

# Horowhenua District Plan

## Section 32 Report

### Proposed Plan Change 2

*(Review of Residential Development Provisions – Amendments relating to the extent of the Medium Density Overlay and infill subdivision; provision for second residential dwelling units and Integrated Residential Development; revision of the Medium Density Residential Development Design Guide; minor corrections or amendments)*

October 2017

# Contents

---

<b>1</b>	<b>Introduction.....</b>	<b>1</b>
1.1	Background .....	1
1.2	Scope .....	2
<b>2</b>	<b>Regulatory and Policy Context .....</b>	<b>3</b>
2.1	Legislative and National Policy Context .....	3
2.2	Regional Regulatory and Policy Context.....	4
<b>3</b>	<b>Proposed Plan Change 2.....</b>	<b>5</b>
3.1	Consultation.....	6
<b>4</b>	<b>Section 32 Evaluation .....</b>	<b>7</b>
4.1	Amendments to residential infill subdivision and extension of the Medium Density Overlay in Levin .....	7
4.2	Increase in the number of permitted residential dwelling units on a site ....	13
4.3	Provision for large-scale, integrated residential development.....	16
4.4	Minor amendments/deletions.....	20
4.5	Risk of Acting or Not Acting Where There is Uncertain or Insufficient Information.....	22
4.6	Conclusion.....	22

# 1 Introduction

---

The purpose of Proposed Plan Change Two (Proposed PC2) is to amend a limited range of rules relating to residential development in the Operative Horowhenua District Plan. It also seeks to extend the spatial extent of the Medium Density Overlay in Levin, to improve the usability of the Medium Density Residential Development Design Guide and to make specific provision for larger-scale, more complex residential development proposals to establish in the district.

This report outlines the background, scope, statutory context and proposed amendments relating to Proposed PC2, and provides an evaluation of the proposed amendments in accordance with the requirements of section 32 of the Resource Management Act (RMA) 1991.

## 1.1 Background

### 1.1.1 *District Plan Review – Residential Zone Provisions*

A full review of the former District Plan (1999) was undertaken between 2009 and 2013, with the Horowhenua District Council (the Council) making its second generation District Plan (the Plan) operative on 1 July 2015.

The objectives, policies and rules currently included in the Residential chapter of the Plan represent the outcome of this review process.

### 1.1.2 *Rationale for the Proposed Plan Change*

In 2016 the Council confirmed a revised set of population and housing growth assumptions for the district. These assumptions anticipate a population increase of 8,600, and a 4,900 increase in households, by 2036 largely as a result of increased accessibility brought about by central government investment in the Roads of National Significance, and in particular the Wellington Northern Corridor (e.g. Transmission Gully Motorway, Mackays Crossing to Peka Peka Expressway and Peka Peka to Otaki Expressway).

To help realise and maximise these growth assumptions the Council is actively seeking to ensure that appropriate infrastructure, policy and planning provisions are in place to enable the district to fully leverage off its competitive and comparative advantages. This planning has included investigating whether the residential development provisions in the Plan adequately cater for the growth projected, particularly in terms of encouraging more efficient utilisation of existing urban land and infrastructure and a range of housing type and living environments that effectively respond to future needs (e.g. aging population).

In addition, since the Plan was made operative a small number of issues have been identified by representatives of the development community and Council staff regarding the workability of some of the current residential provisions. These workability issues include:

- The small nature and spatial extent of the area earmarked for medium density development in Levin (i.e. the area covered by the Medium Density Overlay)

and the usability and effectiveness of the Medium Density Residential Development Design Guide;

- The current minimum net site area for residential infill subdivision and development of 330m<sup>2</sup> limits the potential of lots between 500m<sup>2</sup> and 900m<sup>2</sup> to be subdivided in an efficient way;
- The inconsistent and restrictive approach applied to placing a second dwelling relative to a family flat on a residential site (i.e. discretionary vs permitted activity);
- The lack of flexibility/agility in the Plan to enable larger-scale, more complex residential development proposals to be addressed in a more integrated manner (e.g. retirement villages); and
- The effectiveness and necessity of the title date pre-requisite condition relating to the creation of residential infill allotments.

## 1.2 Scope

The scope of Proposed PC2 is limited to the following range of amendments to the Residential Chapter:

- Provision for sites of 500m<sup>2</sup> to 900m<sup>2</sup> in Levin, Foxton, Foxton Beach and Shannon to be subdivided and create infill lots of 250m<sup>2</sup> as a restricted discretionary activity, and consequential changes to relevant bulk and location controls;
- Provision for up to two residential dwelling units on a site as a permitted activity;
- Specific provision to enable large-scale, integrated residential developments to be assessed in a comprehensive manner as a restricted discretionary activity;
- Minor corrections relating to the application of private outdoor living area and accessory building provisions, and removal of the title date pre-requisite condition relating to residential infill subdivision; and
- Extension of the area to which the Medium Density Overlay applies in Levin.

As a consequence of these proposed changes, amendments to three policies in the Urban Environment chapter are also proposed, along with the inclusion of two additional definitions to the Definitions chapter. Relevant Planning Maps are also to be amended to reflect proposed changes to the extent of the Medium Density Overlay within Levin.

