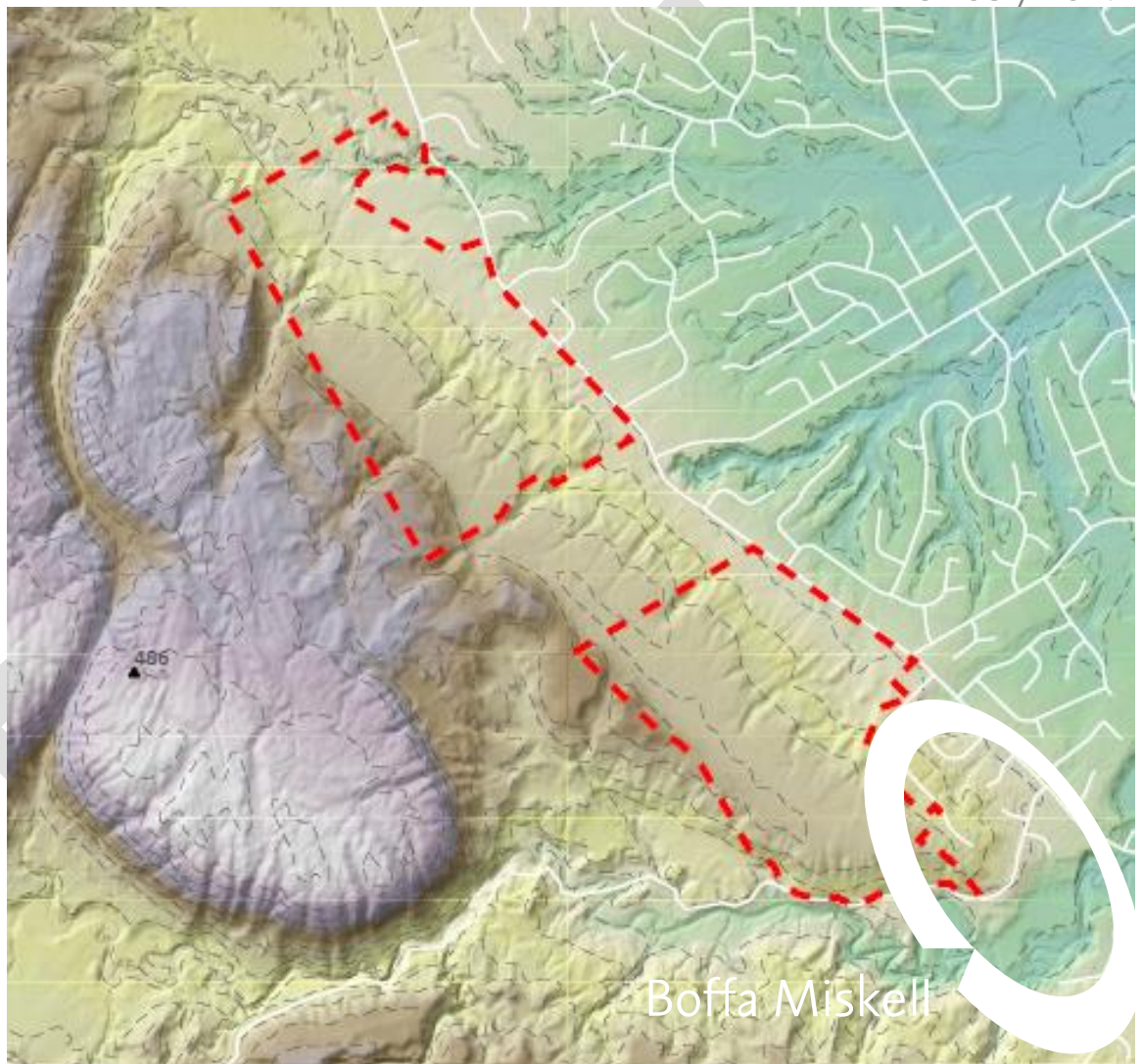


Pukehangi Heights Development Area Section 32 Evaluation Report

Prepared for Rotorua Lakes Council

31 July 2019



CONTENTS

Summary	1
1.0 Introduction	1
1.1 Purpose	1
1.2 Location	1
1.3 Land Area	2
2.0 Outline of Proposed Plan Change	2
3.0 Evaluation Report Requirements	3
3.1 Overview	3
3.2 Objectives	4
3.3 Provisions	4
3.4 Level of Detail	5
3.5 Benefits and Costs	5
4.0 Resource Management Issues	5
4.1 Demand for Residential Land	5
4.2 Current Planning Framework for Pukehangi Heights Development Area	6
4.3 Landscape	9
4.4 Ecology	10
4.5 Archaeology	11
4.6 Cultural Landscape	11
4.7 Three Waters	12
4.8 Natural Hazards	14
4.9 Transportation	16
4.10 Residential Design, Layout and Appearance	18
4.11 Local Services	19
4.12 Utilities	19
4.13 Community Infrastructure	19
4.14 Soil Contamination	20
4.15 Nutrient Management	20
4.16 Reverse Sensitivity Effects	20
4.17 Construction Effects	21
5.0 Consultation	21

5.1	Consultation Scope	21
5.2	Issues Raised During Consultation	22
6.0	Evaluation Method	22
6.1	Appropriateness of Objectives	22
6.2	Reasonably Practicable Options	23
6.3	Evaluating Effectiveness	23
6.4	Evaluating Efficiency	23
6.5	Economic Growth and Employment	24
6.6	Risk of Acting or Not Acting	24
6.7	Scale and Significance	24
7.0	Appropriateness of Objectives	24
7.1	Objectives	24
7.2	Regional Policy Statement	33
7.3	Iwi Management Plans	34
7.4	National Policy Statement on Urban Development Capacity (2016) and Rotorua Housing Accord	34
7.5	Summary of Appropriateness of Objectives	36
8.0	Evaluation of Options	36
8.1	Practicable options	36
8.2	Evaluation	38
8.3	Conclusions	3
8.4	Preferred Option	4
9.0	Conclusion	4
	Appendix 1 Proposed Plan Provisions	6
	Appendix 2 Consultation Summary	7

Summary

The Council proposes a change to the Operative Rotorua District Plan (District Plan) to enable residential development to occur within the Pukehangi Heights Development Area.

The Spatial Plan identifies that the large blocks of land off Pukehangi Road can accommodate residential development in the short term.

The land to the south west of Pukehangi Road is zoned as a “Future Growth Area” in the District Plan. Based on growth projections at that time, it was anticipated that this land would be developed sometime after 2021, with the land to be rezoned “Residential” around that time. Part of the Pukehangi Heights Development Area adjacent to Matipo Avenue (the “Twin Oaks Development Plan” area) is currently zoned Residential 1 and Rural 2

The land is generally suitable for urban development. Assessments of natural hazards, geotechnical constraints, traffic impacts, infrastructure, cultural and archaeological values associated with the site conclude that development can occur with acceptable environmental effects.

Assessments have identified that the most challenging issues for development are the protection of landscape values in the Caldera Rim, and the management of stormwater.

Land owners generally support urban development.

Options for the Future Growth Area include:

- No Change (Future Residential and Rural Residential Zonings with a “Development Plan” approval process);
- Residential and Rural Residential Zonings with a “Structure Plan”;
- Rural Residential Zone;
- Rural Zone.

Of the options identified, a Residential and Rural Residential Zoning with a Structure Plan is the most appropriate, providing the best development outcome and greatest overall environmental benefit.

1.0 Introduction

1.1 Purpose

The Council proposes a change to the Operative Rotorua District Plan (District Plan) to enable residential development to occur within the Pukehangi Heights Development Area.

When preparing a Plan Change, Council is required to carry out an evaluation of whether any objective is the most appropriate means of achieving the purpose of the Resource Management Act 1991 (RMA).

This Section 32 Evaluation Report has been prepared to fulfil these duties under the Resource Management Act 1991 (RMA) for the Proposed Plan Change

This report should be read together with the District Plan and the Proposed Plan Change.

1.2 Location

The Pukehangi Heights Development Area is located to the south west of Pukehangi Road and Matipo Avenue. The total area is approximately 160ha. The Pukehangi Heights Development Area is in two parts, separated by the Parklands Development Area.



Figure 1 Pukehangi Heights Development Area Location

1.3 Land Area

The land is in three main ownership grouping:

Owner (site reference)	Legal Description	Area
Sumner (Sunny Downs)	Lot 2 DP 509501 Kaitao Rotohokahoka 1T BLOCK (ML 9460) Part Kaitao Rotohokahoka 1S Block (part of) Lot 3 DP 509501 (part of)	84.4ha
Hunt ¹ (Hunt Farm)	Lot 1 DPS 81864 Lot 2 DPS 81864 Lot 3 DPS 81864 Lot 4 DPS 81864 Lot 5 DPS 8186 Lot 6 DPS 81864 Lot 7 DPS 81864 Lot 1 DPS 18145	56.3ha
Te Arawa Group Holdings (Twin Oaks)	Lot 1 DP 355447	19.5ha
Total		160.2ha

2.0 Outline of Proposed Plan Change

The proposed Plan Change is included in Appendix 1.

The main purpose of the proposed Plan Change is to enable residential development to occur within the Pukehangi Heights Development Area.

Broadly, the proposal is to enable residential development to occur on two distinct upper and lower terraces, and large lot rural residential development on the north facing escarpment located between the two terraces.

Two small scale local centres are also proposed to provide limited commercial services that are easily accessible by walking.

The proposed Plan Change includes:

Please note there are a number of land owners of these blocks.

- Objectives and Policies that address landscape, urban design, cultural landscape, and natural hazard risk management issues specific to the Pukehangi Heights Development Area, that supplement the general objectives and policies for the Residential 1 and Rural 2 Zone.
- Zoning the Pukehangi Heights Development Area Residential 1 (Residential Living) and Rural 2 (Rural Lifestyle);
- Establishing a Pukehangi Heights Development Area Structure Plan to guide the future development of the land in relation to landscape management, urban design, protection and enhancement of cultural values, access and connectivity (including active transport modes), and stormwater infrastructure;
- Land use and subdivision provisions that address landscape, urban design, cultural landscape, natural hazard risk and traffic management issues specific to the Pukehangi Heights Development Area in addition to the general provisions for the Residential 1 and Rural 2 Zone, including provisions relating to;
 - Mitigating effects of development on the landscape and visual values of the Lake Rotorua Caldera;
 - Requiring a Stormwater Management Plan and Natural Hazard Risk Assessment as part of any subdivision consent application;
 - Facilitating small scale convenience retail and childcare at walkable centres adjacent to Pukehangi Road;
 - Facilitating small medium density housing areas adjacent to the walkable centres and open space;
 - Protecting and enhancing identified cultural heritage sites and values.

Where subdivision and development proposals meet the proposed standards, applications for resource consent will not be notified to the public or affected parties.

3.0 Evaluation Report Requirements

3.1 Overview

When the Council undertakes a plan change it is required to prepare an Evaluation Report under Section 32 of the Resource Management Act 1991 (RMA).

The Evaluation Report must examine whether the objectives of the proposal are the most appropriate way to achieve the purpose of the Act, and whether the provisions (the policies, rules and other methods) are the most appropriate way of achieving the objectives².

The Evaluation Report aims to explain to the community and decision-makers why the change is being considered, how the change fits with the wider policy framework of the Council, and the relevant policy framework of the Regional Council and Central Government, and what alternatives have been considered. The Evaluation Report also provides a record for future

² Ministry for the Environment: 'A Guide to Section 32 of the Resource Management Act 1991, Incorporating changes as a result of the Resource Legislation Amendments Act 2017', (updated April 2017).

reference of the background reports and assessments, consultation, and the assumptions and risks that have been taken into consideration.

Before Council publicly notifies a plan change it must have 'particular regard' to the Evaluation Report, and if changes are made to the plan change as a result of submissions a further evaluation must be made.

A proposed plan change must be accompanied by an Evaluation Report at the time of public notification.

If a proposal will amend a plan that already exists (as in this case with the operative District Plan), the Evaluation Report must relate to —

- (a) the provisions and objectives of the amending proposal; and
- (b) the objectives of the existing proposal to the extent that those objectives—
 - (i) are relevant to the objectives of the amending proposal; and
 - (ii) would remain if the amending proposal were to take effect.

3.2 Objectives

An objective is a statement of what is to be achieved through the resolution of an issue. Objectives clearly state what is aimed for in overcoming the issue or promoting a positive outcome, or what the community has expressed as being desirable in resolving an issue. Objectives should be clear enough to provide targets that policies should seek to achieve³.

Section 32(1)(a) requires an examination of the extent to which an objective is the most appropriate way to achieve the purpose of the RMA. "Most appropriate" has been interpreted as meaning "suitable".

