



1 Dunorling Street
PO Box 122, Alexandra 9340
New Zealand



03 440 0056



Info@codc.govt.nz
www.codc.govt.nz



Central Otago District Plan

Plan Change 19 – Residential Chapter Provisions

Section 32 Evaluation Report

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Introduction

Purpose of this Report

1. This report sets out an assessment of the changes to the Central Otago District Plan ('the Plan') proposed in Plan Change 19 (PC19) against section 32 of the Resource Management Act 1991 ('the RMA'). PC19 relates to the provisions, including zoning, applied to the District's residential areas.
2. Section 32 of the RMA requires an evaluation to be undertaken of changes proposed in a plan change. The evaluation must be provided in a report which examines whether the proposed objectives are the most appropriate in achieving the purpose of the RMA. The report must also consider whether the policies and methods, taking into account their costs, benefits, efficiency and effectiveness, are the most appropriate way to achieve the objectives. The report must assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions. The analysis set out in this report is to fulfil the obligations of the Council under s32 of the Act.

About PC19 to the Central Otago District Plan

3. PC19 proposes to make a complete and comprehensive suite of changes to the way the District's residential areas are zoned and managed. As such, it proposes to:
 - Replace the current Section 7 Residential Resource Area of the Plan with a new Residential Zone Section, comprising:
 - a Large Lot Residential Zone chapter;
 - a Low Density residential Zone chapter;
 - a Medium Density Residential Zone chapter; and
 - a Residential Subdivision chapter; and
 - Amend the planning maps to rezone land in general accordance with what has been identified in the Vincent and Cromwell Spatial Plans and to reflect the new zone names above; and
 - Amend Section 18 Definitions to insert new definitions that apply in the Residential Zones chapter and make consequential amendments to existing definitions to clarify the sections of the Plan where they apply; and
 - Make consequential changes to other sections of the Plan to reflect the proposed new zones.
4. PC19 has been driven by, and is intended to implement the direction set out in, the Vincent and Cromwell Spatial Plans, in relation to the District's residential areas. These plans have been prepared by the Council to respond to demand for residential land and housing affordability concerns in the District, and in order to plan for the anticipated growth over the next 30 years. Given the immediate need to address these issues, Council has decided to progress this plan change ahead of the full Plan Review.
5. PC19, in implementing the direction set out in the two spatial plans, involves rezoning new land for residential use, identifying some areas for future growth, aligning existing residential zoning with the proposed new zones, and includes new provisions for managing land use and subdivision within the residential zones. For the avoidance of doubt, PC19 does not propose to alter the

zoning or framework in relation to the rural, business or industrial resource areas or rural settlements zone, in order to give effect to the spatial plans.

6. The zoning proposed in PC19 differs in two instances to that shown in the Cromwell Spatial Plan. The first is in relation to properties fronting Lake Dunstan on Bell Avenue, Lake View Terrace, Stout Terrace, Thelma Place, the McNulty Inlet recreational area/lakefront, and the nohoanga site, that was identified in the Cromwell Spatial Plan as Low Density Residential. This density is considered inappropriate due to the proximity of the nohoanga site and recreational use of the lake front and Large Lot Residential zoning is proposed. The change in density in this area will reduce the residential yield anticipated by the Cromwell Spatial Plan. This has been off-set to some degree by the second difference which is an extension of the proposed Medium Density zoning between Waenga Drive and State Highway 6 from the local purpose reserve containing the walkway to Ripponvale on Waenga Drive, to opposite Ripponvale Road. The extension to the Medium Density Zone identified in the Cromwell Spatial Plan was initially requested by the landowner.
7. PC19 is also part of the Council's District Plan Review programme, and therefore seeks to undertake a comprehensive review of the current provisions applying in residential areas. It therefore applies to all existing Residential Resource Areas, including those outside areas covered in the spatial plans.
8. The Large Lot Residential Zone is located in some of the outer residential areas within the townships of Alexandra, Clyde and Cromwell as well as in Bannockburn, Lowburn and Roxburgh, along with some isolated areas of existing large lot residential near Lake Dunstan. The density within this zone is the lowest of all residential zones, providing for detached dwellings on large sites and maintaining a high open space to built form ratio. Three precincts are also proposed which provide for slightly higher or lower densities in particular areas, reflecting and seeking to retain the existing character of these areas.
9. The Low Density Residential Zone is the largest residential zone in the District covering the majority of residential areas in the townships of Alexandra, Clyde and Cromwell, as well as all of the residential areas in the townships of Roxburgh, Etrick, Millers Flat, Omakau, Ophir, St Bathans, Naseby, Ranfurly and Patearoa. The zone is intended to provide for traditional suburban housing, comprised of predominantly detached house on sections with generous on-site open space and setback from boundaries. The proposed density within this zone is a minimum lot size of 500m².
10. The Medium Density Residential Zone anticipates the highest density of development in all of the residential zones. It is located within the townships of Alexandra, Clyde and Cromwell in areas that are within a walkable distance of commercial areas or other key community facilities. It is intended that this zone develops over time to provide for a range of housing options to meet the diverse needs of the community, with more intense development helping to support commercial and community facilities. The proposed density within this zone is a minimum lot size of 200m². However, a pathway is also provided for comprehensive residential development, which would allow consideration of development of larger sites at greater densities, where it achieves good urban design outcomes. Any development of more than two residential units within this zone will require consideration through a resource consent process, which allows for consideration of how the design and layout achieves good urban design outcomes.

11. A Future Growth Overlay is also applied to areas identified for residential development in Stages 2 & 3 the Vincent Spatial Plan. The Overlay does not alter the existing zoning, but signals areas where future growth is anticipated to be accommodated, subject to future more detailed consideration, particularly in terms of servicing.
12. PC19 also proposes to rationalise the current provisions where appropriate, and in particular those related to Residential Resource Areas 1-13 to simplify the variations in standards and densities where those variations are no longer considered necessary to achieve the outcomes sought. Further updates to the provisions are also proposed to align with current best planning practice. Where changes to the current approach are not considered necessary to achieve the outcomes sought for residential areas, the current provisions are proposed to be rolled over into the new residential zone chapters.
13. In determining the appropriate residential zones and drafting new provisions, the National Planning Standards have been implemented to the extent that it has been possible to do so ahead of the full District Plan Review; including the adoption of the Zone Framework Standard and Format Standards for the new residential zones and Residential Chapter, and the adoption of definitions insofar as they apply to the provisions proposed in the Residential Chapter.

Statutory Context

14. Sections 74 and 75 of the RMA set out legal obligations when preparing a District Plan. Consideration needs to be given to matters including whether the plan accords with the Council's functions under Section 31 of the RMA and the provisions of Part 2 of the RMA. These sections also direct how the plan is to be drafted/considered in relation to a range of other statutory documents. The following section sets out those matters addressed in sections 74 and 75 that are relevant to this topic.

Functions under Section 31

15. Section 31 sets out the functions given to territorial authorities for the purpose of giving effect to the RMA in their district. Under Section 31(1)(a) territorial authorities are required to establish, implement and review objectives, policies and methods to achieve integrated management of the effects of the use, development or protection of land and associated natural and physical resources in the district. Under Section 31(1)(aa) territorial authorities are required to ensure that there is sufficient development capacity in respect of housing and business and to meet the expected demands of the district. Also, of relevance to PC19, is Section 31(1)(b) which requires territorial authorities to control the actual and potential effects of use, development or protection of land.

Part 2 of the RMA – Sections 5, 6, 7 & 8

16. Section 5 of the RMA sets out the purpose of the Act as being the sustainable management of natural and physical resources. In achieving this purpose, the principles set out in sections 6, 7 and 8 must be considered.
17. Of particular relevance to PC19 is section 6(f) which requires persons exercising functions under the Act to recognise and provide for the protection of historic heritage from inappropriate subdivision, use and development.
18. Section 7 includes other matters to which particular regard must be had and includes the efficient use and development of natural and physical resources (s7(b)), maintenance and enhancement

of amenity values (s7(c)) and the maintenance and enhancement of the quality of the environment (s7(f)).

19. Section 8 requires that the principles of Te Tiriti o Waitangi / the Treaty of Waitangi shall be taken into account when exercising powers and functions under the RMA.