To improve the utility of the design guidance associated with medium density development in Levin and the Foxton and Waitaere Beach areas a revised Medium Density Residential Development Design Guide is proposed to replace the current version included in Part F - Schedule 10 of the Plan.

As a full evaluation of the costs, benefits, efficiency, effectiveness and appropriateness of the operative objectives, policies and rules was undertaken as part of the 2012/2013 District Plan Review process, no further re-evaluation of existing provisions that are unaffected by Proposed PC2 will be conducted for the purposes of this evaluation report.

## 2 Regulatory and Policy Context

---

This section identifies the regulatory and policy context relating to Proposed PC2, including relevant legislation and national and regional level policies.

### 2.1 Legislative and National Policy Context

#### 2.1.1 Resource Management Act 1991

Under section 5, the purpose of the RMA is *'to promote the sustainable management of natural and physical resources'*.

Sustainable management means *"the use, development and protection 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 while:*

- a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations;*
- b) Safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- c) Avoiding, remedying, or mitigating any adverse effects of activities on the environment."*

Section 6 of the RMA identifies seven matters of national importance which need to be recognised and provided for in policies and plans, noting that none of these matters are of particular relevance to Proposed PC2.

Section 7 of the RMA requires particular regard to be given to a range of 'other matters'. Of the matters identified, the most relevant to this change are as follows:

- (b) the efficient use and development of natural and physical resources; and*
- (c) the maintenance and enhancement of amenity values.*

Section 8 of the RMA further requires that in managing the use, development, and protection of natural and physical resources the principles of the Treaty of Waitangi are taken into account.

In addition to the above sections, in preparing a District Plan (or Plan Change) the Council is also obliged to satisfy a number of further requirements set out in the RMA, including:

- Section 31 - Functions of Territorial Authorities;
- Section 32 - Duty to consider alternatives, assess benefits and costs;
- Section 72 - Purpose of district plans;
- Section 73 - Preparation and change of district plans;
- Section 74 - Matters to be considered by territorial authorities; and
- Section 75 - Contents of district plans.

## **2.1.2 Resource Legislation Amendment Act 2017**

In April 2017 the Resource Legislation Amendment Act (RLAA) came into force. Amongst the range of amendments introduced that take immediate effect are a number relating to the plan-making process.

In terms of these amendments the following have been identified as relevant to Proposed PC2:

- A functional requirement for all Councils to establish, implement and review objectives, policies and methods to ensure there is sufficient land for residential and business development capacity to meet expected demand (s.31(1)(aa), RMA);
- A requirement to supply iwi authorities with a copy of any draft proposed policy statement or plan (including a proposed change) prior to notification and to have particular regard to any advice received (Schedule 1, cl.4A, RLAA); and
- A requirement to summarise, in the associated s.32 evaluation report prepared for any proposed statement, plan or change, all relevant iwi authority advice received along with the Council's response (s.32(4A), RMA).

## **2.1.3 National Policy Statements**

Under Section 75(3)(a) of the RMA a District Plan must also give effect to any National Policy Statement (NPS) that has been issued. Of the five NPSs currently in place, the only one of relevance to this proposed change is the National Policy Statement on Urban Development Capacity (NPS-UDC).

The NPS-UDC provides direction to Councils on planning for urban environments. Under this NPS all Councils are required to give effect to the full range of objectives identified, including:

- OA2: Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.

These objectives are further underpinned by a series of policies that apply in any urban environment where growth is anticipated, including:

- PA1: Ensuring sufficient housing and business land development capacity in the short, medium and long term; and
- PA3: Providing for dwelling type and locational choice; promoting efficient use of land and infrastructure; limiting adverse effects on competition.

## **2.2 Regional Regulatory and Policy Context**

### **2.2.1 Horizons Regional Council's One Plan**

Under Section 75(3)(c) of the RMA, a District Plan must give effect to any Regional Policy Statement which, in this instance, is the Horizons Regional Council's 'One Plan' (which comprises a combined Regional Policy Statement and Regional Plan).

Chapter 4 of the One Plan sets out the regionally significant issues, objectives, policies and methods relating to land management, with a particular focus on accelerated erosion including large-scale earthworks. These are considered to be largely immaterial to Proposed PC2 as the amendments proposed are unlikely to result in major development involving large-scale earthwork activities.

## 3 Proposed Plan Change 2

---

**(Review of Residential Development Provisions – Amendments relating to the extent of the Medium Density Overlay and infill subdivision; provision for second residential dwelling units and Integrated Residential Development; revision of the Medium Density Residential Development Design Guide; minor corrections or amendments)**

Proposed PC2 comprises the following suite of associated changes to the Residential chapter, including consequential changes to the Urban Environment and Definitions chapters and relevant Planning Maps:

- Provision for residential infill subdivision on sites between 500m<sup>2</sup> and 900m<sup>2</sup> in Levin, Foxton, Foxton Beach and Shannon that allows for a minimum net site area of 250m<sup>2</sup> as a restricted discretionary activity, and consequential amendments to bulk and location requirements;
- Extension of the Medium Density Overlay area in Levin township, including amendments to the following Planning Maps:
  - Planning Map 7;
  - Planning Map 24;
  - Planning Map 25;
  - Planning Map 27;
  - Planning Map 27A;
  - Planning Map 27B;
  - Planning Map 28;
  - Planning Map 28A;
  - Planning Map 28B;
  - Planning Map 29; and
  - Planning Map 30.
- Increase in the number of residential dwelling units permitted on a site from one to two, more than two being treated as a discretionary activity and inclusion of an associated definition of notional net site area;
- Provision for large-scale, integrated residential development, including associated amendments as follows:
  - Inclusion of a specific policy relating to this form of development, along with an explicit reference to this form of development within an existing policy;
  - Inclusion of this form of development as a restricted discretionary activity; and
  - Inclusion of a definition of integrated residential development.