3.3 Provisions

"Provisions" are the policies, rules, or other methods that implement, or give effect to, the objectives of the proposed plan or change:

Section 32(1)(b) requires that an evaluation report must:

"... 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..."*

³ Quality Planning: <http://qualityplanning.org.nz/node/242>

3.4 Level of Detail

Section 32(1)(c) requires that an evaluation must “*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.*”

3.5 Benefits and Costs

Section 32(2) states: “*An assessment under subsection (1)(b)(ii) must:*

- (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.”*

4.0 Resource Management Issues

This section of the Report identifies the resource management issues for the Pukehangi Heights Development Area that need to be resolved through the proposed Plan Change.

4.1 Demand for Residential Land

The latest population information from Statistics NZ for Rotorua estimates the population to be 72,500. This represents an increase of 800 people since 2017, and an increase of 4100 people since 2013.

Rotorua is identified as a “medium growth district”. This places specific requirements on Council to plan for future growth under the National Policy Statement on Urban Development Capacity.

The Council’s Spatial Plan 2018 identifies that increases in population have recently put pressure on Rotorua’s housing market. There are not enough new homes being built for the number of additional people living in the district. Although there is a relatively large amount of zoned land already available for homes, this land is not being developed for several reasons, such as a lack of infrastructure capacity or because land is in multiple ownership which can complicate decision making.

As population grows, and household size reduces because of aging, it is estimated an additional 17,000 homes may be needed by 2050 to accommodate an additional 30,000 people⁴. There will be a need to offer a variety of housing types for a changing population, including smaller houses for a greater number of single and two person households.

⁴ Rotorua Spatial Plan 2018 p15

The Spatial Plan identifies that in the short-term, Council can undertake District Plan changes that will enable land to be used for new homes where there is existing infrastructure capacity to ensure costs are low and where land owners are willing to support development.

Under the Rotorua Housing Accord⁵, the Council has agreed to complete the spatial planning process and district plan changes including rezoning. Targets have been agreed to bring sections and dwellings to market. Housing Accords⁶ aim to set targets and actions to increase the immediate and longer-term supply of land, and therefore improve the affordability of housing.

The Pukehangi Heights Development Area is identified in the Spatial Plan⁷ as being able to accommodate residential development in the short term. The land can be serviced relatively easily, and land owners are willing to support development.

The potential yield from the Development Area is estimated at approximately 790 houses⁸. The period over which this development could occur will depend on what share of growth is accommodated in the Development Area. For example, if 25% of the projected future dwellings were to be built in the Pukehangi Heights Development Area, the area could be fully developed within 10-15 years.

There is the need to provide an improved supply of land for housing. Pukehangi Heights Development Area has the potential to accommodate a significant part of the projected future demand for housing in Rotorua.

4.2 Current Planning Framework for Pukehangi Heights Development Area

4.2.1 Current Zoning

The current zoning of the Pukehangi Heights Development Area is shown on Figure 2 below.

⁵ <https://www.hud.govt.nz/residential-housing/housing-affordability/housing-accord/rotorua-housing-accord/>

⁶ <https://www.hud.govt.nz/residential-housing/housing-affordability/housing-accord/>

⁷ Rotorua Spatial Plan 2018 p17

⁸ TDG Pukehangi Road Plan Change 2 February 2018



Figure 2 Pukehangi Heights Development Area - Current Zoning

4.2.2 Future Growth Area

The land to the south west of Pukehangi Road is identified as a “Future Growth Area” in the District Plan.

The Future Growth Area is currently zoned Future Residential 1 (Future Residential Living), and Future Rural 2 (Future Rural Lifestyle) a. See Figure 2 above.

Based on growth projections at that time, it was anticipated that the Future Growth Area would be developed sometime after 2021, with the land to be rezoned “Residential” and “Rural 2” and developed in stages from that time.

The current zoning also provides a resource consent process for land owners who wish to undertake urban development before 2021. High-level policy gives guidance on the outcomes that are sought. The resource consent process requires a “Development Plan” to be prepared that, once approved by the council, is intended to make residential uses a permitted activity on the land. The resource consent process gives wide discretion to Council and allows for those who may be adversely affected to become involved through submissions on resource consent applications.

4.2.3 Twin Oaks Development Plan Area

Part of the Pukehangi Heights Development Area adjacent to Matipo Avenue (the “Twin Oaks Development Plan” area⁹) is currently zoned Residential 1 and Rural 2. See Figure 2 above.

⁹ Ibid A5.8 Twin Oaks Development Plan

Under the terms of the Twin Oaks Development Plan, the Residential 1 zoning allows a maximum of 20 residential lots, with a minimum lot size of 700m². The Rural 2 Zone area allows for the development of a retirement facility consisting of up to 120 residential units, village facilities and a 30-bed hospital to service the retirement facility¹⁰.

All construction traffic associated with the development of the village units, facilities and hospital and the residential subdivision must use a temporary access road from the Great West Road boundary. Permanent traffic has access from Matipo Avenue.

Development complying with the performance standards is assessed as a restricted discretionary activity.

The Twin Oaks Development Plan is included in the District Plan and shown in the figure below.



Figure 3 - Pukehangi Heights Development Area – “Twin Oaks” Development Plan

4.2.4 Implementation

Land owners have found that under the current planning framework for the Pukehangi Heights Development Area there are significant hurdles to getting land to market to meet current needs.

The Regional Policy Statement requires a structure plan to be prepared and a natural hazard risk assessment to be prepared when significant areas of land (more than 5ha in area) are proposed to be urbanised. Stormwater management also needs to be addressed on a catchment wide basis. These broad scale planning issues are beyond the capability of most individual land owners or developers to address effectively.

No specific provision has been made for servicing the Future Growth Area in the Councils long term planning nor are there any specific infrastructure funding arrangements currently in place such as Development Contributions.

¹⁰ Ibid A5.8.3 Performance Standards

If the planning framework stays as it is, it is likely that only limited urban development will occur on the land in the foreseeable future.

The Council has also identified that the “Development Plan” provisions for the Future Growth Area may not be legally correct. The Development Plan provisions purport to change the activity status of land uses from discretionary to permitted once a development plan has been approved. Recent case law is that this may not be a correct application of the RMA.

The owners of the Twin Oaks Development Area wish to consider development options other than the retirement village and hospital. They consider that the site may not be as well suited to this activity given the retirement village does not have easy walking access to local services. The area zoned residential is relatively steep and will be difficult and expensive to develop. Their preference is to develop residential section on the upper terrace.

The owners of the area zoned Future Reserve 3 also wish to consider residential development of this area. The earlier proposal for an education-based activity has not proceeded. A residential zoning of this area would support the provision of further land supply for housing. This issue arose after plan change assessment work was completed. There may be scope to address this through a submission on the proposed plan change, subject to further assessments being completed to demonstrate appropriateness.

The current planning framework for the Pukehangi Heights Development Area has significant shortcomings that need to be addressed if this supply of land for housing is to be enabled. Greater certainty on the provision of infrastructure, particularly for stormwater, and development outcomes is needed.

4.3 Landscape

The Pukehangi Heights Development Area is located on the lower slopes of the Rotorua Caldera Rim.

The landscape values of the Caldera Rim have been assessed in the ‘Rotorua Caldera Rim – Caldera Rim Rural Character Design Guideline’ (October 2012) which also provides guidance on how to integrate growth and land use change into the landscape.

The Caldera Rim landscape is recognised as being highly valued by the Rotorua community.

The Design Guideline identifies the Pukehangi Heights Development Area as being within the ‘less sensitive rural landscape’ situated below the RL385 contour. Above this contour, rural or natural character values should be maintained. Below this contour, the landscape still contains important character and amenity values but is less sensitive to land use change.

The land form of the Pukehangi Heights Development Area broadly comprises two terraces with an escarpment between. The Lower Terrace adjoins Pukehangi Road and slowly rises to meet the steep mid-site Escarpment. The land then rises to a broad Upper Terrace extending northwest/southeast with intervening valleys. The Upper Terrace has a steep escarpment backdrop.

The figure below shows land slope, highlighting the Development Area in the context of the Caldera Rim. The inset shows the terrace and escarpment land form of the Development Area.

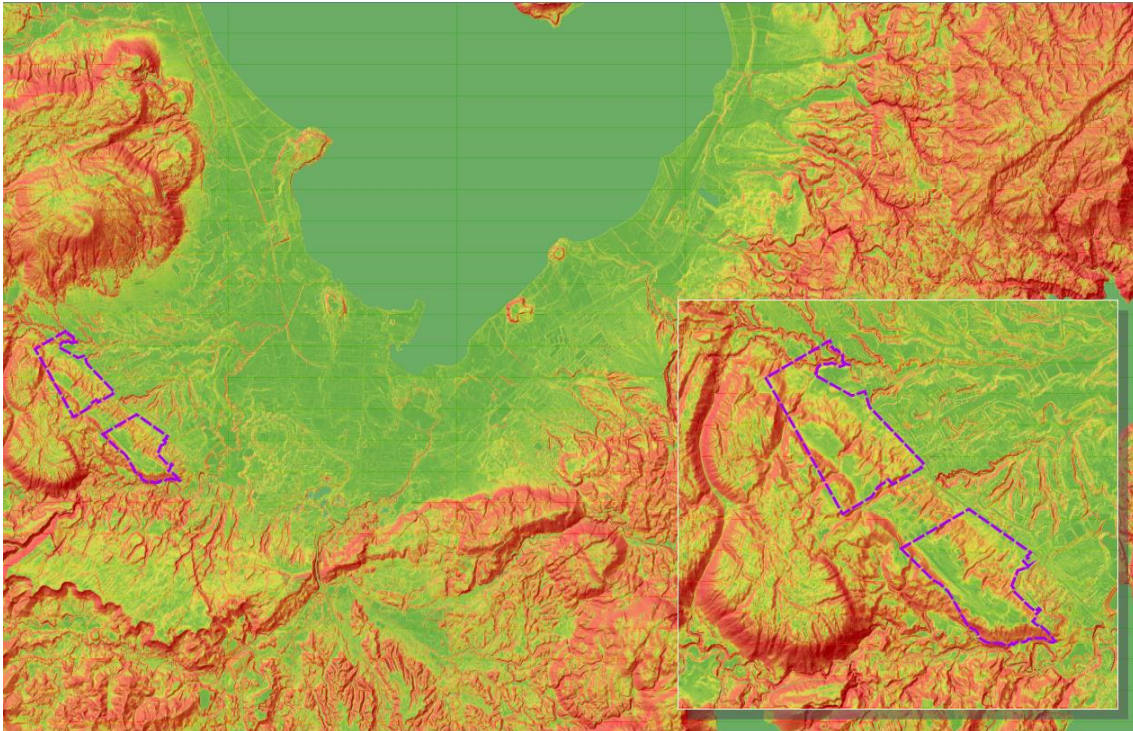


Figure 4 – Rotorua Caldera Slope

The landscape assessment is that the lower and upper terraces can generally be developed for residential use with moderate-low landscape and visual effects. Development on the more prominent escarpment edges requires careful design to mitigate localised visual effects¹¹.

The Mid-site Escarpment, being more prominent and visually sensitive, is better suited to much lower density development in clusters with a strong green corridor of native vegetation banding along and across much of this area. This will help to ensure that the development integrates well with the adjoining Parklands development. Those areas of the escarpment closer to Matipo Ave can be less vegetated with a more open space, rural character.

The current zoning and planning framework does not give clear effect to these landscape and visual outcomes. The Future Residential and Residential 1 zoning enables suburban density residential development to occur on the lower sections of the visually sensitive mid site escarpment. Low density development is enabled on less sensitive upper terrace.

Development of the Pukehangi Heights Development Area could have adverse landscape and visual effects on the Rotorua Caldera Rim unless appropriate provisions are included in the District Plan to guide the location and form of development.

4.4 Ecology

The land within Pukehangi Heights has been used for farming for many years and has limited terrestrial ecological values. Revegetation of the escarpment areas and the establishment of planting within areas of open space and the road network creates an opportunity to enhance ecological values.

¹¹ See Landscape and Visual Effects Assessment – Boffa Miskell Ltd 22 February 2019

Waterways downstream of the Development Area provide aquatic habitat. The management of stormwater from the site will need to mitigate effects on aquatic habitat through appropriate controls on water quality. This issue is addressed below in the Three Waters section (section 4.7).

4.5 Archaeology

An archaeological assessment has been undertaken for the Development Area¹².

The assessment identifies that there were two broad natural terraces, which are likely to have been occupied and gardened in the past by Maori. High points on the ground above, and between the two terraces, could have been used for storage and defence. The sole recorded pa is located on the highest point at 422 m, overlooking this area.