National Planning Standards

20. Section 75(3)(ba) of the RMA requires the district plan to give effect to any national planning standard. The planning standards that are relevant to PC19 are District Plan Structure, Zone Framework Standard, Format Standard, District Spatial Layers Standard, Mapping Standard and Definitions Standard.
21. Full implementation of the National Planning Standards is not required until 2024. The approach taken in PC19 is to align the residential provisions with the National Planning Standards as far as practicable. This has included adoption of zones from within the Zone Framework Standard and drafting of the provisions within the proposed Residential Chapter in accordance with the Format Standard.
22. In relation to the Definitions Standard, the Planning Standards definitions have been fully adopted for the residential chapter, but where the Plan contains an existing definition for the same term, it will continue to apply to areas outside the residential zones. This allows the implications of adopting the Planning Standards definitions across the wider Plan to be considered when those parts of the Plan are reviewed.
23. Additionally, some provisions which are in the current Residential Resource Area chapter such as those relating to natural hazards, subdivision and signs, will, under the Planning Standards, need to be moved into a specific district wide chapter. However, as the current Plan structure includes any zone-specific provisions relating to these matters within the zone chapter, these provisions will remain in the individual residential zone chapters until the Planning Standards are fully implemented.

National Policy Statements

24. Section 75(3)(a) of the RMA requires a plan change to give effect to any national policy statements. The only national policy statement of potential relevance to PC19 is the National Policy Statement on Urban Development 2020 (NPSUD), which sets out the objectives and policies for planning for well-functioning urban environments under the RMA. However, the provisions of the NPS-UD only apply to local authorities that have all or part of an “urban environment” within their district or region. The definition of an “urban environment” means any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that is, or is intended to be, part of a housing and labour market of at least 10,000 people. This currently does not apply within the District, while noting that over the horizon covered by the spatial plans, Cromwell is expected to reach this threshold. The approach taken within PC19 is to align the Residential Zones chapter as much as possible within the NPS-UD so that the provisions are future proofed, while noting that the provisions are not strictly required to give effect to the NPS-UD.

National Policy Statement on Urban Development 2020 (NPSUD)	
Provision	Direction
Objective 1, Objective 8, Policy 1	These provisions seek to ensure that urban environments are well-functioning, support reductions in greenhouse gas emissions and are resilient to the current and future effects of climate change. Policy 1 sets out what, as

National Policy Statement on Urban Development 2020 (NPSUD)	
Provision	Direction
	a minimum, a well-functioning urban environment comprises. Of particular relevance, they should have or enable a variety of homes, have good accessibility between housing and other areas, including by way of public or active transport, support reductions in greenhouse gas emissions and be resilient to climate change.
Objective 2, Policy 2, Policy 3.2, Policy 3.10	Planning decisions are required to improve housing affordability by supporting competitive land and development markets. This is to be implemented by providing sufficient development capacity to meet demand over the short, medium and long term.
Objective 3, Policy 5	These provisions require district plans to enable building heights and density of land uses relative to accessibility by public transport or by relative demand for housing in that location.
Objective 4, Policy 6, 3.35	These provisions seek to acknowledge that urban environments, including their amenity values will develop and change over time in response to the diverse and changing needs of people, communities, and future generations. 3.35 directs that the objectives for every zone in an urban environment in its district describe the development outcomes intended for the zone over the life of the plan and beyond.
Objective 5, Policy 9	The principles of the Treaty of Waitangi (Te Tiriti o Waitangi) are to be taken into account in plan-making processes.
Objective 6, Policy 10	These provisions relate to ensuring that development of urban environments are integrated with infrastructure planning, strategic over the medium and long-term and responsive.
Objective 7, Policy 3.9	Local authorities are to maintain and use robust and frequently updated information about their urban environments to inform planning decisions. There are specific directions in 3.9 as to what this requires.

Regional Policy Statement

25. Section 75(3)(c) of the RMA requires a plan change to give effect to any regional policy statement. There are two relevant regional policy statements that apply within the Central Otago District, the partially operative Otago Regional Policy Statement 2019 and the proposed Otago Regional Policy Statement 2021.
26. The relevant policy direction from each of these policy statements is set out below.

Partially Operative Otago Regional Policy Statement 2019	
Provision	Direction
Objective 4.5, Policy 4.5.1, Policy 4.5.2, Policy 4.5.3, Policy 4.5.4, Policy 4.5.5	<p>These provisions provide direction on urban growth and development to ensure it is integrated and co-ordinated and minimises adverse effects.</p> <p>Urban growth is to be planned for by predicting demand and monitoring supply of land to ensure sufficient development capacity is available. Additionally, growth is to be accommodated while have regarding to rural productive land, outstanding natural character and landscapes, significant habitats of indigenous flora and fauna, heritage and cultural values and natural hazard risk.</p> <p>New urban areas should be developed to achieve safe and healthy communities, support community cohesion and provide a diverse range of housing.</p> <p>Subdivision and development is encouraged to adopt low impact design to reduce demand on infrastructure and energy resources.</p>

Partially Operative Otago Regional Policy Statement 2019	
Provision	Direction
Objective 5.1, Policy 5.1.1	Seek to maintain or enhance public access to areas valued by the community including along the coast, lakes and rivers and their margins.
Objective 5.2, Policy 5.2.3	These provisions recognise the heritage resources of the Otago Region and seek to protect and enhance places and areas of historic heritage. This includes encouraging the integration of historic heritage values into new activities.

Proposed Otago Regional Policy Statement 2021	
Provision	Direction
Objective LF-FW-O8, Policies LF-FW-P7, LF-FW-P15, Method LF-FW-M7	<p>These provisions seek to ensure Otago's freshwater bodies support the health and wellbeing of communities and mahikia kai, waterbodies are maintained where they meet limits or are improved to meet limits and are largely suitable for contact recreation.</p> <p>In relation to stormwater, the direction is to discharge stormwater to reticulated system where available and ensure that discharges meet appropriate water quality limits. The encouragement to use water sensitive urban design methods and managing the use of land and subdivision to minimise peak volumes and contaminant loads is required in District Plans.</p>
Objective EIT-EN-O3, Policy EIT-EN-P9	These provisions seek to ensure that development is located and designed to facilitate the efficient use of energy and minimise the contribution that Otago makes to greenhouse emissions. This includes through subdivision lot size and layout to optimise solar gain.
Objective EIT-INF-O5, Policy EIT-INF-P17, Method EIT-INF-M5	This objective and policy provide for the development of nationally and regionally significant infrastructure and land use in a co-ordinated manner. This includes providing additional infrastructure to meet existing and planned demand. District plans are required to ensure development is avoided where it cannot be adequately serviced by existing or planned and funded infrastructure.
Objective HCV-HH-O3, Policy HCV-HH-P5, Policy HCV-HH-P7, Method HCV-HH-M5	These provisions seek to preserve historic heritage through protection and maintenance of heritage values, including the integration of historic heritage values into new activities and the adaptive reuse or upgrade of historic heritage places and areas.
Objective UFD-O1, Objective UFD-O2, Objective UFD-O5, Policy UFD-P2, Policy UFD-P3, Policy UFD-P4, Method UFD-M2	<p>These provisions guide the form and functioning of urban areas and how those areas are to develop and change over time.</p> <p>Of particular relevance is that development should improve housing choice, quality and affordability, deliver good urban design outcomes and improve connectivity.</p> <p>Urban growth is required to integrate with existing land uses and planned infrastructure and achieve consolidated, well designed urban areas.</p> <p>Urban development should respond to the impacts of climate change to increase community resilience, facilitate adaptation to climate change effects and minimise energy use.</p> <p>Sufficient development capacity in urban areas is to be provided by undertaking strategic planning and identifying areas for intensification and urban expansion, including through District Plans. Intensification is to be enabled where it contributes to a well-functioning urban environment, is</p>

Proposed Otago Regional Policy Statement 2021	
Provision	Direction
	well served by infrastructure and is accessible by active or public transport. Expansion of urban areas is to be facilitated where it will not result in inefficient patterns of settlement and is integrated with existing or planned infrastructure.

Iwi Management Plans

27. Section 74(2A) of the RMA requires the council, when preparing its district plan, to take into account “any relevant planning document recognised by an iwi authority and lodged with the territorial authority”. Within the Central Otago District two iwi management plans are relevant, Kāi Tahu ki Otago Natural Resource Management Plan and Te Tangi a Taurira – The Cry of the People.
28. The Kāi Tahu ki Otago Natural Resource Management Plan is the principal planning document for Kāi Tahu ki Otago which reflects the Kāi Tahu ki Otago philosophy to resource management. Provisions from the plan which are particularly relevant to PC19 are set out in the table below.

