Tasman Resource Management Plan

Proposed Plan Change 76:

Wakefield – Residential Growth

Section 32 Evaluation Report

19 September 2022

Contents

1. Executive Summary

The purpose – and therefore the objective – of Plan Change 76 ('this Plan Change') is to provide additional land for residential housing and encourage both intensification and a variety of densities within an identified site in Wakefield (the proposed 'Wakefield Development Area'). This is responding to issues around the need to provide for population growth, the need to manage housing affordability and the need to provide a variety of lot sizes to cater for different demographics and ensure efficient land use. In order to address these issues, this Plan Change is seeking to rezone and change applicable rules for an area of land identified in the Future Development Strategy 2022 and to encourage medium density[1] housing in this area and the adjoining area of undeveloped Residential zoned land.

Medium density housing will be encouraged within the proposed Wakefield Development Area by applying the Tasman Resource Management Plan's (TRMP's) existing Compact Density provisions to the site, with an additional non-notification provision. This is considered to be the most appropriate method of encouraging intensification as it uses existing provisions in the TRMP (ensuring consistency) and introduces a non-notification provision.

This Plan Change is also seeking to require a minimum development yield and variety of section sizes when subdividing sites greater than 2 hectares. This is achieved by requiring a percentage of allotments to be smaller than standard residential allotments within the Wakefield Development Area. This approach is intended to ensure that a variety of lot sizes are achieved.

In order to enable medium density development in the proposed Wakefield Development Area, key constraints such as flood hazard from Pitfure Stream, dam break hazard in the north-eastern corner of the site, and stormwater management will need to be addressed at the subdivision stage. This Plan Change includes provisions relating to these matters, to ensure that they are appropriately managed at the time of consenting and development.

2. Overview and Purpose

2.1 Purpose of Section 32 RMA

The fundamental purpose of Section 32 of the Resource Management Act 1991 (RMA) is to ensure transparent, robust decision-making in the development of plans, plan changes and policy statements. This includes the use of sound evidence and rigorous analysis, which in turn leads to robust and enduring provisions.

This Section 32 report is intended to clearly and transparently communicate the reasoning behind plan provisions to decision makers, the public and future plan users. The effects of new policies and rules on the community, the economy, and the environment is clearly identified and assessed during this evaluation. This becomes an enduring document recording the rationale and thinking behind the provisions. It tells the story of why the provisions are the most appropriate way to achieve the purpose of the RMA.

Tasman District Council ('Council') is required to undertake an evaluation of any proposed plan provisions before notifying those provisions. The Section 32 evaluation report provides the

[1] *Medium Density, as defined in the Tasman Resource Management Plan – 'means residential development with a dwelling density between 20 – 30 dwellings per hectare on sites averaging between 200 – 300 square metres in extent, including Compact Density, Comprehensive and Intensive housing development.'*

reasoning and rationale for the proposed provisions and should be read in conjunction with those provisions.

2.2 What are the Proposed Changes?

2.2.1 Status Quo

In order to understand the changes proposed in this Plan Change, it is necessary to first understand the site and the existing planning provisions that apply. This section outlines the site's existing zoning, and what is allowed for if the status quo is retained (i.e., if the proposed provisions of this Plan Change are not adopted).

The Plan Change site is a parcel of land, approximately 33 hectares in area, located on the south-eastern urban fringe of Wakefield. It is located between Pitfure Road, State Highway 6 to the north, Edward Street to the south, and Higgins Road/ The Great Taste Trail, and is dissected by Pitfure Stream. The Plan Change site boundaries are approximately shown below along with the existing zoning.

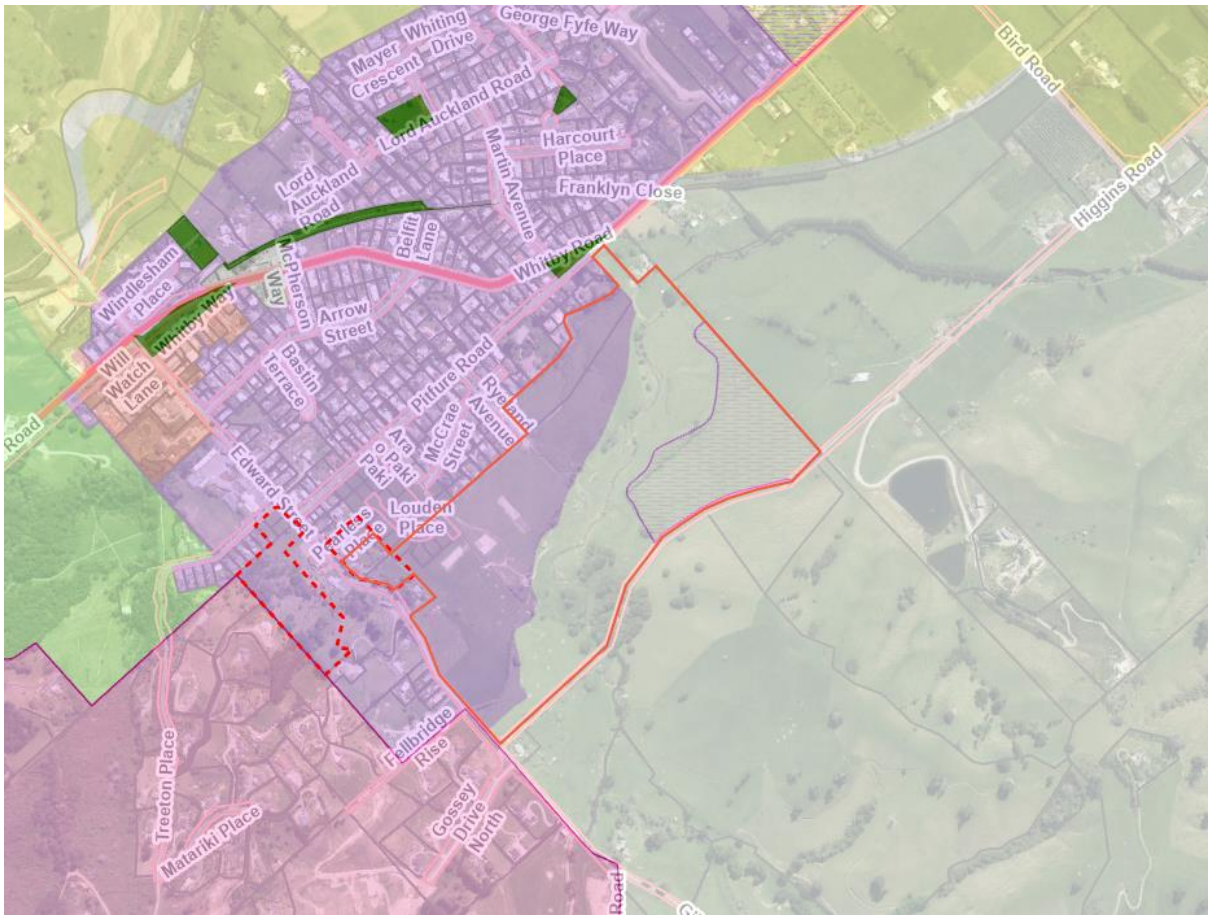

Figure 1: Plan Change Site and Existing Zoning (White = Rural 2, Purple = Residential, Purple Hatching = Rural 2 deferred Rural Residential)

The site comprises of:

- Residential zoned land on the north-western side of the site.

  Under this existing operative zoning, this portion of the site is able to be developed in accordance with the standard density residential development provisions. This includes being able to construct a single residential dwelling on each site as a permitted activity (TRMP Rule 17.1.3.1), and a minimum lot size of 450m^2 for subdivision to occur as a

controlled activity (TRMP Rule 16.3.3.1). The Residential Zone rules also allow for Comprehensive Development land use (being the construction of three or more dwellings per site) to occur with a restricted discretionary activity status (TRMP Rule 17.1.3.4A) or higher.

- Rural 2 zoned land, immediately either side of Pitfure Stream.

  Under this existing operative zoning, it is permitted to construct a single residential dwelling per site (TRMP Rule 17.6.3.1(c)), and a minimum allotment size of 50 hectares (TRMP Rule 16.3.6.1(a)) applies for subdivision as a controlled activity.

- 'Rural 2 deferred Rural Residential' land, in the north-eastern corner of the site.

  The Rural Residential zoning of this portion is the site is deferred subject to '*Higgins Road upgrade south of the Pitfure Bridge to ensure access in a Q100 event; and pedestrian/cycle link over the Pitfure Stream to Ryeland Avenue*'[2]. As the situation currently stands, once these services are provided and the deferral is uplifted, this portion of the site would be able to be developed in accordance with the Rural Residential zone provisions. This allows for a single residential dwelling to be constructed per site as a permitted activity (TRMP Rule 17.8.3.1(a)). For subdivision to occur as a controlled activity, a minimum allotment size of 5,000m^2 applies if reticulated wastewater is not provided, or of 1,500m^2 if reticulated wastewater is provided (TRMP Rule 16.3.8.1(a)). In the interim (while the deferral is in place), this site is subject to the Rural 2 zone provisions, outlined above.

2.2.2 Re-Zoning

This Plan Change seeks to rezone the Rural 2 and 'Rural 2 deferred Rural Residential' portions of the Plan Change site to 'Rural 2 deferred Residential'. This area is based on the Future Development Strategy 2022 'T-107 Edward Street' site (Figure 2) which is identified for residential expansion.

[2] *TRMP Schedule 17.14A*

Figure 2: Future Development Strategy 2022 'T-107 Edward Street' Site (shaded green)

The proposed changes to the existing Tasman Resource Management Plan (TRMP) zone map are depicted in Figure 3.

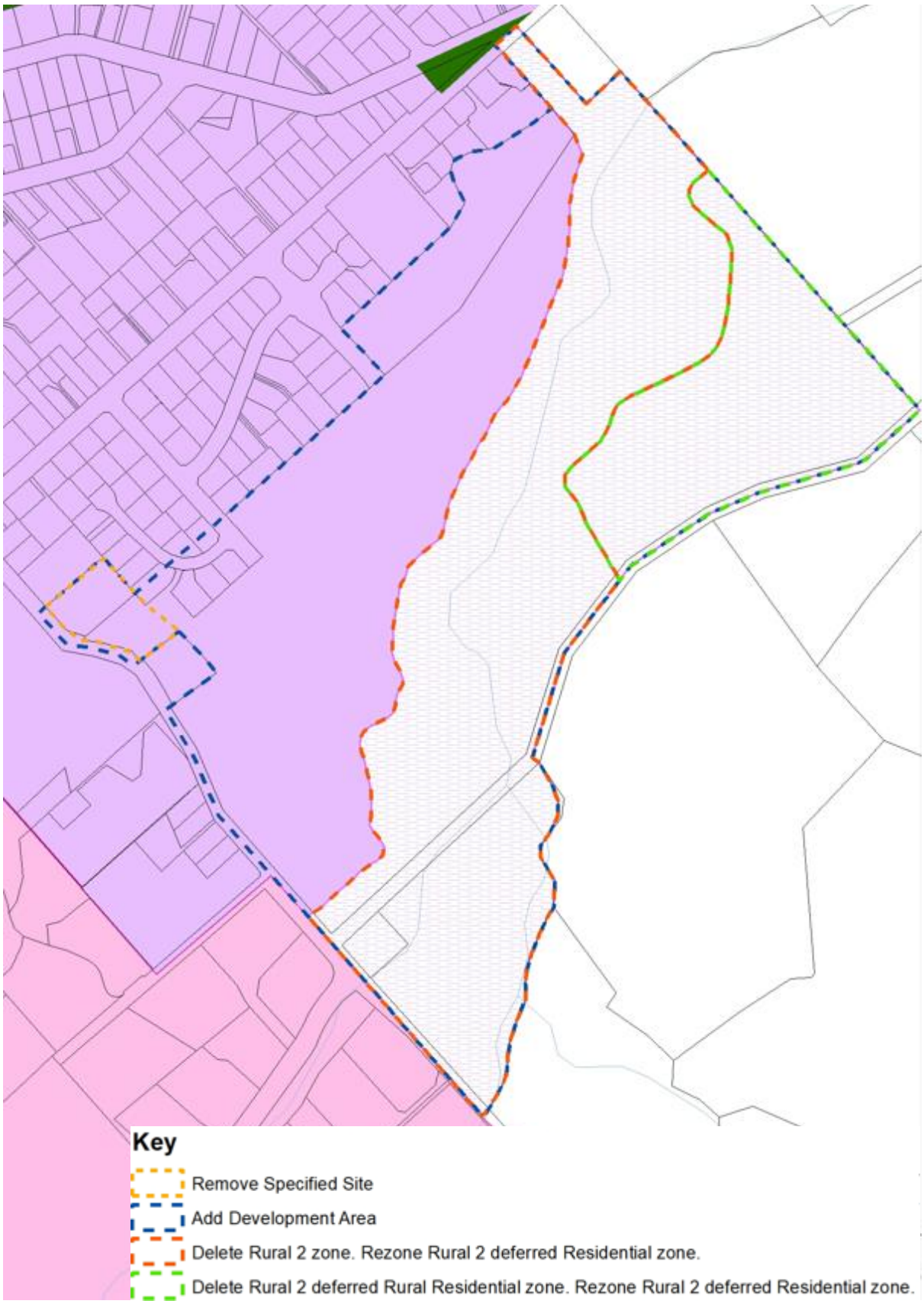

Figure 3: Proposed Re-Zoning - Wakefield Development Area (extract from Update Map 76/2)

The Plan Change site is located approximately 600-1,350m away from the Wakefield Town Centre, meaning that there is the potential to create a walkable/ cyclable neighbourhood in this area, where future residents would be able to walk or cycle into the town centre.

Key constraints include flood hazard, a dam break hazard in the north-eastern corner of the site and stormwater, which – based on advice from relevant Council staff – are sufficiently understood to enable the rezoning and can be managed satisfactorily at the time of the subdivision. Deferral of the residential zoning will ensure that the required services will be provided before the proposed Residential zoning becomes active.

2.2.3 Development Area and Compact Density Provisions

This Plan Change is also seeking to create a new development area, entitled the 'Wakefield Development Area', comprising of the land that is proposed to be re-zoned and the adjoining undeveloped Residential zoned area. The Wakefield Development Area is depicted in Figure 3 above.

This Plan Change is seeking to apply the TRMP's existing Compact Density provision to the Wakefield Development Area with the addition of a non-notification provision applying to this activity. This is to enable and encourage a degree of medium density development within the Wakefield Development Area.

It is considered to be appropriate to apply a non-notification provision to encourage Compact Density Development. This is because the structure of Compact Density Development rule 17.1.3.3 g) means that Compact Density Development along the external boundaries of the proposal site must meet the standard permitted activity bulk and location criteria (including building height, boundary setback distance, and daylight admission) in the TRMP, unless the land adjoining the specific boundary is also a Compact Density Development. Therefore, any properties outside of the Compact Density Development will not experience a change in terms of the bulk and location of buildings from what could be developed under a permitted activity scenario in the Residential Zone.

2.2.4 Mandatory Requirement for Smaller Lots

This Plan Change is also seeking to require a percentage of allotments to be smaller than standard residential allotments for the subdivision of sites greater than 2 hectares within the Wakefield Development Area. Specifically, it is sought that, (except for Compact Density Development) for the subdivision of parent titles greater than 2 hectares:

- A minimum of 20% of the lots created must have a net area between 270m^2 and 350m^2;
- A minimum of 20% of the lots created must have a net area between 350m^2 and 450m^2; and,
- A minimum of 50% of the lots created must be standard residential density (i.e., a minimum net area of 450m^2).

The remaining 10% of the lots created can be comprised of any of these densities, or a mixture of all three.

The resulting density achieved using these requirements is approximately 15 dwellings per hectare as opposed to approximately 13 dwellings per hectare for standard residential development. The overall minimum potential housing yield in the Wakefield Development Area is approximately 495 dwellings. This approach is about creating a variety of lot sizes and resulting housing opportunities. Enabling the use of Compact Density provisions (see Section 2.2.3) is about increasing density in the Wakefield Development Area.

This proposed approach of requiring a certain percentage of different sized lots for subdivision of a site greater than 2 hectares in net area ensures that a variety of lots sizes are achieved. Provisions have also been included to ensure that the development of smaller lots in the Wakefield Development Area achieves good urban design outcomes in accordance with the Urban Design Guide (TRMP Part II, Appendix 2).

For the subdivision of sites that have a net area of 2 hectares or less, the standard density minimum allotment size of 450m^2 would apply. This is to acknowledge that it may the difficult to achieve the specified quotas when subdividing smaller parent titles and that enforcing these quotas for smaller sites could result in poor design outcomes and have unintended consequences.

The proposed allotment size criteria will not apply to development under the TRMP's Compact Density Provisions.