The soils are well-drained, which would have suited gardening and storage of kumara. It appears the springs within the subject properties were only active during the winter, or at times of very heavy rainfall. However, the named streams to the north, south and east were permanent waterways. To the east the tributaries of the Otamatea Stream formed several swampy channels, which might have had eels, flax and other resources.

The earliest maps show the land was predominantly or totally clear of bush, which must have been cut by Maori in the past, to form areas for settlement and gardening. Further bush felling would have occurred after European arrival.

Traditional Maori accounts refer to gardened areas, including Paparata marked just outside the properties, but may extend over a wider area.

Site investigations have identified the location of several archaeological features and sites that may warrant protection. Most of these features and sites are in locations that enable retention and protection.

Development of the Pukehangi Heights Development Area has the potential to adversely affect identified archaeological features and sites. Further investigation will be needed at the development stage to determine appropriate management.

4.6 Cultural Landscape

While few archaeological features remain, the Cultural Impact Assessment prepared by Ngāti Kea Ngāti Tuara identifies the area's cultural and historical significance, with settlement occurring over 500 years ago.

The whole area is significant for Ngāti Kea Ngāti Tuara as a meeting point between their ancestors' traditional homes of Horohoro, Tihi-o-Tonga, Tārewa and Patetere. Key cultural features include the old pā sites - Pukehangi and Puketapu and the north-facing slopes from the kāinga at Paparata towards the north-west (along what is now Pukehangi Rd) that were used extensively by tangata whenua as mahinga kai.

Given the area's cultural context, there is a desire to see the expression of cultural identity within the Development Area, including through the incorporation of landmark features such as traditional or contemporary art works into the street network, and street naming.

¹² Assessment for Exploratory Archaeological Authority: Pukehangi Heights, Rotorua, Dr C Phillips, 2019

The effectiveness of the management of archaeological sites, and sites and areas of cultural significance is dependent on the quality of the information available. Early engagement with hapu and the identification of issues and responses early in the planning stage of the development process means that effective protection measures can be put in place where required.

4.7 Three Waters

4.7.1 Water

Servicing of the development area and the impact on the provisioning of water on the Central Water Supply Scheme (WSS) has been investigated, both internally by RLC and by consultants. Three reports were produced:

- RDC-729775 *Pukehangi West Water Supply Options Report Final*, Opus International Consultants, February 2017
- RDC-780450 *Pukehangi Rd Water Supply Planning Report*, Thomas Consultants, November 2017
- RDC-866353 *Central WSS Additional Reservoir Storage and Options – Draft*, RLC Infrastructure Planning, October 2018

The options included consideration of high level storage against booster pumping on demand. With the current network any development above the 340m contour line requires a booster pump.

Booster pumping on demand is considered viable with flexibility of servicing staging of growth, while high level storage will be costly. However, actual growth and the successful implementation of water demand management in reducing overall demand in the Central WSS will be determinative in the provisioning of high level storage in future.

Funding for an additional reservoir has been included in the Long Term Plan.

4.7.2 Wastewater

There are no major issues with connecting future sites with the wastewater network for the initial stages. However, full development will result in the need to undertake some minor upgrades further down the network.

Growth related funding is included in the LTP budgets which, as appropriate, can be used to support the provision of infrastructure alongside development agreements and/or development contributions.

4.7.3 Stormwater

The Pukehangi Heights Development Area lies with the Utuhina Stream Catchment and will discharge stormwater to the catchment. The stream and its tributaries are shown on the Figure below.

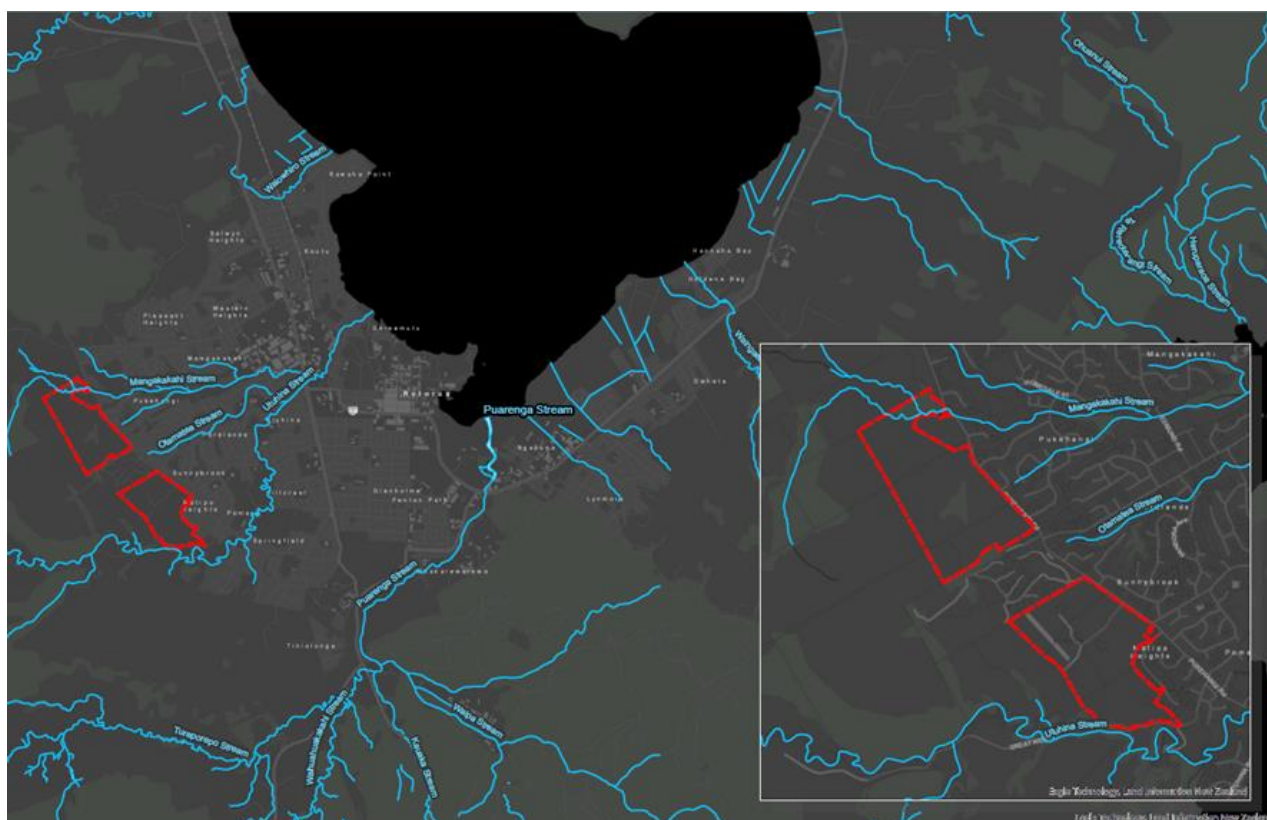


Figure 5 Utuhina Stream and Tributaries

The volume of stormwater runoff will increase with the urbanisation of the Pukehangi Heights area due to the increase in impermeable surfaces.

Conceptual Stormwater Management Plans have been developed for each of the three sites within the Development Area:

- Sunny Downs¹³
- Hunts Farm¹⁴
- Twin Oaks¹⁵

A further report assessing flood risks has been prepared¹⁶. These reports have all been independently peer reviewed¹⁷.

The general concept for each conceptual management plan is to manage stormwater quantity and quality following a “treatment train” approach, with a focus on source control (including ‘on-lot’) measures, distributing to a network of green open space that serves as stormwater attenuation areas including swales for attenuation and conveyance, and use of larger dry basins before discharging off the site.

¹³ Pukehangi Road (Sunny Downs) development - Concept Stormwater Masterplan WSP Opus 2017

¹⁴ Pukehangi Road (Hunts Farm) development - Stormwater Masterplan Advice WSP Opus 2017

¹⁵ Te Arawa Group Holdings Development, WSP Opus, Rotorua 2018

¹⁶ Pukehangi Heights Flood Risk Assessment, WSP Opus 2019

¹⁷ Pukehangi Plan Change Stormwater Technical, Review, Tonkin and Taylor, 2019

Sunny Downs and Hunt Farm can both make appropriate on-site provision for stormwater management that meet these criteria using detention basins and control structures to manage runoff rates. An additional option that also could limit the on-site provision for stormwater management is the development of detention basins, ponds or control structures in Wrights Park.

Due to the site restrictions, detention basins or ponds are not a safe and practical option for Twin Oaks as any retained water body within the site will pose a risk to the existing downstream residential development. A combination of ground infiltration and on-lot detention tanks is a technically feasible option for reducing runoff rates to meet the criteria. Alternatively, Twin Oaks may be able to work with the adjoining Hunt Farm to provide access to retention areas with increased capacity to also take their runoff.

The proposed Structure Plan for the Pukehangi Height Development Area shows the indicative location of stormwater detention areas and the main overland flow paths based on the Conceptual Stormwater Management Plans. Indicative detention areas for the Twin Oaks development have been identified on the Hunts Farm.

Finalising the design of the stormwater management system for the development is constrained by currently incomplete information on the Utuhina catchment. An effective Catchment Management Plan for the total catchment requires modelling that will enable consideration of issues such as future development, current flooding risk, and climate change. This work is underway, but not yet complete.

Development planning has therefore proceeded using interim assumptions about the level of attenuation to protect the proposed development and downstream areas from flooding. The preliminary design criteria set for stormwater management is to reduce the 1% AEP runoff to 80% of the pre-development flows. This results in large areas needing to be set aside within the development area for stormwater detention basins. These areas will eventually vest in the council. The extent of on-site stormwater mitigation and the ultimate development yield cannot be fully confirmed until the catchment modelling and planning work is completed.

Given these uncertainties, the proposed plan change provisions require a catchment based Stormwater Management Plan (SMP) to be prepared prior to subdivision and development occurring. The issues addressed in the SMP are set out on the Performance Standards. This includes the need to address the potential effects of stormwater management measures, for example, the detention areas, on land stability and liquefaction;

Developers will also need stormwater discharge consents from the Bay of Plenty Regional Council to enable development to occur. This will require an assessment of water quality and quantity effects to be undertaken, and consideration of potentially affected persons.

Council is in the process of renewing the comprehensive stormwater discharge consents that it holds for the wider Utuhina catchment. To date, the application process has been approached on conservative design assumptions due to the lack of modelled data. Opportunities are being considered to enhance the discharge consent application process with modelled data and to widen the scope of the application to include the Pukehangi Heights Development Area. This will ensure that issues are addressed effectively and efficiently on a comprehensive basis across the catchment, thereby simplifying the future development consent process.

4.8 Natural Hazards

Assessments have been undertaken to establish if the Development Area is appropriate to develop in relation to natural hazards.

Potential land instability, faults, and flooding are the potential natural hazards that have been identified.

There are also area-wide hazards associated with volcanic activity that are managed through civil defence and emergency management.

4.8.1 Land Instability

A site-specific ground investigation and qualitative risk assessment has been undertaken following the Australian Geomechanics Society 2007 guideline for Landslide Risk Management¹⁸.

There are two main risk types for landslips; those generated by increased porewater pressure under sustained storm events, and those from earthquake effects. The earthquake condition is the worst case for the site and only one area of the site has elevated risk for static conditions.

The land is suitable for urban development from a landslide risk perspective provided risks are addressed by further assessment and geotechnical design at the time of subdivision and development.

4.8.2 Active Faults

The potential presence, or absence, of active faults has also been assessed¹⁹.

No active faults have been identified in the Development Area. The assessment also concludes that the possibility of a buried fault at the site cannot be discounted. If such a fault existed, it would have not ruptured in at least the last 12,000 years, possibly the last 25,000 years in the low elevation areas and to the last 60,000 years in the high elevation areas.

4.8.3 Flooding

A flood risk assessment²⁰ to support the stormwater management approach for the Pukehangi Heights area identifies that flood attenuation will be required to mitigate the increase in flooding risk to downstream properties.

The conceptual stormwater management concept is outlined above in the commentary on stormwater.

There is potential for attenuation within the existing overland flow paths to help reduce the peak flow from the upper catchment. This could include attenuation structures on land higher up in the catchment to the west, outside the Development Area.

The flood risk assessment concludes that the risk of flooding to the site is 'low' and residual risks (downstream) associated with the management of surface water run-off can be appropriately managed from the proposed development.

The land is assessed as suitable for urban development from a flood risk perspective subject to further detailed assessment and design at the time of subdivision and development.

¹⁸ Landslide Hazard Assessment Pukehangi Heights WSP Opus 2018

¹⁹ Interim results on active faults around the Pukehangi Road development site, Rotorua, GNS Science February 2018

²⁰ Pukehangi Height Flood Risk Assessment WSP Opus 2019

4.8.4 Liquefaction

An analysis of liquefaction potential has been undertaken. This analysis found that the maximum liquefaction induced settlement for the Pukehangi area is approximately 25mm, and is a low risk to the development.