- Minor amendments relating to the location of accessory buildings relative to a principal residential dwelling unit and the deletion of the title date pre-requisite condition relating to the residential infill subdivision standard.

The proposed change also includes a revised Medium Density Residential Development Design Guide to replace the current version included in Part F - Schedule 10 of the Plan.

With the exception of consequential amendments involving three policies in the Urban Environment chapter, no further changes to existing objectives and policies in the Plan are proposed. Instead the plan change involves a limited number of changes to specific rules and conditions in the Residential chapter, along with consequential changes to definitions, that are focussed on facilitating future residential growth opportunities and a more responsive approach to changing residential trends and living requirements in the district.

The proposed changes also respond to interpretive issues that have been identified by representatives of the development community and Council staff concerning the workability of some of the current residential provisions in the Plan, along with some of the guidelines included in the current Medium Density Residential Development Design Guide.

## 3.1 Consultation

As an input to Proposed PC2 a series of workshops was convened by the Council with representatives of the local development community and relevant Council staff. The purpose of these workshops was to explore provisions and/or guidance in the operative District Plan perceived to be inhibiting residential growth and development opportunities in the district. The workshops were also used to test the scale and significance of the issues raised by participants, with the outcome of this engagement used to help frame and inform the matters addressed in this proposed change.

In addition, letters were sent to the Ministry for the Environment, the Manawatu-Wanganui (Horizons) Regional Council and Iwi Authorities in accordance with clauses 3(1) and 4A(1) of Schedule 1 of the RMA outlining the nature and scope of the proposed change and inviting comment. A copy of the draft plan change was also supplied to all parties including Iwi Authorities.

The only response received was from the Ministry for the Environment. In its response it noted that a proposed change to Rule 15.6.4(b) requiring the written approval of occupiers as well as landowners for any side or rear boundary encroachment by an accessory building appeared to be contrary to the intent of the 'boundary activity' provisions introduced by the Resource Legislation Amendment Act 2017 (i.e. only landowner approval required for any boundary activity infringement). Following further consideration of this matter the reference to 'occupiers' in Rule 15.6.4(b) was deleted from Proposed PC2 as publically notified.



## 4 Section 32 Evaluation

---

Section 32 sets out the requirements for preparing and publishing plan change evaluation reports. A proposed plan change needs to be evaluated in terms of whether its stated objective/s is the most appropriate way to achieve the purpose of the RMA, and whether the proposed provisions are the most appropriate way to achieve this objective/s. For this Plan Change the existing objectives in the Operative District Plan are still considered to be the most appropriate way to achieve the purpose of the RMA. Therefore, the report only evaluates whether the proposed provisions are the most appropriate way to achieve the existing objectives. The primary objective relevant to this matter is Objective 6.3.1, which states as follows:

### **Objective 6.3.1 Residential Zone**

*To provide for a diversity of residential lifestyles and non-residential services and activities to meet the needs of the community while maintaining and enhancing the individual character and amenity values of the residential areas in each of the settlements of the District.*

In evaluating Plan provisions the Council is also required to identify other reasonably practicable options and to assess their efficiency and effectiveness; this includes identifying and assessing the benefits and costs of the environmental, economic, social and cultural effects that are anticipated. Where practicable, benefits and costs area to be quantified. Any identifiable opportunities for economic growth and employment (and whether these are anticipated to be provided or reduced by the change) also need to be assessed.

### **4.1 Amendments to residential infill subdivision and extension of the Medium Density Overlay in Levin**

Currently the Residential chapter of the Plan provides opportunities for medium density development to occur in Levin, Foxton Beach and Waitarere Beach, and for infill residential subdivision to be undertaken within all urban settlements across the district. Within the Medium Density Overlay areas there is provision for sites to be subdivided to a minimum average net site area of 225m<sup>2</sup> per dwelling unit and for residential infill sites in Levin, Foxton, Foxton Beach and Shannon a minimum site area of 330m<sup>2</sup> currently applies. Although medium density development is encouraged by the Plan, the extent of the area to which it applies within Levin is restricted to a relatively limited area bordering the central business district of the township.

Given revised growth assumptions that the Council has recently confirmed for the district the effectiveness of these current provisions to adequately cater for projected increases in population and household numbers appears uncertain, particularly in terms of encouraging more efficient utilisation of existing zoned residential land and associated infrastructure and offering current and future residents sufficient housing

flexibility and choice (e.g. to cater for the needs of an aging population). The adequacy of these provisions is also questionable in terms of meeting the expectations of the NPS-UDC, especially Policy PA3 (i.e. making provision for dwelling type and locational choice; promoting efficient use of land and infrastructure).