2.2.5 Indicative Items

The proposed Wakefield Development Area includes an existing indicative road (providing connectivity within the existing Residential zoned portion of the site between Pitfure Road and Edward Street) and two existing indicative walkways (connecting the indicative road to Pitfure Road and to Higgins Road). These TRMP existing indicative items are depicted in Figure 4.

Figure 4: TRMP Existing Indicative Items

In order to manage future development of the proposed Wakefield Development Area, the following changes to the TRMP indicative items are proposed:

- A new indicative road, connecting the existing indicative road to Higgins Road and to the adjoining land to the north-east.
    - The connection to Higgins Road is to ensure that emergency vehicle access to the proposed Wakefield Development Area is available via Higgins Road.

    - The connection to the adjoining land to the north-east is to provide a connection to the Future Development Strategy 2022 T-194 Whitby Road site.

- A realignment of the existing indicative walkway that connects the existing indicative road to Pitfure Road at the north-western end of the site. This realignment is proposed to accommodate the new indicative road described above.

- A new indicative reserve running along either side of Pitfure Stream. This indicative reserve is intended to ensure that development is setback from Pitfure Stream, to help accommodate flood flows and improve ecology within and adjacent to the stream. It is also intended to ensure that there is access to Pitfure Stream, for public amenity, recreation, connection to the waterway, and stream maintenance purposes.

  This new indicative reserve is extended in an area along the south-eastern site boundary (around an existing cluster of trees) and again further north to provide for neighbourhood parks or green space.

- A new indicative reserve around an existing oak tree, near the south-eastern site boundary, and a new indicative walkway connecting this reserve to Higgins Road.

- An existing indicative walkway from Ryeland Avenue to Higgins Road is retained as it is a desirable future connection. However, it is expected that this connection may be achieved through the future internal road network and stormwater flow paths, rather than cutting diagonally across the site.

The proposed changes to the existing TRMP area map are depicted in Figure 5.

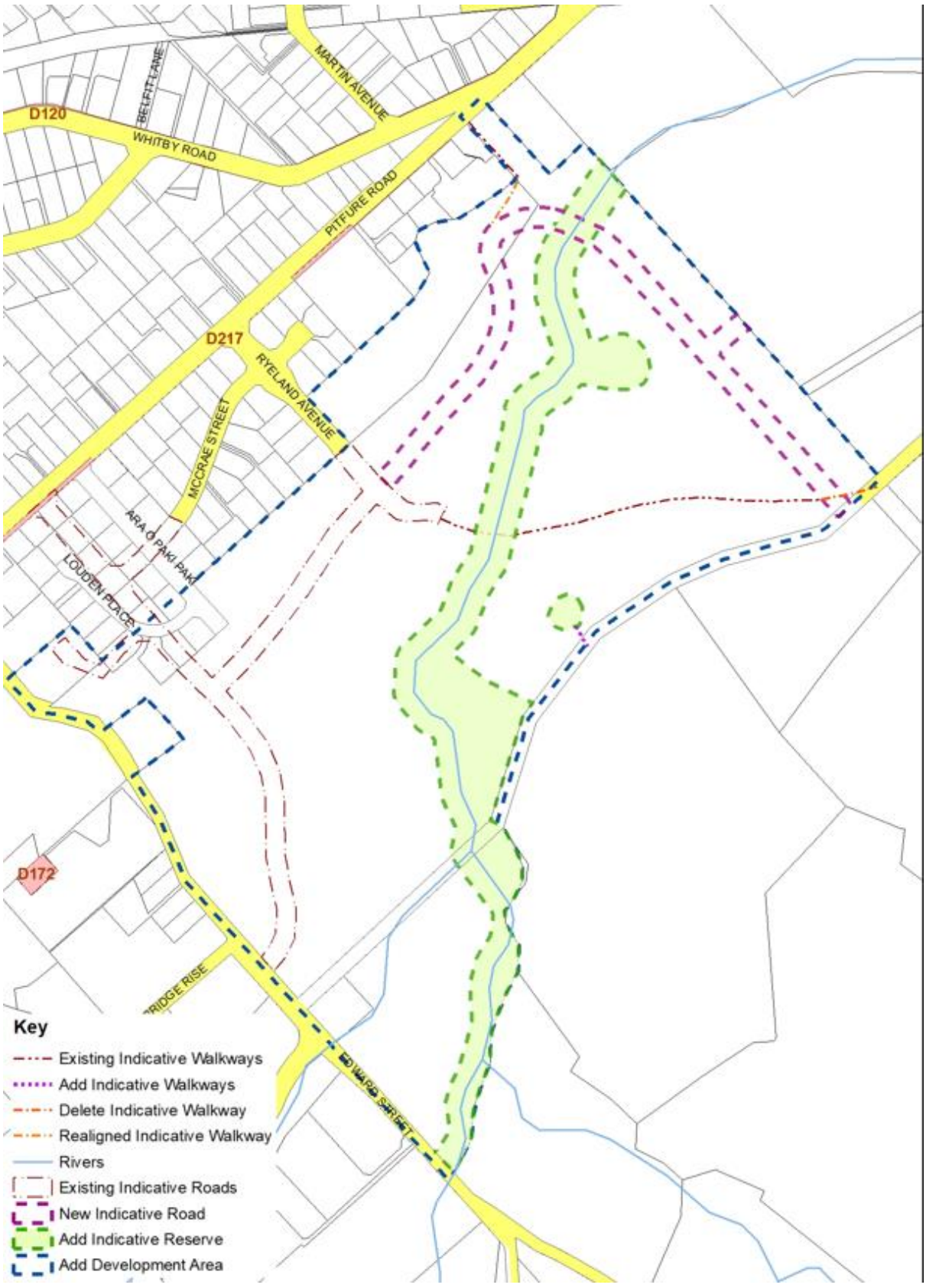

Figure 5: Residential Growth Area - Proposed Indicative Items (extract from Update Map 76/1)

2.2.6 Fire Sensitive Area Overlay

The TRMP includes existing provisions to manage potential adverse amenity effects from the discharge of contaminants from outdoor burning. This is managed through rules that apply to the Fire Sensitive Area overlay, which generally aligns with Residential zoning in the district.

In order to manage potential adverse amenity effects and to be consistent with the existing TRMP format, it is proposed that the Wakefield Development Area be a deferred Fire Sensitive Area. This is an extension of the overlay which already applies to the remainder of the Wakefield Township. This proposed change is depicted in Figure 6.

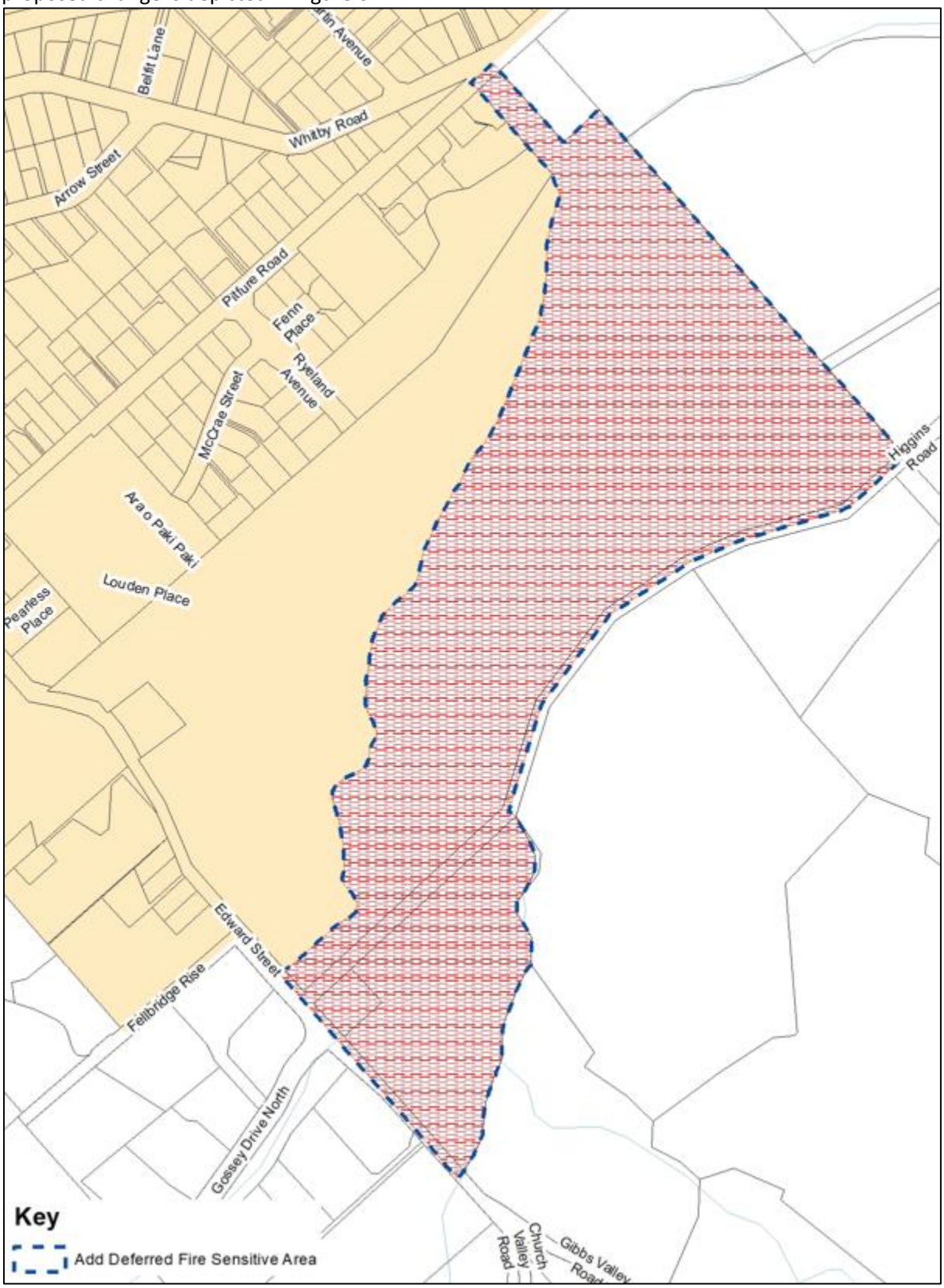

Figure 6: Proposed Change to TRMP Map 273 (extract from Update Map 76/3)

2.3 What are the Key Reasons for the Change?

This Plan Change is responding to the housing shortage currently being experienced throughout New Zealand and high demand for housing in the Tasman District. This is a significant issue in the Tasman District, which was recently found in July 2021 to be the fourth least affordable district to buy a house in (equal with Auckland)[3] and in March 2022 to be the third least affordable district to buy a house in (with only Auckland and Bay of Plenty being less affordable).[4]

Tasman District Council has identified a number of issues that warrant the need for this Plan Change, including:

- The need to provide enough zoned and serviced land to provide for expected population growth (a requirement under the National Policy Statement on Urban Development 2020). This includes catering for a projected 535 additional people in Wakefield between 2021 and 2031 (assuming a medium growth scenario).[5]
- The need to address residential land supply and housing affordability issues, with evidence showing that the release of greenfields land is needed to help manage house prices.[6]
- The need to provide a variety of housing options, including higher density options, to cater for a varying of demographics and make efficient use of land.

These issues are discussed in more detail in Section 4.1.

3. Information Sources and Consultation

3.1 Information Sources

The following information sources have been used by Council to understand the issues and develop the options, and have helped to inform the proposed content of this proposed Plan Change:

- The Future Development Strategy 2022, including supporting documentation. This information is available on Council's website: https://www.tasman.govt.nz/my-council/key-documents/more/future-development-strategy/.
- The Long-Term Plan 2021-2031, including growth projections and planned infrastructure works. This information is available on Council's website: https://www.tasman.govt.nz/my-council/key-documents/long-term-plan/long-term-plan-2021-2031/.
- A 2020 report prepared by Sense Partners, entitled 'Understanding the impacts of releasing greenfield sites for development' attached in Appendix 1.
- A 9 May 2022 memo prepared by Dr Kirdan Lees of Sense Partners, entitled 'Review of selected submissions on the Nelson-Tasman Future Development Strategy'.
- A 2021 report by M.E. Consulting, entitled 'Nelson-Tasman Housing We'd Choose – Housing Demand Preferences'. This report is available on Council's Future Development Strategy

[3] '*National Policy Statement on Urban Development: Housing and Business Assessment for Tasman*'. Tasman District Council. 2021.

[4] *Home Affordability Report Quarterly Survey. Massey University. March 2022.*

[5] '*Tasman Growth Projections 2021-2051; Summary of Council's Growth Model as Supporting Information for the Long Term Plan 2021-2031*'. Tasman District Council (https://www.tasman.govt.nz/my-council/key-documents/more/growth/growth-model/)

[6] '*Understanding the impacts of releasing greenfields sites for development*'. Sense Partners. 2020

webpage: https://www.tasman.govt.nz/my-council/key-documents/more/future-development-strategy/.

- Tasman District Council's Housing and Business Capacity Assessment 2021. This report is available on Council's website: https://www.tasman.govt.nz/my-council/key-documents/more/urban-development-reports/capacity-assessments/.
- Massey University's Housing Affordability Quarterly Survey March 2022, found here: https://www.massey.ac.nz/massey/learning/colleges/college-business/school-of-economics-and-finance/research/reau/home-affordability-report.cfm.
- Tasman District Council's Age-Friendly Policy 2019. This policy is available on Council's website: https://www.tasman.govt.nz/my-council/key-documents/more/age-friendly-policy/.
- The Ministry for the Environment's National Medium Density Guideline, found here: https://environment.govt.nz/assets/publications/national-medium-density-design-guide-31May2022.pdf.
- The Ministry for the Environment's 2019 discussion document on the proposed National Policy Statement for Highly Productive Land, found here: https://www.mpi.govt.nz/dmsdocument/36624-Discussion-document-on-a-proposed-National-Policy-Statement-for-Highly-Productive-Land.
- A 2017 report prepared by Tonkin & Taylor for Tasman District Council, entitled 'Plan Change 65 Dambreak Assessment'. https://www.tasman.govt.nz/my-council/key-documents/tasman-resource-management-plan/plan-changes/operative-changes-and-variations/change-65-wakefield-review-stage-2/.
- Information from relevant Council staff on infrastructure and servicing capacity, collated in the Background Report in Appendix 2. This includes the following feedback for the proposed Wakefield Development Area:
    - Stormwater input: Stormwater infrastructure is required to mitigate flood hazard. This will need to be addressed by the developer at the time of development[7]. The proposed Residential zoning is therefore deferred subject to the provision of appropriate stormwater management.
    - Wastewater: Wastewater infrastructure improvements are required to provide for the proposed Wakefield Development Area[8]. The provision of wastewater for the site is achievable, however, the proposed Residential zoning needs to be deferred until the required upgrades are completed[9].
    - Potable water: Potable water can be provided for this site but does require a deferral of the zoning until this is achieved[9].
    - Flood Hazard: Flood modelling indicates that the lower terraces adjacent to the Pitfure Stream area are required to accommodate flood flows. This will potentially limit the housing yield within the re-zoned area. An indicative reserve has been included along Pitfure Stream, in part to help manage this hazard. Overall, the flood

[7] *Glenn Stevens, Senior Resource Scientist – Hazards, 26 January 2022; and, Wouter Woortman, Team Leader – Infrastructure Planning, email 4 May 2022*

[8] *Helen Lane, Infrastructure Planning Advisor, 24 February 2022*

[9] *Council Infrastructure Meeting, 9 February 2022*

hazard will need to be mitigated to allow this growth area to be developed. This mitigation is considered to be feasible[10] and will be managed through future subdivision consent applications.

- Dam Break Hazard: There are two irrigation dams located to the south-east of the growth area, at 335 Higgins Road. A 2017 dam break assessment[11], which estimated the dam break outflow and likely downstream flood effects, found that the area to the north-east of the growth area would be the most affected by a dam break. However, some flooding would also occur along the eastern edge of the south-eastern corner of the growth area. This will need to be mitigated through the design of the development and the resource consenting process.[10]

- Productive land: Parts of the Plan Change site are classified as highly productive under the Land Use Capability classification system, the Productive Land Classification 1994 and the Productive Land Classification 2021 which is currently being refined. However, the actual productive capability of the site is limited due to existing Residential and deferred Rural Residential zoning, and Pitfure Stream which runs through the middle of the site[12]. This is discussed further in Section 4.1.1.6 below.

- Transport: The proposed Wakefield Development Area is intended to be accessed via Pitfure Road. The Pitfure Road/ Whitby Road intersection will need to be upgraded to provide for this.[13]

  Regular vehicle access via Higgins Road has been deemed to be unnecessary, given that adequate vehicle access can be provided via Pitfure Road. It is considered cost prohibitive, as various upgrades would be required on Higgins Road, including a bridge upgrade, widening of Higgins Road to Bird Road, and the Bird Road/SH6 intersection.[14] The use of Higgins Road as a regular vehicle access would also impact the Great Taste Cycle Trail which currently uses this route. However, it is recognised that multiple access routes are important in the event of an emergency. As such, Council's infrastructure team[15] have recommended that Higgins Road is used only as an emergency access (e.g., with bollards that can be lowered to allow access in an emergency event) to ensure resilience. This also retains the ability to open the road up for public vehicle access in the future if desired.

