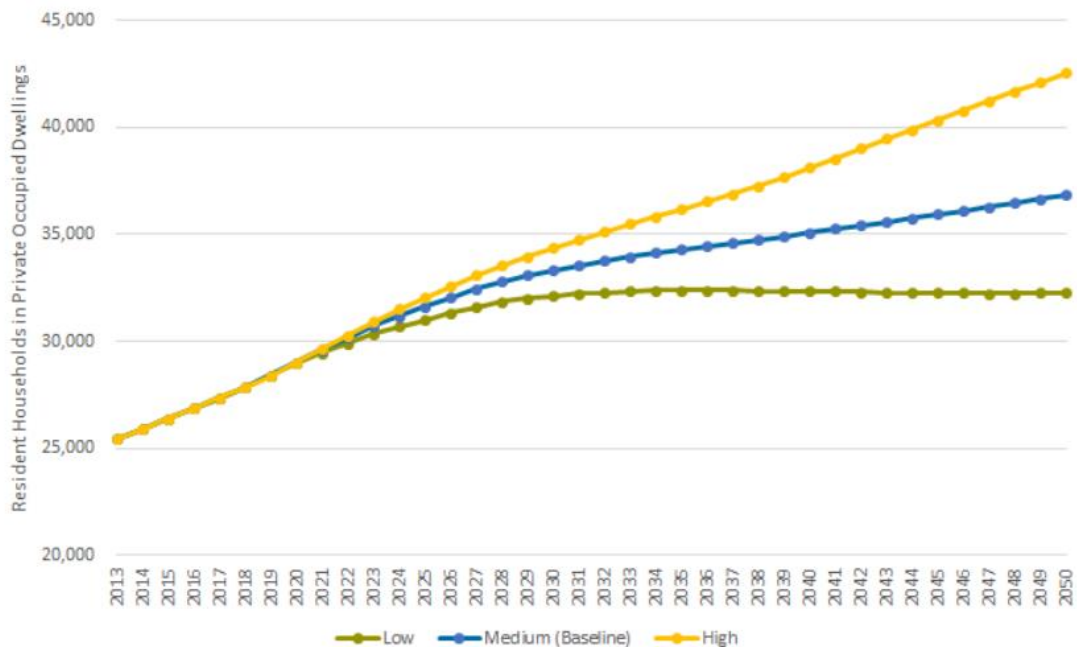


Figure 2: Graph showing Total Resident Household Growth Projections 2020-2050 by Scenario (HBA Technical Report, 2021)

- (4) The population growth underpins the growth in household numbers. Generally, household numbers tend to increase slightly ahead of population growth so the medium population projections suggest a population growth of 4% in the short term, 11% in the medium term and 19% in the long term. This would equate to an additional 14,300 people by the year 2050 meaning a total district population of 90,593.
- (5) Given Rotorua's net population growth will significantly occur within the 65+ age group considerable change is anticipated in the composition of households. There will be a significant increase in one person households and couple households, with significantly smaller net increases in family households with children. The shift in the socio-demographic structure of the household sector is reflected in the graph below (refer *Figure 3*).

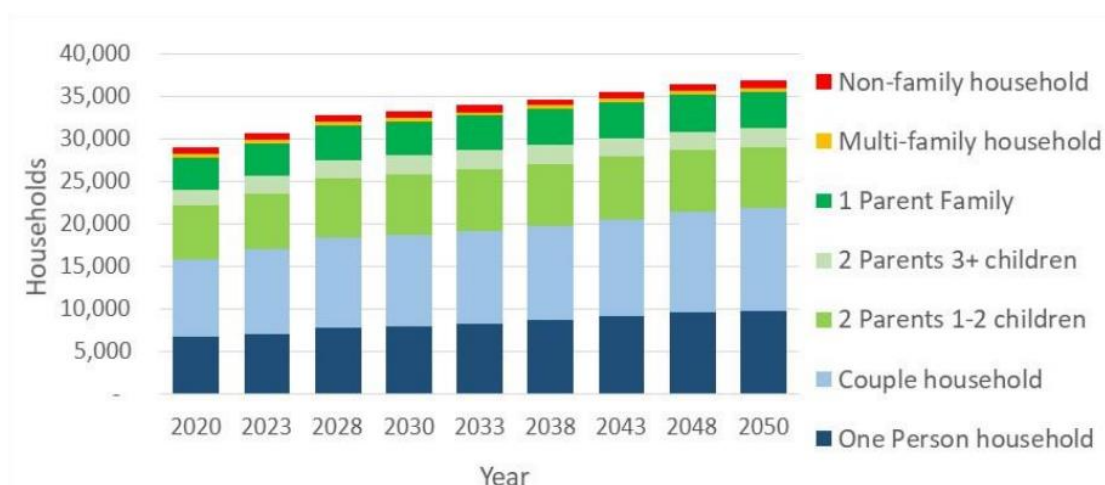


Figure 3: Graph showing Projected Households for the Medium Growth Scenario (HBA, 2021).

- (6) Couple and single person households are anticipated to account for around two-thirds of the total household growth in the medium term and over three quarters of housing growth in Rotorua over the long term which will likely result in a change in demand for different dwelling types and sizes over time.
- (7) Approximately 31% of the current population is of Māori ethnicity⁶. The Rotorua district is characterised by slightly lower than average household incomes. An estimated 37% of all households have income less than \$50,000 per annum, while 20% of households have incomes above \$120,000, this is lower than the national average at just under 26%. Dwelling ownership rates are higher for households of European ethnicity at nearly 70%, which is substantially higher than for households of Māori ethnicity (47%), Pacific ethnicity (41%) and Asian ethnicity (45%). Overall, 37% of resident houses in the district are rented. Acute housing need is disproportionately affecting Māori in the district with many people unable to own or effectively even rent homes and provide for their whānau's well-being. Therefore, there is also a strong demand for public housing with emergency housing and public housing register numbers being high.

4.1.2 Housing Demand

- (1) The Infometrics population projections have been used to determine the most likely scenario for housing demand over the short, medium and long term. In addition to these projections, data from the Ministry of Housing and Urban Development ("MHUD")⁷ indicates that Rotorua has an existing housing shortage estimated as at the end of 2019 at around 1,500 – 1,750 homes. This estimate was calculated by MHUD who carried out a place-based assessment of Rotorua's housing demand and supply (March, 2020).
- (2) In the urban environment, there is projected demand for 2,970 additional houses in the short term, 5,200 additional houses in the medium term and 8,250 additional houses in the long term, driven by projected household growth and addressing the current shortfall in housing.

⁶ The 2018 census records that Maori make up 40% of the Rotorua population. However, because the Census records all ethnicities identified by respondents (and many people specify two or more ethnicities), the census over-projects each ethnicity. The Infometrics data corrects this so that the sum of the ethnicity-based projections matches the total projection. It does this by assuming that the degree of over-count applies pro rata to each ethnicity.

⁷ MHUD place-based assessment of Rotorua's housing demand and supply (March 2020).

- (3) Over and above projected demand and existing shortfall in demand the NPS-UD requires that the Council provide for a competitiveness margin to support choice and competitiveness in housing and markets. The competitiveness margin adds an additional 20% in the short and medium term and 15% in the long-term to the demand numbers referenced above. Combined, the demand and competitiveness margin are referred to as the 'housing bottom lines' (Policy 7 – NPS-UD).
- (4) Based on the above the housing demand in Rotorua is shown below (refer *Table 1*).

Table 1: Projected Demand for Dwellings (HBA, 2021).

Timeframe	Demand for dwellings	Including NPSUD Competitive Margin
Short term (3 years, 2020-2023)	2,970	3,560
Medium term (10 years, 2020-2030)	5,200	6,240
Long term (30 years, 2020-2050)	8,250	9,740

4.1.3 Existing Housing Development Capacity

- (1) As part of the HBA, an assessment of housing capacity has been undertaken in accordance with the requirements of the NPS-UD. This assessment shows that there is insufficient development capacity over the short, medium and long term. While there is a sizeable amount of plan enabled capacity, much of the capacity is unlikely to be developed into dwellings by the commercial development sector due to a lack of feasibility⁸.
- (2) In the short term, as shown below (refer *Figure 4*), the total shortfall is nearly 1,900 dwellings, with insufficient Reasonably Expected to be Realised capacity for all detached and attached dwelling demand. This short-term result is exacerbated by the inclusion of latent demand of 1,500 dwellings. In the medium term, the total shortfall is estimated at 1,400 dwellings. The shortfall for detached dwellings is small, but the shortfall of capacity for attached housing demand is more significant at nearly 1,000 dwellings. In the long term (and assuming market growth), the net shortfall is significantly reduced. However, this is influenced by a surplus of detached housing capacity and a significant shortfall of capacity for attached housing.

⁸ A substantial share of the greenfield capacity and underutilised urban land capacity (within the Eastern reporting area) is leasehold land and is therefore less likely to be feasible for commercial developers. The commercial feasibility of Rotorua's plan enabled capacity is also adversely affected by a number of constraints that increase the cost and complexity of development such as geotechnical constraints and additional costs to manage stormwater on-site and flooding hazards.

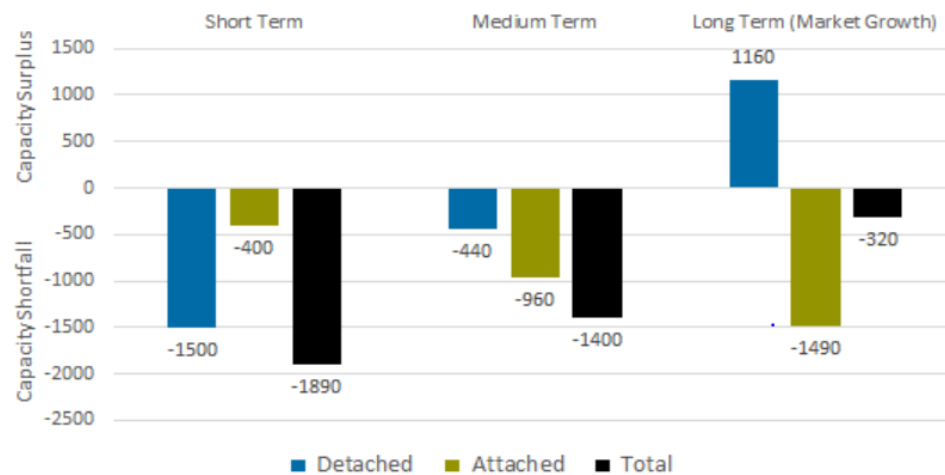


Figure 4: Graph showing a Summary of Estimated Residential Capacity Shortfalls in the Urban Environment (HBA, 2021).

- (3) There is a substantial shortfall of capacity to meet demand in the central urban area, and this shortfall is for both detached and attached housing. In the western urban area, there is a net surplus of just 20 dwellings in the long term, but this is made up of a significant surplus of detached housing capacity and a significant shortfall of attached housing capacity. A similar situation applies in the eastern urban area where there is a net surplus of capacity of over 1,300 dwellings but a shortfall of attached dwelling capacity. In Ngongotahā, there is a minor net shortfall created by a surplus of detached housing but a slightly greater shortfall of attached housing capacity. *Table 2* below provides a breakdown of the net surplus and shortfalls in capacity and the map below shows these locations.

Table 2: Summary of Sufficiency –Plan Enabled, Commercially Feasible and RER Capacity by Urban Reporting Area.

Reporting Area	Short Term Sufficiency			Medium Term Sufficiency			Long Term Sufficiency (Current Prices Scenario)			Long Term Sufficiency (Market Growth Scenario)		
	Plan Enabled	Commercially Feasible	RER	Plan Enabled	Commercially Feasible	RER	Plan Enabled	Commercially Feasible	RER	Plan Enabled	Commercially Feasible	RER
Central	9,070	1,480	- 700	8,190	580	- 1,340	8,190	- 770	- 2,370	8,190	6,980	- 1,620
Western	4,800	790	- 940	3,780	- 230	- 520	2,940	- 1,040	- 1,310	2,940	640	20
Eastern	5,010	1,390	- 280	4,480	860	700	5,910	530	470	5,910	1,500	1,320
Ngongotahā	1,270	90	-	1,010	- 170	- 240	2,990	560	- 420	2,990	2,040	- 40
Total Urban Environment	20,150	3,720	- 1,890	17,470	1,030	- 1,400	20,080	- 720	- 3,630	20,080	11,160	- 320

Sources: Mā 2021 Rotarua Dwelling Projection Model and Mā Rotarua Capacity Model 2021. Figures rounded to nearest 10. Capacity based on Greenfield and Maximum Infill or Redevelopment Capacity, Medium Growth Future.

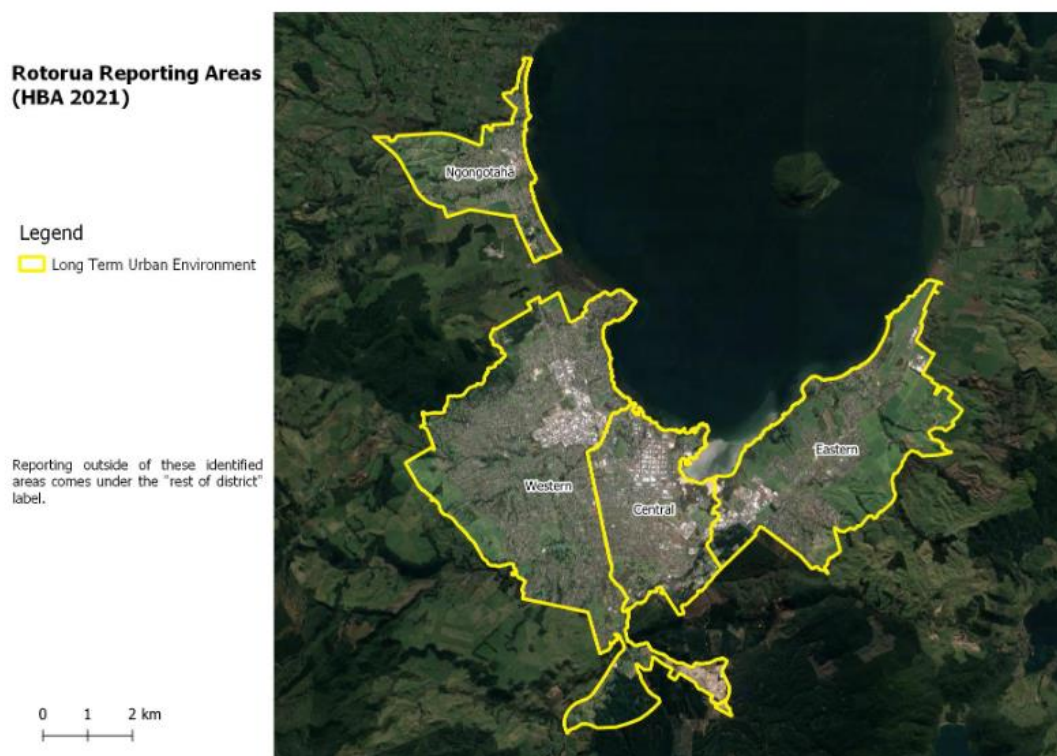


Figure 5: Showing the reporting areas for the Rotorua HBA (HBA, 2021).

- (4) The current planning framework does influence the feasibility of development capacity in Rotorua. The planning provisions for attached dwellings in Rotorua are largely limited to higher density apartments within the city centre and commercial zones. With the exception of the small area of Residential 2 (current Medium Density) Zone, there is limited provision for other types of attached dwellings across most of the city's general suburban area. The extensive Residential 1 (current Low Density) Zone has a relatively large average minimum site size of 450sqm. This limits options for developers and negatively influences the feasibility of development.
- (5) A key purpose of PC9 is to amend the rules to enable a greater range of housing types and choices within the urban area. Providing a more enabling planning framework in the manner proposed will also improve the feasibility of development in the urban area and allow for more attached housing types, both of which will directly respond to the key issues raised in the HBA.

4.2 Infrastructure

- (1) One of the key constraints to providing additional housing capacity and intensification is the ability to put in place sufficient infrastructure to service growth⁹. Council has committed funding through both its LTP¹⁰ and 30-year Infrastructure Strategy¹¹ to renew and upgrade its assets to meet current demand and future growth expectations. While significant funding for infrastructure has been made available, Council operates in a financially constrained environment and it is a

⁹ Council is responsible for critical infrastructure, including network infrastructure for water supply, wastewater and stormwater (referred to here as 'three waters infrastructure') and land transport (including local roads). BOPRC is responsible for public transport services.

¹⁰ Across 2021-2031 Council's 10-year capital infrastructure investment commitment through the LTP is \$421 million

¹¹ over \$4.1 billion to its total operating and capital expenditure over a 30 year period 2021-2051

challenge to balance strategic priorities, core infrastructure service needs and regulatory requirements.

(2) Currently the cost of growth is absorbed by ratepayers in the district, however, alternative funding mechanisms are being explored, or put in place, including:

- **Development Contributions:** To raise additional funds for infrastructure to service growth the Council is introducing Development Contributions (DCs) in 2022. Under the proposed policy, a development contribution will levy a developer seeking support from council to fund the expansion of water, wastewater and stormwater networks needed to support their development.
- **Partnerships:** Council is currently investigating other infrastructure funding mechanisms including government and public/private partnerships.
- **Central Government Funding:** Central Government has committed to providing financial assistance to Council in relation to stormwater infrastructure projects supporting housing, through the Kāinga Ora administered Infrastructure Acceleration Fund (IAF), which is a key component of the Government's Housing Acceleration Fund (HAF). In particular it has been announced in July 2022 that Rotorua has secured \$85m committed to stormwater solutions in Central and Western to enable 3000 more homes.

(3) The critical development Infrastructure required to service urban growth in Rotorua is outlined in more detail below.

4.2.1 Stormwater

(1) A key issue for the future growth of Rotorua is the capacity of the stormwater system to cope with heavy rainfall events especially when additional hard surfacing associated with anticipated growth and climate change are taken into consideration. A citywide Stormwater Master Plan ("SMP") has been developed which focuses on community-based storage solutions to address these issues in part. In terms of the implementation of the SMP initial projects are underway with the required upgrades to the Linton Park Dam.

(2) Further upgrades identified within the SMP have had funding made available within the LTP. A total of \$75 million has been committed by Council in the LTP to stormwater initiatives across 2021-2031.

(3) In addition, Council has recently secured \$85 million for major stormwater upgrade works in the Central and Western stormwater catchment areas. The key projects that this will fund are shown on *Figure 6* below.



Figure 6: Map showing stormwater projects that will be funded by the IAF (Rotorua Lakes Council).

- (4) The funding for the Central catchment is to be used specifically to upgrade stormwater infrastructure and includes redirecting water towards the east (away from the Utuhina Stream) by upgrading Tilsey Road pump station and increasing the stormwater pipe and drain capacity. The funding is also to be used to further progress stormwater upgrades and expansion in the western suburbs. This includes construction of four major stormwater detention ponds / basins with wetlands and upgrades to existing pipes and drains.

4.2.2 Water Supply

- (1) A Water Supply Master Plan (2020) has been developed as an overarching framework to consider inter-related issues including consent requirements, resilience, demand management and growth. The Master Plan anticipates that within the central and eastern areas, where most development and growth are forecast to occur, the current water supply is sufficient to cater for growth without significant upgrades. In particular, water supply in the Central Area can accommodate additional demand if the existing consented take is renewed and Council's proposed demand management programme is implemented. This will mean that no new water source will be required until 2051 for the Central Area. The two springs (Waipā and Hemo) that supply the Eastern Area have sufficient capacity to accommodate additional demand if the existing consented takes are renewed. A total of \$52 million has been committed by Council in the LTP to water supply initiatives across 2021-2031.

4.2.3 Wastewater

- (1) A key challenge for Council is managing the discharge from the Rotorua Wastewater Treatment Plant particularly given that the nitrogen limit on the discharge from the Wastewater Treatment Plant has the potential to limit future residential growth if it is not appropriately managed or offset. Council is investigating options that could be used to offset the increasing load of nitrogen in the treatment plant discharge as the population and community grow. Capital works are also scheduled over the next few years to expand the capacity of the existing Rotorua Wastewater

Treatment Plant. A wastewater treatment solution for Tarawera is expected to be completed in 2024.

- (2) Long term, Te Arawa Lakes Trust, CNI Iwi Holdings and Council are working together towards a new solution for the discharge of recovered water from the Rotorua Wastewater Treatment Plant. The parties have agreed to a sustainable forest approach that will include the upgrading of the Council's wastewater treatment plant, and the short to medium term continuation of discharging treated wastewater in Whakarewarewa Forest. Mana whenua are leading the site selection and design processes for the sustainable forest approach.
- (3) A total of \$170 million has been committed by Council in the LTP to wastewater initiatives across 2021-2031.

4.2.4 Land Transport

- (1) Council has actively worked with Waka Kotahi to align transport planning with urban growth planning. There are four State Highways traversing the district. Waka Kotahi (NZTA) work in the roading network involves upgrades to State Highways, supporting Council in achieving modal shift through improved walking and cycling networks along with subsidising upgrades to the wider road network. Currently Waka Kotahi is undertaking significant upgrades on both SH5 at Ngongotahā and SH30 along Te Ngae Road. The overall Waka Kotahi work programme aligns well with the work being undertaken by the Council to support growth. A total of \$124 million has been committed by Council in the LTP to roading initiatives across 2021-2031.

4.3 Mana Whenua

- (1) Te Arawa is a confederation of iwi and hapū with mana whenua throughout the Rotorua district (and beyond). Raukawa, who descend from the Tainui waka, also have interests in the district.
- (2) Raukawa and most Te Arawa iwi and hapū have entered into Treaty settlements and are represented by post-settlement entities. The exception is Ngāti Whakaue, a large Te Arawa iwi with mana whenua through most of the Rotorua urban area who have not yet completed their comprehensive Treaty settlement. In terms of Treaty settlements, Ngāti Whakaue are represented through:
 - **Pukeroa Ōruawhata Trust**- Partial Treaty settlement including the return of some lands within the Pukeroa Ōruawhata block (which comprises the central business district and surrounding areas).
 - **Te Kōmiti Nui o Ngāti Whakaue**- Mandated some years ago to negotiate a comprehensive settlement. Te Kōmiti Nui have concluded a partial (on account) settlement (including a share in the CNI forest lands). Not currently in negotiations with the Crown.
- (3) Usually, Treaty settlement land is returned as general land and therefore is not subject to the same legal restrictions as Whenua Māori under Te Ture Whenua Māori. In the Rotorua district Treaty settlement land is mainly held as forestry, commercial property and farming, with some recently re-zoned for residential purposes (retirement village).
- (4) Specifically within the urban area, mana whenua iwi and hapu include: Ngati Uenukukopako, Ngati Te Roro o te Rangi, Ngati Whakaue, Tuhourangi-Ngati Wahiao, Ngati Kea-Tuara, Ngati Tura te Ngakau, Ngati Rangiwehehi.

4.4 Whenua Māori

- (1) The Te Ture Whenua Māori Act 1993 (or Māori Land Act 1993) recognises that land is a 'taonga tuku iho' (an ancestral treasure handed down) and promotes the retention of land while also

facilitating the occupation, development and utilisation of Whenua Māori by its owners and their whānau, hapū and descendants. Jurisdiction over the Act rests for the most part with the Māori Land Court. Whenua Māori is often vested in a Trust or a Māori incorporation, who manage the land on behalf of the beneficiaries of the land (i.e., shareholders).

- (2) Because Te Ture Whenua Māori Act seeks to keep land in the hands of its owners and their whānau, hapū and descendants, the sale of Māori land is subject to a number of significant restrictions that don't apply to General land (that is, ordinary privately owned land).
- (3) The most significant characteristic of Whenua Māori is that it is very difficult to sell on the open market. This is expected to be a rare occurrence and is counter to the intention that the land be retained by the iwi, hapu and whānau in perpetuity. However, in general, owners of Whenua Māori that do wish to sell their land must first offer the land to the 'preferred class of alienees' (essentially, members of the hapū) and must also get Māori Land Court approval. It is more likely that Whenua Māori is leased than sold.

4.5 Whenua Māori within the Rotorua District

- (1) The Rotorua District has a significant amount of Whenua Māori (refer *Figure 7*). Currently there are approximately 53 million hectares of Whenua Māori, which equates to 20 per cent of the district's land area. In many other districts, Whenua Māori is largely rural. However, in Rotorua, 13 per cent of the urban area is Whenua Māori and 20 per cent of the rural area. In total there are 1,439 Whenua Māori blocks, varying in size from larger rural lots to smaller urban allotments.
- (2) Across the district, Whenua Māori is used for a range of purposes including commercial property, tourism, forestry and agriculture. A large proportion of Whenua Māori is also set aside for community/cultural purposes (such as marae, wāhi tapu and remaining as indigenous forest).
- (3) In the urban area, Whenua Māori is mainly located in traditional areas recognised in the Plan as Residential 3, as well as the Eastside, Te Koutu, Tarewa Road and Ngongotahā. The urban Whenua Māori is both undeveloped and developed (mainly owner-occupied homes).
- (4) There is long-standing interest in developing Whenua Māori to provide more papakāinga. Papakāinga typically refers to development of three or more houses, built on Whenua Māori, operating as an intentional community according to kaupapa Māori. Developing a papakāinga on whenua Māori can be a long process, but there is help available to support Trusts in this process, including the Kāinga Whenua loan scheme, which provides loans to Whenua Māori trusts and individuals with a right to occupy multiple-owned Māori land.

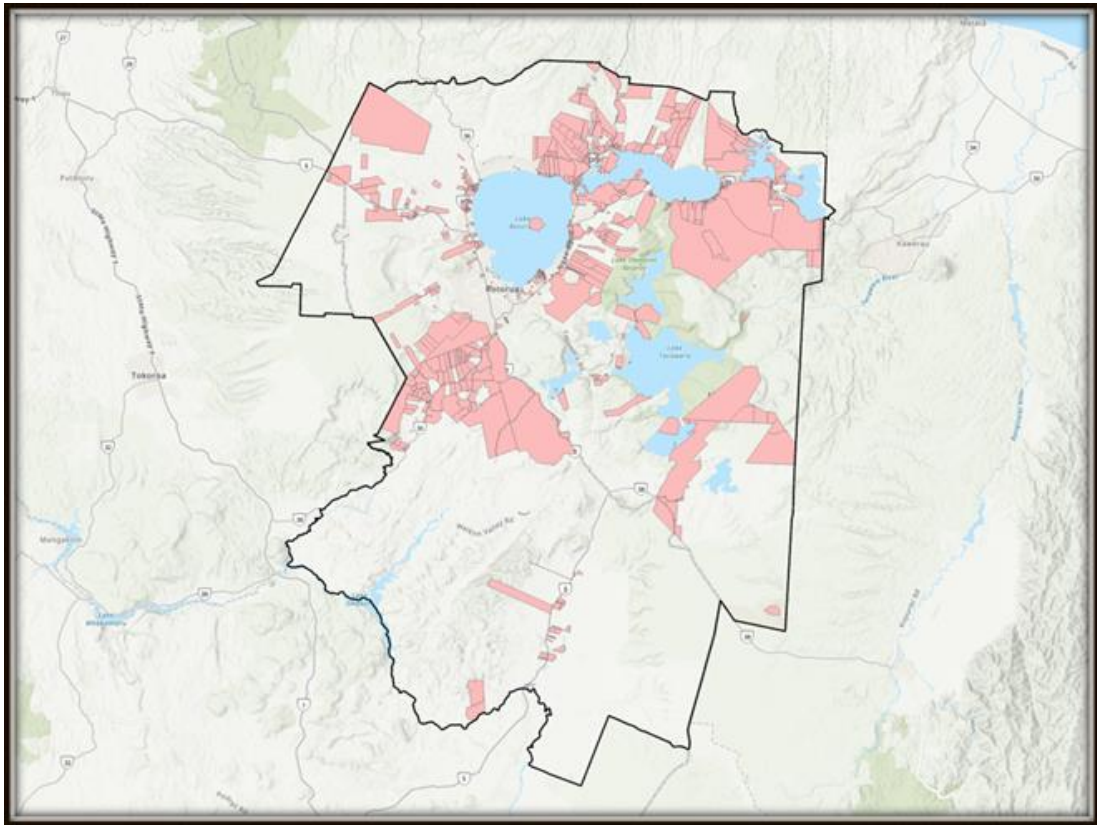


Figure 7: Map illustrating Whenua Māori in the Rotorua District (RLC GIS, 2022).

- (5) Potential for the development of whenua Māori is different for every block and depends on owners' aspirations and the location and state of the land. Aspirations for Whenua Māori may include economic, cultural, environmental or social outcomes, or combinations of these. The use or development of Māori owned land particularly for economic and social outcomes however, is not straight forward as there are challenges to administering Whenua Māori within the structures of the Te Ture Whenua Māori Act. These challenges include a lack of capital, a lack of commercial development experience, cumbersome processes due to large numbers of owners and a requirement for a high level of owner participation/support for development proposals, Māori Land Court processes that can be time consuming and costly and restrictions on alienation. Council's relationship with tangata whenua has been established through ongoing engagement and has been expressed through relationship agreements and recognition of tangata whenua (who hold mana over their rohe) as a result of Treaty settlement processes. In 2006, the Te Arawa Lakes Strategy Group ("TALSG") was established through the Te Arawa Lakes Settlement Act 2006. It comprises a joint committee of Bay of Plenty Regional Council, Rotorua Lakes Council and Te Arawa Lakes Trust, which is responsible for monitoring the work programme for protecting and restoring the Te Arawa lakes (including Rotorua).
- (6) In 2017, Rotorua Lakes Council entered into the Te Arawa Partnership Agreement with Te Tatau o Te Arawa (Te Tatau o Te Arawa is a charitable trust established by Te Arawa to represent their interests in the Partnership). Under the Partnership Agreement, Te Tatau appoints two members as full voting members on Council's Strategy, Policy and Finance committee and the Operations and Monitoring Committee. The Raukawa Settlement Trust have a Joint Management Area with Rotorua Lakes Council for that part of the Waikato River catchment that falls within the Rotorua district. This is wholly within the rural area.
- (7) As noted in the HBA, with many Te Arawa people returning home to Rotorua the need for housing and in particular papakāinga and kōeke housing is increasing. PC9 responds to this by introducing

amendments to the District Plan to better enable housing for mana whenua to better address the needs of iwi and hapū. This is discussed in detail at *Section 17* of the report below.

5.0 Statutory and Planning Context

5.1 Resource Management Act 1991

- (1) The RMA provides a legislative framework for the sustainable management of natural and physical resources in New Zealand. The purpose of the Act is to promote the sustainable management of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety.

- (2) The principles of the RMA are stated in sections 6, 7 and 8 of the Act. An assessment against Part 2 of the RMA is provided in the evaluation of PC9's objectives in the relevant sections of the report below.

- (3) Section 6 of the RMA contains the matters of national importance that are required to be recognised and provided for:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance:

- a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development;*
- b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development;*
- c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna;*
- d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers;*
- e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga;*
- f) the protection of historic heritage from inappropriate subdivision, use, and development;*
- g) the protection of protected customary rights;*
- h) the management of significant risks from natural hazards.*

- (4) Sections 6(b), (e), (f) and (h) are relevant considerations for PC9 and they are discussed in the relevant sections of the report below.

- (5) Section 7 of the RMA contains other matters which shall be given particular regard to:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to—

(a) kaitiakitanga:

(aa) the ethic of stewardship:

(b) the efficient use and development of natural and physical resources:

(ba) the efficiency of the end use of energy

(c) the maintenance and enhancement of amenity values:

(d) intrinsic values of ecosystems:

(e) [Repealed]

(f) maintenance and enhancement of the quality of the environment:

(g) any finite characteristics of natural and physical resources:

(h) the protection of the habitat of trout and Salmon:

(i) the effects of climate change:

(j) the benefits to be derived from the use and development of renewable energy

- (6) Of these matters, section 7(a), (b), (c), (d), (f) and (i) are considered to have particular relevance to PC9 and are referenced in the relevant sections of the report below.
- (7) The principles of the Treaty of Waitangi must also be taken into account under section 8 of the RMA. Section 6.5 of this report describes the involvement of mana whenua in the development of PC9.

5.2 Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021

- (1) On 20 December 2021, the Amendment Act was passed into law in order to ‘unlock’ more housing in New Zealand’s growing cities and address capacity in cities with acute housing needs. This Act amends the RMA by bringing forward and strengthening the NPS-UD, which will help to increase housing supply in cities where it is needed the most.

5.2.1 Order in Council

- (1) On 14 March 2022 the Resource Management (Territorial Authorities Required to Prepare and Notify Intensification Planning Instruments) Regulations 2022 were made to incorporate Rotorua Lakes Council in the requirements of the Amendment Act. Rotorua has been identified as an area of acute housing need and therefore it is now considered a “specified territorial authority” under the Amendment Act¹². Under the new Section 77G of the RMA, specified territorial authorities are required to amend the district plan to:
- Give effect to Policy 5 of the NPS-UD; and
 - Incorporates the MDRS set out in Schedule 3A of the RMA into relevant residential zones unless a qualifying matter exists.

5.2.2 Intensification Streamlined Planning Process

- (1) A new planning process has been introduced to support Councils to implement the intensification policies of the NPS-UD and the MDRS. This process is called the Intensification Streamlined

¹² <https://environment.govt.nz/what-government-is-doing/cabinet-papers-and-regulatory-impact-statements/order-in-council-for-rotorua-district-council-under-rmaa2021/>

Planning Process (“ISPP”). The ISPP is based on the existing streamlined planning process under the RMA, but is intended to be faster, easier, and less costly for Councils.

- (2) Section 80E of the Amendment Act sets out what an IPI is to include and allows the Council to include related provisions that support, or are consequential to, the MDRS or Policy 5 of the NPS-UD. PC9 includes changes to a number of related provisions in the District Plan as detailed in the relevant sections of the report below.

5.2.3 Medium Density Residential Standards

- (1) The MDRS will enable medium density housing across most of Rotorua’s urban area, significantly increasing the potential for a greater range and diversity of housing to be delivered over time.
- (2) The MDRS includes mandatory objectives and policies to support the standards outlined below. These are referenced throughout the section 32 report and are shown highlighted green in PC9. The MDRS also includes mandatory non-notification requirements for up to three residential units on a site that infringe any of the density standards, and for four or more residential units on a site that comply with the density standards.
- (3) The MDRS includes seven building requirements to enable development. The requirements will enable landowners to build up to three houses of up to three storeys as a permitted activity on most sites.
- (4) The density standards are summarised as follows:
 - Density: 1-3 dwellings per site – permitted and 4 or more dwellings – restricted discretionary.
 - Height: 11m - Provision for up to additional 1m to enable pitched roof forms.
 - Height in Relation to Boundary: 4m + 60 degrees
 - Common Walls: The HIRB and yards development controls do not apply to common walls.
 - Maximum Building Coverage: 50% of the net site area
 - Minimum landscaping: A residential unit at ground floor level must have a landscaped area of a minimum of 20% of a developed site. May be located on any part of the development site, and does not need to be associated with each residential unit.
 - Front yard: 1.5m Yards (Side and Rear): 1m (excluded on corner sites)
 - Dwellings Fronting the Street: Any residential unit facing the street must have a minimum of 20% of the street-facing façade in glazing. This can be in the form of windows or doors.
 - Outdoor Living Space - Residential Unit at ground floor: Must have outdoor living space:
 - a) Minimum 20m² area:
 - b) where located at ground level has no dimension less than 3m and where provided in the form of a balcony, patio, or roof terrace, is at least 8 square metres and has a minimum dimension of 1.8 metres.
 - c) May be grouped cumulatively in 1 communally accessible location or located directly adjacent to the unit.
 - Outdoor Living Space Residential Unit above ground floor: Must have outdoor living space:
 - a) Minimum 8m² area with a minimum dimension of 1.8m.

- b) May be grouped cumulatively in 1 communally accessible location or located directly adjacent to the unit.
- Outlook Space: Principal living room outlook 6m depth x 4m width. All other habitable rooms – outlook 1m depth x 1m width.

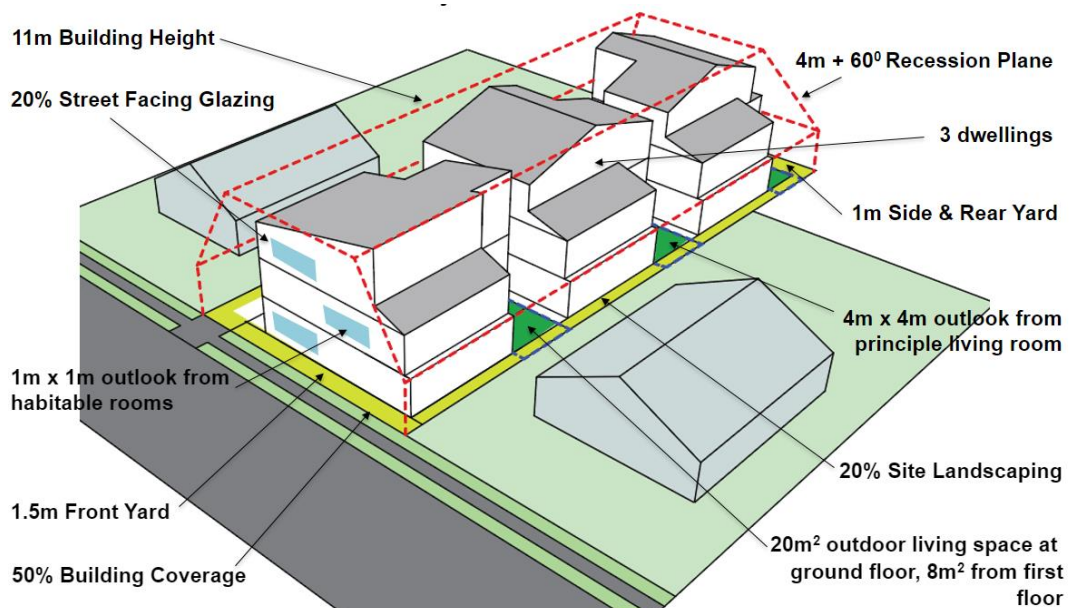


Figure 8: Building envelope enabled by the MDRS (Rotorua Lakes Council).

5.2.4 Relevant Residential Zones in the Rotorua District Plan

- (1) Within the District Plan the “relevant residential zones” where the MDRS must be applied include the Residential 1, 2 and 3 zones. The Residential 4 and 5 zones do not need to incorporate the MDRS because they are equivalent to the definition of large lot residential zone (Residential 5) and settlement zones (Residential 4) included within the National Planning Standards.
- (2) The MDRS will be significantly more enabling than the District Plan, particularly with respect to heights and densities, noting that the Residential 1 and Residential 2 zones currently enable only 1 dwelling per site as a permitted activity and have a maximum height limit of 7.5m.

5.2.5 Policy 5 of the NPS-UD

- (1) Under the new Section 77N of the RMA, specified territorial authorities are also required to amend their plans to give effect to policy 5 in non-residential zones. PC9 therefore includes amendments to the heights and densities in the City Centre 1-3 zones and the Commercial 1-4 and 6 zones commensurate with their level of accessibility and relative demand. Further analysis for these changes is provided in *Section 10* below.

5.2.6 Qualifying Matters

- (1) The requirement to give effect to the scale of development directed within Policy 5 of the NPS-UD and to incorporate the MDRS provisions may only be altered to be “less enabling of development” to the extent necessary to accommodate a qualifying matter. The qualifying matters and subsequent evaluation requirements are set out within the new sections 77I-L of the RMA, and include:

(a) a matter of national importance that decision makers are required to recognise and provide for under section 6:

(b) a matter required in order to give effect to a national policy statement (other than the NPS-UD) or the New Zealand Coastal Policy Statement 2010:

(ba) a matter required to give effect to Te Ture Whaimana o Te Awa o Waikato—the Vision and Strategy for the Waikato River:

(bb) a matter required to give effect to the Hauraki Gulf Marine Park Act 2000 or the Waitakere Ranges Heritage Area Act 2008:

(c) a matter required for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure:

(d) open space provided for public use, but only in relation to land that is open space:

(e) the need to give effect to a designation or heritage order, but only in relation to land that is subject to the designation or heritage order:

(f) a matter necessary to implement, or to ensure consistency with, iwi participation legislation:

(g) the requirement in the NPS-UD to provide sufficient business land suitable for low density uses to meet expected demand:

(h) any other matter that makes higher density development as provided for by policy 3(a), (b), or (c), as the case requires, inappropriate in an area, but only if section 77L is satisfied.

- (2) The District Plan contains existing district-wide provisions that limit height and density in defined localities across the district in order to provide for qualifying matters listed above. These provisions have been assessed and, where appropriate, will continue to apply and limit development to the extent necessary to provide for the particular qualifying matter within the amended zone framework introduced by PC9. A list of the existing qualifying matters and the evaluation in accordance with section 77K is set out within *Appendix 2* and *Appendix 3*.

5.3 National Policy Statement on Urban Development 2020

- (1) The NPS-UD came into effect on 20 August 2020. The NPS-UD promotes the concept of "well-functioning urban environments", which are those urban environments that have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport and support a reduction in greenhouse gas emissions, amongst other matters.
- (2) The NPS-UD classifies urban areas into different tiers relating to population size and projected growth rates, with Rotorua being classified as a Tier 2 urban environment.
- (3) As a Tier 2 Urban Environment under the NPS-UD the objectives and policies of the NPS-UD which have particular relevance to PC9 include:
- *Objective 1 and Policy 1 seeks to create well-functioning urban environments;*
 - *Objective 4 acknowledges that New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations;*
 - *Policy 2 requires that there is at least sufficient development capacity to meet expected demand;*

- *Policy 5 requires district plans applying to tier 2 Councils to enable heights and density of urban form commensurate with the greater of:*
 - a) *the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or*
 - b) *relative demand for housing and business use in that location.*
 - *Policy 6 requires particular regard to be had to planned urban built form and acknowledges that the planned urban form may involve significant changes to an area and those changes:*
 - a) *may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing densities and types; and*
 - b) *are not, of themselves, an adverse effect*
 - *Objective 5 and Policy 9 require the principles of the treaty to be taken into account in relation to urban environments; and*
 - *Objective 8 seeks to ensure that New Zealand's urban environments support reductions in greenhouse gas emissions.*
- (4) The key driver of PC9 is to amend the District Plan to give effect to the intensification directive of the NPS-UD. The relevant objectives and policies of the NPS-UD are referenced through the section 32 analysis below.

5.3.1 Policy 1 – Well Functioning Urban Environments

- (1) Under Policy 1 planning decisions must contribute to well-functioning urban environments. Policy 1 defines this as follows:
- (a) *have or **enable a variety of homes** that:*
 - (i) *meet the needs, in terms of type, price, and location, of different households; and*
 - (ii) *enable Māori to express their cultural traditions and norms; and*
 - (b) *have or **enable a variety of sites that are suitable for different business sectors** in terms of location and site size; and*
 - (c) *have **good accessibility for all people** between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*
 - (d) *support, and **limit as much as possible adverse impacts on, the competitive operation of land and development markets**; and*
 - (e) *support **reductions in greenhouse gas emissions**; and*
 - (f) *are **resilient to the likely current and future effects of climate change**.*



Figure 9: Components of a well-functioning urban environment within Rotorua.

(2) The diagram above (refer *Figure 9*) conceptually illustrates the components of a well-functioning urban environment that PC9 will support by:

- Enabling a variety of housing choices across the city, including medium density housing within neighbourhoods and more intensive forms of housing like apartments in accessible areas, like those close to the City Centre and along Fenton Street, where there are diverse employment opportunities and good public transport connections;

- Enabling Māori to express their cultural traditions and norms by providing more opportunities for papakāinga and respecting the values associated with the cultural villages at Whakarewarewa, Ngāpuna and Ōhinemutu;
 - Promoting good accessibility between housing, jobs, community services and open spaces by enabling more people to live in accessible locations close to public and active transport, which also supports a reduction in greenhouse gas emissions through reduced car dependence;
 - Supporting the competitive operation of land and development markets by providing a broadly enabling zone framework and providing flexibility for the market to take up those opportunities; and
 - Being resilient to the likely current and future effects of climate change through amendments to the natural hazard rules and promoting a compact and efficient urban form.
- (3) Policy 1 states that the matters listed are a “minimum”, suggesting that the Council has the ability to create their own definition of a well-functioning environment that reflects the particular values and qualities of the place. In the Rotorua context, a key part of a well-functioning urban environment will be the visual quality and amenity of neighbourhoods. Rotorua’s existing neighbourhoods have low density single-family homes, and this will change slowly over time as medium density housing develops. PC9 provides for this change, but does so in a way that places good design principles at the forefront, to ensure that the District Plan supports the creation of enduring, functional and quality places for people.

5.3.2 Policy 2 – Providing at Least Sufficient Development Capacity

- (1) Under Policy 2, Tier 2 authorities are required to provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term. Related to this subpart 5 of the NPS-UD requires local authorities to produce an HBA. As outlined in *Section 4* above, M.E. was commissioned by the Council to develop an HBA for Rotorua and this assessment generally finds that based on the most likely population projections, additional housing capacity is required over the short, medium and long term, and a significant increase in the number of attached housing types is needed.

5.3.3 Policy 5 – Heights and Densities Commensurate with Accessibility or Relative Demand

- (1) There are three components of Policy 5 that need to be interpreted within the Rotorua context to inform PC9. These components include:
- Understanding accessibility within the Rotorua context;
 - Understanding relative market demand within the Rotorua context; and
 - Understanding the level of height and density which is *commensurate* with accessibility and relative demand within a Rotorua context.
- (2) The interpretation and application of these three components of Policy 5 within Rotorua has been guided by the Accessibility Analysis undertaken by Barker & Associates refer *Appendix 7* and the commentary on market demand provided by Market Economics refer *Appendix 8*.

5.3.3.1 Accessible Catchments

- (1) In order to demonstrate compliance with Policy 5(a) of the NPSUD, it is necessary to determine the ‘level of accessibility’ for any given area across the entire Rotorua urban area. The Accessibility

Analysis undertaken by Barker & Associates defines accessibility simply as your ability to go places so that you can do things. The assessment of accessibility is strongly driven by data (e.g. census, GIS) and is based on two key components:

- a) the transport network serving any urban area (the how we travel); and
 - b) the spatial distribution and location of activities or destinations (the why we travel).
- (2) Based on this, determination of an area's 'level of accessibility' is informed by how many destinations can be accessed within a given time frame.
 - (3) In applying this approach, the transport network was determined with a focus on the walking network, with cycling and public transport (and access to these networks) as a sub-set of a wider accessibility. This approach aligns with the general focus of the policy framework of the NPS-UD on active and public transport modes and supporting a reduction in greenhouse gas emissions. Destinations within Rotorua were identified in accordance with the NPS-UD policy framework and guidance then workshopped with Council staff. Destinations include commercial centres, employment nodes, education opportunities, open space opportunities, food retail, cultural opportunities, healthcare and transport opportunities.
 - (4) Once the transport network and destinations were identified walkable catchments from each destination can be identified. For identified destinations, up to two separate catchments are identified (e.g. 400m and 800m). This is to reflect that all those who live within the largest catchment benefit from general proximity to the destination, however living within a 400m catchment of a primary school vs an 800m catchment clearly provides a greater level of accessibility to that particular destination and should be afforded a greater weighting. The catchment was then altered to take into account any contextual factors that may impact on the distance one can walk including the quality of the street environment; appropriate provision of infrastructure (e.g. street lighting, footpath widths, safe crossing points); traffic volumes, general perceptions of safety and topography.
 - (5) The outcome of this analysis is presented as both unweighted and unweighted scores. This reflects that there are some components of accessibility that are more critical than others for people in meeting their frequent and day to day needs. Those components that were given the most weight included the city centre, major employment nodes, schools, large supermarkets and open spaces, and medical centres.
 - (6) *Figure 10* presents the summary findings of the accessibility analysis. The City Centre in the vicinity of the intersection of Arawa and Ranolf streets is identified as having the highest level of relative accessibility across the Rotorua urban area. Areas around Ōhwata and Ngongatahā also had high levels of accessibility.