4.8.5 Geothermal

The OPUS Preliminary Geotechnical Assessment Report (24/02/2018) confirms that the Development Area is located outside the Rotorua Geothermal Area and during the site inspection there was no evidence of geothermal activity at the ground surface. Based on these findings, the site is subject to a low risk of geothermal activity and no special measures are necessary to mitigate against potential geothermal activity.

4.9 Transportation

4.9.1 Development Traffic

The Pukehangi Heights Development Area is served primary from Pukehangi Road which is Collector Road. The existing road network is shown on the Figure 6 below.

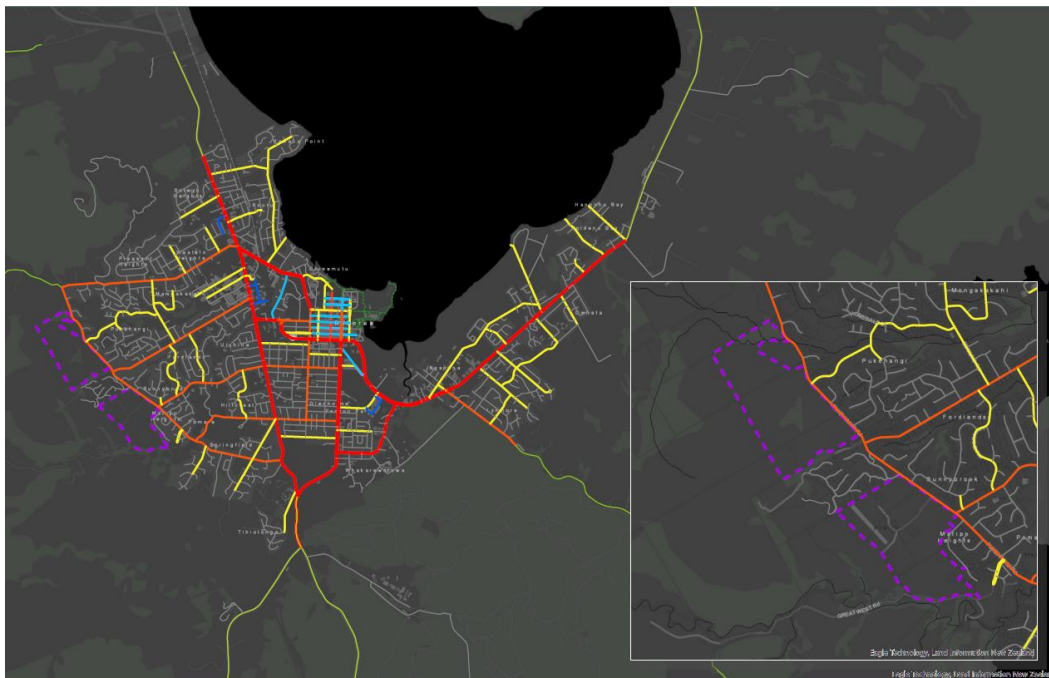


Figure 6 – Existing Road Network

The development of the land will increase traffic volumes on the local road network.

An assessment of the traffic effects of development of Pukehangi Heights on the road network has been undertaken²¹. This assessment concludes that traffic flows from the development will

²¹ Pukehangi Heights Development Area Traffic Assessment, Stantec, 08 March 2019

be relatively low with no significant delays to traffic turning in or out of the development, or on the performance of the wider network.

The speed limit on Pukehangi Road is likely to be reduced from its present 70km/h to 50 km/h.

An indicative primary road network and walkways and cycleways are shown on the proposed Structure Plan. Additional local roads will need to be provided to accommodate the planned development.

The proposed Structure Plan shows the appropriate locations for intersections with the existing road network to optimise traffic flows within the development, and to focus amenity effects of traffic flows on existing intersections.

4.9.2 Active Transport Modes

The operative District Plan recognises that developing a compact urban area that allows for effective and varied forms of transport and pedestrian connections is important to achieve a sustainable city²².

Development of the site presents an opportunity for enhanced walking and cycling access for the development site as well as giving the surrounding community access to recreational areas and outstanding views of the lake and Rotorua Caldera, complementing other recreational assets in the local areas.

The proposed structure plan shows the extent of the walking and cycling network within the Development Area. The standards for construction (e.g. width, surfacing, lighting) will be guided by the Councils infrastructure specifications ²³ and general subdivision criteria in the operative District Plan²⁴ for the safe and convenient movement of pedestrians and cyclists throughout a subdivision site or development.

The Development Area will link to the Councils “Cyway” biking network via a planned 3m wide shared access along Pukehangi Road.

4.9.3 Public Transport

There is the potential for public transport connections along Pukehangi Road which will be easily walkable from all parts of the Development Area. The planned local centres create the opportunity to locate bus stops adjacent to areas of activity focus and amenity.

4.9.4 Matipo Avenue

Residents of Matipo Avenue have raised specific concerns about the impact of development and construction traffic on Matipo Avenue from the TAGH land. Matipo Avenue is narrow and has a steep gradient where it rises from Pukehangi Road, which reduces its capacity for additional traffic to be handled safely.

Residents in Matipo Avenue were submitters opposed to the proposed “Twin Oaks” Development Plan through the last District Plan Review. Their submissions resulted in

²² 13.2.4 Sustainable Design and Development of Land

²³ <https://www.rotorualakescouncil.nz/our-council/council-publications/standardsandstrategies/Pages/Civil-Engineering-Industry-Standards.aspx>

²⁴ See Objective 13.3.9, 13.13.2 g Roading and Access, 13.18.1.2 General Assessment Criteria

standards being included in the District Plan to control construction access, development scale, and internal road connections. Residents want to maintain these standards as an outcome of the proposed plan change.

A range of options have been developed and evaluated for access to the Twin Oaks land²⁵. As an outcome of this planning process, the concerns raised by residents have been recognised and provided for by the following provisions being included in the Plan Change:

- Limiting the likely number of vehicle movements on Matipo Avenue from Twin Oaks to no more than those enabled under the current District Plan provisions;
- Restricting land development construction vehicles from using Matipo Avenue, with access instead being gained from Great Western Road, or Pukehangi Road via the Hunt Farm land.

The traffic assessment concludes that if the road network is developed as shown on the Structure Plan, the number of vehicle movements on Matipo Avenue from Twin Oaks will be less than those enabled under the current District Plan provisions.

4.10 Residential Design, Layout and Appearance

The purpose of the residential zone is to provide a high level of amenity for residents and an attractive residential environment where people will want to live²⁶.

In the Residential 1 Zone (Low Density living) there is a balance between the built and natural elements of the environment. There is a sense of space around buildings, which is enhanced by the landscaping on site and trees within the road reserve. Other characteristics include generally low levels of noise and low traffic levels.

The proposed Plan Change provisions adopt the general provisions of the Residential 1 Zone but with several modifications to make more efficient use of land and to improve environmental quality, including:

- Reducing building setbacks to make more efficient use of smaller sites;
- Controlling the design of front boundary fencing to promote passive surveillance of the street;
- Requiring an outdoor recreation and amenity space on each site that meets minimum area and solar access standards;
- Limiting the impermeable area to reduce stormwater runoff;
- Controlling building in visually sensitive areas to protect the landscape values of the caldera rim.

The District Plan recognises that residential development on smaller sites can provide diversity in residential living. Provision is currently made for approval of a comprehensive residential development as a discretionary activity. The potential adverse effects of residential development of smaller sites can be reduced by higher quality of urban design in both the buildings and open space around them.

²⁵ Matipo Avenue Access Issues and Options Discussion Paper

²⁶ District Plan 4 Residential 4.1 Introduction

The proposed Plan Change enables semi-detached units as a permitted activity and medium density residential development as a restricted discretionary activity to promote greater diversity and choice in residential living.

The proposed Plan Change enables medium density housing provision in defined precincts adjacent to the proposed local centres and open space. These precincts are shown on the Structure Plan.

4.11 Local Services

Existing local shops are beyond an easy (five minute) walk from most parts of the development area. Once development reaches a reasonable level, there may be the need and demand to support small scale local shopping, health and childcare facilities.

The general location of these services should be planned to ensure good access is available without reliance on private vehicles. This location can also serve as focal point for public transport stops.

The proposed Plan Change enables small scale centres as a restricted discretionary activity at defined locations.

4.12 Utilities

Energy and communication services will be needed to service the site.

The development planning process will enable utility companies to programme upgrading to accommodate the growth.

All services will need to be underground.

4.13 Community Infrastructure

4.13.1 Open Space

New neighbourhood reserves that serve the additional demand for recreation and amenity purposes should be proportionate to the increased demand, including intensity and type of demand created by subdivision and land use activities²⁷.

Additional open space may be required to meet the recreational needs of the additional population in accordance with the Councils reserve contribution provisions²⁸.

There is the potential for open space to have a multipurpose function combining passive open space with stormwater attenuation.

²⁷ District Plan Objective 14.3.1

²⁸ District Plan Rule 14.5.1 Financial Contribution at the Time of Subdivision

4.13.2 Schools

The development planning process will enable local schools to programme a potential increase in role to accommodate population growth.

4.14 Soil Contamination

Past rural activities mean there is some potential for areas of contamination from activities such as chemical storage, drenching, and refuelling of vehicles. However, historical information on land use suggests these risks are likely to be low, and isolated to specific areas.

A soil contamination assessment will need to be carried out before any land is developed and subdivided, including any large-scale earthworks.

4.15 Nutrient Management

When land owners subdivide and develop their sites they will need to ensure that the change in land use is within the limits established in their Nitrogen Management Plans, including an allowance for the additional load on the Council's wastewater treatment plant.

The proposed urbanisation at Pukehangi is likely to be within the defined Nitrogen Discharge Allocations. If not land owners have options available to them, for example, reducing stock numbers where farming operations are present, revegetation or reducing the number of dwellings.

4.16 Reverse Sensitivity Effects

Reverse Sensitivity describes the impacts of newer uses on prior activities occurring in mixed-use areas. Some activities tend to have the effect of limiting the ability of established activities to continue.

The Development Area bounds several areas with activities that may result in reverse sensitivity effects from urbanisation, including:

- Rural production land;
- Revegetation areas (Parklands);
- Motor Racing (Paradise Valley Speedway);

Surrounding rural production is largely livestock grazing. The Development Area has boundaries with land of steeper contour that limits the intensity of rural production, and the potential for these effects to be caused.

Within the Development Area itself, there is also likely to be a rural activity interface to manage as the development will occur in stages. These types of effects are typical of greenfield urban development.

Revegetation areas may result in shading over urban land as trees mature and increase in height, which could result in reduced urban amenity. Areas to the south of Parklands will not be significantly affected because of the buffering by a proposed stormwater detention area on the upper terrace and the steep contour on the boundary through the mid site escarpment limiting the potential for development. Areas to the north will be unaffected by shading.

The site is well screened by from noise at Paradise Valley Speedway by land form, and these temporary effects are expected to be within an acceptable range.

4.17 Construction Effects

The change from rural to urban use will result in works being staged over several years to undertake bulk earthworks, build roads, establish parks, walkways and stormwater management areas, install underground services and construct new homes and other buildings.

There are foreseeable effects from land development activities including movement of construction machinery to site, noise and vibration, visual changes, and air and water borne sediment. These effects will be temporary and can be reduced through careful site management.

As outlined above, specific controls on construction traffic accessing Matipo Avenue are proposed.

Large scale earthworks are controlled under a Regional Plan by the Bay of Plenty Regional Council, who place strict conditions on the control of dust and sediment runoff.

Construction noise is managed by the District Council under the District Plan. A widely accepted New Zealand Standard (NZS6803:1999) will be used for the assessment of construction noise. Noise management plans will be required to ensure that noise levels are met including by limiting working hours and through the selection of appropriate machinery.

Feedback on draft Plan Provisions included concerns about vibration effects during land development. Vibration effects are not currently controlled by the District Plan. They may be indirectly controlled through the construction earthworks process, but there is no explicit recognition of this issue in the Development Code. Otherwise, vibration effects are managed through civil liability, primarily on a reactive basis. The proposed provisions include specific standards for managing vibration effects, alongside noise.

5.0 Consultation

5.1 Consultation Scope

Pre-notification consultation has been undertaken with the following parties.