  Accessibility, including active and public transport connections, is discussed further in Section 4.1.1.4.

- Reserves: The need for new reserves has been identified and provided for through the indicative items.

- Ecology input: Pitfure Stream dissects the growth area. This section of Pitfure Stream is ephemeral and is considered to have relatively low ecological values, given that it is dry for a large portion of the year, however, potential contaminant discharge needs to be well managed as it with end up in more sensitive receiving

[10] *Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022*

[11] *Plan Change 65 Dambreak Assessment July 2017, T&T*

[12] *Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022*

[13] *Councillor Workshop, 18 November; Council Infrastructure Meeting, 9 February 2022; and, Waka Kotahi IAF Feedback, 16 July 2022*

[14] *Drew Bryant, Senior Infrastructure Transport Advisor, 23 February 2022*

[15] *Council Infrastructure Meeting, 8 October*

environments (e.g., Waimea Inlet, Waimea River)[16]. There are opportunities to improve the ecological outcomes in this area through protection and planting of stream margins.[16]

There is a Significant Natural Area (SNA) containing native bush habitat (podocarp-dominated forest, including remnant totara trees) which borders the south-east boundary of the Plan Change site[17]. A new indicative reserve is being sought around the pocket of totara trees adjacent to this SNA within the Plan Change site.

- Feedback received from external infrastructure and service providers, including Waka Kotahi NZ Transport Agency, Transpower, Network Tasman, the Ministry of Education, Fire and Emergency NZ, and Nelson Tasman Civil Defence Emergency Management. This feedback is collated in the Engagement Summary in Appendix 3.
- Feedback received from Te Tau Ihu iwi, is summarised in the Engagement Summary in Appendix 3. This is also discussed in Section 3.2.
- Feedback received through consultation from landowners and the wider community, is summarised in the Engagement Summary in Appendix 3. This includes meetings with the Wakefield Community Council and residents, and meetings with landowners.

3.2 Iwi Involvement and Advice

Iwi of Te Tau Ihu have been involved in the process of developing this proposed Plan Change. The information below summarises the engagement carried out, highlighting the key actions and matters raised by iwi.

Early engagement with iwi has included an initial hui, with all Te Tau Ihu iwi invited, in November 2021. This hui was attended by representatives from Ngāti Toa, Ngāti Kuia, and Te Atiawa, and was used to discuss residential growth in various locations around the district, including the proposed Wakefield Development Area.

High-level feedback was received from this hui in relation to residential growth. This included the support for creating communities with a heart/ centre, implementing Te Mana o te Wai, using Māori placenames, having guiding development principles, and the need for housing that provides for larger families and multigenerational living.

While some of these ideas are beyond the scope of this Plan Change, others have been incorporated into the proposal. This Plan Change contributes to Te Mana o te Wai by including a new indicative reserve along Pitfure Stream – this will ensure that any new housing will be setback from the river and will promote public access to, and care for, the waterway. This Plan Change is also seeking to provide a variety of housing options, which will provide for families of different sizes.

Iwi have been kept informed on the Plan Change, with email updates as the Plan Change evolved through two rounds of informal public consultation. The draft Plan Change material (being the Schedule of Amendments and update maps) was circulated to Te Tau Ihu iwi authorities for comment on 30 June 2022 as per the RMA Schedule 1 requirements.

Feedback was received from Ngati Tama on the 20 July 2022. The feedback generally referenced effects on water quality, the physical structure and hydraulic characteristics of waterbodies and the health of aquatic plants and animals and sedimentation. The plan change has addressed the

[16] *Trevor James, Senior Resource Scientist Freshwater and Estuarine Ecology, email 28 January 2022*

[17] *Matt Moss, Ecologist, email 1 February 2022*

potential waterway effects through the inclusion of an indicative reserve along Pitfure Stream which provides a development buffer/setback to protect waterways values. Other issues raised include disturbance to soil and associated ecosystems, catchment management and stormwater management. As part of this Plan Change the zoning of the land is deferred and will not be lifted until Council is satisfied with stormwater and catchment management. Issues surrounding earthworks will be managed at the subdivision stage.

Iwi Management Plans (IMPs) have also been considered in the development of this proposed Plan Change and are discussed in Section 6.6.

3.3 Key Consultation Actions

Council has carried out extensive consultation with landowners, key stakeholders, the local community, and infrastructure and service providers during this plan review process. The feedback received has been instrumental in understanding the issues and desired outcomes, and in considering the options available for achieving these outcomes and the purpose of the RMA. The main consultation actions and Council responses are summarised in this section and in the Engagement Summary in Appendix 3.

Two rounds of informal (pre-notification) public consultation have been undertaken on this Plan Change, as follows:

- The first round of consultation was undertaken in November 2021. This included:
    - Letters to landowners
    - Site visits
    - Phone calls and emails with interested person(s)
    - An in-person presentation at a Wakefield Community Council meeting
    - A webinar for external infrastructure and service providers (including Waka Kotahi NZ Transport Agency, Transpower, Network Tasman, the Ministry of Education, Fire and Emergency NZ, and Nelson Tasman Civil Defence Emergency Management) and one-on-one meetings as required
    - Meetings with Council infrastructure and reserves staff
    - A workshop with Council's elected members
- The second round of engagement was undertaken in March-April 2022, in conjunction with public consultation on the Future Development Strategy 2022. This round of engagement presented the refined Plan Change area boundaries, following consideration of Round One feedback and constraints and servicing information. Due to COVID-19 precautions, all Round Two public engagement was via platforms that maintained social distancing. The Plan Change and consultation opportunities were advertised through Council's communications, including Newsline and social media.

  Round Two engagement included:

    - An online feedback form
    - Sending letters to landowner and adjoining property owners
    - Presenting virtually (via video call) at a Wakefield Community Council meeting, with the wider public invited to this call

- A video call meeting with Homes for Wakefield (a sub-committee of the Wakefield Community Council)
- Phone calls and emails with interested person(s)
- Meetings, phone calls and emails with key Council three-water, road and reserves staff
- Emails, phone calls and meetings with external infrastructure and service providers
- A workshop with Council's elected members

The owner of the Plan Change site is generally supportive of the proposal. The Wakefield Community Association, their Homes for Wakefield sub-committee, and the wider community generally recognise the need for housing and are supportive of medium density housing and a variety of housing types and section sizes, seeing a need to provide smaller houses for elderly people wanting to down-size. However, concern has been raised in relation to infrastructure capacity and vehicle access. These matters have been taken into account in the drafting of this Plan Change.

A full summary of consultation is included in Appendix 3.

4. What are the Key Resource Management Issues?

4.1 Problem Definition and Outcome Sought

4.1.1 Problem/ Issues

This Plan Change is responding to the housing shortages and affordability issues currently being experienced throughout New Zealand and the NPS-UD requirements to ensure there is adequate development capacity to provide for expected growth in the Tasman District. This is a significant issue in the Tasman District and includes issues around:

- The need to provide for population growth
- The need to ensure sufficient land supply for housing
- The need for a variety of lot sizes leading to differing housing typologies

In considering the development of the Plan Change site, there is also a need to ensure that:

- Highly productive land is protected
- Walking and cycling connections are provided for
- Sufficient infrastructure capacity is provided
- Flood hazard from Pitfure Stream and the dam break hazard in the north-eastern corner of the side from the adjacent irrigation dams are appropriately managed
- The adverse amenity effects of outdoor fires are managed once the area becomes residential
- The need to support a ki uta ki tai management approach and Te Mana o te Wai

These issues are also considered below.

4.1.1.1 Population Growth

The Tasman District is experiencing high levels of residential growth, putting pressure on existing Residential zoned areas. This growth is anticipated to continue, with the Long-Term Plan 2021-2031 growth model estimating that Tasman's population will increase by 7,700 residents between 2021 and 2031, to reach 64,300 (assuming the medium scenario)[18]. This includes an additional 535 people in Wakefield and an estimated 242 additional dwellings.

Wakefield is part of the Nelson Tasman Urban Environment[19] under the National Policy Statement on Urban Development 2020 (NPS-UD). This means that Council is required under the NPS-UD to provide sufficient capacity to meet residential growth demands. The Future Development Strategy 2022 looks at residential growth projections over the next 30 years, and how these can be accommodated within the district.

The Future Development Strategy 2022 has found that some urban expansion is required to provide for growth and for Council to meet its obligations under the National Policy Statement on Urban Development. Through a multi-criteria assessment, the Future Development Strategy 2022 has identified the T-107 Edward Street site (which aligns approximately with the Plan Change site) for urban expansion.

Note that the proposed Wakefield Development Area also includes adjoining land, including existing Residential zoned land, which is not part of the T-107 Edward Street site.

4.1.1.2 Land Supply for Housing

Tasman District Council released a 'Housing and Business Assessment for Tasman' report in 2021[20], which looked at housing and business capacity in the Tasman District as part of a wider set of reports to assess the sufficiency of Nelson and Tasman's residential and business land capacity to meet future needs over a 30 year period (2021-2051). This report highlights the issue of housing affordability in the district.

In this 2021 report, the Tasman District was found to have the third highest median house price in the country (behind Auckland and Wellington) and, when considering house prices in relation to income, was found to be the fourth least affordable district to buy a house in (equal with Auckland). Using the Government's measure of housing affordability (Housing Affordability Measure Buy or 'HAM Buy'), it was found that 81% of first home buyer households in the Tasman District could not afford to purchase a house in the District in December 2018, spending more than 30% of their income on housing costs.

While the house price to income ratio suggests that housing is unaffordable for those within the region, strong internal mitigation has supported relatively high house prices in the district.[21] Tasman's population increased by 1.5% over the 2020-2021 period, which is relatively high compared to the national average.[22]

A 2020 Sense Partners report, entitled 'Understanding the impacts of releasing greenfields site for development'[21] highlighted the need to re-zone some greenfields land for residential expansion to

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[18] '*Tasman Growth Projections 2021-2051; Summary of Council's Growth Model as Supporting Information for the Long Term Plan 2021-2031*'. Tasman District Council (https://www.tasman.govt.nz/my-council/key-documents/more/growth/growth-model/)

[19] *Urban environment is defined in the NPS-UD as 'any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that: is, or is intended to be, predominantly urban in character; and is, or is intended to be, part of a housing and labour market of at least 10,000 people.'*

[20] '*National Policy Statement on Urban Development: Housing and Business Assessment for Tasman*'. Tasman District Council. 2021.

[21] '*Understanding the impacts of releasing greenfields sites for development*'. Sense Partners. 2020

[22] *Future Development Strategy 2022: Draft Technical Doc for Consultation*. Tasman District Council. 2022

avoid further housing affordability issues. Land availability was found to be a significant driver of housing costs in the Tasman District, with increases in land prices having exceeded increases in house prices. The release of greenfields land for development has the effect of pushing down land prices. This also promotes intensification by managing the price of land in existing urban areas.

Dr Kirdan Lees of Sense Partners reiterated this approach when engaged by Council to provide economic evidence in response to submissions on the Future Development Strategy 2022, with his memo[23] outlining that increases in land prices have outstripped house prices, indicating a shortage of land for development in the district, and that providing greenfields land for development promotes a competitive housing market, which helps to reduce the cost of housing.

The Future Development Strategy 2022 has found that intensification of existing residential areas will not provide sufficient capacity to for anticipated demand on its own, and that some greenfields development is also required to meet the requirements under the NPS-UD.[24]

4.1.1.3 Typologies

Nelson and Tasman Councils jointly commissioned a report, entitled 'Nelson-Tasman Housing We'd Choose – Housing Demand Preferences'[25] in 2021 to understand housing preferences and demand in the Nelson Tasman area. This report found that, while stand-alone freehold dwellings are generally preferred, there is a growing demand for higher density housing options including townhouses, flats, apartments, and retirement units. The report was based on survey data. It was found that 10% of Tasman respondents lived in an apartment or attached dwelling, while (with financial constraints/ household purchasing ability factored in) 29% of respondents would choose an apartment or attached dwelling.

Tasman District Council's 2019 Age-Friendly Policy identifies that there is currently a lack of supply of smaller houses in the district, meaning that many older people remain in larger, older dwellings and properties that are not age-friendly. The policy identifies a need for smaller dwellings that are affordable, accessible, warm, low-maintenance and close to services to cater for the district's aging population. This will allow people to down-size and age in place within their current communities.

This Plan Change is seeking to require a variety of lot sizes which encourages a variety of housing typologies to cater for a variety of household sizes. This is done by requiring the subdivision of parent titles within the proposed Wakefield Development Area greater than 2 hectares to achieve:

- A minimum of 20% of the lots created must have a net area between 270m^2 and 350m^2; and,
- A minimum of 20% of the lots created must have a net area between 350m^2 and 450m^2; and,
- A minimum of 50% of the lots created must be standard residential density (i.e., a minimum net area of 450m^2).

The remaining 10% of the lots created can be comprised of any of these densities, or a mixture of all three.

This gives an average density of approximately 15 dwellings per hectare, compared with the TRMP standard density provisions which give an average density of approximately 13 dwellings per

[23] *Dr Kirdan Lees. Review of selected submissions on Nelson-Tasman Future Development Strategy. Sense Partners. 2022*

[24] *Future Development Strategy 2022-2052 Technical Report. Tasman District Council. March 2022.*

[25] '*Nelson-Tasman Housing We'd Choose – Housing Demand Preferences*'. M.E Consulting. 2021

hectare. Note, this has been calculated out using a nominal 5 hectare site with 35% of the land area allocated to roads, reserves, and services.

As an alternative, or complimentary, means of providing for a variety of housing options and increased density, this plan change is also seeking to apply the TRMP's existing Compact Density provisions to the site. The Compact Density provisions do not have a minimum allotment size, allowing for medium density housing to be achieved. It is seeking to encourage medium density housing options to cater for smaller households and ensure efficient land use – this relates to the issue of highly productive land, discussed in Section 4.1.1.6 below.

4.1.1.4 Accessibility and Greenhouse Gas Emission Reductions

The proposed Wakefield Development Area has taken account of Aotearoa New Zealand's Emissions Reduction Plan 2022 and National Adaptation Plan 2022. These documents work together to achieve a climate-resilient Aotearoa New Zealand.

Medium density housing, and greater population density, present opportunities for a walkable and cyclable neighbourhood – where residents can commute within 10-15 minutes via active transport to the town centre. The proposed Wakefield Development Area is located between 600-1,350m away from the Wakefield town centre, meaning that there is the potential to create a walkable/ cyclable neighbourhood in this area, where future residents would be able to walk or cycle into the town centre. This Plan Change includes proposed indicative items, including an indicative reserve along Pitfure Stream, and indicative walkways, to help achieve this outcome. The site also connects with the Tasman Great Taste Cycle Trail which provides a predominately off-road cycle trail to Brightwater, Richmond and beyond.

There is currently a Wakefield Community Bus (operated by the Nelson Tasman Community Transport Trust)[26]. This bus route goes along Pitfure Road and includes a stop adjacent to the proposed Wakefield Development Area. Council is proposing to extend their bus service to Wakefield, with the introduction of a new bus route in the future. This new bus route will go along Pitfure Road adjacent to the proposed Wakefield Development Area[27] and will be operated by electric buses. Walking and cycling connections to a potential bus stop location have been considered and are provided for through the proposed indicative items.

Additionally, the proposed Wakefield Development Area links walking and cycling connections with intermediate and secondary school bus stops and routes.