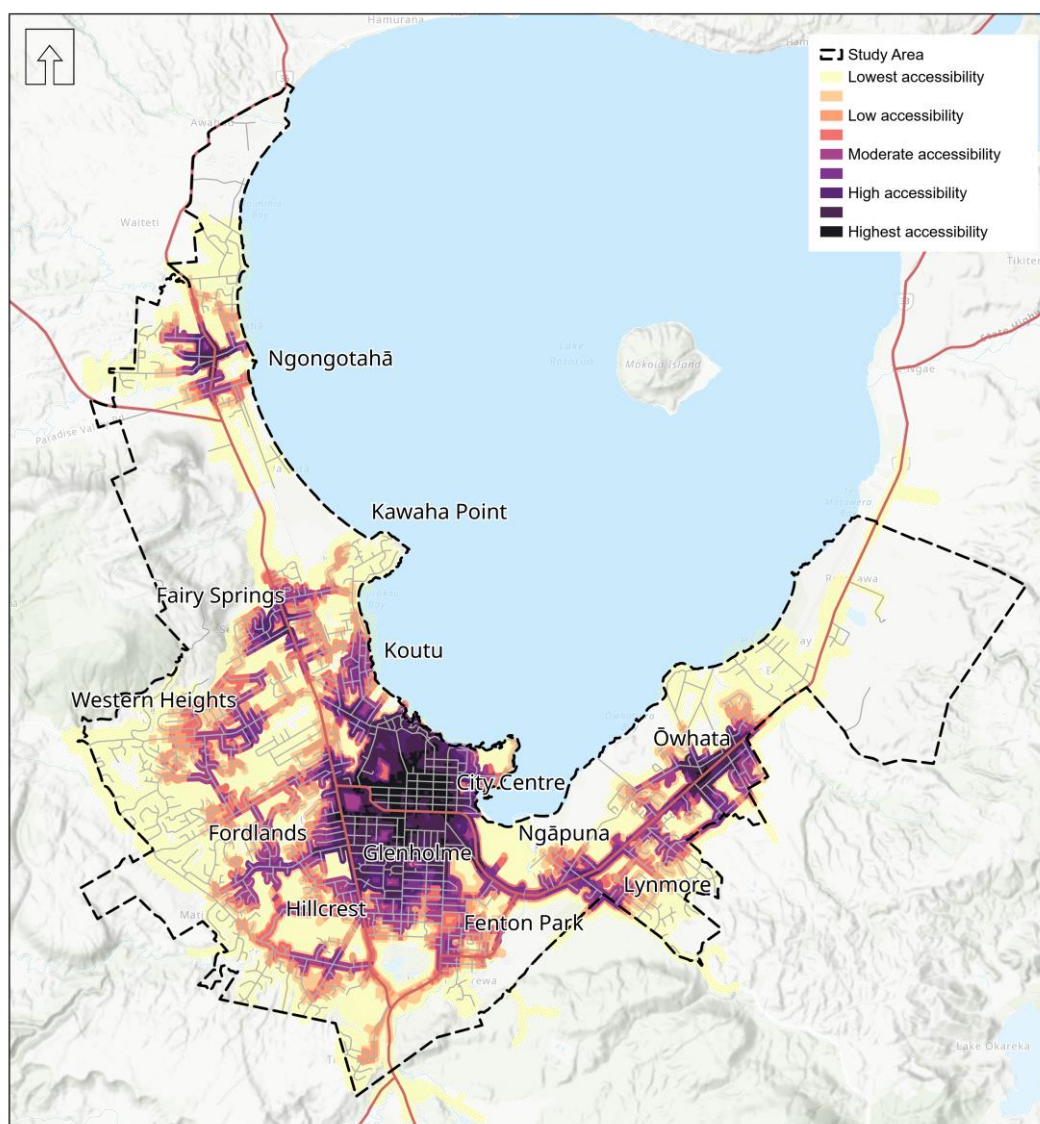


Figure 10: Showing the total accessibility scores - weighted (Barker & Associates, 2022).

Relative Demand

- (7) Policy 5(b) of the NPS-UD references the concept of ‘relative demand’ when seeking to establish heights and a density of urban form. The NPS-UD Guidance¹³ sets out the locations where demand can often be considered high. This includes:
- (i) areas with high land prices relative to others;
 - (ii) locations close to open space and recreation opportunities;
 - (iii) areas within, or close to, centres;
 - (iv) areas with good transport opportunities – including frequent public transport, multi-mode transport opportunities (eg, public transport, walking and cycling) and freight;
 - (v) areas close to key services including, schools, hospitals and supermarkets;
 - (vi) areas close to a range of business activities; and

¹³ MfE (2020) *Understanding and implementing intensification provisions of the NPSUD*

- (vii) locations with good views, outlook and amenity, including areas with water views or green space outlooks.
- (8) Matters (ii), (iii), (iv), (v) and (vi) have been captured as part of the accessibility analysis, and further analysis is included that maps land values, land value to capital value and other qualitative measures of relative demand, including aspect. The results of this analysis are shown in *Figure 11* below and highlight that the areas of higher demand tend to correlate with areas of high accessibility, and includes the City Centre, Glenholme, Owhata and Ngongotahā. Lynmore and Kawaha Point are less accessible but have higher demand given their land values and aspect. In these locations the MDRS will apply, which will provide significant opportunities for intensification to occur. This is discussed further below.

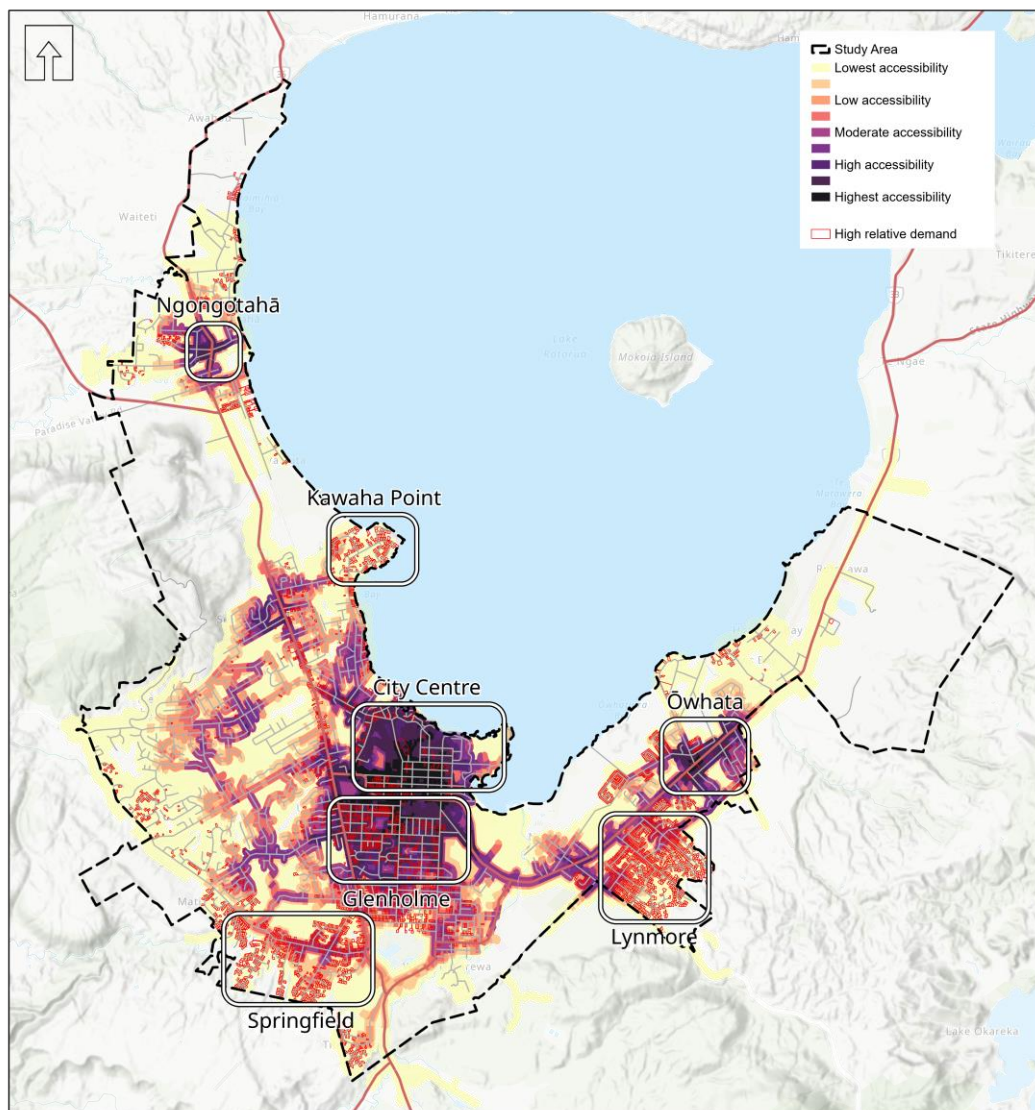


Figure 11: Showing the accessibility and demand analysis combined.

- (9) In addition to the analysis undertaken by B&A, M.E. has also commented on demand for housing at an area level, but has linked this to the housing demand estimates from the HBA by housing type and location. This is a different type of assessment to that set out above, but broadly confirms the findings above. *Table 3* below sets out the modelled dwelling demand disaggregated spatially across the four HBA catchments of Central, Western, Eastern and Ngongotahā. The findings of this analysis are that the demand for higher density attached dwellings are currently more

concentrated into Rotorua's central urban areas, in particular, the Central reporting area. This concentration is projected to increase through time and suggests that demand for higher density forms of housing is likely to be concentrated in this area.

Table 3: Modelled total demand by dwelling typology and HBA catchment: High Substitution Scenario (HBA, 2021).

Demand Substitution Scenario: HIGH SUBSTITUTION SCENARIO								
	DWELLING TYPOLOGY							
	Detached	Duplex/Terrace	Apartments	TOTAL	Detached	Duplex/Terrace	Apartments	TOTAL
Catchment	Projected Demand				Share of Demand Type			
	2020				2020			
Central	4,700	2,400	100	7,200	22%	71%	71%	29%
Western	10,600	700	40	11,400	50%	22%	22%	46%
Eastern	4,000	100	10	4,200	19%	4%	4%	17%
Ngongotahā	1,800	100	10	2,000	9%	4%	4%	8%
Total Urban Environment	21,200	3,400	200	24,700	100%	100%	100%	100%
	2023				2023			
Central	5,200	2,800	200	8,200	22%	66%	66%	29%
Western	11,900	1,000	80	13,000	50%	25%	25%	46%
Eastern	4,600	200	20	4,800	19%	5%	5%	17%
Ngongotahā	2,100	200	10	2,300	9%	4%	4%	8%
Total Urban Environment	23,800	4,200	300	28,300	100%	100%	100%	100%
	2030				2030			
Central	5,600	3,100	300	9,100	22%	61%	61%	29%
Western	12,500	1,400	100	14,000	49%	27%	27%	45%
Eastern	4,900	400	40	5,300	19%	7%	7%	17%
Ngongotahā	2,200	300	30	2,500	9%	5%	5%	8%
Total Urban Environment	25,300	5,100	500	30,900	100%	100%	100%	100%
	2050				2050			
Central	6,100	3,800	600	10,500	23%	56%	56%	30%
Western	12,700	1,900	300	14,900	48%	28%	28%	43%
Eastern	5,300	700	100	6,200	20%	10%	10%	18%
Ngongotahā	2,400	400	70	2,900	9%	6%	6%	8%
Total Urban Environment	26,500	6,800	1,100	34,400	100%	100%	100%	100%

Source: M.E Residential Intensification Analysis, 2022 and M.E Rotorua Residential Demand and Affordability Model, 2021.

- (10) The accessibility analysis and the M.E report on relative demand has been used primarily to inform the heights proposed by PC9 and the spatial location of the High Density Residential zone and is referenced in those parts of the section 32 analysis below.

Determining Heights and Density that are Commensurate with Accessibility and Demand

- (11) Policy 5 requires the Council to apply heights and densities *commensurate with* the greater of accessibility or demand, as informed by the analysis summarised above. In the context of PC9, Policy 5 informs where it is appropriate to apply heights and densities greater than the MDRS, including the location and heights proposed in the High Density Residential zone and the heights proposed in the City Centre and other commercial centre zones.
- (12) However, Policy 5 does not stand in isolation and is framed by other directives in the NPSUD. Particularly relevant factors to consider include the projected demand set out in the HBA, and wider considerations about what contributes to a well-functioning urban environment. Feedback from the development community on commercial/viability considerations is also a key input.
- (13) In terms of the housing demand contained in the HBA, it is considered that the heights proposed and the extent of any high density zoning, should generally be greater when there is greater demand, particularly for attached forms of housing. Conversely, where demand is more modest, providing for expansive areas of greater height is unlikely to support a concentration of higher density forms of development in areas would they would be best served by infrastructure and support vibrancy and vitality of the centre network. The appropriate response for Rotorua

therefore is likely to be quite different to cities like Auckland and Tauranga where the demand for more intensive forms of housing is greater.

- (14) The M.E. table (refer *Table 3*) above shows that under a 'high substitution scenario', or a situation where people are likely to 'trade in' demand for detached forms or housing for attached forms of housing, the demand for apartments is about 1,000 units over 30 years in Rotorua, with most concentrated in the central and western areas. This is modest and reflects the overall market size of Rotorua.
- (15) The M.E. reporting also shows that the application of the MDRS will provide a significant uplift in plan-enabled capacity – being approximately 51,000 additional residential units above what the operative district plan residential zones enables. This responds to one of the key constraints identified in the HBA, which has been reinforced by more recent direct discussions with the development sector. Those recent discussions have also confirmed there is likely to be demand for more attached forms of housing in Rotorua, but a more limited market, at least in the short to medium term, for apartments, given perceptions about market demand, and the capacity and experience of the development sector to deliver this form of housing. When put in this context, applying the MDRS will in most cases enable heights and densities commensurate with the level of accessibility and relative demand assessed for Rotorua.
- (16) There are however, areas in Rotorua that have both high levels of demand and accessibility, as noted above. In these instances, it is considered that greater heights and densities should be contemplated, while taking into account overall demand for those typologies, and considering other aspects that are important to achieving a well-functioning urban environment, such as encouraging vibrant and attractive centres and promoting the efficient use of infrastructure. Together, these factors have informed the location of the High Density Residential zone, which are discussed in further detail below.
- (17) The heights and densities proposed in the City Centre, other centres and the High Density Residential zone are a more detailed consideration and have been informed by feedback from the development sector, knowledge of construction feasibility, and the desire to develop an efficient planning framework that provides for the form of development that is more likely to occur, while providing flexibility for greater heights and alternative design solutions. [Policy 6 – Planned Urban Built Form and Amenity Values](#)
- (1) Section 7(c) of the RMA requires particular regard to be had to the maintenance and enhancement of amenity values. Policy 6 of the NPS-UD now clarifies s7(c) of the RMA through focusing on the amenity values of the wider community and future generations and acknowledging that significant change within an area is not in itself an adverse effect.
- (2) PC9 will enable development of greater height and density throughout urban Rotorua than what has previously been provided for. This will result in significant change over time in the built character and may detract from the current amenity values currently enjoyed by some residents, related to the spacious and suburban qualities of Rotorua's neighbourhoods. PC9 will enable a different set of amenity values to be realised over time, when compared to those currently associated with suburban environments. In particular the amenity values offered within medium and higher density urban environments include more vibrant areas with residents able to access amenities easily and largely via active modes of transport. Policy 6 essentially recognises and gives weight to these changing amenity values.

5.4 Other Relevant Statutory Documents

- (1) Other relevant statutory documents to PC9 include:
 - Heritage New Zealand Pouhere Taonga Act 2014;
 - Climate Change (Zero Carbon) Amendment Act 2020;
 - National Environmental Standard: Freshwater 2020;
 - National Environmental Standard for Electricity Transmission 2019;
 - National Policy Statement on Electricity Transmission 2008;
 - National Policy Statement on Freshwater Management 2020.
- (2) These statutory documents have informed the development of PC9 and are discussed in more detail throughout the relevant sections of the report.

5.5 National Planning Standards

- (1) The National Planning Standards came into effect on 5 April 2019. These codify the structure, mapping, definitions and noise/vibration metrics of District, Regional and Unitary Plans. Rotorua Lakes Council has until April 2024 to implement the changes.
- (2) The Council is undertaking a staged approach to implementation of the National Planning Standards. Council has already completed a major reformatting of the District Plan to achieve consistency with the general layout required under the National Planning Standards (splitting content into District Wide and Area Specific parts) as well as aligning rule drafting and formatting requirements and some definitions. However, the Council has yet to align its set of zones with the zone framework in the standards.
- (3) PC9 seeks to further integrate the District Plan with the planning standards by aligning the Residential 1 and Residential 2 Zones with the Zone framework and descriptions for Medium Density Residential and High Density Residential Zones. PC9 also applies the relevant definitions from the Planning Standards where appropriate. Given the limited scope of PC9, alignment of other zones to the zone framework cannot occur as part of this process.

5.6 Regional Policy Statement

- (1) The Regional Policy Statement (“RPS”) sets out the overall strategic statutory framework to achieve integrated management of the natural and physical resources of the Bay of Plenty Region, which applies to the urban and parts of the rural environment in Rotorua. The Waikato RPS applies to the southern rural areas of Rotorua, and is therefore relevant to the provisions of PC9 that relate to papakāinga in those locations.
- (2) Section 75(3)(c) of the RMA states that a District Plan must give effect to any Regional Policy Statement. Section 77G(8) of the RMA (inserted by the Amendment Act) however, clarifies that the requirement to incorporate the MDRS into a relevant residential zone applies irrespective of any inconsistent objective or policy in the RPS.
- (3) A comprehensive assessment of the proposed provisions against the relevant objectives and policies of the RPS’s are provided at *Appendix 5*. Irrespective of Section 77G(8), this analysis demonstrates that PC9 will give effect to the RPS.

5.6.1 Urban Growth

- (1) Of particular relevance to PC9 are the objectives and policies for Urban and Rural Growth Management in the Bay of Plenty RPS. The RPS seeks to deliver a compact, well designed and sustainable urban form that effectively and efficiently accommodates the region's urban growth (Objective 23). The RPS seeks to integrate land use and transportation (Policy UG 13B), coordinate development and infrastructure (Policy UG 9B) and implement high quality urban design and live-work-play principles (Policy UG 8B).
- (2) PC9 is consistent with the RPS directive for urban growth. PC9 will enable medium density development throughout urban Rotorua. This will lead to greater development capacity to cater for population growth within the existing urban footprint, delivering a compact and sustainable urban form. The Residential 2 High Density Zone has been applied to the most accessible areas within Rotorua, enabling more people to live in areas which can access amenities and employment by active and public transport modes.
- (3) While growth and development will be enabled by PC9, in reality it will occur slowly over time in response to actual market demand and preferences. At a strategic level the Council's Future Development Strategy, Infrastructure Strategy and LTP will outline how development will coordinate with infrastructure planning, funding and delivery. The District Plan coordinates infrastructure provision at growth area and at a site-specific level by requiring connections to infrastructure to be in place prior to subdivision or development. PC9 does not propose to change this approach and the District Plan will therefore continue to give effect to the relevant RPS policies on the coordination of infrastructure and development.
- (4) In relation to urban design, a range of design-based standards and matters of discretion are proposed in PC9. These will be supported by non-statutory urban design guidelines. PC9 also enables residential development within the City Centre 2 and Commercial 6 zones to further encourage live-work-play principles.
- (5) Refer to *Appendix 5* for an assessment of PC9 against the urban growth objectives and policies of the RPS.

5.6.2 Natural Hazards

- (1) The Bay of Plenty RPS takes a risk management approach to managing the development of land in relation to natural hazards. This requires risk assessments to be undertaken in relation to larger resource consent applications, when land is rezoned and when District Plans are reviewed. Developments are required to achieve a low level of risk within the development site without increasing risk outside of the development site. PC9 is consistent with the RPS direction for the management of natural hazards. Amendments are proposed to the District-wide provisions to include new qualifying matters in relation to flood and geothermal hazards. The proposed amendments seek to appropriately manage natural hazard risks associated with flooding and geothermal features as intensification is enabled and the development potential of land is increased as a result of PC9. Regional Plans
- (2) Section 75(4)(b) states that a District Plan must not be inconsistent with a Regional Plan for any matter specified in Section 30(1).
- (3) Refer to *Appendix 5* for an assessment of PC9 against the natural hazard objectives and policies of the RPS.

5.7 Iwi Management Plans

- (1) Under section 74(2A) of the RMA a territorial authority, when changing a district plan, must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority.
- (2) A number of iwi and hapū management plans have been lodged with the Council. Under the RMA, these plans must be “taken into account when making changes to the District Plan. The Council has received the following hapū and iwi management plans:
 - He Mahere Pūtahitanga;
 - Rising Above The Mist – Te Aranga Ake | Te Taimahangatanga Ngāti Tahu-Ngāti Whāoa;
 - Te Mahere ā Rohe - mō Ngāti Rangitihi Iwi Environmental Management Plan;
 - Te Rautaki Taiao a Raukawa- Raukawa Environment Management Plan 2015;
 - Tapuika Environmental Management Plan 2014;
 - Ngāti Kea Ngāti Tūara Iwi Environmental Management Plan 2016;
 - Nga Tikanga Whakahaere Taonga o Ngāti Pikiao Whanui;
 - Te Tūāpapa o ngā Wai o Te Arawa - Te Arawa Cultural Values Framework – Te Arawa Lakes Trust;
 - Ngāti Rangiwewehi Iwi Environmental Management Plan 2012;
 - Tuhourangi Tribal Authority - Enhanced Iwi Environmental Resource Management Plan;
 - Te Taio o Te Whatuoranganuku – The Environmental Resources of Whatauranganuku - Ngāti Tamateatutahi - Ngāti Kawiti Hapū Environmental Management Plan;
 - Whakamarohitia ngā wai o Waikato (Te Arawa River Iwi Trust Environmental Plan 2021); and
 - (Draft) Te Arawa Wellbeing Compass (Te Tatau o Te Arawa).
- (3) Plan Change 9 is consistent with these plans which as a general theme seek to increase opportunities for housing for iwi and hapū and the development of papakāinga. A comprehensive overview of the key issues and themes raised in the identified Iwi Management Plans is included within *Appendix 6*.

5.8 Other Relevant Plans and Strategies

5.8.1 Emissions Reduction Plan

- (1) The Government has recently released the Emissions Reduction Plan, which sets out national level strategies and actions to achieve the carbon emissions reduction targets set out in the Climate Change Response (Zero Carbon) Amendment Act in 2019. Of particular relevance to PC9 is the target to reduce total vehicle kilometres travelled by 20 per cent by 2035. The Emissions Reduction Plan specifies that part of achieving this includes providing more housing choices close to urban centres and public and active transport routes. By enabling greater heights and densities throughout the urban area, PC9 is strongly aligned with the goals of the Emissions Reduction Plan.

5.8.2 Planning for the Future of Rotorua – 2018 Spatial Plan

- (1) The Spatial Plan 2018 was developed to outline how the district will grow, develop and change over thirty years to deliver Rotorua’s 2030 vision and goals. The aim of the Spatial Plan was to:
 - Provide one picture of where the district is heading and highlight key areas for growth and change.
 - Provide a guide for investment decisions at a local, regional and central government level.
 - Identify the key issues facing the district and the priorities that need to be advanced to address these.
- (2) The spatial plan had seven core objectives including:
 - Build homes that match needs
 - Create thriving neighbourhoods
 - Enhance the environment
 - Support Iwi aspirations
 - Create a vibrant city heart
 - Grow jobs
 - Build supporting infrastructure.
- (3) PC9 is consistent with the 2018 Spatial Plan as it will enable greater housing choice to support the community’s needs. The application of the High Density Residential Zone surrounding the City Centre and the proposed increase in heights within the City Centre itself will enable more people to live within and close to the city supporting greater vibrancy. The papakāinga provisions have been developed with Iwi to support their aspirations.
- (4) The Council is currently in the process of developing a Future Development Strategy (“FDS”). The FDS forms the basis for integrated, strategic and long-term planning. A FDS will help the Council set the high-level vision for accommodating urban growth over the long term, and will identify strategic priorities to inform other development-related decisions, such as:
 - District Plan zoning and related plan changes (e.g., greenfield and intensification plan changes)
 - Priority outcomes in long-term plans and infrastructure strategies, including decisions on funding and financing
 - Priorities and decisions in regional land transport plans.

6.0 Plan Change Development Process

6.1 Development of Plan Change Provisions

- (1) In March 2022 Rotorua Lakes Council was included as a specified territorial authority requiring the Council to notify a Plan Change by August 2022 to incorporate the MDRS to relevant residential zones and give effect to Policy 5 of the NPSUD. While much of the content of PC9 is set by legislation, there were still many choices to be made in relation to how to apply the requirements within a Rotorua context. In particular, decisions needed to be made regarding:

- a) The Residential 2 zone and whether to convert this to a High Density Residential zone;
 - b) The spatial extent of any High Density Residential zone and the height and density of development this zone would provide for;
 - c) Whether to include urban design related matters of discretion and assessment criteria for restricted discretionary development;
 - d) The height limits within the City Centre and Commercial zones;
 - e) Whether to enable residential development within those parts of the City Centre and Commercial zones where it is currently restricted;
 - f) Whether to retain or amend existing qualifying matters;
 - g) Whether to introduce new qualifying matters to manage the effects of increased heights and densities on values relating to s6 matters; and
 - h) Whether other amendments to related provisions of the District Plan are needed to support the implementation of the MDRS.
- (2) The approach to developing PC9 consisted of the following key steps:
- a) Reviewing and commissioning technical analysis to inform the development of provisions;
 - b) A broad programme of engagement which involved:
 - Early consultation and engagement with Tauranga City Council and Bay of Plenty Regional Council to ensure a broad level of consistency across the region;
 - Ongoing engagement with Council's resource consent department and local practitioners, including consent testing of proposed provisions;
 - Ongoing engagement with a Technical Advisory Group made up of government departments, agencies and the Bay of Plenty Regional Council;
 - Ongoing engagement with Iwi Authorities;
 - A wider programme of community and stakeholder engagement over a series of meetings and workshops.
- (3) A detailed summary of the engagement undertaken to inform PC9 is included at *Appendix 19*.
- (4) An overview of the steps taken to develop PC9 is outlined below.

6.2 Supporting Evidence Base

- (1) An overview of the technical analysis used to inform the development of PC9 is outlined below:

6.2.1 The Rotorua Housing and Business Development Capacity Assessment 2021

- (1) This analysis and conclusions of the HBA are set out in *Section 4* of the report above. It is a foundation document for PC9 and provides detailed information about housing demand and development capacity over the next 30 years.

6.2.2 Rotorua Intensification Economic Assessment 2022

- (1) This report provides additional economic analysis by M.E. which builds on the existing base of capacity and demand modelling undertaken by M.E for RLC's HBA in 2021 (refer *Appendix 8*). The HBA relied on operative District Plan zoning in the short-medium term.

- (2) The M.E. analysis finds that there is likely to be a gradual shift in demand for higher density dwellings across Rotorua's urban environment. Part of this shift is likely to occur in response to changes in planning provisions that allow for greater development of higher density and smaller dwellings.
- (3) It is anticipated that most of the shift in demand for higher density dwellings will be in the form of terraced and duplex typologies, which are comparable to Rotorua's well-established patterns of detached dwelling development when compared to other forms of higher density attached dwellings. Demand for higher density apartment dwellings is likely to be limited and unlikely to experience significant growth within the short-term.
- (4) The M.E analysis considers the plan enabled capacity under four different spatial scenarios (Options 1-4) for increased density provisions against projected demand. High levels of plan enabled capacity were estimated under all spatial scenarios, in particular the plan enabled capacity for higher density apartment dwellings.
- (5) This report also recognises that the spatial extent of any proposed provisions for higher density residential development can have potential effects on built urban form in Rotorua. Given that projected demand can be realised across a relatively small number of developments, it is recommended that residential intensification, particularly for apartment typologies, is enabled in appropriate locations that are likely to function together with and support the viability of commercial activity/amenity in accessible nodes, producing a more efficient and well-functioning urban form in the medium-long term.

6.2.3 Accessibility and Demand Analysis

- (1) This analysis was prepared by Barker & Associates to assist RLC in meeting its requirements as a Tier 2 local authority under Policy 5 of the NPS-UD. The analysis includes a methodology for determining the most accessible locations within Rotorua and a summary of the findings. It has been used as part of the evidence base to inform the spatial application of the High Density Residential Zone.

6.2.4 Urban Design Analysis

- (1) The proposed package of standards and assessment criteria within the Medium and High Density Residential zones and the proposed amendments to the City Centre and Commercial zones have been informed by technical urban design input from Barker & Associates. An overview of these urban design inputs and considerations is outlined in a memo (refer *Appendix 9*).

6.2.5 Analysis of Plan Provisions from the Resource Consent Department

- (1) The Council's resource consent department have provided analysis of the current plan provisions, which are creating unnecessary complexity when applying for resource consents for residential development. This analysis has directly informed the proposed amendments to related provisions in accordance with s 80E(2) of the RMA.

6.2.6 Urban Design Guidelines

- (1) In addition to PC9, a Residential Design Guide (*"the Guidelines"*) has been produced to provide more guidance on delivering quality intensification. This guide is intended to build on the Ministry for the Environment's National Medium Density Design Guide which provides guidance on permitted levels of development under the MDRS. The focus of the Guidelines is on more intensive

development (i.e. more than 4 dwellings) which are proposed to be required to go through a resource consent process.

- (2) The Guidelines have been developed as an educational tool for the community, applicants (and their design team) and Council officers around design principles and techniques which can be implemented to address common issues which can arise in the design of more intensive residential developments (e.g. on-site privacy or building bulk). Matters covered within the Guidelines are aligned with matters of discretion and assessment criteria within the District Plan.

6.2.7 Other Analysis

- (1) A range of other analysis and reporting has been undertaken to inform PC9, including the introduction of new qualifying matters and amendments to related provisions in the District Plan. This analysis includes:
 - Flood hazard report (see *Appendix 13*);
 - Geothermal hazard report (see *Appendix 14*);
 - Transport and access memo (see *Appendix 11*);
 - Built heritage memo (see *Appendix 15*);
 - Reverse sensitivity & air quality report (see *Appendix 16*); and
 - Reverse sensitivity & noise report (see *Appendix 17*).
- (2) This above reporting forms the evidence base which is referred to in the section 32 analysis in the report below.

6.3 Testing of Provisions

6.3.1 Urban Design Testing

- (1) Design testing was undertaken to understand the potential built form implications of the Medium Density Residential Standards for the Residential 1 zone and identify whether refinements were necessary. This also informed the development of the Residential 2 zone provisions and the height limits for the City Centre and Commercial zones. This testing included an analysis of site widths, depths and areas specific to the Rotorua context to determine a typical site to model the impact of various alternative bulk and location standards. This modelling was used to inform the development of quantitative development standards (e.g. maximum building length) as well as qualitative matters of discretion/ assessment criteria. The latter is important for more intensive developments which would seek to take advantage of the permitted building envelope created by the development standards. An overview of results of the design testing and examples of the height in relation to boundary testing is outlined within the Development Standards Memo (refer *Appendix 9*).

6.3.2 Engagement with Resource Consents and Consent Testing

- (1) To ensure that PC9 would result in a workable set of provisions and to iron out any unforeseen implementation issues to the greatest extent possible, a working group was set up with the resource consents team, to review and test the provisions.

6.4 Engagement Programme

- (1) As detailed below, the outcomes of a broad programme of engagement across Central and Local Government, Iwi, the development industry and the community, has directly informed the development of PC9.

6.4.1 Consultation with Bay of Plenty Regional Council and Tauranga City Council

- (1) Early in the scoping process, meetings were held with the Bay of Plenty Regional Council and Tauranga City Council, to ensure that the approach taken in Rotorua is integrated with Change 6 to the RPS and the Tauranga City Council (TCC) Intensification Plan Change, where relevant.

6.4.2 Engagement with Central Government Technical Advisory Group

- (1) Advice on the draft PC9 provisions was also sought from a Technical Advisory Group (“TAG”) made up of representatives from the Bay of Plenty Regional Council, Ministry of Education, Waka Kotahi, Ministry of Housing and Urban Development, and Kāinga Ora.

6.5 Consultation with Iwi Authorities

- (1) Rotorua Lakes Council have sought to engage with Iwi and hapū on the development of PC9 through a series of hui (refer to *Appendix 19*). In particular, the following iwi authorities and representatives of mana whenua were invited to participate in pre-drafting workshops:

- Maru o Ngāti Rangiwewehi and Te Tāhuhu o Tawakeheimoa Trust;
- Ngāti Rangiteaorere Koromatua Council;
- Ngāti Pikiao Iwi Trust;
- Ngāti Tahu Ngāti Whāoa Rūnunga Trust;
- Ngāti Rongomai Iwi Trust;
- Ngāti Mākino Iwi Authority;
- Te Mana o Ngāti Rangitihī;
- Ngāti Tarawhai Iwi Trust;
- Te Rūnunga o Ngāti Kea Ngāti Tūara Trust;
- Ngāti Tura Ngāti Te Ngakau Hapū Trust;
- Te Komiti Nui a Ngāti Whakaue;
- Ngāti Ngararanui Iwi Trust;
- Ōwhata Marae at Hineomoa Point;
- Ngāti Whakaue Environmental Group;
- Te Tatau o Te Arawa;
- Te Runanga o Ngāti Kea Ngāti Tūara Trust;
- Tūhourangi Tribal Authority;
- Ngāti Roro o Te Rangi Hapū Trust;
- Ngāti Uenukukopako Iwi Trust;

- Pukeroa Oruawhata Trust;
- Tiki Te Kohu Ruamano Ahu Whenua Trust;
- The Proprietors of Part Ōwhatiura South 5 Incorporated;
- Ōwhata 2b Ahu Whenua Trust;
- Papaïouru Marae (Ōhinemutu);
- Tunohopu Marae (Ōhinemutu);
- Hinemihi Maare (Ngāpuna);
- Hurungaterangi Marae (Ngāpuna);
- Tumahaurangi Marae (Te Koutū);
- Te Tatau Pounamu;
- Te Arawa Lakes Trust;
- Te Pumautanga o Te Arawa; and
- Ngāti Whakaue Tribal Lands.

(2) Key issues that have arisen through engagement with Iwi, which are directly relevant to the development of PC9 include:

- Residential 3 Zone: Unique to Rotorua are the traditional Māori cultural and historic villages identified in the District Plan as the Residential 3 zone. These traditional Māori villages are Ōhinemutu, Whakarewarewa and Ngāpuna. Dwellings within these areas are typically single storey wooden buildings interspersed with geothermal activity and geothermal features. Ōhinemutu and Whakarewarewa villages are accessed through narrow roads and have the sense of being close-knit communities. Marae and associated communal buildings are dominant focal points. Each village has an important contribution to the cultural historic heritage and identity of Rotorua.
- Papakāinga: With many Te Arawa people returning home to Rotorua the need for housing and in particular papakāinga and kōeke housing is increasing. Papakāinga is a form of housing development for a hapū or whānau community which occurs on multiply owned Māori or ancestral land. Papakāinga and Kōeke housing was identified as a key focus area as part of the Rotorua Homes and Thriving Communities Strategy, He Hapori Taurikua.

(3) In response to these matters raised through engagement with Iwi the current papakāinga provisions, which are in the General District Wide Matters (“**GDWM**”) section of the operative District Plan have been reviewed. Additionally, it is proposed to retain the Residential 3 zoning of the Ōhinemutu, Whakarewarewa and Ngāpuna villages, on the basis that the cultural values are a new qualifying matter refer to *Section 8*.

6.5.1 Statutory Consultation

(1) Under cl 95 of Schedule 1 of the RMA there are particular requirements that a Specified Territorial Authority must undertake when developing an IPI. These requirements are:

Mana Whakahono a Rohe

- (1) Under s 95(2)(a), Clause 1A of schedule 1 is applicable to the development of an IPI. This Clause requires a proposed policy statement or plan to be prepared in accordance with any applicable Mana Whakahono a Rohe. There are currently no Mana Whakahono a Rohe within the Rotorua Lakes District.

Iwi Participation Legislation

- (1) Under s 95(2)(b), Clause 1B of schedule 1 is applicable to the development of an IPI. This Clause relates to Iwi participation legislation. Within the Rotorua District the following Iwi participation legislation is relevant:
 - Te Arawa Lakes Settlement Act 2006.
 - Affiliate Te Arawa Iwi and Hapū Claims Settlement Act 2008.
 - Central North Island Forests Lands Collective Settlement Act 2008.
 - Ngāti Mākino Claims Settlement Act 2015
 - Ngāti Tūwharetoa, Raukawa, Te Arawa River Iwi Waikato River Act 2010.
 - Raukawa Claims Settlement Act 2014.
 - Ngāti Rangiwewehi Claims Settlement Act 2014.
 - Tapuika Claims Settlement Act 2014.
 - Ngāti Rangiteaorere Claims Settlement Act 2014.
 - Ngāti Rangitihi Claims Settlement Act 2022.
- (2) Council's relationship with tangata whenua has been established through ongoing engagement and has been expressed through relationship agreements and recognition of tangata whenua (who hold mana over their rohe) as a result of Treaty settlement processes. In 2006, the Te Arawa Lakes Strategy Group ("TALSG") was established through the Te Arawa Lakes Settlement Act 2006. It comprises a joint committee of Bay of Plenty Regional Council, Rotorua Lakes Council and Te Arawa Lakes Trust, which is responsible for monitoring the work programme for protecting and restoring the Te Arawa lakes (including Rotorua).
- (3) In 2017, Rotorua Lakes Council entered into the Te Arawa Partnership Agreement with Te Tatau o Te Arawa (Te Tatau o Te Arawa is a charitable trust established by Te Arawa to represent their interests in the Partnership). Under the Partnership Agreement, Te Tatau appoints two members as full voting members on Council's Strategy, Policy and Finance committee and the Operations and Monitoring Committee. The Raukawa Settlement Trust and Te Arawa River Iwi Trusts both have a Joint Management Agreement with Rotorua Lakes Council for that part of the Waikato River catchment that falls within the Rotorua district. This is wholly within the rural area.
- (4) In addition to these formal relationships, Council undertook a broad approach to tangata whenua engagement on the proposed plan change, including iwi, hapu, marae, the three villages (Ōhinemutu, Whakarewarewa and Ngāpuna), and Whenua Māori trusts and incorporations.
- (5) A detailed record of the consultation and engagement undertaken for PC9 is attached at *Appendix 19* and this confirms how the requirements of clause 3 and 4 of Schedule 1 of the RMA have been met with respect to tangata whenua who are affected. The outcome of this consultation and engagement has also directly informed the development of PC9 as detailed in the sections below.

6.5.2 Broader Community and Stakeholder Engagement

- (1) The Council has also undertaken consultation and engagement with a variety of stakeholders throughout the development of PC9. In particular, consultation and engagement has been undertaken with:
 - The Rotorua developers forum and one-on-one meetings;
 - The Rotorua consultants forum;
 - Schools; and
 - Community groups.
- (2) A detailed record of the consultation and engagement undertaken for PC9 is attached at *Appendix 19* and this confirms how the requirements of clause 3 and 4 of Schedule 1 of the RMA have been met with regard to Government agencies. The outcome of this consultation and engagement has also directly informed the development of PC9 as detailed in the sections below.

6.6 Section 32 Analysis

6.6.1 Overview

- (1) Under s32 of the RMA 'Requirements for preparing and publishing evaluation reports', the Rotorua Lakes Council is required to undertake an evaluation prior to the notification of PC9.
- (2) Under s32(1), this evaluation must:
 - a) *examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and*
 - b) *examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—*
 - i) *identifying other reasonably practicable options for achieving the objectives; and*
 - ii) *assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
 - iii) *summarising the reasons for deciding on the provisions; and*
 - c) *contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.*
- (3) Under Section 32(2), the evaluation must also:
 - a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - i) *economic growth that are anticipated to be provided or reduced; and*
 - ii) *employment that are anticipated to be provided or reduced; and*
 - b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*
- (4) Under Section 32(6), 'objectives' means:

- a) *For a proposal that contains or states objectives, those objectives;*
- b) *For all other proposals, the purpose of the proposal.*

- (5) This report assesses whether the objectives of this proposal are the most appropriate to achieve the purpose of the Act and whether the provisions are the most appropriate to achieve the objectives.

6.6.2 Evaluation Approach

- (1) Under s32(1)(c) of the RMA, this evaluation report needs to contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal. Overall, the amendments that are proposed as part of PC9 in relation to the issues above, will result in a high degree of shift from development enabled by the operative district plan provisions within urban Rotorua. Many of the provisions proposed as part of PC9 however, are set by legislation. Consequently, the evaluation has been tailored in accordance with Section 77J(6), which enable the evaluation report to be modified to achieve the objectives of the MDRS, to address the amendments that are proposed which are not mandatory changes. Given that it is difficult to quantify many of the costs and benefits associated with these proposed amendments an appropriate and fulsome evaluation can be undertaken on a qualitative basis, informed by the analysis outlined in *Section 6.6.1* above.
- (2) The objectives, policies and methods proposed as part of PC9 have been evaluated on a topic basis in *Sections 7 to 17* below. These include amendments made to incorporate the MDRS, amendments that relate to new qualifying matters in accordance with Section 77I, and amendments that are related provisions in accordance with s80E(1)(b).
- (3) A description of the topic and an overview of the amendments categorised to each topic is provided at the beginning of the relevant section. The following sections start with the identification of the high-level resource management issue and then move into an assessment of the appropriateness of objectives and an evaluation of options for achieving the objectives.

6.6.2.2 Existing Qualifying Matters

- (1) According to s77I of the RMA, the District Plan can only make standards for medium density development less enabling if one or more specified qualifying matters ((a) to (j)) are present.
- (2) Sections 77K and 77L, set out the evaluation process for these existing qualifying matters.
- (3) For those matters covered by matters (a) to (i), section 77K requires Council to:
 - identify by location (for example, by mapping) where an existing qualifying matter applies;
 - specify the alternative density standards proposed for the area or areas identified;
 - identify in this report prepared under section 32 of the RMA why the territorial authority considers that 1 or more existing qualifying matters apply to the area identified; and
 - describe in general terms for typical sites in those areas identified the level of development that would be prevented by accommodating the qualifying matter, in comparison with the level of development that would have been permitted by the MDRS.
- (4) An assessment of the existing qualifying matters covered by matters (a) to (i) against these evaluation requirements of section 77K is provided in *Appendix 2*.
- (5) For the 'other' type of qualifying matter (j), not covered by the specific matters (a) to (j), section 77L requires Council to:

- identify the specific characteristic that makes the level of development provided by the MDRS (as specified in Schedule 3A) inappropriate in the area; and
 - justify why that characteristic makes that level of development inappropriate in light of the national significance of urban development and the objectives of the NPS-UD; and
 - includes a site-specific analysis that—
 - identifies the site to which the matter relates; and
 - evaluates the specific characteristic on a site-specific basis to determine the geographic area where intensification needs to be compatible with the specific matter; and
 - evaluates an appropriate range of options to achieve the greatest heights and densities permitted by the MDRS (as specified in Schedule 3A) while managing the specific characteristics.
- (6) An assessment of ‘other’ existing qualifying matters against these evaluation requirements of section 77L of the RMA is provided in *Appendix 3*.

6.6.2.3 New Qualifying Matters

- (1) The process for evaluating new qualifying matters is set out in section 77J of the RMA (inserted by the Enabling Housing Supply and Other Matters Amendment Act). Council is required, in this evaluation report, to:
- Demonstrate why it considers that the area is subject to a qualifying matter and that the qualifying matter is incompatible with the level of development permitted by the MDRS (as specified in Schedule 3A of the RMA) (Section 77J(3)(a));
 - Assess the impact that limiting development capacity, building height, or density (as relevant) will have on the provision of development capacity (Section 77J(3)(b); and
 - Assess the costs and broader impacts of imposing those limits (Section 77J((3)(c)).
- (2) As identified in *Table 5* below, the below sections of this report address new qualifying matters in relation to:
- Flood hazards (*Section 12*);
 - Historic Heritage Structures (*Section 14*); and
 - The Residential 3 Zone (*Section 8*).
- (3) An evaluation against the matters in section 77J is also provided in *Appendix 4*.

7.0 Residential Amendments

7.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed amendments to the Residential 1 and Residential 2 zones. Sections 8.1 and 8.2 relate specifically to the Residential 1 and 2 zones respectively, and Section 8.3 relates to both the Residential 1 and 2 zones.
- (2) The below assessment does not evaluate the density standards in the MDRS that have been incorporated into PC9 as these are required by the Amendment Act. The below assessment

therefore focusses on additional objectives and provisions that are proposed through PC9. This includes more lenient standards in the Residential 2 zone.

7.2 Overview and Scope of Amendments

- (1) The purpose of the amendments to the strategic directions, residential zones, subdivision chapter and other related provisions is to give effect to Policy 5 of the NPS-UD and the requirement to incorporate the MDRS in the Amendment Act.
- (2) In particular the amendments include:
 - Amendments to the strategic direction objectives and policies, which guide urban development to align with the NPS-UD;
 - Amendments to the residential zone section, to amend the Residential 1 (Medium Density) zone to incorporate the MDRS and related changes;
 - Amendments to the subdivision section to incorporate the MDRS and related changes;
 - Amendments to the residential zone section, to enable high density residential development within the Residential 2 (High Density) zone; and
 - Amendments to the zoning maps to alter the spatial application of the Residential 2 High Density zone to give effect to Policy 5 of the NPSUD.
 - Consequential amendments to definitions and subdivision provisions including changing the term household units to residential units for consistency with the Planning Standards, specifying that the subdivision performance standards do not apply to subdivisions in accordance with land use consents or existing development and amendments to the site design factor performance standards for the Residential 1 and 2 zones.

7.3 Summary of Rules Proposed

- (1) *Table 4* below identifies how the MDRS have been applied to the Residential 1 and 2 zones and details the related provisions proposed through PC9.

Table 4: Overview of the MDRS, and proposed related provisions in the Residential 1 and 2 zones.

	Incorporation of Schedule 3A MDRS (Section 77G)	Modification of Schedule 3A MDRS to enable the same or greater development (Section 77G and Section 77H)	Related provisions excluded from the definition of 'density standard' (Section 80E)
Residential 1 zone	• Building height • Height in relation to boundary • Setbacks • Building coverage • Outdoor living space (per unit) • Outlook space (per unit)	N/A	• Maximum Building length • Minimum size of residential units • Dwellings fronting the street • Fencing

	• Landscaped area		
Residential 2 zone	• Setbacks • Building coverage • Outlook space (per unit) • Window to street • Landscaped area	• Building height • Height in relation to boundary • Outdoor living space (per unit)	• Maximum Building length • Minimum size of residential units • Dwellings fronting the street • Fencing

7.4 Summary of Qualifying Matters

In accordance with s77I, PC9 includes the application of existing and new qualifying matters to the MDRS requirements. The qualifying matters that apply in the relevant residential zones under PC9 include those summarised in *Table 5* below.