Consultation with Statutory Parties (RMA, First Schedule, Clause 3(1)(a) – (c))

- Ministry for the Environment (cl 3(1)(a))
- Other Ministers of the Crown who may be affected (cl 3(1)(b)):
 - Minister of Housing and Urban Development
 - Minister of Transport
 - Minister of Health
 - Minister of Education
 - Minister of Civil Defence
- Bay of Plenty Regional Council (cl 3(1)(c))
- Tangata Whenua of the area who may be so affected through iwi authorities (cl 3(1)(d)):
 - Ngāti Kea and Ngāti Tuara

- Komiti nui of Ngāti Whakaue

Emails (and phone calls) have also been sent to Ngāti Rangiwhewehi and Ngāti Raukawa to determine if they are an interested party in terms of the pre-notification consultation requirements of the RMA.

Consultation with any other parties (RMA, First Schedule, Clause 3(2)):

- Parklands Estate (Presentation 12/09/2018 outlining plan change).
 - Residents between the Parklands Development and the Sumner Block (Presentation 03/11/2018 outlining plan change).
 - Matipo Ave Residents (Presentation 26/11/2018 outlining plan change) + a number of meetings with the Matipo Ave Residents Incorporated Society (MARIS). Follow up meeting 12/02/2019 to present Council's preferred roading option.
 - Public Drop In Session (6/12/2018) – public notice + letters or emails to 1000 residents in surrounding area inviting them to the session.
- A summary of the feedback received is set out in the Section 32 Evaluation.

5.2 Issues Raised During Consultation

Details of the responses received are included in Appendix 2. However, the key issues identified through consultation were:

- Stormwater management and potential flood risks;
- Wider management of Natural Hazards
- Traffic impacts:
 - both on Matipo Ave and the key connector roads;
 - impacts of construction traffic.
- Protection of any culturally significant sites;
- Concerns regarding density within the Residential Areas including medium density development.

6.0 Evaluation Method

6.1 Appropriateness of Objectives

An evaluation report must examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the Act.

The purpose of the Act is to promote the sustainable management of natural and physical resources. The matters of National Importance, Other Matters and Treaty of Waitangi provide the principles for assessing whether the purpose of the Act is being achieved.

In this case, the Plan Change will implement operative urban objectives for the Development Area, but to also include additional objectives to ensure specific place-based outcomes are achieved.

The appropriateness of the objectives for the proposed Plan Change should be assessed against the purpose and principles in Part 2 of the Act, the Regional Policy Statement, Iwi Planning documents and National Policy Statements.

6.2 Reasonably Practicable Options

An evaluation report must identify other reasonably practicable options for achieving the objectives.

In this case, the reasonably practicable options range from leaving the land in rural use, to alternative types of urbanisation at lower or higher levels of intensity.

6.3 Evaluating Effectiveness

Effectiveness generally means consideration of the extent to which the intended objectives will be achieved by an option.

An option should be evaluated as reasonably effective and not fatally-flawed before its efficiency is considered.

6.4 Evaluating Efficiency

The most efficient option will be the one that can achieve the outcome at least overall or net cost, taking into account all costs and benefits arising from the intervention.

This is confirmed and emphasised by the Environment Court in *Royal Forest & Bird Protection Society Inc v Whakatāne District Council* [2017] NZEnvC 051 (Royal Forest & Bird). In that decision, Judge Kirkpatrick confirmed at paragraph [59]:

*“(59) In considering what rule may be the most appropriate in the context of the evaluation and section 32 of the Act, we consider that notwithstanding the amendments that have been made to that section in the meantime, the presumptively correct approach remains as expressed in *Wakatipu Environmental Society Inc v Queenstown Lakes District Council*: that where the purpose of the Act and the objectives of the plan can be met by a less restrictive regime then that regime should be adopted. Such an approach reflects the requirement in section 30(1)(b)(ii) to examine the efficiency of the provision by identifying, assessing and, if practicable, quantifying all of the benefits and costs anticipated from its implementation. It also promotes the purpose of the Act by enabling people to provide for their well-being while addressing the effects of their activities.”*

The obligation under section 32(b)(ii) is to give effect to the objective in the least restrictive manner possible or at the least cost possible.

Hence the efficiency of the options can be evaluated and compared by assessing the following:

- Costs and benefits of establishing the provisions;
- Costs and benefits of compliance with the provisions.

6.5 Economic Growth and Employment

An evaluation must 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; ...

6.6 Risk of Acting or Not Acting

An evaluation must assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

In this case, there are some uncertainty about the management of stormwater as outlined above. However, this risk can be managed through provisions that require a Stormwater Management Plan to be developed and approved prior to development occurring. Further, any development of the site will require discharge consents to be granted under the Regional Natural Resources Plan, where issues of water quality, and flooding and erosion risk management will be considered. There is sufficient certainty to proceed with the plan change.

6.7 Scale and Significance

An evaluation must 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.

Appropriate assessments of environmental effects have been undertaken as described above which provide sufficient detail to undertake an evaluation.

7.0 Appropriateness of Objectives

7.1 Objectives

The overarching purpose of the Plan Change is to provide an improved supply of land for housing, aligned with the Council's Spatial and Plan and related Housing Accord.

The Plan Change seeks to implement operative District Plan objectives for the Development Area, but also includes additional objectives to ensure place-based outcomes are achieved.

7.1.1 Operative District Plan Objectives

Relevant urban growth objectives are included 'Matters of National and Strategic Importance' and 'Future Growth Area' sections of the District Plan:

Objective 1.3.3

Sustainable Rural, Residential, Industrial and Business Innovation zones where activities contribute to the economic, social, cultural and environmental wellbeing and prosperity of the community.

Objective 12.3.1

Sufficient land area suited for future urban and economic development that provides the residents of Rotorua with a range of lifestyle and development choices.

Objective 12.3.2

Subdivision and development within growth areas completed in a structured and integrated pattern, with the environmental qualities of the land fully identified and sustainably managed.

Objective 12.3.3

Serviced development that safely connects to the existing road network, utility reticulation, provides a potable drinking water supply and sufficiently caters for the future development potential of the site.

Objective 12.3.4

The amenity values associated with the Rotorua caldera landscape and adjacent zones is maintained when subdivision and development occurs.

Objective 12.3.5

Efficient and safe operation of the transport network and adjoining rural activities when development in future growth areas occurs.

The relevant residential development objectives are those for the Residential 1 Zone.

The Zone description is:

“There is a mix of single storey and two storey houses of various styles and materials. There is a balance between the built and natural elements of the environment in this zone. There is a sense of space around buildings, which is enhanced by the landscaping on site and trees within the road reserve. Other characteristics include generally low levels of noise and low traffic levels.”²⁹

The relevant Zone objectives are:

Objective 4.3.1

A level of amenity that provides residents with:

- A northerly outlook*
- Side and rear yards that provide aural and visual amenity*
- Residential levels of noise*
- Safe parking and turning areas where required*
- Street surveillance*
- Orientation to maximise energy efficiency*

²⁹ 4.1 Introduction

Objective 4.3.2

The character and amenity values of the residential zones are maintained and enhanced.

Objective 4.3.3

Non-residential activities in residential zones that are domestic in scale and character and do not have an adverse impact on the amenity values and character of the residential zones, or the vitality and viability of the City Centre or Commercial zones.

Objective 4.3.6

Residential site design and development in a sustainable manner that promotes and maintains the character of the zone, residential amenity and community safety.

Objective 4.3.7

Residential property design and development that ensures reverse sensitivity effects on network utilities and other infrastructure do not occur.

The relevant Rural Lifestyle objectives are those for the Rural 2 Zone.

The Zone description is:

“Rural-residential living. Lots are generally smaller than the Rural 1 zone and provide for a higher density of residential development. Dwellings are spaced apart and provide for relatively large outdoor living areas and high standards of privacy. The zone has a relatively quiet environment. Small scale farming activities are carried out on site and there are low levels of hard surface and building coverage.”

The relevant Zone objectives are:

Objective 9.3.1

A reduction in nutrient losses from rural land uses to improve the water quality of lakes, rivers, streams and wetlands, indigenous biodiversity and ecosystem functions.

Objective 9.3.3

The character and amenity values of the rural environment are maintained and enhanced.

Objective 9.3.4

New sensitive activities are located and managed to avoid potential reverse sensitivity effects on lawfully established activities in the rural environment.

Objective 9.3.6

The rural character of the sensitive landscape area of the Rotorua caldera is maintained to provide a visual setting to the lake, its margins and the urban area of Rotorua.

Other relevant objectives are included in the Technical Requirements for subdivision and infrastructure as follows:

Objective 13.3.1

Subdivision enables definitive land use change which results in significant reductions in nutrient losses, thereby contributing to water quality improvements in the lakes, rivers, streams, wetlands and other water bodies within the District.

Objective 13.3.2

Subdivision layout and design contributes to improvements in water quality through the management of riparian margins, stormwater treatment, and wastewater treatment.

Objective 13.3.3

Subdivision where man-made and natural hazard risk does not exceed acceptable levels.

Objective 13.3.4

Sites and associated roads integrate safely and efficiently with the transport network.

Objective 13.3.5

Adequate infrastructure and services are provided to each site to accommodate the potential development.

Objective 13.3.6

New public open spaces designed to be safe for use are provided, or existing spaces are enhanced proportionate to the development capacity of the site.

Objective 13.3.8

Maintain and enhance the district's productive capacity of rural land, amenity, biodiversity, landscape, ecological values and character through subdivision and development.

Objective 13.3.9

A compact urban area that provides for various transport options.

Objective 13.3.10

Protect and enhance the district's natural environment by maintaining its natural character and functioning, cultural and historic heritage, Outstanding Natural Features and Landscapes, Significant Geothermal Features, Significant Natural Areas and indigenous biodiversity.

Objective 13.3.11

Identify and protect the district's cultural landscapes, built features and cultural and archaeological sites.

Objective 13.3.12

A Rotorua caldera rim that maintains its rural character and a high level of amenity and is highly valued by the Rotorua community.

Objective 13.3.14

Subdivision design that prevents reverse sensitivity effects on existing lawfully established activities.

Objective 13.3.15

Subdivision occurs in a manner that integrates safely and efficiently with existing strategic infrastructure.

Objective 15.3.1

Infrastructure that provides for the economic, cultural, social and environmental wellbeing of the Rotorua district, the region and New Zealand.

Objective 15.3.2

Infrastructure that avoids, mitigates or remedies the adverse effects on the character and amenity of the area.

Objective 15.3.3

Land use, subdivision and development that do not adversely affect the operation, maintenance, upgrading of and access to existing infrastructure.

7.1.2 Proposed Objectives

The proposed place-based objectives are:

Objective 1: Pukehangi Heights Development Area – Landscape Values

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 Pukehangi Heights Development Area Structure Plan and visually integrates with surrounding land uses.

Objective 2: Pukehangi Heights Development Area – Integrated Urban Design

The environmental quality, character and amenity, and cultural values of the Pukehangi Heights Development Area are developed and then maintained and enhanced through appropriate urban planning and design.

Objective 3: Pukehangi Heights Development Area – Flood Hazard Risk Management

Ensure that development within the Pukehangi Heights Development Area achieves and maintains a low level of flood hazard risk within the Development Area, and that risk is not increased for urban areas in the downstream catchment.

Objective 4: Pukehangi Heights Development Area – Landslide and Liquefaction Hazard Risk Management

Ensure that development within the Pukehangi Heights Development Area achieves and maintains a low level of landslide and liquefaction hazard risk within the Development Area, and surrounding area.

Objective 1: Pukehangi Heights Development Area – Landscape Values is necessary because the proposed plan change will result urban development in the caldera rim. The structure plan will control the development in manner that will protect land scape values. The operative objectives do not identify Structure Planning as a way of achieving this outcome.

Objective 2: Pukehangi Heights Development Area – Integrated Urban Design is necessary because the Development area has place based issues that are not adequately addressed in the operative objectives.

Objective 3: Pukehangi Heights Development Area – Natural Hazard Risk Management and Objective 4: Pukehangi Heights Development Area – Landslide and Liquefaction Hazard Risk Management are necessary because the operative objectives relating to natural hazard management were established before the current Regional Policy on Natural Hazards became operative.

7.1.3 Purpose and Principles

Section 5 sets out the purpose of the RMA, which is to “promote the sustainable management of natural and physical resources”.

Sustainable management ‘means managing the use, development, and protection of natural and physical resources to enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety, while -

- sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
- safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and
- avoiding, remedying, or mitigating any adverse effects of activities on the environment’.

In achieving this purpose, councils also need to recognise and provide for the matters of national importance identified in section 6, have particular regard to other matters referred to in section 7 and take into account the principles of the Treaty of Waitangi under section 8.

The proposed Plan Change objectives will appropriately recognise and provide for relevant matters of national importance as set out below.