Further, in exploring the workability of current residential development provisions and design guidance in the Plan with representatives of the development community and Council staff the following issues were noted:

- The extent of the area identified for medium density development in Levin is considered too constrained, with insufficient commercially viable opportunities currently available to meet development expectations due to such factors as lot size/shape and site amalgamation potential;
- The need for better alignment between the medium density provisions in the Plan and the guidelines in the Medium Density Residential Development Design Guide in order to reduce ambiguity (e.g. lack of clarity, unnecessary duplication) and facilitate more consistent interpretation and application of design guidance in assessing medium density proposals; and
- The ability to create lots less than 330m<sup>2</sup> in net site area is considered to be deterring some development due to the risks and uncertainty associated with seeking reductions to this minimum net site area requirement. Reductions are currently treated as a restricted discretionary activity, with minor departures from the minimum net site area requirement generally being treated as relatively straightforward applications, but with more substantial departures (e.g. proposing a lot, or lots, of less than 300m<sup>2</sup>) facing a more rigorous application process and increased potential for decline. This is further complicated by the fact that the majority of sites with infill potential in Levin, Foxton, Foxton Beach and Shannon are in the order of 500m<sup>2</sup> and 900m<sup>2</sup>.

In response, the Council is proposing changes to the Plan to provide for residential sites between 500m<sup>2</sup> and 900m<sup>2</sup> to be subdivided into lots with minimum net site area of 250m<sup>2</sup>. Although this type of infill subdivision is proposed to be a restricted discretionary activity the intention is to provide clear direction on the minimum net site area that is considered to be appropriate for most sites between 500m<sup>2</sup> and 900m<sup>2</sup>, subject to conditions being met. This activity status is also consistent with that applying to medium density development. Consequential amendments are proposed to the bulk and location provisions, being the private outdoor living area and the accessory building size provisions. These amendments aim to ensure that these provisions are reasonable for sites of this size. Council is also proposing to increase the spatial extent of the Medium Density Overlay within Levin and to revise the structure and content of the Medium Density Residential Development Design Guide in Schedule 10 of the Plan.

## 4.1.1 Evaluation of Other Reasonably Practicable Options:

This part of the report evaluates the following alternative options:

*Option 1: Proposed Plan Change*

*Option 2: Status Quo*

	Option 1: Proposed Plan Change	Option 2: Status Quo
<b>Costs</b> (Environmental, Economic, Social, Cultural)	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Potential for significant change in the existing character of the expanded residential area identified for medium density development, and more broadly across the residential zone in Levin, Foxton, Foxton Beach and Shannon, particularly if widespread uptake of infill subdivision and/or medium density development occurs.</li> <li>Potential increase in traffic volume and noise and perceived reduction in privacy, access to sunlight and sense of open space.</li> <li>Potential for higher density development to occur in areas that may not be optimally suited to intensification.</li> </ul> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Potential increase in loading on existing infrastructure networks.</li> <li>Costs associated with preparing and implementing a proposed plan change.</li> </ul> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Potential impact on social connectivity and/or cohesion within established residential neighbourhoods.</li> <li>Urban residents may be unreceptive to increased residential</li> </ul>	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Increased demand being exerted on available 'greenfields' sites and rural areas on the periphery of the district's urban settlements (i.e. pressure to open up new 'greenfield' areas).</li> <li>Less flexibility to accommodate alternative forms and location of residential development.</li> </ul> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Less efficient use of existing residentially zoned land and associated infrastructure.</li> <li>Unintended/unbudgeted infrastructure costs if demand for existing 'greenfield' sites outstrips supply and additional residential land needs to be released earlier than anticipated.</li> <li>Additional cost, time, complexity and uncertainty associated with meeting the consent requirements for infill subdivisions where lots with net site areas of less than 330m<sup>2</sup> are proposed, and medium density development located outside the area covered by the current Medium Density Overlay.</li> <li>Cost, time and uncertainty associated with variable</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<p>intensification due to its perceived effects (e.g. loss of neighbourhood amenity).</p>	<p>interpretation and application of the medium density residential design guidelines.</p> <p><b>Economic and Social Cost:</b></p> <ul style="list-style-type: none"> <li>Retention of provisions/guidelines that are ambiguous and/or unresponsive to current and future development pressures and consumer need/demand.</li> </ul> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Limited diversity of housing flexibility and choice, and reduced opportunities to achieve a wider range of affordable housing offerings.</li> </ul>
<p><b>Benefits</b> (Environmental, Economic, Social, Cultural)</p>	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces potential development pressures on 'greenfield' areas and encourages the regeneration of existing residential areas.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>Promotes utilisation of existing serviced residential land, thus minimising costs associated with future infrastructure provision.</li> <li>Improved consistency in the interpretation and application of the medium density residential design guidelines, resulting in a potential reduction in the administrative and compliance costs associated with medium density development proposals.</li> </ul> <p><b>Economic and Social Benefit:</b></p> <ul style="list-style-type: none"> <li>Enables a wider range of housing type to be offered in the district at a variety of price points.</li> <li>Offers increased opportunities to provide affordable</li> </ul>	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces the likelihood of significant changes in the existing character and amenity of residential areas in Levin, Foxton, Foxton Beach and Shannon, and within the proposed expanded area identified for medium density development.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>No costs associated with preparing and implementing a proposed plan change.</li> </ul> <p><b>Social and Cultural Benefit:</b></p> <ul style="list-style-type: none"> <li>Retains existing social connectivity and/or cohesion within established residential neighbourhoods.</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<p>housing choices to people on lower incomes.</p> <p><b>Social, Cultural and Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>• Provides greater certainty for residents as to where higher density development is likely to occur.</li> <li>• Enables increased housing flexibility and choice through offering a diversity of lot sizes/densities.</li> <li>• Encourages more intensive residential development within areas close to facilities that support higher density living.</li> </ul>	
<p><b>Efficiency and Effectiveness of Achieving Objectives</b></p>	<p>The proposed changes are both efficient and effective as they would enable a broader mix and scale of residential density and living environment to be realised in the district, particularly in Levin. They would also help to encourage more efficient use of existing residentially zoned land and infrastructural capacity currently available.</p> <p>Providing for subdivision of sites between 500m<sup>2</sup> and 900m<sup>2</sup> to a minimum net site area of 250m<sup>2</sup> will enable a higher level of density to occur on these sites and to provide a greater variety of lot size. With larger sites ideally being retained, subdivided into lots with minimum net site areas of 330m<sup>2</sup> or more (to retain a diverse range of lot sizes), or developed in a more comprehensive manner.</p> <p>The changes align with the intent expressed within Objectives 6.1.1 and 6.3.1 (along with associated policies 6.1.16, 6.1.17, 6.3.4, 6.3.7 and 6.3.8), and provide an effective means to meet the growth projections recently confirmed by the Council and the expectations set out in Policy PA3 of the NPS-UDC (i.e. making provision for dwelling type and locational choice; promoting</p>	<p>This option would have limited effectiveness as it is unlikely to facilitate more efficient utilisation of existing zoned residential land and associated infrastructure, and to offer current and future residents sufficient housing flexibility and choice to meet the projected growth targets for the district.</p> <p>Consequently, this could inadvertently compromise the outcomes sought by Objectives 6.1.1 and 6.3.1, and the expectations set out in Policy PA3 of the NPS-UDC.</p>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<p>efficient use of land and infrastructure).</p> <p>The changes would also be effective in managing overall impacts on residential character and amenity. In order to construct a dwelling on a 250m<sup>2</sup> lot the relevant bulk and location conditions in the Plan would need to be satisfied, while medium density residential development would be evaluated against specific assessment criteria and conditions in the Plan, supported by a revised set of tailored guidelines contained in the Medium Density Residential Development Design Guide.</p>	
<b>Appropriateness</b>	<p>This option is considered to be the most appropriate option to achieve the objectives and policies in Chapter 6: Urban Environment of the Plan and to cater for projected population and household growth in the district.</p> <p>In particular, the proposed changes are intended to help facilitate a wider range of site size and housing type to cater for a diversity of residential lifestyle needs, as well as encouraging more efficient use and development of residentially zoned land in the district's existing urban settlements.</p> <p>This option also represents a more effective response to delivering on the relevant objectives and policies set out in the NPS-UDC.</p>	<p>This option is not considered to be the most appropriate to achieve the relevant objectives and policies in Chapter 6: Urban Environment of the Plan or to cater for projected growth in the district. It would also be less effective in delivering on the relevant objectives and policies set out in the NPS-UDC.</p>

## 4.2 Increase in the number of permitted residential dwelling units on a site

Currently provision is made in the Plan for a single residential dwelling unit and an associated family flat to be situated on a site ‘as of right’ subject to meeting relevant permitted activity conditions. By contrast, establishment of two dwelling units on a site is treated as a discretionary activity, triggering the need for a resource consent to be sought and obtained.

As the net result of both of these provisions is two buildings on a site, the way in which the Plan currently treats these related residential building types appears to be inconsistent given that there is unlikely to be a significant, demonstrable difference in their impact on residential character and amenity if appropriately managed. Consequently, the manner in which second dwellings are addressed in the Plan appears to be overly restrictive and adds an unnecessary layer of complexity. Subject to appropriate controls being applied to manage any corresponding localised effects, adoption of a less restrictive approach to establishing a second dwelling on a site would help to unlock the utility of existing residentially zoned land in the district and assist in providing greater housing choice.

In response the Council is proposing changes to the Plan to permit the establishment of a second residential dwelling on sites of 330m<sup>2</sup> or more, subject to compliance with relevant bulk and location requirements and demonstration that a minimum notional net site area can be provided to ensure that subdivision requirements can be satisfied in the event that the dwelling is subdivided off in future.