Table 5: Applicable Qualifying Matters in the relevant residential zones

Existing qualifying matters operative in the Rotorua District Plan	
A matter of national importance under s6 of the RMA (Section 77I(a))	• Natural hazards – fault lines (NH-R1, NHR-3), geothermal (NH-R6, SUB-R42) • Natural hazards – flooding/stormwater and instability Pukehangi Development Area (PHDA-R5, PHDA-SS6 to SS8) • Historic heritage (HH-R2, HH-R3, SUB-R41) • Archaeological sites (HH-R5, HH-R6, SUB-R41 PHDA-R5, PHDA-R7, PHDA-SS10) • Sites of significance to Māori (SASM-R3 to SASM-R6 and (RESZ-S1) • Significant indigenous vegetation (ECO-R1) • Outstanding natural features and landscapes (NFL-R1, NFL-R19, NFL-R20) • Public access (RA-R1)
A matter required for the safe and efficient operation of nationally significant infrastructure (Section 77I(e))	• Airport Obstruction Limitation Surface (EIT-R17 where the height limit is less than the MDRS) • National Grid Corridor (EIT-R18, SUB-R38) • Airport Noise Contour Controls (NOISE-R7-R8, SUB-R39-R40) • State highway upgrades Wharenui (WHDA-R3 to R4, WHDA-S3)
Other matters (Section 77I(j))	• Notable trees (TREE-R2, TREE-R3) • Wharenui Development Area (WHDA-R1, WHDA-R3 to R4, WHDA – S1, WHDA-S3) • Pukehangi Heights Development Area (PHDA-R5, PHDA-SL1, PHDA-SL2, PHDA-SL7, PHDA-SS4, PHDA-SS11)
New qualifying matters identified in PC9	

A matter of national importance under s6(e) of the RMA (Section 77i(a))	The Residential 3 zone – relationship of Maori with ancestral land
A matter of national importance under s6(h) of the RMA (Section 77i(a))	Natural hazards – flooding (NH-R4)
A matter of national importance under s6(f) of the RMA (Section 77i(a))	Historic heritage (HH-R2A)

7.5 Background and Issues of Concern

- (1) As outlined in *Section 4*, Rotorua is experiencing significant housing supply issues. In particular, the HBA has found that there is a dwelling demand in the short term of 2,970 dwellings, increasing to 5,200 in the medium term and 8,250 in the long term based on Council's medium growth projections¹⁴. While there is a sizeable amount of plan enabled capacity, the HBA concludes that much of the capacity is unlikely to be developed into dwellings by the commercial development sector due to a lack of feasibility.
- (2) The current residential zone provisions provide for limited opportunities for intensification and housing choice. With the exception of the small area of Residential 2 (Medium Density) Zone, there is limited provision for attached dwellings across most of the city's general suburban area. The extensive Residential 1 (Low Density) Zone has a relatively large minimum site size of 450sqm. Ultimately this is resulting in a planning framework which is not capable of delivering the housing capacity or choice that is required to meet the needs of the growing population in Rotorua.
- (3) In addition to the need to provide for greater housing capacity and choice across Rotorua there have been legislative changes and national direction that the plan must now give effect to. In particular, the Residential 1 and Residential 2 zones are considered to be "relevant residential zones" in accordance with Section 77G and the definitions in the RMA. These zones are required to be amended to incorporate the MDRS or be more enabling. The strategic direction and residential objectives and policies also need to be amended to give effect to the NPS-UD directives.
- (4) With the introduction of medium density and high density residential development there is potential for adverse effects on the quality and amenity of the urban environment. This is particularly the case for more intensive forms of development that are not contemplated by the MDRS. Therefore, the need to achieve quality design is increasingly important as the scale of development increases to ensure that development:
 - achieves the planned urban built character of the zone;
 - achieves attractive and safe streets and public open spaces;
 - manages the effects of development on adjoining sites, including visual amenity, privacy and access to daylight and sunlight; and
 - achieves high quality on-site living environments.

¹⁴ The demand for dwellings increases to short term - 3,569, medium term 6,240 and long term 9,740 including the NPSUD competitive margin.

- (5) A key issue that arose through consultation with the development community was the need to achieve a balance between enabling flexibility in the design approach while ensuring certainty in outcomes in terms of neighbourhood character and amenity. The proposal seeks to utilise the use of targeted design assessment criteria in combination with non-notification to increase certainty to applicants and enable design flexibility while ensuring objectives will still be effectively achieved.

7.6 Appropriateness of Proposed Objectives for Residential 1 and 2 Zones

- (1) PC9 proposes to introduce amendments to the strategic direction and residential objectives, which will guide urban residential development. The amended and additional objectives can be grouped into the following themes:
- Theme 1: A well-functioning urban environment
 - Theme 2: Increase housing supply and choice
 - Theme 3: Increase height and density within accessible or market attractive areas
 - Theme 4: Provide for residential amenity on a neighbourhood and site scale
 - Theme 5: Ensure development can be serviced by infrastructure.
- (2) In accordance with Section 32(1)(a) *Table 6* below provides an evaluation of whether the objectives of PC9 are the most appropriate to achieve the purpose of the Act and the higher order planning documents(refer *Table 6*).

Table 6: Evaluation of the Proposed Objectives - Strategic Directions and Residential zones

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
Well-functioning urban environment						
<u>SDUD-O1 A well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future:</u>	Mandatory objectives (shown green) and are not evaluated further. A minor amendment to mandatory objective shown in SDUD-O2 is proposed to reflect the higher density planned urban built character proposed within the Residential 2 zone.					
<u>SDUD-O2 A relevant residential zone provides for a variety of housing types and sizes that respond to—</u> i. <u>housing needs and demand; and</u> ii. <u>the neighbourhood’s planned urban built character, including three storey buildings within the Residential 1 Zone and up to six storeys in the Residential 2 Zone.</u>						
Increasing housing supply and choice						
<u>SDO3 There is at all times at least sufficient development capacity and land supply to</u>	An increase of housing capacity and choice within Rotorua	This objective does not compromise the recognition of,	This objective does not compromise the recognition of, or	This objective will not offend	This objective is consistent with Policy 2 of the	This objective is consistent with RPS objective 23

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
~~meet expected demand for housing and business land over the short term, medium term and long term. area suited for future urban and economic development that provides the residents of Rotorua with a range of lifestyle and development choices.~~ <u>RESZ-01 Land is used efficiently for medium density residential living that increases housing supply and choice.</u> <u>RESZ-08 Land that has good accessibility by existing or planned active or public transport to a range of commercial activities, public open space and community services, is efficiently used for high density urban living that increases housing supply and choice.</u>	will ensure that the housing stock meets the needs of the community. Furthermore, enabling higher density housing to locate on land with good accessibility to public transport, open space and services ensures more people can access these amenities without relying on a private vehicle. Collectively these objectives enable the community to meet their own social well-being while mitigating effects on the environment from climate change through contributing	or the provision of these matters of national importance. The District Plan contains existing objectives that limit height and density in defined localities across the district in order to provide for matters of national importance. These are justified as “qualifying matters” in <i>Appendix 2 to 4.</i>	the provision of other matters. In particular, this objective will support the efficient use of natural and physical resources by enabling more efficient development of urban residential land.	against the principles of the Treaty of Waitangi.	NPSUD which requires that there is at least sufficient development capacity to meet expected demand. This objective is consistent with Objective 3 and Policy 5 of the NPSUD, which directs that district plans enable more people to live in, or more businesses and community services to be located in areas which are accessible to centres, existing or planned public transport or where there is there is high demand for	which seeks to efficiently accommodate the region’s growth.

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
	to a reduction in carbon emissions.				housing or for business land.	
<i>Increase height and density within accessible or market attractive areas</i>						
<u>SDO4 The primary focus for residential intensification and additional business or community services include areas:</u> a. <u>within and adjacent to centres or employment opportunities;</u> b. <u>well-served by existing or planned public transport;</u> c. <u>where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.</u>	This objective seeks to focus intensification in areas which are well serviced by infrastructure, public transport and in and around the city centre to support vibrancy and vitality. Providing for more housing close to public transport, employment and amenities will enable people and communities to provide for their own social, cultural and economic well-being while mitigating effects on the environment from	This objective does not compromise the recognition of, or the provision of these matters of national importance. The District Plan contains existing objectives that limit height and density in defined localities across the district, in order to provide for matters of national importance. These are justified as “qualifying matters” in <i>Appendix 2 to 4.</i>	This objective does not compromise the recognition of, or the provision of other matters. In particular, this objective will support the efficient use of natural and physical resources by enabling more efficient development of urban residential land within accessible locations. In focusing, intensification in areas which are well serviced by infrastructure, public transport and in and around the	This objective will not offend against the principles of the Treaty of Waitangi.	While Policy 2 of the NPSUD seek to provide at least sufficient development capacity to meet demand Objective 3 and Policy 5 seek to ensure that more people live or more businesses and community services are located in, areas which are accessible to centres, existing or planned public transport or where there is there is high demand for housing or for business land.	This objective is consistent with the RPS Policy UG 13B which seeks to integrate land use and transportation.
<u>RESZ-09 Development contributes to the creation of neighbourhoods with a high density residential built</u>						

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
<u>character, comprising residential buildings generally up to six storeys, integrated with on-site landscaped areas.</u>	climate change through reducing carbon emissions.		city centre this enables the enhancement of amenity values appreciated by people, communities, and future generations through increased accessibility and increased and varied housing densities and types.		Therefore a balance needs to be struck between enabling as much additional housing as possible across the urban area and targeting intensification into areas where wider objectives in relation to efficient use of infrastructure and vibrancy of centres can be achieved. This objective gives effect to both of these directions through focusing intensification into areas which are well serviced by infrastructure, public transport and in and around the city centre to	

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
					support vibrancy and vitality.	
<i>Provide for residential amenity on a neighbourhood and site scale</i>						
<u>SD09 Urban development results in attractive, safe and healthy environments.</u>	With the introduction of medium density and high density residential development there is potential for adverse effects on the quality and amenity of the urban environment. These objectives seek to ensure that development results in quality design that achieves: - the planned urban built character of the zone; - attractive and safe streets and	These objectives do not compromise the recognition of, or the provision of these matters of national importance. The District Plan contains existing objectives that limit height and density in defined localities across the district in order to provide for matters of national importance. These are justified as “qualifying matters” in <i>Appendix 2 to 4</i>.	The objectives have regard to the maintenance and enhancement of amenity values and the quality of the environment through ensuring: - The maintenance and enhancement of amenity values through seeking to deliver attractive, safe and healthy environments in respect of the streetscape and at a site scale. - The maintenance and enhancement of	These objectives will not offend against the principles of the Treaty of Waitangi.	Objective 4 and Policy 6 of the NPSUD which recognises that built character and associated amenity values will develop and change over time in response to the diverse and changing needs of people, communities, and future generations. The proposed objectives are consistent with objective and policy 6 as they are focused on future planned character	These objectives are consistent with RPS Policy UG 8B which seeks to implement high quality urban design.
<u>RESZ-02 Development contributes to the creation of neighbourhoods with a medium density residential built character comprising residential buildings generally up to three storeys, surrounded by open space.</u>						
<u>RESZ-03 & RESZ -010 Development contributes to attractive and safe streets and open spaces.</u>						
<u>RESZ – 011 Development provides healthy, safe, high amenity and comfortable living environments for residents within the context of a high</u>						

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
<u>density residential environment.</u> <u>RESZ-04 Development provides healthy, safe and quality living environments for residents, within the context of a medium density residential environment.</u>	public open spaces; - manages the effects of development on adjoining sites, including visual amenity, privacy and access to daylight and sunlight; and - high quality on-site living environments. Ensuring quality design outcomes will within the urban environment will enable communities to provide for their social wellbeing and health and safety.		the quality of the environment through establishing neighbourhoods with a built character comprising residential buildings generally up to three storeys, surrounded by open space. The enhancement of amenity values is focused on the planned urban built form acknowledging that consistent with Policy 6 of the NPSUD there is likely to be significant change that may detract from amenity values appreciated by some people but improve amenity values appreciated		rather than maintaining the existing amenity values.	

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
			by other people, communities, and future generations, including by providing increased and varied housing densities and types.			
<i>Ensure development can be serviced by infrastructure.</i>						
<u>RES-05 and RES-012 Development is supported by adequate infrastructure and services.</u>	The alignment of infrastructure and land use planning will ensure development occurs in a sustainable manner through ensuring that there is adequate infrastructure to service staged growth and mitigate the adverse effects of development on the receiving environment and from climate change	These objectives do not compromise the recognition of, or the provision of, these matters of national importance. The District Plan contains existing objectives that limit height and density in defined localities across the district, in order to provide for matters of national importance. These are justified as	These objectives do not compromise the recognition of, or the provision of other matters. In particular, the alignment of infrastructure and land use planning will ensure development makes efficient use of land serviced by infrastructure. Additionally, the objectives have particular regard to	These objectives will not offend against the principles of the Treaty of Waitangi.	These objectives are consistent with Objective 6 of the NPSUD which seeks to ensure that decisions regarding development and the urban environment are integrated with infrastructure planning and funding decisions. These objectives are also consistent with policy 5 of the NPSUD which	These objectives are consistent with the RPS Policy UG 9B which seeks to coordinate development and infrastructure.

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
	through reducing carbon emissions.	“qualifying matters” in <i>Appendix 2 to 4.</i>	the effects of climate change through ensuring that development is public and active transport focused.		emphasises public and active transport.	

- (3) In summary, the objectives of PC9 are the most appropriate way to achieve the purpose of the RMA because:
- The proposed strategic direction to increase housing capacity and choice within Rotorua, will ensure that the housing stock meets the needs of the community enabling communities to meet their own social well-being;
 - The proposed strategic direction to provide for more housing close to public transport, employment and amenities will enable people and communities to provide for their own social, cultural and economic well-being while mitigating effects on the environment from climate change, through reducing carbon emissions;
 - The strategic direction and residential objectives do not compromise the recognition of, or the provision of matters of national importance as these are provided for through the district-wide objectives and justified as “qualifying matters” in *Appendix 2 to 4*;
 - The strategic direction and residential objectives do not compromise the recognition of, or the provision of other matters and they will support the efficient use of natural and physical resources and the maintenance and enhancement of amenity values when considered in the context of the medium density development provided for in the Amendment Act; and
 - The strategic direction and residential objectives will not offend against the principles of the Treaty of Waitangi.

7.7 Evaluation of Provisions for the Residential 1 Zone

7.7.1 Issue 1: Achieving a Quality Built Environment

7.7.1.4 Overview

- (1) The MDRS is intended to apply to the existing Residential 1 zone, which spans the majority of Rotorua’s existing urban area. The MDRS applies mandatory residential density standards, which set the framework for development and can only be modified where a qualifying matter applies. The urban design analysis (refer *Appendix 9*), which has informed the development of PC9, has highlighted some potential gaps with the MDRS package of residential density standards. The urban design analysis has suggested further refinement to the package of provisions to help deliver a quality, attractive urban environment. These additional provisions are allowed as they are not density standards as defined by Schedule 3A Section 1(1).
- (2) The proposed package of further refinements to the Residential 1 (Medium Density) zone provisions includes:
- Maximum building length control above ground level of 22m to manage visual dominance and off-site amenity effects.
 - Minimum dwelling size of 35m² for a studio dwelling and 45m² for one or more-bedroom dwelling to manage on-site amenity;
 - Amendments to the dwellings fronting the street standard, to ensure that garage doors do not contribute to the glazing requirement and to clarify that front doors may be solid, and portions of the façade associated with non-habitable roof space, are excluded from the overall calculation requirements.

- The following standards in relation to fences are proposed to manage the streetscape interface and enhance the attractiveness and safety of streets and public open spaces:
 - a) Maximum height within front yard or adjacent to a boundary with a public open space:
 - i) 1.2m; or
 - ii) 1.8m for no more than 50% of the site frontage and 1.2m for the remainder; or
 - iii) 1.8m if the fence is at least 50% visually open.

7.7.1.5 Visual dominance and amenity effects on neighbouring sites

- (1) Rotorua's predominant cadastral pattern is typically characterised by sites which are longer than they are wide. Longer sites in combination with narrower widths tends to generate buildings which extend a long way back from street frontages. The Urban Analysis undertaken to inform PC9 has identified that increased height enabled by the MDRS in combination with other standards (including engineering standards around access and parking) has the potential to encourage a "wall" of development running perpendicular to the street. With higher buildings and the removal of density controls, this can result in a visually dominant built form that can affect the outlook of neighbouring sites; directs outlook over adjoining sites impacting on privacy and the amenity of existing residents reducing a person's enjoyment of that space; and can create a feeling of being closed in or contained. The minimum building length control is proposed to address this issue.

7.7.1.6 Quality on-site living environments

- (1) One gap that has been identified is that the MDRS includes no standards relating to the size of dwellings. A minimum dwelling size standard is useful for ensuring that the smallest dwellings will provide reasonable conditions of function and amenity for its design occupancy. Minimums, if set at an appropriate level, will provide a degree of guidance to the development community over the potential yield on any given site which will also assist with long-term infrastructure planning. They can also provide assurance to the wider public around the likely form and typologies of dwellings which could be expected to occur across the district.
- (2) Minimum areas of 35m² for a studio dwelling and 45m² for one or more-bedroom dwelling have been proposed and these are broadly comparable with other towns and cities across New Zealand. For example:
 - a) Across residential and business zones, the Auckland Unitary Plan provides for minimum studio apartments sizes of between 30m² and 35m², and 45m² for one or more bedrooms;
 - b) The Palmerston North District Plan enables dwellings with minimum sizes of 45m² without any qualifiers relating to bedrooms within identified multi-unit housing areas;
 - c) The Christchurch District Plan enables studio units of 35m², and 45m² for 1-bedroom units; and
 - d) Proposed Plan Change 26 of the Tauranga District Plan seeks to enable studio units of 35m², and 45m² for 1-bedroom units.
- (3) Alignment with proximate territorial authorities is also considered beneficial as it provides for a consistent standard. This will provide greater certainty for the wider development community and an ability to deliver modular or standardised terraced and apartment typologies over a wider area. This avoids the need for bespoke internal designs depending on where development is occurring.

7.7.1.7 Attractive and safe streets

- (1) The Urban Design Analysis undertaken to inform PC9 has identified several potential issues and gaps with the MDRS requirement for a minimum of 20% of the street-facing façade in glazing which can be in the form of windows or doors including:
 - The reference to doors to satisfy the standard may promote a situation where a ranch-slider is utilised as a “front door” to reduce the need to accommodate an additional opening for a more traditional opaque/ solid front door creating potential privacy and/ or security concerns with visibility into internal spaces;
 - Modern plexi/ laminate glass garage door configurations may be utilised to fulfill a large portion of the required 20% glazing offering no passive surveillance of the street; and
 - The MDRS wording may promote flat or hipped roofs fronting the street to reduce the area of façade fronting the street to reduce the extent of glazing required and associated costs, impacting overall attractiveness of more intensive developments and visual monotony in built form outcomes.
- (2) The glazing standard is proposed to be amended to improve the safety and attractiveness of the streetscape. In addition, the proposed fencing standard seeks to ensure that the design of fences provides for privacy within the front yard while enabling visual connections with the street to promote passive surveillance.

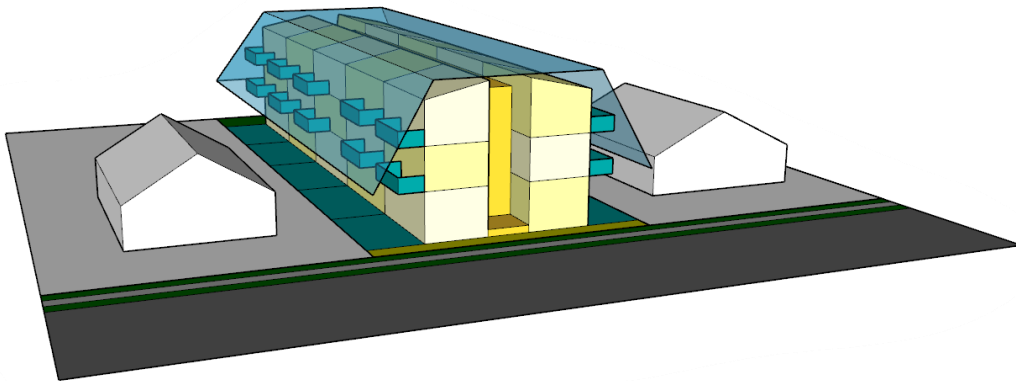


Figure 12: Modelled walk-up apartment building compliant with bulk and location development standards

Table 7: Issue 1 - Achieving a Quality Built Environment within the Residential 1 Zone

	Option 1: Apply the mandatory MDRS standards only within the Residential 1 zone	Option 2: Proposed Plan Change – Apply the mandatory MDRS standards with additional standards within the Residential 1 zone
<i>Description of option</i>	This option will limit the development standards which apply within the Residential 1 zone to those mandated within the MDRS: • Height • Height in relation to boundary • Common walls • Maximum building coverage • Minimum landscaping • Yard setbacks • Dwellings fronting the street • Outdoor living space • Outlook space	This option will apply additional standards in addition to those mandated within the MDRS to address identified urban design issues as detailed above.
<i>Efficiency and effectiveness in achieving objectives</i>		
SD09 Urban development results in attractive, safe and healthy environments.	This option is not efficient or effective at achieving SD09: • As it does not include provisions to ensure that an internal area of a dwelling is sufficient in terms of design and space to achieve a functional unit with sufficient amenity for occupants. The inclusion of a minimum dwelling size will ensure that the development community does not prioritise yield at the expense of internal amenity.	This option will effectively and efficiently achieve SD09: • The inclusion of a minimum dwelling size standard will ensure that the smallest dwellings will provide reasonable conditions of function and amenity for its design occupancy. • The inclusion of a maximum building length will limit the potential ‘wall’ effect that long, uninterrupted building elevations perpendicular to the street can

	The absence of a maximum building length standard could result in visually dominant built form that affects the outlook and privacy of neighbouring sites and the amenity of existing residents.	have on adjoining sites in terms of visual dominance and opportunities for sunlight access.
RESZ-03 & RESZ -010 Development contributes to attractive and safe streets and open spaces.	This option is not efficient or effective at achieving RESZ-03 & RESZ -010 as there is no standard to ensure that fencing is at a height and of a design to provide visual connections and enable opportunities for passive surveillance,	This option is efficient or effective at achieving RESZ-03 & RESZ -010, as it includes a fencing standard that will ensure an appropriate level of visual connection is maintained between the street and a residential unit, while giving flexibility and choice as to how high a front fence might be designed.
RESZ-03 & RESZ - 011 Development provides healthy, safe, high amenity and comfortable living environments for residents RESZ-04 Development provides healthy, safe and quality living environments for residents, within the context of a medium density residential environment.	This option is not efficient or effective at achieving SD09: As the internal area of a dwelling decreases greater care is required in terms of design and space planning to achieve a functional unit with sufficient amenity for occupants	This option will effectively and efficiently achieve RESZ-03, 04 and 11: The inclusion of a minimum dwelling size standard will ensure that the smallest dwellings will provide reasonable conditions of function and amenity for its design occupancy.
<i>Costs</i>		
<i>Environmental</i>	No ability to ensure that dwellings with small internal areas can provide a functional unit with sufficient amenity for occupants. The introduction of the MDRS provisions in combination with the predominant cadastral pattern in Rotorua, which is characterised by sites which are longer than they are wide, will result in visually dominant built form with the potential to	The inclusion of a minimum dwelling size and maximum building length may result in less design flexibility and yield, however on balance, this is appropriate given the significant amenity benefits these standards will result in, while enabling medium density development to occur. These amenity benefits include:

	encourage a “wall” of development running perpendicular to the street. This adversely affects the outlook and privacy of neighbouring sites and the amenity of existing residents. The lack of front fence standard could potentially result in poor streetscape outcomes with monotonous solid high front fences installed on most or all frontages along a street. This outcome would also limit opportunities for passive surveillance of the street.	• Ensuring that the smallest dwellings will provide reasonable conditions of function and amenity for its design occupancy; • Limits the potential ‘wall’ effect that long, low and uninterrupted building elevations perpendicular to the street can have on adjoining sites; • Potentially encourages a greater proportion of dwellings to maximise their outlook over the street and internally towards the rear, rather than over neighbouring properties to the side; • Allows for daylight and/ or sunlight penetration into new buildings at each end enhancing internal amenity for future residents; • Allows for improved daylight and/ or sunlight penetration through to adjoining sites; and • Encourages more meaningful/ functional areas of open space (private or communal) that can cater for increased on-site amenity. The front fence standard may be difficult for Council to monitor, as fences generally do not require building consent.
<i>Economic</i>	The lack of minimum dwelling size standards will result in less certainty over the potential yield on any given site. This also results in less certainty for long-term infrastructure planning.	This option introduces a slightly more complex compliance approach which could increase costs and time to those developing within the Residential 1 Zone.
<i>Social</i>	The lack of front fence standard could result in reduced safety of streets and public open spaces through a lack of control on solid high front fences which reduce opportunities for passive surveillance. The impacts to onsite and adjoining amenity through the lack of a minimum dwelling size and maximum building length	Additional fencing controls may be considered by some members of the community to be not in keeping with the community’s expectations given front fences are currently not controlled in this way.

	standards could potentially result in substandard living environments that affect social wellbeing.	
<i>Cultural</i>	Potential for poor design outcomes for lands near cultural sites.	No change to the cultural environment through this option.
<i>Benefits</i>		
<i>Environmental</i>	While providing a simpler compliance approach and may result in more design flexibility, it is unlikely that this will result in environment benefits. The lack of a maximum building length could result long, and uninterrupted building elevations perpendicular to the street causing in visual dominance effects on adjoining sites and reduced sunlight/daylight access. Further the lack of a minimum dwelling size could result in developments that maximise yield at the expense of function and amenity for residents. Oversized front fences will result in a less attractive and safe streetscape.	The proposed minimum dwelling size will ensure that dwellings are of a size to provide a reasonable standard of amenity for residents. The proposed front fence standard will support attractive and safe streets and open spaces through ensuring that fencing is designed to provide visual connections to the public spaces providing for passive surveillance. Through allowing, and to an extent promoting variation in fence height, this standard may also discourage monotony and the visual dominance of street edges by solid high front fences, which is seen particularly when they are installed on most or all frontages along a street. The inclusion of a maximum building length standard will: • Limit the potential ‘wall’ effect that long, and uninterrupted building elevations perpendicular to the street can have on adjoining sites; • Encourage a greater proportion of dwellings to maximise their outlook over the street and internally towards the rear, rather than over neighbouring properties to the side; • Allow daylight and/ or sunlight penetration into new buildings at each end enhancing internal amenity for future residents; and • Allows opportunities daylight and/ or sunlight penetration through to adjoining sites.

<i>Economic</i>	Providing a simpler compliance approach will reduce costs and time to those developing within the Residential 1 Zone. Potential for slight increase in yield associated with no minimum dwelling size requirement however, this will be at the expense of onsite amenity for residents.	Minimum dwelling size standards will provide a degree of guidance to the development community over the potential yield on any given site which will also assist with long-term infrastructure planning. The proposed minimum dwelling size has been aligned with proximate territorial authorities to provide greater certainty for the wider development community and an ability to deliver modular or standardised terraced and apartment typologies over a wider area.
<i>Social</i>	Providing a simpler compliance approach may result in the faster delivery of additional housing, however the poor-quality outcomes may outweigh this potential benefit.	Minimum dwelling size standards will provide assurance to the wider public around the likely form and typologies of dwellings, which could be expected to occur across the district. The inclusion of a maximum building length standard will encourage more meaningful/ functional areas of open space (private or communal) that can cater for increased on-site amenity.
<i>Cultural</i>	Facilitate more housing opportunities on whenua Māori.	Facilitate more housing opportunities on whenua Māori. Better ability to manage design outcomes for lands near cultural sites.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is the preferred option. Including additional standards to regulate minimum dwelling size, maximum building length and fencing is the most appropriate mechanism for achieving the objective because: • This option efficiently and effectively achieves SD09, RESZ-03, 04 and 11 as the minimum dwelling size standard will ensure that the smallest dwellings will provide reasonable conditions of function and amenity for its design occupancy;	

	• This option efficiently and effectively achieves SD09, RESZ-03, 04 and 11 as the maximum building length will limit the potential 'wall' effect that long, low and uninterrupted building elevations perpendicular to the street can have on adjoining sites; and • This option efficiently and effectively achieves RESZ-03 & RESZ -010 as the fencing standard that will ensure an appropriate level of visual connection is maintained between the street and a dwelling, while giving flexibility and choice as to how high a front fence might be designed.
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7.8 Evaluation of Provisions for the Residential 2 zone

7.8.1 Issue 2: Whether to enable High Density Residential Development within the Residential 2 Zone

- (1) The current residential zone framework within the district plan incorporates the Residential 1 – Low density living zone and the Residential 2- Medium density living zone. The Residential 1 zone is the most widespread zone and is intended to provide for low density development (one dwelling per site surrounded by open space). The Residential 2 zone is intended to provide for medium residential development close to the city centre and has a limited spatial application, located to the south and south-west of the City Centre 1 zone.
- (2) Under the operative District Plan, the Residential 2 zone provides for significantly less development than is enabled by the MDRS. Therefore, a decision needs to be made whether to incorporate the MDRS and effectively merge this zone with the Residential 1 – Medium density Zone or, retain a zone that enables a higher level of development than what is provided for within the Residential 1 zone. It is proposed within PC9 to retain the Residential 2 zone to enable a higher density of residential development than the Residential 1 zone, where the MDRS will apply.

Table 8: Issue 2 - Whether to incorporate a High Density Residential Zone – Evaluation of Options

	Option 1: Merge the Residential 2 Zone with the Residential 1 Medium Density zone	Option 2: Proposed Plan Change: Enable high density residential development within the Residential 2 zone.
<i>Description</i>	This option involves deleting the Residential 2 zone and incorporating this zone within the Residential 1 Medium Density Zone.	This option involves retaining the Residential 2 zone and amending the provisions, so they are enabling of a higher density of development than what is provided for within the MDRS.
<i>Efficiency and effectiveness in achieving objectives</i>		
Objective: SDUD-O1 A well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.	This option will enable people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety through increasing the number of people who benefit from living in a highly accessible location but not to the same extent as option 2.	This option is the most efficient and effective option at achieving this objective, as it enables people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety through increasing the number of people who benefit from living in a highly accessible location and in turn supporting the vibrancy and vitality of the City Centre.
SDO3 There is at all times at least sufficient development capacity and land supply to meet expected demand for housing and business land over the short term, medium term and long term.	This option effectively and efficiently achieves this objective through enabling greater housing density to contribute to sufficient development capacity in Rotorua however, not to the same extent as option 2. The economic analysis undertaken in support of PC9 identifies the demand for 1000 apartments across Rotorua by 2050 (refer <i>Appendix 8</i>). This is enabled in the centre zones but Option 2 provides further opportunities for apartments assisting with the competitive operation of the development market.	The HBA indicates that there are currently projected shortfalls in reasonably expected capacity with current planning provisions driving single detached houses on larger lots a contributing factor. This option effectively and efficiently achieves this objective through enabling high density housing to contribute to sufficient development capacity in Rotorua.
RESZ-08 Land that has good accessibility by existing or	This option is not efficient or effective at achieving this objective as it will put in place a zone with a package of	This option is effective at achieving SD04 as it will put in place a zone with a package of development standards that enable

	Option 1: Merge the Residential 2 Zone with the Residential 1 Medium Density zone	Option 2: Proposed Plan Change: Enable high density residential development within the Residential 2 zone.
planned active or public transport to a range of commercial activities, public open space and community services, is efficiently used for high density urban living that increases housing supply and choice.	development standards that enables medium density residential development within areas, which this objective is seeking to encourage development at higher densities.	high density residential development to increase capacity and choice within areas on the periphery of the City Centre, which are well serviced by public transport.
SD04 The primary focus for residential intensification and additional business or community services include areas: a. within and adjacent to centres or employment opportunities; b. well-serviced by existing or planned public transport; where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.	This option will put in place a zone with a package of development standards that enables three story medium density residential development on the periphery of the City Centre. While this is a greater scale and density of development than what is currently enabled, this will be consistent with the scale of development enabled through most of the urban residential area under the MDRS. Therefore, this option is not effective and efficient at achieving this objective.	This option is effective at achieving SD04 as it will put in place a zone with a package of development standards that enable six story residential development within areas on the periphery of the City Centre, which are well serviced by public transport.
<i>Costs</i>		

	Option 1: Merge the Residential 2 Zone with the Residential 1 Medium Density zone	Option 2: Proposed Plan Change: Enable high density residential development within the Residential 2 zone.
<i>Environmental</i>	This option will result in medium density residential development which is a less efficient use of land within walking distance to public transport and the city centre. Potential effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas however, this will not be to the same extent as Option 2.	This option will provide for a greater height in areas where the Residential 2 zone applies and therefore this option will result in potential effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas.
<i>Economic</i>	Costs to future applicants wanting to build higher and larger scale apartment buildings around the city centre as this type of development is not anticipated within the Residential 1 Medium Density Zone. Fails to support public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City to the same extent as Option 2.	There will potentially be costs involved with undertaking the development and delivery of infrastructure provision to service a higher density zone. The residential areas on the outskirts of the CBD (where this zone is proposed to be applied) are however, already well serviced by public transport and infrastructure so these costs are not expected to be significant.
<i>Social</i>	Limits housing choice around the city centre, which is accessible to employment opportunities and other amenities via public or active transport modes. This option does not make the most efficient use of land and therefore may not result in the development yields to support increased vibrancy within the CBD and to support the growing population within Rotorua.	The scale of development delivered through this option may be considered by some members of the community to be not in keeping with the community's expectations given the current Residential 2 zoning.
<i>Cultural</i>	Further intensification and development of land around sites of cultural significance.	Further intensification and development of land around sites of cultural significance.
<i>Benefits</i>		

	Option 1: Merge the Residential 2 Zone with the Residential 1 Medium Density zone	Option 2: Proposed Plan Change: Enable high density residential development within the Residential 2 zone.
<i>Environmental</i>	This option will enable increased capacity and choice in an accessible walking catchment to the CBD and public transport, compared with the existing zoning. Intensification of existing urban areas promotes infrastructure efficiency and the use of alternative transport modes.	This option makes efficient use of residential land in an accessible walking catchment to the CBD and public transport, thereby giving effect to the NPS-UD Policy 5. Intensification of existing urban areas promotes infrastructure efficiency and the use of alternative transport modes.
<i>Economic</i>	This option provides a significant amount of (plan enabled) redevelopment capacity for attached dwellings, but only a small share of this can be feasibly developed in the short term based on current conditions. However, it is expected to increase over time. Economic growth and employment opportunities would arise from construction activity.	The HBA indicates that 88% of the dwellings in Rotorua are standalone. The introduction of a high-density zone surrounding the CBD will create more opportunities for apartment development, which are likely to be at more affordable price points. The shops and businesses in the CBD may benefit from having more people living in close proximity and using their services.
<i>Social</i>	This option will provide for low level terraces and walkup apartments within the Residential 1 Medium Density zone however, it will not provide the range of housing typologies and choice provided for through option 2. This option will result in development of a scale and density which is closer in character to the existing built form than option 2. This may be perceived as a benefit by some of the community who do not want change to the built character.	This option provides for a range of housing typologies and choice to meet the diverse needs of the Rotorua community. It will enable development yields that can support the development of additional community facilities. The scale of development will increase the long-term population close to the city centre and consequently there will be social benefits through increasing the vibrancy of this area.
<i>Cultural</i>	Enables more intensive housing opportunities on Maori owned or Treaty settlement land but not to the same extent as option 2.	Maximises more intensive housing opportunities on Maori owned or Treaty settlement land.

	Option 1: Merge the Residential 2 Zone with the Residential 1 Medium Density zone	Option 2: Proposed Plan Change: Enable high density residential development within the Residential 2 zone.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is the preferred option. Providing for high density residential development within the current Residential 2 zone is the most appropriate mechanism for achieving the objectives because: • In accordance with SD03 this option will enable the greatest housing supply and choice; • In accordance with SD04 and RESZ-04 this option will enable efficient use of land adjoining and adjacent to the CBD and accessible to existing or planned public transport.	

7.8.2 Issue 3: Spatial Application of the Residential 2 – High Density Zone

- (1) The current Residential 2 zone applies to the south and south-west of the City Centre 1 zone. Policy 2 of the NPS-UD requires that Tier 2 authorities at all times provide at least sufficient development capacity to meet expected demand for housing and business land over the short, medium, and long terms. Policy 5 of the NPS-UD requires Tier 2 authorities to enable height and density commensurate with:
 - a) *the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or*
 - b) *relative demand for housing and business use in that location.*
- (2) A decision needs to be made whether the current spatial extent of the Residential 2 zone gives effect to Policies 2 and 5, and whether there is a need to change the extent of this zone.
- (3) Section 4 above details the interpretation and application of Policies 2 and 5 within Rotorua, which has been informed by an Accessibility and Demand Analysis undertaken by Barker & Associates (refer *Appendix 7*) and Economic Assessment carried out by Market Economics (refer *Appendix 8*).
- (4) In summary, the Accessibility and Demand Analysis defines accessibility simply as your ability to go places so that you can do things. The assessment of accessibility is strongly driven by data (e.g. census, GIS) and is based on two key components:
 - a) the transport network serving any urban area (the how we travel); and
 - b) the spatial distribution and location of activities or destinations (the why we travel).
- (5) Based on this, determination of an area's 'level of accessibility' is informed by how many destinations can be accessed within a given time frame. The key drivers of accessibility in Rotorua were found to include proximity to the City Centre, the majority of employment opportunities, primary and secondary schools, large supermarkets, medical centres and major open spaces.
- (6) *Figure 13* shows the recommended spatial extent of a high density Residential zone, overlayed with findings of the accessibility analysis. It was also noted that areas which perform well under demand generally align with those which have performed best under the accessibility analysis.

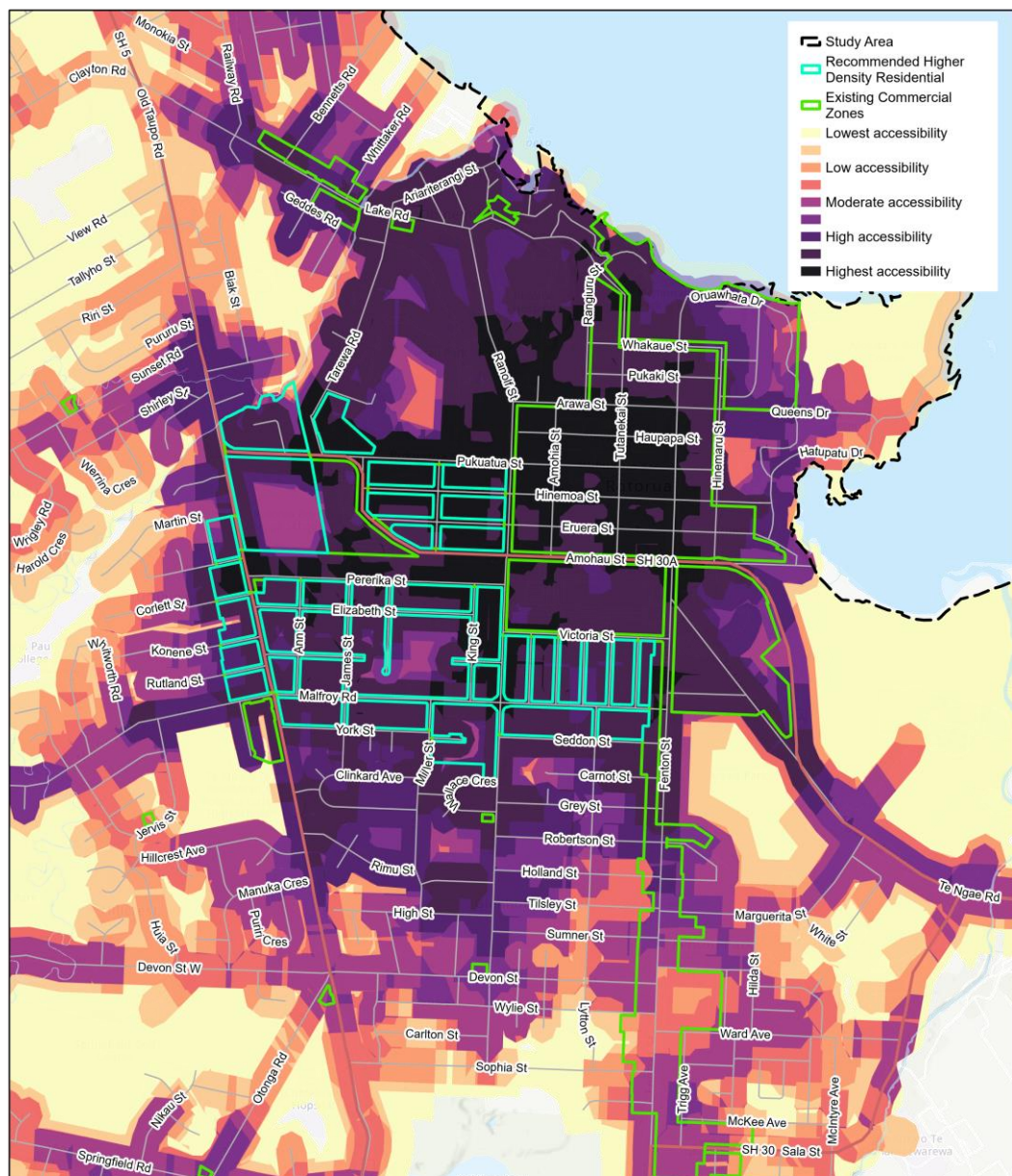


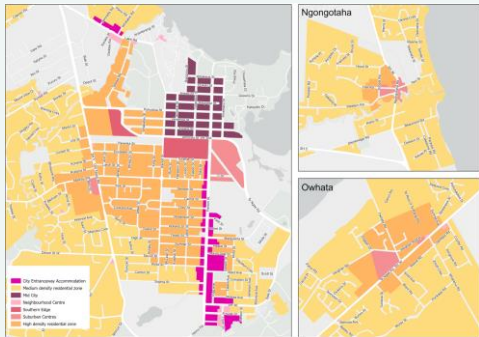
Figure 13: Recommended spatial extent of a High Density Residential Zone overlaid with accessibility (Barker & Associates, 2022).

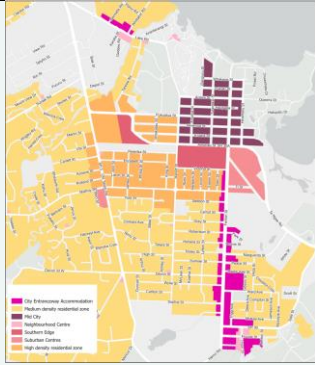
- (7) Overall, the Accessibility and Demand Analysis demonstrates that the spatial extent of more intensive residential activities in Rotorua should be increased to give effect to Policy 5 of the NPS-UD. In particular, while the current spatial extent of the Residential 2 zone is generally well aligned with the areas of high accessibility, a number of areas could accommodate increased heights and densities to reflect their level of accessibility, including key centres, and the northern portion of Glenholme.
- (8) The Economic Assessment considers the economic costs and benefits to four options of increased density provisions within Rotorua. These options include the application of a high density residential zone to various spatial extents, including around the City Centre at a similar, but slightly extended extent to the current Residential 2 zone (Option 2 of the Economic Assessment), and

around the City Centre at a larger extent to the current Residential 2 zone and around centres at Ngongotahā and Ōwhata (Option 3 of the Economic Assessment).

- (9) The Economic Assessment finds that there are high levels of plan enabled capacity relative to demand under all intensification options considered, and estimates a relatively small level of future demand for higher density apartment dwellings in Rotorua. This level of future demand has been confirmed through discussions with the local development sector. It was therefore considered that a smaller extent of high density residential zoning would be more appropriate from an economic perspective. In particular, it is noted that that if the spatial application of the provision is too extensive, then it may not adequately encourage the concentration of higher density development into areas that function together with, and support the viability of, key nodes. Development may occur in locations that do not function together with these nodes and consequently reduce the level of remaining market size for intensification within the nodes.
- (10) Having regard to the outcomes of the Accessibility and Demand Analysis and the estimated demand for high density apartment dwellings in Rotorua, the proposed extent of the Residential 2 zone is confined to the proximity of the City Centre and concentrated in the best performing areas in terms of accessibility, noting that Policy 2 of the NPS-UD requires that local authorities provide at least sufficient development capacity to meet demand for housing, rather than requiring capacity to be maximised to the greatest extent.
- (11) The best performing areas in terms of accessibility include the City Centre and immediately surrounding areas, including around the northern part of Glenholme (around Malfroy Road north to the City Centre). Notable drivers of this are the proximity to the City Centre, employment, supermarkets and educational facilities. This area is also served by the segregated cycling network and due to its central location gives residents the opportunity to access more destinations across Rotorua via the public transport network which currently operates in a radial pattern extending outwards from the City Centre. In addition, the northern part of Glenholme is better served by the existing open space network, with a notable gap in the network located in the southern portion of the neighbourhood.
- (12) The assessment in *Table 9 considers* the spatial extent of the Residential 2 zone on the basis that it will enable high density residential development and a maximum building height of 19.5m as concluded in *Sections 7.8.1 and 7.8.3*.

Table 9: Issue 3 - Spatial Application of the Residential 2 - High Density Zone – Evaluation of Options

	Option 1: Status quo extent of Residential 2 zone.	Option 2: Exclude the Residential 2 zone from areas subject to risk from significant flood hazards.	Option 3: Proposed Plan Change: Extend the Residential 2 zone around areas with the highest levels of accessibility.	Option 4: Extend the Residential 2 zone around areas with good levels of accessibility and demand and commercial centres.
<i>Description of option</i>	This option retains the current spatial extent of the Residential 2 zone (shown in darker yellow below), but applying the standards set out in <i>Appendix 1</i>. 	This option retains the current spatial extent of the Residential 2 zone but excludes areas that are subject to risk from significant flood hazards.	This option involves applying the Residential 2 zone (shown in orange below) to the best performing areas in terms of accessibility, having regard to proximity to the City Centre, employment, supermarkets and educational facilities. Compared to Option 1, Option 2 has a smaller southern extent and a greater northern and western extent of the Residential 2 zone.	This option involves extending the Residential 2 zone (shown in orange below) to areas that were assessed to have a good level of accessibility. This results in a greater spatial extent than Option 3, and includes areas around the Neognathae and Ōwhata Commercial areas. 