Matter	Evaluation
(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:	The Pukehangi Heights Development Area is not in the coastal environment.
(b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:	The Pukehangi Heights Development Area does not include any outstanding natural features and landscapes.
(c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:	<p>The Pukehangi Heights Development Area does not contain areas of significant indigenous vegetation and significant habitats of indigenous fauna.</p> <p>Downstream waterways provide habitats for indigenous fauna. Stormwater management systems will ensure that adverse effects are avoided.</p>
(d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:	The Pukehangi Heights Development Area is not adjacent to 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:	<p>A cultural impact assessment has been completed for the area.</p> <p>Development will have acceptable effects subject to koiwi and artefact discovery protocols being established for development, and recognition of cultural values through</p>

Matter	Evaluation
	place naming.
(f) the protection of historic heritage from inappropriate subdivision, use, and development:	<p>The Pukehangi Heights Development Area is a place of historic occupation evidenced by the presence of pa and gardening activities on the terraces.</p> <p>Development will be acceptable subject to control of site development impact under the HNZ Act.</p>
(g) the protection of protected customary rights:	The Pukehangi Heights Development Area is a place that has no areas of protected customary rights.
(h) the management of significant risks from natural hazards.	The Pukehangi Heights Development Area is assessed as being susceptible to potential land instability and rainfall related flood hazards. However, site development and management controls can ensure that associated risks are maintained at a low level.

The proposed Plan Change objectives have appropriate regard to other relevant matters as set out below.

Matter	Evaluation
(a) kaitiakitanga:	The exercise of guardianship by the tangata whenua of an area has been enabled through the CIA preparation process and engagement during plan preparation, and will be further supported by a Memorandum of Understanding between Manawhenua and Council.
(aa) the ethic of stewardship:	<p>Stewardship is an ethic that embodies the responsible planning and management of resources.</p> <p>The plan change assessment has identified all relevant resource issues and identified new objectives to address place specific outcomes.</p>
(b) the efficient use and development of natural and physical resources:	<p>The proposed Plan Change promotes efficient use and development of resources through the proposed Structure Plan.</p> <p>The Structure Plan provides for the integration of land use and infrastructure. The spatial layout optimises land use capacity for development whilst protecting</p>

Matter	Evaluation
	key values.
(ba) the efficiency of the end use of energy:	<p>The Pukehangi Heights Development Area is located adjacent to existing infrastructure and services in the urban area, providing for efficient use of existing resources, including energy use.</p> <p>Walkable local centres will reduce the need for car travel for some goods and services. Local centres will provide locations for convenient public transport stops.</p>
(c) the maintenance and enhancement of amenity values:	<p>The Pukehangi Heights Development Area generally sits below the area identified as a “Sensitive Rural Area” in the Lake Rotorua Caldera. Development will not adversely affect the landscape values of the Caldera.</p> <p>From a localised point of view, the more intensive urban uses are limited to terrace areas that are less visually sensitive. The more visually sensitive mid-site escarpment will be developed at a much lower rural residential density, with significant re-vegetation.</p> <p>Within the urban areas themselves, amenity standards will meet accepted District Plan standards for neighbourhoods and sites.</p>
(d) intrinsic values of ecosystems:	<p>The Pukehangi Heights Development Area does not have significant ecosystem values, having been used for pastoral farming and forestry for many years.</p> <p>Proposed indigenous revegetation of the mid-slope escarpment and planting within roads and open space will increase the diversity of flora and fauna over time.</p>
(e) [Repealed]	
(f) maintenance and enhancement of the quality of the environment:	<p>The proposed plan change will result in a change from a rural to an urban environment, but this change will result in a quality environment.</p> <p>The proposed objectives seek to create a high quality urban environment, consistent with the quality standards found in other urban areas within Rotorua.</p>
(g) any finite characteristics of natural and	The value of the land for food and fibre

Matter	Evaluation
physical resources:	<p>production will be largely foregone with urbanisation.</p> <p>This is an inevitable outcome of land use change, and an acceptable trade off having regard to the district's overall land use strategy and enhanced community wellbeing associated with improved housing supply.</p>
(h) the protection of the habitat of trout and salmon:	<p>The Pukehangi Heights Development Area does not contain habitat of trout and salmon.</p> <p>Downstream waterways provide habitat for trout. Stormwater management systems will ensure that adverse habitats effects are avoided.</p>
(i) the effects of climate change:	<p>The primary direct response to climate change effect will be in the design of the stormwater management system. The system design will include rainfall projections that incorporate climate change predictions to 2090.</p>
(j) the benefits to be derived from the use and development of renewable energy	<p>The proposed Plan Change has no direct relationship to the use and development of renewable energy. However, it is expected that new homes will be thermally efficient, and increasingly incorporate new technology for on-site power generation using renewable energy.</p>

The principles of the Treaty of Waitangi (Te Tiriti o Waitangi) have been taken into account in the proposed Plan Change as set out below.

Matter	Evaluation
Partnership	<p>Consultation, or the need to consult, arises from the principle of partnership in the Treaty of Waitangi. This requires the partners to act reasonably and to make informed decisions³⁰.</p> <p>The Council has identified and undertaken consultation with relevant Manawhenua interests. Through consultation, the Council and hapu identified the need to prepare a Cultural Impact Assessment, supported by an archaeological assessment. A Memorandum of Understanding between Manawhenua and Council is being</p>

³⁰ Treaty of Waitangi Obligations <http://www.qualityplanning.org.nz/node/705>

Matter	Evaluation
	implemented in parallel with the Plan change to ensure that outcomes are appropriately identified and measures put in place to ensure effective implementation.
Active Protection	<p>A cultural impact assessment has been completed for the area.</p> <p>Development will have acceptable effects subject to koiwi and artefact discovery protocols being established for development, and recognition of cultural values through place naming and other measures that express the areas cultural context.</p>

The proposed objectives are necessary and appropriate having regard to the purpose and principles of the Act.

7.2 Regional Policy Statement

The District Plan must give effect to the provision of the Regional Policy Statement (RPS).

The RPS includes objectives and policies that focus on achieving a compact, well designed and sustainable urban form, including implementing high quality urban design and live-work-play principles, and co-ordinating new development with infrastructure provision. The RPS also promotes the integration of land use and transport planning.

The RPS identifies degraded water quality in the lakes within Rotorua district as one of the most important issues for the region to address over the next 10 years.

There is also a focus on promoting energy efficiency, considering the cumulative effects of new activities, taking into account the principles of the Treaty of Waitangi, and avoiding and mitigating natural hazard risks.

The RPS identifies Rotorua as one of the regions key urban areas. The Urban and Rural Growth Management Chapter focuses on the quality of urban development and ensuring that development is co-ordinated with the provision of infrastructure. The primary tool to achieve this is the use of structure plans.

The RPS includes High Quality Urban Design Principles as drivers of sustainable management; and 'the live-work-play policy approach to future development'. The live-work-play approach includes 'providing the opportunity for people to meet most of their daily needs within their own community and community cohesion and more harmonious lifestyles. It gives opportunity for people to remain active through all stages of life, in a healthy and safe environment'.

The objectives and policies also address productive potential of rural land, ensuring there is adequate infrastructure, quality and mauri of water and avoiding or mitigating natural hazards. Specific policies address minimising the effects of land and soil disturbance, recognition of Kaitiakitanga and taking into account the principles of the Treaty of Waitangi.

The proposed Plan Change objectives will give effect to relevant RPS objectives and policies.

7.3 Iwi Management Plans

The Ngāti Kea Ngāti Tuara Iwi Environmental Management Plan (2016) has been considered in relation to the application. Ngāti Kea Ngāti Tuara are a hapu of Te Arawa.

Ngāti Kea Ngāti Tuara has identified over fifty sites of cultural significance on land within their rohe.

The Iwi Environmental Management Plan contains the following objectives of relevance:

Objective 1: Ensure active involvement by Ngāti Kea Ngāti Tuara in resource management processes and decisions that relate to land uses that have the potential to adversely affect the Ngāti Kea Ngāti Tuara rohe.

Objective 2: Ensure that a holistic, integrated and collective approach is taken to land use and management within the Ngāti Kea Ngāti Tuara rohe

Objective 3: Encourage sustainable land use and management within the Ngāti Kea Ngāti Tuara rohe to protect the health and wellbeing of the land and all the waterways

Objective 4: Support aspirations by Ngāti Kea Ngāti Tuara for land uses on Māori land that are sustainable and protect the land and water quality of all water ways.

Objective 6: Promote the restoration of habitat for all native species in native bush areas in Ngāti Kea Ngāti Tuara rohe with the goal to increase biodiversity of all species of flora and fauna.

Objective 7: Ensure active involvement of Ngāti Kea Ngāti Tuara in resource management processes and decisions that relate to the Pokaitu Stream, Waikarakia Stream, Utuhina Stream, Te Reporepo Stream and the Ngāti Kea Ngāti Tuara Water Reserves in our rohe.

Objective 11: Pursue opportunities to be involved in, or eventually lead restoration projects associated with Pokaitu Stream, Waikarakia Stream, Utuhina Stream, Te Reporepo Stream Ngāti Kea Ngāti Tuara Water Reserves.

The proposed Plan Change objectives are consistent with the Iwi Environmental Management Plan.

7.4 National Policy Statement on Urban Development Capacity (2016) and Rotorua Housing Accord

The 6.5 National Policy Statement on Urban Development Capacity (NPS UDC) aims 'to ensure that planning decisions enable the supply of housing needed to meet demand'.

The NPS UDC directs decision-makers to:

- put greater emphasis on enabling change and development when making decisions about urban development;
- provide sufficient urban development capacity to support housing and business growth;
- ensure that planning processes facilitate urban development.

Rotorua is identified as a medium growth urban area under the NPS-UDC.

In relation to this plan change, the core policies of relevance are set out below:

Outcomes for planning decisions

PA1: Local authorities shall ensure that at any one time there is sufficient housing and business land development capacity according to the table below:

Short term	Development capacity must be feasible, zoned and serviced with development infrastructure.
Medium term	Development capacity must be feasible, zoned and either: <ul style="list-style-type: none">• serviced with development infrastructure, or• the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act 2002.
Long-term	Development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.

PA2: Local authorities shall satisfy themselves that other infrastructure required to support urban development are likely to be available.

PA3: When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:

- a) Providing for 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;
- b) Promoting the efficient use of urban land and development infrastructure and other infrastructure; and
- c) Limiting as much as possible adverse impacts on the competitive operation of land and development markets.

PA4: When considering the effects of urban development, decision-makers shall take into account:

- a) The benefits that urban development will provide with respect to the ability for people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing; and
- b) The benefits and costs of urban development at a national, inter-regional, regional and district scale, as well as the local effects.

The Rotorua Housing Accord was signed in August 2017. The purpose of the accord is to provide the basis for collaboration between the Minister of Business, Innovation and Employment and the Council 'to support an increase in housing supply and affordability in Rotorua'.

The Accord includes agreed Priority Actions and Housing targets. The Priority Actions includes district plan changes with the aim of ensuring there is sufficient land available to meet demand. The agreed Housing Targets are as follows:

Table 1: Agreed targets for the years 2018-2020

Housing supply	Baselines (financial years)				Aspirational Targets (financial years)			
	2013/14	2014/15	2015/16	2016/17	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)
Total sections consented	31	78	35	172	200	250	300	300
Total dwellings consented	64	75	118	117	150	200	250	300

Note: The aspirational targets are for the period 1 July to 30 June and will be measured against Council-gathered and publicly available information as appropriate.

Council has finalised its Spatial Plan which sets out the growth priorities areas for the District.

The proposed Plan Change purpose gives effect to the Housing Accord.

7.5 Summary of Appropriateness of Objectives

Based the above assessment, the operative and proposed objectives are appropriate having regard to the purpose and principles of the Act, and other relevant policy considerations.

8.0 Evaluation of Options

8.1 Practicable options

Practicable options for the Development Area provisions have been identified as:

- Current District Plan Provisions;
- Residential and Rural Residential Zone with "Development Plan";
- Residential and Rural Residential Zone with "Structure Plan";
- Rural Residential Zone;
- Rural Zone.

These options are described below.

8.1.1 Current District Plan Provisions

Under this option, the District Plan objectives and provisions would remain as they are, as described in Section 4.2.

8.1.2 Residential and Rural Residential Zonings with “Development Plan”

Under this option, the Pukehangi Heights terraces would be zoned Residential 1 (general residential). The mid site escarpment would be zoned Rural 2 (lifestyle). The zone boundaries would be aligned to relate to landscape features with Residential 1 on the upper and lower terraces and lifestyle development on the mid site escarpment.

A “Development Plan” would be required as part of a resource consent application to indicate how each site would be developed and integrated with the surrounding area, and to guide stages of development. High-level policy would be provided on the outcomes that are sought. Applications would require public consultation and likely be subject to a public or limited notification process.