Kāi Tahu ki Otago Natural Resource Management Plan	
Provision	Direction
5.3.4(10)	To encourage all stormwater be treated before being discharged.
5.3.4(58)	To promote integrated riparian management throughout entire catchments.
5.6.3(1)	The relationship Kāi Tahu ki Otago have with land is recognised in all resource management activities and decisions.
5.6.4(24)	To discourage the erection of structures, both temporary and permanent, in culturally significant landscapes, lakes, rivers or the coastal environment.
5.6.4(26)	To encourage a holistic planning approach to subdivisions.
5.6.4(29)	To require public foot access along lakeshores and riverbanks within subdivisions.
10.2.3(10)	To encourage sustainable land use in the Clutha/Mata-Au Catchment.
10.2.3(11)	To encourage all consents related to subdivision and lifestyle blocks are applied for at the same time including, land use consents, water consents and discharge consents.
10.5.3(2)	To promote recognition of place names amended under the NTCSA 1999 and their use in regional and district plans.

29. The Te Tangi a Taurira – The Cry of the People is the iwi management plan that assists Ngāi Tahu ki Murihiku to participate in natural resource and environmental planning. This plan is a written statement that consolidates Ngāi Tahu ki Murihiku values, knowledge and perspectives on natural resource management issues and is an expression of kaitiakitanga. Provisions which are particularly relevant to PC19 are set out in the table below.

Te Tangi a Taurira	
Provision	Direction
3.4.3.8	Development and utilisation of energy resources should be managed to ensure that negative environmental impacts are avoided or remedied.
3.4.8.2	Development that includes building activity should consider specific landscape and geographic features and the significance of these to Ngāi Tahu Whānui.
3.4.8.4	All Ngāi Tahu Whānui, current and future generations, must have the capacity to access, use and protect high country landscapes, wāhi tapu and mahinga kai site.

Te Tangi a Taurira	
Provision	Direction
3.4.10.1	Ensure protection and enhancement of the mauri or life supporting capacity of all high country and foothills waterways.
3.4.13.5	Advocate for the protection, restoration and enhancement of waterways, riparian margins, wetlands and tarns as a means of protecting and enhancing indigenous biodiversity.

National Environmental Standards

30. Under sections 43B and 44A of the RMA, a district plan cannot conflict with or duplicate a national environmental standard (NES), unless an NES itself states that a rule can be more stringent, or more lenient, than the NES. There are no NES' that are considered relevant to PC19.

Regional Plans

31. Section 75(4)(b) of the RMA requires that the district plan is not inconsistent with any regional plan matter. There are two regional plans considered relevant to PC19 – the Regional Plan: Water for Otago and the Regional Plan: Air for Otago.
32. The Regional Plan: Water for Otago (RWP) addresses the use, development and protection of freshwater resources in the Otago region and the issues associated with the use, development and protection of the beds and margins of waterbodies. The provisions of most relevance to PC19 are those related to discharges of human effluent and stormwater. The RWP seeks to ensure the separation of sewage and stormwater in any new reticulated stormwater system and require the removal of debris, sediments and nutrients present in runoff. Additionally, it is sought to improve the quality of stormwater discharged from existing stormwater systems. In relation to discharges of human effluent, onsite effluent disposal is permitted where the discharge does not exceed a weekly average of 2,000 litres per day and adequate separation can be maintained to surface water bodies and bores.
33. The Regional Plan: Air for Otago controls discharges to air from home heating appliances. In identified Air Sheds discharges from home heating appliance are permitted subject to discharge criteria. It is intended that older burners are replaced by low or no emission heating options to decrease pollution in identified airsheds with timeframes set for replacement.

Water Conservation Orders

34. Section 75(4)(a) of the RMA requires that the district plan is not inconsistent with any water conservation order. No water conservation orders are considered applicable to PC19.

Plans or strategies prepared under other legislation

35. Section 74(2)(b)(i) of the RMA requires the council, when preparing its district plan, to take into account any management plans and strategies prepared under other Acts, to the extent that they have a bearing on the resource management issues of the Central Otago District.
36. PC19 has been developed, in part, to implement the Cromwell Spatial Plan and the Vincent Spatial Plan.
37. The Cromwell Spatial Plan has been developed with the community and was adopted by the Cromwell Community Board in June 2019. The spatial plan forms part of the wider Cromwell Master Plan and provides a coordinated approach to growth management for Cromwell over the next 30 years. The spatial plan reflects the community's preferred option for providing for the anticipated growth within Cromwell and includes several residential zones at different densities,

increased housing options and amenity through more intensified development within the walkable distance from the town centre, design guidelines for residential development and provisions to support greenway retention and development.

38. The Vincent Spatial Plan has also been developed with community input to identify the preferred option for providing for the anticipated growth in Alexandra, Clyde, Ophir and Omakau. The spatial plan identifies areas for growth and change and sets out the intended growth patterns in these settlements for the next 30 years and beyond. The preferred option identified from community and stakeholder input reflects a managed approach to growth which proposes the implementation of zoning changes in a staged manner rather than the release of all land development opportunities at the same time.

Plans or proposed plans of adjacent territorial authorities

39. Section 74(2)(c) of the RMA requires the council, when preparing its district plan, to take into account the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.
40. It is considered there are no particular cross-boundary issues arising from PC19.

Current Approach

41. The Central Otago District Plan manages the existing residential zones primarily in Section 7 Residential Resource Areas of the Plan. In managing activities within the Residential Resource Area, the Plan also provides some direction and additional rules in Section 6 Urban Areas, Section 11 Heritage Precincts, Section 12 District Wide Rules and Performance Standards and Section 16 Subdivision.

Zoning

42. The Plan utilises a single residential zone – the Residential Resource Area - to provide for residential activities. However, where there are distinctions in the anticipated character of an area, for example where lower densities and increased setbacks are expected, or the area has significant landscape features, some residential areas are identified as Residential Resource Areas 1-13. These residential resource areas often reflect the specific planning provisions that were applied to them in the Transitional District Plan, to recognise their particular characteristics¹; or they have been introduced/applied to new areas through private plan changes to the District Plan.

Policy Framework

43. The policy direction in section 7 (policies 7.2.1 – 7.2.7) is primarily focussed on protecting the environmental quality, character and amenity values of residential areas through avoiding, remediating or mitigating adverse effects that can arise from activities and built form within these areas.

¹ Explanation of Policy 7.2.7 in Section 7 of the Central Otago District Plan.

Residential activities

44. Residential activities are generally permitted subject to compliance with the rules and standards in the Plan, including those in Sections 11 to 15². Within the Residential Resource Area, family flats are provided for as a restricted discretionary activity³, as are multi-unit developments⁴.

Non-residential activities

45. The rules in Section 7 also manage non-residential activities. Activities falling within the definition of a 'Homestay' are permitted subject to compliance with the rules and standards in the Plan⁵. Various existing activities are identified as 'Scheduled Activities' and these, along with any lawfully established community facilities, are permitted⁶. Any extension, upgrade or expansion of these activities or facilities, which changes their character or increases their intensity or scale of the effects requires consent as a controlled activity⁷.
46. Travellers accommodation requires consent as a discretionary activity⁸, or as a non-complying activity within Residential Resource Areas 1-13⁹. 'Homestays', because they fall outside the definition of travellers accommodation, are permitted subject to compliance with the rules and standards in the Plan¹⁰.
47. Other non-residential activities are generally caught by a catch-all standard, that requires that any land use activity not otherwise provided for in the rules, must be associated with the use of the site for residential purposes¹¹. Non-residential activities are also controlled through the following restrictions:
- a. Cannot include attracting vehicles to the site for the purpose of refuelling, servicing, maintaining and/or storing those vehicles;
 - b. Except for activities falling within the definition of 'home occupation' cannot involve the retailing of goods and services; and
 - c. Cannot attract the public for any public or private assembly purpose (unless on a reserve/public open space)¹².
48. In addition, activities that have 'noxious effects' (such as waste disposal to land, intensive farming, hazardous substances storage etc) are explicitly listed as non-complying activities¹³.
49. There is no specific policy direction relating to non-residential activities, with the broader policies which seek to protect the environmental quality, character and amenity values of residential

² Under Rule 7.3.1(i). However, in Residential Resource Area 8, 9 &10, consent is required as a controlled activity, refer Rules 7.3.2(ii), (iii) & (iv).