				
<i>Efficiency and effectiveness in achieving objectives</i>				
<i>SDO3 There is at all times at least sufficient development capacity and land supply to meet expected demand for housing and business land over the short term, medium term and long term.</i>	Option 1 is efficient and effective as it will facilitate greater housing density as concluded in Section 8.4.1 above, however, not to the same extent as Options 3 and 4.	Option 2 is less efficient and effective as it enables the least development capacity of housing and business land.	Option 3 is efficient and effective as it will facilitate at least sufficient development capacity and land supply to meet the expected demand for housing and business land in the short, medium, and long terms.	Option 4 is efficient and effective as it will facilitate the greatest extent of development capacity and land supply to meet expected demand for housing and business land over the short, medium, and long terms.
<i>SDO4 The primary focus for residential intensification and additional business or community services include areas:</i> <i>a. within and adjacent to centres or employment opportunities;</i>	Option 1 is less efficient or effective as the existing spatial application of the Residential 2 zone does not fully correspond to the areas outlined in SDO4, excluding some areas with high levels of accessibility and demand.	Option 2 is not efficient or effective as the reduced spatial extent of the Residential 2 zone will significantly exclude areas that correspond to those outlined in SDO4, including land that can practicably accommodate residential intensification with respect	Option 3 is effective and efficient as it applies the Residential 2 zone to a targeted area within Rotorua that has been assessed to best correspond with the areas outlined in SDO4.	Option 4 is less efficient and effective as although it will apply the Residential 2 zone to areas that correspond with those outlined in SDO4, the extent of the zone is not focused to the locations that best meet SDO4, particularly (a) and (b). Given the expected demand for high density apartment dwellings in Rotorua is expected to be low, this option is more likely to result in residential intensification being dispersed

b. well-serviced by existing or planned public transport; c. where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.		to flood hazards with appropriate design.		across the wider Residential 2 zone. The best performing areas outlined in SDO4 are unlikely to be the focus for future residential intensification.
RESZ-08 Land that has good accessibility by existing or planned active or public transport to a range of commercial activities, public open space and community services, is efficiently used for high density urban living that increases housing supply and choice.	Option 1 is less effective as it does not include all areas with good accessibility by existing or planned active or public transport and will not enable the most efficient use of this land, for high density urban living.	Option 2 is not efficient or effective as it does not enable the efficient use of land with good accessibility by existing or planned active or public transport to be used efficiently for high density urban living where flood hazards may be appropriately managed through detailed site design.	Option 3 is efficient and effective as it facilitates the use of land that has the greatest levels of accessibility by existing or planned active or public transport for high density urban living.	Option 4 is efficient and effective as it facilitates the use of land that has good accessibility by existing or planned active or public transport for high density urban living.
CCZ-O1 A vibrant city centre that is the primary commercial and retail centre for the establishment and operation of a diverse range of commercial and residential activities	Option 1 is efficient and effective as it facilitates high density residential development surrounding the city centre and potential to promote the matters in CCZ-O1.	Option 3 is efficient and effective as it facilitates high density residential development surrounding the city centre and will promote the matters in	Option 3 is efficient and effective as it facilitates the greatest opportunity for high density residential development surrounding the city centre, and greatest potential to	Option 4 is less efficient or effective. While high density residential development will be enabled around the City Centre to promote the matters in CCZ-O1, the spatial application of the Residential 2 zone is likely to exceed expected demand. This will create the potential for development to be

<i>which promote and enhance the economic viability, employment opportunities, walkability and safety of the city centre.</i>		CCZ-O1, however not to the extent of Options 1 and 3.	promote the matters in CCZ-O1	dispersed rather than concentrated in key areas and nodes around the City Centre.
<i>Costs</i>				
<i>Environmental</i>	Option 1 will result in the inefficient development of land with high levels of accessibility and demand and where the NPS-UD anticipates intensification to occur.	Option 2 will result in the inefficient development of land with high levels of accessibility and demand as it does not recognise that flood hazards may be appropriately managed through detailed site design. Option 2 also has the potential to create effects on adjoining properties and residential amenity as it is likely to result in an irregular zoning pattern and built form and character outcomes.	Option 3 has the potential to create effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas and in relation to flood hazard risks. However, effects can be mitigated through the application of other performance standards, noting that PC9 seeks to amend the District Plan provisions to ensure flood risks are appropriately managed when intensified development occurs (refer Section 11).	Option 4 has the potential to create effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas and in relation to flood hazard risks. However, effects can be mitigated through the application of other performance standards, noting that PC9 seeks to amend the District Plan provisions to ensure flood risks are appropriately managed when intensified development occurs (refer Section 11). Option 4 is also likely to inappropriately disperse higher density development, and result in insufficient differentiation of development intensities across the urban area of Rotorua. There is also the potential for high density development to occur opportunistically within discrete areas, where development is less likely to function together with key nodes of accessibility, community services, and social amenities.

<i>Economic</i>	Option 1 precludes intensification on land where there may be future market demand for higher density urban living, and will incur additional consenting costs due to future land owners seeking to develop this land in response to market demand.	Option 2 precludes intensification on land where there may be future market demand for higher density urban living, and will incur additional consenting costs to future land owners seeking to develop this land in response to market demand. Option 2 also has the potential to create additional consenting risk and costs as an irregular zoning pattern will result in high-density residential areas adjoining low-density residential areas.	Option 3 has the potential to incur additional costs associated with infrastructure provision to service a greater extent of high density residential development. However, the application of the Residential 2 zone is proposed within existing urban areas already well serviced by public transport and infrastructure. These costs are not expected to be significant. As Option 3 creates potential opportunity costs where development is precluded occurring in areas where there might be market demand and/or developer willingness.	Option 4 has the potential to incur additional costs associated with infrastructure provision to service a greater extent of high density residential development that is widespread, where infrastructure efficiencies are less likely to be achieved.
<i>Social</i>	Option 1 does not make the most efficient use of land and therefore does not support the growing population within Rotorua or the delivery of housing	Option 2 does not make the most efficient use of land and therefore does not support the growing population within Rotorua or the delivery of housing	Option 3 expands the spatial extent of land that can accommodate intensification, which may be considered by some members of the community to not be in keeping with the anticipated character	Option 4 expands the spatial extent of land that can accommodate intensification, which may be considered by some members of the community to not be in keeping with the anticipated character and built form outcomes in existing low-density residential areas.

	choice and variety, to the greatest extent practicable.	choice and variety, to the greatest extent practicable.	and built form outcomes in existing low-density residential areas.	
<i>Cultural</i>	Option 1 does not facilitate the greatest housing opportunities on whenua Māori.	Option 2 does not facilitate the greatest housing opportunities on whenua Māori.	Option 3 has the potential to create effects on land around sites of cultural significance. However, effects can be mitigated through the application of other performance standards	Option 4 has the potential to create effects on land around sites of cultural significance. However, effects can be mitigated through the application of other performance standards.
<i>Benefits</i>				
<i>Environmental</i>	As the Residential 2 zone will enable high density residential development and a maximum building height of 19.5m as concluded in Sections 7.4.1 and 7.4.3, Option 1 will Option 1 will facilitate high density residential development on land with good accessibility by existing or planned active or public transport and will support a reduction in greenhouse gas emissions in Rotorua, however, not to	Option 2 will facilitate some high density residential development on land with good accessibility by existing or planned active or public transport and will support a reduction in greenhouse gas emissions in Rotorua, however, not to the extent of Options 1, 3 and 4. Option 2 also provides the greatest certainty high density residential development will not exacerbate flood hazards	Option 3 enables a significant increase in development capacity and land supply. When applied in conjunction with the MDRS across relevant residential zones, Option 3 will provide a sufficient and high level of plan enabled capacity relative to expected demand. The Economic Assessment estimates this option would provide plan enabled capacity of 14,700 residential units.	Option 4 enables the greatest extent of development capacity and land suppl. When applied in conjunction with the MDRS across relevant residential zones, will provide a sufficient and high level of plan enabled capacity relative to expected demand. The Economic Assessment estimates this option would provide plan enabled capacity of 51,600 dwellings. Providing for intensification on land that has good accessibility by existing or planned active or public transport and will also support a reduction in greenhouse gas emissions in Rotorua.

	the extent of Options 3 and 4.	on land subject to risk from significant flood hazards.	Option 3 also facilitates the most appropriate extent of land for higher density residential development relative to expected demand, in locations within proximity to the City Centre. This option therefore maximises opportunities to facilitate residential intensification that supports the vibrancy of the city centre. Providing for intensification on all land that has good accessibility by existing or planned active or public transport will also support a reduction in greenhouse gas emissions in Rotorua.	
<i>Economic</i>	As the Residential 2 zone will enable high density residential development and a maximum building height of 19.5m as concluded in Sections 7.4.1 and 7.4.3, Option 1 will facilitate high density residential development, contributing to housing	Option 2 will facilitate high density residential development, and will contribute to housing supply and affordability, however, not to the extent of Options 1, 3 and 4.	Option 3 will facilitate high density residential development, contributing to housing supply and affordability while ensuring there is market feasibility for the extent of high density residential development proposed.	Option 4 will facilitate the greatest extent of high density residential development, contributing to housing supply and affordability. This option will provide opportunities to deliver housing surrounding the city centre, which in turn supports the ongoing vibrancy of this area.

	supply and affordability, however the locations of intensification are less accessible than those of Options 3 and 4.		This option will maximise opportunities to deliver high density housing that is concentrated around the city centre and planned infrastructure investment, creating efficiencies for infrastructure provision and supporting the vibrancy of the city centre.	
<i>Social</i>	Option 1 will retain the existing spatial extent of zoning where the community expects a higher density of urban form and development to be provided, which may be perceived by some members of the community as a benefit.	Option 2 will facilitate high density residential development that will provide for some range of housing typologies and choice to support the growing the growing population within Rotorua, however, not to the extent of Options 3 and 4.	Option 3 facilitates high density residential development that will provide for a range of housing typologies and choice to support the growing population within Rotorua. Option 3 will also ensure that housing is provided in locations that have the greatest level of access access to a range of community services and social amenities.	Option 4 facilitates the greatest extent of high density residential development that will provide for a range of housing typologies and choice to support the growing population within Rotorua.
<i>Cultural</i>	Option 1 facilitates some housing opportunities on whenua Māori.	Option 2 facilitates some housing opportunities on whenua Māori.	Option 3 facilitates the greatest practicable housing opportunities on whenua Māori.	Option 4 facilitates the greatest housing opportunities on whenua Māori.

<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.
<i>Summary</i>	Option 3 is the preferred option. Expanding the spatial extent of the Residential 2 zones to the areas with the greatest level of accessibility is the most appropriate mechanism for achieving the objectives because: • In accordance with SDO3 this option will enable at least sufficient development capacity and land supply to meet expected demand for housing and business land over the short term, medium term and long term. • In accordance with SDO4 this option maximises opportunities to concentrate residential intensification within proximity to the City Centre, adjacent to employment opportunities and well-serviced by existing and planned public transport. • In accordance with RES-O8 this option maximises opportunities to ensure that the areas with the greatest level of accessibility are efficiently used to accommodate high density urban living. • In accordance with SDUD-04 the location and extent of Residential 2 land under Option 3 responds most appropriately to the expected demand for high density residential dwellings, and therefore maximises opportunities to concentrate development around the city centre, creating efficiencies for infrastructure provision and facilitating residential intensification that supports the vibrancy of the city centre.

7.8.3 Issue 4: Appropriate height limit within the Residential 2 – High Density Zone

Description

- (1) The Residential 2 zone is currently intended to provide for medium density residential development and currently has a height limit of 7.5m. As concluded in Section 8.4.1 above retaining the Residential 2 zone to provide for high density housing is the most appropriate method for giving effect to the objectives of the plan, PC9 and the NPSUD. Therefore, a decision needs to be made regarding the appropriate height limit to enable higher density residential development within the Rotorua context.
- (2) It is proposed to apply a 19.5m height limit within the Residential 2 High Density zone. As set out within the technical Urban design advice (refer *Appendix 9*) this will enable six storeys with a floor-to-floor height of 3.1m (this would enable an internal floor-to-ceiling height of approximately 2.7m) and totalling 18.6m. An additional allowance of 0.9m has also been included to accommodate sloping roof forms⁴ and potential freeboard requirements in areas with some identified flooding issues.

Table 10: Issue 4 - Appropriate height limit within the Residential 2 High Density Zone – Evaluation of Options

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
<i>Description of option</i>	This option involves retaining the existing 7.5m height limit that enables two story development.	This option will provide for six storey development through applying a 18m height limit.	This option will provide for six storey development through applying a 19.5m height limit.
<i>Efficiency and effectiveness in achieving objectives</i>			
SDO4 The primary focus for residential intensification and additional business or community services include areas: a. within and adjacent to centres or employment opportunities; b. well-served by existing or planned public transport; c. where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.	The Residential 2 High Density Residential zone has been applied to a targeted area within Rotorua that corresponds to the areas outlined in SDO4. The current 8m height limit will not enable high density housing limiting the amount of intensification that can occur close to the City Centre and public transport. Therefore Option 1 will not efficiently or effectively achieve this objective.	The Residential 2 High Density Residential zone has been applied to a targeted area within Rotorua that corresponds to the areas outlined in SDO4. This option will enable intensification within these areas however, as outlined within the Urban Design memo refer <i>Appendix 9</i> a 18m height limit will not facilitate 6 story development. Therefore, this option will not facilitate intensification of these areas to the same extent as option 3.	The Residential 2 High Density Residential zone has been applied to a targeted area within Rotorua that corresponds to the areas outlined in SDO4. This option imposes the greatest height limit of all the options to enable buildings of a scale that a viable to facilitate intensification within these areas and avoid inefficient use of this land.
RESZ-08 Land that has good accessibility by existing or planned active or public transport to a range of commercial activities, public open space and community services, is efficiently used for high density urban living that increases housing supply and choice.	This option will result in an inefficient use of land surrounding the City Centre as it limits development to two stories, reducing the ability to achieve high density housing.	This option does enable more people to live close to the City Centre and public transport however, not to the extent of Option 3.	This option will facilitate more people to live close to the City Centre and public transport to the greatest extent practicable while achieving other built environment objectives.
RESZ-09 Development contributes to the creation of neighbourhoods with a high	Option 1 is not efficient or effective at achieving this objective as it only enables	As outlined within the Urban Design memo refer <i>Appendix 9</i> a 18m height	This option is most effective at achieving this objective as:

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
density residential built character, comprising residential buildings generally up to six storeys, integrated with on-site landscaped areas.	two story development, which will not contribute to a high density residential built character.	limit will not facilitate 6 story development. Therefore, this option is not the most efficient or effective option at achieving this objective when compared with Option 3.	- Based on technical urban design input a 19.5m height limit is more likely to facilitate quality six story development as discussed in <i>Section 7.8.3</i> above; and - The 19.5m height limit is proportionate to the scale of a typical street within the Residential 2 zone creating an appropriate balance between an enclosed urban feel and openness.
<i>Costs</i>			
<i>Environmental</i>	This option will result in development which is an inefficient use of land that is close to the City Centre and serviced by public transport.	As outlined within the Urban Design memo refer <i>Appendix 9</i> a 18m height limit will not facilitate 6 story development. Therefore, this option will not facilitate as efficient use of land close to the City Centre and serviced by public transport as option 3. Potential effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas.	Potential effects on adjoining properties and surrounding land uses as a result of intensification in existing low-density residential areas.
<i>Economic</i>	Costs to future applicants wanting to build higher and larger scale apartment buildings around the city centre as this	As previously outlined this option is unlikely to result in development of less than six stories which will not support	High cost of construction of buildings greater than three storeys in New Zealand due to structural engineering,

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
	type of development is not anticipated with an 8m height limit. Fails to support public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City.	viable high density residential development because as set out in the technical Urban Design advice the costs of construction over three stories and the challenges with securing funding (<i>refer Appendix 9</i>).	circulation and fire standards, however, greater building height allows these costs to be spread across a greater number of residential units.
<i>Social</i>	This option does not make the most efficient use of land and therefore may not result in the development yields to support increased vibrancy within the CBD and to support the growing population within Rotorua.	The scale of development delivered through this option may be considered by some members of the community to be not in keeping with the community's expectations given the current 8m height limit.	The scale of development delivered through this option may be considered by some members of the community to be not in keeping with the community's expectations given the current 8m height limit.
<i>Cultural</i>	Does not enable more intensive housing opportunities on Maori owned or Treaty settlement land.	Further intensification and development of land around sites of cultural significance.	Further intensification and development of land around sites of cultural significance.
<i>Benefits</i>			
<i>Environmental</i>	This option will not change the scale of development that is currently allowed within the Residential 2 zone therefore it is less likely to result in potential effects on neighbouring low density properties.	An 18m height limit will not enable enough flexibility to establish 6 storey buildings particularly if the building incorporates a sloped roof or there are flooding constraints with freeboard requirements. The technical urban design analysis used to inform this plan change specifies that 3m is generally regarded as the absolute minimum required to ensure sufficient internal	A six storey height limit will enable the efficient use of land that is close to the city centre and well serviced by public transport. Expert urban design advice to inform the development of PC9 19.5m is an appropriate height in metres equivalent to a six-storey residential building. This enables a floor-to-floor height of 3.1m

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
		floor-to-ceiling heights. Apartment schemes typically feature floor-to-floor heights of 3.1-3.2m while higher end developments can include floor-to-floor heights of up to 3.4m.	(internal floor-to-ceiling height of approximately 2.7m). An additional allowance of 0.9m is included to accommodate sloping roof forms and potential freeboard requirements in areas with some identified flooding issues. The 19.5m height limit provides an effective transition between the 32m height limit within the City Centre zone and the 11m height limit within the surrounding Residential 1 – Medium Density zone. From an urban design perspective, the 19.5m height limit is proportionate to the scale of the street and the public realm that can be seen across the Residential 2 zone, which features a typical width of 20.1m (one imperial chain). This could provide for a street enclosure ratio of 1:1, which is regarded as a well-founded rule of thumb in urban design that balances spatial definition and a sense of openness.
<i>Economic</i>	No direct economic benefit associated with this option.	Less consenting costs to applicants and developers seeking to develop higher	Less consenting costs to applicants and developers seeking to develop higher

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
		and larger scale apartment buildings around the City Centre. Supports public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City, but not to the same extent as Option 4.	and larger scale apartment buildings around the City Centre. Supports public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City.
<i>Social</i>	The scale of development delivered through this option may be considered by some members of the community as in keeping with the community's expectations given the current 8m height limit.	This option provides a height strategy which results in a stepping down in height away from the City Centre, reinforcing the City Centre as a key focal point for the community.	The 19.5m height limit will offer a distinct and identifiable node of built form amongst the surrounding medium density residential zonings. This will reinforce the City Centre as a key focal point for the community.
<i>Cultural</i>	Does not enable further intensification and development of land around sites of cultural significance.	Enables more intensive housing opportunities on Maori owned or Treaty settlement land.	Enables more intensive housing opportunities on Maori owned or Treaty settlement land.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	Option 4 is the preferred option. Providing for six story buildings through a 19.5m height limit is the most appropriate mechanism for achieving the objective because: • In accordance with RESZ-09 this option will facilitate neighbourhoods with a high density residential built character, comprising residential buildings generally up to six storeys, enabling a transition between the 32m height limit within the City Centre zone and the 11m height limit within the surrounding Residential 1 – Medium Density zone;		

	Option 1: Status quo	Option 2: Apply a 18m height limit to enable six storey development	Option 3: Proposed Plan Change: Apply a 19.5m height limit to enable six storey development
	• In accordance with SD04 and RESZ-08 this option adopts a 19.5m height limit which based on technical urban design input is more likely to facilitate six story development and therefore will result in an efficient use of land within areas adjacent to the City Centre and well serviced by public transport; and • The 19.5m height limit provides an effective transition between the 32m. The 19.5m height limit is proportionate to the scale of a typical street within the Residential 2 zone creating an appropriate balance between an enclosed urban feel and openness.		

7.8.4 Issue 5: Achieving High Density Housing Typologies within Residential 2 Zone

- (1) In addition to the application of the MDRS within the Residential 1 zone, accessibility and demand analysis undertaken has identified that further intensification is required in the Residential 2 zone in close walking distance to the City Centre.
- (2) The proposed standards within the Residential 1 zone are generally well aligned with development within the Residential 2 zone as they support multi-unit development, including those configured in apartment type arrangements. However, urban design analysis (refer *Appendix 9*), which has informed the development of this plan change, has highlighted the need to tailor some of the standard to further enable high density typologies. In particular, it is proposed to amend:
 - Height in relation to boundary control of 12m + 60 degrees is proposed to apply for the first 23.5m (1.5m front yard + 22m maximum building length) of the site from the street boundary. Beyond this, the 4m + 60 degree recession plan would apply. This tailored Height in Relation to Boundary standard is intended to accommodate viable floorplates at upper levels consistent with a planned urban character of apartment living in the Residential 2 zone. The more restrictive control is proposed to apply at the rear of the site to facilitate the greatest level of development at the site frontage, enabling effects associated with the additional building bulk or larger apartment buildings to be directed towards/ absorbed by the street (and any neighbouring front yards or roofs of existing buildings), rather than private open spaces at the rear of existing dwellings (refer to *Figure 14*).
 - A reduction of the minimum balcony dimensions to 1.5m and 6m² is proposed to reflect that the Residential 2 zone is located in close proximity to a range of amenities including hospitality and entertainment venues, open spaces and schools. Combined, these serve to reduce the requirement for on-site outdoor living spaces and are an important 'trade-off' that distinguishes low-density suburban housing from more intensive housing in and around centres.

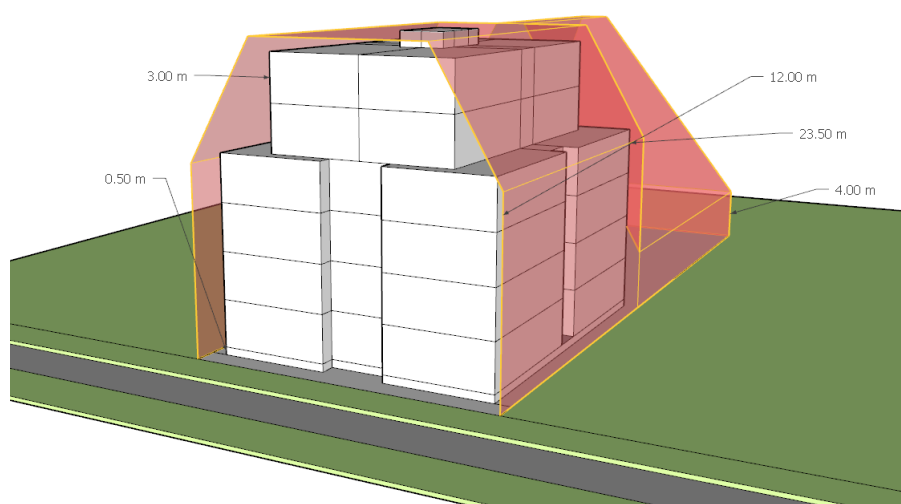


Figure 14: Built-form enabled by bulk and massing related development standards within the Residential 2 zone.

Table 11: Issue 5 - Achieving High Density Housing Typologies within the Residential 2 Zone

	Option 1: Apply the Residential 1 zone standards within the Residential 2 zone	Option 2: Proposed Plan Change – Tailor the standards to enable High Density Housing Typologies
<i>Description of option</i>	This option will apply the same package of standards as the Residential 1 zone (aside from height) within the Residential 2 zone.	This option will tailor the following standards within the Residential 2 zone to enable high density housing typologies: • Height in relation to boundary; and • Minimum balcony dimension.
<i>Efficiency and effectiveness in achieving objectives</i>		
SD09 Urban development results in attractive, safe and healthy environments.	This option will effectively and efficiently achieve SD09 as the MDRS HIRB. It has been designed to provide access to light and outlook between more intensive building forms and avoid excessive overlooking and dominance at side boundaries.	This option will effectively and efficiently achieve SD09 as the proposed HIRB standard has been through urban design testing which has resolved that the proposed control will enable a functional six story building at the site frontage, provide better light and outlook between more intensive building forms and avoid excessive overlooking and dominance at side boundaries towards the rear of the site.
RESZ-03 & RESZ -010 Development contributes to attractive and safe streets and open spaces.	This option is not as efficient or effective at achieving RESZ-03 & RESZ -010 as Option 2 as it will not facilitate the same extent of development at the site frontage to promote passive surveillance of streets.	This option will effectively and efficiently achieve RESZ-03 & RESZ -010 as the proposed Height in Relation to Boundary standard has been designed to facilitate the greatest level of development at the site frontage. This will encourage a built-form which can better promote passive surveillance of streets and supporting a high quality built-form, which minimises effects on neighbouring properties.
RESZ-03 & RESZ – 011 Development provides healthy, safe, high amenity and comfortable living environments for residents.	This option will effectively and efficiently achieve RESZ-03 & RESZ – 011, as the MDRS HIRB has been designed to provide access to light and outlook between more intensive building forms and avoid excessive overlooking and dominance at side boundaries towards the rear of	This option will effectively and efficiently achieve RESZ-03 & RESZ – 011 as the proposed HIRB standard has been designed to facilitate the greatest level of development at the site frontage, provide better light and outlook between more intensive building forms and avoid excessive overlooking and

	the site. The larger balconies will provide high amenity and comfortable living environments for residents.	dominance at side boundaries. The reduction in minimum balcony dimensions is appropriate, given that the Residential 2 zone is located in close proximity to a range of amenities and open spaces, which reduces the requirement for on-site outdoor living spaces. This is an important 'trade-off' that distinguishes low-density suburban housing from more intensive housing in and around centres.
<i>Costs</i>		
<i>Environmental</i>	Urban design testing has concluded that sites within the proposed extent of the Residential 2 zone exhibit a historic subdivision pattern, where compliance with the HIRB standard included within the MDRS will likely prevent development over 4-storeys/ 12m in height – well below the proposed height limit of 19.5m. Therefore, the application of the MDRS HIRB standard will significantly reduce the housing capacity that can be achieved within the Residential 2 zone.	Potential effects on adjoining properties and surrounding land uses, as a result of intensification in existing low-density residential areas.
<i>Economic</i>	Urban design testing has concluded that the MDRS HIRB standard will not facilitate development over 4-storeys/ 12m in height and therefore this option will lead to added compliance costs for the development of apartment buildings within the Residential 2 zone. The requirement to provide larger balconies within the Residential 2 zone will lead to greater construction costs.	High cost of construction of buildings greater than three storeys in New Zealand due to structural engineering, circulation and fire standards.
<i>Social</i>	The additional costs and time associated with the delivery of apartment buildings within the Residential 2 zone, resulting from a less flexible HIRB standard and	The smaller balcony requirement may result in less opportunity for private outdoor living space however, the Residential 2 zone is located in close proximity to a range of

	greater balcony requirement, will slow the delivery of much needed housing.	amenities including parks and the city centre, so there is not as great a need for private outdoor space, within this location.
<i>Cultural</i>	Potential for poor design outcomes for lands near cultural sites.	Potential for poor design outcomes for lands near cultural sites, but better ability to control.
<i>Benefits</i>		
<i>Environmental</i>	This option will enable lower building height at the boundary and therefore will have fewer potential effects on adjoining properties and surrounding land uses, however urban design testing has concluded that it will not facilitate development consistent with a planned urban character of apartment living in the Residential 2 zone.	Urban design testing has concluded that the proposed HIRB standard will accommodate viable floorplates at upper levels, consistent with a planned urban character of apartment living in the Residential 2 zone. The proposed HIRB standard has been designed to facilitate the greatest level of development at the site frontage, provide better light and outlook between more intensive building forms and avoid excessive overlooking at side boundaries towards the rear of the site.
<i>Economic</i>	Reduced cost of construction of buildings less than four storeys in New Zealand due to structural engineering, circulation and fire standards.	Providing a more flexible HIRB standard will result in a simpler compliance approach, which will reduce costs and time for those developing within the Residential 2 Zone. Potential for an increase in yield associated with the HIRB standard, which can facilitate six storey development on a typical site.
<i>Social</i>	Incorporating a lower HIRB control may be more in keeping with some members of the community's expectations as this will be less change from the operative HIRB standard. The larger balcony requirement may provide increased opportunities for outdoor living however, the Residential 2 zone is located in close proximity to a range of	Providing a simpler compliance approach that supports high density residential development may result in the faster delivery of additional housing.

	amenities including parks and the city centre, so there is not as great a need for private outdoor space within this location.	
<i>Cultural</i>	Facilitate more housing opportunities on whenua Māori.	Facilitate more housing opportunities on whenua Māori.
<i>Risks</i>	The risk of not acting is high. There are requirements to introduce greater residential development density within Rotorua and the current approach does not address Issue.	
<i>Summary</i>	Option 2 is the preferred option. Tailoring the HIRB and minimum balcony dimension within the Residential 2 zone to facilitate High Density residential development is the most appropriate mechanism for achieving the objective because: • The proposed HIRB standard has been designed to facilitate the greatest level of development at the site frontage, provide better light and outlook between more intensive building forms and avoid excessive overlooking and dominance at side boundaries towards the rear of the site in accordance with SD09; • The proposed HIRB standard has been designed to facilitate the greatest level of development at the site frontage, encouraging a built-form which can better promote passive surveillance of streets and support a high quality built-form, which minimises effects on neighbouring properties in accordance with RESZ-03 & RESZ -010; and • The reduction in minimum balcony dimensions is appropriate as the Residential 2 zone is located in close proximity to the existing open space network, which reduces the requirement for on-site outdoor living spaces and are an important 'trade-off' that distinguishes low-density suburban housing from more intensive housing in and around centres.	

7.9 Evaluation of Provisions for the Residential 1 and 2 Zones

7.9.1 Issue 6: Activity Status for Four or More Residential Units in the Residential 1 & 2 Zones

- (1) Under the MDRS, development of 4 or more residential units is a restricted discretionary activity. There is flexibility however, for Councils to make this requirement more enabling. Therefore, a decision needs to be made in relation to whether a more enabling activity status is appropriate, within the Rotorua context.
- (2) As previously discussed, with the introduction of medium density and high density residential development there is potential for adverse effects on the quality and amenity of the urban environment. This is particularly the case for more intensive forms of development that are not contemplated by the MDRS. Therefore the need to achieve quality design is increasingly important as the scale of development increases to ensure that development:
 - achieves the planned urban built character of the zone;
 - achieves attractive and safe streets and public open spaces;
 - manages the effects of development on adjoining sites, including visual amenity, privacy and access to daylight and sunlight; and
 - achieves high quality on-site living environments.
- (3) To address this issue, it is proposed to apply a Restricted Discretionary Activity Status for 4 or more residential units in both the Residential 1 and 2 zones. Applications for consent are proposed to be non-notified where they comply with the performance standards in recognition that this is a technical design assessment and the Council is unlikely to obtain any additional information through notification. Processing these resource consents on a non-notified basis (unless special circumstances apply), reduces risks to applicants.
- (4) Amendments are proposed to the matters of discretion and assessment criteria to ensure the design assessment considers:
 - How the design facilitates an attractive and safe streetscape and public open spaces, promoting opportunities for passive surveillance;
 - Onsite residential amenity and how dwellings are functional to meet day to day needs;
 - Effects on adjoining sites; and
 - Infrastructure and stormwater management.
- (5) The proposed resource consent requirements enable the design and layout of the development to be assessed; recognising that the need to achieve a quality design is increasingly important as the scale of development increases.

Table 12: Issue 6 - Activity Status for Four or More Residential Units in the Residential 1 & 2 Zones

	Option 1: Permitted subject to compliance with standards	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality to four or more residential units
<i>Description of option</i>	This option would enable developments of four or more residential units in the Residential 1 and 2 zones as a permitted activity where compliance is achieved with standards.	This option will require developments of four or more residential units in the Residential 1 and 2 zones to obtain a resource consent as a restricted discretionary activity with matters of discretion to assess design quality.
<i>Efficiency and effectiveness in achieving objectives</i>		
SD09 Urban development results in attractive, safe and healthy environments.	This option is not efficient and effective at achieving this objective as the impact of medium and high density development on the attractiveness, safety and health of an urban development cannot be determined through a permitted activity status and would rely on a non-regulatory approach and the goodwill of applicants. Permitted standards are not efficient and effective at achieving good design outcomes within high density and large scale medium density developments. This is because there are a variety of design solutions to manage effects and the optimum solution will depend on the context of the site. For example to create a quality apartment development the site design and placement of the apartment building should be completed together to ensure the development positively contributes to its setting.	Through enabling an urban design assessment this option will ensure that large scale development at medium and high densities achieves quality built outcomes through enabling the ability to assess the site design and placement of buildings and the site context.

	Option 1: Permitted subject to compliance with standards	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality to four of more residential units
	This is achieved through a qualitative assessment rather than prescriptive standards.	
RESZ-03 & RESZ -010 Development contributes to attractive and safe streets and open spaces.	This option is not efficient and effective at achieving this objective as the impact of medium and high density development on the attractiveness and safety of streets and open spaces can be determined through a permitted activity status but not in a way that is flexible and responsive to context.	Through enabling an urban design assessment this option will ensure that large scale development at medium and high densities responds to the context of the development ensuring that the site design, placement of building and the design of the building itself contributes to the attractiveness and safety of streets and open spaces.
RESZ-03 & RESZ – 011 Development provides healthy, safe, high amenity and comfortable living environments for residents RESZ-04 Development provides healthy, safe and quality living environments for residents, within the context of a medium density residential environment.	This option is not efficient and effective at achieving this objective, as the impact of medium and high density development on the amenity of residents can be determined through a permitted activity status but not in a way that is flexible and responsive to context.	Through enabling an urban design assessment this option will ensure that large scale development, at medium and high densities, contributes to quality living environments through ensuring the design of buildings responds to the site context.
<i>Costs</i>		
<i>Environmental</i>	This option does not enable the consideration of building placement and site design specific to the site context. This could lead to poor urban design outcomes, adverse effects on adjoining properties, the public realm and on-site amenity.	Potential effects on adjoining properties and surrounding land uses as a result of greater intensification in existing low-density residential areas however, these may be mitigated through the resource consent process which will consider how the design of the proposal facilitates onsite amenity.

	Option 1: Permitted subject to compliance with standards	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality to four of more residential units
<i>Economic</i>	Economic costs associated with in poor living conditions and associated social issues as a result of medium and high-density residential developments that do not achieve quality urban design outcome.	Cost of applying for a restricted discretionary resource consent for meeting urban design requirements.
<i>Social</i>	This option may result in poor living conditions and associated social issues as a result of medium and high-density residential developments that do not achieve quality urban design outcome.	Potential effects on adjoining properties and surrounding land uses as a result of greater intensification in existing low-density residential areas, however these may be mitigated through the resource consent process.
<i>Cultural</i>	No ability to assess the urban design quality of large-scale development of surrounding sites of cultural significance, which could result in poor quality outcomes on adjoining sites.	Further intensification and development of land around sites of cultural significance.
<i>Benefits</i>		
<i>Environmental</i>	It is possible to achieve good environmental outcomes under this approach but not in a way that is flexible and responsive to the specific site context.	This option will lead to better urban design outcomes for the public realm and on-site amenity, as these matters can be considered through the resource consent process specific to the site context
<i>Economic</i>	Providing a simpler compliance approach will reduce costs and time to those developing within the Residential 1& 2 Zones.	While there will be associated costs in applying for resource consents, clear assessment criteria will increase certainty to developers.
<i>Social</i>	This option may result in the faster delivery of additional housing without having to go through a	This option will lead to better urban design outcomes for the public realm and on-site amenity

	Option 1: Permitted subject to compliance with standards	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality to four or more residential units
	resource consent process, however the poor-quality outcomes may outweigh this potential benefit.	as these matters can be considered through the resource consent process.
<i>Cultural</i>	Facilitates more housing opportunities on whenua Māori, but potential for poor design outcomes for lands near cultural sites.	Facilitates more housing opportunities on whenua Māori, and better ability to manage design outcomes for lands near cultural sites.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is the preferred option. Requiring developments of four or more residential units in the Residential 1 & 2 Zones to obtain resource consent as a restricted discretionary activity with matters of discretion to assess design quality, will enable flexibility to ensure urban development respond to the specific site context resulting in attractive, safe and healthy environments.	

8.0 Residential 3 Zone

8.1 Structure of this Section

- (1) This section includes the required Section 32 and Section 77J evaluation of the provisions in the District Plan proposed to be retained and applied to the Residential 3 zone under PC9. The MDRS is not proposed to apply to the Residential 3 zone due to a new qualifying matter under Section 77I(a).

8.2 Overview and Scope of Amendments

- (1) Urban Rotorua includes three Māori villages, Ōhinemutu, Whakarewarewa and Ngāpuna, which sit within a separate residential zone known as the 'Residential 3 Zone'. This zoning framework recognises the villages of Ōhinemutu, Whakarewarewa and Ngāpuna as exceptional and unique places within the district.
- (2) The analysis below concludes that the Ōhinemutu, Whakarewarewa and Ngāpuna should not be subject to the MDRS. The characteristics, cultural and historical significance of Ōhinemutu, Whakarewarewa and Ngāpuna are such that applying the MDRS would not be consistent with the purpose and principles of the RMA. The separation and retention of the current zoning framework is considered to manage the use, development and protection of the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga as a matter of national importance under s6 for the reasons set out below. Engagement with the community of the villages supported the retention of the current framework.

8.3 Operative District Plan Approach

- (1) The urban environment of Rotorua includes three Māori villages, Ōhinemutu, Whakarewarewa and Ngāpuna, which are recognised through the unique "Residential 3 Zone". This zoning framework recognises the villages of Ōhinemutu, Whakarewarewa and Ngāpuna as exceptional and unique places within the district. The zoning framework is supported by specific provisions, which aim to reflect their cultural significance.
- (2) Objective 4 of the Residential zones seeks to maintain the following qualities that contribute to the cultural significance of the Te Arawa villages:
 - Single storey housing grouped in clusters;
 - Narrow lanes and limited space around buildings;
 - Pedestrian focused;
 - Geothermal features;
 - Home based businesses; and
 - Community established around Marae.
- (3) This objective is implemented by policies 9, 17, 18 and 19 of the residential zones and rules that provide for residential activities at medium densities. Each village is focussed around the marae that provides cultural significance.

- (4) The District Plan also recognises this by identifying the Marae and applying a Marae Protection Overlay to adjacent sites that limits building heights to 5m to ensure the Marae remain a visually prominent feature within the villages.
- (5) The purpose of the Residential 3 Zone in the District Plan is to recognise and protect the cultural significance of these villages. This recognition and protection is provided for through separate standards, which include a lowered maximum building height, increased density, decreased front yards and a lowered site coverage. Generally, the provisions for the Residential 3 Zone are more enabling than the current other Residential Zones.

8.3.1 Significance of the Villages

- (1) Through recent engagement, iwi and hapū have confirmed the cultural values and significance associated with the Te Arawa villages, and they have advised that the operative Residential 3 provisions appropriately reflect those values. The outcome of these discussions is detailed below. Iwi and hapū have also expressed a desire to continue discussions with the Council on the Residential 3 zone provisions, and this will occur following notification of PC9.
- (2) There are a number of iwi/hapu that have an interest in Ōhinemutu, Whakarewarewa and Ngāpuna as listed below:
 - Tūhourangi, Ngāti Wāhiao, Ngāti Huarere, Ngāti Tūkiterangi, Ngāti Hinganoa
 - Ngāti Hinemihi, Ngāti Tarāwhai, Hurungaterangi, Ngāti Taeotu, Ngāti Te Kahu
 - Ngāti Tūmatawera, Ngāti Kahu-ūpoko
 - Ngāti Whakaue, Ngāti Tūnohopū, Ngāti Te Roroaterangi, Ngāti Pūkākī, Hurungaterangi, Ngāti Taeotu, Ngāti Rangiiwaho
- (3) It is also important to acknowledge the Partnership Agreement between Te Arawa and Rotorua Lakes Council which was signed in 2015. The partnership was developed by Te Arawa at Council's request as a means to help Council meet commitments to effectively partner with Te Arawa, to improve Council's legal and statutory obligations to Māori, to strengthen Te Arawa's participation in Council decision-making, to identify strategic opportunities to work closely together for the betterment of Rotorua District, and to build Iwi capacity and capability to partner with local government. The approach of direct engagement with the residents of the three villages recognises a shift in Council approach, and awareness that direct engagement ensures the cultural significance of Ōhinemutu, Whakarewarewa, and Ngāpuna is recognised and provided for within the Rotorua District.

8.3.2 Ōhinemutu

- (1) Ōhinemutu was established generations ago and is a focus for the continued expression of Ngāti Whakaue belonging, identity, kawa and tikanga. The cultural significance of Ōhinemutu is strengthened through the three marae (Te Papaouru, Paratehoata me Te Kohea and Te Kuirau) which empower strong, vibrant hapū and iwi life both inside and outside of Ōhinemutu. There are many other important community spaces within the pā including the churches of St Michaels and St Faiths, Muruika urupā, Te Ao Mārama Hall and Tipu Ora medical centre. There are also numerous taonga tuku iho and tohu nui (landmarks) surrounding Ōhinemutu including Te Rotoruanui a Kahumatamomoe, ngāwhā, Tiki, te Ruapeka, te Utuhina, Te Kuirau and Pukeroa (extending out to the many other wāhi tupuna of the broader Ngāti Whakaue rohe). Ōhinemutu is

the original township and the birth-place of the wider Rotorua Lakes District and it remains at the heart of the modern city. Geothermal features throughout the village are used to enhance everyday activities contribute to the cultural importance of Ōhinemutu. Much of Ōhinemutu is Māori land and homes in the pā tend to be handed down within wide whānau. Narrow roads and one-storey and two storey homes, with a mix of building materials, built relatively closely together (compared to the rest of the district) enhance the feeling of a close-knit community.

8.3.3 Whakarewarewa

- (1) Whakarewarewa is an ancestral kāinga for Tūhourangi Ngāti Wahiao. The Puarenga river and an abundance of geothermal features throughout the village create a focus for its special historic and cultural nature, and shape the identity of the people. Te Pakira marae is a dominant feature and an expression of the belonging, identity, kawa and tikanga of Tūhourangi Ngāti Wahiao. It is the focus for a strong and vibrant hapū and iwi life. Whakarewarewa is also the setting for historic guiding activities that Tūhourangi Ngāti Wahiao began in the late 1880s and continue to practice today, epitomising manaakitanga and rangatiratanga. Today, Whakarewarewa is characterised as having narrow streets and one-storey buildings built relatively closely together (compared to the rest of the district). Most of the buildings are wooden, weatherboard, and buildings can be clustered together, reflecting a close-knit community. The Village is Māori land so homes in the Village are passed down through wider whānau, reflecting the continued whakapapa connections of the residents.

8.3.4 Ngāpuna

- (1) Ngāpuna is an historic kāinga and village of ngā hapu e toru a Ngāti Whakaue and of Tūhourangi. It is a focus for the continued expression of hapū belonging, identity, kawa and tikanga. The two marae Hinemihi and Hurunga o te Rangi (and the associated urupā) are a focus for hapū life and represent the strength and permanence of mana whenua presence on the whenua. Important taonga tuku iho surrounding Ngāpuna include the Puarenga river, numerous geothermal features, Te Papa a Ruamoia and Rotorua Lake itself. Dwellings in the area are typically single storey and many were built in the mid 1950s to 1970s. There is a mix of general land and Māori freehold land, and homes tend to be passed down through families, reflecting the continued whakapapa connections of the residents.

8.4 Qualifying Matter and Justification of Incompatibility of MDRS

- (1) Section 77I of the Amendment Act stipulates that a territorial authority may make the MDRS and the relevant building height or density requirements within a relevant residential zone more less enabling of development only to the extent necessary to accommodate 1 or more of the outlined qualifying matters. This includes a matter of national importance that decision makers are required to recognise and provide for under section 6 (Section 77I(a)).
- (2) The values and characteristics of Ōhinemutu, Whakarewarewa and Ngāpuna are considered to be a s6(e) matter of national importance and provides for the relationship of Maori and their culture and traditions with their ancestral, lands, water, sites, waahi tapu and other taonga, for the reasons outlined below.
- (3) Engagement was held with the community members of each of the villages. Engagement included a survey to identify the values of the village and whether the Medium Density Residential Standards would be appropriate in the zone (refer *Appendix 19*). Additionally, Hui were held to

further explain the outcomes of the Amendment Act and understand the aspirations of each community (refer *Appendix 19*). Both the surveys and hui identified that each village community considered that the application of the MDRS does not provide for an appropriate level of development, due to a variety of cultural reasons. For each of the villages, the reasons are summarised below. Both the survey responses and further information can be found in the appendices (refer *Appendix 19*).

8.4.1 Ōhinemutu

- (1) Engagement with the community of Ōhinemutu was in the form of a survey to the ratepayers, owners and occupiers and a hui. The outcome of both expressed that the community has an intimate connection with their whenua and whakapapa. Ōhinemutu represents a traditional cultural village, which has been passed down the generations and is a place for whanau to connect. There are clear linkages between tupuna and the current generation. Strong feedback indicates the importance of the wairua of the whenua and geothermal features, which are throughout the village. Ōhinemutu is characteristically and culturally different from the remainder of the Rotorua District. The survey responses outlined that the current style of the built form, and character do contribute to the cultural heritage of Ōhinemutu. Clear feedback stated that the built form of Ōhinemutu should be built adjacent to the marae and geothermal features. Iwi and hapū that were consulted generally stated that the application of the MDRS would be inappropriate given the cultural significance of the village.

8.4.2 Whakarewarewa

- (1) Engagement with the community of Whakarewarewa was in the form of a survey to the ratepayers, owners and occupiers of the community, and an updated provided to the Tuhourangi Tribal Authority at their regular protocol meeting. The survey responses outlined that Whakarewarewa represents a unique village in Rotorua with significant cultural values. Survey responses outlined that while there is variety in the style of buildings throughout the village, the current built form generally represents the cultural values and contributes to the cultural heritage of Whakarewarewa. Many of the survey responses outlined that there are also significant ground condition constraints, that both from a physical and cultural perspective, would not support the application of the MDRS to Whakarewarewa. The built form of Whakarewarewa is characterised by narrow roads and small single story houses, which do not overshadow the marae. Generally, the survey responses outlined that the cultural significance of the Whakarewarewa would deem the MDRS being applied as inappropriate.

8.4.3 Ngāpuna

- (1) Engagement with the Ngāpuna community comprised of a survey to the ratepayers, owners and occupiers as well as a hui held at Hurungaterangi Marae. Both the survey responses and the outcome of the hui highlighted strongly that Ngāpuna is a place with a strong connection to whanau, whakapapa and whenua. Feedback indicated that past decisions have had a negative impact on both the community and the environment. It was clear that the industrial activities on adjacent land has in the past, and continues to, impact negatively on the cultural and historical values of Ngāpuna village. The Ngāpuna community is uniquely Māori and generally aspires to have a built form which reflects Maori cultural values. In this regard, survey feedback indicated that it should continue to be developed in a way that reflects its connections to its whakapapa. The village status of Ngāpuna, which sets the area apart from the remainder of the urban environment, is

seen as an important aspect, which should continue into the future. Generally, the response from the community of Ngāpuna is that the MDRS application would not be appropriate given the both the cultural aspirations and significance of the village.

8.4.4 Summary of Feedback

- (1) Recent engagement with iwi and hapū has confirmed the position of the respective communities on the cultural significance and values of their villages. The prevailing view across all three communities is that the operative District Plan provisions for the Residential 3 zone, as they currently stand, appropriately supports the underlying cultural values. For this reason, the MDRS will not be applied to the villages and PC9 proposes to retain the Residential 3 Zone so that it continues to provide for the unique relationship between local Māori and their cultural traditions, ancestral lands, sites, waahi tapu, and other taonga.
- (2) Many community members have however expressed a willingness to continue discussions following notification of, PC9 and the Council will continue to work with the local iwi and hapū to ensure that the planning provisions that apply to the villages reflect their unique cultural values and significance.

8.5 Impact on Development Capacity

- (1) The existing Residential 3 Zoning framework contains provisions which are less enabling than those of the proposed MDRS. These provisions, however, are generally more enabling than those of the operative provisions for the Residential Zones. The current Residential 3 Zone provisions are summarised below in comparison to the MDRS.

Table 13: Current Residential 3 Standards compared to the MDRS (Rotorua District Plan, 2016) (Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021).