[26] *Wakefield Community Bus – https://www.ntctt.org.nz/wakefield-community-bus*

[27] *Drew Bryant, Council Infrastructure Meeting, 8 October 2021*

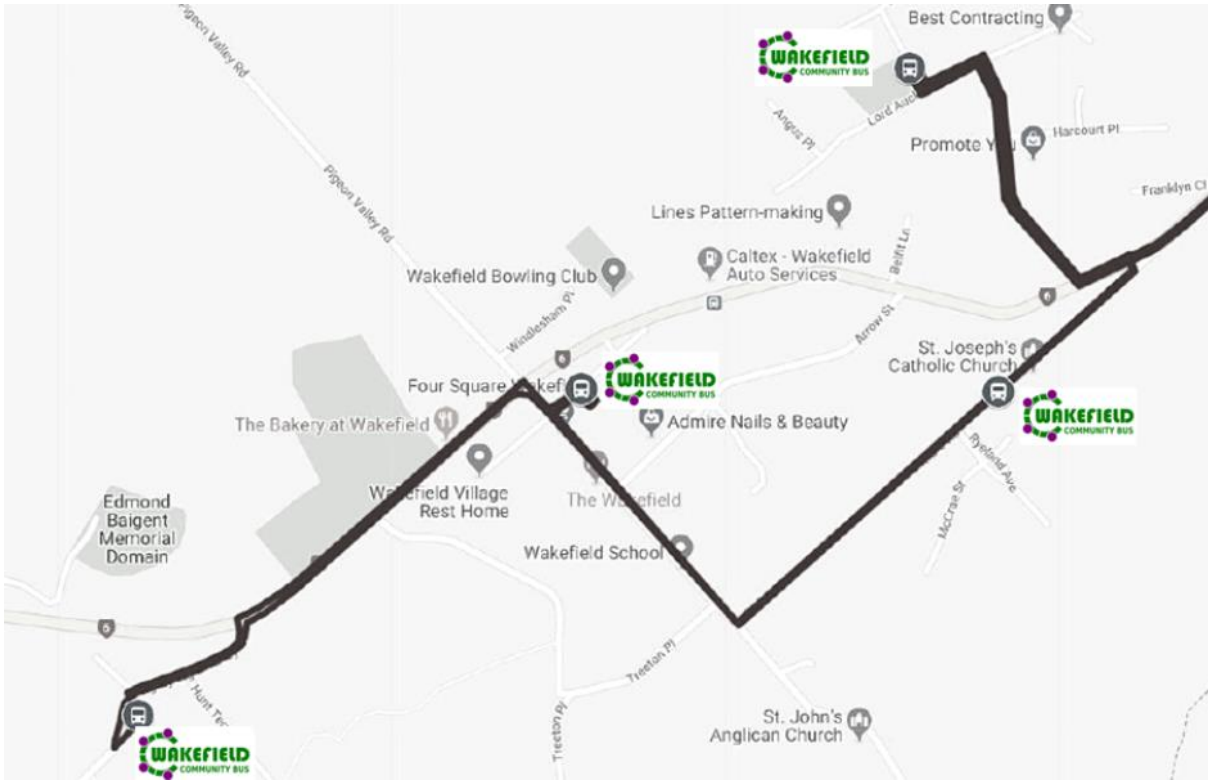

Figure 7: Wakefield Community Bus Route – Wakefield Stops

Overall, the proposed development area provides options for people to walk or bike to local destinations, or to bus further afield. The ability to increase density of residential use also improves this more efficient use of transport and infrastructure which assists with reducing emissions.

4.1.1.5 Urban Design Outcomes

There is a need to ensure that the proposed mix of housing options contribute to a quality urban environment. Tasman District Council's Urban Design Action Plan 2008 seeks to foster the seven essential design qualities in the New Zealand Design Protocol. This includes 'choice – ensuring diversity in lifestyle and transport options'. The proposed medium density provisions in this plan change are intended to providing housing options and contribute to achieving this essential design quality.

The Ministry for the Environment have recently released a National Medium Density Urban Design Guide 2022. This provides guidance on creating medium density housing that achieves good urban design outcomes when developing allotments. This guide is focused on the site level, and therefore provides limited guidance for this Plan Change, however, will be of benefit for the development of sites under the proposed plan provisions.

The TRMP includes an Urban Design Guide (TRMP Part II, Appendix 2) to assist with achieving good urban design outcomes. The proposed provisions include design in accordance with this guide. This is to ensure that the housing developed under these provisions result in a quality urban environment.

4.1.1.6 Productive Land

TRMP

The TRMP recognizes the need to protect productive land to provide for the social, economic, and cultural wellbeing of people in the district. This includes objectives and policies relating to the protection of highly productive land to meet the reasonably foreseeable needs of future

generations. Key policies and objectives are outlined in Appendix 4. The site's productive capability, and effects of the rural environment, including reverse sensitivity effects, are considered below.

Proposed National Policy Statement on Highly Productive Land (NPS-HPL)

The proposed NPS-HPL is currently under development and is not finalised or in effect, however, is considered here for completeness. The proposed NPS-HPL Land seeks to recognise the full range of values and benefits associated with the use of highly productive land for primary production, to maintain its availability for primary production for future generations, and to protect it from inappropriate subdivision, use and development.[28]

It is important to note that, while the proposed NPS-HPL is seeking to protect productive land, it does not intend to provide absolute protection.[28] Instead, it requires local authorities to proactively consider the resource in their region or district to ensure it is available for present and future primary production[28]

The proposed NPS-HPL is not intended to apply to areas that are already identified in the district plan for urban development, such as the Residential and 'Rural 2 deferred Rural Residential' portions of the Plan Change site. [28]

Productive Capability

The proposed Wakefield Development Area includes land which is currently zoned as Rural 2; a zone which generally contains the district's second highest value soils (after Rural 1). Tasman District Council uses two systems to assess productive land capability. These are:

- The Land Use Capability (LUC) classification system – this is a measure of the versatility of the land, and includes eight soil classifications, LUC 1 being the most versatile with the least limitations, and LUC 8 being the least versatile with the greatest limitations.

  Under the Land Use Capability classification system, the strip of Rural 2 land in the middle of the site is classified as LUC 3 which indicates that it has high productive land capability. The remainder of the site is not assessed given its existing Residential and deferred Rural Residential zoning.

- The Productive Land Classification (PLC) system – The Productive Land Classification (PLC) system was developed by Agriculture New Zealand for Tasman District Council in 1994, as the LUC classification system is not reliable for ranking horticultural land types which are significant in the Tasman District[29]. The PLC system ranges from 'A – Very Intensive Horticulture', being the most productive, to 'H – Non-Productive', being the least productive. The classification indicates the potential land use. Each classification is suitable for the specified land use, and all land uses assigned to categories below itself.

  Under the 1994 Productive Land Classification, the site is classified predominantly as 'D' (along Pitfure Stream), and 'F' (to the east of Pitfure Stream). The Productive Land Classification 2021 (which is still being refined) shows the site classified predominantly as 'B2' (along Pitfure Stream), and partially as 'D' (to the east of Pitfure Stream).

Overall, parts of the Plan Change site as classified as highly productive. However, the actual productive capability of the site is limited due to existing Residential and deferred Rural Residential

[28] *Valuing Highly Productive Land: a discussion document on the proposed national policy statement for highly productive land. Ministry for the Environment. 2019*

[29] *Council's Senior Resource Scientist – Land and Soil*

zoning that covers much of the site, and due to Pitfure Stream which runs through the middle of the site.[29]

Fragmentation

While the majority of the proposed Wakefield Development Area is held in one title, the 33 hectare site is fragmentated by the existing zoning and natural features. This includes approximately 14 hectares of Residential zoned land and 5.5 hectares of 'Rural 2 deferred Residential' land. The remaining Rural 2 area (approximately 11 hectares in area) is dissected by Pitfure Stream. This existing fragmentation limits the site's productive capability.[29]

Defensible Boundary

When rezoning land for residential development, it is important to seek a defensible development boundary to provide a logical limit to development. This avoids what is typically seen as 'urban spawl' with no natural limit.

The proposed Wakefield Development Area is physically constrained by the residential area to the north-west, Pitfure Stream in the centre, the hills to the south-east, and Edward St to the south-west. This defensible boundary will help to avoid future expansion into the wider rural area and protect land of higher productive capability. The land to the north-east remains in Rural 2 zoning but has been indicated for further development in the Future Development Strategy 2022. A portion of the development area is already zoned for residential and future rural residential use which further constrains the site.

Efficient Land Use

There is a need to ensure that, where urban expansion does occur, it is done in the manner which makes efficient use of land. This Plan Change is seeking to require a certain quota of smaller sections and encourage medium density housing options. This will help to ensure efficient land use and protect other areas of highly productive land that have more productive capacity.

Reverse Sensitivity – Cross Boundary Effects

There is the potential for urban expansion in rural areas to have reverse sensitivity effects on the surrounding rural environment. Examples of this include rural activities such as the spraying of agrichemicals or noise with farm machinery which residents in an adjoining residential area may complain about.

In this case, the proposed Wakefield Development Area is bordered by existing residential land to the west, and is separated from the Rural 2 land to the east by Higgins Road and the steeper topography beyond that. Reverse Sensitivity is not expected to be an issue above what the TRMP rules currently manage.

4.1.1.7 Infrastructure Capacity

Stormwater[7], wastewater[8], and potable water[9] infrastructure improvements are required to provide for the development of the Plan Change site. These improvements are achievable, however, are not yet in place. It is therefore proposed that the rezoning of the Plan Change site be deferred subject to the provision of sufficient stormwater, wastewater and potable water servicing.[9]

The infrastructure requirements are detailed further in the attached Background Report (Appendix 2).

4.1.1.8 Flood Hazard

The proposed Wakefield Development Area is dissected by an ephemeral section of Pitfure Stream. Flood modelling indicates that the lower terraces adjacent to the Pitfure Stream area are required to

accommodate flood flows and these terraces have therefore been included within an indicative reserve as shown in Figure 5. However, the flood hazard will need to be mitigated to allow this growth area to be developed. This mitigation is considered to be feasible.[30]

This Plan Change includes provisions to ensure that flood risk is appropriately managed at the time of development, including relevant policies and matters of control/ restricted discretion, and an indicative reserve along Pitfure Stream to ensure that an appropriate development setback is achieved.

4.1.1.9 Dam Break Hazard

There are two irrigation dams located to the north-east of the Plan Change site, at 335 Higgins Road. A 2017 dam break assessment[31], which estimated the dam break outflow and likely downstream flood effects, found that if these dams were to overflow, some flooding would also occur along the eastern edge of the south-eastern corner of the Plan Change site. The dam break inundation hazard is likely to be able to be mitigated with some bunding or overland flow path works.[30]

The dam break hazard will need to be addressed at the time of development and resource consent.[30] This Plan Change includes provisions to ensure that this occurs, including relevant policies and matters of control/ restricted discretion.

4.1.1.10 Deferred Fire Sensitive Area

The TRMP includes existing provisions to manage potential adverse amenity effects from the discharge of contaminants from outdoor burning in residential areas. This is managed through rules that apply to the Fire Sensitive Area overlay, which generally aligns with Residential zoning in the district. In order to manage potential adverse amenity effects and to be consistent with the existing TRMP format, it is proposed that the Wakefield Development Area be a deferred Fire Sensitive Area. This is an extension of the overlay which already applies to the remainder of the Wakefield Township.

4.1.1.11 Ki Uta Ki Tai (Mountains to the Sea) Worldview and Management Approach

The concept of ki uta ki tai reflects a holistic planning approach, where the wider environment and interconnectedness of areas are considered. This concept is relevant to this Plan Change, particularly in terms of providing for the migration of water from the mountains to the sea.

The concept of Te Mana o te Wai is also relevant to this Plan Change. Te Mana o te Wai recognises that protecting the health of the waterway protects the health of the wider environment.

The proposed Plan Change includes provisions to ensure that the development of the site appropriately manages stormwater flows and flood hazard from Pitfure Stream, and that the health of the waterway is protected. This includes an indicative reserve on either side of Pitfure Stream to provide public access to, and promote care for the stream, and to help accommodate flood flows.

Council's Ecology Staff have advised that the adjacent section of Pitfure Stream has low ecological value (given that it is dry for part of the year), however, any contaminant discharge still needs to be appropriate managed as it could end up in a more sensitive receiving environment e.g., the Waimea Estuary. The TRMP includes existing provisions to manage contaminant discharge and water quality.

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[30] *Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022*

[31] *Plan Change 65 Dambreak Assessment July 2017, T&T*

Overall, the proposed Plan Change is consistent with, and helps to achieve, Council's aim of a ki uta ki tai management approach. This Plan Change also supports Te Mana o te Wai.

4.1.1.12 What's Currently Being Done and Why Isn't this Adequate?

The Future Development Strategy 2022 has found that some urban expansion is required to provide for growth and for Council to meet its obligations under the National Policy Statement on Urban Development. The TRMP's existing residential area is not sufficient to provide for future growth. Through a multi-criteria assessment, the Future Development Strategy 2022, has identified the T-107 Edward Street site for urban expansion.

In terms of intensification and achieving a variety of housing typologies, the TRMP currently includes three methods of providing for medium density housing. These are:

- The Richmond Intensive Development Area (RIDA) which was introduced to the TRMP through Plan Change 66 to promote more intensive housing in Richmond and achieve the following objectives:
    - Provide for a diversity and choice of housing density and form in Richmond to cater for a growing population, a changing demographic profile and a range of living options.
    - Encourage residential intensification through a combination of infill and redevelopment in the Richmond Intensive Development Area, which is a 'brownfields' or already developed area located around the town centre.
    - More generally, through stronger policy direction, ensure that medium density housing in Richmond achieves a high standard of amenity.

  The RIDA provisions do not apply to the development of land in Wakefield or in other parts of the district outside of Richmond.

- The Compact Density Development provisions which provide for medium density housing in new or 'greenfield' development areas within specific development areas. Compact Density Development does not have a minimum allotment size and requires both the subdivision and land use consents to be lodged together to ensure good design outcomes. They also require a parent title with a net area of 1,500m^2 or more. The provisions currently apply to specified development areas in Richmond South and West on the outskirts of Richmond, the Motueka Compact Density Area and the Mapua Special Development Area. There is no existing provision for Compact Density Development in Wakefield.

- The Comprehensive Development, which has existed in the TRMP since its inception, is defined as '*a comprehensively planned and designed collection of three or more dwellings on one site.'* These provisions provide for medium density housing in the rest of the Residential zone (including central Richmond), outside of the specified development areas. The Comprehensive Development provisions can be used in Wakefield. However, these provisions have been found to provide limited encouragement for medium density development in the district as they require high levels of consent, provide for a limited level of density and, other than provisions for minimum site size and coverage, and provide no design guidance for the public or decision makers.

The TRMP currently provides only for standard residential development in Wakefield (including in the existing Residential area that is subject to this Plan Change), or development under the Comprehensive Development provisions which has not been widely used in the area. To date, this has resulted in standard density subdivisions which promotes urban sprawl, and do not encourage a variety of housing options in this area or cater for smaller households.

This Plan Change is seeking to apply the TRMP's existing Compact Density Provisions to the proposed Wakefield development area, with the addition of a non-notification provision to encourage the uptake of these provisions.

4.1.1.13 Risks of Not Acting

If additional greenfields land is not released, there is a risk of not providing sufficient residential capacity to accommodate population growth[32]. This is likely to further increase housing affordability issues[33] and may result in residents leaving the district or facing high housing costs and lack of availability of housing. In addition to this, Council would be in breach of legislative requirements to provide for growth under the National Policy Statement on Urban Development 2020.

If a variety of lot sizes is not required in parts of the district, there is a risk of continued status-quo development, consisting of family homes on standard size lots. This approach will result in a lower housing yield, requiring more area to be developed to cater for growth. Furthermore, this approach does not cater for different demographics and smaller households (e.g., elderly, people without children). Research has shown that there is a demand for medium density housing which is has not been adequately provided for under the current planning provisions[33].

4.1.1.14 Outcomes Sought

This Plan Change is seeking to address the issues outlined above, by:

- Providing greenfields land for residential expansion, by re-zoning land within the Plan Change site from Rural 2 and 'Rural 2 deferred Rural Residential' to 'Rural 2 deferred Residential'. This is to increase housing supply to cater for growth, avoid further affordability issues, and provide for urban expansion in an area of constrained productive value instead of on other highly productive land.
- Requiring a variety of lot sizes to be achieved within the Plan Change site, by introducing a minimum allotment size quota. This is to encourage a variety of housing typologies to cater for different demographics and housing needs
- Encouraging higher density housing options, by making the Plan Change site a Development Area where the TRMP's existing Compact Density provisions apply with the addition of a non-notification provision for the use of these rules within this development area. This is to ensure efficient land use, minimise the need for further residential expansion, cater for different demographics (including the elderly and those without children), and help manage housing affordability issues by increasing supply.
- Providing roads, reserves and walkways to enable active transport and to ensure the health of Pitfure Stream, supporting Te Mana o te Wai.
- Applying the deferred Fire Sensitive Area overlay to the proposed Wakefield Development Area.
- Including policies and rules to ensure that appropriate management of flood hazard and dam break hazard in the north-eastern corner of the site. This is to manage any potential adverse effects.