### 4.2.1 Evaluation of Other Reasonably Practicable Options:

This part of the report evaluates the following alternative options:

*Option 1: Proposed Plan Change*

*Option 2: Status Quo*

	Option 1: Proposed Plan Change	Option 2: Status Quo
<b>Costs</b> (Environmental, Economic, Social, Cultural)	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Potential for low-moderate change in character and amenity of established residential neighbourhoods if there is wide uptake by landowners.</li> </ul> <p><b>Economic Cost:</b></p>	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Increased demand being exerted on available ‘greenfields’ sites and rural areas on the periphery of the district’s urban settlements (i.e. pressure to open up new ‘greenfield’ areas).</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<ul style="list-style-type: none"> <li>Potential increase in loading on existing infrastructure networks.</li> <li>Costs associated with preparing and implementing a proposed plan change.</li> </ul> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Potential impact on social connectivity and/or cohesion within established residential neighbourhoods.</li> <li>Urban residents may be unreceptive to increased residential intensification due to its perceived effects (e.g. loss of neighbourhood amenity).</li> </ul>	<ul style="list-style-type: none"> <li>Less flexibility to accommodate alternative forms of residential development.</li> </ul> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Inefficient use of existing residentially zoned land and associated infrastructure.</li> <li>Unintended/unbudgeted infrastructure costs if demand for existing 'greenfield' sites outstrips supply and additional residential land needs to be released earlier than anticipated.</li> <li>Cost, time and uncertainty associated with triggering resource consents for second dwellings.</li> </ul> <p><b>Economic and Social Cost:</b></p> <ul style="list-style-type: none"> <li>Retention of provisions that are unresponsive to current and future development pressures and consumer need/demand.</li> </ul> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Limited diversity of housing flexibility and choice, and reduced opportunities to achieve a wider range of affordable housing offerings.</li> </ul>
<b>Benefits</b> (Environmental, Economic, Social, Cultural)	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces potential development pressures on 'greenfield' areas.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>Promotes utilisation of existing serviced residential land, thus minimising costs associated with future infrastructure provision.</li> </ul>	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces the likelihood of noticeable change in character and amenity within established residential neighbourhoods.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>No costs associated with preparing and implementing a proposed plan change.</li> </ul>



	Option 1: Proposed Plan Change	Option 2: Status Quo
	<ul style="list-style-type: none"> <li>Removes administrative costs associated with processing applications and assessing compliance.</li> </ul> <p><b>Economic and Social Benefit:</b></p> <ul style="list-style-type: none"> <li>Enables a wider range of housing type to be offered in the district at a variety of price points.</li> <li>Offers increased opportunities to provide affordable housing choices to people on lower incomes.</li> </ul> <p><b>Social, Cultural and Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Enables increased housing flexibility and choice through offering a diversity of lot sizes/densities.</li> <li>Extends the range of housing choice permitted and provides a greater degree of certainty to residential landowners.</li> </ul>	<p><b>Social and Cultural Benefit:</b></p> <ul style="list-style-type: none"> <li>Retains existing social connectivity and/or cohesion within established residential neighbourhoods.</li> </ul>
<p><b>Efficiency and Effectiveness of Achieving Objectives</b></p>	<p>The proposed changes are both efficient and effective as they would enable a broader range of residential opportunities to be realised in the district, while ensuring that neighbourhood character and amenity is not compromised. They would also help to encourage more efficient use of existing residentially zoned land and infrastructural capacity currently available.</p> <p>The changes align with the intent expressed within Objectives 6.1.1 and 6.3.1 (along with associated policies 6.1.16, 6.1.17, 6.3.4 and 6.3.7), and provide an effective means to meet the growth projections recently confirmed by the Council and the expectations set out in Policy PA3 of the NPS-UDC (i.e. making provision for dwelling type and locational choice; promoting efficient use of land and infrastructure).</p>	<p>This option would have limited effectiveness as it is unlikely to facilitate more efficient utilisation of existing zoned residential land and associated infrastructure, and to offer current and future residents sufficient housing flexibility and choice to meet the growth targets projected for the district as the need for a resource consent could act as a deterrent.</p> <p>Consequently, this could inadvertently compromise the outcomes sought by Objectives 6.1.1 and 6.3.1, and the expectations set out in Policy PA3 of the NPS-UDC.</p>

	Option 1: Proposed Plan Change	Option 2: Status Quo
<b>Appropriateness</b>	<p>This option is considered to be the most appropriate option to achieve the objectives and policies in Chapter 6: Urban Environment of the Plan and will also help to accommodate projected population and household growth in the district.</p> <p>In particular, the proposed changes are intended to provide greater residential choice to meet residential lifestyle needs, as well as encouraging more efficient use and development of residentially zoned land in the district's existing urban settlements. The requirement to demonstrate that a minimum notional net site area can be provided will also help to ensure that subdivision requirements can be satisfied if a future decision is made by a homeowner to subdivide.</p> <p>This option is also highly responsive to the relevant objectives and policies set out in the NPS-UDC.</p>	<p>This option is not considered to be the most appropriate to achieve the relevant objectives and policies in Chapter 6: Urban Environment of the Plan or to cater for projected growth in the district.</p> <p>It also represents a less responsive approach to delivering on the relevant objectives and policies set out in the NPS-UDC.</p>

### 4.3 Provision for large-scale, integrated residential development

Currently there is a lack of flexibility/agility in the Plan to address larger-scale, more complex residential development proposals such as retirement villages in an integrated manner, with this type of application likely to be treated as a restricted discretionary, discretionary or non-complying activity depending on the nature of the development and its associated scale and intensity. With the prospect of an increase in the age of those residing in the district in future it is anticipated that there will be emerging demand for a wider diversity of alternatives to the more conventional residential options that are currently on offer.