	Current District Plan Standards (Residential 3 Zone)	Medium Density Residential Standards
Maximum Building Height	5m	11m with an allowance for the peak of the roof to extend an additional 1m.
Density	1 house per 250m ²	3 houses per site
Minimum distance from house to front yard	3m	1.5m
Minimum distance from house to side and Rear	2.5m	1m
Height envelope	3m +45 degrees	4m + 60 degrees
Maximum amount of site that can be covered by buildings	50%	50%

Glazing, landscaping, outlook space	No controls	Controls
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- (2) To assist in understanding the effects on development capacity, analysis has been undertaken by Market Economics. The Rotorua Intensification Economic Assessment as prepared by Market Economics (refer *Appendix 8*) assessed the impact on the development capacity of urban Rotorua if the Residential 3 Zone was excluded from the MDRS as a qualifying matter. The effect, on capacity, of excluding the MDRS provisions from the Residential 3 zones (as a qualifying matter), and retaining the current Operative District Plan Capacity was tested across four intensification scenarios. The report found that the exclusion of the MDRS provisions from the Residential 3 Zone areas decreases the total plan enabled capacity only marginally by between 0.6% and 0.8%, which amounts a difference of only 1,000 fewer net additional dwellings across the modelled scenarios.
- (3) It was further determined that when considering different intensification scenarios that the difference in capacity is greater with respect to horizontally attached redevelopment as opposed to horizontally attached infill. In this regard, it was found that there were 1,500 fewer additional dwellings, which is a slightly larger decrease in additional capacity of 1.4%. This is because the maximum yields on many of these parcels are likely to still be exceeded by higher density development options (i.e. vertically attached apartments).
- (4) It is also noted that the above assessment is based on plan-enabled capacity and not feasible capacity. While there is a reduction in plan-enabled capacity, the Council has had clear feedback from the communities living in the villages that the current planning rules are sufficient to cater for future development, while respecting cultural values. This suggest that even if the MDRS was applied, the development capacity enabled may not be taken up by residents.
- (5) The exclusion of the MDRS provisions from the Residential 3 Zone area is therefore unlikely to have any significant effect on plan-enabled capacity or the longer-term growth patterns of Rotorua's urban area at a city level. The full Economic Assessment can be found in *Appendix 8*.

8.6 Appropriateness of Proposed Objectives

- (1) Relevant to this assessment are the following objectives of the District Plan:
- *SDML-O1 – Opportunities for development on Māori land that meet the needs of those landowners and respects the exercise of kaitiakitanga and the relationship of tangata whenua with land, water, significant sites and wāhi tapu.*
 - *SDUD-O1 – Sufficient land area suited for future urban and economic development that provides for the residents of Rotorua with a range of lifestyle and development choices.*
 - *RESZ-O4 – Maintain the following qualities and characteristics that contribute to the cultural significance of the Te Arawa villages of Ōhinemutu and Whakarewarewa:*
 - *Single storey housing grouped in clusters*
 - *Narrow lands and limited space around buildings*
 - *Pedestrian focused*
 - *Geothermal features*

- *Home based businesses*
 - *Community established around Marae*
 - *RESZ-O5 – Avoid adverse effects of non-residential activities within the Residential 3 zone on the amenity of Ngāpuna.*
- (2) These objectives are considered to be the most effective way to achieve the purpose of the RMA, including the relationship of Maori and the cultural traditions with their ancestral lands, sites, waahi tapu, and other taonga (s6(e)) for the reasons outlined in the sections above.

8.7 Evaluation of Provisions

- (1) The table below provides a summarised evaluation of the options available to manage development in the Residential 3 zone, within the context of the NPSUD and Amendment Act requirements (refer *Table 14*) The options assessed included retaining the Residential 3 zone of the operative District Plan or applying the MDRS, and retaining the Marae Protection Overlay. Further options may be identified as part of on-going engagement with iwi and hapū.
- (2) An assessment of the provisions against the requirements of s77J are included in *Appendix 4* of this report.

Table 14: Table evaluating the options for the Residential 3 Zone

	Option 1: Retain the current Zone (Status Quo)	Option 2: Proposed Plan Change inclusion of the MDRS
<i>Description of option</i>	This involves retaining the current Residential 3 Zoning framework (Ōhinemutu, Whakarewarewa and Ngāpuna) and associated provisions.	This option includes changing the zoning of the Residential 3 Zone to the Medium Density Zone and applying all associated provisions.
<i>Efficiency and Effectiveness in achieving objectives</i>		
SDML-O1 Opportunities for development on Māori land that meet the needs of those landowners and respects the exercise of kaitiakitanga and the relationship of tāngata whenua with land, water, significant sites and wāhi tapu.	Less efficient and effective in achieving the SDML-O1 around enabling opportunities, as there will be a reduction in development opportunities in the Residential 3 Zone. However, may be more efficient and effective in achieving SDML-O1 with respect to exercising kaitiakitanga and the relationship of tāngata whenua with land, water, significant sites and wāhi tapu as it will require a resource application allowing the possible effects on the relationship to be assessed.	May be more efficient and effective in achieving SDML-O1 with regard to the opportunities for development on Māori land as it enables permitted development providing it meets the MDRS and an increased baseline for greater level of development. However, may be less efficient and effective in achieving SDML-O1 exercising kaitiakitanga and the relationship of tāngata whenua with land, water, significant sites and wāhi tapu as it will enable a greater level of development on culturally significant land.
SDUD-O1 Sufficient land area suited for future urban and economic development that provides for the residents of Rotorua with a range of lifestyle and development choices.	Less effective and efficient in achieving SDUD-O1 as retaining the current provisions would lessen the plan-enabled development capacity of the Rotorua urban environment, however noting that the impact on feasibility is likely to be limited given landowner preferences expressed at hui and in survey responses. Could also lessen the effectiveness and efficiency or provide a range of development choices, as it would not incorporate the MDRS.	More efficient and effective in achieving SDUD-O1 as it allows for greater plan-enabled development capacity within the Rotorua urban environment. Furthermore, it is also more effective and efficient in enabling a range of development choices for Rotorua residents as the MDRS allows for greater housing options.

	Option 1: Retain the current Zone (Status Quo)	Option 2: Proposed Plan Change inclusion of the MDRS
RESZ-O4 Maintain the following qualities and characteristics that contribute to the cultural significance of the Te Arawa villages of Ōhinemutu and Whakarewarewa: 1. Single storey housing grouped in clusters; 2. Narrow lands and limited space around buildings; 3. Pedestrian focused; 4. Geothermal features; 5. Home based businesses; and 6. Community established around Marae	More efficient and effective in achieving RESZ-O4, as retaining the current provisions would maintain the current qualities and characteristics of Ōhinemutu and Whakarewarewa contributing to the cultural significance of the villages. This is particularly the case regarding the single storey housing grouped in clusters and communities established around marae, as the current framework provides for both characteristics.	Less efficient and effective in achieving RESZ-O4 as the application of the MDRS to the Residential 3 Zone would not maintain single storey houses grouped in clusters and may not maintain the unique characteristics associated with the communities established around marae. Both of which contribute to the cultural significance of the Te Arawa villages.
RESZ-O5 Avoid adverse effects of non-residential	Not relevant as PC9 does not provide for any non-residential activities.	Not relevant as PC9 does not provide for any non-residential activities.

	Option 1: Retain the current Zone (Status Quo)	Option 2: Proposed Plan Change inclusion of the MDRS
activities within the Residential 3 zone on the amenity of Ngāpuna.		
<i>Costs</i>		
<i>Environmental</i>	Potential to enable less efficient use of land within the Residential 3 Zone, in close proximity to the CBD.	
<i>Economic</i>	Reduces the amount of plan-enabled capacity within the urban area and the flexibility for landowners to redevelop for more intensive residential activities in the future (refer <i>Section 8.5</i> and <i>Appendix 8</i>).	
<i>Social</i>	Enables a more limited range of housing choice within the Residential 3 Zone.	Potential effects of adjoining properties and surrounding land uses as a result of greater intensification. Intimate connection between the social wellbeing and cultural wellbeing in te ao Māori so below cultural costs may impact the social wellbeing of the Residential 3 communities.
<i>Cultural</i>	Potential for lesser opportunity for future development on land, which may include Māori owned land.	Further intensification and development of land with cultural significance, which may impact negatively on the relationship between Māori and their culture and traditions with respect to their ancestral lands, water, sites, waahi tapu and other taonga as a Section 6 (RMA) Matter of National Importance. Possible disconnection of relationship between whenua and whakapapa within the villages.

	Option 1: Retain the current Zone (Status Quo)	Option 2: Proposed Plan Change inclusion of the MDRS
		Possible degradation of the wairua of the whenua and supporting features. Potential loss of character and built form of the urban environment, which is connected to the cultural and historical values of the villages. Would enable buildings to overshadow the Marae, which are a focal point of the village resulting in impacts on the cultural significance. Could lessen the intimate connection between whanau, whakapapa and whenua. Would remove the separation of the Residential 3 Zone from the remainder of the Residential Zone disregarding the "village status," which is valued within the Residential 3 community.
<i>Benefits</i>		
<i>Environmental</i>	Provide for lower height in the Residential 2 Zone, which may potentially result in less impact on amenity of the existing properties.	Intensification of existing urban areas promotes infrastructure efficiency. Makes efficient use of residential land which is reasonably accessible.
<i>Economic</i>		Potential for greater plan enabled development capacity in Rotorua- although only marginal (refer <i>Section 8.5</i> and <i>Appendix 8</i>). Potential for greater development opportunities on Māori owned land.

	Option 1: Retain the current Zone (Status Quo)	Option 2: Proposed Plan Change inclusion of the MDRS
<i>Social</i>	Will protect the cultural significance of the Residential 3 Zone which will result in better social outcomes for the residents. Intimate connection between the social wellbeing and cultural wellbeing in te ao Māori so below cultural benefits may benefit the social wellbeing of the Residential 3 Communities.	Potential to provide for greater social benefits as it will enable a greater increase in housing supply and choice.
<i>Cultural</i>	Enables greater protection to the historical and cultural values of the Residential 3 Zone.	Enables more intensive housing opportunities on Māori owned or Treaty settlement land.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required. Noting that iwi and hapū have expressed a preference to continue discussions with the Council regarding the provisions applying in the Residential 3 zones. While these discussions continue, it is considered appropriate to retain the current zoning framework and address any amendments through the submission and hearings process for PC9, or through a future Plan Change as the case may be.	
<i>Summary</i>	Retaining the current Residential 3 Zone provisions as a new qualifying matter is the most efficient way to manage the use, development and protection of the relationship between Maori and their culture and traditions in relation to their ancestral lands, water, sites, waahi tapu and other taonga as a Section 6(e) Matter of National Importance.	

9.0 Development Areas

9.1 Structure of this Section

- (1) This section includes the required section 32 evaluation of the provisions proposed to apply to the Wharenui and Pukehangi Heights development areas under PC9. The proposed provisions include:
 - The partial adoption of the MDRS;
 - Retaining existing provisions in relation to flooding, land instability, infrastructure, cultural values and landscape values as existing qualifying matters;
 - Amendments to provisions that address existing qualifying matters of landscape values in the Pukehangi Heights Development Area and infrastructure upgrades in relation to the Wharenui Development Area; and
 - Consequential amendments.
- (2) The below assessment does not consider the density standards in the MDRS that have been incorporated into PC9 as these are required by the Amendment Act. The below assessment therefore focuses on the provisions to be retained as existing qualifying matters and related provisions proposed through PC9.

9.2 Overview and Scope of Amendments

- (1) Amendments are proposed to Wharenui and Pukehangi Heights development areas as part of PC9. These changes are primarily to give effect to the requirement to incorporate the MDRS in the Residential 1 Zone and seek to align and integrate the policies and rules with the MDRS.
- (2) Aspects of the existing planning framework for Pukehangi Heights are proposed to be retained to address the special flood management constraints, cultural values, infrastructure requirements and landscape values of the caldera rim. Amendments are also proposed to address the landscape values of the caldera rim in the context of the potential for increased development density on the upper terrace of the Development Area. Provisions relating to infrastructure are also retained with amendments for the Wharenui Development Area. While these existing provisions may limit the height and density that can be achieved under the MDRS this is appropriate given these provisions relate to existing qualifying matters in accordance with Section 77I(j).

9.3 Background Issues of Concern

- (1) The Pukehangi Heights and Wharenui Development Areas include a package of additional place-based provisions to manage the future urbanisation of these greenfield areas in a way that responds to existing values and/or constraints. Given the Residential 1 applies within the Pukehangi Heights and Wharenui Development Areas there is now a requirement to incorporate the MDRS in the Residential 1 Zone parts of the development areas (Section 80E RMA).
- (2) In incorporating the MDRS within the Pukehangi Heights and Wharenui Development Areas consideration needs to be given to the following:
 - Ensuring that the special flood management constraints, cultural values, infrastructure requirements and landscape values of the Pukehangi Heights Development Area; and the

infrastructure and staging requirements of the Wharenui Development Area, can still be addressed notwithstanding the introduction of the MDRS.

- Integrating other aspects of the existing planning regime that do not conflict with the implementation of the MDRS.

9.4 Appropriateness of Proposed Objectives

- (1) No changes are proposed to the objectives. Pukehangi Heights Development Area includes its own objectives, while Wharenui Road Development Area does not contain any specific objectives and instead relies on the objectives of other chapters.
- (2) In relation to the qualifying matters there are existing plan objectives to guide the management of these matters:
 - Landscape and Amenity objective PHDA-O1 and the strategic direction objective SD-O7 are relevant to the landscape protection within the Pukehangi Heights Development Area:
 - *PHDA-O1 Maintain the valued landscape character and amenity values associated with the wider caldera rim while enabling development that is consistent with the principles of the Pukehāngi Heights Development Area Structure Plan and visually integrates with surrounding land uses*
 - *SD-O7 The amenity values associated with the Rotorua caldera landscape and adjacent zones is maintained when subdivision and development occurs.*
 - Objectives relating to stormwater and flood management, instability, protection of cultural heritage, integration of development and infrastructure, and the quality of the urban environment are also relevant to the qualifying matters identified for these development areas.
- (3) These objectives are considered to remain appropriate, notwithstanding the MDRS. Those objectives relating to stormwater and flood management, instability, cultural heritage address matters of national importance in section 6 of the RMA; those addressing integration of development and infrastructure address objective 6 of NPS-UD; and the objective relating to the caldera rim responds to the values associated with this feature, while recognising that Pukehangi Heights is primarily in the less sensitive part of the landscape and development should be enabled if it integrates with surrounding land uses¹⁵.

9.5 Evaluation of Provisions

- (1) Amendments proposed to the provisions for the Pukehangi Heights and Wharenui Development Areas development areas to incorporate the MDRS into relevant residential zones (that is, those parts of the development areas zoned Residential 1 Zone) and remove aspects that conflict with the MDRS include:

Pukehangi Heights

- Alignment of performance standards with the MDRS standards.

¹⁵ Refer to Boffa Miskell Ltd, Rotorua Caldera Rim Caldera Rim Rural Character Design Guideline, October 2012, which identifies the more and less sensitive areas of the Caldera Rim.

- Deletion of the restricted discretionary activity status rule for household units, so that household units can potentially be permitted activities under rule PHDA-R1 provided permitted activity standards are met.
- Deletion of the specific areas identified for Medium Density Residential Development in the structure plan and the corresponding policies (PHDA-P2, PHDA-P10), rules (PHDA-R6), standards (PHDA-SL8, PHDA-SS5) and matters of discretion (PHDA-MD1); so that medium density development can occur across the Residential 1 Zone part of the development area in accordance with the MDRS.
- Removing terminology that refers to lower density development in the Residential 1 Zone (PHDA-P1, PHDA-P7).
- Alignment of matters of control and discretion for residential units (except as outlined below), with the Residential 1 Zone.
- Inclusion/amendment of the non-notification statements in the rules for residential units and subdivision to comply with the notification requirements of Schedule 3A of the RMA.

Wharenui

- Alignment of the standards and rules for residential units with the MDRS, including deletion of the site intensity standards for the Residential 1 Zone (WHDA-S2).
 - Alignment of the matters of discretion provided in the Residential 1 Zone (WHDA-R6), while retaining several matters specific to Wharenui Development Area (vegetation of gullies and stormwater management). It is noted that the existing matters of control for residential site and building design are retained only in relation to the Commercial 3 Zone.
 - Removal of comprehensive residential development terminology.
- (2) As these amendments are to incorporate the MDRS and integrate the MDRS into the District Plan, these are mandatory amendments and therefore are not evaluated further.
- (3) An additional supporting change is also proposed for the Pukehangi Heights Development Area. With the removal of the specific 'medium density development' standard that applied only to the specific areas identified in the structure plan it is proposed to move the outdoor service area requirements from inside this standard to a standalone performance standard for all the Residential 1 Zone parts of the development area. This is considered appropriate given that medium density development could now occur across the parts of the development area zoned Residential 1 Zone.

9.5.1 Issue 1: Addressing infrastructure requirements, natural hazard constraints, landscape values and cultural values of the development areas (qualifying matters)

- (1) The following provisions may limit the height and density that can be achieved under the MDRS. These provisions are to be retained to provide for the existing identified qualifying matters:

Pukehangi Heights – retain the following:

- Flooding and Land Instability

- Performance standards for subdivision to provide a stormwater management plan and comply with that plan and comply with the discharge consent (PHDA-SS6 and PHDA-SS7).
- Performance standard for subdivision to provide a land instability and liquefaction risk assessment as a performance standard for subdivision (PHDA-SS8).
- Historical and Cultural Values and Relationship of Tangata Whenua.
- Restricted discretionary activity status for subdivision in Residential 1 Zone where a site contains an archaeological or cultural site (PHDA-R7).
- Performance standard for subdivision to provide a report on consultation outcomes with tangata whenua and Heritage NZ and identify measures to recognise cultural landscape and how sites will be protected a (PHDA-SS10).
- Infrastructure
 - Performance standard for subdivision that limits yield of residential units from Area A of the Development Area until a roading connection is available into other parts of the development area (PHDA-SS11)
 - Landscape protection of Caldera Rim – Escarpment Transition Areas
 - Various landscape provisions for the escarpment transition areas identified in the development area to integrate the development into the wider landscape of the Rotorua Caldera Rim (PHDA-SL7(2), which link to rule PHDA-R1 and PHDA-SS4)
- Subdivision status
 - In addition, there is restricted discretionary activity status for subdivision in Residential 1 Zone (with no potential for controlled activity status) to enable consideration of protection of cultural values, stormwater and flooding management, protection of landscape values (on the escarpment transition areas) (PHDA-R5).

Wharenui – retain the following:

- Infrastructure
 - Requirement to comply with staging and minimum yields as a performance standard on subdivision to ensure the efficient provision and use of infrastructure (WHDA-S1) and associated rule WHDA-R1. Those subdivisions that do not comply are a discretionary activity (WHDA-R1)
- (2) The following standards and rules providing qualifying matters for Wharenui are proposed to be deleted or amended to reduce their impact:
- Standard WHDA-S2 and associated rule WHDA-R2, are proposed to be deleted. These require that subdivision and land use does not exceed 879 dwelling unit equivalents in the development area until the Eastern Arterial is complete. Activities that do not meet the standard are discretionary. The Eastern Arterial alternative to State Highway 30 is no longer planned, so the standard and rule are no longer appropriate and create uncertainty.
 - Standards WHDA-S3 and WHDA-S4 (associated with rule WHDA-R3). These require the upgrading of intersections with SH30 and traffic calming works on roads into the development area before specified lot yields are achieved. Subdivision and land use that do

not meet the standards are discretionary activities. The standard is proposed to be amended to remove projects that have already been completed (Brent Road Traffic Calming and Iles Road signals) as well to remove projects that are planned as part of stage 2 of the Corridor Stage 2, for which Waka Kotahi received \$35 million from the government's Crown Infrastructure Partners funding for construction to support growth and development in Eastside Rotorua¹⁶.

- (3) In addition, the following amendments are proposed to the existing qualifying matter for protection of the landscape values of Rotorua Caldera Rim in the Pukehangi Heights Development Area:
- A reduced height standard of 9m for the Upper Terrace (PHDA-SL1)
 - Deletion of policy PHDA-P6 and amendments to policy PHDA-P7 and the principles for the upper Terrace.
- (4) These amendments have been informed by specialist landscape advice from Boffa Miskell on the impact of the MDRS on protection of the landscape values of the Rotorua Caldera Rim in the development area (refer *Appendix 10*). These amendments are intended to manage the transition from development on the Upper Terrace to the adjoining more sensitive Upper Escarpment in the upper slopes of the Caldera Rim by influencing the design of development through subdivision and consent notices. Avoidance of a uniform pattern of development and integration of the built form against the upper escarpment is sought, using taller planting and building separation. As a result, the proposed amendments will achieve objective SPUD-O7 and policies SPUD-P15 to P17 in the Strategic Direction chapter, as well as objective PHDA-O1, which seeks the protection of these values, while enabling development.
- (5) The inclusion of provisions to respond to flood management constraints, cultural values, infrastructure requirements and landscape values as qualifying matters is assessed in the appendices of this report in accordance with the requirements of section 77K or section 77L of the RMA.

¹⁶ nzta.govt.nz/eastern-corridor-stage-2

10.0 City Centre and Commercial

10.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed amendments to the City Centre, Commercial 1, 2, 4, and 5 zones under PC9 to give effect to the NPS-UD.

10.2 Overview and Scope of Amendments

- (1) The purpose of the amendments to the City Centre and Commercial zones and other related provisions³ is to give effect to Policy 5 of the NPS-UD.
- (2) In particular, the amendments include:
- Amendments to the objectives and policies for the commercial zones which guide the design the appearance of buildings, and height and density within the commercial zones.
 - Amendments to the policies which guide the design and onsite amenity within the Commercial 4 zone.
 - Amendments to the City Centre 1-2 and Commercial 1-4 & 6 zones to introduce a resource consent requirement for external alterations over a certain threshold, and new buildings, to enable a qualitative assessment of development proposals and ensure that good design outcomes are achieved.
 - Amendments to the City Centre 2 and Commercial 6 zones to permit residential units.
 - Amend the height limits within the City Centre 1, Commercial 1,2,4 & 5 zones to respond to the NPS-UD.
 - Introduce a 24m height limit within the City Centre 2 and 3 zones to respond to the NPS-UD
 - Amendments to the package of onsite amenity controls for residential development within the City Centre and Commercial zones.

10.3 Background and Issues of Concern

- (1) As outlined in *Section 4* Rotorua is experiencing significant housing supply issues. In particular, the HBA has found that there is a dwelling demand in the short term of 2,970 dwellings, increasing to 5,200 in the medium term and 8,250 in the long term, based on Council's medium growth projections¹⁷. While there is a sizeable amount of plan enabled capacity, the HBA concludes that much of the capacity is unlikely to be developed into dwellings by the commercial development sector due to a lack of feasibility. The HBA concluded that the further enablement of apartment living within the City Centre and Commercial zones (particularly Fenton Street) could contribute to housing capacity or choice that is required to meet the needs of the growing population in Rotorua¹⁸.
- (2) In addition to the need to provide for greater housing capacity and choice across Rotorua there is national direction that the plan must now give effect to. In particular, the NPSUD seeks to create

¹⁷ The demand for dwellings increases to short term - 3,569, medium term 6,240 and long term 9,740 including the NPSUD competitive margin.

¹⁸ HBA page 259

well-functioning urban environments and Policy 5 requires tier 2 Councils to enable heights and density of urban form, commensurate with the greater of:

- a) the level of accessibility by existing or planned active or public transport, to a range of commercial activities and community services; or
 - b) relative demand for housing and business use in that location.
- (3) The proposed amendments to the City Centre and Commercial zones are intended to enable greater residential and commercial capacity and give effect to the NPSUD intensification policies.
- (4) With the introduction of greater height within the City Centre and Commercial zones there is potential for adverse effects on the quality and amenity of the urban environment. Therefore, the need to achieve quality design is increasingly important as the scale of development increases to ensure that development:
- contributes towards centres which are vibrant, safe and a focal point for communities;
 - achieves active, vibrant, attractive and safe public realm;
 - promotes Crime Prevention through Environmental design principles;
 - manages cumulative adverse effects of development on adjoining sites through the placement of buildings and outdoor activities; and
 - achieves high quality on-site living environments.
- (5) A key issue that arose through consultation with the development community was the need to achieve a balance between enabling flexibility in the design approach while ensuring certainty in outcomes in terms of amenity. The proposal seeks to utilise the use of targeted design assessment criteria in combination with non-notification to increase certainty to applicants and enable design flexibility while ensuring objectives will still be effectively achieved.
- (6) Another key issue that has arisen is the future character of Fenton Street as a key entranceway to the city centre. Fenton Street is lined with tourism accommodation consisting of motels with a distinct built character that is broadly residential in character. Many of the motels are now being converted to permanent accommodation, and PC9 is an opportunity to ensure that any redevelopment results in quality built form outcomes that enable greater housing supply. This needs to be done in a way that ensures Fenton Street remains as an attractive gateway to the Rotorua CBD.

10.4 Appropriateness of Proposed Objectives

- (1) PC9 proposes to amend COMZ-02 and COMZ-03, which relates to the design and appearance of buildings and effects on adjoining residential properties. PC9 also proposes to introduce an objective in relation to onsite residential amenity. In accordance with Section 32(1)(a) *Table 15* below provides an evaluation of the objectives of PC9.
- (2) Aside from the proposed amendments to COMZ-02 no changes are proposed to the objectives in relation to the City Centre and Commercial zones. Existing City Centre and Commercial zone objectives in addition to the amended Strategic Direction objectives (evaluated above) are relevant to the proposed amendments to provisions discussed below. In particular:

- *SDUD-O1 A well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.*
- *SDO3 There is at all times at least sufficient development capacity and land supply to meet expected demand for housing and business land over the short term, medium term and long term.*
- *SDO4 The primary focus for residential intensification and additional business or community services, include areas:*
 - a) within and adjacent to centres or employment opportunities;*
 - b) well-serviced by existing or planned public transport;*
 - c) where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.*

Table 15: Evaluation of the Proposed Objectives for the Commercial Zones

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
COM-02 Commercial activities ~~that do not adversely affect~~ <u>positively contribute to the mixed use</u> character, safety and efficiency, <u>and attractiveness</u> of commercial areas <u>and entranceways to Rotorua</u> .	The proposed amendment is focused on stating the outcome to be achieved and on the future state of the environment rather than what is there now. This expressly promotes a transition over time to more intensive forms of living in quality environments enabling communities to provide for their social wellbeing and health and safety.	This objective does not compromise the recognition of, or the provision of, these matters of national importance.	This objective has regard to the maintenance and enhancement of amenity values and the quality of the environment by seeking to deliver attractive and safe commercial areas and entranceways to Rotorua.	This objective is consistent with the principles of the Treaty of Waitangi.	This objective is consistent with Objective 4 and Policy 6 of the NPSUD as there is recognition that built character and associated amenity values will develop and change over time in response to the diverse and changing needs of people, communities, and future generations.	This objective is consistent with RPS Policy UG 8B which seeks to implement high quality urban design.
COM-03 Commercial buildings and activities designed and operated in a manner that ~~avoids~~ <u>mitigates</u> adverse	Increased residential uses within commercial zones, coupled with increased building	This objective does not compromise the recognition of, or the provision of, these matters of	The objectives have regard to the maintenance and enhancement of amenity values and	This objective is consistent with the principles of the Treaty of Waitangi.	This objective is consistent with Objective 4 and Policy 6 of the NPSUD as there is	This objective is consistent with RPS Policy UG 8B which seeks to implement high quality urban design.

effects on the amenity of residential zones.	heights and limited setbacks creates a risk of adverse amenity outcomes in residential dwellings in these areas. This risk is primarily in the form of adjacent sites being built out to their maximum extent, reducing or removing access to sunlight, daylight or outlook of existing dwellings over side boundaries if this has previously been relied upon. The proposed objective promotes a transition over time to more intensive forms of living in quality environments while recognizing that while effects on existing development can't be avoided they can be managed,	national importance.	the quality of the environment through mitigating the effects of development on the amenity of residential zones acknowledging that consistent with Policy 6 of the NPSUD there is likely to be significant change that may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing density and types.		recognition that built character and associated amenity values will develop and change over time in response to the diverse and changing needs of people, communities, and future generations.	
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	enabling communities to provide for their social wellbeing and health and safety.					
COM-03A <u>Residential development provides healthy, safe, and quality living environments for residents.</u>	Through seeking to ensure that residential development provides quality onsite amenity this objective will enable communities to provide for their social wellbeing and health and safety.	This objective does not compromise the recognition of, or the provision of, these matters of national importance.	The objectives have regard to the maintenance and enhancement of amenity values and the quality of the environment through ensuring that residential development provides quality onsite amenity.	This objective is consistent with the principles of the Treaty of Waitangi.	This objective is consistent with Objective 4 and Policy 6 of the NPSUD as there is recognition that built character and associated amenity values will develop and change over time in response to the diverse and changing needs of people, communities, and future generations.	This objective is consistent with RPS Policy UG 8B which seeks to implement high quality urban design.

10.5 Evaluation of Provisions

10.5.1 Issue 1: Height Limits within the City Centre and Commercial Zones

- (1) As outlined above, the NPS-UD requires consideration of building heights within commercial zones, in terms of enabling greater residential and commercial densities. The Accessibility Analysis discussed above, identifies the City Centre 1 zone, along with parts of the City Centre 2 and City Centre 3 zones as having the highest levels of accessibility within Rotorua.
- (2) There are a range of existing permitted building heights across commercial zones from 20m in the City Centre 1 zone, City Centre 3 zone, Commercial 5 and Commercial 6 zones, 12m in the Commercial 1, Commercial 2, and Commercial 4 zones, and no height limit in City Centre 2 zone. Building heights in the Commercial 3 zone must be aligned with the neighbouring zone.
- (3) The proposed height strategy has been informed by Urban Design Analysis refer *Appendix 9*. A building height of 32m (which can facilitate 8-10 storey development) is proposed for the City Centre (City Centre 1). This height is approximately equivalent to the Hinemoa Tower (9-storeys with an architectural height of 36m). Heights is proposed to transition down to 24m in the neighbouring City Centre 2, City Centre 3, Commercial 4 and Commercial 6 zones. This transition continues to the 19.5m proposed for the Residential 2 zone and 11m for the Residential 1 zone. Heights of 20m are proposed for the Commercial 1 and Commercial 2 zones. These zones relate to some of the larger secondary centres within Rotorua (e.g. Owkata, Ngongotaha and Westend). It is proposed that the existing height standards for the Commercial 3 zone is retained. In summary, the proposed amendments to height limits within the City Centre and Commercial zones include:
 - Amending the City Centre 1 zone height limit from 20m to 32m.
 - Amending the City Centre 3 zone height limit from 20m to 24m.
 - Introducing a 24m height limit for the City Centre 2 zone.
 - Amending the Commercial 1 and 2 zone height limits from 12m to 20m.
 - Amending the Commercial 4 zone height limit from 12m to 24m.
 - Amending the Commercial 6 zone height limit from 20m to 24m.

Table 16: Issue 1 - Height Limits within the City Centre and Commercial Zones – Evaluation of Options

	Option 1: Retain the operative height limits (Status quo)	Option 2: Increase height to 40m within the City Centre consistent with current consented development	Option 3: Unlimited height within the City Centre	Option 4: Proposed Plan Change – Refined Height Strategy
<i>Description of option</i>	This option involves retaining the operative height limits within the City Centre and Commercial Zones, which are generally lower than the proposed plan change, with the exception of the City Centre 2 zone, which has unlimited height.	This option involves refining the height limits as per the proposed plan change with exception of the City Centre 1 zone where a 40m height limit would apply.	This option involves refining the height limits as per the proposed plan change with exception of the City Centre 1 & 2 zones where height would remain unlimited.	This option involves refining the height limits as per the proposed plan change, as set out above.
<i>Efficiency and effectiveness in achieving objectives</i>				
<i>SDO4 The primary focus for residential intensification and additional business or community services include areas:</i> <i>a) within and adjacent to centres or employment opportunities;</i> <i>b) well-served by existing or planned public transport;</i> <i>c) where there is high demand for housing or for business</i>	This option is unlikely to be efficient or effective at achieving SDO4, given that continuing to maintain the operative height limits will generally result in lower development than that enabled by options 2-4. This will result in an inefficient use of land within the City Centre and commercial centres, which are identified as having	This option will efficiently and effectively achieve SDO4, as the proposed height limits will greater development capacity and enabling efficient use of land within the City Centre and commercial centres, which are identified as having the highest levels of accessibility within Rotorua.	This option will most efficiently and effectively achieve SDO4, as it enables the greatest height and development capacity making efficient use of land within the City Centre and commercial centres, which are identified as having the highest levels of accessibility within Rotorua.	This option will efficiently and effectively achieve SDO4, as the proposed height limits will greater development capacity and enabling efficient use of land within the City Centre and commercial centres, which are identified as having the highest levels of accessibility within Rotorua. The height limits have been informed by urban design analysis to promote

<i>land in the area, relative to other areas within the urban environment.</i>	the highest levels of accessibility within Rotorua.			intensification within the city and commercial centres.
<i>CCZ-01 A vibrant city centre that is the primary commercial and retail centre for the establishment and operation of a diverse range of commercial and residential activities which promote and enhance the economic viability, employment opportunities, walkability and safety of the city centre.</i> <i>CCZ-02 Lakefront development that accommodates a broad range of tourism, commercial services, hospitality, health, retail, accommodation and recreational activities and that has a connected built form promoting vibrant activity with pedestrian movement between the Lakefront and Tūtānekai Street.</i>	This option is not as efficient or effective at achieving CCZ-01 and CCZ-02 as it does not enable intensification within areas which are highly accessible to the same extent as options 2-4.	This option is not as efficient or effective at achieving CCZ-01 as Option 4, buildings of 40m within the City Centre 1 zone may result in shading and dominance effects that reduce the quality of the public realm and the vibrancy and vitality of the city centre. While additional standards could be introduced to manage these effects, given the likely low demand for 10+ storey development in Rotorua over the short, medium and long term (based on developer feedback), it is considered more efficient to manage this on a case-by-case basis as part of a resource consent application. PC9 includes matters of discretion that enable this assessment to occur in a manner focused on the relevant effects.	This option is not efficient or effective at achieving CCZ-01, given that buildings with unlimited height within the City Centre 1 & 2 zones without supporting standards, would adversely affect the public realm, reducing the vibrancy and vitality of the city centre. While additional standards could be introduced to manage these effects, given the likely low demand for 10+ storey development in Rotorua over the short, medium and long term (based on developer feedback), it is considered more efficient to manage this on a case-by-case basis as part of a resource consent application. PC9 includes matters of discretion that enable this assessment to occur in a manner focused on the relevant effects.	This option is the most efficient and effective at achieving CCZ-01. It is proposed as part of a package of amendments, including HIRB and additional matters of discretion and/ or assessment criteria, relating to the design of new buildings to manage the interface with the public realm, to promote the vibrancy and vitality of the city centre.

<i>COMZ-01 A hierarchy of vibrant compact commercial and tourism centres that efficiently service and support the needs of the surrounding community and nationally significant tourism sector.</i>	This option will not efficiently or effectively achieve COMZ-01, given that there are more limited opportunities for intensification to occur in locations that is otherwise highly accessible.	This option will efficiently and effectively achieve COMZ-01, as the proposed increase in height limits within the commercial zones will support greater residential and commercial capacity, supporting vibrant and compact outcomes.	This option will efficiently and effectively achieve COMZ-01, as the proposed increase in height limits within the commercial zones and will support greater residential and commercial capacity, supporting vibrant and compact outcomes.	This option will efficiently and effectively achieve COMZ-01, as the proposed increase in height limits within the commercial zones will support greater residential and commercial capacity, supporting vibrant and compact outcomes.
<i>Costs</i>				
<i>Environmental</i>	While this option retains unlimited height within the City Centre 2 zone, the height limits proposed are generally lower than options 2-4. Overall, this will result in development which is an inefficient use of land within the City Centre and commercial centres, which are identified as having the highest levels of accessibility within Rotorua. Unlimited height within the City Centre 2 zone may result in larger buildings with potential effects on adjoining properties, the public realm	The proposed 40m height limit within the City Centre 1 zone may potentially result in shading and dominance effects that reduce the quality of the public realm and wider impressions of the urban area.	Unlimited height within the City Centre 1 & 2 zones may result in larger buildings, with potential effects on adjoining properties, the public realm and wider impressions of the urban area.	Potential effects on adjoining properties and surrounding land uses, as a result of development of buildings of greater height than what is currently provided for.

	and wider impressions of the urban area.			
<i>Economic</i>	Costs to future applicants wanting to build higher and larger scale apartment buildings, which is not appropriately provided for within the current height limits. Fails to support public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City, relatively. There are economic costs associated with the uncertainty created by a lack of planning rules regulating building height within the City Centre 2 zone.	Interim costs to developers wanting to develop who have to wait for the proposed height limits to become operative, these costs are reduced to a degree, however through the streamlined plan change process.	There are economic costs associated with the uncertainty created regarding no planning rules regulating building height within the City Centre 1 & 2 zones.	Interim costs to developers wanting to develop who have to wait for the proposed height limits to become operative, these costs are reduced to a degree, however through the streamlined plan change process.
<i>Social</i>	This option does not make the most efficient use of land and therefore may not result in the development yields to support increased vibrancy within the CBD and to support the	The scale of development delivered through this option may be considered by some members of the community to be not in keeping with the community's expectations, given that it generally enables higher buildings throughout	This option will result in a lack of certainty for the community in respect of building height within the City Centre 1 & 2 zones. This may result in greater use of restrictive covenants and easements on new	The scale of development delivered through this option may be considered by some members of the community to not be in keeping with the community's expectations, given that it generally enables higher buildings throughout

	growing population within Rotorua.	the City Centre and Commercial zones than what is currently enabled. This is tempered to a degree by the presence of Hinemoa Tower (9-storeys with an architectural height of 36m).	development to control design elements, legal mechanisms and use of bylaws, to fill the regulatory gap. In the normal course of events these legal mechanisms are used to secure property rights in perpetuity or for a specific period of time.	the City Centre and Commercial zones than what is currently enabled. This is tempered to a degree by the presence of Hinemoa Tower (9-storeys with an architectural height of 36m).
<i>Cultural</i>	Does not enable more intensive housing opportunities on Maori owned or Treaty settlement land.	Further intensification and development of land around sites of cultural significance.	Further intensification and development of land around sites of cultural significance.	Further intensification and development of land around sites of cultural significance.
<i>Benefits</i>				
<i>Environmental</i>	This option will not change the scale of development that is currently allowed within the City Centre and Commercial zones and therefore it is less likely to result in potential effects on neighbouring properties.	This option makes efficient use of land within the City Centre and commercial centres which are identified as having the highest levels of accessibility within Rotorua.	This option makes efficient use of land within the City Centre and commercial centres which are identified as having the highest levels of accessibility within Rotorua. While this option goes some way to implement a height strategy which reinforces the City Centre as a focal point and transitions height accordingly, the benefits of this proposal are reduced through the inclusion	This option will implement a height strategy which makes efficient use of land within the City Centre and Commercial zones. It will implement a height strategy which reinforces the City Centre as a focal point and transitions height accordingly within the context of the MDRS applying throughout urban residential areas. The height limits are proposed as part of a package of

			of unlimited height within the City Centre 1 & 2 zones, which could result in adverse effects on the amenity of adjoining sites and the public realm.	amendments including HIRB and additional matters of discretion and/ or assessment criteria, relating to the design of new buildings to manage the interface with the public realm and effects on adjoining properties within different zones.
<i>Economic</i>		Less consenting costs to applicants and developers seeking to higher and larger scale apartment buildings around the City Centre. Supports public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City.	The benefits associated with no planning rules regulating building height within the City Centre 1 & 2 zones are that the market would direct where growth would occur and at what rate. This could result in some windfalls for some landowners.	Less consenting costs to applicants and developers seeking to higher and larger scale apartment buildings around the City Centre. Supports public transport provision, investment in amenities and infrastructure and the vibrancy of the Central City.
<i>Social</i>	The scale of development delivered through this option may be considered by some members of the community as in keeping with the community's expectations given there is no change to operative height limits.	This option provides a height strategy which results in a stepping down in height away from the City Centre, reinforcing the City Centre as a key focal point for the community.	This option removes compliance costs and issues which could speed up the delivery of additional residential capacity to alleviate housing pressure within Rotorua. These benefits may be diminished however if civil litigation arises for blocking	The 32m height limit within the City Centre 1 zone will offer a distinct and identifiable node of built form amongst the surrounding city centre and commercial zonings. This will reinforce the City Centre 1 zone as a key focal point for the community.

			light/overshadowing/excessive height.	
<i>Cultural</i>	Does not enable further intensification and development of land around sites of cultural significance.	Enables more intensive housing opportunities on Maori owned or Treaty settlement land.	Enables more intensive housing opportunities on Maori owned or Treaty settlement land.	Enables more intensive housing opportunities on Maori owned or Treaty settlement land.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.			
<i>Summary</i>	Option 4 is the preferred option. Refining the height limits within the City Centre and Commercial zones as per PC9 is the most appropriate mechanism for achieving the objectives because: • In accordance with SD-04 the height limits promote intensification within the city and commercial centres which have been identified as the most accessible areas within Rotorua. • The 32m height limit within the City Centre 1 zone is proposed as part of a package of amendments including HIRB and additional matters of discretion and/ or assessment criteria relating to the design of new buildings to manage the interface with the public realm to promote the vibrancy and vitality of the city centre in accordance with CCZ-01. • The proposed increase in height limits within the commercial zones will support greater residential and commercial capacity supporting vibrant and compact outcomes in accordance with COMZ-01.			

10.5.2 Issue 2: Residential Use within the City Centre 2 and Commercial 6 Zone

- (1) As outlined above, the NPS-UD requires greater opportunities for residential development within areas of high accessibility. Residential use is generally provided for across the City Centre and Commercial zones with the exception of the City Centre 2 zone and the Commercial 6 zone.
- (2) The Commercial 6 zone provides for a mix of light industrial and commercial activities located on the southern edge of the city centre.
- (3) The City Centre 2 zone provides for a range of retail and commercial outlets with a focus on large format and vehicle orientated retail, and smaller retail stores and food and beverage outlets within the main mall precinct.
- (4) The City Centre 2 and the Commercial 6 zones are centrally located and in areas that the Accessibility and Demand Assessment (refer *Appendix 7*) has concluded are subject to the highest accessibility within Rotorua see *Figure 15* below. Therefore, it is proposed to enable residential development within these zones to enable increased residential development in accordance with Policy 5 of the NPSUD. The additional economic analysis undertaken to inform this Plan Change has commented on the importance of retaining the viability of these areas as a location for Large Format Retail, and that by doing this it may reduce the pressure for Large Format Retail to locate in other areas within the urban environment which may be less efficient. Therefore, in accordance with this advice residential is excluded from ground floor to continue to promote opportunities for Large Format Retail. It is noted however, that the Future Development Strategy will be utilised to find long term alternatives for trade retail and related light industrial activities.

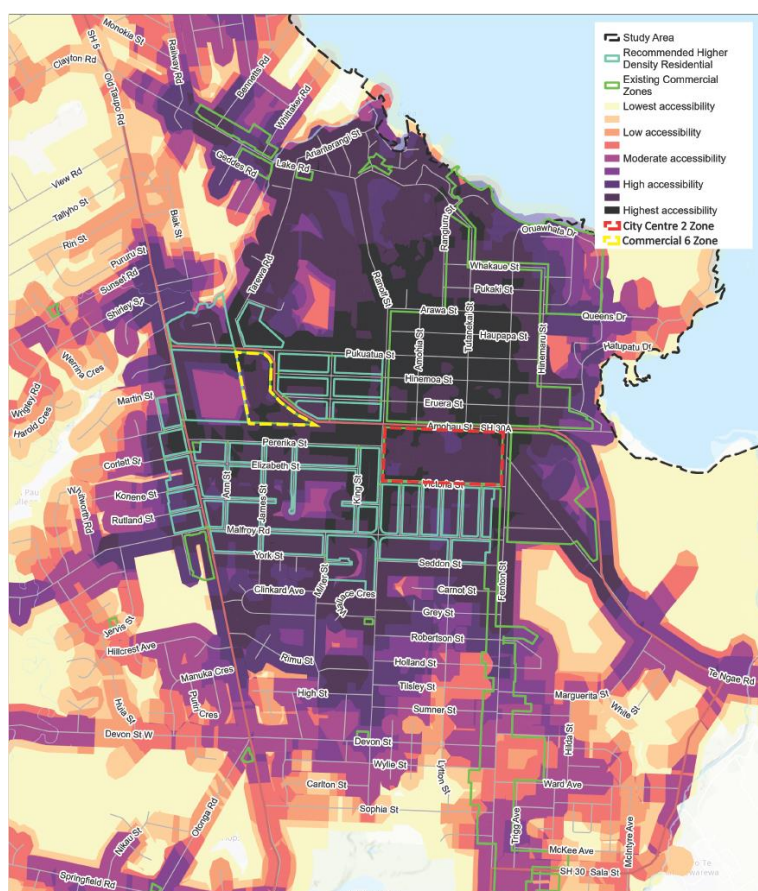


Figure 15: Location of City Centre 2 and Commercial 6 zones overlaid over accessibility analysis.

Table 17: Issue 2 - Residential Use within the City Centre 2 and Commercial 6 Zone – Evaluation of Options

	Option 1: (Status quo) Do not permit residential use within the City Centre 2 and Commercial 6 zones	Option 2: Proposed Plan Change Permit residential in City Centre 2 and Commercial 6 above ground level
<i>Description of option</i>	This option retains the operative non-complying activity status for residential units within the City Centre 2 and Commercial 6 zones.	This option permits residential units above ground level in both the City Centre 2 and Commercial 6 zones. The Future Development Strategy will be utilised to find long term alternatives for trade retail.
<i>Efficiency and effectiveness in achieving objectives</i>		
<i>SDO3 There is at all times at least sufficient development capacity and land supply to meet expected demand for housing and business land over the short term, medium term and long term.</i>	This option is not efficient or effective at achieving SDO3 as it does not provide flexibility to provide additional capacity for housing within the City Centre 2 and Commercial 6 zones should this prove to be a more viable use over time, and will reduce opportunities for residential development capacity.	This option is the most efficient and effective option at achieving SDO3 as it provides some increased flexibility to provide additional capacity for housing within the City Centre 2 and Commercial 6 zones should this prove to be a more viable use over time. This option has the potential to displace large format/trade retail within the Commercial 6 zone. To ensure that there are opportunities for Large Format/trade Retail to establish within this zone residential use is limited to above ground only. This option does not preclude commercial activities locating above ground should there be demand.
<i>SDO4 The primary focus for residential intensification and additional business or community services include areas:</i> <i>a) within and adjacent to centres or employment opportunities;</i> <i>b) well-serviced by existing or planned public transport;</i>	This option is not efficient or effective at achieving SDO4 as it does not provide flexibility to provide additional capacity for housing within areas identified as having the highest levels of accessibility within Rotorua.	This option is efficient and effective at achieving SDO4 as it provides flexibility to provide additional capacity for housing within areas identified as having the highest levels of accessibility within Rotorua.