³ Rule 7.3.3(iv)

⁴ Rule 7.3.3(vi)

⁵ Under Rule 7.3.1(i) and due to compliance with Rule 7.3.6(ii).

⁶ Rule 7.3.1 (ii).

⁷ Rule 7.3.2 (v).

⁸ Rule 7.3.4 (iii).

⁹ Rule 7.3.5 (iii).

¹⁰ Under Rule 7.3.1(i) and due to compliance with Rule 7.3.6(ii).

¹¹ Rule 7.3.6 (ii).

¹² Rule 7.3.6(i).

¹³ Rule 7.3.5(i).

areas, include reference to managing adverse effects associated with noise, traffic generation, glare, signage, storage of goods, and hazardous substances¹⁴.

Management of built form

50. The Plan sets out a number of standards in Section 7 which control specific bulk and location requirements¹⁵, and include requirements to mitigate noise from State Highways¹⁶. Where the standards are breached, resource consent is generally required as restricted discretionary activity, and the matters of discretion generally relate to effects on amenity and character of residential areas.
51. Relocatable buildings also require consent as a restricted discretionary activity.¹⁷ The rules in Section 7 also control erection of buildings on land subject to a hazard.¹⁸

Subdivision

52. Subdivision is managed in both section 7, as well as section 16 - Subdivision. Section 16 sets out specific objectives and policy direction for subdivision across the district and includes guidance on ensuring adequate access, infrastructure and appropriate subdivision design. Additionally, policies set out requirements for managing natural hazards and esplanade requirements.
53. The rules for subdivision are included in the relevant zone chapters. Some additional specific subdivision policy direction is also included in Section 7 regarding amenity and character.
54. Subdivision for a limited range of purposes, is a controlled activity¹⁹. All other subdivision, which is not identified as a non-complying activity, is a restricted discretionary activity²⁰, where it meets specified density requirements. These are a minimum allotment size of 250m² in areas where a reticulated sewerage system is available or is installed as part of the subdivision, or 800m² without.²¹ However, a range of different density requirements and/or other restrictions or requirements, such as overall caps on the number of allotments that may be created in any area, or requirements for landscape plans, apply to Residential Resource Areas (1) to (13).²²

Other Controls

55. Section 7 also includes requirements of restrictions relating to carparking²³, access²⁴, signs²⁵, excavation²⁶ and keeping of various animals.²⁷

¹⁴ Policy 7.2.1.

¹⁵ Rules 7.3.6(iii), 7.3.6(iv)

¹⁶ Rules 7.3.6 (xii).

¹⁷ Rule 7.3.3 (iii) and (vii) and 7.3.6 (xi).

¹⁸ Rule 7.3.5 (ii).

¹⁹ Rule 7.3.2(i). Limited to network and public utilities; creation of reserves, preservation of heritage items, boundary adjustments and community facilities.

²⁰ Rule 7.3.3(i).

²¹ Rule 7.3.3(i)(a) and (b).

²² Rule 7.3.3(i)(c).

²³ Rule 7.3.6 (v).

²⁴ Rule 7.6.6(vi)

²⁵ Rule 7.3.6 (vii).

²⁶ Rule 7.3.6 (x).

²⁷ Rule 7.3.3 (v) and 7.3.6(viii).

Issues

56. There are three key issues that PC19 is intended to address, each of which is described in further detail below:
- ISSUE 1: Demand for new residential development and housing affordability;
 - ISSUE 2: Ensuring residential development results in high-quality urban environments; and
 - ISSUE 3: Adopting planning best practice and implementing the National Planning Standards.
57. **ISSUE 1** – Council is aware that there is increasing demand for new residential development in the District, due to population growth. In particular, there has been significant and sustained population growth, particularly in the Cromwell Ward, and to a lesser extent the Vincent Ward.²⁸ There is also a growing concern regarding housing affordability, with trends in affordability in the District mirroring those in the rest of the country where affordability has been reducing over time, particularly since 2015.²⁹ Affordability can be affected by both overall supply as well as the range of living options. With respect to the latter, there is a lack of variety in housing options across the district, particularly for smaller housing types.
58. In response to anticipated growth and affordability issues, Council has undertaken spatial planning for the larger urban areas in the District, to accommodate the anticipated growth. The latest growth projections for the District forecast an increase in the resident population of around 11,000 people with an additional 5,900 dwellings across the District over the next 30 years. Consultation with the community on the Cromwell Spatial Plan and Vincent Spatial Plan indicates there is preference (or growing acceptance) that intensification within existing urban boundaries with limited greenfield development is the appropriate approach to accommodate this growth. Under the current District Plan there is a lack of vacant land to accommodate the predicted residential growth and a lack of clear direction on the appropriate pathway and outcomes to be achieved by intensification.
59. The Cromwell Spatial Plan also seeks to respond to the community’s desire for affordable and available housing by providing for a range of housing types and densities. The Plan currently has little clear direction about the built form and design outcomes to be achieved by residential units, other than single detached dwellings. The current definition of “family flat”, which restricts occupation to a person dependant on the household that lives in the primary dwelling, also decreases the ability for minor residential units to be used by a wider range of people in need of a small residential unit. This lack of housing diversity can also reduce the range of options for retirees. For example, older residents may remain in larger family homes because the ability to downsize is difficult due to a lack of housing diversity.
60. Housing affordability is also influenced by the use of residential properties for activities other than permanent residential occupation, such as for short-term visitor accommodation or non-residential activities.

²⁸ *Central Otago District Council Housing Stocktake*, February 2020. Prepared by Rationale and Benje Patterson.

²⁹ https://ecoprofile.infometrics.co.nz/Central%2bOtago%2bDistrict/StandardOfLiving/Housing_Affordability

61. **ISSUE 2** – In providing for new residential development, there is the potential for poor design and construction to result in lower quality urban areas. This is particularly a concern where new medium density residential zones are proposed, as the zone proposes to provide for higher density development, and such density can affect onsite amenity for residents and the functioning of utility areas, as well as impacting on neighbouring properties. In Clyde, there are also potential issues with new medium density areas within the existing Heritage Precinct detracting from its heritage values.
62. The quality of urban environments can also be improved by the approach taken to the connectivity of development with other areas, and the opportunity to maximise public spaces and infrastructure. For example, connectivity of developments to public spaces and transport networks can affect the liveability and success of new developments; and stormwater areas or floodways can be utilised to also provide public space and recreational opportunities while still reducing flood effects and managing water quality, providing greater overall benefits to the community from these spaces.
63. Finally, the energy efficiency of developments can also affect the comfort and overall amenity of dwellings. Poor layout and design, including siting of developments to access sunlight, can result in an overall impact on the quality of indoor environments and increase energy use and environmental impacts.
64. **ISSUE 3** - The Central Otago District Plan was made operative on 1 April 2008. Since that time, new approaches to planning practice have been developed to achieve improved environmental outcomes and increase plan usability.
65. The National Planning Standards were also released in 2019 and must be implemented by Council by 2024. Due to the current plan format, the ability to fully implement the Planning Standards in PC19 is constrained as the Plan structure does not conform with the District Plan Format Standard.

Response to issues

66. PC19 includes a range of measures intended to address both the demand for new residential development as well as to assist with housing affordability. These include:
 - In general accordance with the spatial plans, introducing three distinct new residential zones: Large Lot Residential; Low Density Residential; and Medium Density Residential, and providing specific objective and policy direction regarding the intended purpose of each zone, as well as applying a gradation approach from larger lots through to higher density areas to provide for a range of different types of residential living opportunities.
 - As identified in the spatial plans, zoning some new areas for residential development, and providing for infill/intensification in some other residential areas.
 - Applying a Future Growth Overlay to areas identified for development in later stages in the Vincent Spatial Plan.
 - Allowing for one minor residential unit per site (without limiting its use to dependent family members).
 - Within the Medium Density Zone, providing for comprehensive residential development, which allows for development of larger sites, beyond the minimum density standards, through a consenting pathway.
 - Limiting the scale and type of non-residential activities within residential zones.