4.2 Summary of Resource Management Issue/s

Based on the consultation, research and analysis undertaken to develop the problem definition and the general outcomes sought, the following resource management issues have been identified in relation to this Plan Change:

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[32] *Future Development Strategy 2022*

[33] '*Understanding the impacts of releasing greenfields sites for development*'. Sense Partners. 2020

Issue	Comment
Issue 1: Need for housing, including a variety of lot sizes leading to a variety of housing typologies	• The Tasman District is experiencing high levels of residential growth, putting pressure on existing Residential zoned areas. This growth is predicted to continue • The district is currently experiencing housing supply and affordability issues • Tasman District Council have a legal obligation to provide for residential growth – doing nothing is not a legally defensible option • Tasman District Council has heard from the community, through engagement on this Plan Change and other planning projects, that there is a lack of smaller housing options available
Issue 2: Flood Hazard	• The Plan Change site is dissected by Pitfure Stream. Flood modelling indicates that the lower terraces adjacent to the Pitfure Stream area are required to accommodate flood flows. This will need to be considered as part of any development and appropriately managed to avoid adverse effects.
Issue 3: Dam Break Hazard in north-eastern corner of site	• There are two irrigation dams located to the north-east of the plan change site, which present a flooding hazard for the north-east corner of the plan change site in the event of an overflow. The dam break hazard will need to be addressed at the time of development and resource consent[34]. This Plan Change includes provisions to ensure that this occurs, including relevant policies and matters of control/ restricted discretion.
Issue 4: Productive Land	• Productive land is important for the local economy and livelihoods, resilience, and the district's character. • The TRMP recognizes the need to protect productive land to provide for the social, economic, and cultural wellbeing of people in the district. This includes objectives and policies relating to the protection of highly productive land to meet the reasonably foreseeable needs of future generations. Key policies and objectives are outlined in Appendix 4. • The proposed National Policy Statement for Highly Productive Land seeks to recognise the full range of values and benefits associated with the use of highly productive land for primary production, to maintain its availability for primary production for future generations, and to protect it from inappropriate subdivision, use and development. • The proposed National Policy Statement for Highly Productive Land does not seek to provide absolute protection for highly productive land and does not apply to areas that are already identified in the district plan for urban development (such as the Residential and 'Rural 2 deferred Rural Residential' portions of the Plan Change site). • Council's Senior Resource Scientist – Land and Soil has advised that the actual productive capability of the site is limited due to existing Residential and deferred Rural Residential zoning that covers much of the site, and due to Pitfure Stream which runs through the middle of the site. • There is a need to encourage intensification and ensure efficient land use, where urban expansion does occur, to protect productive land. This Plan Change is seeking to encourage higher density housing options and efficient land use, to protect productive land in the wider area.
Issue 5: Infrastructure	• Stormwater, wastewater, and potable water infrastructure improvements are required to provide for the development of the Plan Change site. These improvements are achievable, however, are not yet in place. It is therefore

[34] *Senior Resource Scientist – Natural Hazards, 28 January 2022*

Issue	Comment
	proposed that the rezoning of the Plan Change site be deferred subject to the provision of sufficient stormwater, wastewater and potable water servicing.
Issue 6: Te Mana O Te Wai	• The Plan Change includes indicative reserves along Pitfure Stream to allow space for the waterway and flood flows. This also promotes access to, and care for, the stream, and presents an opportunity for biodiversity enhancement.

5. What are the Possible Options?

Considering and evaluating a number of reasonably practicable options to respond to the key issues identified and therefore achieving the objectives is an important part of a Section 32 evaluation. The evaluation sections of this Section 32 include additional explanation of the options considered. These reasonably practicable options are summarised as:

1. Option 1: For The provisions proposed in this plan change (set out in greater detail in Section 2.2)
2. Option 2: Rezoning the Rural 2 and 'Rural 2 deferred Rural Residential' portions of the Plan Change site to Residential and apply the standard density rules.
3. Option 3: Retain the status quo (set out in Section 2.2.1)

These options form part of the evaluation of the approach to this topic. The evaluations are carried out in Sections 8-9.

6. What is the Statutory and Policy Context?

6.1 Introduction

In carrying out a Section 32 analysis, an evaluation is required of how the proposal achieves the purpose contained in Part 2 of the RMA. 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 -

(a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and

(b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and

(c) avoiding, remedying, or mitigating any adverse effects of activities on the environment'.

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 referred to in Section 8.

6.2 Relevant Statutory and Policy Documents

This section sets out a summary of the statutory and policy documents that have particular relevance to this topic. These have been used to inform and guide Council's assessment of the proposal and options to determine the most appropriate options.

6.3 Resource Management Act 1991

6.3.1 Section 6: Matters of National Importance

The Section 6 matters of particular relevance to this topic are:

Relevant matter	Reason for relevance
c) The protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna	The Plan Change site is adjacent to an identified Significant Natural Area (SNA). The portion of the Plan Change site that is near the SNA is a proposed indicative reserve. This will provide to opportunity for biodiversity protection and enhancement in the area.
d) The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers	The Plan Change site is dissected by Pitfure Stream. This section of Pitfure Stream is currently running through privately-owned property and does not have public access. The Plan Change includes a new indicative reserve along either side of the stream to provide public access to, and promote care for, Pitfure Stream. This indicative reserve will also have a flood hazard management function.
e) The relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga	It is recognized that iwi have a relationship with the land and water. Te Tau Ihu iwi were engaged early in this Plan Change process to ensure that any cultural values are understood and provided for. Iwi provide provided high-level feedback on residential development, which has been taken into account in the drafting of this Plan Change. No cultural heritage sites have been identified within the Plan Change area.
h) The management of significant risks from natural hazards	Pitfure Stream dissects the Plan Change site and presents a potential flood hazard if not managed appropriately. There are also two irrigation dams located to the north-east of the plan change site, which present a flooding hazard for the north-east corner of the plan change site in the event of an overflow. The Plan Change includes policies and rules to ensure that the flood hazard and dam break hazard are addressed in the development of the site.

6.3.2 Section 7 Other Matters

The Section 7 matters of particular relevance to this topic are:

Relevant matter	Reason for relevance
a) kaitiakitanga	It is recognized that iwi have a role of kaitiakitanga. Te Tau Ihu iwi were engaged early in this Plan Change process to ensure that any cultural values are understood and provided for. Iwi provide provided high-level feedback on residential development, which has been taken into account in the drafting of this Plan Change.
b) the efficient use and development of natural and physical resources	There is a need to encourage intensification and ensure efficient land use, where urban expansion does occur, to protect productive land. This Plan Change is seeking to achieve this through requiring smaller lot sizes and enabling and encouraging Compact Density Development within the site.
c) the maintenance and enhancement of amenity values	The Plan Change includes indicative reserves which will enhance the area's amenity values. As outlined above - The Plan Change site is dissected by Pitfure Stream. This section of Pitfure Stream is currently running through privately-owned property and does not have public access. The Plan Change includes a new indicative

	reserve along either side of the stream to provide public access to, and promote care for, Pitfure Stream. The Plan Change also includes indicative reserves around existing trees on the site, to provide neighbourhood parks and green space.
d) intrinsic values of ecosystems	The adjacent section of Pitfure Stream is considered to have relatively low ecological values, given that it is dry for part of the year. However, the discharges of sediment and nutrients still need to be managed well because they will end up in sensitive areas e.g., Waimea Inlet and Waimea River. Opportunities exist to improve the ecological outcomes from protection and planting of the stream margins. There are no Significant Natural Areas or wetlands within Plan Change site.
i) the effects of climate change	The proposed Wakefield Development Area is within close proximity to the Wakefield Town Centre and provides opportunities for active transport options. This includes indicative roads, reserves and walkways to enable active transport. The site is also within close proximity to the Great Taste Cycle Trail and the bus route, which provide access into Richmond. This reduces the reliance on private vehicles and therefore positively contributes to reducing greenhouse gas emissions.

6.3.3 Section 8 Treaty of Waitangi

The principles of the Treaty of Waitangi (Te Tiriti o Waitangi) that have been taken into account and the Te Tau Ihu iwi involved in the development of the Plan Change and its provisions.

Early engagement with iwi has included an initial hui, with all Te Tau Ihu Iwi invited, in November 2021. This hui was attended by representatives from Ngāti Toa, Ngāti Kuia, and Te Atiawa, and was used to discuss residential growth in various locations around the district, including the proposed Wakefield Development Area.

High-level feedback was received from this hui in relation to residential growth. This included support for creating communities with a heart/ centre, implementing Te Mana o te Wai, using Māori placenames, having guiding development principles, and the need for housing that provides for larger families and multigenerational living.

Additional consultation with iwi representatives was undertaken via email through the development of this Plan Change including the provision of indicative mapping and policy direction. No other feedback was received.

The final draft notification material was sent to iwi representatives as part of the Schedule 1 RMA requirements. Through this consultation, general feedback was received from Ngati Tama (20 July 2022). Feedback included reference to effects on water quality, the physical structure and hydraulic characteristics of waterbodies and the health of aquatic plants and animals and sedimentation. The plan change has addressed the potential waterway effects through the inclusion of an indicative reserve along Pitfure Stream which provides a development buffer/setback to protect waterways values. Other issues raised include disturbance to soil and associated ecosystems, catchment management and stormwater management. As part of this Plan Change the zoning of the land is deferred and will not be lifted until Council is satisfied with stormwater and catchment management. Issues surrounding earthworks will be managed at the subdivision stage.

No other feedback has been recieved and it is considered that the principles of the Treaty of Waitangi have been taken into account during the development of this Plan Change.

6.4 National Instruments

The National Instruments considered for their relevance to this topic are the National Policy Statements, including the New Zealand Coastal Policy Statement, and the National Environmental Standards that are currently in force.

Relevant national instrument	Reason for relevance
National Policy Statements	
National Policy Statement on Urban Development (NPS-UD) 2020	• Requires Tasman District Council to provide for anticipated housing demand. • Includes policies and objectives that set direction for Councils to (among other things) improve housing affordability, enable a variety of homes, and provide development capacity to meet expected housing demand. • Policies and objectives of particular relevance are as follows: ○ Objective 1: *Planning decisions improve housing affordability by supporting competitive land and development markets* ○ Policy 1: *Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:* *a) have or enable a variety of homes that:* *(i) meet the needs, in terms of type, price, and location, of different households; and* *(ii) enable Māori to express their cultural traditions and norms; and* *b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and* *c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and* *d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and* *e) support reductions in greenhouse gas emissions; and* *f) are resilient to the likely current and future effects of climate change.* ○ Policy 2: *Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.*
National Policy Statement for Freshwater Management (NPS-FM) 2020	• Relevant to development near Pitfure Stream. • Requires Council to give effect to Te Mana o te Wai and – in doing so – to manage freshwater, and land use and development, in catchments in an integrated and sustainable way to avoid, remedy, or mitigate adverse effects, including cumulative effects, on the health and well-being of water bodies, freshwater ecosystems, and receiving environments.
Proposed National Policy Statement for Highly Productive Land (NPS-HPL)	• The purpose of the NPS-HPL is to: ○ recognise the full range of values and benefits associated with its use for primary production

Relevant national instrument	Reason for relevance
Note: This is a proposed NPS and has no legal effect, and therefore does not have weighting.	○ maintain its availability for primary production for future generations ○ protect it from inappropriate subdivision, use and development. • Strengthens the requirements for Council to manage versatile and productive land to ensure its long-term availability for primary production. • Require councils to identify HPL within their region and protect this resource for land-based primary production, with a particular focus on protecting HPL from lifestyle development, undesirable urban expansion and 'other' inappropriate subdivision, use and development. • Does not seek to provide absolute protection for HPL and recognises that non-productive uses are appropriate on HPL in certain circumstances. • Does not impact on existing urban areas and land that councils have identified as future urban zones in district plans. • Relevant to the productive value of the Plan Change site, and the need to ensure efficient land use that minimises sprawl.
Proposed National Policy Statement for Indigenous Biodiversity (NPS-IB) Note: This is a proposed NPS and has no legal effect, and therefore does not have weighting.	• The proposed NPS-IB seeks to avoid the loss and fragmentation of, and manage adverse effects on, Significant Natural Area (SNAs). • The proposed NPS-IB is relevant as the Plan Change site is adjacent to an identified SNA. The portion of the Plan Change site that is near the SNA is a proposed indicative reserve. This will provide to opportunity for biodiversity protection and enhancement in the area.
National Environmental Standards	
n/a	There are no applicable National Environmental Standards.

6.5 Operative Regional Policy Statement and Resource Management Plans

The Tasman Regional Policy Statement (TRPS) and TRMP include existing policies, objectives and methods of implementation that are relevant to this Plan Change in terms of:

- Providing for residential development.
- Avoiding, remedying or mitigating the adverse effects of urban development.
- Ensuring the efficient use and development of resources.
- Protecting productive land.
- Managing flood hazard and stormwater.
- Providing for Compact Density Development in specified development areas. These existing provisions are proposed to be applied to the proposed Wakefield Development Area as part of this Plan Change.

The relevant objectives, policies, and methods in the operative TRPS and TRMP are identified in Appendix 4.

6.6 Iwi Management Plans

The following Iwi Management Plans are considered to be relevant to this topic. The table below identifies the particular document and the relevant provisions within it.

Iwi Management Plan	Relevant Provisions	Reason for Relevance
Ngāti Koata No Rangitoto ki te Tonga Trust Iwi Management Plan 2002	The Ngāti Koata IMP identifies the issues of importance to the relationship between land, air, and water and that the modification of land can adversely affect the resources of value to Ngāti Koata. The objectives refer to protection of Ngāti Koata heritage values and the maintenance and enhancement of landscape values of significance to Ngāti Koata.	The TRMP includes existing provisions related to the relationship between land, air, and water and iwi values, and to the maintenance and enhancement of landscape values.
Pakohe Management Plan 2015 – Ngati Kuia	n/a – this does not relate to urban development in Wakefield.	n/a – this does not relate to urban development in Wakefield.
Ngāti Tama Environmental Management Plan 2018	The Ngāti Tama IMP seeks that urban development is contained within urban zones and that rural areas are protected from urban development. The IMP also seeks that any urban development maintains and enhances the natural environment. Ngāti Tama wishes to be actively involved in the decision-making process which involve zoning land.	The Plan Change site includes land which is currently zoned Rural 2, however, the productive value of the Plan Change site is considered to be limited by the physical constraint of Pitfure Stream, and existing Residential and deferred Rural Residential zoning. This Plan Change is seeking to encourage higher density housing options and efficient land use, to protect productive land in the wider area.
Ngāti Rārua Environmental Strategy 2021	The Ngāti Rārua Environmental Strategy 2021 encourages affordable housing options, opposes development in areas of significance to them, discourages urban development within areas of high natural values or on highly productive rural land. Incorporation of cultural values in urban development is supported and the use of appropriate Maori names in areas of new development are encouraged.	This Plan Change is intended to provide housing supply (including smaller housing options) and contribute to affordability. The Plan Change site has not been identified as an area of high natural values, although it is noted that a Significant Natural Area borders the eastern site boundary – an indicative reserve is proposed on the portion of the Plan Change site that adjoins this area. While this Plan Change involves urban expansion into rural land, the productive value of the Plan Change site is considered to be limited by the physical constraint of Pitfure Stream, and existing Residential and deferred Rural Residential zoning.

There are no other relevant IMPs. Details of iwi engagement are provided in Section 3.2 and Appendix 3.

6.7 Relevant management plans and strategies

The following plans, strategies, heritage listings and regulations are relevant to this Plan Change:

Item of relevance	Organisation	Relevant Provisions
Future Development Strategy 2022	Tasman District Council	• Identifies the Plan Change site for residential development.
Long Term Plan 2021-2031, including the Infrastructure Strategy	Tasman District Council	• Provided population growth estimates. • Outlines planned infrastructure works.

Intensification Action Plan 2020	Tasman District Council	• Looks at ways in which residential growth can be provided for through intensification, following the Future Development Strategy 2019.
		• Includes actions to:
		  ○ Incentivise the building of smaller dwellings
		  ○ Ensure sufficient capacity of appropriately zoned, serviced land for medium density housing in identified settlements, to enable supply
		  ○ Require high quality design standards for medium density housing through the new Tasman Environment Plan.
		  ○ Ensure Plan rules continue to permit two storey and enable three storey in the future.
		• While this Plan Change is providing for greenfields development, there is also an element of intensification, in recognising the need to encourage medium density housing and provide a variety of lot sizes. The Intensification Action Plan is relevant to this aspect of the proposal.

Walking and Cycling Strategy 2022	Tasman District Council	• Aims to improve transport network capacity, promote healthy communities (with safe active transport), look after the environment (by reducing carbon emissions), and create vibrate urban areas (with walkable communities). • Includes plans for a separate cycle lane along Pitfure Road, and 30kph 'slow speed residential streets' within the urban areas of Wakefield.
Age-Friendly Policy 2019	Tasman District Council	• Recognises that the Tasman District has an aging population. • Includes a goal for a range of affordable and appropriate housing options for older people. • Includes objectives to enable and encourage higher density development close to services

Item of relevance	Organisation	Relevant Provisions
		across the District, and to enable and encourage smaller, more affordable dwellings, including second dwellings and the redevelopment of existing dwellings. • Outlines feedback from people over 65 years of age that there is a need for smaller dwellings that are affordable, accessible, warm, low-maintenance, and close to services to allow people to age in place in their current communities.
Urban Design Action Plan 2008	Tasman District Council	• Seeks to foster the seven essential design qualities in the New Zealand Design Protocol. • This includes 'choice – ensuring diversity in lifestyle and transport options'. • The proposed medium density provisions in this plan change are intended to providing housing options and contribute to achieving this essential design quality.
Aotearoa New Zealand's Emission Reduction Plan 2022 and National Adaptation Plan 2022	Central government	• The proposed Wakefield Development Area has taken account of Aotearoa New Zealand's Emissions Reduction Plan 2022 and National Adaptation Plan 2022. These documents work together to achieve a climate-resilient Aotearoa New Zealand. • In terms of emissions reduction, the proposed development area is an extension of the existing township with the ability to easily access existing roading and transport networks. This gives people the ability to choose to walk or bike to local destinations, or to bus further afield. It also enables existing infrastructure to be utilised to the extent this is available which improved efficiency of that infrastructure. The ability to increase density of residential use also improves this more efficient use of transport and infrastructure which assists with reducing emissions. • In terms of adaptation, the Plan Change has provided space for flood events using indicative reserves alongside the Pitfure Stream. The associated infrastructure will be able to be developed in line with Council's Land Development Manual to accommodate climate change effects.