	Option 1: (Status quo) Do not permit residential use within the City Centre 2 and Commercial 6 zones	Option 2: Proposed Plan Change Permit residential in City Centre 2 and Commercial 6 above ground level
<i>c) where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.</i>		
<i>CCZ-01 A vibrant city centre that is the primary commercial and retail centre for the establishment and operation of a diverse range of commercial and residential activities which promote and enhance the economic viability, employment opportunities, walkability and safety of the city centre.</i> <i>COMZ-01 A hierarchy of vibrant compact commercial and tourism centres that efficiently service and support the needs of the surrounding community and nationally significant tourism sector.</i>	From an urban form perspective this option will not efficiently and effectively achieve this objective given large format and trade retail are less likely to result in a vibrant and safe public realm. Large format and trade retail are vehicle orientated activities which are at odds with the walkable outcomes sought for the City Centre.	This option is efficient and effective at achieving CCZ-01 as it will enable residential use which from an urban form perspective is desirable as it will result in a more vibrant public realm within the City and Commercial Centres. While this option could potentially displace large format and trade retail over time the Future Development Strategy will be utilised to find long term alternatives for these activities.
<i>Costs</i>		
<i>Environmental</i>	This option will not support a vibrant and safe public realm within the City Centre and commercial zones to the same extent as Option 2. This option will not make efficient use of land through providing flexibility for residential development within areas identified as having the highest levels of accessibility within Rotorua.	Through enabling residential development within the City Centre 2 and Commercial 6 zone this option may impact the viability of large format and trade retail establishing within this location because these activities are land extensive and have yard/outdoor storage areas that do not typically integrate effectively with high density residential and mixed use. Due to this, if high density residential establishes, large format and trade retail may look to relocate to more suitable light industry areas. This has the potential to displace existing light industrial activities and create demand for more business land.

	Option 1: (Status quo) Do not permit residential use within the City Centre 2 and Commercial 6 zones	Option 2: Proposed Plan Change Permit residential in City Centre 2 and Commercial 6 above ground level
		This cost can however be mitigated through the Future Development Strategy that will be utilised to find long-term alternatives for industrial land, which is due for completion in 2023 .
<i>Economic</i>	While this option may protect the viability of large format and trade retail within a central location this may have an adverse effect on urban form outcomes. The Future Development Strategy can be utilised to find long-term appropriate alternatives for these activities.	This option and the introduction of residential use may reduce the viability of large format and trade retail within the City Centre 2 and Commercial 6 zones. While these activities are provided for within the Industrial 1E zone, the centrality of the Commercial 6 zone means it is likely to be more sustainably configured to serve the surrounding catchment areas.
<i>Social</i>	This option does not make the most efficient use of land and therefore may not result in the development yields to support increased vibrancy within the CBD and to support the growing population within Rotorua.	This option could limit the ability for residents to access large format and trade retail within a central location.
<i>Cultural</i>	There is no change to the cultural environment through this option.	There is no change to the cultural environment through this option. The sites within the City Centre 2 and Commercial 6 zone is Treaty settlement land administered by the Pukeroa Oruawhata Trust, who has confirmed their support for this option.
<i>Benefits</i>		
<i>Environmental</i>	This option protects the viability of large format and trade retail within an accessible central location	From an urban form perspective large format and trade retail are less likely to result in a vibrant and safe public realm. Large format and trade retail are

	Option 1: (Status quo) Do not permit residential use within the City Centre 2 and Commercial 6 zones	Option 2: Proposed Plan Change Permit residential in City Centre 2 and Commercial 6 above ground level
	however, this may have adverse impacts on urban form and public realm outcomes.	vehicle orientated activities which are at odds with the walkable outcomes sought for the City Centre.
<i>Economic</i>	Through restricting residential use this option will not displace trade retail or large format retail from the City Centre 2 and Commercial 6 zones. This is consistent with economic analysis undertaken by M.E in support of this plan change <i>refer Appendix 8</i> .	Through permitting residential use within the City Centre 2 and Commercial 6 zones this option enables residential use in an area identified as having the greatest accessibility within Rotorua. This has the potential to displace existing light industrial activities and create demand for more business land. This cost can however be mitigated through the Future Development Strategy that will be utilised to find long-term alternatives for industrial land, which is due for completion in 2023.
<i>Social</i>	This option retains the ability for residents to access large format and trade retail within a central location.	This option makes the most efficient use of land and will result in the development yields to support increased vibrancy within the CBD and to support the growing population within Rotorua.
<i>Cultural</i>	There is no change to the cultural environment through this option.	There is no change to the cultural environment through this option. The sites within the City Centre 2 and Commercial 6 zone is Treaty settlement land administered by the Pukeroa Oruawhata Trust, who has confirmed their support for this option, noting that this provides a more enabling framework for Mana Whenua to express their values.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	

	Option 1: (Status quo) Do not permit residential use within the City Centre 2 and Commercial 6 zones	Option 2: Proposed Plan Change Permit residential in City Centre 2 and Commercial 6 above ground level
<i>Summary</i>	Option 2 is the preferred option. Enabling residential use within the City Centre 2 and Commercial 6 zones is the most appropriate mechanism for achieving the objective because: • It provides some increased flexibility to provide additional capacity for housing within the City Centre 2 and Commercial 6 zones, which are identified as having the highest levels of accessibility within Rotorua, should this prove to be a more viable use over time (SD03 & SD04). • Residential use within the City Centre 2 and Commercial 6 zone from an urban form perspective, is desirable as it will result in a more vibrant public realm and support walkability (CCZ-01) within the City Centre and Commercial Centres. • While this option could potentially displace large format and trade retail over time, the Future Development Strategy will be utilised to find long-term alternatives for these activities where necessary.	

10.5.3 Issue 3: Activity Status for new buildings and external alterations in City Centre and Commercial zones

- (1) New buildings within the City Centre 1 zone are a controlled activity and new buildings within the Commercial 1 zone are Restricted Discretionary. New buildings in the City Centre 2 zone and other commercial zones, and external alterations are permitted. As it is generally proposed to increase the height of buildings throughout the City Centre and Commercial zones, it is proposed to introduce a resource consent requirement for new buildings, or for external alterations to buildings, to enable a qualitative assessment of development proposals and ensure that good design outcomes are achieved. The resource consent requirements enable the design and layout of the development to be assessed, recognising that the need to achieve a quality design is increasingly important as the scale of development increases.
- (2) In particular, it is proposed to apply a Restricted Discretionary Activity Status for new buildings and external alterations greater than 25m². This consent requirement also applies to public car parking buildings. Applications for consent are proposed to be non-notified in recognition that this is a technical design assessment and Rotorua Lakes Council is unlikely to obtain any additional information through notification. Processing these resource consents on a non-notified basis, unless special circumstances apply, reduces consenting risks and uncertainty to applicants.
- (3) Amendments are proposed to the matters of discretion and assessment criteria to ensure the design assessment considers:
 - How the design facilitates an active, attractive, vibrant and safe public realm and streetscape, promoting opportunities for passive surveillance;
 - How the design facilitates a safe and legible pedestrian access into the development;
 - How the design facilitates articulation of the roof line and provides architectural details at ground and middle levels that promote overlooking of the street;
 - Whether the design of buildings and location of outdoor activities mitigates adverse cumulative effects on adjoining sites;
 - Whether the design incorporates Crime Prevention through Environmental Design principles;
 - How vehicular access for servicing purposes is able to be gained from the rear of buildings that have street frontage;
 - How the design minimises adverse wind conditions for pedestrians within public spaces (City Centre zones);
 - Whether suitable provision is made for on-site rubbish storage and sorting of recyclable materials, that is sufficiently sized to cater for the rubbish generated by the activity;
 - Whether mechanical plant/units for heating and ventilation will be screened from public view, and, in the case of residential units, separated from the outdoor living space for other residential units;
 - Whether parking areas visible from the street are screened from public view; and
 - Additional criteria for residential units to ensure:
 - Residential units proposed at ground floor enable passive surveillance of the adjoining street and provide privacy for residents; and
 - Residential units provide onsite amenity and are functional to meet day to day needs.

Table 18: Issue 3 - Activity Status for new Buildings and External Alterations in City Centre and Commercial zones – Evaluation of Options

	Option 1: Permitted subject to compliance with standards including requirements for ground floor glazing, verandahs, residential unit design, outdoor living space, outlook	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality
<i>Description of option</i>	This option involves retaining the operative activity status for new buildings and external alterations.	This option will require new buildings, and applications for external alterations greater than 25m ² to obtain resource consent as a restricted discretionary activity (non notified) with matters of discretion to assess design quality.
<i>Efficiency and effectiveness in achieving objectives</i>		
<i>CCZ-05 Building design that increases the amenity, safety, functionality and vibrancy of the city centre for people.</i>	This option is not efficient and effective at achieving this objective as the impact of buildings on the amenity, safety, functionality and vibrancy of the city centre cannot be determined through a controlled or permitted activity status and would rely on a non-regulatory approach and the goodwill of applicants. Permitted standards are not efficient and effective at achieving good design outcomes within large scale developments. This is because there are a variety of design solutions to manage effects and the optimum solution will depend on the context of the site. For example to create a quality mixed use development the site design and placement of the buildings should be completed together to ensure the development positively contributes to its setting. This is achieved	Through enabling an urban design assessment this option is efficient and effective at achieving CCZ-05 as it will ensure that development achieves quality built outcomes that increases the amenity, safety, functionality and vibrancy of the City Centre, through enabling the ability to assess the site design and placement of buildings and the site context.

	Option 1: Permitted subject to compliance with standards including requirements for ground floor glazing, verandahs, residential unit design, outdoor living space, outlook	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality
	through a qualitative assessment rather than prescriptive standards.	
<i>COMZ-01 A hierarchy of vibrant compact commercial and tourism centres that efficiently service and support the needs of the surrounding community and nationally significant tourism sector.</i>	This option is not efficient and effective at achieving this objective as the impact of buildings on the amenity, safety, functionality and vibrancy of commercial centres cannot be determined through a controlled or permitted activity status and would rely on a non-regulatory approach and the goodwill of applicants. Permitted standards are not efficient and effective at achieving good design outcomes within large scale developments. This is because there are a variety of design solutions to manage effects and the optimum solution will depend on the context of the site. For example, to create a quality mixed use development the site design and placement of the buildings should be completed together to ensure the development positively contributes to its setting. This is achieved through a qualitative assessment rather than prescriptive standards.	Through enabling an urban design assessment this option is efficient and effective at achieving CCZ-01, as it will ensure that development achieves vibrant and compact built outcomes within commercial zones, through enabling the ability to assess the site design and placement of buildings and the site context.
<i>Costs</i>		
<i>Environmental</i>	This option does not enable the consideration of building placement and site design specific to the site context. This could lead to poor urban design outcomes, adverse	Potential effects on adjoining properties and surrounding land uses as a result of greater intensification in existing commercial areas however, these may be mitigated through the resource consent process which will consider

	Option 1: Permitted subject to compliance with standards including requirements for ground floor glazing, verandahs, residential unit design, outdoor living space, outlook	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality
	effects on adjoining properties, the public realm and on-site amenity.	how the design of the proposal facilitates onsite amenity and urban realm outcomes.
<i>Economic</i>	Economic costs associated with developments that do not achieve quality urban design outcome for instance poor living conditions and associated social issues as a result of developments that do not achieve quality urban design outcome.	Cost of applying for a restricted discretionary resource consent for meeting urban design requirements.
<i>Social</i>	This option may result in a poor public realm and associated social issues as a result of developments that do not achieve quality urban design outcome.	The requirement to apply for a resource consent will add time delays, which could slow down the delivery of much needed residential capacity within the City Centre and Commercial zones.
<i>Cultural</i>	No ability to assess the urban design quality of large-scale development surrounding sites of cultural significance which could result in poor quality outcomes on adjoining sites.	Further intensification and development of land around sites of cultural significance. Much of the land in the City Centre is Treaty settlement land and this option would introduce a more restrictive planning method that will inform how developed should be design on a site.
<i>Benefits</i>		
<i>Environmental</i>	It is possible to achieve good environmental outcomes under this approach but not in a way that is flexible and responsive to the specific site context.	This option will lead to better urban design outcomes for the public realm and on-site amenity as these matters can be considered through the resource consent process specific to the site context.

	Option 1: Permitted subject to compliance with standards including requirements for ground floor glazing, verandahs, residential unit design, outdoor living space, outlook	Option 2: Proposed Plan Change – Restricted Discretionary (non-notified) with matters of discretion to assess design quality
<i>Economic</i>	Providing a simpler compliance approach will reduce costs and time to those developing within the City Centre and Commercial Zones.	While there will be associated costs in applying for resource consents, clear assessment criteria will increase certainty to developers.
<i>Social</i>	This option may result in the faster delivery of additional housing without having to go through a resource consent process, however the poor-quality outcomes may outweigh this potential benefit.	This option will lead to better urban design outcomes for the public realm and on-site amenity as these matters can be considered through the resource consent process.
<i>Cultural</i>	There is no change to the cultural environment through this option.	There is no change to the cultural environment through this option.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is the preferred option. Requiring new buildings and external alterations over 25m ² within the City Centre and Commercial Zones to obtain resource consent as a restricted discretionary activity with matters of discretion to assess design quality will enable flexibility to ensure urban development respond to the specific site context resulting in urban development that facilitates high amenity, functional, safe and vibrant environments within the City Centre and Commercial zones.	

10.5.4 Issue 4: Appropriate Built Form on Fenton Street

- (1) Fenton Street acts as a key entranceway into Rotorua's City Centre and is lined with tourism accommodation consisting of motels, largely two storeys in height with at grade carparking and signage. The motels are generally setback from the street and have a smaller building coverage. Fenton Street has two lanes of traffic running in both directions, separated by a planted median strip. Currently Fenton Street is zoned a Commercial 4 zone which applies a side and rear yard and a maximum site coverage of 40% of the site area. This package of provisions has resulted in a distinct built character that is broadly residential in character.
- (2) Many of the motels are now being converted to permanent accommodation, and PC9 is an opportunity to ensure that any redevelopment results in quality built form outcomes that enable greater housing supply. This needs to be done in a way that ensures Fenton Street remains as an attractive gateway to the Rotorua CBD. This should also recognise that the Commercial 4 zone provides an enabling framework for all forms of residential, including permanent residential activities (detached and attached residential units, including apartments), as well as short-stay/non-permanent accommodation that caters for tourists and other people needing accommodation on a short-term basis.
- (3) To ensure that redevelopment results in an efficient built form, the following amendments are proposed within the Commercial 4 zone:
 - Delete side and rear yard setback unless development adjoins a residential 1,3,4 or 5 zone.
 - Delete 40% maximum site coverage.
- (4) To ensure that development along Fenton Street contributes to a vibrant and attractive entranceway to the City Centre, the following policy is proposed.

COMZ-P5 City Entranceway Accommodation

Enable a mix of high density residential uses, accommodation activities, including visitor accommodation, and supporting commercial activities.

- (5) This policy is implemented by detailed matters of discretion and assessment criteria that apply to new buildings and alterations to existing buildings, which are proposed to be a restricted discretionary activity in the Commercial 4 zone (currently controlled). The report above provides the section 32 analysis for this change in activity status however, specific to this issue the proposed matters of discretion and assessment criteria seek to ensure that:
 - a) The design facilitates an active, attractive, vibrant and safe public realm and streetscape, promoting opportunities for passive surveillance through evaluating:
 - b) How the building provides an active, quality and attractive frontage through minimising long expanses of blank walls and visually breaking the mass of buildings into distinct elements;
 - c) Whether the building has well-proportioned windows and opening that relate to the shape, form and size of the building;
 - d) How the building façade of each tenancy or lot is visually different through the use of different materials and architectural design features;
 - e) Whether buildings provide a variety of architectural detail at ground and middle levels including maximising doors, windows, and balconies overlooking the street;
 - f) Whether internal space at all levels within buildings are designed to maximise outlook over adjoining streets and public open space;

- g) Whether safe and direct pedestrian access that is easily identifiable is provided from the street to activities on the site; and
- h) Whether tenancies are visually expressed as separate entities within a building's form and façade, and are located to front and activate the street, including through the use of entrances, pedestrian shelter and glazing;
- i) Whether mechanical plant/units for heating and ventilation will be screened from public view; and
- j) Whether any parking areas visible from the street and screened from public view by buildings and landscaping.

Table 19: Issue 4: Appropriate Built Form for Fenton Street – Evaluation of Options

	Option 1: (Status quo)	Option 2: Provisions that respond to the existing character	Option 3: Proposed Plan Change:
<i>Description of option</i>	Retain the 40% building coverage and 2.5m side and rear yard setback.	Retain the 40% building coverage and 2.5m side and rear yard setback. In addition, introduce a front yard setback and a minimum landscaping requirement to contribute to the feeling of openness and buildings set within landscaping.	Introduce the policy outlined above, to be assessed through a restricted discretionary (non-notified) application, to ensure that development along Fenton Street contributes to a vibrant an attractive entranceway to the City Centre. Delete side and rear yard setback unless development adjoins a residential 1,3,4 or 5 zone. Delete 40% maximum site coverage. Non regulatory methods to ensure that Fenton Street is an attractive gateway to the CBD including streetscape upgrades.
<i>Efficiency and effectiveness in achieving objectives</i>			
<i>COMZ-O1 A hierarchy of vibrant compact commercial and tourism centres that efficiently service and support the needs of the surrounding community and nationally significant tourism sector.</i>	This option is not efficient or effective at achieving this objective as it is resulting in dispersed development with at grade carparking that does not create a defined street edge. This is not optimal for creating a vibrant streetscape. Furthermore, Fenton Street is heavily car orientated with four lanes of traffic and	This option is not efficient or effective at achieving this objective as it is resulting in even greater dispersed development than Option 1. While the landscaping requirement may result in more greenery, i is unlikely to contribute to a vibrant streetscape with a defined urban edge, where there are opportunities for passive surveillance. Similar	This option will efficiently and effectively achieve this objective as it will result in a denser built character and contiguous 'wall' of buildings along the street edge, with minimal front yard setbacks, which is optimal for creating a vibrant, active, interesting and engaging streetscape.

	this option does not consider how non-regulatory methods can be used such as streetscape upgrades to ensure Fenton Street is an attractive gateway.	to Option 1, this option does not consider how non-regulatory methods can be used such as streetscape upgrades to ensure Fenton Street is an attractive gateway.	Additional assessment criteria provide greater direction on how a quality frontage can be achieved, in the context of the activities the Commercial 4 zone enables. Supporting public realm upgrades will ensure that Fenton Street becomes a vibrant place for pedestrians rather than a car orientated through-route.
<i>COMZ-O2 Commercial buildings and activities positively contribute to the mixed use character, safety and efficiency, and attractiveness of commercial centres and entranceways to Rotorua.</i>	While this option will retain the current built character of Fenton Street it is questionable whether the current character is adding amenity value as a gateway. Buildings do not address the street or create a defined building edge and therefore the built form is not contributing to an engaging streetscape or safe environment for pedestrians.	This option will further entrench the current built character of Fenton Street. As with Option 1, it is questionable whether the current character is adding any amenity value in what is a commercial environment. This option will result in less opportunities to create a defined building edge with buildings that overlook the street, creating opportunities for passive surveillance.	This option will not retain the existing built character but will enable redevelopment that positively addresses the street and increases opportunities for passive surveillance. Public realm upgrades can ensure that Fenton Street is an attractive gateway to the CBD through incorporating landscaping and public art.
<i>COMZ-O3 Commercial buildings and activities designed and operated in a manner that mitigates adverse effects on the amenity of residential zones.</i>	This option will efficiently and effectively achieve this objective as it ensures development is setback from residential zones.	This option will efficiently and effectively achieve this objective as it ensures development is setback from residential zones.	This option will efficiently and effectively achieve this objective as it ensures development is setback from lower density residential zones.
<i>Costs</i>			

<i>Environmental</i>	This option will enable less efficient use of land within a commercial zone, in close proximity to the CBD. This option will result in development that does not create a defined streetscape edge and vibrant urban environment. Fenton Street is heavily car orientated with four lanes of traffic and this option does not consider how non-regulatory methods can be used such as streetscape upgrades to ensure Fenton Street is an attractive gateway.	This option will enable the least efficient use of land within a commercial zone, in close proximity to the CBD. This option will further entrench the current built character of Fenton Street resulting in development that does not create a defined streetscape edge and vibrant urban environment. Fenton Street is heavily car orientated with four lanes of traffic and this option does not consider how non-regulatory methods can be used such as streetscape upgrades to ensure Fenton Street is an attractive gateway.	This option will not provide for onsite landscaping and any limited ecological benefit this may have within a commercial zone.
<i>Economic</i>	The 40% building coverage may negatively impact the feasibility of development and deter redevelopment of the current building stock.	The 40% building coverage may negatively impact the feasibility of development and deter redevelopment of the current building stock.	Greater costs for Council in undertaking public realm and streetscape upgrades along Fenton Street.
<i>Social</i>	Reduced amenity values as the provisions may not result in a quality-built environment that positively relates to and overlooks the street, creating an attractive and vibrant gateway to the City Centre. Option 1 does not enable greater development potential that would incentivise redevelopment of existing lower density development.	Similar to Option 1, this option will result in reduced amenity values, as development will not positively relate to and overlook the street. Option 2 does not enable greater development potential that would incentivise redevelopment of existing lower density development	This option will result in a different built character along Fenton Street which may not be in keeping with some of the community's expectations.

<i>Cultural</i>	There is no change to the cultural environment through this option.	There is no change to the cultural environment through this option.	There is no change to the cultural environment through this option.
<i>Benefits</i>			
<i>Environmental</i>	The 40% building coverage may deter redevelopment of the current building stock and this may result in sustainability benefits encouraging reuse of existing buildings.	The 40% building coverage may deter redevelopment of the current building stock and this may result in sustainability benefits encouraging reuse of existing buildings. The greater landscaping requirement may have some limited ecological benefit.	This option will enable the most efficient use of land within a commercial zone, in close proximity to the CBD. This option will result in a denser built character and contiguous 'wall' of buildings along the street edge, with minimal front yard setbacks, which is optimal for creating a vibrant, active, interesting and engaging streetscape. Public realm upgrades will ensure that Fenton Street becomes a vibrant place for pedestrians rather than a car orientated through-route.
<i>Economic</i>	No additional economic benefits as existing rules are retained.	This option may result in less need for Council to undertake public realm improvements with the associated costs involved, given landscaping will be provided privately on site.	This option will provide greater residential and commercial development capacity, which supports competitive land and development markets.
<i>Social</i>	Existing rules are retained and community expectations are maintained.	Existing built character is retained so community expectations are maintained.	Increases the amenity values of Fenton Street through creating a vibrant urban area and safer environment.

<i>Cultural</i>	This option does not facilitate improved cultural outcomes.	This option does not facilitate improved cultural outcomes.	This option better facilitates development of Whenua Māori and Maori owned land along Fenton St.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	Option 3 is the preferred option. Amending the Commercial 4 zone to ensure that development creates a defined street edge with supporting non-regulatory methods to upgrade Fenton Street is the most appropriate mechanism for achieving the objectives because: • In accordance with COMZ-O1 Option 4 will result in a vibrant gateway to Rotorua's CBD through ensuring development creates a defined street edge optimal for creating a vibrant, active, interesting and engaging streetscape. • In accordance with COMZ-O2 Option 4 will result in development that has an engaging urban character that positively addresses and overlooks the street creating a safe environment. • In accordance with COMZ-O3 Option 4 will avoid adverse effects on the amenity of residential zones through ensuring development is setback from lower density residential zones.		

10.5.5 Issue 5: Complementary Amendments to Support Residential Amenity

- (1) In addition to the proposed amendments to height and the amendments to the activity status for residential use within the City Centre and Commercial zones, further complementary changes are proposed to the standards to support residential amenity. These are detailed below:

Residential Amenity of Adjoining Sites

- (2) In some instances, the City Centre and Commercial zones will directly adjoin sites within a residential zone. In order to ensure that development is setback from neighbouring residential properties the following amendments are proposed:
- Commercial zones that boarder residential zones should meet the adjacent HIRB standards that apply to the Residential 1 or Residential 2 zone on the applicable boundary; and
 - Apply a 3m yard setback on a boundary with a residential zone.
- (3) Together these amendments will minimise adverse shading, privacy and dominance issues for neighbouring residential sites within the context of increased height across the City Centre and Commercial zones. The proposed yard setback will provide some physical separation of the higher commercial buildings proposed with an adjacent residential property whilst still supporting a functional dimension that could support alternative uses such as an accessway to on-site car-parking or alternatively increased landscaping depending on the specific needs of the building.

On-site Residential Amenity

- (4) To support greater onsite residential amenity for proposed residential units within the City Centre and Commercial zones, the following amendments are proposed:
- Consistent with the Residential 1 and 2 zones a minimum dwelling size of 35m² for a studio dwelling and 45m² for one or more-bedroom dwelling to manage on-site amenity is proposed;
 - Consistent with the Residential 2 zone a reduction of the minimum balcony dimensions to 1.5m and 6m² is proposed to reflect that the City Centre and Commercial zones offer a range of amenities that serve to reduce the requirement for on-site outdoor living spaces;
 - Consistent with the Residential 2 zone an outlook standard supported by specific matters of discretion/ assessment criteria related to on-site amenity issues is proposed; and
 - Deletion of the Storage Standard from the City Centre and Commercial zones and the inclusion of additional assessment criteria to manage onsite storage in a more flexible way.
- (5) The inclusion of a minimum dwelling size standard is evaluated within the context of the residential zones within section 7.5 above. This evaluation is also relevant to the City Centre and Commercial zones as it is also important to ensure that all dwellings within Rotorua will provide reasonable conditions of function and amenity for its design occupancy. This is critical in ensuring a reasonable standard of onsite amenity. Therefore, the inclusion of a minimum dwelling size within the City Centre 1-2 and Commercial 1-4 & 6 zones will efficiently and effectively achieves SD09 as the minimum dwelling size standard will ensure that the smallest dwellings will provide reasonable conditions of function and amenity for residents. In addition, the proposed storage standard has been reviewed as part of the Urban Design analysis to inform PC9. This analysis has determined that the operative rule is a blunt approach that does not take into consideration alternative storage options available as part of furniture (e.g. in-built draws under beds) or via dedicated storage facilities. A more efficient and effective approach is to address storage as part of an overall design assessment of a development.

- (6) Increased residential uses within commercial zones, coupled with increased building heights and limited setbacks creates a risk of adverse amenity outcomes in residential dwellings in these areas. This risk is primarily in the form of adjacent sites being built out to their maximum extent, reducing or removing access to sunlight, daylight or outlook of existing dwellings over side boundaries if this has previously been relied upon. To address this, an outlook standard is proposed aligned with the outlook standards of the Residential 2 zone noting that the majority of the building heights proposed within these zones are comparable to that of the Residential 2 zone.
- (7) The proposed reduction in of the minimum balcony dimensions to 1.5m and 6m² has been evaluated within the context of the residential 2 zone within section 7.6.4 above. This evaluation concludes that the reduction in minimum balcony dimensions is appropriate as the Residential 2 zone is located in close proximity to the existing open space network, which reduces the requirement for on-site outdoor living spaces and are an important 'trade-off' that distinguishes low-density suburban housing from more intensive housing in and around centres. This evaluation and its conclusions are also relevant to the Centre 1-2 and Commercial 1-4 & 6 zones which are highly accessible and offer a range of amenities that reduce the need for private open space.
- (8) Together these amendments will manage potential overlooking and privacy issues, ensure that internal living areas are functional with sufficient storage to provide for day to day needs and provide outdoor living space to provide onsite amenity within the context of the City Centre and Commercial zones.

11.0 Review of Transport Provisions

11.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed provisions that relate to transport under PC9. The proposed amendments are related provisions in accordance with Section 80E(b)(iii), and in this case, support and are consequential on the MDRS and Policy 5 of the NPS-UD.

11.2 Overview and scope of Amendments

- (1) The purpose of the amendments to the transport provisions is to ensure that they will enable the anticipated increase in residential development through PC9, and ensure that any resulting effects on the transport network can be appropriately managed.
- (2) The proposed amendments include:
- A new policy addressing access provided within a site.
 - A new performance standard to manage the increased number of households accessed from one shared accessway driveway.
 - Introduction of a Transport Assessment requirement.
 - Additional assessment criteria for the development of four or more residential units and development that cannot comply with the relevant transport performance standards.

11.3 Background and Issues of Concern

- (1) At present the relevant District Plan provisions for transport are located in the Residential zone and *Appendix 1 – Parking, Access, and Turning*. The provisions specify that a public road is required to service developments of more than 8 dwellings. As well as this threshold, there is also a requirement for an integrated traffic assessment, should the number of dwellings proposed exceed 100. The existing transport provisions have been reviewed by Commute (refer *Appendix 11*) to determine whether amendments are required to the provisions for trip generation and access within the residential zones to respond to the increase in development enabled by PC9.
- (2) The assessment by Commute finds that the existing trip generation threshold for the preparation of an Integrated Transport Assessment ('ITA') remains appropriate, and is recommended to be retained. The assessment also recommends a number of amendments to the Residential zone performance standards and *Appendix 1* provisions to ensure that off-site transport effects associated with increased development potential are appropriately managed. In particular, these relate to providing for larger developments (over 20 residential units) to utilise shared access driveways. Notwithstanding, it is recognised that as shared access driveways accommodate a higher number of residential dwellings, there are other transport effects that need to be considered, including:
 - Pedestrian access (pedestrians could safely share the access with vehicles in the 2-8 dwelling range but beyond that, a dedicated pedestrian path is recommended; and
 - Provision for service and emergency vehicles, which requires the need to assess larger vehicles turning to and from the site and accommodate the required turning areas on-site.

11.4 Relevant Objectives

- (1) The relevant District Plan objective is SUB-O4: Sites and associated roads integrate safely and efficiently within the transport network.
- (2) No changes are proposed to this objective. PC9 also proposes to introduce the following amendments to the Residential zone that are relevant:
 - RES-O3 and RESZ-010 Development contributes to attractive and safe streets and open spaces.
- (3) An evaluation of the appropriateness of this objective in accordance with section 32(1)(a) is included in Section 8.

11.5 Evaluation of Provisions

11.5.1 Issue 1: Access Provisions

- (1) The key issue for consideration is the current provision in the district plan that specifies that shared access driveways shall not serve more than eight household units and with this the associated/specified minimum widths. Commute finds that where shared access driveways are formed to enable two-way vehicle movements, shared access driveways can accommodate a significantly higher number of residential units. With PC9 enabling greater development potential, it is appropriate to enable a greater number of dwellings to be accessed from a single shared access driveway, while ensuring that safe and efficient vehicle and pedestrian access is provided for.

- (2) To address this issue the following amendments are proposed as part of PC9:
- Inclusion of a new policy within the Residential 1 and 2 zones that details the importance access within a site being well connected to the existing transport network and designed to be safe and convenient to use for pedestrians, cyclists, and vehicles where parking is provided.
 - Amend the standards which relate to shared access driveways to increase the number of dwellings which can be serviced by a shared access driveway household units.
 - Introduce a new requirement for an overall access width of 8m when serving 9-20 residential units.
- (3) The proposed standards have been informed by technical transport engineering advice provided by Commute, which is included at *Appendix 11*.
- (4) A key issue raised through engagement with local consultants and the resource consent team is the ability for existing right of ways (typically around 6m wide) to cater for an increased level of permitted development. Equity issues were raised, including the fairness of the first developer being able to utilise the more enabling access standards, with later developers likely needing to infringe the permitted standards in the instance where five or more residential units are proposed off an existing 6m right-of-way. This issue is common throughout cities in New Zealand, and is typically managed through methods outside of the District Plan.
- (5) While analysed in further detail below, the access standards above have been developed to ensure that development can be supported by safe access to residential units that appropriately provides for all modes, where carparking is proposed. For development that does not comply with the proposed standards, a restricted discretionary resource consent would be required and an assessment from a transport engineer would be required to analyse whether the existing access, or a modified access, can safely cater for the development. In instances where safety issues cannot be addressed through design, the Applicant would need to explore other options, such as reducing the amount of carparking provided on site. The Property Law Act 2007 would continue to govern landowner rights and responsibilities over the existing right of way.

Table 20: Issue 1: Access Provisions – Evaluation of Options

	Option 1: Retain the provisions (Status Quo)	Option 2: Proposed Plan Change: Make the amendments set out above
<i>Description of option</i>	This option involves retaining the current performance standards as found in the Rotorua District Plan with regard to provisions for shared access driveways in the Residential zone.	• Enable a shared access driveway in the Residential zone to accommodate up to 20 residential units with supporting legal and formed width and design requirements. • Include a policy for the transport and design outcomes for access within sites.
<i>Efficiency and effectiveness in achieving the objectives</i>		
SUB-04 Sites and associated roads integrate safely and efficiently within the transport network.	This option is efficient and effective as the number of residential units obtaining access by a shared access driveway that provides direct access to a public road will be limited.	This option is efficient and effective as the number of residential units obtaining access by a shared access driveway that provides direct access to a public road will be limited. Although there is increased provision compared to Option 1, an increased width requirement is also proposed to apply to shared access driveways serving 9-20 residential units.
<i>RESZ-03 and RESZ-10 Development contributes to attractive and safe streets and open spaces.</i>	This option is efficient and effective as limiting the number of residential units and vehicles utilising a shared access driveway and requiring minimum formed widths of access will contribute to attractive and safe streets.	This option is efficient and effective as limiting the number of residential units and vehicles utilising a shared access driveway, requiring minimum formed widths of access, and the provision of pedestrian paths will contribute to attractive and safe streets.
<i>Costs</i>	Shared access driveways that are appropriately designed and formed, including to provide two way vehicle movements can safely and efficiently accommodate more than eight residential units.	Increasing the number of residential units and vehicles accessing a public road to and from a shared access driveway can create potential effects on the local road network, including associated with access and

	This option has the potential to create greater costs to development associated with providing public roading, and does not allow for the most efficient use of land under the MDRS and PC9 provisions, therefore limiting the development potential of land There is no change to the cultural environment through this option.	maneuvering for service and emergency vehicles. However, effects can be managed through the application of the proposed minimum width requirements and other performance standards and the proposed policy. There is no change to the cultural environment through this option.
<i>Benefits</i>	This option will provide for some multi residential unit development while managing effects on the local road network at a time and cost efficiency, however will not provide the same extent of development potential as Option 2. There is no change to the cultural environment through this option.	This option will provide for greater development potential and design flexibility within residential sites. The proposed minimum width requirements will require shared access driveways to be appropriately designed and constructed to accommodate a greater number of residential units, and ensure access utilising a shared access driveway will not create effects on the local road network. This option also has a higher threshold for when a public road is required, creating cost efficiencies. The cost of developing a shared access driveway to the proposed performance standards are likely to be less than those associated with the construction of public roading. The proposed policy will provide additional direction on the access related outcomes to be achieved in larger scaled developments (up to 20 residential units). There is no change to the cultural environment through this option.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	

<i>Summary</i>	Option 2 is the preferred option. Enabling a greater number of residential units to be served by shared access driveways that are appropriately designed and formed is the most appropriate mechanism for achieving the objectives because: • In accordance with SUB-O4 this option will enable sites to integrate safely and efficiently within the transport network while also accommodating the increase to residential development potential enabled by PC9. • In accordance with RESZ-O3 and RESZ-O10 this option will ensure that shared access driveways accommodating an increased number of residential units will contribute to attractive and safe streets through the proposed performance standards for width and design.
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11.5.2 Issue 2: Transport Assessment

- (1) With PC9 enabling greater density of built form within the Residential zone, there is the potential for development to adversely affect the safety and efficiency of the local transport network. In particular, the transport analysis undertaken by Commute has highlighted that increased development potential can create off-site effects on the transport network, such as parking overspill onto local streets (refer *Appendix 11*). It would therefore be appropriate to manage these effects at the resource consent stage to ensure that the local road network can operate in a safe and efficient manner.
- (2) To address this issue the following amendments are proposed as part of PC9:
 - Introducing the requirement to prepare a simple Traffic Assessment where 20 or more residential units are proposed. The Traffic Assessment will address effects on the local road network in the immediate area of the development. The requirements of a Traffic Assessment will be set out in *Appendix 1 – Parking, Access and Turning*.
 - Inclusion of new matters of discretion and assessment criteria for developments of four or more residential units to assess impacts on surrounding environment

Table 21: Issue 2: Transport Assessment – Evaluation of Options

	Option 1: Retain the provisions (Status Quo)	Option 2: Proposed Plan Change: Make the amendments set out above
<i>Description of option</i>	This option involves retaining the current provisions as found in the Rotorua District Plan with regard to transport assessment.	This option involves amending the provisions in Appendix 1 – Parking, Access, and Turning with regard to the transport provisions. Key changes include: • Require the preparation of a Transport Assessment for 20 or more residential units are proposed to address effects on the local road in the immediate area of the development. • Amend matters of discretion to assess impacts of four or more residential units on the transport network. • Amend matters of discretion to assess infringements to the access performance standards.
<i>Efficiency and effectiveness in achieving the objectives</i>		
SUB-O4 Sites and associated roads integrate safely and efficiently within the transport network.	This option is less efficient and effective as there is no ability to ensure that larger developments below the threshold that requires a full Integrated Transport Assessment (100 residential units) will not adversely affect the safe and efficient operation of the local road network.	This option is efficient and effective as it will ensure that the effects of development enabled under PC9 on the transport network can be appropriately assessed and managed through the preparation of Transport Assessments and matters of discretion for four or more residential units.
RESZ-O3 and RESZ-10 Development contributes to attractive and safe streets and open spaces.	This option is less efficient and effective as there is no ability to ensure that larger developments below the threshold that requires a full Integrated Transport	This option is efficient and effective as it will ensure that the effects of development enabled under PC9 on the attractiveness and safety of streets can be appropriately assessed and managed through the

	Assessment (100 residential units) will ensure the attractiveness and safety of streets.	preparation of Transport Assessments and matters of discretion for four or more residential units.
<i>Costs</i>	The lack of assessment of local transport effects arising from increased residential density could create effects on the transport network and limit the ability of key services such as rubbish trucks and emergency vehicles to use the road with potentially increased parking demands. There is no change to the cultural environment through this option.	This option introduces a slightly more complex compliance and consenting approach which could increase costs and time to those developing land. There is no change to the cultural environment through this option.
<i>Benefits</i>	This option retains the existing requirement for an ITA to be prepared for developments with 100 or more residential units, and is more cost efficient than Option 1 for those developing land. There is no change to the cultural environment through this option.	Increased development potential and higher density residential development may create effects on the potential displacement of parking to the public road network (given minimum parking requirements are not required). The introduction of a simpler Transport Assessment focusing on local effects will ensure that the road network can still operate safely and efficiently, while creating less cost than the preparation of an ITA. The introduction of a new matters and discretion and assessment criteria will also provide opportunity to utilise existing formed accessways that do not meet the proposed performance standards and ensure that transport effects of new development for four or more residential units can be assessed. There is no change to the cultural environment through this option.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	

<i>Summary</i>	Option 2 is the preferred option. Introducing additional provisions to enable transport related effects to be more comprehensively addressed for larger scaled residential developments is most appropriate mechanism for achieving the objectives because: • In accordance with SUB-O4 this option will ensure that sites with larger scaled residential developments as provided for by PC9 integrate safely and efficiently within the transport network. • In accordance with RESZ-O3 and RESZ-O10 this option will ensure that the District Plan enables larger scaled residential developments provided for by PC9 to be appropriately assessed to ensure that they contribute to attractive and safe streets.
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12.0 Flooding

12.1 Structure of this Section

- (1) This section includes the required Section 32 and Section 77J evaluation of the proposed changes to provisions which manage flood hazards. The proposed provisions include:
 - Introduction of a restricted discretionary rule applying to building and additions in the areas where there are significant flood depths as a new qualifying matter; and
 - Amendments to existing provisions and new provisions as related provisions in accordance with Section 80E(b)(iii). In this case, the proposed amendments support and are consequential on the MDRS and Policy 5 of the NPS-UD.
- (2) *Appendix 4* includes an assessment in accordance with Section 77J in relation to the proposed provisions that apply as a new qualifying matter. *Appendix 2 and Appendix 4* includes an assessment in relation to all amendments to provisions that manage flood hazards proposed under PC9, including the new qualifying matter (Issue 1) and related provisions (Issues 2-4).

12.2 Overview and Scope of Amendments

- (1) Amendments are proposed to the provisions which manage flood risk to respond to potential risks associated with the increased development potential enabled by PC9, while also seeking to improve the efficiency of the provisions. The amendments include:
 - Amendments to the building level standards:
 - Alignment of design flood used for minimum building level standards to that used in subdivisions and administration of the Building Act;
 - Extension of building level standards to new buildings.
 - Introduction of a requirement for a broad assessment (as a restricted discretionary activity) for buildings and larger building additions in areas where the anticipated flood depths in a design event are more than 300mm. This constitutes an additional qualifying matter.
 - Clarification and streamlining of subdivision rules.
 - Reduction in the maximum impervious site coverage standards for Residential 1 and 2 Zones.
- (2) The proposed restricted discretionary rule for building and additions in the areas where flood depths are anticipated to be deeper constitutes a new qualifying matter, as it would potentially restrict development density within residential zones.
- (3) The other proposed amendments to the provisions which manage flood risk are related provisions in accordance with Section 80E(b)(iii). In this case, the proposed provisions are consequential on the MDRS and Policy 5 of the NPS-UD.

12.3 Background and Issues of Concern

- (1) Section 77I of the Amendment Act stipulates that a territorial authority may make the MDRS and the relevant building height or density requirements under policy 3 less enabling of development

in relation to an area within a relevant residential zone only to the extent necessary to accommodate 1 or more of the outlined qualifying matters. This includes (a) a matter of national importance that decision makers are required to recognise and provide for under section 6 (Section 771(a)).

- (2) Qualifying matters include the management of significant risks from natural hazards as a matter of national importance (RMA S 6(h)). While the district plan already includes district-wide provisions (refer *Appendix 1*) to manage development on sites subject to flood risk, amendments to these provisions are now required to respond to the potential for flood risk to increase with the development facilitated by PC9, resulting from:
- The intensification of buildings in Rotorua city (for example, with the removal of residential unit density standards and yards), could increase risks to life or property if development occurs in areas susceptible to flooding.
 - The intensification of building facilitated by PC9 will also facilitate additional imperviousness surface coverage in some areas, which could contribute to flooding.
 - This intensification of building could potentially occur in areas that are important for conveying or storing water during flood events.
- (3) In addition, the emerging flood risk assessment commissioned by RLC using the methodology in the Bay of Plenty Regional Policy Statement, is likely to identify Rotorua city as having a high flood risk.¹⁹
- (4) Issues relating to the efficiency of the existing rules have also been identified, including a lack of consistency in design standards for minimum building levels between building process and the District Plan and ambiguities in subdivision standards.

12.4 Extent of Qualifying Matter

- (1) The proposed amendments to the district-wide flood management provisions will apply across the district within areas subject to flooding and are only considered a new qualifying matter in accordance with Section 771 of the RMA where they are proposed to apply within the Residential 1 Zone and the Residential 2 Zone. This will be to properties where there is a maximum flood depths on a building site are greater than 300mm in the design flood of a 1% AEP event with an allowance for climate change. A series of maps that identify areas affected by the proposed new qualifying matter is attached within *Appendix 12*.

12.5 Qualifying Matter and Justification of Incompatibility with the MDRS

- (1) There may potentially be significant risks from flooding to people and/or property associated with new buildings or additions to buildings permitted by the MDRS in these areas due to:

¹⁹ Work is currently being commissioned by Rotorua Lakes Council from Tonkin & Taylor Ltd to assess the flood risk across Rotorua city using the methodology in Appendix L of the Regional Policy Statement and the work to date indicates that Rotorua city, assessed as a whole, will be given a risk rating of high using this methodology. Assessments commissioned for individual catchments within the city have also resulted in a high risk rating: National Institute of Water & Atmospheric Research Ltd (NIWA), Flood Risk Assessment for Rotorua Lakes District Urban Catchments, Report prepared for Rotorua Lakes Council, Client Report No. 2021003WN, January 2021.

- Increased cumulative value of assets that could potentially be damaged in a flood event;
 - Increased number of occupants in areas that may be hazardous to life due to deep and/or fast flows; and
 - Compromise of overland flowpaths that could divert water onto other properties.
- (2) This is addressed to some extent through minimum floor levels and administration of the Building Act, but the proposal provides broader scope to consider the effects and potential options to minimise the risk through consent conditions.

12.6 Impact on Development Capacity

- (1) The extent of areas affected by the proposed provisions that manage flood hazards is identified in the series of maps attached within *Appendix 12*.
- (2) Development to the density envisaged by the MDRS (and proposed impervious standards for the zone) may not be able to be achieved on some sites as expert assessments may identify the need to avoid areas of land subject to flood hazards, increased minimum floor levels, separation between buildings and other structures, and reduced coverage with buildings and other impervious surfaces.
- (3) Given the variability of the extent and risk associated with flood hazards, it is not possible to determine with any reliable accuracy the potential impact on development capacity. Notwithstanding, the impact of the proposed provisions on development capacity is likely to be low given that most flood hazards can be appropriately managed through site design, including the implementation of minimum floor levels.
- (4) While there is potential for development capacity to be reduced in the most constrained locations, it is likely that these areas would also be subject to restrictions under the Building Code that would reduce also reduce development capacity.

12.7 Appropriateness of Proposed Objectives

- (1) The relevant District Plan objective is SDNH-O1: *Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas subject to a natural hazard*.
- (2) No changes are proposed to this objective, which applies across multiple natural hazards.

12.8 Evaluation of Provisions

- (1) Section 77J of the RMA sets out specific evaluation requirements in relation to new qualifying matters. These are addressed within *Appendix 4*. The evaluation below provides a broader assessment of the proposed provisions in relation to the new qualifying matter and the amendments proposed to address the efficiency of provisions in accordance with Section 32.

12.8.1 Issue 1: Broader issues associated with building in areas susceptible to flooding

- (1) The current District Plan rules only address building levels and there is no opportunity to consider broader issues and potential responses. While sections 71 to 74 of the Building Act promote the design of buildings to address natural hazards and avoid impacts on other properties; and section 106 of the RMA allows Council to refuse subdivision consent or impose conditions if it considers

there is a significant risk of natural hazards, it can be difficult to assess the risks associated with the future land use and building work often occurs that has not been specifically considered at subdivision.

- (2) The following matters relating to the risks of building in areas susceptible to flooding are more readily addressed through District Plan land use rules:
 - the potential life-safety risks from people living in areas that flood and seeking to evacuate during flood events through fast and/or deep flows.
 - the potential that associated site work, which is not always within the scope of what can be considered under the Building Act, may divert overland flows, dam flows or otherwise increase the hazard on neighbouring properties.
 - the cumulative impact of displacement of flood waters from building footprints onto other sites.
- (3) Conditions on land use consent are potentially more flexible to address a wider range of matters than can be addressed through building design to meet the Building Act. For example, conditions on maintenance of overland flowpaths and use of the wider site.
- (4) Given the risks associated with flooding in Rotorua; and that these risks may increase with development facilitated by PC9, it is proposed that a broader assessment of the risks associated with areas susceptible to flooding, be introduced into the District Plan (proposed rule NH-R4(4)).
- (5) To balance achievement of the objective of minimising risk with efficiency, this assessment is limited to areas where the potential risks are greater. In areas where risks are likely to be less, buildings and additions would just have to meet minimum floor levels. A corresponding policy (NH-PA) is also proposed to outline this approach.
- (6) A threshold of more than 300mm maximum flood depth in the design flood is proposed as the threshold for the broader assessment, consistent with the rule framework recently adopted in the Tauranga City Plan with Plan Change 27 and technical advice from Tonkin & Taylor (refer *Appendix 13*).
- (7) Proposed matter of discretion NH-MD1 set outs the matters to be considered in the assessment, which are:
 - The appropriateness of the proposed building location and the extent to which the proposal minimises the risks to people and property on site from flooding through measures such as building design and provision of safe evacuation routes or refuge;
 - The extent to which the development will increase risks from flooding to people and property on other sites or infrastructure; and the extent to which the proposal minimises this effect; and
 - Whether the proposal will affect the carrying capacity and storage capacity of any river corridor or major overland flowpath.
- (8) As with minimum floor levels, there would be an exemption for additions under 20m². Small additions are less likely to require a broad assessment as they are less likely to significantly increase risks by, for example, increasing the occupants of a building. It is considered that consideration under the Building Act is sufficient. Buildings of low importance and those associated with the Electricity Generation Core Site would also be exempt.