67. To ensure residential development results in high-quality urban environments, PC19 proposes to:
- Apply various built form standards to each zone, in addition to density controls. More standards are applied in the Medium Density Residential Zone, reflecting that higher density development can have a potentially greater impact if not well-designed. The medium density standards have also been subject to urban design input, to ensure that they appropriately manage the effects of built form, while ensuring they do not impede the type of development anticipated within the zone. This includes a lower height limit within the Clyde Medium Density Residential Zone, to assist with new development integrating with the historic setting.
 - Require consideration of two or more residential units on a site within the Large Lot Residential and Low Density Residential Zones, and three or more units within the Medium Density Residential Zone (including comprehensive residential development), through a resource consent process, to allow for more specific consideration of its layout and design. A separate 'Medium Density Residential Design Guide' will also assist in guiding the Council's consideration of development within the Medium Density Residential Zone.
 - Include new provisions which seek to: improve the quality of residential subdivisions by ensuring integration of public spaces, such as through designing areas for multiple uses and ensuring connection with other public spaces and facilities; and encourage energy efficiency as far as possible through subdivision design.
68. PC19 also includes a range of measures intended to implement planning best practise and, to the extent practicable, the National Planning Standards. This includes:
- Rationalising the existing distinctions applied to Residential Resource Areas 1-13, so that any variation is only carried forward into the new chapter where considered necessary to achieve the outcomes sought.
 - Drafting provisions to align with the Format Standard and to be generally consistent with the drafting approach and style used in other recent second generation District Plans.
 - Adopting all relevant definitions within the Planning Standards which apply in the residential zones, but limiting their application to the residential zones only.
 - Selecting zones from within those set out in the National Planning Standards.

Consultation

Schedule 1 Consultation

69. In accordance with Clause 3 of Schedule 1 of the RMA, the following consultation was undertaken during the preparation of PC19. In developing the draft Plan Change, the Council invited a number of stakeholders to attend a workshop to discuss the intended review and identify any particular issues that should also be addressed. This workshop was held on the 7 July 2021 with participants from the Council, external planning consultants, Aukaha, Southern District Health Board and the Otago Regional Council.
70. At the workshop some of the key matters discussed were the options for managing growth with intensification within existing urban areas supported by stakeholders. The potential pressure on housing stock by visitor accommodation providers was raised as a concern as well as the potential impacts on residential amenity and cohesion from significant areas of visitor accommodation. In relation to infrastructure supporting the projected growth, stakeholders supported access to

greenspaces and active transport networks and sustainable infrastructure design such as low impact design stormwater solutions.

71. Further discussion with these parties continued through the engagement on the Vincent Spatial Plan, and a draft of the proposed residential chapter was circulated for discussion at a meeting held on 4 November 2011. Feedback received verbally from all three key stakeholders, with written feedback received from Public Health South on 4th November 2021 and ORC on 10th November 2021.

Consultation with iwi authorities

72. In accordance with Clause 4A of Schedule 1 of the RMA, an updated draft of the proposed residential chapter was forwarded to Aukaha on 26 April 2022 for comment, and a further update on 26 May 2022.

Scale and Significance

73. Section 32(1)(c) of the RMA requires that the s32 evaluation report contains a level of detail that corresponds with the scale and significance of the of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.

74. The potential scale and significance of the effects anticipated from the implementation of provisions are considered moderate to high as:

- The geographic area of the District impacted by PC19 extends to all currently zoned residential areas, in addition to: some areas of rural land on the edge of townships; a portion of the Industrial Resource Area in Cromwell; and a portion of the Business Resource Area in Omakau, which are proposed to be rezoned residential. In addition, the effects of development of residential areas impact directly on those landowners with properties adjoining residential zones and more broadly affect those who experience or utilise these areas.
- There is a reasonable degree of change from the current provisions as PC19 proposes to introduce new zones and while carrying forward a number of existing provisions, the new zone chapters have also rationalised the current approach in various ways, as well as updating the provisions to reflect best practise.
- The type of effects anticipated through the development of residential land, including intensification of existing urban areas will be permanent effects.
- The provisions will in some cases introduce new consenting requirements, but are also expected to provide clearer direction, resulting in greater certainty for developers and the wider community about what is anticipated in residential areas.
- The provisions increase development opportunities within residential areas.

75. Factors that lessen the potential scale and significance of impacts include:

- PC19 is largely implementing two spatial plans that have been subject to extensive community consultation. The final options sought to be reflected in PC19 are consistent with the preferred community options for managing growth.

- Many provisions that are proposed are similar to those that have been adopted in other second generation District Plans for similar districts.
- PC19 does not specifically relate to resources that are matters of national importance under s6 of the RMA, albeit some provisions seek to ensure better integration between the residential zone provisions and the management of existing heritage precincts.
- The plan change will not impose any significant costs on the community.

Evaluation of objectives

Introduction

76. Section 32(1)(a) requires an evaluation of the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA.

77. Section 32(6) defines “objectives” as:

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

78. PC19 proposes to insert a number of new objectives into the Plan as part of the Residential Zones chapter and the evaluation of these objectives against Part 2 of the RMA is set out below. These objectives reflect the specific zones that have been selected for the District’s residential areas, from the range provided in the National Planning Standards. The assessment of the objectives therefore necessarily also includes the broader consideration of the selection of zones proposed: Medium Density Residential; Low Density Residential and Large Lot Residential.

Proposed objectives	
Option 1 (Status Quo) – Retain the existing objectives 7.1.1, 7.1.2, 7.1.3.	
Option 2 – Adopt new objectives LLRZ-O1, LLRZ-O2, LLRZ- O3, LRZ-O1, LRZ-O2, MRZ-O1, MRZ-O2, SUB-O1.	
Assessment	
Option 1 (Status Quo) – Retain current Residential Resource Areas and current objectives 7.1.1, 7.1.2, 7.1.3	Summary of Evaluation
Together these objectives seek to manage the Residential Resource Area to maintain residential character, protect the living environment and amenity enjoyed by residents and manage changes in the environment through the plan framework.	<p>The spatial plan processes have identified the ways in which residential areas can be developed to make better use of natural and physical resources (under s7(b) of the RMA) and to better address the demand for new residential development, as well as to assist with housing affordability. This option would not give effect to the outcomes of those plans, and therefore this option only goes so far in managing residential areas to provide for the community’s well-being (s5(2) of the RMA).</p> <p>This option broadly aligns with the requirement to manage adverse effects of activities within residential environments (s5(2)(c)). However, this option provides limited guidance to plan users regarding the varied outcomes sought in different residential areas as there is no clear distinction between the character of different types of residential areas. As such, it is not clear what the qualities and amenity values of these areas are</p>

	<p>that are to be maintained and enhanced (under ss7(c) and 7(f) of the RMA).</p> <p>This option also does not reflect the zone descriptors required by the National Planning Standards.</p> <p>While the Plan does not need to give effect to the NPS-UD at this time, the current zonings are not considered to give full effect to the NPS-UD provisions.</p>
<p>Option 2 – Adopt Medium Density Residential; Low Density Residential and Large Lot Residential Zones and proposed objectives</p>	<p>Summary of Evaluation</p>
<p>LLRZ-O1 The Large Lot Residential Zone provides primarily for residential living opportunities.</p>	<p>Together these objectives and the associated selection of zones are considered the most appropriate way to achieve the purpose of the Act because they:</p> <ul style="list-style-type: none"> • Directly relate to the resource management issues identified, including by: <ul style="list-style-type: none"> ○ Encouraging a greater range of housing choice and diversity of built form, appropriate for each zone, through creation of three distinct zones; ○ Accommodating future growth and facilitating an appropriate urban form by enabling higher density development; and ○ Adopting zones from within the National Planning Standards. • In addressing the above matters, will manage the natural and physical resources in residential areas in a way that better provides for the community's well-being (s5(2)). • Provides greater direction on how adverse effects of activities within these zones are to be managed (s5(2)(c)); • Will assist in maintaining and enhancing amenity values and qualities of residential zones (s7(c) and s7(f)) through providing clear direction on the anticipated purpose, character and qualities of each of the different residential zones proposed; • Will give effect to the operative RPS as: <ul style="list-style-type: none"> ○ They include direction on how growth and development in residential areas is to be integrated and co-ordinated; ○ The zones seek to generally implement the spatial plans, which have been undertaken to predict demand and ensure sufficient capacity is provided; and ○ They provide for a diverse range of housing to be developed. • Will give effect to the proposed Otago RPS as: <ul style="list-style-type: none"> ○ They align with the direction to improve housing choice, quality and affordability, deliver good urban design outcomes and improve connectivity;
<p>LLRZ-O2 The Large Lot Residential Zone is a pleasant, low-density living environment, which:</p> <ol style="list-style-type: none"> 1. contains predominantly low-rise and detached residential units on large lots; 2. maintains a predominance of open space over built form; 3. provides good quality on-site amenity and maintains the anticipated amenity values of adjacent sites; and 4. is well-designed and integrated into surrounding area. 	
<p>LLRZ-O3 The density of development in the Large Lot Residential Precincts recognises and provides for maintenance of the amenity and character resulting from existing or anticipated development in these areas.</p>	
<p>LRZ-O1 The Low Density Residential Zone provides primarily for residential living opportunities, as well as activities that support, and are compatible with the character of, the zone's residential focus.</p>	
<p>LRZ-O2 The Low Density Residential Zone is a pleasant, low-density suburban living environment, which:</p> <ol style="list-style-type: none"> 1. contains predominantly low-rise and detached residential units; 	