6.8 Other relevant legislation or regulations

The following legislation and regulations are relevant to this topic/issue:

Relevant Legislation/Regulation	Relevant Provisions	Reasons for relevance
Resource Management (Enabling Housing Supply and Other Matters) Amendments Act 2021	Medium Density Residential Standards (MDRS)	• Requires Tier 1 councils (in the greater urban areas of Auckland, Hamilton, Tauranga, Wellington, Christchurch,) and some Tier 2 and 3 councils experiencing acute housing demand to apply the Medium Density Residential Standards (MDRS) to most of their existing residential areas as part of their plans from August 2022. • The MDRS enable a variety of housing, including an allowance for up to three dwellings per site, each being up to three storied, subject to compliance with relevant standards. • Tasman District Council is not required to apply the MDRS, however, this is relevant in terms of what is being done in other areas around the country to address housing needs.

6.9 National Guidance Documents

The following National Guidance Documents are relevant to this Plan Change.

Relevant National Guidance Documents	Reasons for relevance
National Medium Density Design Guide 2022	• Provides guidance of the design and development of medium density housing, including design principals and priority design elements. • Provides guidance at a site-development level. • Has a focus on the Medium Density Residential Standards in the Resource Management (Enabling Housing Supply and Other Matters) Amendments Act 2021. • Draws on kaupapa Māori design, understanding specific knowledge, considerations, and protocols associated to kāinga.
Valuing Highly Productive Land: A discussion document on a proposed national policy statement for highly productive land	• Outlines the objectives and intent of the proposed NPS-HPL, including issues around urban expansion on highly productive land and the fragmentation of highly productive land.

6.10 Plans of adjacent territorial and regional authorities

RMA Sec 66(2)(d) and 74(2)(c) require regard to be had to the need for consistency with the RPS and Regional Plan (operative or proposed), and operative or proposed district plans, of adjacent authorities.

The RMA requires Council to have regard to the need for consistency with the Regional Policy Statement or Plans, or District Plans (both operative and proposed) of the adjacent authorities. The following documents and specific provisions have been considered in terms of the need for consistency:

Relevant Authority Document	Relevant Provisions	Need for consistency
Nelson Resource Management Plan (NRMP)	Residential Zone Rule REr.2 – Minimum Site Area	The NRMP separates the Residential Zone into four categories (Lower Density Area, Lower Density Area (Stoke), High Density Area, and Standard Density), each with a different minimum allotment size. This includes a minimum allotment size of 400m2 in the Standard Density area, and a minimum allotment size of 300m2 in the higher Density area. The existing structure of the TRMP is different to the NRMP. The proposed Plan Change is intended to fit within the existing structure of the TRMP, and does not need to be consistent with the NRMP.

6.11 National Planning Standards

The National planning standards were introduced in April 2019 with the purpose of improving the consistency of council plans and policy statements and relate to the structure and content of regional and district plans.

This Plan Change has been drafted to fit within the existing structure of the TRMP with minimal change to ensure clarity and consistency with the existing TRMP. Tasman District Council are in the process of preparing a new unitary plan – the 'Tasman Environment Plan (TEP)' – which will be prepared in accordance with the National Planning Standards.

7. What are the Proposed Objectives, Policies and Methods?

7.1 Proposed Objectives, Policies and Methods

The purpose – and therefore the objective – of this Plan Change is to provide for housing and encourage intensification within an identified site in Wakefield (the proposed Wakefield Development Area). This is responding to issues around the need to provide for population growth, the need to manage housing affordability and the need to provide a variety of housing typologies to cater for different demographic and ensure efficient land use. This is discussed further in Section 4.

This Plan Change does not seek to introduce any new objectives into the TRMP, however, it does include new policies and methods. The proposal changes to the TRMP text, including new and amended policies and methods, are shown in the Schedule of Amendments and summarised below.

Key changes to the TRMP include*:*

- The introduction of new minimum allotment size criteria for the subdivision of parent titles greater than 2 hectares in net area in the proposed Wakefield Development Area, including the introduction of Rule 16.3.3.1B. This is to require a minimum of 20% of the resultant titles to have a net area between 270m^2 and 350m^2, another 20% or more must have a net area between 350m^2 and 450m^2, and 50% to be standard residential density (i.e., a minimum net area of 450m^2). The remaining 10% of resultant titles can be comprised of any of these densities, or a mixture of all three.
- The introduction of the Wakefield Development Area and amendments to the existing Compact Density provisions (including the definition, and relevant policies, methods of implementation, and rules) to apply these provisions to the proposed Wakefield Development Area.

- The introduction of a non-notification provision for the use of Compact Density subdivision and land use in the proposed Wakefield Development Area (including relevant policies, rules, and explanatory text).
- Provisions (including policies, methods of implementation, rules and matters of control/ discretion) to ensure that the development of smaller lots in the proposed Wakefield Development Area achieves good urban design outcomes in accordance with the Urban Design Guide (TRMP Part II, Appendix 2).
- Provisions (including policies and matters of control/ discretion) to ensure that flood hazard and dam break hazard in the north-eastern corner of the site is appropriately managed for the development of the proposed Wakefield Development Area.
- Indicative items (roads, walkways and reserves) to provide for accessibility, flood flows, and recreation.
- Applying the TRMP's deferred Fire Sensitive Area to the site.

8. Are the Proposed Objectives of the proposal the most appropriate way to achieve the purpose of the Act?

8.1 Evaluation Context

This section of the report evaluates the proposed objectives to determine whether they are the most appropriate way to achieve the purpose of the Act.

Section 32 encourages a holistic approach to assessing objectives, rather than looking at each objective individually. This recognises that the objectives may work inter-dependently to achieve the purpose of the Act.

For the purposes of this evaluation the following criteria form the basis for assessing the appropriateness of the proposed objectives:

Category	Criteria
Relevance	• Directed to addressing a resource management issue • Focused on achieving the purpose of the Act • Assists the Council to carry out is statutory functions (RMA s.30 and s.31) • Within scope of higher-level documents
Feasibility	• Acceptable level of uncertainty and risk • Realistically able to be achieved within Council's powers, skills and resources
Acceptability	• Consistent with identified iwi/Maori and community outcomes • Will not result in unjustifiably high costs on the community or parts of the community

8.2 Evaluation of the Plan Change objective

This Plan Change does not add any objectives to the TRMP, nor does it amend any existing objectives. As per RMA sec 32(6)(b), the objective of this Plan Change is therefore the same as the Plan Change purpose which is to provide additional land for residential housing and encourage both intensification and a variety of densities within an identified site in Wakefield (the proposed Wakefield Development Area).

Through considering the consultation undertaken and issues identified Council has developed the following potential options for achieving the purpose of the plan change:

1) Plan Change proposal – To provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.
2) Standard density residential - Rezoning for standard density residential growth without any provisions to provide an increase in density or an increased variety of lot sizes.
3) Status Quo – no change in zoning.

Plan Change Objective Assessment - Wakefield:
To provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.
General intent:
This is responding to issues around the need to provide for population growth, the need to manage housing affordability, and the need to provide a variety of lot sizes to cater for different demographics. It also helps achieve more efficient land use. Under this objective, the Plan Change intends to: • Provide greenfields land for residential expansion, by re-zoning land within the Plan Change site from Rural 2 and 'Rural 2 deferred Rural Residential' to 'Rural 2 deferred Residential'. This is to increase housing supply to cater for growth, assist with avoiding further housing affordability issues, and provide for urban expansion in an area of constrained productive value instead of on other highly productive land. • Require a variety of lot sizes to be achieved, by introducing a minimum allotment size quota. This is to encourage a variety of housing typologies to cater for different demographics and housing needs • Encourage higher density housing options, by making the Plan Change site a Development Area where the TRMP's existing Compact Density provisions apply with the addition of a non-notification clause for the use of these rules within this development area. This is to ensure efficient land use, minimise the need for further residential expansion, cater for different demographics, and help manage housing affordability issues by increasing supply. • Include policies and rules to ensure appropriate management of flood hazard and dam break hazard effects. • Include indicative items to provide for recreation, flood management, and connectivity purposes. • Make the proposed Wakefield Development Area a deferred Fire Sensitive Area.
Other potential objectives
The key alternative option relating to the purpose of the Plan Change is to rezone the site to 'Rural 2 deferred Residential' without any provision to provide an increase in density or an increase in the variety of lot sizes. This would allow for standard residential development, enabling a single residential dwelling to be constructed on each site as a permitted activity (TRMP Rule 17.1.3.1), and requiring a minimum lot size of 450m^2 for subdivision to occur as a controlled activity (TRMP Rule 16.3.3.1). The Residential Zone rules also allow for Comprehensive Development land use (being the construction of three or more dwellings per site) to occur with a restricted discretionary activity status (TRMP Rule 17.1.3.4A) or higher. This option allows for standard density or Comprehensive residential expansion to occur within the existing Rural 2 and 'Rural 2 deferred Rural Residential' land which would be rezoned for residential use. This option does not further enable or encourage medium density development. This option is therefore of limited benefit in terms of providing for residential growth within the region, for encouraging a variety of housing options, and for protecting soils of greater productive capacity. The status quo option of retaining the current zoning patterns and making no change has been shown to not meet the obligations set out in NPS-UD to provide for growth within the district. This position has been reinforced through the Future Development Strategy 2022 processes, and the supporting

Plan Change Objective Assessment - Wakefield:		
information to this Plan Change referenced in Section 3. The further assessment will therefore focus on options 1 and 2 for achieving the objective of the Plan Change. The assessment below considers the proposed option and the potential viable alternative of rezoning as standard density development by way of comparison.		
Other relevant objectives in the Plan:		
Objective 6.2.2.3: *For the period 2021 to 2051, the minimum sufficient development capacities for housing in the Tasman portion of the Nelson-Tasman Urban Environment are provided.* Objective 6.2.2.2: *Urban growth and sufficient opportunities, including redevelopment opportunities that encourage more efficient use of land, energy and provision of infrastructure, services and amenities.* Objective 14.1.2: *Adequate area and distribution of a wide range of reserves and open spaces to maintain and enhance recreation, conservation, access and amenity values.*	The TRMP contains existing objectives which relate to the objective of this plan change. Objectives 6.2.2.3 and 6.2.2.2 are of particular relevance, as they are seeking to achieve a similar outcome to the Plan Change objective, being the provisions of residential housing capacity and of efficient land use. Objectives 14.1.2 is also relevant, in terms of providing sufficient reserve space to cater for future development of the site. Other relevant objectives are considered in Section 6.5 and Appendix 4.	
	Plan Change objective	**Standard residential density development**
	To provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.	To rezone the 'Rural 2' and 'Rural 2 deferred Rural Residential' portions of the site to 'Rural 2 deferred Residential' without any provision to provide an increase in density or an increase in the variety of lot sizes.
Relevance:		
Directed to addressing a resource management issue	Helps to address the following resource management issues:	This options partially addresses the identified resource management issues but is not a directed response as it only enables standard density development (or Comprehensive Development at a restricted discretionary

Plan Change Objective Assessment - Wakefield:		
	• Providing sufficient housing capacity for residential growth projections. • Housing affordability. • The need to provide a variety of housing typologies to cater for different demographic and ensure efficient land use. • Management of issues around flood hazard, dam break hazard in the north-eastern corner of the site, and productive land, through provisions within the Plan Change. • To provide sufficient reserve space.	activity status or higher). This is less effective at providing residential growth capacity in Wakefield to meet population projections and does not further enable or encourage medium density development.
Focused on achieving the purpose of the Act	This objective helps to achieve the purpose of the Act by: • Catering for residential growth projections, to meet the foreseeable needs of future generations in a way that sustains natural resources such as other areas with greater production capacity. • Providing for sustainable residential development, by ensuring efficient land use. • Zoning patterns provide space to manage the effects of the activity on the environment.	This option will not change the objectives, policies, rules of the TRMP, or the methods used within the TRMP to achieve the purpose of the Act. The use of the land for standard density residential development is not an effective way of sustaining the natural resources of other land with more productive potential.
Assists the Council to carry out is statutory functions (RMA s.30 and s.31)	The objective of this Plan Change assists Council with carrying out its statutory functions by ensuring that there is sufficient development capacity for housing – RMA s30(1)(ba), and s31(1)(aa).	This option will not change the objectives, policies, rules of the TRMP, or the methods used within the TRMP to assist Council to carry out its statutory functions.

Plan Change Objective Assessment - Wakefield:		
	It can be undertaken in a way that does not restrict Council's other responsibilities in relation to the quality of water bodies, ecosystems, soil conservation, and the avoidance or mitigation of natural hazards.	This option is less effective at ensuring there is sufficient development capacity for housing – RMA s30(1)(ba), and s31(1)(aa).
Within scope of higher-level documents	The objective of this Plan Change is within the scope of the National Policy Statement on Urban Development 2020. While not yet in legal effect, the proposed National Policy Statement on Highly Productive Land is also relevant. The productive capacity of the site and the need to ensure efficient land use have been considered. The proposed National Policy Statement for Indigenous Biodiversity (also not yet in legal effect) is also of relevance, as part of the Plan Change site is adjacent to an identified SNA. The portion of the site adjacent to the SNA is a proposed indicative reserve, to avoid adverse effects on the SNA and provide opportunity for biodiversity enhancement.	This option is also within the scope of the National Policy Statement on Urban Development 2020, however is less effective at achieving the supply of residential land directed by the NPS.
Feasibility:		
Acceptable level of uncertainty and risk	Provisions are included to manage potential adverse effects, including effects related to flood hazard and dam break hazard. Provisions are also included to ensure good urban design outcomes design in accordance with the Urban Design Guide (TRMP Part II, Appendix 2). The Plan Change also includes indicative items to ensure that key transport connections are made, and that sufficient reserve area is provided.	There is a risk of insufficient housing capacity, and of continued standard density development. Uncertainty is also created in relation to other areas of land with more productive capacity as these may also be required in the future to provide for residential growth.

Plan Change Objective Assessment - Wakefield:		
	The proposed changes use the existing TRMP format and provisions where possible, to minimise uncertainty. This includes relying on existing provisions in relation to bulk and location of future buildings, and subdivision requirements. In addition, all other provisions around the develop of residential sites and location adjacent to water courses remain the same.	
Realistically able to be achieved within Council's powers, skills and resources	The proposed changes use the existing TRMP format and provisions where possible. This helps to ensure that the provisions are realistic. Future development within the area is consistent with the same activity in many areas of existing Residential zoning within the district. Therefore, use of provisions relating to the new zoned land is consistent with Council's current function.	Rezoning as standard residential is realistic as it would be consistent with other Residential zoning throughout the district and would have the same outcome of standard residential density development.
Acceptability:		
Consistent with identified iwi/Maori and community outcomes	This Plan Change includes engagement with iwi, consideration of applicable Iwi Management Plans and incorporation of relevant ideas, including Te Mana o te Wai and providing for a variety of housing options.	Rezoning as standard residential would be consistent with some of the identified iwi outcomes, including Te Mana o Te Wai which is provided for through the NPS-FW. However, this option would not achieve other outcomes of providing for a variety of housing options.
Will not result in unjustifiably high costs on the community or parts of the community	The proposal will not result in unjustifiably high costs on the community, and will help to manage housing affordability issues. The costs of implementing the proposal are consistent with those for any residential development. Council's Development Contributions Policy will apply to the development of the sites.	This option will result in similar development costs to other residential developments in the district. However, this option will not encourage increased density, and therefore is unlikely to provide as many houses, limiting the impact on housing affordability. Furthermore, this option will not encourage more efficient use of land, which will have a cost in terms of not protecting other areas of higher productive land capacity.
Overall assessment of the appropriateness of the Plan Change objective		
Overall, the proposed Plan Change objective is considered to be an appropriate way to achieve the purpose of the Act for the following reasons:		

Plan Change Objective Assessment - Wakefield:
• It responds to the identified issues and will assist with resolving these • It achieves the purpose of the Act by enabling efficient residential development and sustainable use of the land resource • It assists Council with their statutory responsibilities under the RMA, and other national planning documents such as the NPS-UD • The proposal can be realistically achieved as it predominantly relies on application of existing provisions relating to development, or modifications of those provisions • There are no unjustifiable costs on the community, and the proposal is consistent with identified Maori and community outcomes.