To enable the Plan to be more responsive to such demand, the Council is proposing changes that will enable Integrated Residential Development proposals to be comprehensively processed as a restricted discretionary activity based on a set of tailored assessment criteria.

### 4.3.1 Evaluation of Other Reasonably Practicable Options:

This part of the report evaluates the following alternative options:

*Option 1: Proposed Plan Change*

*Option 2: Status Quo*

	Option 1: Proposed Plan Change	Option 2: Status Quo
<b>Costs</b> (Environmental, Economic, Social, Cultural)	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Potential change in the character and amenity of established residential neighbourhoods.</li> </ul> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Costs associated with preparing and implementing a proposed plan change.</li> <li>Administrative costs associated with processing consent applications and assessing compliance.</li> <li>Compliance costs associated with preparing consent applications and associated assessment of effects.</li> </ul> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Potential impact on social connectivity and/or cohesion within established residential neighbourhoods.</li> <li>Surrounding residents may be unreceptive to large-scale residential development occurring in their neighbourhood due to its perceived effects (e.g. loss of amenity).</li> </ul>	<p><b>Environmental Cost:</b></p> <ul style="list-style-type: none"> <li>Potential change in the character and amenity of established residential neighbourhoods.</li> <li>Less flexibility to accommodate alternative forms of residential development.</li> <li>Ad hoc approach to processing and assessing more complex, large-scale residential development has the potential to produce inconsistent environmental outcomes (i.e. lack of clarity/consistency regarding relevant matters to be assessed).</li> </ul> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Administrative costs associated with processing consent applications and assessing compliance.</li> <li>Compliance costs associated with preparing consent applications and associated assessment of effects.</li> <li>Lack of clarity concerning the activity status of larger-scale residential developments may act as a disincentive to progressing such development.</li> </ul> <p><b>Economic and Social Cost:</b></p> <ul style="list-style-type: none"> <li>Retention of provisions that are unresponsive to current</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
		<p>and future development pressures and consumer need/demand.</p> <p><b>Social and Cultural Cost:</b></p> <ul style="list-style-type: none"> <li>Limited diversity of housing flexibility and choice, and a reduced range of housing alternatives to accommodate an aging population.</li> </ul>
Benefits (Environmental, Economic, Social, Cultural)	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Enables more complex, larger-scale residential developments to be considered in an integrated, comprehensive manner.</li> <li>Provides clarity regarding the environmental considerations that need to be addressed.</li> <li>Ensures that large-scale residential development establishes on sites with sufficient land area to provide a suitable level of on-site amenity and an adequate buffer to protect the amenity of adjoining properties.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>Provides certainty to applicants regarding the status of the activity and would promote greater consistency in terms of consent processing.</li> <li>Offers potential to facilitate more co-ordinated and integrated provision of infrastructure (e.g. services, parking and communal facilities).</li> <li>Enables existing serviced residential land to be more efficiently utilised, thus minimising costs associated with future infrastructure provision.</li> </ul> <p><b>Economic and Social Benefit:</b></p>	<p><b>Environmental Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces the likelihood of noticeable change in character and amenity within established residential neighbourhoods.</li> </ul> <p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>No costs associated with preparing and implementing a proposed plan change.</li> </ul> <p><b>Social and Cultural Benefit:</b></p> <ul style="list-style-type: none"> <li>Retains existing social connectivity and/or cohesion within established residential neighbourhoods.</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<ul style="list-style-type: none"> <li>Enables a wider range of housing type to be offered in the district at a variety of price points.</li> <li>Offers increased opportunities to provide affordable housing choices to cater for an aging population.</li> </ul> <p><b>Social and Cultural Benefit:</b></p> <ul style="list-style-type: none"> <li>Enables increased housing flexibility and choice.</li> </ul>	
<b>Efficiency and Effectiveness of Achieving Objectives</b>	<p>The proposed changes are both efficient and effective as they would enable a broader range of residential opportunities to be realised in the district, particularly for an aging population. They would also help to encourage more efficient use of existing residentially zoned land and infrastructural capacity.</p> <p>The changes align with the intent expressed within Objectives 6.1.1 and 6.3.1, as well as the expectations set out in Policy PA3 of the NPS-UDC (i.e. making provision for dwelling type and locational choice; promoting efficient use of land and infrastructure).</p>	<p>This option offers limited efficiencies as to how larger-scale residential development activities are to be treated and has the potential to impose unnecessary administrative and compliance costs. This, in turn could act as a deterrent to this form of development.</p> <p>This option would also have limited effectiveness as it is unlikely to encourage the realisation of wider residential opportunities for the district, and to facilitate more efficient utilisation of existing zoned residential land and associated infrastructure. This, in turn, would be contrary to the outcomes sought by Objectives 6.1.1 and 6.3.1, and the expectations set out in Policy PA3 of the NPS-UDC.</p>
<b>Appropriateness</b>	<p>This option is considered to be the most appropriate option to achieve the objectives in Chapter 6: Urban Environment of the Plan.</p> <p>In particular, the proposed changes are intended to help facilitate a wider range of housing type to cater for a diversity of residential lifestyle needs, as well as encouraging more efficient use and development of residentially zoned land in the district's existing urban settlements.</p>	<p>This option is not considered to be the most appropriate to achieve the relevant objectives and policies in Chapter 6: Urban Environment of the Plan. It would also be less effective in delivering on the relevant objectives and policies set out in the NPS-UDC.</p>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	This option is also highly responsive to the relevant objectives and policies set out in the NPS-UDC.	