<ol style="list-style-type: none"> 2. maintains a good level of openness around buildings; 3. provides good quality on-site amenity and maintains the anticipated amenity values of adjacent sites; and 4. is well-designed and well-connected into surrounding area. 	
<p>MRZ-O1 The Medium Density Residential Zone provides primarily for a range of more intensive residential living opportunities, as well as activities that support, and are compatible with, the zone's residential focus.</p>	
<p>MRZ-O2 The Medium Density Residential Zone is a good quality living environment, which:</p> <ol style="list-style-type: none"> 1. positively responds to the natural, heritage and cultural context and site features; 2. provides a range of housing types, including those of a greater density than other residential zones, making efficient use of land and providing for growth needs; 3. is responsive to and well-connected into the surrounding area; 4. is well-designed, balancing affordability with good urban design outcomes; and 5. provides good quality on-site amenity and maintains the anticipated amenity values of adjacent sites. 	<ul style="list-style-type: none"> ○ The proposed zones broadly give effect to the spatial plans which in turn seek to achieve consolidated urban form, integrated with infrastructure provisions and upgrades. ● Are consistent with the direction set out in the NPS-UD which future proofs the plan change if the District becomes an “urban environment” as: <ul style="list-style-type: none"> ○ They are consistent with ensuring the district's residential areas are part of a well-functioning urban environments, through enabling a variety of homes, with good accessibility between housing and other areas and a compact urban form that supports reductions in greenhouse gas emissions. ○ The proposed zones and outcomes sought for each will assist in improving housing affordability. ○ As the zones align with the spatial plans, they will provide the development capacity identified through those planning processes as being required to meet demand and integrate with infrastructure planning. ○ The built form outcomes set out in these objectives reflect the density and height of development relative to demand in each zone. ○ The outcomes sought for the Medium Density Residential Zone, in particular, reflect that the amenity values within this zone will develop and change over time, reflecting that this zone provides for more diverse housing needs ○ The objectives clearly state the development outcomes intended for each zone. ● Reflect the community consultation on the anticipated character and amenity of the residential areas subject to the Cromwell Spatial Plan and Vincent Spatial Plan; and ● Increase clarity for plan users of the different outcomes sought for different residential areas.
<p>SUB-O1 The subdivision of land within residential zones creates sites and patterns of development that are consistent with the purpose, character and amenity values anticipated within that zone.</p>	

Summary

79. Option 2 is the considered the most appropriate to achieve the purpose of the RMA. This option will best enable the Central Otago community to provide for their wellbeing and will maintain and enhance the amenity values of residential areas within the District. Providing for a range of residential zones provides clearer direction on the anticipated outcomes for each area and assists with providing for a range of housing options to suit the needs of the community. Option 2 also gives effect to the requirements set out in the National Planning Standards in relation to the

choice of residential zones, and future proofs the provisions in the event the District becomes an “urban environment” and is then required to give effect to the NPS-UD.

Evaluation of proposed policies, rules and other methods

Introduction

80. Section 32(1)(b) requires an evaluation of whether the provisions are the most appropriate way to achieve the objectives by identifying other reasonably practicable options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions. Section 32(3) states that if the proposal is an amending proposal (will amend an existing plan), the examination under Section (1)(b) must relate to the provisions and objectives of the amending proposal and the objectives of the existing proposal (current Plan) to the extent that those objectives are relevant to the objectives of the amending proposed and would remain if the amending proposal were to take effect.
81. PC19 proposes to insert a number of objectives which are identified above, and therefore relevant to the assessment of the policies and rules contained in this plan change. In relation to the current Plan, there are several objectives that are also relevant to this proposal and these have been identified and assessed alongside the PC19 objectives below.
82. The assessment must identify and assess the benefits and costs of environmental, economic, social and cultural effects that are anticipated from the implementation of the provisions, including opportunities for economic growth and employment. The assessment must, if practicable, quantify the benefits and costs and assess the risk of acting or not acting if there is uncertain or insufficient information available about the subject matter.
83. The proposed provisions have been assessed in two groups as follows:
 - Provisions that relate to changes to planning maps to apply the zones chosen, and how activities within each residential zones are managed; and
 - Provisions that relate to how built form is managed.
84. The specific provisions assessed within each group are set out in more detail below.

Changes to planning maps to apply the zones chosen, and how activities within each residential zones are managed

85. The relevant provisions that are assessed in this section are:

Maps

- Identification on the Planning Maps of Large Lot Residential, Low Density Residential and Medium Density Residential zones; and a Future Growth Overlay;
- Deletion of Concept Plans in Schedule 19.17, 19.18, 19.19 and 19.20.

Definitions

- New definitions of “ancillary activity”, “convenience retail activity”, “educational facility”, “home business”, “industrial activity”, “large format retailing”, “minor residential unit”, “retirement village”, “visitor accommodation”, “noxious activity”.

- Amend definitions of “accessory building”, “building”, “community facility”, “comprehensive residential development”, “residential activity”, “residential unit”.
- Delete definition of “home occupation”.

Policies

- LLRZ-P2, LLRZ-P3, LLRZ-P4, LLRZ-P5, LLRZ-P8, LRZ-P2, LRZ-P3, LRZ-P4, LRZ-P5, LRZ-P6, MRZ-P3, MRZ-P4, MRZ-P5, MRZ-P6, MRZ-P7.

Rules

- LLRZ-R1, LLRZ-R2, LLRZ-R4, LLRZ-R5, LLRZ-R6, LLRZ-R7, LLRZ-R8, LLRZ-R10, LLRZ-R11, LLRZ-R12, LLRZ-R13, LLRZ-R14, LLRZ-R15, LRZ-R1, LRZ-R2, LRZ-R4, LRZ-R5, LRZ-R6, LRZ-R7, LRZ-R8, LRZ-R10, LRZ-R11, LRZ-R12, LRZ-R13, LRZ-R14, LRZ-R15, LRZ-R16, LRZ-R17, LRZ-R18, MRZ-R1, MRZ-R2, MRZ-R3, MRZ-R5, MRZ-R6, MRZ-R7, MRZ-R8, MRZ-R9, MRZ-R11, MRZ-R12, MRZ-R13, MRZ-R14, MRZ-R15, MRZ-R16, MRZ-R17, MRZ-R18, MRZ-R19.

86. The following table identifies the objectives that are relevant to the assessment of this group of provisions, and provides an assessment of the effectiveness and efficiency of the proposed provisions in achieving those objectives. The assessment includes identification and assessment of the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions.

Relevant Objective(s)	
<i>PC19 Objectives</i>	
LLRZ-O1	The Large Lot Residential Zone provides primarily for residential living opportunities.
LRZ-O1	The Low Density Residential Zone provides primarily for residential living opportunities, as well as activities that support, and are compatible with the character of, the zone’s residential focus.
MRZ-O1	The Medium Density Residential Zone provides primarily for more intensive residential living opportunities, as well as activities that support, and are compatible with, the zone’s residential focus.
SUB-O1	The subdivision of land within residential zones creates sites and patterns of development that are consistent with the purpose, character and amenity values anticipated within that zone.
<i>Current District Plan Objectives</i>	
6.3.1	To promote the sustainable management of the urban areas in order to: (a) Enable the people and communities of the district to provide for their social, economic and cultural wellbeing and their health and safety; and (b) Meet the present and reasonably foreseeable needs of these people and communities
6.3.2	To manage urban growth and development so as to promote the maintenance and enhancement of the environmental quality and amenity values of the particular environments found within the District’s urban areas
6.3.6	To enable and promote the provision of accessible community facilities and emergency service activities, to meet the social, economic, cultural, health and safety needs of the community.
	Benefits
	Costs