9. Are the Proposed Policies and Methods the most appropriate way to achieve the Objectives?

9.1 Evaluation of proposed Policies and Methods

Section 32(1)(b) requires evaluation of the appropriateness of the policies and methods that are proposed to achieve the proposed objective/s of the Plan Change. The policies and methods, including the reasonably practical options have been developed through the consultation, information reporting, research and analysis that has been undertaken for this topic. The level of this assessment has been determined by the scale and significance of the change.

The reasonably practicable options for achieving the objectives are set out in Section 5 and Section 8.2.

With respect to the preferred option, an evaluation of the provisions has been undertaken relating to the costs, benefits and the certainty and sufficiency of information in order to determine the effectiveness and efficiency of the approach, and whether it is the most appropriate way to achieve the relevant objective(s).

This evaluation of the provisions to achieve the objective/s is set out in the following table:

Plan Change Objective 1: To provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.				
The proposed policies and methods are set out in full in the Schedule of Amendments. In summary these includes policies and methods related to the following: • The introduction of new minimum allotment size criteria for the subdivision of parent titles greater than 2 hectares in net area in the proposed Wakefield Development Area, including the introduction of Rule 16.3.3.1B. This includes provisions to ensure that the development of smaller lots in the proposed Wakefield Development Area achieve good urban design outcomes in accordance with the Urban Design Guide (TRMP Part II, Part II), and that dam break hazard in the north-eastern corner of the site and flood hazard are appropriately addressed. • The introduction of the Wakefield Development Area and amendments to the existing Compact Density provisions to apply these provisions to the proposed Wakefield Development Area. This includes applying a non-notification provision for the use of Compact Density subdivision and land use in the proposed Wakefield Development Area. • Making the proposed Wakefield Development Area a deferred Fire Sensitive Area.				
Proposed Provisions	**Costs**	**Benefits**	**Effectiveness and Efficiency**	**Risk of Acting / Not Acting if there is uncertain or insufficient information about the subject matter of the provisions**
The introduction of new minimum allotment size criteria for the subdivision of parent titles greater than 2 hectares in net area in the proposed Wakefield Development Area, including the introduction of Rule 16.3.3.1B. This includes provisions to ensure that the development of smaller lots in the proposed Wakefield Development Area achieve good urban design outcomes in accordance with the	There will be a monetary cost to the developer in designing their proposal to achieve the new minimum allotment size criteria. This cost is considered to be limited as developments require design and consenting regardless of the section sizes. The costs of the proposed requirements are expected to decrease as development firms gain experience working with them. The use of the urban design guide as part of the assessment of developments under the proposed requirements is not expected to result in unreasonable costs to the developer. The requirements apply to sites with a net area of over 2ha. Development of this scale generally involve a degree of urban design	This will benefit the existing community and future generations by ensuring a variety of lot sizes, thereby encouraging different housing typologies, to cater for different demographics and household sizes. This approach is also expected to positively contribute to efficient land use housing yield, and housing affordability. Over time this is expected to be an economic benefit. Environmentally the expected benefits of an increase in development intensity and variability in section sizes (and the use of the urban design guide) relate to reserve provision, flood management, ecological restoration opportunities, and the creation of quality urban environments. • Due to the proposed level of residential density, indicative	The objective of the Plan Change is to provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area. The effectiveness and efficiency of the proposed policies and methods to achieve this is set out as follows: **Effectiveness** The proposed provisions – in particular policy 6.2.3.2B seeking efficient use of land through medium density housing and a variety of lot sizes (and associated policy 6.16.3.1B), and rule 16.3.3.1B which requires a variety of lot sizes to be achieved – are effective at achieving	It is considered that there is certain and sufficient information on which to base the proposed policies and methods as: • Community consultation and Council research, including through the Future Development Strategy 2022, has demonstrated the need to provide a variety of lot sizes and ultimately housing typologies. • Consultation with developers, and other development examples

Urban Design Guide (TRMP Part II, Appendix 2), and that dam break hazard in the north-eastern corner of the site and flood hazard are appropriately addressed.	assessment to ensure they are well designed, attractive and functional. Environmentally the potential costs, or negative effects, of an increase in development intensity relate to the Pitfure Stream ecology (including sediment control during development), flooding effects and effects of residential scale development on highly productive land. • Ecologically, the potential negative effects are to be managed through providing reserves along the stream banks. This ensures a setback is achieved and space is available for ecological restoration – noting that the stream is often dry. The site is not unusual in terms of the potential for sediment generation. Standard sediment control methods will manage this effect. • Potential flood effects are avoided through space being provided to accommodate flood flows within the Plan Change area. Management of flood effects from the development will be possible as is required by the Nelson Tasman Land Development Manual for residential development. • Effects on highly productive land are minimised through ensuring this land is efficiently used for housing;	reserves are identified to provide for this development. That provides opportunities to include additional planting and ecological restoration of riparian margins. • The indicative reserves provide the ability to manage flood flows that cross the site, and development patterns and controls manage the generation of stormwater within the site. • The indicative reserves provide the ability to enhance biodiversity. • The use of the TRMP Urban Design Guide for designing and assessing proposals will assist with creating desirable places for people to live which function well and have a sense of community. • Part of the site is already zoned for residential development including an existing area of Residential zone land and an area of 'Rural 2 deferred Rural Residential' zoned land. The proposed provisions will make more efficient use of this area. Socially, an increase in development intensity and variability in section sizes relates to a greater variety of housing that can have the following benefits:	the objective of the plan change. This is for the following key reasons: • The requirement for a variety of section sizes to be created at the time of greenfield development allows planned development of this nature from the outset. • This is more effective than the alternative of standard density residential development where the market is the driver for any variation in densities. • The provisions include a clear pathway, with policy support to achieve the objectives of the Plan Change. • Use of the urban design guide is effective as it is an existing method in the TRMP and can be applied at the time of subdivision design. • Applying these provisions to sites greater than 2ha ensures smaller sites which may be less able to achieve the mix of densities required do no end up with	in the region demonstrate that a variety of section sizes can be incorporated into greenfield residential developments. • Advice from Council specialists have confirmed that flood hazard, ecological, recreational/reserve, transport, and productive land matters can all be addressed through development in this location. • Not acting has a risk of insufficient housing capacity, and of continued standard density development.

	the land has lower productive capacity due to the existing constraints of the site (the existing Residential zoning, and Pitfure Stream) . Enabling development of this land takes development pressure off areas with more productive capacity. There are no identified costs or negative effects relating to social matters. There are no identified costs of negative effects relating to cultural matters.	• Provision of different opportunities for future residents where a mix of small and larger properties will be available. • A more varied neighbourhood with housing available that may suit a wider variety of people leading to a wider segment of society being accommodated. Increasing housing supply can assist with housing affordability (2020 Sense Partners Report). • Opportunities for people to remain in their neighbourhood over time as their housing needs change. Culturally, an increase in development intensity and variability in section sizes relates to a greater variety of housing can have the following benefits – acknowledging that these are limited: • There is potential for a wider housing choice and the creation of communities with a heart which was identified as a need through the consultation with iwi. • The indicative reserve network proposed, due in part to the increased number of dwellings, is based on the waterways and flow	unintended design outcomes. **Efficiency** The provisions identified in this Plan Change are efficient at achieving the stated objective for the following reasons: • The requirement for a mix of densities is based on the existing subdivision provision pathway in the TRMP. • The provisions directly require a mix of densities to be achieved through the subdivision consenting process. • Additional costs of development is expected to be limited as the development requirements are similar to what is currently required when undertaking greenfield subdivision of this scale. • The benefits of this approach outweigh the identified potential negative effects of this intensity of development.	

		paths. This supports the concept of Te Mana o te Wai.		
The introduction of the Wakefield Development Area and amendments to the existing Compact Density provisions to apply these provisions to the proposed Wakefield Development Area. This includes applying a non-notification provision for the use of Compact Density subdivision and land use in the proposed Wakefield Development Area.	No direct or indirect monetised costs have been identified as the provisions associated with undertaken Compact Density Development. These are enabling provisions meaning that the developer can choose to use them and are not obliged to. The negative effects of the proposed provisions in terms of environmental, economic, social and cultural matters are the same as those identified for and increased variety of section sizes as identified above. The non-notification provision is not expected to result in costs, or negative effects on the wider community as higher density development is an expected outcome. Also, the existing provisions ensure that buildings on the external boundary of the Compact Density development site are treated the same as they would be if they were not a Compact Density development. Neighbouring properties do not experience a difference in terms of building bulk and location rules.	The benefits of the use of Compact Density provisions within this area are the same as those identified for and increased variety of section sizes as identified above. The key difference is these provisions is enabled rather than required. Also, a non-notification provision is applied if they are used. This results in the following additional benefits: • Land developers can use an existing method within the TRMP to achieve a greater level of density with no limit on the minimum size of the lots. • This method ensures that the developments are well-designed and designed as an integrated package of buildings and lots. • The use of a non-notification provision is of benefit to the developer in terms of certainty of consent process, and also of benefit in terms of being able to more easily achieve the objective of the Plan Change. • This approach of enabling Compact Density development works in conjunction with the requirement to create a variety	The objective of the Plan Change is to provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area. The effectiveness and efficiency of the proposed policies and methods to achieve this is set out as follows: **Effectiveness** The proposed provisions effectively apply the existing Compact Density provisions in the TRMP to the proposed Wakefield Development Area. This is an effective approach due to the reliance on the existing structure within the TRMP. The use of a non-notified provision in relation to Compact Density developments is effective as it increases certainty for the applicant while maintaining the ability for Council to assess design outcomes and effects through the consent process. **Efficiency** The use of Compact Density provisions, including a non-notified provision, is an efficient way to achieve the objective of the Plan Change for the following reasons:	It is considered that there is certain and sufficient information on which to base the proposed policies and methods for the same reasons given above. In addition, the follow reason also applies: • The effect of Compact Density development in the greenfield situation is to increase density and efficiency of land use. The effect on neighbouring properties is similar to that of standard density development in terms of building bulk and location on their boundaries. Therefore, sufficient information is known about the use of these existing provisions to know the risk of unintended effects is acceptable.

		of lot sizes. Both approaches work towards a greater variety of housing typologies, sections sizes and an efficient use of land.	• It uses existing provisions and is able to be voluntarily used by the developer. • This means any additional cost of designing and consenting this style of development is a known factor that forms part of the advanced planning for development viability. • Using the non-notification provision is an efficient way of improving the ability of development of this sort to achieve the objective of the Plan Change.	
Making the proposed Wakefield Development Area a deferred Fire Sensitive Area.	The Fire Sensitive overlay applies to the Residential Zone in the remainder of the district, and will not cause any undue costs. The overlay will be deferred to ensure that the relevant provisions do not apply until the Residential Zoning is in place and the deferral can be removed.	The Fire Sensitive overlay is used in the TRMP to manage potential adverse amenity effects from the discharge of contaminants from outdoor burning. Applying this overlay to the proposed Wakefield Development Area will have the benefit of: • Ensuring consistency with the rest of the district • Managing potential adverse effects from the discharge of contaminants from outdoor burning.	This is an extension of the overlay which already applies to the remainder of the Wakefield Township, and is therefore considered to be an effective and efficient means of achieving the objective of the plan change.	It is considered that there is certain and sufficient information on which to base the proposed policies and methods as this is an extension of the overlay which already applies to the remainder of the Wakefield Township.
	Economic Growth		**Employment**	

Economic Growth and Employment	The proposed Wakefield Development Area is based on the Future Development Strategy 2022 T-107 Edward Street site which has been identified for urban expansion to provide sufficient capacity for projected residential growth. Providing for residential growth will have economic growth benefits for the region as additional homes will be able to be developed. This assists with retaining people in the region and ensuring people coming to the region can find somewhere to live. The construction phase of the subdivision and housing will support local contractors in this industry. The site is currently predominantly grazed, and has other potential rural uses, that can provide a level of employment and economic growth. Part of the rationale of this plan change is that this area has constraints in terms of its productive capacity and by efficiently developing this area other areas of highly productive land with more productive capacity are protected.	Providing for residential growth will have employment benefits, as it will create jobs during the development of the site and will provide places for people that currently work in the area, or that want to work in the area in the future, to live. Employment will also occur for the development and construction industries that are involved in residential development. As noted for economic growth the proposal in this area supports the protection of other areas with higher land productivity capacity. Therefore, assisting with protecting employment in those areas.
Overall Evaluation	In summary these provisions are considered to be the most appropriate way of achieving the objectives of the plan change for the following reasons: • The provisions to achieve a variety of lot sizes will have benefits that outweigh the identified costs by creating a neighbourhood with a mixture of lot sizes. • This supports creating a variety of dwellings and living arrangement to support a range of people's living requirements in the area. • The use of urban design guidelines is appropriate to assist with achieving well designed subdivisions with small lots. • Enabling the use of Compact Density development provisions allows for efficient and well-designed use of the land for residential growth, and uses existing provisions in the TRMP is consistency. • A non-notification provision in relation to Compact Density is appropriate due to the need to encourage increased density and the existing controls in relation to external boundary effects. • The methods to increase density of residential development in the area make more efficient use of the rural land that is being rezoned and existing residential zoned land that is yet to be developed. • Efficient use of this rural land for housing takes development pressure off rural land with higher productive capacity. • The indicative reserve and associated walkway layout respond to the need to manage flood hazard on the site, provide for connectivity, provide for neighbourhood parks and green space, and for ecological protection and restoration. • Provisions are included to manage potential adverse effects including dam break hazard in the north-eastern corner of the site and flood hazard. • The deferred Fire Sensitive Area is appropriate as it is consistent with other Residential Zoned areas in the district and will manage potential adverse effects from the discharge of contaminants from outdoor burning. • Overall the proposed provisions are the most appropriate way to achieve the objective of the plan change which is to provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.	

10. Conclusion

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

- The provisions to achieve a variety of lot sizes will have benefits that outweigh the identified costs by creating a neighbourhood with a mixture of lot sizes.
- This supports creating a variety of dwellings and living arrangement to support a range of people's living requirements in the area.
- The use of urban design guidelines is appropriate to assist with achieving well designed subdivisions with small lots.
- Enabling the use of Compact Density development provisions allows for efficient and well-designed use of the land for residential growth, and uses existing provisions in the TRMP is consistency.
- A non-notification provision in relation to Compact Density is appropriate due to the need to encourage increased density and the existing controls in relation to external boundary effects.
- The methods to increase density of residential development in the area make more efficient use of the rural land that is being rezoned and existing residential zoned land that is yet to be developed.
- Efficient use of this rural land for housing takes development pressure off rural land with higher productive capacity.
- The indicative reserve and associated walkway layout respond to the need to manage flood hazard on the site, provide for connectivity, provide for neighbourhood parks and green space, and for ecological restoration.
- Provisions are included to manage potential adverse effects including dam break hazard in the north-eastern corner of the site and flood hazard.
- The deferred Fire Sensitive Area is appropriate as it is consistent with other Residential Zoned areas in the district and will manage potential adverse effects from the discharge of contaminants from outdoor burning.
- Overall, the proposed provisions are the most appropriate way to achieve the objective of the plan change which is to provide for housing and encourage intensification and a variety of densities within the proposed Wakefield Development Area.

Appendix 1 – 2020 Sense Partners Report 'Understanding the impacts of releasing greenfields sites for development'

Understanding the impacts of releasing greenfield sites for development

Report to Tasman District Council
1 April 2020

SENSE PARTNERS
DATA LOGIC ACTION

Context

In late 2019 Tasman District Council approached Sense Partners for a report to help council staff gain a better understanding of the impacts of releasing greenfield sites for housing on intensification uptake in Tasman. The report is intended to help inform implementation of the Nelson Tasman Future Development Strategy, recently adopted in 2019.

Contents

Figures

Key points

Prices for land and housing have been rising relative to build costs in Tasman District

- House prices continue to push high in Tasman District, rising 51 percent in the five years to February 2020. The current median sales price is $665,000.
- Increases in land prices have outstripped house prices – land remains a driver of housing cost through the region.
- It is costly to build in the Tasman District but the ratio of house prices to build costs – the key price-cost indicator – is high relative to history.

Housing affordability relative to incomes is poor in Tasman District…

- The house price to income ratio suggests housing is unaffordable in Tasman and Nelson relative to other parts of New Zealand.
- But strong internal migration and wealth effects provide more support to house prices in these Tasman and Nelson relative to other regions.