- (9) During consultation on PC9 concern was expressed with these exemptions. It was pointed out that even buildings of low importance and small additions could impact overland flowpaths. This is agreed. However, because overland flow paths have yet to be mapped, provisions specifically addressing their protection are considered best left to the subsequent flooding plan change. Rules that target a wider range of activities including even small additions and buildings of low importance may be appropriate in these areas.
- (10) In the meantime, a policy relating to the maintenance of the function of overland flowpaths and river corridors is proposed as a supporting change (policy NH-PB). Inclusion of this policy will assist in achieving the objectives by ensuring overland flowpaths are considered in subdivision and in the broader assessment of buildings in areas where anticipated floodwaters are deeper (proposed rule NH-R4(4)). Corresponding matters of discretion for the broader assessment of building in areas susceptible to flooding (NH-MD1) include the following matters relating to overland flowpaths:
- the extent to which the development provides for the conveyance of water;
 - whether the development will change the entry and/or exit points of the overland flowpaths on the site and the impact other sites and infrastructure;
 - management of any potential erosion caused by any overland flowpaths; and
 - provision for access and maintenance to the overland flowpaths.
- (11) A definition of overland flowpaths is also proposed to aid implementation:
- (12) The land overflowed by a concentrated flow of water in an intense rainfall event, as it flows towards the stormwater network, streams, rivers, or lakes. Overland flowpath includes a secondary flowpath which is activated when the primary (often piped) stormwater system gets blocked or when the capacity of the piped system is exceeded. For the purposes of this definition, an overland flowpath includes, but is not limited to, an artificially designed route using formed or hard surfaces.
- (13) An evaluation of these changes against the requirements of section 32 is provided in the table below (refer *Table 22*).

Table 22: Issue 1: Broader Issues associated with Building in Areas Susceptible to Flooding – Evaluation of Options

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Other options considered: Do not include exemptions
<i>Description of option</i>	Retain the current provisions in the District Plan– No additional rule would be inserted to require consent for buildings constructed in areas with flood depths >300mm in the design flood event.	- Require resource consent for buildings constructed in areas where flood depths >300mm in the design flood event, except for buildings of low importance and additions of 20m² as a restricted discretionary activity; - Identify corresponding matters of discretion. - Include a policy for the protection of the function of river corridors and overland flowpaths and corresponding matters of discretion.	As for option 2, but do not include the exemptions from the broad assessment for buildings of low importance and additions of 20m ² or less.
<i>Efficiency and effectiveness in achieving objectives</i>			
<i>SDNH-O1: Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas</i>	This option is less efficient and effective in achieving the objective because building level requirements alone may not be sufficient to appropriately manage the risks associated with the subdivision, use, or development of land where a more significant flood hazard applies.	This option is efficient and effective as the proposed provisions for buildings in areas where flood depths are anticipated to be deeper (> 300mm) in a design event allows consideration of site-specific factors and more significant flood hazards. This ensures that the risks associated with the subdivision, use, or development of this land is appropriately managed, particularly under intensification scenarios facilitated by PC9.	This option is effective as it will ensure that more significant flood hazards (including overland flowpaths) are managed to the greatest extent to minimise or reduce the level of risk to life, property and the environment. This option is less efficient as the flood management provisions applying to buildings of low importance of small additions is unlikely to be commensurate with the level of risk with respect to flood hazards across the flood plain. Rules that

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Other options considered: Do not include exemptions
<i>subject to a natural hazard.</i>			target building and structures specifically in overland flowpaths may be an appropriate method, but the flowpaths have yet to be mapped.
<i>Costs</i>	This option creates the risk that more significant flood hazards are not appropriately managed.	This option will create increased consenting costs and reduced certainty for development, however the proposed policy and matters of discretion will provide a level of certainty on the anticipated outcomes to be achieved with regard to the management of flood hazards. This option reduces costs by excluding low value buildings and small additions - these are less likely to increase risks to any significant extent because of the low value of the asset and improbability that additional people will be exposed.	This option will create increased consenting costs and reduced certainty for development, however the proposed policy and matters of discretion will provide a level of certainty on the anticipated outcomes to be achieved with regard to the management of flood hazards. This option also creates the additional consenting costs for buildings of low importance and small additions.
<i>Benefits</i>	This option will manage some of the risks associated with the subdivision, use, and development of land subject to a flood hazard at a time and cost efficiency, however, not to the same extent of risk management as Options 2 and 3. This option also provides more certainty for development only minimum floor levels are required by the District Plan, and retains	Areas outside the 300mm depth threshold will generally be of low risk to human safety according to depth x velocity guidelines. More significant overland flowpaths, while not yet mapped, will generally fall inside the area 300mm depth threshold. This option appropriately manages the risks associated with more significant flood	This option manages more significant flood hazards to the greatest extent. This option appropriately manages the risks associated with more significant flood hazards on people, communities, property, and the environment. The proposed policy and use of a restricted discretionary activity status and matters of discretion will provide certainty on the

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Other options considered: Do not include exemptions
	existing District Plan provisions that the plan users are familiar with.	hazards on people, communities, property, and the environment. The proposed policy and use of a restricted discretionary activity status and matters of discretion will provide certainty on the anticipated outcomes to be achieved with regard to the management of flood hazards.	anticipated outcomes to be achieved with regard to the management of flood hazards.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	The proposed changes outlined above (option 2) is considered the most appropriate option. There may be some costs in terms of uncertainty created by the requirement for the broad assessment and potentially reduced potential to use sites as a result of conditions imposed on resource consents. Nonetheless, this approach provides opportunity to consider key matters relevant to building in areas susceptible to flooding, which is important for achieving the objective of minimising risk. The flooding plan change should consider rules targeting activities in overland flowpaths. In these areas, an exemption for small additions and buildings of low importance will be less valid.		

12.8.2 Issue 2: Minimum Building Levels

- (1) Currently the District Plan requires building levels to be above design flood levels, as permitted standards, to address lake flooding (NH-R4) as well as flooding from surface water inundation (NH-R5). Buildings that do not meet these standards are restricted discretionary activities. This is an important method to assist with achieving objective SDNH-O1 by reducing the probability that flood waters enter buildings and cause damage.
- (2) However, there are several issues with the current rules:
 - a) Design floods are variable and do not reflect practice

The current design flood for building levels in the District Plan adds to uncertainty and inefficiency. The design flood stated for the Waikato River Catchment is the 1% Annual Exceedance Probability (“AEP”) event, whereas for flooding outside this catchment the design flood is the 2% AEP event. Moreover, consent conditions imposed through subdivision and advice on building applications are inconsistent with the 2% AEP event standard and routinely use to the 1% AEP event with an allowance for climate change and freeboard as the design flood.
 - b) Minimum building levels do not apply to new buildings

The rule for surface water inundation (NH-R5) only addresses additions and replacement of buildings and not new buildings.
 - c) Focus on filling platform rather than floor level

The performance standard for surface water inundation (NH-R5) requires building platforms be filled to above the design flood level. Filling of building platforms is not necessary (as buildings can be raised without necessarily filling the site). Indeed, filling the platform can contribute to flooding of other sites due to the displacement of flood water, which is contrary to minimising risk and Objective SDNH-O1 risk.
 - d) Building is too widely defined

There is a need to clarify the meaning of building for the purpose of the natural hazard rules. The current definition of building in the District Plan is broad and captures a wide range of structures, which is inefficient because not all types of structures are damaged by water entering.
 - e) Duplication of processes

It is considered that the District Plan has a key role in setting minimum floor level standards to minimise risk and achieve the plan’s objective, even though floor levels are also considered through subdivision and Building Act processes. This is because not all buildings are first considered through subdivision and subject to consent notices. Building Act processes, in turn, provide less certainty of design expectations across the combination of E1 of the Building Code and avoidance of hazard notices, as discussed above. However, consideration should be given to this overlap in processes, efficiency and effectiveness.
- (3) To address the issues identified above in the provisions for minimum building levels, the following changes are proposed:
 - a) Align design flood with practice and clarify matter of discretion

It is proposed that existing rules NH-R4 and NH-R5, addressing building levels with respect to lakes and surface water respectively, are replaced with rules that provide a consistent design flood level for flooding from these various sources.

For the design flood level, it is proposed to use the 1% AEP event with an allowance for climate change based on the RCP 8.5 median scenario (or most recent national or regional guidance) to the year 2 and freeboard.

It is also proposed to remove the 2% AEP lake flood maps from the District Plan, as these no longer represent the design flood. Implementation of the rule will rely on mapping produced outside the District Plan, potentially augmented by site-specific assessments (as is the current approach for surface water flooding under Rule NH-R5).

The restricted discretionary status for buildings that do not meet the minimum floor level standards would be retained and proposed matter of discretion NH-MD1 would clarify that the relevant consideration is 'the extent to which the proposal minimises the risks to people and property on site from flooding'.

b) Extend the minimum floor level standards rules to new buildings

It is proposed that the rules are extended to address new buildings, and not just replacement buildings and additions to buildings. While minimum floor levels will be required, in any case, to meet the Building Code and avoid hazard notices this will improve certainty about design expectations and efficiency in achieving the objective of minimising risk.

c) Change focus from building platform level to floor level

The standards are also proposed to be reworded to focus on floor levels, not the level of building platforms. This will leave open potential to meet the standards using raised floors instead of earthworks to fill building platforms.

A definition of minimum floor level is also proposed to provide clarity about how to measure the level (to the underside of the slab or underside of the floor joist, whichever is applicable)

d) Focus definition of building for purpose of rules

It is proposed that the national planning standards definition be used for buildings. This would limit the rules to an everyday meaning of a roofed structure and exclude other structures, which are considered less of a risk for flood damage by water entering the structure.

e) Introduce exemptions

It is proposed that an exemption from meeting the building floor levels (by way of a permitted activity NH-R1(1))) be provided for additions of less than 20m² and buildings of low importance. This is intended to balance the efficiency issues of multiple processes under the Building Act and RMA with effectiveness in achieving the objectives. Smaller additions and buildings of low importance add less value exposed to the hazard and consideration under the Building Act is considered sufficient. An advice note to alert to Building Act requirements is also included in the proposed rule.

- (4) The current exemption for meeting building levels for buildings in the Electricity Generation Core Site is retained in the proposed rule.

- (5) These changes are evaluated in the table below against the requirements of Section 32 of the Act (refer *Table 23*).

Table 23: Issue 2: Minimum Building Levels – Evaluation of Options

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above
<i>Description of option</i>	Retain the current provisions in the District Plan – no change to the minimum building level rules and related provisions.	• Amend design flood for minimum building level rules to align with the design flood used in practice (1% AEP with an allowance for climate change and freeboard) • Remove requirement to fill building platforms and instead focus on floor levels; • Extend floor level standards to new buildings • Amend definition of building for natural hazard rules to exclude non-roofed structures; • Exclude and buildings of low importance and additions less than 20m²; • Specify matters of discretion for those that do not meet the standard
<i>Efficiency and effectiveness in achieving objectives</i>		
<i>SDNH-O1: Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas subject to a natural hazard.</i>	This option is less effective and efficient because: • PC9 will facilitate intensification and the construction of new buildings. The rule for surface water inundation (NH-R5) only addresses additions and replacement of buildings and not new buildings on land that is subject to risk associated with a flood hazard. • The existing performance standard for surface water inundation encourages raising of whole building platforms rather than just buildings, this can cause displacement of floodwater, increasing the level of risk to other properties.	This option is effective and efficient because: • Using the 1% AEP event with climate change as the design event will provide greater protection from flooding to minimise the risks. • Using the 1% AEP event with climate change for the design event is consistent with best practice in subdivision and administration of s71-74 of the Building Act and promotes certainty and efficiency. • The level of risk to life, property and the environment from the intensification of new buildings facilitated by

		PC9 on land subject to a flood hazard will be appropriately minimised or reduced.
<i>Costs</i>	This option creates the risk that significant flooding risks on people, property, and the environment associated with intensification of new buildings facilitated by PC9 are not appropriately managed as the floor level performance standard does not apply to new buildings. This option also has the potential to create additional consenting costs because: • The design flood outside of the Waikato River Catchment is not consistent with other practices in subdivision and building, which creates the risk of confusion and redesign. • As the current definition of building in the District Plan is broad, buildings of low importance, for example garden sheds, are subject to the same floor level standards targeted to higher value buildings, creating non-compliance and a requirement for resource consent where the floor level standard is not met. • The performance standard for surface water inundation requires building platforms be filled to above the design flood level, creating non-compliance and a requirement for resource consent where an appropriate floor level is achieved without raising the building platform.	The change in design flood means building floor levels are designed for a more severe flood – floor levels must be higher. The additional costs are often not expected to be significant and, in any case, this design is likely to be required to avoid hazard notices under the Building Act or to meet consent notices imposed at subdivision.
<i>Benefits</i>	This option will manage some of the risks associated with the subdivision, use, and development of land subject to a flood hazard at a time and cost efficiency, however, not to the same extent of risk management as Option 2.	This option ensures that the risks on people, property, and the environment associated with the intensification of new buildings facilitated by PC9 on land subject to a flood hazard will be appropriately minimised or reduced.

		This option will also create a number of cost efficiencies for the resource consent process associated with: • The identification of matters of discretion increases certainty to resource consent applicants. • Performance standards associated with design flood standards, floor levels for buildings of low importance, and the level of building platforms. The proposed amendments also reduce confusion and the need to redesign.
<i>Risks</i>	A relevant consideration in terms of ‘the risks of acting or not acting if there is insufficient information about the subject matter’ is how climate change is considered in the proposed provisions. The design flood proposed for the standards and rules is the 1%AEP event taking into account the effects of climate change based on the RCP 8.5 median scenario (or most recent national or regional guidance) to the year 2130. It is acknowledged that this is a more conservative scenario but aligns with modelling practice and provides a precautionary approach.	
<i>Summary</i>	The proposed changes outlined above are considered the most appropriate option because: • This is more consistent with the objectives as raising whole building platforms can divert floodwaters on to other properties. • It is consistent with the Council’s engineering standards (Regional Infrastructure Technical Standards) and conditions imposed on subdivision consents; and will remove uncertainty about different standards applied in different processes and the potential for redesign of buildings because the design expectations were unclear. • The incorporation of climate change for at least a 100-year timeframe in the consideration of natural hazards is consistent with Policy NH 11B of the Bay of Plenty Regional Policy Statement. • The design flood is also consistent with District/City Plans in other parts of the Region: Tauranga and Whakatane, which may assist to improve efficiency for designers and other consultants using the District Plan.	

12.8.3 Issue 3: Improving the efficiency of Subdivision rules

- (1) Currently subdivision in areas susceptible to flooding is addressed by performance standard SUB-S8. Development in urban zones must meet this standard to be assessed as a controlled activity. It requires:
 - Vacant lots - no vacant lots are created on land susceptible to inundation if it cannot be filled above the inundation flood level
 - Subdivision around existing buildings - additions and replacement buildings will be required to provide filled building platforms
- (2) In the Waikato Catchment land 'susceptible to inundation' to which the standard applies is defined by the 1%AEP event as well as a minimum factor of depth x velocity. Elsewhere in the district the standard applies to the area inundated by a 2%AEP storm event.
- (3) There is also a separate rule (SUB-R43) for subdivision of land or buildings on areas subject to inundation (discretionary activity in reserve zones and rural zones and non-complying activity in commercial, industrial and business and innovation zones).
- (4) These rules are not considered efficient for achieving the objective. The combination of standard SUB-S8 and specific activity rule in SUB-R43 creates confusion and the discretionary and non-complying activity status in SUB-R43 may unnecessarily discourage development of sites that can be developed without significant risk.
- (5) Furthermore, the requirement in the standard to fill whole lots or building platforms is impractical and costly and contrary to hazard objectives as it may divert water onto other properties.
- (6) To address the efficiency issues identified above, the changes set out in the following table are proposed to subdivision rules:

Table 24: Improving the Efficiency of Subdivision Rules

Issues	Proposed changes to address
The combination of standard SUB-S8 (requiring filling of sites) and specific activity rule in SUB-R43 (requiring consent as a discretion or non-complying activity for sites subject to inundation in some zones) creates confusion as to what is required and the activity status. The discretionary and non-complying activity status in SUB-R43 may unnecessarily discourage development of sites in some zones that can be developed without significant risk.	Remove the permitted activity standard (SUB-S8(1)) requiring lots to be filled above the flood level Amend rule SUB-R43 so that subdivision is assessed as a restricted discretionary in all zones if the building platforms identified include land subject to inundation in the design event (1%AEP event with climate change). Insert corresponding matters of discretion to clarify the extent of the assessment (SUB-MD2).

The requirement in the standard to fill whole lots or building platforms is impractical and costly and contrary to hazard objectives as it may divert water onto other properties	Remove the permitted activity standard (SUB-S8(1)) requiring lots to be filled above the flood level.
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- (7) The benefit of these changes is that subdivision rules will be targeted to sites where building platforms are potentially affected by flooding, rather than to all sites affected by flooding. This reduces uncertainty for development.

12.8.4 Issue 4: Management of impervious surfaces

- (1) During consultation on PC9 BOPRC also indicated that they were concerned about the potential for increased impervious surfaces facilitated by the MDRS and PC9 and whether this was being sufficiently managed through the existing District Plan provisions
- (2) Implementation of the MDRS, while not directly addressing impervious surfaces, will allow for the facilitation of increased impervious surfaces from buildings and hard stand areas, because of the less restrictive standards on matters such as number of buildings per site and yards. Other changes being considered as part of PC9 also have potential to facilitate increased impervious surfaces, such as the removal of residential unit density standards in other zones and building site coverage standards in the Commercial 4 Zone.
- (3) A memo from Tonkin and Taylor (*Appendix 13*) shows that, increasing the level of impervious surfaces in a catchment reduces soakage of rainfall into the ground and reduces areas for water to pond on the surface (puddles). This can generally be expected to result in increased peak runoff rates and larger total runoff, contributing to surface flooding.
- (4) Three general options have been considered to address increased impervious surfaces:
- Retain the current impervious site coverage standards.
Currently standards of 80% for Residential 1 Zone, 65% for Business and Innovation Zones and 40% for the Industrial Transition Zone would remain. There would be no limit for Residential 2 Zone, City Centre Zones, Commercial Zones and other Industrial Zones
 - Reduce the impervious site coverage standards in residential zones affected by the MDRS.
Impervious standards in Residential 1 Zone and Residential 2 Zone would be reduced from 80% and 100% to 70% and 80% respectively. This would likely allow some increases in imperviousness on many Residential 1 Zone sites, which have been estimated to generally have an imperviousness in the order of 50% to 60%,²⁰ but not to the extent allowed by the current standards. Some Residential 2 Zone sites would also be able to increase imperviousness consistent with the standards, while others already have levels of imperviousness at around 80%.²¹
 - Consider a more restrictive approach to impervious surfaces

²⁰ Tonkin & Taylor, 'Flood Hazard Provisions', Memo to Kim Smith, 24 May 2022

²¹ For example, imperviousness was estimated on ten properties in Perekia Street in the Residential 2 Zone using aerial photography and was found to range from 38% to 79%, with an average of 54%; whereas the average for ten properties in Victoria Street in the Residential 2 Zone was estimated at 75%.

Under this option, further reductions in impervious standards could be considered. For example, maximum imperviousness standards could potentially be introduced for City Centre, Commercial Zones and Industrial Zones. Or imperviousness could be limited to current levels on a site.

- (5) The table below evaluates these options against the requirements of section 32. It is considered that the most appropriate option to achieve the objective of minimising risk as well as other objectives for the Residential 1 and 2 Zones of increasing housing supply and choice; and recognising the potential limited effectiveness of impervious standards in other zones due to existing use rights, is Option 2.
- (6) Other methods to manage flooding are also expected to be used alongside impervious surface restrictions, including rules for buildings in flood prone areas, infrastructure improvements and inclusion of infrastructure capacity and encouraging low impact urban design as matters of discretion for four or more residential units on a site.
- (7) An additional policy is also proposed in the hazards chapter (NH-PC) to make explicit that impervious surfaces will be restricted to assist manage the cumulative impact of development on flood levels. This policy is necessary because, although discretion is generally retained over natural hazards when standards are breached, there is currently nothing to alert those implementing the plan to the specific connection between the impervious surfaces standard and flooding.
- (8) To increase certainty and efficiency, the following definition of impervious surfaces is also proposed, which is consistent with that recently adopted in the Tauranga City Plan:

An area with a surface which prevents the infiltration of rainfall into the ground. For the purposes of this definition impervious surfaces include:

- *roofs;*
- *paved areas including driveways and sealed/compacted unsealed parking areas;*
- *swimming pools;*
- *sealed and compacted unsealed roads; and*
- *soil layers engineered to be impervious such as compacted clay.*

For the purposes of this definition impervious surfaces excludes:

- *any natural surface;*
- *grass and bush areas;*
- *gardens and other vegetated areas;*
- *porous or permeable paving and living roofs;*
- *permeable artificial surfaces, fields or lawns;*
- *slatted decks; and*
- *stormwater management devices not located beneath sealed or compacted surfaces*

Table 25: Issue 4: Management of Impervious Surfaces – Evaluation of Options

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Option 3: Greater impervious surfaces restrictions
<i>Description of option</i>	Retain the current provisions in the District Plan– no change to the maximum impervious site coverage standards in the Residential 1 and 2 Zones.	Reduce maximum impervious site coverage standards for Residential 1 and 2 Zones from 80% and 100% to 70% and 80% respectively; and insert a policy to acknowledge the use of impervious surface restrictions as a method to assist manage the impact of intensification on flooding.	Introduce maximum impervious site coverage standards in other zones – City Centre and Commercial Zones; or introduce a standard that impervious site coverage cannot increase in some or all zones.
<i>Efficiency and effectiveness in achieving objective -</i>			
<i>SDNH-O1: Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas subject to a natural hazard.</i>	This option is not efficient or effective because PC9 will facilitate intensification as of right on most sites in Rotorua. Development under the current impervious standards is likely to create a net increase to impervious surfaces, increasing the risk of flood hazards and the risk that these hazards are not appropriately managed.	This option is efficient and effective as reducing the maximum percentage of impervious site coverage that is permitted on residential 1 and 2 zones, is likely to reduce the impact of flood hazards of life, property and the environment as a result of PC9 facilitating intensification and increased impervious surfaces from buildings and hard stand areas.	This option is less efficient and effective as while reducing the maximum percentage of impervious site coverage that is permitted in other urban zones is likely to reduce the impact of flood hazards as a result of PC9 facilitating intensification, a significant number of sites within the City Centre and Commercial zones have high levels of existing impervious surfaces.

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Option 3: Greater impervious surfaces restrictions
<i>Objectives relating to efficient use of land:</i> <i>RESZ-O1 (proposed for RESZ 1 Zone)</i> <i>RESZ-O8 (proposed for RESZ 2 Zone)</i> <i>CCZ-O1 – vibrant city centre</i> <i>COMZ-O1 – vibrant and compact commercial and tourism centres</i>	This option is efficient and effective as it does not introduce any additional restrictions on building or hard surface coverage which limits use of the sites.	This option is efficient and effective as the proposed impervious surfaces standards are considered to be consistent with the level of development envisaged by the MDRS on most residential sites	This option is less efficient and effective as it has the greatest restriction on development capacity where a greater area of sites must be retained without buildings or hard stand surfaces.
<i>Costs</i>	This option creates risk that hazards associated increased flooding are not appropriately managed, as the introduction of the MDRS alongside the current impervious standards has the potential to increase impervious surface and flow rates and volumes for stormwater runoff.	This option limits development potential in the Residential 1 and 2 zones as more restrictive impervious area standards restrict the extent that sites can be developed to accommodate buildings and other hard stand surfaces such as parking areas.	This option limits development potential in other urban zones as more restrictive impervious area standards restrict the extent that sites can be developed to accommodate buildings and other hard stand surfaces such as parking areas. There is also the potential to incur additional consenting costs in other urban zones when the greatest extent of

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Option 3: Greater impervious surfaces restrictions
		There is also the potential to incur additional consenting and development costs.	intensification is likely to occur in Residential zones. The City Centre and Commercial Zones have high levels of existing impervious surfaces, which can create additional costs and complexities for land owners associated with demonstrating ~~of~~ existing use rights.
<i>Benefits</i>	This option is the least restrictive and provides the greatest opportunities for site development and redevelopment, and retains existing District Plan provisions that the plan users are familiar with.	Reduced maximum impervious standards will assist to reduce the impact of intensification on flooding in Residential zones where the greatest extent of intensification is most likely to occur. The proposed policy will also provide clarity that impervious surfaces will be restricted to assist manage the cumulative impact of development on flooding. Limiting amendments to the impervious surfaces standards in the Residential zones will reduce additional costs and complexities associated with demonstrating existing use rights in the City Centre and Commercial zones, where sites have been developed to high levels of existing impervious surfaces.	Reduced maximum impervious standards will assist to reduce the impact of intensification on flooding risk.

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above	Option 3: Greater impervious surfaces restrictions
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	The reduction in impervious standards outlined above is considered the most appropriate option. While it will have additional costs in terms of reduced development potential, it assists to achieve the objective of minimising risk to people and property for flooding.		

13.0 Geothermal Hazards

13.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed changes to provisions which manage geothermal hazards. The proposed provisions include:
- A new permitted activity standard which ensures that any venting structures necessary for gas ingress mitigation shall be directed to vehicle accessways or the street.

13.2 Overview and Scope of Amendments

- (1) Amendments are proposed to the provisions which manage the risks from geothermal hazards as part of PC9. These are intended to respond to potential risks from elevated gas emissions in geothermal areas, which are expected to increase in the context of the increased development potential enabled by PC9. The proposed amendments include:
- A new permitted activity standard which ensures that any venting structures necessary for gas ingress mitigation shall be directed to vehicle accessways or the street.
- (2) Other methods to manage the risk would also remain inside and outside the District Plan, including setbacks from geothermal surface feature or bores in the Rotorua District Council Geothermal Bylaw and District Plan and Building Code requirements to assess and respond in the design of buildings to hazardous gases on site.

13.3 Background and Issues of Concern

- (1) Rotorua city has unique geothermal hazards and risks due to its location over the Rotorua Geothermal System. The District Plan provides an approximate indication of the extent of this system based on reflexivity, which is a measure of the ground's ability to conduct electricity (generally, geothermal water has lower resistance (conducts electricity better) than normal ground water). Within the extent of the Rotorua Geothermal System are the more densely developed areas of the city centre and existing Residential 2 Zone, other central residential suburbs, industrial areas near Puarenga Stream and the traditional villages of Ōhinemutu and Whakarewarewa.
- (2) Hazards within the geothermal system are the surface features themselves (such as fumaroles and mudpools), heated ground, gas emissions from the features and diffusely from the ground, land instability and hydrothermal eruptions. Not all areas within the geothermal system are equally affected – the hazards vary by area. Infrastructure associated with the use of the system for energy and bathing, presents further risks²².
- (3) Technical advice by Tonkin & Taylor Ltd (refer *Appendix 14*) provides analysis of existing methods to manage geothermal these risks in the context of the development facilitated by PC9. Consideration was given to the Rotorua Geothermal Bylaw 2016, Building Act and Building Code tools as well as the District Plan; and potential gaps in the District Plan were identified. From this

²² Refer to summary of hazards in Tonkin & Taylor Ltd, 'Geothermal hazard risk review for residential dwellings and their occupants in Rotorua City, prepared for Rotorua Lakes Council, July 2022 and B. J. Scott, Rotorua District Council Hazard Studies, Part 1 Volcano and Geothermal Hazards, GNS Science Consultancy Report 2010/67, October 2010.

analysis, the key hazards of concern were heated ground and the diffuse emission of gas through the ground.

- (4) These hazards are generally managed under the Building Act/Building Code:
- Clause F1 of the Building Code provides the basis to require site specific assessment for geothermal gas hazards and the building design responses (such as the use of membranes to prevent the ingress of gas).
 - In addition, buildings must also address the specific challenges geothermal areas present for building durability to satisfy the durability requirements of the Building Code (Clause B2).
- (5) However, the Building Act/Building Code are focused on the durability and safety of the building work and not the broader site layout. The technical analysis undertaken by Tonkin & Taylor Ltd identifies the design of the site layout as critical to the level of risk from gas because, gas flux can be inhibited by the sealing or covering of ground. This can focus the gas emissions and increase the risk of gas being forced through gaps into buildings or even confined outdoor spaces, where it could be hazardous.
- (6) Implementation of the MDRS and PC9 are anticipated to facilitate, not only more buildings and occupants in areas with gas emissions, but also an increase in the percentage of area covered by buildings and hard surfaces. While it is acknowledged that PC9 is proposing to reduce the standard for maximum impervious site coverage, increases in site coverage are nonetheless expected from their existing levels due to changes such as reduced yards, removal of the minimum site size for residential units and removal of building coverage standards in the Commercial 4 Zone. PC9 is also expected to increase the potential for confined outdoor spaces because it will be easier to develop multiple residential units on a site, and buildings can be taller and closer to boundaries.
- (7) Currently the District Plan addresses the management of site layouts with respect to geothermal hazards to some extent through Rule NH-R7. This requires, as a permitted standard, an assessment by a suitably qualified and experienced person as part of any required building consent application if the site coverage of buildings and other hard surfaces exceeds 90%. The technical analysis undertaken by Tonkin & Taylor Ltd identifies however, that management of the risks may be needed even where there is less than 90% site coverage (refer *Appendix 14*). Therefore, based on technical advice from Tonkin & Taylor Ltd it is proposed to include a permitted activity standard to ensure gas ingress mitigation is directed to vehicle accessways or the street. This will ensure that geothermal gases are directed away from confined spaces where gases can easily accumulate and ensure gases are directed to areas where they can be broken up and dissipate.
- (8) Tonkin & Taylor Ltd have advised that effects from heated ground can also be exacerbated by the sealing or covering of ground, which inhibits natural cooling processes of emission of heat into the air and the ingress of rainwater into the ground. Strictly speaking heated ground is not addressed by clause F1 of the Building Code, however it is largely an internal amenity issue managed through building foundation design. The Council intends to comprehensively address this issue through an upcoming Natural Hazards Plan Change. In the interim, the Council will prepare a practice note on this matter to set clear and consistent guidelines for the building consent applicants.
- (9) It is noted that Tonkin & Taylor also recommended consideration of rules requiring consent for interference with a geothermal surface feature to align the District Plan with the regional plan. Rules to require maintenance of an access corridor to bores were also recommended. However, it

is considered that these matters are already addressed by rule 13.5.3(b)(i) of the Rotorua Geothermal Regional Plan and the Rotorua District Council Geothermal Bylaw.

13.4 Appropriateness of Proposed Objectives

- (1) The relevant District Plan objective is SDNH-O1: Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas subject to a natural hazard.
- (2) No changes are proposed to this objective, which applies across multiple natural hazards.

13.5 Evaluation of Provisions

13.5.1 Issue 1: Management of geothermal gas hazard

- (1) The proposed amendments to the Geothermal Hazard provisions which seek to manage the potential for risk to increase with the development facilitated by PC9 have been informed by technical advice from Tonkin & Taylor (refer *Appendix 14*). As outlined above, the proposed amendments include an additional permitted activity standard:

Within the Geothermal Systems Overlay, any venting structures necessary for gas ingress mitigation shall be directed to vehicle accessways or the street.

- (2) A corresponding policy would also be inserted (NH-P4):

Minimise the risks to people and property from geothermal hazards, including by locating the discharge of any geothermal gas away from confined spaces on a site.

Table 26: Issue 1: Management of geothermal gas hazard and heated ground – Evaluation of Provisions

	Option 1: (Status quo)	Option 2: Proposed Plan Change: Make the amendments set out above
<i>Description of option</i>	- Retain the current rule NH-R7 to require expert assessment, as a performance standard, when impervious site coverage exceeds 90%. - Retain current subdivision rules without amendment.	- Include the proposed permitted activity standard and policy outlined above. - Comprehensively address elevated ground temperatures through an upcoming Natural Hazards Plan Change, and in the interim update practice notes to address this issue.
<i>Efficiency and effectiveness in achieving objectives</i>		
<i>SDNH-O1: Minimise or reduce the level of risk to life, property and the environment from the subdivision, use and development of land in areas subject to a natural hazard.</i>	This option is less effective, as the current provisions only consider risks associated with heated ground, elevated gas and other associated hazards when impervious surfaces are extremely high (90%). These provisions are unlikely to appropriately address the level of risks associated with increased building and development potential facilitated by PC9. This option is less efficient at managing the level of risks associated with elevated gas being directed into confined spaces when there is under 90% impervious surface.	This option is efficient and effective as it ensures that geothermal gases are directed away from confined spaces where gases can easily accumulate and ensures they are directed to areas where they can be broken up and dissipate to minimise risk. Based on technical advice from Tonkin & Taylor this will reduce the level of risk from geothermal hazards. The issue of elevated ground temperatures is largely an internal amenity issue that impacts the comfort of living environments. In this regard, it is a matter that would be more addressed through the Building Code, as is currently the practice. Improvements in Council processes, including a clear and consistent practice note will ensure that the effects from heated ground can be efficiently managed outside of regulations in the District Plan.

<i>Costs</i>	This option creates risk that geothermal hazards are not appropriately managed with respect to the increased building and development potential facilitated by PC9. There is also an increased risk that development will be subject to issues gas in the future, which may have potential costs for remediation or future use and development of the site.	This option will create increased compliance costs through ensuring that gases are adequately vented to appropriate areas and away from confined spaces however, the potential benefits from the reduction of risks to people and property substantially outweigh these costs.
<i>Benefits</i>	This option will manage some of the risks associated with the subdivision, use, and development of land subject to a geothermal hazard at a time and cost efficiency, however, not to the same extent of risk management as Option 2.	This option appropriately manages the risks associated with geothermal hazards and elevated gases on people, communities, property, and the environment with respect to increased building and development potential facilitated by PC9.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is considered the most appropriate option. While there will be increased compliance costs associated with ventilation of gases, the changes are considered more effective in achieving the objective of minimising risk from geothermal hazards.	

14.0 Historic Heritage

14.1 Structure of this Section

- (1) This section includes the required Section 32 and Section 77J evaluation of the provisions in the District Plan proposed to apply to sites containing historic heritage structures, and adjacent sites in identified locations. The proposed provisions include:
 - Introduction of a restricted discretionary rule applying to new buildings on the same site as a heritage structure listed in the Historic Structure Schedule, or on a specified adjacent site (in the case of the Landmark Restaurant building).
 - Introduction of matters of discretion for the above activity setting out the range of matters that would be assessed, including effects on the heritage values of the structure, including its setting.
- (2) The assessment below includes an assessment in accordance with Section 77J in relation to the proposed provisions that apply as a new qualifying matter in the relevant residential zones. This is also addressed in the relevant tables in *Appendix 4*. The proposed rule is considered to be a 'related provision' where it is proposed to apply in the Commercial 4 zone (Landmark Restaurant and Guide Rangi's House).

14.2 Overview and Scope of Amendments

- (1) PC9 proposes amendments to the District Plan to more effectively manage adverse effects on historic heritage structures to respond to the greater building height and bulk enabled by PC9. In particular the amendments include a new rule framework for new buildings or additions on the same site as the feature as follows:
 - (a) Require resource consent as a restricted discretionary activity for new buildings that are on the same site as a heritage structure within the Residential 1, Residential 2 and Commercial 4 zones;
 - (b) Apply matters of discretion to (a) that enable consideration of how any new buildings integrate with, and are sympathetic to, the heritage values of the structure.

14.3 Background and Issues of Concern

- (1) Section 77I of the Amendment Act stipulates that a territorial authority may make the MDRS and the relevant building height or density requirements within a relevant residential zone more restrictive only to the extent necessary to accommodate 1 or more of the outlined qualifying matters. This includes a matter of national importance that decision makers are required to recognise and provide for under section 6 (Section 77I(a)).
- (2) Qualifying matters include the management of historic heritage as a of national importance (RMA S 6(f)). Historic heritage is protected by provisions in the Rotorua District Plan. Historic heritage covers a broad range of features of both Māori and European origin that contribute to an understanding and appreciation of New Zealand's history and culture. The operative provisions include objectives, policies, rules, performance standards, matters of discretion and assessment criteria related to the Historic Structures Schedule. The operative rules relate to the following:

- a) Maintenance and repair of historic heritage structures;
 - b) Alterations and additions to historic heritage structures; and
 - c) Re-siting, destruction, or demolition of a historic heritage structure.
- (3) The application of the MDRS across the Residential 1, Residential 2, and the additional proposed amendments to the Commercial 4 Zone, which go over and above the MDRS, could give rise to effects on the values of listed heritage structures in these zones. The current Operative District Plan approach restricts protection of listed historic heritage structures to the building itself.
- (4) The removal of the density standards in the residential zones and the increase in heights enabled by plan change, will enable a greater level of development to occur on sites containing historic structures. Expert heritage advice from Salmond Reed outlines that such development, particularly if it is poorly designed, and close proximity to a heritage building, has the potential to significantly comprise the heritage building's values (refer *Appendix 15*).

14.4 Extent of Qualifying Matter

- (1) PC9 seeks to make amendments to the Residential 1 Zone, the Residential 2 Zone and the Commercial 4 Zone to align with the NPSUD and requirements of the Amendment Act. Therefore, it is considered that any listed historic heritage structures listed within these zones would be subject to the “new building rule”. These sites are listed below (refer *Table 27*):

Table 27: Heritage Structures potentially impacted by PC9.

Zone	Unique ID	Map #	Item	Location	Legal Description	NZHPT
RESZ1	H1.8	335	“Glenholme” Dwelling Edwardian Villa (whole building)	63 Miller Street	Pt Lot 5 DPS4366	2
RESZ1	H1.30	367	St Peter's Anglican (whole building)	Hinemoa Point	Owhata 1Q5	2
RESZ2	H1.22	335	Robertson House (whole building)	70 Pererika Street	Lot 16 DP 3016	2
COMZ4	H1.9	345	Guide Rangi's House (whole building)	Corner of Froude and Fenton Streets	Section 4 Blk LII TN of Rotorua	Not listed
COMZ4	H1.25	345	Landmark Restaurant (exterior)	1 Meade Street	Section 1 Blk XLIX TN of Rotorua	2

14.5 Qualifying Matter and Justification of Incompatibility of MDRS

- (1) The Council has engaged Salmond Reed Architects to assess the level of effects that the proposed more enabling provisions would have on the historic heritage values and characteristics of the structures. The report from Salmond Reed Architects can be found in *Appendix 15*.
- (2) The evaluation found that the potential adverse effects of new development on the heritage values of structures would be exacerbated with the application of PC9, as new buildings are not controlled by way of consent. This has the potential to significantly reduce the heritage values of a heritage building under the increased development potential enabled by PC9. By not controlling or managing new development design, large-scale development of buildings may be permitted too close to a heritage building and may be of an unsympathetic design. Salmond Reed Architects also concluded that such development in relatively close proximity to, and around, a heritage building has the potential to significantly compromise the heritage structure, in its setting.
- (3) The protection of historic heritage from inappropriate subdivision, use and development is a matter of national importance under the RMA (s6(f)), and this is reflected in Objective 18 of the Bay of Plenty Regional Policy Statement. As outlined in the Salmond Reed memo, the heritage values of a historic structure are derived from the building itself as well as its immediate setting, which provides 'breathing room' and an enhanced visual connection with the heritage structure.

14.6 Impact on Development Capacity

- (1) As shown above in the table of potentially impacted structures by PC9 (refer *Table 27*) the number of Heritage Structures that could be potentially impacted by PC9 apply to six structures.
- (2) Therefore Option 2 below would apply to six sites throughout the urban environment. The rule itself also does not prohibit development on the site, but instead requires resource consent so that the effects on the values and characteristics of the heritage structure can be considered through a consenting process.

14.6.1 Site by site analysis of lost development capacity

- (1) The following analysis outlines the potential lost development capacity by incorporating Option 2 as shown below, with the introduction of a new rule requiring a resource consent to assess the effects of a new building on the values of a historic heritage structure.

14.6.1.8 "Glenholme" Dwelling Edwardian Villa (whole building)

- (1) The Glenholme dwelling is situated on a large section within the Residential 1 Zone. The site is fairly unrestricted from any additional overlays aside from Landslide Susceptibility and Soft Ground. The location of the listed heritage structure and the size of the parcel of land means there is potential for considerable new building development on the site around the scheduled building. As previously outlined, the proposed provisions will not prohibit additional development on the site but it will introduce a new resource consent requirement to assess the effects of a development on the values of a historic heritage structure, focussed on the design and form of any new building. There will therefore be limited impact (if any) on the development potential of the site as a result of the proposed provisions.

14.6.1.9 St Peter's Anglican (whole building)

- (1) The St Peter's Anglican Church is situated on a relatively large section within the Residential 1 Zone. The church is located on a site which contains a cemetery, the land is classified as a marae in the planning maps and is therefore subject to an additional number of rules. As previously outlined the proposal will not prohibit additional development on the site but it will introduce a new resource consent requirement to assess the effects of a development on the values of a historic heritage structure. There will therefore be limited impact (if any) on the development potential of the site as a result of the proposed provisions.

14.6.1.10 Robertson House (whole building)

- (1) The Robertson House sits on a relatively large site, which is zoned Residential 2, and it is proposed to remain under this zoning through PC9. The site is unconstrained from any further overlays. The location of the listed historic heritage structure and the size of the section, means that there is potential for considerable new building development on site at the north and south of the structure. As previously outlined the proposal will not prohibit additional development on the site but it will introduce a new resource consent requirement to assess the effects of a development on the values of a historic heritage structure. There will therefore be limited impact (if any) on the development potential of the site as a result of the proposed provisions.

14.6.1.11 Guide Rangī's House (whole building)

- (1) Guide Rangī's House is located in the Commercial 4 zone and is therefore a related provision and not a qualifying matter. However, the comments are provided on the impact of the proposed rule on development capacity for completeness and to support the section 32 analysis.
- (2) Guide Rangī's house is situated on an average sized section within the Commercial 4 Zone. The land is unconstrained through any further overlays. The location of the listed heritage structure is at one end of the section, resulting in potential for a future new building development to the east of the structure. The listed historic heritage structure currently sits adjacent to an additional dwelling on site, that seems to run between two lots. The development potential of the secondary lot is greater. As previously outlined the proposal will not prohibit additional development on the site but it will introduce a new resource consent requirement to assess the effects of a development on the values of a historic heritage structure. There will therefore be limited impact (if any) on the development potential of the site as a result of the proposed provisions.

14.6.1.12 Landmark Restaurant (exterior)

- (1) The Landmark Restaurant is located in the Commercial 4 zone and is therefore a related provision and not a qualifying matter. However, the comments are provided on the impact of the proposed rule on development capacity for completeness and to support the section 32 analysis.
- (2) The Landmark Restaurant building is situated on an averaged size section within the Commercial 4 Zone. The land is unconstrained from any further overlays. The location of the listed heritage structures sits in the middle of the site and takes up a large portion of the site. Therefore, development potential is not considered to be considerable on site. The neighbouring sites at 2 and 3 Mead Street do have development potential, however, as previously outlined the proposal will not prohibit additional development on the sites but it will introduce a new resource consent requirement to assess the effects of a development on the values of a historic heritage structure. There will therefore be limited impact (if any) on the development potential of the site as a result of the proposed provisions.

14.7 Appropriateness of Proposed Objectives

- (1) The relevant District Plan objective is HH-O1: *Protect cultural heritage features (Māori and European) from different eras and themes that contribute to, and that are representative of Rotorua's evolving history.*
- (2) No changes are proposed to this objective.

14.8 Evaluation of Provisions

14.8.1 Issue 1: Unsympathetic Development on Sites with Historic Heritage Structures

- (1) Section 77J of the RMA sets out specific evaluation requirements in relation to new qualifying matters - these are addressed within *Appendix 4*. The evaluation below provides a broader assessment of the proposed provisions and alternatives in accordance with Section 32.
- (2) The proposed amendments to the Historic Heritage provisions have been informed by technical advice from Salmond Reed. The proposal involves the inclusion of an additional rule relating to new buildings on sites containing a historic heritage structure, listed in the schedule. This rule would serve to provide protection to the values and characteristics of the listed structures. The rule would require a resource consent and allow Council to consider the effects a new building may have on the existing historic heritage structure. The proposed matters discretion that would apply to the new restricted discretionary activity are as follows:
 - a. Zone Specific HH-MD1;
 - b. Whether the new building complements the form and fabric which contributes to, or is associated with, the heritage values of the structure.
 - c. Whether the new building uses materials and/or design details that respect rather than replicate any features of the heritage structure. New and contemporary interpretations in form and detail are encouraged.
 - d. Whether the new building will not compromise the ability to interpret the heritage structure and its setting.
 - e. Whether new buildings maintain visual linkages between the building or structure, and the street where relevant.
 - f. Whether the location of the building and associated siteworks allows for an adequate setting for the heritage item.
 - g. Whether other structures or features associated with the heritage item are retained and are complemented.

Table 28: Issue 1: Table evaluating the options for Historic Heritage Structures

	Option 1: Retain the provisions (Status Quo)	Option 2: Proposed additional rule and matters of discretion
<i>Description of option</i>	This option involves retaining the current provisions as found in the Rotorua District Plan with regards to the historic heritage structure.	This option includes the addition of “new buildings on sites with heritage structure” rule, and supporting assessment criteria
HH-O1 - Protect cultural heritage features (Māori and European) from different eras and themes that contribute to, and that are representative of Rotorua’s evolving history.	Less effective and efficient in achieving HH-O1, as development will be permitted without the need for obtaining a resource consent on sites that contain listed historic heritage structures degrading the values.	More effective and efficient in achieving HH-O1, as the “new building rule” will enable the protection of heritage features listed, by requiring consent for development on sites that contain structures. The consent process would enable Council to consider the effects on the historic heritage structures.
<i>Costs</i>		
<i>Environmental</i>	Would allow for development on land without the need for a resource consent, which could result in poorer environmental outcomes.	Could result in lesser development in the urban environment, resulting in less efficient land use.
<i>Economic</i>	Possible future cost in restoring the extent of place to a heritage structure.	Cost to Council of progressing PC9. Cost to future applicants wanting to build on sites containing heritage structures and having to submit a resource consent application.
<i>Social</i>	Potential effects of adjoining properties and surrounding land uses as a result of greater intensification. The scale of development delivered through this option may be considered by some members of the community to be not in keeping with the community’s expectations of the protection of historic heritage structures.	Potential effects on adjoining properties and surrounding land uses as a result of greater intensification and development may occur, however these may be mitigated through the resource consent process. May limit housing choice on sites that contain heritage structures.