Environmental	<ul style="list-style-type: none"> • Provides the ability for denser forms of housing typologies in residential areas, which assists in achieving a compact urban form, thereby minimising the loss of productive soils and reducing travel costs. • Provides a clear distinction between what is an acceptable home business or non-residential activity and a larger commercial operation. • Permitting minor residential units that can be occupied by non-family members can result in more efficient use of land. 	<ul style="list-style-type: none"> • Provisions provide for an increase in built density and potentially a change to residential amenity. • Provides greater opportunity for small-scale non-residential activities, which can have different effects to residential use, such as effects arising from traffic, parking and signage.
Social	<ul style="list-style-type: none"> • Provides for choice in housing, enabling people to remain in their community even though their housing needs may change through their life. • Provides certainty for communities as to the future level of change or development that can be expected. • Ensures retention of the residential amenity and character. • Provides flexibility for home-based work opportunities. • Non-residential activities that serve the needs of the local community are enabled in locations that meet the needs and preferences of the community. 	<ul style="list-style-type: none"> • May alter the residential amenity and character of residential areas from their current state. • Provisions provide for a population increase, which in-turn may place increased pressure upon community facilities and services, such as schools and doctors. • The framework for non-residential activities may discourage these activities from establishing in residential areas, which in some cases may affect the cultural and social needs of the community. However the change in approach from the status quo is limited, so does not result in a large increase in costs.
Economic	<ul style="list-style-type: none"> • Provides for diversity of housing choice within different residential areas. • Encourages a more efficient use of land for residential purposes and increases efficiency of existing and future infrastructure within townships. • Increases potential development opportunities. • Allows more home-based business activities to establish, creating more opportunities for small-scale businesses that might not be feasible to establish in a commercial area. • Streamlined rules for ease of use and more clarity for interpretation and implementation. • PC19 partially implements the National Planning Standards which will ultimately improve usability for 	<ul style="list-style-type: none"> • The provisions for alternative housing typologies may be too restrictive in terms of design and result in higher building costs which are passed onto the future buyers. • Potential increase in infrastructure costs associated with residential intensification. • A reduction of current development potential for some properties. • Stronger emphasis on building layout, design and streetscape impact reduces flexibility for developers, and may reduce development yield and associated financial benefits. • Until the remainder of the District Plan is reviewed, PC19 does introduce a new structure and approach which may decrease plan usability initially.

	<p>plan users and potentially reduce costs as plans are standardised across New Zealand.</p> <ul style="list-style-type: none"> Provides direction on where future growth is anticipated over a longer timeframe, which will assist with infrastructure planning. 	
Cultural	None identified	None identified
Efficiency		
<p>The proposed provisions will be highly efficient at achieving the relevant objectives. In particular, the provisions seek to target the approach taken to managing activities within residential zones by enabling activities that are considered to achieve the outcomes sought, and requiring resource consent where effects need to be considered on a case-by-case basis as to whether an activity will achieve the outcomes sought. The provisions will provide greater efficiencies for plan users through clearer directions and expectations for activities in the residential zones. While there could be costs associated with the loss of existing residential amenity as developments change the character of areas and population increases place pressure on existing services, the overall benefits outweigh these costs.</p>		
Effectiveness		
<p>The proposed provisions are considered the most effective at achieving the objectives as they provide for a range of living opportunities, consistent with the character of each different zone, and manage activities within residential areas to maintain a residential focus.</p>		
Other Reasonably Practicable Options Considered		
<ol style="list-style-type: none"> Continuation of the current zoning and approach to activities. Adoption of additional or alternate zones from the National Planning Standards. Limiting areas where visitor accommodation is anticipated. Requiring resource consent for all non-residential activities. 		
Appropriateness Assessment		
<ol style="list-style-type: none"> Retaining the current zoning would not achieve the relevant objectives of PC19, as it would not provide for the specific Large Lot, Low Density or Medium Density residential zones or assist in facilitating diverse housing typologies. The Plan's current approach to minor residential units also limits use to family members, and therefore does not provide for anyone in the wider community seeking smaller housing options. Additionally, the minimal policy direction provided regarding non-residential activities could result in inconsistent assessment of these activities and uncertainty for plan users. This option would also not implement the National Planning Standards in terms of the zones chosen. For these reasons, it is considered that this option is neither efficient or effective at achieving the relevant objectives. Adopting alternative or additional zones from the National Planning Standards is not considered appropriate as this would not align with the two spatial plans. These plans have taken into account the anticipated character and amenity of different areas. This option would involve encouraging visitor accommodation in particular areas where it would be more appropriate, while discouraging this activity from less suitable areas, such as through the incorporation of a map overlay and associated policy and rule framework. Such restrictions on visitor accommodation were considered as one tool for addressing housing affordability, through limiting the use of residential properties for short-term accommodation instead of as a permanent living option. However, this is not considered to be a significant issue within this district, and the proposed range of other measures in PC19 to provide for a greater range of living opportunities, is considered sufficient to achieve the outcomes sought, without the need for further restrictions on visitor accommodation. This option is therefore considered less appropriate as while it would be effective at maintaining a residential focus within these zones, it would impose greater restrictions/costs than are considered necessary to achieve the outcomes sought and would therefore be less efficient. Requiring resource consent for all non-residential activities in residential zones is considered less appropriate than the proposed provisions that seek to enable home occupations and non-residential 		

activities that are expected to have minimal impacts on residential character and amenity. While this option would be effective at achieving the outcomes sought, it is less efficient, as it would require resource consent for activities that can be easily managed to achieve the outcomes sought through the application of limitations on scale or other conditions.

Risk of acting or not acting

87. Section 32(2)(c) of the RMA requires that the efficiency and effectiveness assessment also assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.
88. For matters relating to rezoning land for residential purposes and adopting the range of residential zones, Council has sufficient information to identify the appropriate zones. This is on the basis of the National Planning Standards directing the range of zones that can be used and PC19 selecting appropriate zones from this, and by adopting zoning changes that have been identified through the spatial plan processes. These processes have been informed by technical advice, specifically in relation to projected growth of the District's population and households, urban design and infrastructure capacity. Additionally, extensive consultation with the relevant communities has informed the preferred option. In relation to the management of activities, the policy response has been informed by stakeholder engagement and current planning best practice applied to the same activities in similar Districts.
89. Therefore, it is considered that there is certain and sufficient information to inform these changes and the risk of acting in the manner proposed is therefore low.

Overall evaluation of appropriateness

90. Overall, the proposed provisions are considered the most appropriate method to achieve the relevant objectives for each zone. They seek to provide for the anticipated growth in the district through zoning of different residential areas, and to manage activities in each residential zone to accord with their purpose. The provisions adopt the relevant National Planning Standards residential zones and generally reflect the zoning identified in the spatial plans. These provisions will effectively implement the national statutory direction and assist in giving effect to the partially operative RPS and proposed RPS, particularly in regards to accommodating growth.

Provisions that relate to how built form is managed

91. The relevant provisions that are assessed in this section are:

Definitions

- New definitions of "building coverage", "building footprint", "ground level", "habitable room", "height in relation to boundary", "outdoor living space", "outlook space", "relocated building".
- Amend definitions of "height", "site".

Policies

- LLRZ-P1, LLRZ-P6, LLRZ-P7, LRZ-P1, MRZ-P1, MRZ-P2, SUB-P1, SUB-P2, SUB-P3, SUB-P4.

Rules

- LLRZ-R3, LLRZ-R9, LRZ-R3, LRZ-R9, MRZ-R4, MRZ-R10, SUB-R1, SUB-R2, SUB-R3, SUB-R4, SUB-R5, SUB-R6.

Standards

- LLRZ-S1, LLRZ-S2, LLRZ-S3, LLRZ-S4, LLRZ-S5, LLRZ-S6, LLRZ-S7, LRZ-S1, LRZ-S2, LRZ-S3, LRZ-S4, LRZ-S5, LRZ-S6, LRZ-S7, LRZ-S8, LRZ-S9, LRZ-S10, MRZ-S1, MRZ-S2, MRZ-S3, MRZ-S4, MRZ-S5, MRZ-S6, MRZ-S7, MRZ-S8, MRZ-S9, MRZ-S10, SUB-S1.

92. The following table identifies the objectives that are relevant to the assessment of this group of provisions, and provides an assessment of the effectiveness and efficiency of the proposed provisions in achieving those objectives. The assessment includes identification and assessment of the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions.