8.1.3 Residential and Rural Residential Zonings with “Structure Plan”

Under this option, the Pukehangi Heights terraces would be zoned Residential 1 (general residential). The mid site escarpment would be zoned Rural 2 (lifestyle). The zone boundaries would be aligned to relate to landscape features with Residential 1 on the upper and lower terraces and lifestyle development on the mid site escarpment.

A Structure Plan would be included in the District Plan to indicate how development should occur, including landscape management areas, key roads, walkways, open space, infrastructure, and community services.

District Plan rules would enable development to occur in a straightforward manner if it conformed with the structure plan. Conforming development would be consented by Council without public consultation or submissions.

A departure from the Structure Plan would require a specific assessment to ensure that the principles of the Structure Plan were still being achieved. A departure from the Structure Plan may also require public consultation and notification if any additional adverse effects occurred beyond the site.

8.1.4 Rural-Residential Zone

Under this option, all the land would be zoned Rural 2 (Rural Lifestyle).

Rural-residential living lots are generally smaller than the Rural 1 zone and provide for a higher density of residential development. Dwellings are spaced apart and provide for relatively large outdoor living areas and high standards of privacy³¹.

³¹ District Plan 9.1 Rural 2 Zone Description

A landscape and visual assessment would be required for any development proposal to ensure that Caldera Rim values were protected.

8.1.5 Rural Zone

Under this option, all the land would be zoned Rural 1 (Working Rural).

The main activities provided for within this zone involve agricultural practices such as farming and forestry³².

8.2 Evaluation

Options are evaluated below against criteria for effectiveness and efficiency.

Colour coding of the table cells provide a qualitative rating of the extent to which an option will meet the criteria:

- Green - High
- Orange – Moderate
- Red – Low

³² District Plan 9.1 Rural 1 Zone Description

Evaluation Criteria		Options				
		Retain Current Future Growth Area Provisions	Residential and Rural Residential Zoning with “Development Plan”	Residential and Rural Residential Zoning with “Structure Plan”	Rural Residential Zone	Rural Zone
Effectiveness						
Urban Accommodation Growth	Sufficient land area suited for future urban and economic development that provides the residents of Rotorua with a range of lifestyle and development choices.	Unlikely to result in significant urban development in the short term.	Has reasonable likelihood of meeting the objective of the Spatial Plan to provide additional residential development capacity and housing choice in the short term. Longer implementation possible if applications are notified.	Has high likelihood of meeting the objective of the Spatial Plan to provide additional residential development capacity and housing choice in the short term.	Large lot residential development will reduce the yield significantly and limit the diversity and affordability of housing. Would forego future urban options. Rural residential zoning is not an effective transition to urban zoning as the pattern of development would make future urban development impractical if not impossible;	Will not contribute to urban land supply additional residential development capacity and housing choice in the short term. Could maintain a future option for urbanisation provided that no interim subdivision or development occurred that would compromise this outcome.
Landscape Management	Maintain the valued landscape character and amenity values associated with the wider caldera rim.	Presents a risk that urban development may occur on a piecemeal basis with variable or poor long-term outcomes. Zoning and plan provisions do not reflect landscape features.	Cultural landscape management can be addressed, although with inefficiency and potential variability in outcomes over time.	Cultural landscape management can be addressed with more certainty than current provisions allow, which can be further enhanced through a relationship agreement between Manawhenua and Council, and also through direct engagement with land owners and future developers.	Impacts of change will be reduced, with lesser risk of adverse effects. Site specific assessments could adequately address potential adverse effects.	Minimal change is likely, other than the addition of isolated dwellings and farm buildings and structures.
Cultural Landscape Management	Subdivision, use and development expresses the cultural history and identity of Tangata Whenua and recognises and protects the remaining values and associations of cultural sites and areas.	Presents a risk that urban development may occur on a piecemeal basis with variable or poor long-term outcomes. Plan provisions do not reflect cultural values, although this could be address through engagement processes..	Landscape management can be addressed, although with potential variability in outcomes over time.	Landscape management can be addressed with a high degree of certainty.	Landscape change will be reduced, with lesser risk of adverse effects. Landscape and visual assessment provisions can adequately address potential adverse effects.	Minimal landscape change is likely, other than the addition of isolated dwellings and farm buildings and structures.
Environmental Quality	Subdivision and development within growth areas completed in a structured and integrated pattern, with the environmental qualities of the land fully identified and sustainably managed.	This outcome could be met, although this may be variable across the development area with no overall spatial framework.	This outcome could be met, although this may be variable across the development area with no overall spatial framework.	Structure Plan promotes a consistent outcome across the development area, whilst allowing flexibility.	Low intensity development impacts adequately managed through resource consent process.	Low intensity development impacts adequately managed through resource consent process.
	Efficient and safe operation of the transport network and adjoining rural activities when development in future	This outcome could be met, although this may be variable across the	This outcome could be met, although this may be variable across the	Structure Plan promotes optimisation of transport outcomes and certainty on	Low intensity development impacts adequately managed through resource	Low intensity development impacts adequately managed through resource

Evaluation Criteria		Options				
		Retain Current Future Growth Area Provisions	Residential and Rural Residential Zoning with “Development Plan”	Residential and Rural Residential Zoning with “Structure Plan”	Rural Residential Zone	Rural Zone
	growth areas occurs.	development area with no overall spatial framework.	development area with no overall spatial framework.	the level of effects.	consent process.	consent process.
	Subdivision enables definitive land use change which results in significant reductions in nutrient losses, thereby contributing to water quality improvements in the lakes, rivers, streams, wetlands and other water bodies within the District.	Nutrients are controlled by the Regional Natural Resources Regional Plan which provides appropriate management.	Nutrients are controlled by the Regional Natural Resources Regional Plan which provides appropriate management.	Nutrients are controlled by the Regional Natural Resources Regional Plan which provides appropriate management.	Nutrients are controlled by the Regional Natural Resources Regional Plan which provides appropriate management.	Nutrients are controlled by the Regional Natural Resources Regional Plan which provides appropriate management.
	Adequate infrastructure and services are provided to each site to accommodate the potential development.	This outcome could be met, although this may be variable across the development area with no overall spatial framework. The opportunity to optimise infrastructure outcomes is weakened by piecemeal planning.	This outcome could be met, although this may be variable across the development area with no overall spatial framework. The opportunity to optimise infrastructure outcomes is weakened by piecemeal planning.	Structure Plan promotes a consistent outcome across the development area, whilst allowing flexibility.	Low intensity development impacts adequately managed through resource consent process.	Low intensity development impacts adequately managed through resource consent process.
Natural Hazards	Ensure that development achieves and maintains a low level of flood hazard risk within the Development Area, and that risk is not increased for urban areas in the downstream catchment.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.
	Ensure that development achieves and maintains a low level of landslide and liquefaction hazard risk within the Development Area, and surrounding area.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.	A natural; hazard risk assessment will be required for any site development greater than 5ha.
Efficiency						
Costs and benefits of establishing the provisions		Costs are low as no plan amendments are necessary.	Costs of investigation and engagement are relatively low. Uncertainty in the plan provisions and potential outcomes may lead to greater opposition from community.	Structure planning entails higher costs of investigation and engagement to develop appropriate plan provisions. Transparency in the plan provisions and potential outcomes may lead to opposition from community but will also allow for issues to be resolved with greater certainty.	Enabling Rural Lifestyle development would be less complex to provide for. Landowners would be likely to oppose the reduced development right.	Enabling Rural development would be less complex to provide for. Landowners would be likely to oppose the reduced development potential.
Costs and benefits of compliance with the		Costs are high with individual land owners/developers	Costs are high with individual land owners/developers	Costs should be reduced for development that gives	Low intensity development impacts adequately	Limited land use changes generally controlled through

Evaluation Criteria		Options				
		Retain Current Future Growth Area Provisions	Residential and Rural Residential Zoning with “Development Plan”	Residential and Rural Residential Zoning with “Structure Plan”	Rural Residential Zone	Rural Zone
provisions		needing to address a wide range of complex issues, including off site effects from traffic and stormwater.	needing to address a wide range of complex issues, including off site effects from traffic and stormwater.	effect to Structure Plan principles. Applications will not be notified to affected parties.	managed through straightforward resource consent process.	permitted activity rules.
Economic Growth and Employment		Increased housing supply will support District economic objectives. Inefficiency may delay these benefits.	Increased housing supply will support District economic objectives. Inefficiency may delay these benefits.	Increased housing supply will support District economic objectives. Provides greatest likelihood of short term benefits.	Detracts from achieving increased housing supply will support District economic objectives, unless viable alternative identified.	Detracts from achieving increased housing supply will support District economic objectives, unless viable alternative identified.
Risk of Acting or Not Acting		District Plan objectives for enable urban development may not be met in the short term if no action is taken. There is risk to development yield being achieved due to weak delivery of infrastructure.	There are uncertainties about the management of stormwater. However, this risk can be managed through provisions that require a Stormwater Management Plan to be developed and approved prior to development occurring.	There are uncertainties about the management of stormwater. However, this risk can be managed through provisions that require a Stormwater Management Plan to be developed and approved prior to development occurring.	Rural Lifestyle would be contrary to broad District Plan objectives and would require reworking of the councils Spatial Planning framework and alternative land supply to be identified.	Rural zoning would be contrary to the current District Plan objectives and would require reworking of the councils Spatial Planning framework and alternative land supply to be identified.

8.3 Conclusions

8.3.1 Retain Current Future Growth Area Provisions

This option would:

- Present a risk that urban development may occur on a piecemeal basis with variable or poor long-term outcomes. Zoning does not reflect landscape features.
- Offer little certainty for investment, and there are significant hurdles to getting land to market to meet current needs with high compliance costs.
- Be unlikely to result in significant urban development occurring on the land in the foreseeable future.

8.3.2 Residential and Rural Residential Zonings with “Development Plan”

This option would:

- Have the potential to meet the objective of the Spatial Plan to provide additional residential development capacity and housing choice in the short term;
- Result in loss of current rural amenity, but may ensure that the landscape and amenity values of the caldera rim were protected;
- Provide some certainty for development following Development Plan approval although compliance costs and uncertainties are relatively high with potential third party issues needing to be addressed;
- Give some confidence to the community about the long-term development outcome;

8.3.3 Residential and Rural Residential Zonings with “Structure Plan”

This option would:

- Meet the objective of the Spatial Plan to provide additional residential development capacity and housing choice in the short term;
- Result in loss of current rural amenity, but will ensure that the landscape and amenity values of the caldera rim were protected;
- Provide greater certainty for development and potentially remove major hurdles to development;
- Give confidence to the community about the long-term development outcome;

8.3.4 Rural-Residential Zone

This option would:

- Result in a greater part of the rural landscape character and amenity being maintained.

- Have reduced impact on local transport network, albeit that has not been identified as a constraint to urbanisation. All sites would need to be provided with reticulated wastewater disposal;
- Not meet the Spatial Plan objective for housing supply and choice;
- Forego future urban options. Rural residential zoning is not an effective transition to urban zoning as the pattern of development will make future urban development impractical if not impossible;
- Require an alternative residential land supply to be identified.

8.3.5 Rural Zone

This option would:

- Maintain the rural landscape character and amenity values currently enjoyed by residents in the area,
- Remove development potential which is an expectation of current land owners;
- Not meet the Spatial Plan objective for housing supply and choice;
- Require an alternative residential land supply to be identified;
- Maintain a future option for urbanisation provided that no interim subdivision or development occurred that would compromise this outcome

8.4 Preferred Option

Of the options identified, a Residential and Rural Residential Zoning with a Structure Plan provides the best development outcome and greatest overall environmental benefit, with strong alignment with District Plan objectives.

9.0 Conclusion

The Council proposes a change to the Operative Rotorua District Plan (District Plan) to enable residential development to occur within the Pukehangi Heights Development Area. The overarching purpose of the Plan Change is to provide an improved supply of land for housing, aligned with the Council's Spatial and Plan and related Housing Accord.

The Plan Change seeks to implement operative District Plan objectives for the Development Area, but also includes additional objectives to ensure place-based outcomes are achieved.

Broadly, the proposal is to enable residential development to occur on two distinct upper and lower terraces, and large lot rural residential development on the north facing escarpment located between the two terraces. A Structure Plan will guide the future development of the land in relation to landscape management, urban design, access and connectivity (including active transport modes), and stormwater infrastructure.

The current planning framework for the Pukehangi Heights Development Area has significant shortcomings that need to be addressed if this supply of land for housing is to be enabled. Greater certainty on the provision of infrastructure and development outcomes is needed.

The land is generally suitable for urban development. Assessments have identified that the most challenging issues for development are the protection of landscape values in the Caldera Rim, and the management of stormwater, but these are capable of being appropriately managed.