<i>Cultural</i>	Potential impact on the heritage values and characteristics of the heritage structures. No ability to assess the urban design quality of development of surrounding sites of historic significance, which could result in poor quality outcomes on adjoining sites.	Potential for further intensification and development of land on sites of historic heritage, however these may be mitigated through the resource consent process.
<i>Benefits</i>		
<i>Environmental</i>	Intensification of existing urban areas promotes infrastructure efficiency. This option will enable increased capacity and choice on sites that contain heritage structures.	Requiring development to obtain a resource consent may lead to better environmental and built outcomes.
<i>Economic</i>	Would enable development on sites containing heritage structures without the need for a resource consent application. Would enable a greater level of development on sites.	Possibility for heritage values to be better protected, which may result in better economic outcomes in the long term.
<i>Social</i>	This option will enable increased density and residential development that will provide for a range of housing typologies and choice to support the growing population within Rotorua.	Would protect the historical values and characteristics of the structures which could result in better social outcomes for the residents.
<i>Cultural</i>	May enable more intensive housing opportunities on Māori owned or Treaty settlement land.	Enables greater protection to the historical values of the historic heritage items.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Including the proposed “new building rule” to sites which contain historic heritage structures, as listed in the schedule, as a new qualifying matter, is the most efficient method to manage protection of historic heritage from inappropriate subdivision, use and development, as a Section 6 Matter of National Importance (RMA,1991).	

14.8.2 Issue 2: Landmark Restaurant

- (1) The Salmond Reed Report outlined that the setting of the historic structures can generally be maintained within the existing site boundaries of the sites assessed, with the exception of Landmark Restaurant, where they considered that development should be managed on adjacent sites as well. Based on the analysis contained in the Salmond Reed report, it is considered appropriate to extent the restricted discretionary consent requirement to the neighbouring sites at 2 and 3 Meade Street for the following reasons:
- a) The height limit proposed in the Commercial 4 zone is 24m, which is significantly greater than the height of the Landmark Restaurant building, which if inappropriately designed, has to potential to detract from the heritage values of the building in a manner inconsistent with Objective HH-O1, which seek to protect cultural heritage features that contribute to Rotorua's history;
 - b) Extending the restricted discretionary consent requirement to the immediately adjacent sites would ensure that the design of development on those sites can be evaluated to ensure design techniques are sympathetic to the form of Landmark House and enable visual appreciation. The design techniques used can be applied in a way that does not limit the development potential achievable on the sites.

14.8.3 Pukehangi Cottage

- (1) Salmond Reed states that Pukehangi Cottage is at high risk of being dwarfed by medium density development, and that the desired outcome is to maintain visibility of the Cottage from several vantage points along Pukehangi Road. Plan Change 2 to rezone the Pukehangi Development Area for residential development was recently approved in March 2021. A comprehensive structure planning exercise was undertaken to inform this, which addressed a range of matters and took into account heritage and cultural values. This development area is highly constrained and there would be practical, and potentially significant development capacity implications of achieving multiple sightlines to the Cottage from Pukehangi Road. For this reason, no additional provisions are proposed to manage development around the Cottage.

15.0 Residential and Industrial Interface

15.1 Overview of Issues

- (1) The introduction of the MDRS has the potential to increase adverse reverse sensitivity and residential amenity effects at the boundary of residential and industrial zones. This section considers issues in relation to the interface at the Residential and Industrial zones. No changes are proposed to existing provisions.
- (2) Currently there are two industrial zones that adjoin a residential zone within the urban area, these are the Industrial 1 zone and the Industrial 1E zone. The district plan distinguishes these zones as follows:
 - The industrial 1 zone provides for range of activities including food processing, mechanical servicing, selling of farm machinery, car sale yards, building depots and lunch bars. The features that distinguish this zone from others include larger bulky buildings, high levels of noise, odour, signage and heavy vehicle and car movements. High levels of lighting and use and storage of hazardous substances are also common features of this environment
 - The industrial 1E zone follows the city entranceways and provides for a range of commercial activities that are not suited for the commercial or city centre zones such as light industrial and commercial activities that are dependent on high traffic flows and larger sections. There is an expectation that the buildings and industrial activities will have a higher level of amenity than traditional industrial operations.
- (3) The locations of these interfaces are shown in the map below (refer *Figure 16*):

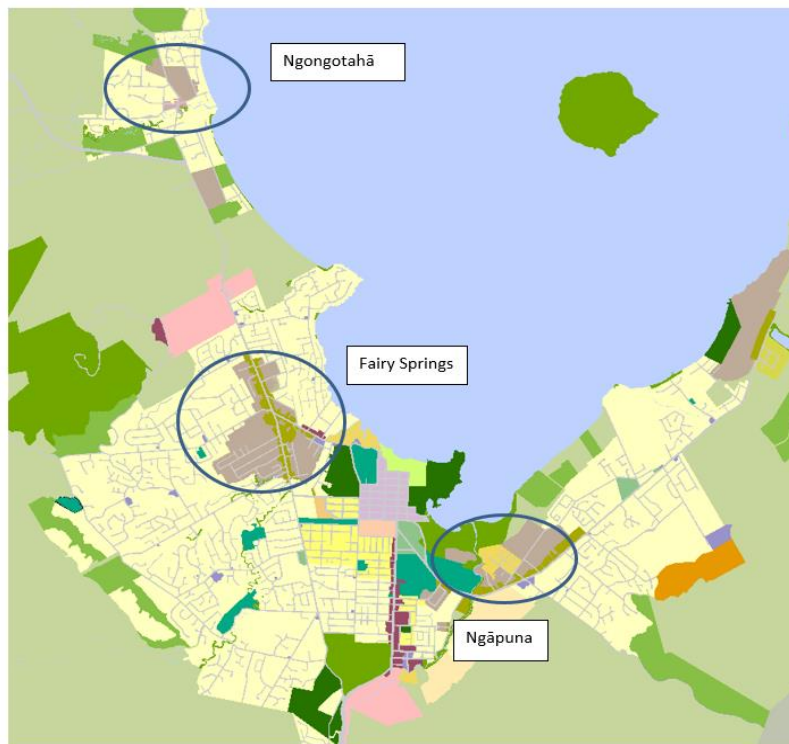


Figure 16: Showing the locations of the industrial zones relative to the Residential zones in the operative District Plan.

15.2 Potential for Air Quality Issues

- (1) The Council has commissioned a report from Tonkin & Taylor that has assessed the potential reverse sensitivity effects related to air quality that may arise from the increased development potential enabled by PC9 (refer *Appendix 16*). This assessment has focused on the residential/industrial interfaces at Fairy Springs, Ngāpuna and Ngongotahā.



Figure 17: Showing the areas assessed by Tonkin & Taylor.

- (2) The assessment concluded that the potential for reverse sensitivity effects to occur, due to an increase in housing density, could be affected by several factors including:
- An increase in population in existing residential zones, giving rise to an increased 'cumulative' community expectation on industry to control air discharges;
 - Changes to the airshed due to new pellet fired domestic burners;
 - Changes to dispersion of properties due to increased height and density of housing.
- (3) In general, the residential zones are more sensitive to amenity effects because the residents spend a significant portion of their day at home and because of the high amenity expectations of residents while at home.
- (4) On balance, the increased development potential enabled by PC9 is likely to have reverse sensitivity effects within 100 metres of the industrial zoned boundary, however these effects are adequately managed through existing district and regional plan provisions including of the provisions which manage new industrial activities and discharges to air on the zone boundary. For permitted activities within the industrial zones, there is the potential for reverse sensitivity effects however, these will be minor and further mitigated by the development standards for industrial activities. It is acknowledged that PC9 and the increase in residential intensification enabled, may increase operational costs for existing industrial activities by potentially requiring additional mitigation measures to be put in place. These costs are acknowledged and are considered to be appropriate in the context of the broader strategic objectives of the NPSUD, Regional Policy Statement and District Plan, which seek to encourage and enable residential intensification within the urban area.
- (5) With respect to the existing industrial areas at Ngāpuna and parts of Ngongatahā, the 2018 Spatial Plan indicates the potential to covert these industrial areas to residential in the future. Through the development of the FDS the Council is exploring more appropriate locations for heavy and general industrial activities that would allow them to relocate over time.

- (6) In respect of the Residential 3 zone the Council acknowledges the current interface issues between the residential zone and the industrial zone however, it is proposed to retain the operative residential 3 zone provisions and not enable further intensification within Ngāpuna, Whakarewarewa and Ōhinemutu - this is detailed further above in *Section 8*.
- (7) With that said, PC9 will not contribute to the shortfall in land to accommodate industrial activities. Currently there is a maximum of 39 hectares of vacant developable land available for industrial development in the short and medium term. Most of this development potential occurs in zones that also enable some form of retail and commercial development, so industrial activities are likely to compete with other uses for the vacant land that is available.

15.3 Potential for Noise Effects at the Residential and Industrial Interface

- (1) The Council has commissioned a report from Styles Group Acoustics & Vibration Consultants to assess the potential reverse sensitivity effects related to noise arising from greater development potential enabled by PC9 within proximity to industrial land (refer *Appendix 17*). The same locations that were identified for the reverse sensitivity assessment have been assessed.
- (2) The current provisions of the operative district plan stipulate that noise levels from any activity shall not exceed the noise limits specified for the adjoining zone when measured at any point within the receiving site (NOISE-S2 Noise received within a different zone).
- (3) The noise assessment has concluded that the current residential noise limits and provisions that manage the residential/industrial interface will still achieve the objective of managing the noise generating potential of the industrial activities that operate near to the residential interface.
- (4) The assessment concludes change in noise effects arising from moving the existing environment in the currently operative district plan the MDRS-three storey development will only increase the new non-compliances by a modest amount. On this basis, PC9 does not propose to amend the noise standards or introduce any new qualifying matters to manage effects at the residential and industrial zone interface.

16.0 Financial Contributions for Reserves

16.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed provisions that relate to the financial contributions. The proposed amendments are in accordance with Section 77T and Section 80E(b)(i) which enables Council to amend its financial contribution provisions as part of an IPI.

16.2 Overview and Scope of Amendments

- (1) PC9 includes proposed amendments to the objectives, policies and rules for financial contributions in Part 2 of the District Plan. The proposed amendments ensure the purpose of the contributions for reserves aligns with the future reserve requirements for Rotorua and that the provisions are equitable and practicable.

- (2) It is noted that Council intends to consider funding reserves from development contributions in the future. Therefore, a development contribution may eventually replace these financial contributions for reserves.

16.3 Background and Issues of Concern

- (1) In summary, the issues of concern addressed by the proposed changes to the financial contributions provisions are:
- the level of contribution is appropriate in the context of:
 - an increased focus on intensification and, therefore, the development of existing reserve areas over acquisition and development of new reserves; and
 - Council's desire to encourage housing and remove barriers.
 - the purpose of contributions aligns with the increased focus on intensification and the accompanying increased focus on the development of existing reserves;
 - the charging of reserve contributions is equitable across both residential units that are permitted and those that require resource consent, and not targeted only on those that require resource consent;
 - the charging of reserve contributions is consistent for residential units in non-rural and residential zones; and
 - the provisions are provided in a logical format and administratively efficient.
- (2) It is noted that changes to the numbering and order of the rules and headings are proposed to create a more logical structure. As these changes are not intended to change the intent of the provisions, they are not further discussed. These format changes to numbering are marked and explained with footnotes in the appendix of proposed changes to the District Plan (refer *Appendix 1*).

16.4 Appropriateness of Proposed Objectives

- (1) PC9 proposes to amend FC-01 to clarify that, with housing development, there is a need to enhance the quality of existing reserves and open spaces in the city. The intensification of housing is expected to place additional demands on existing reserves because of increased population; and because more intense housing typologies are associated with a shift in focus from private outdoor space to public outdoor space. The focus is shifted from just 'neighbourhood reserves' to a wider range of reserves. The existing introduction and issues also talk more broadly about the types of relevant reserves, including esplanade reserves.
- (2) Other objectives are also relevant to the assessment of the appropriateness of financial contribution provisions below, for example, the compulsory objective inserted with the intensification plan change for a well-functioning urban environment (SDUD-O1); objectives relating to the use of land efficiently and providing more housing choice (RESZ-O1 and RESZ-O8); and those relating to the quality of the urban environment.

Table 29: Evaluation of the Proposed Objectives for Financial Contributions

Objectives	RMA S5 Purpose	RMA S6 Matters of national significance	RMA S7 Other matters	RMA S8 Treaty of Waitangi	National Policy Statements	Regional Policy statement/plans
~~New development and the demand on recreation and open space~~ FC-O1: ~~New neighbourhood reserves that serve the additional demand for recreation and amenity purposes. A network of quality reserves that serve the additional demand for recreation and amenity purposes.~~	The broader objective enables consideration of new and reconfigured reserves to meet community needs. This will continue to enable the community to provide for their own social well-being and health by supporting access to open space.	The proposed amendment will not affect the way in which the District Plan manages the matters of national importance in s6.	Recognising the wider function of the open space network in catering for future growth will enable the enhancement of community amenity values, and the quality of the environment, given that well designed and located open space is critical in higher density residential areas. The amended objective also supports the efficient use of open space land.	The objective will not offend against the principles of the Treaty of Waitangi.	The objective achieves the objectives and policies of the NPSUD, by supporting a well-functioning urban environment that ensures the open space network is coordinated with development and meets demand, which will increase over time in the existing urban area.	The objective achieves the relevant objectives of the Bay of Plenty RPS, particularly those in the urban growth chapter that seek to embed live, work, play principles within development.

16.5 Evaluation of Provisions

16.5.1 Issue 1: Lack of Clarity of Purpose Statement

- (1) The rules are proposed to be amended to clarify that the purpose can be found in the objectives of the Financial Contributions chapter:

Rules

Subdivision Purpose of Financial Contributions

Council will require a financial contribution for the objectives set out in the plan. ~~mitigating the potential effects of subdivision on community infrastructure. The financial contribution will be taken for the purposes of purchasing reserves, some esplanade reserves and strips, or for the purpose of infrastructure upgrades where the effect on the network results directly from the subdivision application~~

- (2) In addition, it is proposed to delete an additional statement that is provided only in the section for reserve contributions for additional residential units in Commercial, Industrial, Business and Innovation Zones. This clause states that the contributions will be used in the vicinity of these zones. It is considered that the purpose should be as stated in the objectives and need not be limited to always use the contributions on the reserves in vicinity of these zones, as the wider reserve network may provide amenity for the developments.

16.5.2 Issue 2: Permitted Activities are Currently Exempt from Paying Reserve Contributions

- (1) The recent changes to the RMA have made explicit that permitted activities can be charged financial contributions (section 77E). However, in various places in the current provisions the contributions are described only in relation to conditions imposed on resource consents. In the context of the MDRS this is critical: prior to the MDRS resource consents were associated with all residential units – either through subdivision of the associated lot, or through the requirement for resource consent for second and subsequent units on a lot. But with the introduction of the MDRS, there will be greater potential for residential units to be constructed without a subdivision or land use consent. Therefore, the provisions are proposed to be amended to extend the situations for charging reserve contributions to permitted residential units. It is proposed to use the building consent process as the trigger for assessment. These changes would have the benefit of improving equity in the requirements for financial contributions for reserves to achieve the objectives.

16.5.3 Issue 3: Assessment of Financial Contributions

- (1) It is considered appropriate to reduce the level of reserve contributions required from residential development. This responds to the expectation (as expressed in the amended objective FC-O1) that Council's focus will shift from acquiring and developing new reserves to developing existing reserves. Council also wishes to encourage housing and reducing the level of contribution will help to reduce the costs for housing developments to achieve the objective of using land efficiently to increase housing choice (RESZ-O1 and RESZ-O8), albeit in a small way. It is proposed that the contribution for reserves be reduced from 5% of the land value to 3.5% for most zones.
- (2) Financial contributions in rural zones should be further reduced to acknowledge that residents in these areas have less demand for the amenity provided by the reserve network. A contribution of 2.5% of the land value is proposed.

- (3) It is also considered that there is a need to reduce further the contribution required from smaller residential units to acknowledge their likely smaller number of occupants and therefore demand on reserves. Council wishes to encourage smaller residential units to meet the gap identified in this household typology and reducing the reserve contributions may assist, again in a small way, to the feasibility of this typology to achieve the objectives of increasing housing choice (RESZ-O1 and RESZ-O8). It is proposed that the contribution for minor residential units be reduced to 1%.
- (4) Contributions for residential units in Commercial, Industrial and Business and Innovation Zones are currently calculated based on the value of the residential unit, whereas the calculations for most residential units (under the Rural, Residential and City Centre Zones) use land value. It is proposed that these zones be included in the 'other zones' category, so that the approach be aligned across all the zones, with land valuation being the basis of the calculation. This has the benefit of equity in a consistent approach.
- (5) The assessment of contributions for additional residential units for 'other zones' refers to the 'land area that the unit has exclusive rights to', and 'shall include a pro-rata proportion of any common areas on the site that the household residential unit also has use of'. Calculation based on exclusive rights to land does not make sense in the context of vertically separated units. Therefore, it is proposed that the wording be changed to the land area or gross floor area that the unit has exclusive rights to (whichever is larger).
- (6) Currently the provisions envisage exceedance of the general contribution rates if stated in the zone chapter. With the recent reformatting of the plan and inclusion of development areas that sit independent of the zone chapters, it is considered that this exception to the maximum contribution should also extend where an alternative requirement is stated in a development plan.
- (7) The rules should also allow the level of contributions in land to exceed the level stated with the agreement of the applicant
- (8) The requirement that the land be a minimum of 1,000m² is removed as functional reserves can sometimes be provided with a smaller area to achieve the objective, for example, to provide linkages.

16.5.4 Issue 4: Acceptance of land as a contribution

- (1) To ensure that only suitable land is acquired it is also proposed to clarify that land can only be provided with the agreement of Council. The policies for considering the suitability of land are proposed to be consolidated as set out below. Those considerations relating to the state of the land at vesting are separated from the assessment of the quality of the land.

~~FC-P3 When a financial contribution of land is taken as opposed to cash, the Council will ensure the land:~~

- ~~1) Is located, sized and designed to provide a quality contribution to the open space network and to be consistent with Council's Open Space Level of Service Policy 2021~~
- ~~2) Integrates valued natural and built features, including trees and watercourses, while having topography and drainage suitable for its intended role in the open space network.~~
- ~~1) Is consistent with the recreational and amenity needs of the neighbourhood~~
- ~~2) Creates and strengthens existing linkages throughout the district~~
- ~~3) Enhances recreational values and public access~~

- ~~4) Creates and strengthens ecological connectivity and active transport connections~~
- ~~5) Is of sufficient size to enable community recreational activities to take place for its intended function~~
- ~~6) Is physically appropriate for the intended purpose of the reserve~~
- ~~7) Is easily accessible and visible to the community~~
- ~~8) Has sufficient road frontage~~
- ~~9) Is stable, and either grassed or vegetated, and all weeds and noxious plants have been eradicated prior to the land being vested Is geotechnically stable; and~~
- ~~10) All weather access to the land for maintenance purposes can be provided~~
- ~~11) Has adequate drainage~~
- ~~12) Has a secure boundary to manage vehicle access~~
- ~~13) Is not used for the primary function of a utility or other infrastructure purpose.~~

FC-P4 The Council will ensure that on vesting, land provided as a financial contribution of land for reserves shall meet the following criteria, unless otherwise agreed with the Council:

- 1) Is provided debris and weed free;
- 2) Provides for all weather access to the land for maintenance purposes; and
- 3) Is secure and has suitable boundary fencing to prevent unauthorised vehicular access
- 4) Has been prepared for use, including having a suitable topsoil depth and an acceptable gradient and has been grassed and/or vegetated.

16.5.5 Issue 5: Other Ambiguities, Inconsistencies, and Inequities

(1) The following other issues are also addressed:

- The assessments for residential units refer to ‘additional’ residential units. This terminology is confusing and should be clarified to refer to second and subsequent residential units on a site (the first residential unit is effectively charged through the subdivision provisions).
- The percentage rate for calculating the contribution for residential units in rural zones is unclear due to the confusing layout of the provisions. This should be clarified and made consistent with other zones.
- There are also inconsistencies in the basis of the land valuation for calculating reserve contributions for additional residential units. For some zones, the provisions refer assessments by an independent valuer. However, for other zones, the provisions are silent as to the basis for land valuation and leave open the potential to use the rating database. It is proposed to amend the provisions to state that the rating database will be used for all land valuations relating to contributions for residential units. Using the rating database is more efficient and costs applicants less. No changes are proposed to the basis of land valuation at subdivision – it would remain assessed by an independent valuer. The rating database cannot provide a sufficient valuation of land for subdivided sites.

Table 30: Issue 1-5: Financial Contributions for Reserves – Evaluation of Options

	Option 1: Status Quo	Option 2: Proposed Plan Change: Make the amendments set out above.
<i>Description of option</i>	Retain the current financial contribution provisions for reserves. (These apply to subdivisions, residential units and tourist accommodation subject to resource consent).	Key changes: Extend charging of financial contributions for reserves to permitted residential units and tourist accommodation Align calculation approach for residential units in Commercial, Industrial and Business and Innovation Zones to other zones, so that it is based on land value and not construction value. Reduce the contribution rate from 5% of land value to 2.5% in rural zones and 3.5% in other zones. Further reduce the contribution rate for minor residential units to 1% of land value. Clarify basis for determining size of land area for calculating contribution for vertically separated residential units Consolidate policies for assessing suitability of land as a financial contribution Clarify that the rating database can be used for land valuations for contributions charged for new residential units
<i>Efficiency and effectiveness in achieving objectives</i>		
<i>FC-O1: New reserves and development of existing reserves that serve the additional demand for</i>	Higher contribution rates would result in increased collection of contributions to achieve the objective. However, this option does not allow permitted residential units to be charged and more residential units are expected to become permitted activities with implementation of PC9.	Reduced contribution rates reduce the funding collected to achieve the objectives but the reduced contribution may assist to encourage development and therefore have some effectiveness in achieving objectives relating to efficient use of land and increased housing choice (RESZ-O1 and RESZ-O2), albeit in a small way.

<i>recreation and amenity purposes</i>	Ambiguities in the current provisions and the confusing layout of provision reduce efficiency.	Extending the contributions to permitted activities will maintain collection of contributions as residential units are built without resource consent with implementation of PC9. Using the rating database to value land is more efficient to achieve the objectives – it reduces costs and time. Provides a clearer layout to improve efficiency for those using the plan.
<i>Costs</i>		
<i>Environmental</i>		Lower contribution rates will decrease funding for reserve projects with potential amenity or other environmental benefits. Removing the exemption for permitted activities will maintain collection of funding from residential units.
<i>Economic</i>	Contribution rates are higher for developments that are charged financial contributions.	Permitted activities will not be exempt from contributions.
<i>Social</i>	Retaining current provisions with no potential to charge permitted activities for financial contributions is inequitable.	
<i>Cultural</i>	No costs identified over other option.	No costs identified over other option.
<i>Benefits</i>		
<i>Environmental</i>	Retaining a higher contribution rate means increased funding for reserve projects with potential amenity or other environmental benefits. However, the exemption for permitted activities will reduce collection of funding.	
<i>Economic</i>		Contribution rates are lower.

		Clarifying that rating database can be used for land valuation instead of independent valuation saves administration costs/fees.
<i>Social</i>		Improves equity: contributions will not be directed just at those residential units and tourist accommodation that require resource consent; and contribution approaches are more consistent across different zones. Reduced contribution rates for minor dwellings provide an incentive (although small) for smaller housing typologies, which are needed in the city.
<i>Cultural</i>	No benefits identified over other option.	No benefits identified over other option.
<i>Risks</i>	No risks of acting identified in relation to insufficient information.	
<i>Summary</i>	Amending the provisions as outlined above is the most appropriate way to achieve the objectives.	

17.0 Papakāinga Housing in the District

17.1 Structure of this Section

- (1) This section includes the required Section 32 evaluation of the proposed provisions that relate to the development of papakāinga under PC9. The proposed amendments are in accordance with Section 80E(b)(ii) of the RMA, which enables an intensification planning instrument to amend provisions to enable papakāinga housing in the district in both urban and rural areas.

17.2 Overview and Scope of Amendments

- (1) During the engagement hui undertaken as part of the Housing Supply Plan Change and the Future Development Strategy (FDS), there was clear feedback from iwi and hapū that the current district plan framework for papakāinga development has not delivered the level of housing that is required for the Rotorua district. The current provisions are also seen to present barriers and deterrents when iwi and hapū seek to establish papakāinga and kōeke housing on their whenua.
- (2) PC9 includes proposed amendments to the rules for papakāinga in the General District Wide Matters (“**GDWM**”) Chapter of The District Plan, including:
 - Deleting the performance standard that requires papakāinga to locate on land that adjoins or is adjacent to a Marae;
 - Amending the provisions to ensure that the framework for papakāinga in residential zones is in keeping with the MDRS and policy intent of the NPS-UD;
 - Introducing additional provisions to enable a greater density of papakāinga development in rural zones; and
 - Introducing additional performance standards to clarify the activity status, and appropriate scale and intensity of non-residential activities that form part of a papakāinga development in rural zones.

17.3 Background and Issues of Concern

- (1) The meaning of papakāinga can vary from a cultural and historical view. Traditionally, the literal meaning of papakāinga is, ‘a nurturing place to return to’. However, in the context of district planning provisions, papakāinga is generally considered as 'development of a communal nature on ancestral land owned by Māori.'
- (2) The Rotorua Lakes District has a significant quantity of whenua Māori, equating to approximately 20 percent of the land area within the District, including 13 per cent of urban zoned land and 20 per cent of rural zoned land. Papakāinga is a key method for delivering housing and communal solutions for iwi and hapū. The Council’s Resource Consents team have also seen a recent increase in interest from iwi and hapū pursuing the development of their ancestral whenua. However, as previously discussed, the GDWM provisions for papakāinga present challenges to the development of papakāinga.
- (3) The District Plan provides two resource consenting pathways for papakāinga development:
 - a) As a permitted activity subject to performance standards; or

- b) As a restricted discretionary activity where a 'development plan' is prepared, establishing the high-level principles of the developments. Subsequent development is permitted where it is in accordance with the approved development plan.
- (4) The proposed changes seek to give effect to Section 80E and enable papakāinga housing in the Rotorua Lakes District by addressing the following issues of concern, which include challenges that have previously been identified by iwi and hapū:
- Difficulty complying with the performance standard that requires papakāinga to be established on land that adjoins or is adjacent to a Marae;
 - Recognising and providing plan clarity on the management of non-residential papakāinga activities that are ancillary to papakāinga housing;
 - The need to apply the MDRS to the development of papakāinga within relevant residential zones; and
 - Recognising that different opportunities and resource management issues that apply to the development of papakāinga within urban and rural zones.

17.4 Appropriateness of Proposed Objectives

- (1) The relevant District Plan objective is SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tāngata whenua with land, water, significant sites and Wāhi tapu.
- (2) No changes are proposed to this objective, which applies to the development of papakāinga across the Rotorua Lakes District. This objective is considered to remain appropriate in achieving the purpose of the Act in terms of enabling papakāinga housing in the district to provide for the social, economic, and cultural wellbeing of people and communities.
- (3) PC9 also proposes to introduce the following amendments to the Residential zone that are relevant to the development of papakāinga:
- *RESZ-01 Housing supply and choice in the zone is increased*
- (4) An evaluation of the appropriateness of this objective in accordance with section 32(1)(a) is included in Section 8.

17.5 Evaluation of Provisions

17.5.1 Issue 1: Strategic Approach to Papakāinga

- (1) The table below evaluates the options that have been considered in order to determine the strategic approach to papakāinga under the District Plan, in response to the issues and concerns raised (refer *Table 31*). For the purpose of PC9, it is considered that the most appropriate option to achieve the District Plan objective is Option 2.
- (2) The Council has signalled that it is likely that there will be a separate plan change initiated following PC 9 and the completion of the FDS that will provide the opportunity for a comprehensive review of the papakāinga provision framework at a district wide level.

Table 31: Issue 1: Strategic Approach to Papakāinga – Evaluation of Options

	Option 1: Status quo	Option 2: Minor amendments to the GDWM section	Option 3: District wide approach	Option 4: Introduction of a new Māori Purpose zone
<i>Description of option</i>	Retain the GDWM provisions for papakāinga. Papakāinga development (excluding kōeke flats) will be greater enabled to a limited extent in relevant residential zones where there is a requirement to apply the MDRS.	Retain the existing planning framework for papakāinga in the District Plan and make minor amendments to the GDWM provisions.	A district wide review of the papakāinga provisions in a new plan change.	Introduce a Māori Purpose zone across all whenua Māori in the Rotorua Lakes District or to specific areas where there is a need to enable the development of whenua Māori.
<i>Efficiency and effectiveness in achieving objectives</i>				
SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tangata whenua with land, water, significant sites and Wāhi tapu.	This option is less efficient and effective as it will only be slightly more enabling of papakāinga (excluding kōeke flats) in relevant residential zones. This option does not address existing performance standards that act as barriers to iwi and hapū developing whenua for papakāinga, or enable papakāinga in rural areas, where there is a significant extent of whenua Māori.	This option is efficient and effective as it will amend the existing framework, which the community are familiar with, to address issues of concern to enable papakāinga. Minor changes to the existing provisions have been identified and discussed with iwi and hapū that would make a significant difference to removing barriers to papakāinga developments in the District Plan. This option can be implemented within the scope of PC9.	This option is effective as a comprehensive review of all relevant provisions will be carried out and holistic changes can be made to enable papakāinga across the Rotorua Lakes District. This option is less efficient as a separate plan change process would need to be initiated, adding significant time and costs to complete.	This option is effective as it provides the greatest scope to enable papakāinga development and other activities on whenua Māori. This option is less efficient as a separate plan change process would need to be initiated, adding significant time and costs to complete.

RESZ-01: Housing supply and choice in the zone is increased	For the reasons outlined above, this option is less efficient and effective as it does not address the existing regulatory barriers to the development of papakāinga to provide increased housing supply and choice.	For the reasons outlined above, this option is efficient and effective as it will enable maximum flexibility for the development of papakāinga to provide increased housing supply and choice.	For the reasons outlined above, this option is effective in enabling the development of papakāinga to provide increased housing supply and choice, but is less efficient.	For the reasons outlined above, this option is effective in enabling the development of papakāinga to provide increased housing supply and choice, but is less efficient.
<i>Costs</i>	This option does not address existing challenges to the development of papakāinga identified by iwi and hapū, and will continue to incur consenting and compliance costs to iwi and hapū.	The scope of this option is limited and creates the risk that the issues of concern are not considered holistically.	This option is not within scope of PC 9 and will add significant time and costs to complete. This option will also introduce a new planning framework that the community would not be familiar with.	This option is not within scope of PC 9 and will add significant time and costs to complete. Further assessment would be required to determine the spatial application of a Māori Purpose zone having regard to the extent and location of whenua Māori. This option will also introduce a new planning framework that the community would not be familiar with.
<i>Benefits</i>	This option will be slightly more enabling of papakāinga development in relevant residential zones at the greatest time and cost efficiency.	This option enables effective amendments to be made to the GDWM provisions at a time and cost efficiency through PC9.	This option provides scope to comprehensively review the existing District Plan framework to ensure that the development of papakāinga on whenua Māori is appropriately enabled.	This option provides the greatest scope to enable the development of whenua Māori to support the economic, social, and cultural wellbeing of people and communities. The application of the Māori Purpose zone will

				also provide increased plan clarity to all plan users on the whenua that can be developed.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.			
<i>Summary</i>	The preferred option is Option 2, as making minor amendments to the existing provisions for papakāinga is the most effective and efficient option to address the issues of concern, which include challenges to development identified by iwi and hapū. Options 3 and 4 would require a comprehensive review to be undertaken within the scope of a distinct papakāinga plan change, separate to PC9.			

17.5.2 Issue 2: Proximity to Marae

- (1) The current permitted activity performance standard PK-R1.1(c) requires that papakāinga be located on land that adjoins or is adjacent to a Marae. As previously discussed, iwi and hapū have expressed that this performance standard is difficult to comply with due to the majority of whenua Māori not being adjacent to or adjoining existing Marae. The performance standard is a barrier to carrying out papakāinga as a permitted activity and creates requirements for resource consent.
- (2) The table below evaluates the options that have been considered to address standard PK-R1.1(c) against the requirements of section 32(1)(b)(refer *Table 32*). It is considered that the most appropriation option to achieve the District Plan objective is Option 2.

Table 32: Issue 2: Proximity to Marae – Evaluation of Options

	Option 1: Status quo	Option 2: Amend the District Wide performance standards applying to papakāinga
<i>Description of option</i>	Retain the current performance standard in the district plan and require papakāinga to be located on land that adjoins or is adjacent to a Marae.	Remove the performance standard that requires papakāinga to be located on land that adjoins or is adjacent to a Marae.
<i>Efficiency and effectiveness in achieving objectives</i>		
SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tangata whenua with land, water, significant sites and Wāhi tapu.	This option is not efficient or effective as iwi and hapū within the Rotorua Lakes districts have expressed the difficulties in complying with the relevant performance standard.	This option is efficient and effective as it removes an existing barrier to papakāinga development identified by iwi and hapū while retaining the existing rule framework that the community are familiar with.
RESZ-01: Housing supply and choice in the zone is increased	For the reasons outlined above, this option is less efficient and effective as it does not address the existing regulatory barriers to the development of papakāinga to provide increased housing supply and choice.	For the reasons outlined above, this option is efficient and effective as it will enable the development of papakāinga to provide increased housing supply and choice.
<i>Costs</i>	This option will retain an existing barrier to the development of papakāinga as identified by iwi and hapū. Non-compliance with the existing performance standard will incur costs of applying for a restricted discretionary resource consent and	This option will enable the development of papakāinga development and can have potential effects on the amenity and character of existing areas. However, effects can be mitigated through the application of other performance standards, including those within the underlying zone.

	potentially constrain the development of papakāinga.	
<i>Benefits</i>	This option will retain the existing level of development enabled for papakāinga and will not introduce the potential for new environmental effects.	This option will enable iwi and hapū to develop papakāinga through a permitted activity pathway under the District Plan. The removal of planning barriers and the requirement to obtain resource consent will provide economic benefits while enabling the development of papakāinga will provide economic, social, and cultural benefits to people and communities.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.	
<i>Summary</i>	Option 2 is the preferred option. Removing the existing performance standard which requires papakāinga to adjoin or be adjacent to an existing Marae removes an existing barrier to development that has been identified by iwi and hapū, and will not create adverse environmental effects that cannot be appropriately managed through other performance standards.	

17.5.3 Issue 3: Provision for Papakāinga and Kōeke Housing in Residential Zones

- (1) The MDRS will apply in relevant urban residential zones, including to papakāinga for residential purposes. It is considered that considerations in relation to residential character and amenity, will largely be directed by the MDRS, which will introduce provisions for density and building bulk and location that are more permissive than the existing District Plan standards. The existing performance standards for papakāinga refer to the performance standards of the underlying zone (including for density), except for the provision of kōeke flats at a density of one per 150m² of land area. There is a need to ensure that the existing District Wide provisions for papakāinga development do not create additional barriers to development following the implementation of the more permissive MDRS.
- (2) The table below evaluates the options that have been considered to ensure the District Wide provisions for papakāinga in urban residential areas are consistent with the MDRS and policy direction of the NPS-UD (refer *Table 33*). It is considered that the most appropriate option to achieve the District Plan objective is Option 2.

Table 33: Issue 3: Provisions for Papakāinga and Kōeke Housing in Residential Zones – Evaluation of Options

	Option 1: Status quo	Option 2: Amend the District Wide provisions to complement the introduction of the MDRS to relevant residential zones	Option 3: Apply a density performance standard to papakāinga in the Residential 1-5 zones
<i>Description of option</i>	Retain the existing District Wide provisions for papakāinga, which exclude kaumātua flats from the density performance standard of the underlying zone.	Amend the District Wide provisions to ensure: • That the development of papakāinga, including kōeke flats are subject to the more permissive MDRS; and • That the assessment of restricted discretionary papakāinga development has regard to the “planned” character and amenity of the underlying zone.	Introduce a new performance standard in all residential zones to manage the density of papakāinga.
<i>Efficiency and effectiveness in achieving objectives</i>			
SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tāngata whenua with land, water, significant sites and Wāhi tapu.	This option is less efficient as it retains the existing District Wide framework but will only be slightly more enabling of papakāinga in relevant residential zones where the more permissive MDRS will apply. This option is also less effective as the existing performance standards would restrict the application of the MDRS to the development of kōeke flats, and the matters of discretion	This option is efficient and effective as it will ensure that the existing District Wide provisions for papakāinga respond appropriately to the more permissive MDRS and policy direction of the NPS-UD.	This option is effective as it will ensure appropriate density requirements for papakāinga can be applied in all residential zones. This option is less efficient as it would require the introduction of a density performance standards to all residential zones in addition to existing performance standards and the MDRS.

	are inconsistent with the intent of the NPS-UD.		
RESZ-01: Housing supply and choice in the zone is increased	For the reasons outlined above, this option is less efficient and effective as it does not enable the development of papakāinga to the greatest extent allowable.	For the reasons outlined above, this option is efficient and effective as it will enable the development of papakāinga to provide increased housing supply and choice.	For the reasons outlined above, this option is effective in enabling the development of papakāinga to provide increased housing supply and choice, but is less efficient.
<i>Costs</i>	This option will create unnecessary barriers to the development of kōeke flats. Papakāinga that are a restricted discretionary activity would also be assessed against matters of discretion that are inconsistent with policy 6 of the NPS-UD, which has regard to the planned urban built form. This has the potential to introduce additional costs and complexities to the resource consent process.	This option will enable the development of papakāinga development and can have potential effects on the amenity and character of existing areas. However, effects can be mitigated through the application of other performance standards, including those within the underlying zone.	This option will require further assessment of the appropriate density of papakāinga in all residential zones, and will create added complexities and time and cost inefficiencies to PC9.
<i>Benefits</i>	This option will apply the more enabling MDRS to papakāinga development (excluding kōeke flats) in relevant residential zones at a time and cost efficiency.	This option will apply the more enabling MDRS to all papakāinga development in relevant residential zones and ensure that all District Wide provisions are consistent with the policy directions of the NPS-UD.	This option will ensure that the appropriate density for papakāinga can be considered and applied to all residential zones.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		

<i>Summary</i>	Option 2 is the preferred option. Only minor amendments are required to the existing District Wide provisions to ensure that the provisions that apply to all papakāinga are consistent with the MDRS and policy direction of NPS-UD. Relying on the performance standards of the underlying zone remains appropriate to manage potential effects of development on residential amenity and character, as the MDRS will only be applied to relevant residential zones, where it is appropriate to do so. This will also avoid the need to reassess existing performance standards for density in zones where the MDRS will not be applied.
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17.5.4 Issue 4: Provisions for Papakāinga and Kaumātua Housing in Rural Zones

- (1) A significant quantity of whenua Māori in the Rotorua Lakes District is located within rural areas, accounting for approximately 20 per cent of rural zoned land. Through engagement, iwi and hapū have expressed that the density performance standard within the rural zones is a barrier to the development of papakāinga as a permitted activity.
- (2) The District Wide provisions for papakāinga apply in all zones. As discussed above, these performance standards refer to the performance standards of the underlying zone, including for density. In the rural zones, density is restricted to one residential unit per site in the Rural 1 zone, with some exceptions for larger sites or where appropriate infrastructure servicing arrangements can be made.
- (3) There is opportunity through PC9 to enable papakāinga housing in the Rotorua Lakes District by recognising and providing for the communal nature of papakāinga development in rural zones, where a significant extent of whenua Māori is held. The table below evaluates the options that have been considered to enable the development of papakāinga in rural areas (refer *Table 34*). It is considered that the most appropriate option to achieve the District Plan objective is Option 3.
- (4) The additional density performance standards proposed as part of Option 3 include:
 - Density requirements of one residential unit per 2,000m² (excluding kōeke flats). A site area of 2,000m² is in accordance with the land needed to accommodate the onsite treatment and disposal of stormwater and wastewater in rural areas that are not connected or serviced to public reticulation.
 - A maximum of 10 residential units per site.
- (5) Option 3 will retain the existing performance standards that require:
 - Compliance with the performance standards of the underlying rural zone (except for density).
 - That the activity be located on Māori multiple-owned land, or land which is otherwise under the jurisdiction of the Māori Land Court. This performance standard ensures that the intensity of papakāinga development enabled in rural zones is specific to recognising the need and benefits of papakāinga development for iwi and hapū of whenua Māori.

Table 34: Issue 4: Provisions for Papakāinga and Kaumātua Housing in Rural Zones – Evaluation of Options

	Option 1: Status quo	Option 2: Delete density restrictions for papakāinga in rural zones	Option 3: Introduce new density performance standards for papakāinga in rural zones
<i>Description of option</i>	Retain the existing District Wide provisions for papakāinga, which require papakāinga (excluding kaumātua flats) to comply with the density performance standards in rural zones.	Amend the District Wide performance standards to delete density restrictions for papakāinga in rural zones.	Introduce new District Wide provisions to enable an appropriate density of papakāinga in rural zones.
<i>Efficiency and effectiveness in achieving objectives</i>			
SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tangata whenua with land, water, significant sites and Wāhi tapu.	This option is not efficient or effective as iwi and hapū within the Rotorua Lakes districts have expressed the difficulties in complying with the relevant performance standard.	This option is not efficient or effective as while it will enable the development of papakāinga, development of whenua without density restrictions in rural areas has the potential to create adverse environmental effects on land, water, significant sites and Wāhi tapu.	This option is efficient and effective as it will enable papakāinga in rural zones while ensuring appropriate density requirements are applied, while recognising that there are different resource management considerations for development of papakāinga in urban and rural areas.
<i>Costs</i>	This option will retain an existing barrier to the development of papakāinga as identified by iwi and hapū. Non-compliance with the existing performance standard will incur	This option will enable the development of papakāinga development but can have potential effects on adjoining properties and create environmental effects associated with rural character and	This option will enable the development of papakāinga development which can have potential effects on the amenity and character of existing areas. However, effects can be mitigated through the application of

	costs of applying for a restricted discretionary resource consent.	amenity, and infrastructure servicing.	other performance standards, including those within the underlying zone.
<i>Benefits</i>	This option will retain the existing level of development enabled for papakāinga and will not introduce the potential for new environmental effects.	This option will enable the greatest extent of papakāinga development on whenua Māori in rural zones.	This option will ensure that the appropriate density for enabling papakāinga can be considered and applied to all rural zones while also ensuring potential environment effects associated with rural character and amenity and infrastructure servicing can be appropriately managed.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	Option 3 is the preferred option. The existing District Wide provisions do not enable the development of papakāinga in rural zones as there is no recognition of the communal nature of papakāinga. The introduction of new District Wide provisions and performance standards for papakāinga in rural zones will enable development on whenua Māori, recognise the cultural significance of papakāinga, while also ensuring that any potential effects on adjoining properties, rural character and amenity, and infrastructure servicing are appropriately managed.		

17.5.5 Issue 5: Providing for Non-Residential Activities in Papakāinga Developments

- (1) The District Plan defines papakāinga to be “a settlement developed by and for tangata whenua on land in their traditional rohe including but not limited to residential activities”. Feedback from iwi and hapū at engagement hui has also clearly demonstrated that papakāinga are not limited to housing and include non-residential community activities.
- (2) As previously discussed, the development of papakāinga is managed under the GDWM section and provided for as a permitted activity subject to compliance with the relevant performance standard. However, in terms of non-residential papakāinga activities, the relationship between the DGWM section and rules for activities in the underlying zone is unclear.
- (3) There is opportunity through PC9 to provide plan clarity and set clear parameters on how papakāinga development is managed, particularly in rural zones where there are greater land opportunities to establish non-residential activities and the potential to create amenity and character effects. The proposed changes are considered to be within scope of section 80E(b)(ii) of the RMA to consider papakāinga in the wider communal context, including non-residential activities that are ancillary to the use of papakāinga for housing.
- (4) The table below evaluates the options that have been considered to recognise and enable an appropriate level of non-residential papakāinga development within rural zones (refer *Table 35*). It is considered that the most appropriate option to achieve the District Plan objective is Option 3.

Table 35: Issue 5: Providing for Non-Residential Activities in Papakāinga Developments – Evaluation of Options

	Option 1: Status quo	Option 2: Provide for non-residential papakāinga development with no restrictions	Option 3: Include parameters for non-residential papakāinga development
<i>Description of option</i>	Retain the existing District Wide provisions for papakāinga, which require papakāinga (excluding kaumātua flats)	Amend the district plan and provide for non-residential papakāinga development with no restrictions.	Amend the district plan include control measures for non residential papakāinga development.
<i>Efficiency and effectiveness in achieving objectives</i>			
SDML-O1: Opportunities for development on Māori land that meets the needs of those landowners and respects the exercise of katiakitanga and the relationship of tāngata whenua with land, water, significant sites and Wāhi tapu.	This option is less efficient and effective as there is uncertainty for plan users on how non-residential papakāinga development is managed under the District Plan.	This option is not efficient or effective as development of non-residential papakāinga without restrictions has the potential to create adverse environmental effects on land, water, significant sites and Wāhi tapu.	This option is efficient and effective as it will enable an appropriate scale and intensity of non-residential papakāinga development in rural zones while providing clarity to plan users.
<i>Costs</i>	This option results in uncertainty for plan users looking to develop non-residential papakāinga under the District Plan, which also has the potential to create time and cost inefficiencies during resource consent processing.	This option will enable the development of papakāinga development and can have potential effects on adjoining properties and rural character and amenity.	This option will enable the development of papakāinga development and can have potential effects on adjoining properties and rural character and amenity values. However, effects can be mitigated through the application of other performance standards.
<i>Benefits</i>	This option will retain the existing level of development enabled for non-residential papakāinga activities and will not introduce	This option will enable the greatest extent of non-residential	This option will enable an appropriate scale and intensity of non-residential activities papakāinga development, while also ensuring potential

	the potential for new environmental effects.	papakāinga development on whenua Māori in rural zones.	environment effects associated with rural character and amenity can be appropriately managed.
<i>Risks</i>	There is sufficient information to determine the range and nature of environmental effects of the options set out above. An assessment of the risk of acting or not acting is not required.		
<i>Summary</i>	Option 3 is the preferred option. The District Plan creates uncertainties for plan users, including iwi and hapū looking to develop non-residential papakāinga activities. Providing for non-residential papakāinga development with parameters recognises that papakāinga is not limited to housing, ensures that the scale and intensity of non-residential development can be appropriately managed, and gives plan users clear direction on what the anticipated outcomes are.		

18.0 Conclusion

- (1) PC9 is a focussed suite of changes to enable additional housing capacity and choice through specific zoning, rule and policy changes. The proposed amendments seek to give effect to the NPS-UD and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 through applying the MDRS to relevant residential zones and enabling greater intensification in areas close to the city centre and public transport. Related amendments are proposed to support quality-built outcomes. Further amendments are also proposed to introduce new qualifying matters relating to heritage and natural hazards (flooding and geothermal hazards) and improve the efficiency of the existing flooding provisions. The main conclusions of the evaluation under Part 2 and Section 32 of the RMA are summarised below:
- PC 9 is consistent with the purpose of sustainable management in Section 5 and with the principles in Sections 6, 7 and 8 and Part 2 of the RMA.
 - PC 9 assists the Council in carrying out its functions set out in Section 31 of the RMA.
 - Pursuant to Section 75(3)(c) of the RMA, PC9 is consistent with the objectives and policies of the RPS.
 - The evaluation undertaken in accordance with Section 32 concluded the proposed objectives are the most appropriate way to achieve the purpose of the RMA and the proposed amendments as outlined within *Appendix 1* are the most appropriate means of achieving the objectives of PC9.