Relevant Objectives	
<i>PC19 Objectives</i>	
LLRZ-O2	The Large Lot Residential Zone is a pleasant, low-density living environment, which: <ol style="list-style-type: none"> 1. contains predominantly low-rise and detached residential units on large lots; 2. maintains a predominance of open space over built form; 3. provides good quality on-site amenity and maintains amenity values of adjacent sites; and 4. is well-designed and integrated into surrounding area.
LLRZ-O3	The density of development in the Large Lot Residential Precincts recognises and provides for maintenance of the amenity and character resulting from existing or anticipated development in these areas.
LRZ-O2	The Low Density Residential Zone is a pleasant, low-density suburban living environment, which: <ol style="list-style-type: none"> 1. contains predominantly low-rise and detached residential units; 2. maintains a good level of openness around buildings; 3. provides good quality on-site amenity and maintains amenity values of adjacent sites; and 4. is well-designed and integrated into surrounding area.
MRZ-O2	The Medium Density Residential Zone is a good quality living environment, which: <ol style="list-style-type: none"> 1. positively responds to the natural, heritage and cultural context and site features; 2. provides a range of housing types, including those of a greater density than other residential zones, making efficient use of land and providing for growth needs; 3. is responsive to and well-connected into the surrounding area; 4. is well-designed, balancing affordability with good urban design outcomes; and 5. provides good quality on-site amenity and maintains the anticipated amenity values of adjacent sites.
SUB-O1	The subdivision of land within residential zones creates sites and patterns of development that are consistent with the purpose, character and amenity values anticipated within that zone.
<i>Current District Plan Objectives</i>	
6.3.1	To promote the sustainable management of the urban areas in order to: <ol style="list-style-type: none"> (a) Enable the people and communities of the district to provide for their social, economic and cultural wellbeing and their health and safety; and (b) Meet the present and reasonably foreseeable needs of these people and communities
6.3.2	To manage urban growth and development so as to promote the maintenance and enhancement of the environmental quality and amenity values of the particular environments found within the District's urban areas
6.3.5	To recognise and protect the heritage values of the District's urban areas.
	Benefits
	Costs

Environmental	<ul style="list-style-type: none"> • The provisions will ensure sufficient on-site amenity for occupants and will appropriately manage adverse effects on the surrounding environment. • Encourages energy efficiency reducing energy demand. • Protects values associated with heritage precincts from being compromised through subdivisions. 	<ul style="list-style-type: none"> • The provisions allow for greater built form in some areas, particularly the Medium Density Residential Zone. This has the potential to adversely affect the surrounding areas, for example in terms of building dominance. However the standards have been informed by urban design input to ensure appropriate consideration of these effects.
Social	<ul style="list-style-type: none"> • Ensures maintenance of the anticipated residential amenity and character. • Well-being of landowners is protected through the bulk and location controls as they are similar to the existing provisions. • Encourages dual use of infrastructure areas which will provide recreation benefits to community. • Ensures connectivity of public spaces. • Urban design controls, particularly in the Medium Density Residential Zone, will help ensure development is good quality and integrates with public spaces. 	<ul style="list-style-type: none"> • May result in a change to the residential amenity and character in existing areas.
Economic	<ul style="list-style-type: none"> • Streamlined rules for ease of use and more clarity for interpretation and implementation. • Reduction in built form restrictions within Medium Density Residential zones (e.g. reduced setbacks and increased site coverage limits) increase development opportunities. 	<ul style="list-style-type: none"> • Introduces some additional requirements in Medium Density Residential zones to provide minimum outdoor living and storage space.
Cultural	<ul style="list-style-type: none"> • Aligns with direction in Kāi Tahu ki Otago Natural Resource Management Plan to encourage a holistic planning approach to subdivisions. 	<ul style="list-style-type: none"> • None identified.
Efficiency		
<p>Overall, it is considered that the proposed provisions will efficiently achieve the relevant objectives. The provisions will provide greater efficiencies for plan users through clearer directions and expectations for the built form in the residential zones and protect the anticipated amenity and character of residential areas. The proposed provisions rationalise different standards applying in different areas that are no longer considered necessary to achieve the outcomes sought. While additional controls have been introduced in the Medium Density Residential Zone, this reflects that a greater level of built form is being enabled and ensures that development in this zone will still be undertaken in a way that will meet the outcomes sought.</p>		
Effectiveness		

The proposed provisions are considered the most effective at achieving the objectives as together they will:

- Provide for buildings to be established which are consistent with the character and amenity values anticipated within each zone.
- Provide for on-site and off-site amenity for residents as appropriate for each residential zone.
- Ensure that medium density residential development achieves good urban design outcomes.
- Provide clear methods to manage built form in the residential zones to achieve the desired character and amenity of each area.
- Ensure subdivision is managed in a way that integrates with the surrounding area.

Other Reasonably Practicable Options Considered

1. Continuation of the current approach to built form.
2. Incorporating Design Guides within the Plan to guide appropriate residential development.

Appropriateness Assessment

1. Firstly, it is noted that a number of the existing built form standard are proposed to be carried forward in PC19, because they are still considered to be appropriate to achieve the outcomes sought. Continuation of the existing policy framework, and other standards that are proposed to be amended, are considered to be a less appropriate way to achieve the objectives. This is because the current provisions provide an ad hoc approach to the distinction in the built form anticipated in the different areas through different standards applying in some of the Residential Resource Areas. The current policies also do not provide as clear direction regarding the anticipated built form of residential zones and the scale of activities that are considered appropriate and compatible with the zone. For the Medium Density Residential Zone, some existing built form standards are too restrictive to achieve the built form outcomes sought, while conversely, a lack of control over matters such as provision of outdoor living, service, storage and outlook spaces, the height of fences and the location of habitable rooms may risk the achievement of the outcomes sought. The status quo provisions in the plan in terms of definitions also do not implement the National Planning Standards. This is considered inappropriate as these standards, such as the definitions, must be implemented by Council before 2024.

2. This option is not considered the most appropriate approach as it limits the flexibility of design options and affects the ability of Council to update these design guides, if improvements are required. As such it would be effective at achieving the outcomes sought, but less efficient. Retaining design guides outside the Plan, and ensuring these guides align with the matters of discretion and policy direction, will still allow for design guides to be used to assist with any resource consent process, without formalising their status within the Plan itself.

Risk of acting or not acting

93. Section 32(2)(c) of the RMA requires that the efficiency and effectiveness assessment also assesses the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.
94. For matters relating to the provisions of the residential zones, the Council has sufficient information as the built form requirements are to a large degree a continuation of the current framework. Where changes have been recommended, such as the additional standards for: living, service, storage and outlook spaces; the height of fences; and the location of habitable rooms in the Medium Density Residential Zone, these align with approaches taken in other second generation District Plans with similar characteristics and have also been informed by input from urban designers.

95. Based on the above, it is considered that there is sufficient and certain information to act in the manner proposed, and that the risk of doing so is low.

Overall evaluation of appropriateness

96. Overall, it is considered that the proposed set of provisions is the most appropriate method to achieve the relevant objectives of PC19 and the Plan. The provisions will appropriately manage built form in each residential zone to ensure achievement of the different amenity values and character anticipated in each zone. PC19 rationalises and builds on the existing approach to managing built form, ensuring that the provisions are appropriately targeted to achieve the outcomes sought. PC19 is anticipated to better achieve the desired character and amenity values associated with each of the different residential zones by providing greater direction for plan users on the anticipated built form in each residential zones.

Conclusion

97. This evaluation has been undertaken in accordance with Section 32 of the RMA. It has provided an assessment of the appropriateness of the provisions within the proposed PC19 at achieving the purpose of the Act. This has included considering their efficiency and effectiveness, their alignment with relevant direction in other statutory documents, and their contribution towards achieving the relevant operative plan objectives.
98. PC19 proposes to wholly replace Section 7 of the operative District Plan and make comprehensive changes to the way in which the District's residential areas are zoned and managed. The adopted zones implement the National Planning Standards, broadly give effect to the Cromwell and Vincent Spatial Plans to accommodate projected growth, and give effect to the operative and proposed RPS'. Additionally, while not currently required, PC19 has been developed in a manner that gives effect to the NPS-UD thereby future proofing the Plan if the District becomes an "urban environment".
99. Overall, it is considered that the PC19 objectives are the most appropriate to achieve the purpose of the RMA and the provisions are most appropriate to achieve the proposed objectives. The benefits of the provisions outweigh the costs and a number of efficiencies can be gained, particularly in relation to providing for growth and greater clarity and certainty for plan users.