Assessments of natural hazards, geotechnical constraints, traffic impacts, cultural and archaeological values associated with the site conclude that development can occur with acceptable environmental effects.

Stakeholder engagement has resulted in significant improvements to the plan change most notably the work done in relation to stormwater and natural hazards, traffic, and archaeological and cultural sites.

Practicable options for the Development Area provisions have been identified as:

- Current District Plan Provisions;
- Residential and Rural Residential Zone with “Development Plan”;
- Residential and Rural Residential Zone with “Structure Plan”;
- Rural Residential Zone;
- Rural Zone.

Evaluation of the effectiveness and efficiency of the options concludes that a Residential and Rural Residential Zoning with a Structure Plan provides the best development outcome and greatest overall environmental benefit, with strong alignment with District Plan objectives.

Appendix 1 Proposed Plan Provisions

Appendix 2 Consultation Summary

Who	Key issue/s	How the plan change responds to this issue
Consultation with Statutory Parties (RMA, First Schedule, Clause 3(1))		
Ministry for the Environment (cl 3(1)(a))	No response	NA
Other Ministers of the Crown who may be affected (cl 3(1)(b)): 1. Minister of Housing and Urban Development 2. Minister of Transport 3. Minister of Health 4. Minister of Education 5. Minister of Civil Defence	Hon. Phil Twyford, Min HUD and Transport: importance of integrated land use, infrastructure and investment planning.	Structure planning and work streams relating to stormwater and transport intended to result in integrated outcomes.
	Hon. Dr David Clark, Minister of Health: Development presents opportunity for prioritisation of walking, cycling and public transport. Recommends we consult with Toi Te Ora Public Health Unit.	Principles include focus on connectivity, including walkways and cycleways. Indicative walkways and cycleways shown on Structure Plan. Commercial/community nodes provide opportunity for public transport connections along Pukehangi Road.
	No other responses received.	
Bay of Plenty Regional Council (cl 3(1)(c))	Consistency with the BoP Regional Policy Statement, especially re: <ul style="list-style-type: none"> • stormwater management • nutrient discharge allowances • contaminated land • landscape values • transport • cultural A number of meetings and correspondence.	Stormwater – stormwater assessments undertaken and peer review being completed at time of writing; Meeting with BoPRC 25 March to confirm whether approach acceptable. NDA – assessed at time of subdivision Contaminated Land – Sites of potential contamination will be assessed as part of subdivision consent through NES Soil. Transport - Principles include focus on connectivity, including walkways and cycleways. Indicative walkways and cycleways shown on Structure Plan. Cultural – additional consultation undertaken with Ngāti Rangiwewehi and

		Ngāti Raukawa to establish if pre-notification consultation is also required.
<p>Tangata Whenua of the area who may be so affected through iwi authorities (cl 3(1)(d)):</p> <ol style="list-style-type: none"> 1. Ngāti Kea and Ngāti Tuara 2. Komiti nui of Ngāti Whakaue 3. Ngāti Rangiwewehi 4. Ngāti Raukawa 	<p>Ngāti Kea and Ngāti Tuara:</p> <ul style="list-style-type: none"> •CIA and archaeological assessment to come. Cannot give unequivocal support until work completed. •Support use of Low Impact Design for stormwater. •Support Ngāti Whakaue projects along the Utuhina. •Recommend Council manages sw to ensure the development does not exacerbate issues experienced within the Utuhina Stream. •Do not support SPP as inconsistent with s6(e) RMA. <p>Expectation:</p> <ul style="list-style-type: none"> •Significant sites; •Consulted with actively re: activities with cultural, environmental and historical impacts; •Receive regular updates and monitoring; •Ability to make further submissions; •Disputes mechanism should future issues arise. 	<p>NKNT - CIA and archaeological assessment undertaken. Results to come.</p> <p>Provisions</p>
	<p>Te Komiti nui o Ngāti Whakaue – TKN were unaware of any sites of significance and noted that TKN isn't an RMA Authority and doesn't have</p>	<p>No changes</p>

	mandate to speak on behalf of Ngāti Whakaue in these matters.	
	Ngāti Rangiwhewehi ³³	Ngāti Rangiwhewehi have confirmed that they defer to Ngāti Kea and Ngāti Tuara over this area. They have however expressed an interest in the Archaeological Report and CIA.
	Ngāti Raukawa	To be confirmed.

Consultation with any other parties (RMA, First Schedule, Clause 3(2))		
Parklands Estate (Presentation 12/09/2018 outlining plan change).	Body corporate's response: Concerns re: walkway alongside the Parklands boundary, would ideally have a buffer zone, but may need security fencing between development and the Estate. Connection of the estate to the town water supply.	Location of walkway moved off boundary line to follow bottom of gully. The water supply issue is beyond the scope of the plan change. Although there may be potential for the Estate and the developers to work together should the timing of the two coincide. Council engineers have detailed process involved in connecting to public supply.

³³ Council is in the process of developing a GIS system with information on iwi authority boundaries. This project has identified that two additional iwi authorities (Ngāti Rangiwhewehi and Ngāti Raukawa potentially need to be consulted as tangata whenua of the area who may be affected). Emails have been sent to determine whether pre-notification consultation is required with these iwi authorities.

	<p>Informal comments on night included:</p> <ul style="list-style-type: none"> Concerns relating to density in Residential 1 zone and medium density development. 	<p>No changes proposed – densities proposed are standard for the residential 1 Zone, medium density provisions include requirement for urban design assessment.</p>
<p>Residents between the Parklands Development and the Sumner Block (Presentation 03/11/2018 outlining plan change).</p>	<p>Verbal comments raised included:</p> <ul style="list-style-type: none"> Concerns re: existing stormwater situation and proposed stormwater solutions for the Sumner subdivision consent; density of development of the terraces; protection of landscape values; change in amenity/character 	<p>Follow up site visit by Council engineers in relation to stormwater concerns (18/11/2018). Focus related to current resource consent/design of stormwater solutions.</p> <p>No changes proposed – densities proposed are standard for the residential 1 Zone, medium density provisions include requirement for urban design assessment. Subsequent discussion with land owner outlining landscape principles in the structure plan.</p> <p>Development will change the amenity/character of the neighbouring site.</p>
<p>Matipo Ave Residents (Presentation 26/11/2018 outlining plan change)</p> <p>A number of meetings with the Matipo Ave Residents Incorporated Society (MARIS).</p> <p>Follow up meeting 12/02/2019 to present Council's preferred roading option.</p>	<p>Concerns raised focused on access for permanent and construction traffic up Matipo Ave (see RDC-902679) including:</p> <ul style="list-style-type: none"> Construction access – preference for through Hunt Block or up Great West Road. Exception – short cul-de-sac off Matipo Ave max 30 dwellings; Opposes access up Matipo Ave for Construction Traffic; Permanent traffic – preference is for access over Hunt Block with the exception mentioned above. 	<p>Assessment of Roding Options undertaken looking at costs and benefits of alternatives. Meetings between land owners and Council, and Residents and Council to come to a solution.</p> <p>Amendments:</p> <ul style="list-style-type: none"> Provisions included con Construction access either Hunt Block or GWR; Provisions limiting

	<ul style="list-style-type: none"> • Retain 'No Exit' status of Matipo Ave. Concerns re: home security and speeding circuit traffic. • Short cul de sac reduces stormwater; • Supports closing Matipo Ave/Pukehangi Intersection. • Supports roundabout at Malfroy/Pukehangi and Give-way intersection north of 6A Matipo (plan provided showing intersection design) <p>Subsequent Addendum (RDC-</p>	
Public Drop In Session (6/12/2018 – public notice + letters or emails to 1000 residents in surrounding area)	<p>Format: Information boards and staff available to discuss.</p> <p>Verbal feedback received on the night and written feedback also provided (7 responses). See below.</p>	
Ohinemutu Streamcare group	Provisions of documents and two meetings to explain approach.	

Summary of verbal feedback from Public Drop-In Session

1. Stormwater:
 - a. Concerns from downstream property owners at risk of increased flood risk;
 - i. Locations:
 1. Opposite side of Pukehangī Road
 2. Icarus Place backing onto Wrights Park
 3. Riri Street Industrial Area
 - b. Impact of climate change
2. Roading:
 - a. Additional congestion at peak times on key routes – Malfroy, Sunset
 - b. Traffic safety concerns especially from existing driveways along Pukehangī Road (near Parklands)
 - c. Questions as to whether the road speed would stay at 70km/hr or move to 50km/hr. Some support for reducing speed, especially those people who were raising concerns about backing out of driveways, although some supported retention of existing speed.
 - d. Peak traffic flows and school traffic.
3. Urban Design and Landscape Comments:
 - a. Generally supportive of integration of vegetation with Parklands
 - b. Concerns around density similar to the issues raised previously in neighbour meetings:
 - i. 450m² average minimum lot size is too small;
 - ii. Medium density – concerns around design outcomes/quality of housing;
 - iii. Quality of neighbours type issues raised.
4. Impact of current subdivisions:
 - a. Vibration
 - b. Constriction noise
 - c. Dust
 - d. Vehicle movements, people noted an increase in vehicle movements recently with heavy vehicles using Pukehangī Road.
 - e. Stormwater run-off effects that people considered were associated with current development on the Sumner block
5. Impact on land values

Summary of Written Feedback post Public Drop-In Session

Seven people provided feedback on the draft plan change on a variety of issues.

The issues raised fell into the following categories:

- Character of Area
 - Retention of rural character;
 - Parklands re-vegetation successful;
 - Integration with wider landscape;
 - Support planting corridor along the Upper Escarpment and sensitive treatment of edges/controls on buildings.

Actions: No changes to provisions.

- Traffic
 - Concerns around peak time traffic flows, and increased traffic volumes including heavy vehicles
 - Concerns around impact of construction traffic:
 - Impact of construction traffic associated with Parklands – shaking of houses (Sunset Road)
 - Dust, noise and vibrations
 - Disturbance from waiting vehicles in the early morning
 - Traffic speeds/safety including reduction to 50km/hr along Pukehangi
 - Traffic volumes have increased over last two years, including heavy vehicles;
 - Lack of confidence in the proposed road layout;
 - No evidence residents will use cycleways or pedestrian linkages;
 - Concerned Great West Road will go from quiet cul-de-sac to thoroughfare;

Actions:

Inclusion of Performance Standards relating to Construction noise and vibration.

Traffic assessment considered impact on wider road network

- Stormwater, Flooding and Infrastructure:
 - Want to see concept plans for flooding, especially re: Otamatea;
 - Concerned that there is currently considerable surface flooding from Matipo Avenue, through Matipo Ave residences, across the ground surface, into our and neighbours property in Westbourne Avenue. Drainage from the surface of Matipo Ave needs to be controlled to eliminate surface flooding of our sections. The existing drain system does not cope with the volumes and is also inclined to get blocked by debris.
 - Will the WWTP be able to cope?
- Schools
 - Impact on schools
- Growth
 - That the question of whether growth is appropriate was not addressed on the night or by the report, and asks for quantification of growth figures. Development fails to meet the demand projected. No discussion on using existing areas more effectively e.g. through higher density. Wants variety of housing options for Rotorua, and a different form of development from Auckland/Tauranga
- Natural Hazards
 - Is it really prudent to encourage more people to move into a town built inside the crater of an active volcano
 - Local Geologist raised questions around Fault Trace research

Action: GNS have reviewed comments, and updated report to reflect. Overall conclusion of Fault Trace risk unaltered.

- General
 - Loss of Productive Soils
 - Increasing the number of hi IQ businesses within the existing town footprint, along with restricting the availability of new housing land, will raise land values and thus improve Rotorua's economic dynamic, without adding to urban sprawl and all the negatives that go along with that.
 - If Rotorua is to become more attractive as a city to live in we need development urgently. We have already missed the boat compared to the development and growth our neighbours are enjoying ie Tauranga, Taupo, Cambridge.
- Property Specific
 - Reverse sensitivity concerns relating to both existing forestry and farming activities;
 - Concern at additional stormwater entering gully exacerbating existing situation;
 - Concerned at walkway notation that terminates at their boundary;
 - Actions: Inclusion of 5m setback from Rural Zone

Subsequent Consultation with Ngāti Kea Ngāti Tuara and Bay of Plenty Regional Council

Following the Council meeting on the 28th March 2019, additional consultation has been undertaken with NKNT and BoPRC.

NKNT have completed the Cultural Impact Assessment and progress has been made on a number of key issues including the Karamū Tākina Springs, the Pukehangi Pa, a Memorandum of Understanding, and amendments to the plan change provisions,

Two meetings have been had with the Regional Council focused primarily on the stormwater provisions, but also addressing wider issues addressed in the Regional Policy Statement. Amendments have been made to the plan change provisions to reflect this.