## 4.4 Minor amendments/deletions

Currently the Plan restricts accessory buildings from projecting forward of a principal dwelling unit on all residential sites. As this requirement is considered unnecessary in the context of rear sites the Council is proposing to clarify that it only applies to front and corner sites.

Additionally, the Plan contains a title date pre-requisite condition in Table 15-4 that relates to residential infill subdivision. Although the intent of this condition is to typically encourage infill development in older areas within the district's main settlements (i.e. Levin, Foxton, Foxton Beach, Shannon), thus avoiding infill occurring in more recently subdivided areas, the Council is proposing its deletion as infill subdivision tends to focus on these established areas in any event given their development potential (e.g. site availability/size) and market demand.

### 4.4.1 Evaluation of Other Reasonably Practicable Options:

This part of the report evaluates the following alternative options:

*Option 1: Proposed Plan Change*

*Option 2: Status Quo*

	Option 1: Proposed Plan Change	Option 2: Status Quo
<b>Costs</b> (Environmental, Economic, Social, Cultural)	<p><b>Environmental and Social Cost:</b></p> <ul style="list-style-type: none"> <li>Potential risk of re-subdivision of recently, undeveloped subdivisions into smaller lots, which results in poorer quality character and amenity in newer residential</li> </ul>	<p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Imposition of an unnecessary level of restriction on landowners wanting to undertake infill subdivision or construct an accessory building on a rear site.</li> </ul>

	Option 1: Proposed Plan Change	Option 2: Status Quo
	<p>neighbourhoods.</p> <p><b>Economic Cost:</b></p> <ul style="list-style-type: none"> <li>Costs associated with preparing and implementing a proposed plan change.</li> </ul> <p>No Cultural Costs have been identified.</p>	<ul style="list-style-type: none"> <li>Compliance and administrative costs associated with any departure from these requirements.</li> </ul> <p>No Environmental, Social or Cultural Costs have been identified.</p>
<b>Benefits</b> (Environmental, Economic, Social, Cultural)	<p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>Reduces restrictions on landowners wanting to undertake infill subdivision or construction of an accessory building on a rear site.</li> <li>Avoids the compliance and administrative costs associated with any departure from these requirements.</li> </ul> <p>No Environmental, Social or Cultural Benefits have been identified.</p>	<p><b>Economic Benefit:</b></p> <ul style="list-style-type: none"> <li>No costs associated with preparing and implementing a proposed plan change.</li> </ul> <p>No Environmental, Social or Cultural Benefits have been identified.</p>
<b>Efficiency and Effectiveness</b> of Achieving Objectives	<p>The proposed changes are both efficient and effective as they would reduce the level of restriction imposed on landowners and avoid unnecessary compliance and administrative costs being incurred for any departure from these requirements.</p> <p>The changes align with the intent expressed within Objectives 6.1.1 and 6.3.1.</p>	<p>Retention of these requirements would be ineffective as they impose unnecessary restrictions on landowners and create administrative inefficiencies in the event of non-compliance.</p>
<b>Appropriateness</b>	<p>This option is considered to be the most appropriate option to achieve the objectives and policies in Chapter 6 of the Plan as it will help ensure that the requirements relating to infill subdivision or construction of an accessory building on a rear site better reflect their intended purpose.</p>	<p>This option is not considered to be the most appropriate to achieve the relevant objectives and policies in Chapter 6: Urban Environment of the Plan as it imposes unnecessary restrictions on landowners wanting to subdivide an infill site or construct an accessory building on a rear site.</p>

## 4.5 Risk of Acting or Not Acting Where There is Uncertain or Insufficient Information

The proposed plan change primarily relates to Chapter 15 (Residential Zone), with some consequential amendments also proposed to Chapters 6 (Urban Environment) and 26 (Definitions), the Planning Maps and Schedule 10 – Medium Density Residential Development Design Guide. The issues discussed in this report are based on sound information and guidance from Council staff and representatives of the local development community. As the proposed changes are relatively narrow in focus and limited to a small range of discrete provisions in the Plan the degree of uncertainty and risk of acting is considered unlikely to outweigh the risk of not acting. The risks of not acting include the Plan being unresponsive to current and future residential development pressures, inefficient use of existing residentially zoned land and associated infrastructure and the potential economic impact on the district resulting from a loss of existing residents and/or an inability to attract new residents due to a restricted range of housing choice.

## 4.6 Conclusion

This evaluation has been undertaken in accordance with Section 32 of the RMA in order to identify the need, benefits and costs arising from Proposed PC2, and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that the proposed plan change is the most appropriate option as it:

- Provides an effective means to respond to anticipated growth in the district as well as the expectations set out in the NPS-UDC, particularly Policy PA3;
- Enables a broader range of residential housing opportunities/choice to be realised in the district, while ensuring that neighbourhood character and amenity is not compromised; and
- Encourages more efficient use of existing residentially zoned land and associated infrastructural capacity.