…but look at house prices relative to build cost to guide release of greenfield land

- On their own, elevated house prices provide no clear signal on whether to release more greenfield land for development. Instead, the price-cost indicator provides a clear signal of when land supply is failing, and release of greenfield land is needed.
- National guidance on greenfield release recommends undertaking an assessment of future demand against capacity. These exercises are useful to understand likely future needs.
- But the price-cost ratio, in combination with a stocktake assessment of the current state of housing and land markets, shows the current state of housing and land markets and whether additional land is required today.

Past release of greenfield land has mitigated price increases – squeezing the greenfield market now would lift house prices and shift demand to other regions

- One measure of land growth provided by Landcare research suggests Tasman District has doubled urban land available for development over the past 22 years – outpacing strong growth in population and household formation.
- Cutting back on this pace of release would lift land and house prices, decreasing affordability even further. Substantive increases in house prices would be likely to push firms and households to other more affordable regions of New Zealand.
- Continuing to release greenfield land for development also pushes down prices of land within existing urban areas, facilitating some intensification.
- At least according to history, a target of meeting 40 percent of housing demand from intensification is achievable but would require a step-up in intensification efforts within the District.

Indicators show some risk land banking could affect the market for greenfield land…

- Indicators of land market ownership concentration show greenfield land in the Nelson-Tasman land area is more concentrated than many other New Zealand regions…
- But opinions can vary on what constitutes land banking. What can appear as land banking to some can also appear as legitimate, albeit low value business activities

…Tasman District has a range of options to target land banking

- There are costs to targeting land banking so Tasman District could do nothing and accept the influence of land banking on house prices
- But Tasman District can influence the opportunity for land banking by increasing the size of the market, adding more greenfield land to make it more difficult for developers to capture market share
- Tasman District could also intervene directly in the market to buy and sell land packages but deciding where and when to buy is fraught.
- A better approach is likely to be changing incentives – raising the cost of holding land relative to development by applying the rating system to land rather than capital values.

1. The impacts of land banking

Land banking relates to one of your key questions

One of your key questions relates to the role of land banking in housing markets. You ask:

> Q7. Council zoning the land for housing is only one piece of the jigsaw in ensuring housing is built. A landowner can bank the land and stage release it to market to control supply to maximize their return in the future. Further as explained above, house and land packages are the only option available to potential buyers (often with minimum floor area covenants). What impacts do these factors have on housing?

Land banking, where land is bought not to develop, but to hold as an investment, reduces development opportunities since location is a key attribute of housing. In practice, land banking can be hard to prove for enforcement measures, since proving the motives of land owners can be fraught. Moreover, low rent activities with little capital development (such as farms with low stocking rates or car park lots) can at times effectively substitute for land banking, reducing the effectiveness aimed at reducing land banking directly.

But we can make a general assessment of the relative extent of land banking by looking at indirect indicators of land banking. Land banking is only successful if the market for land is characterized by only a small number of landowners who can exercise market power over the land market to keep price high. When land markets have many different owners, ready to supply land, the returns to any individual landowner are small and based on market value rather than exercising market power over prices.

Although we don't have available detailed information on land holdings for Tasman District, we have detailed information for the Nelson urban area which span Tasman District and Nelson.

Figure 1 (below) lists the top ten landowners in the Nelson Urban Area.

FIGURE 1: LANDBANKING IS NOT OBVIOUS FROM SIMPLY LISTING LANDOWNERS

TOP TEN LANDOWNERS IN THE NELSON URBAN AREA

Rank	Area (hectares)	Land titles	Owner	Market Share	Entity type
1	99.3	25	K.B. QUARRIES LTD	20.3%	Related Entities
2	58.1	4	SOLITAIRE INVESTMENTS LTD	11.9%	Individual Entity
3	35.1	55	NELSON CITY COUNCIL	7.2%	Related Entities
4	31.5	11	BAYVIEW SUBDIVISIONS LTD	6.4%	Individual Entity
5	19.6	4	BISHOPDALE POTTERIES LTD	4.0%	Individual Entity
6	17.5	2	C N & J W GOURDIE, R A STEVENSON	3.6%	Consortium
7	14.6	1	KARAPOTI PARTNERSHIP LTD	3.0%	Individual Entity
8	14.1	4	TOI TOI GROVE LTD	2.9%	Individual Entity
9	12.2	11	BROOK INVESTMENTS LIMITED	2.5%	Individual Entity
10	11.6	1	ST. LEGER GROUP LIMITED	2.4%	Individual Entity

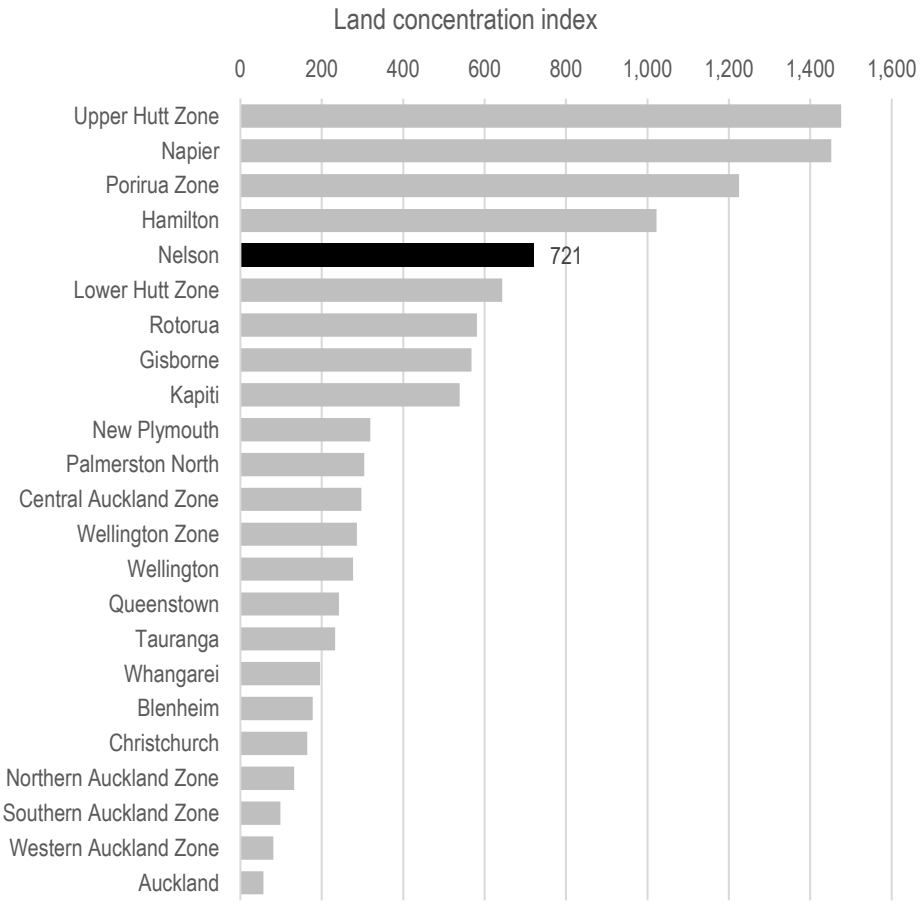
Figure 1 reveals some of the difficulties with merely looking at the landowners to assess the presence of land banking. The list includes the Nelson City Council and the largest land owner has many activities associated with road building. Moreover, the list only looks at land already zoned for housing across the Nelson urban area. Of the largest land holders in the urban area, nine are primarily associated with land holding in the Nelson City Council.

A parcel by parcel assessment may reveal other insights but MBIE also produces a land concentration index that compares the extent to which land is held in the hands of a few individuals.[1]

Figure 2 (below) shows that the Nelson Urban Area shows high levels of land ownership – much higher than many of the main urban areas of Auckland and Wellington. So expect land banking is worthy of additional investigation for the Tasman District.

[1] MBIE have derived the ownership concentration indicators by matching land title data from Land Information New Zealand with Companies Office information on land-owning companies. Related companies and individuals are considered to comprise a single land-owning entity.

FIGURE 2: NELSON URBAN AREA SHOWS HIGH OWNERSHIP CONCENTRATION



In addition, other metrics can show the influence of land banking, including (i) changes in land prices after rezoning and (ii) the availability of land vs land and house packages. We have little evidence on (i), but the database of recent property sales suggest very few land sales close to Nelson city.

Councils have options to change land banking

There are four potential approaches that can be taken to help mitigate land banking:

(i) Do nothing

(ii) Change the size of the market – add more developable land

(iii) Intervene directly in the market to buy and sell land packages

(iv) Change incentives – raise the cost of holding land relative to development

Doing nothing is an option

Each of the interventions named above carry costs. Tasman Council may well form the view that the costs of a course of intervention outweigh benefits. This requires:

- Cost-benefit assessment of doing nothing compared to alternatives

- Assessment of authority to implement change

Changing the size of the market can help

One approach to improving competition in local land markets is to look at the limits that might prevent development outside of existing boundaries. The size of the market is defined by what local councils zone as fit for development. Relaxing zoning restrictions to expand the size of land available for development creates opportunities for consumers (land purchasers) to substitute across a bigger market reducing market power.

Three forces that are sustaining high land and therefore house prices:

- "…land-use plans that allow only incremental geographic expansion of cities,
- council infrastructure providers who want to keep costs low by only expanding their existing networks incrementally,
- and landowners at the fringe and beyond who hope for large capital gains.[2]

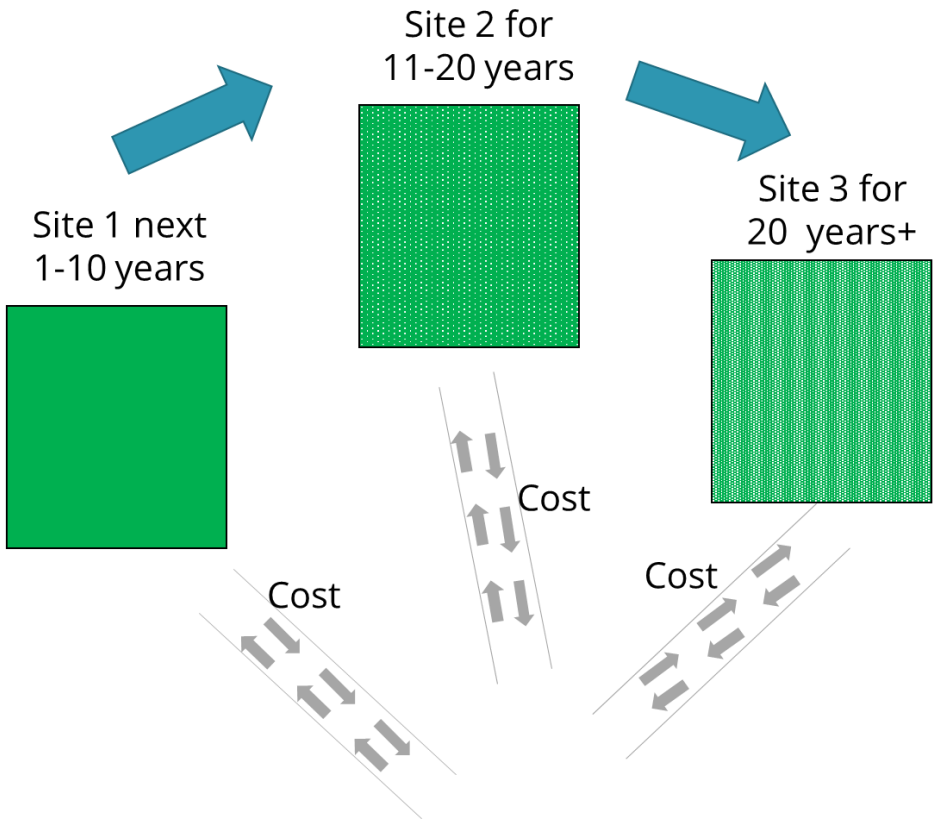
By adding additional greenfield land, councils can have a strong impact on local land and housing markets by changing the size of the market. This can increase the aggregate pool of land and often increase the number of potential suppliers to the market, creating opportunities for home buyers to search across a larger market reducing market power of existing land holders.

But councils are often reluctant to relax zoning. This can often relate to the cost of providing the infrastructure necessarily for development.[3] Infrastructure is costly. Without funding models that incentivise developers to bear some of the cost, infrastructure tends to proceed in sequence to help councils' balance sheet pressure and reduce the risk of stranded assets. This increases opportunities for landowners to "land bank" since in the short-run, developable land is restricted to each sequence, keeping prices elevated.

Figure 3 (below) shows a stylised example of why councils prefer to proceed in a sequence of sites compared to substantive increases in developable land across multiple sites.

[2] See Productivity Commission (2017).
[3] See New Zealand Productivity Commission (2017) for an in-depth treatment of the issue.

FIGURE 3: COUNCILS SEQUENCE LAND RELEASE TO SMOOTH INFRASTRUCTURE COSTS, HELPING LAND BANKERS EXERCISE MARKET POWER



Intervening directly in the market to buy and sell land packages

Councils could of course, buy and sell land. But councils are not well armed with a framework that governs the circumstances when land purchases are justified and equitable given the objectives of local councils.

At least in principle, councils could intervene directly in the market by buying and selling land holdings. That might work for at times for holdouts problems, when a single or small number of land holdings stand in the way of large-scale development. But a council that is a large active player in the market – to the scale required to change competition – takes on risk. This shows the regulatory toolkit at councils' disposable is not sufficient to overcome the barriers to development and provide better outcomes.

Right now, councils do not have the authority to remove restrictive covenants that can constrain the extent of development opportunities.[4] The number, range and complexity of covenants has been increasing in recent years. Removing covenants would provide more flexibility for house and land packages, effectively increasing market supply.

[4] The High Court has the power to modify land covenants.

But council can also mitigate many of the impacts of land banking by increasing the incentive to development land. This can be achieved by moving towards a land-based rating system rather than a capital-base rating system.

Targeted rates could also help. Targeted rates are designed to fund a function or group of functions, likely to be associated with new infrastructure or open spaces, such as parks and gardens and community facilities such as libraries. The intent is to recover costs when a user pays approach is not practical rather than change incentivises by penalising land owners who choose not to develop land.[5]

2. Moving to a land rating system

A rating system based on land value requires thinking about tax principles

A second approach to making the market for developable land more competitive is to raise the relative cost of holding land. Most large New Zealand cities use a property's capital value as the basis for setting general rates. Switching from setting rates based on capital improvement to land value would reduce to zero the ongoing bill for capital improvement. The rates bill on unimproved land would increase to meet the revenue recouped from rates levied on capital.[6]

Such a switch changes the relative price of holding land and reduces the incentive for landowners to land bank. Impacts would differ according to the value of land, potential capital improvements and ratings basis.

Targeted rates are designed to fund a function or group of functions, likely to be associated with new infrastructure or open spaces, such as parks and gardens and community facilities such as libraries. The intent is recovering costs when a user pays approach is not practical rather than change incentivises by penalising landowners who choose not to develop land.[7]

Incentivising development via a land rating system addresses a second of your questions:

[5] At least in principle, Schedule 3 of the Local Government Act 2002 includes the number of separately used or inhabited parts of the rating unit as a factor that may be used in calculating liability for targeted rates. Rather than recovering servicing costs, charging land zoned for development but with few separately used or inhabited parts could incentivise development but seem to run contrary to the intent of the schedule.
[6] The New Zealand Productivity Commission (2017) concluded: "The unimproved value of land is a more efficient and fair rating base than capital value.
[7] At least in principle, Schedule 3 of the Local Government Act 2002 includes the number of separately used or inhabited parts of the rating unit as a factor that may be used in calculating liability for targeted rates. Rather than recovering servicing costs, charging land zoned for development but with few separately used or inhabited parts could incentivise development but seem to run contrary to the intent of the schedule.

> Q8: Tasman's rating system is capital value based. Some say that a rating system that is land value based better encourages development of land (improvements), what are the pros and cons of each?

Taxes are primarily levied by government primarily to finance expenditures on public goods like infrastructure, typically when there is some market failure that makes it unlikely for the private sector to provide those goods.

Over history, governments can either charge the recipients of particular services or tax everyone in the community in some measure. Taxes have been levied on many things but primarily have fallen on income, wealth or particular assets and income.

Among these, taxes on real property (e.g. land) have a very long pedigree, because land has long been a visible indicator of wealth and ability to pay and also because land is immobile, which makes it easy both to assess liability and to collect taxes on it.

The basic principles of taxation can be summarised as the following:

- Taxes should be administratively easily to collect relative to their return;
- The timing and amount to be paid must be certain to the payer;
- There should be a convenient way of paying the tax for the payer;
- Taxes should be levied according to ability to pay;
- Taxation should be economically efficient and not distort resource allocation across economy activity.
- Tax should be fair – similar individuals should pay similar tax and a higher share of taxation should come from individuals with a greater ability to pay.

Some local government context

Local government's ability to raise taxes is constrained since central government (at least in New Zealand) cannot access the same taxation base by law and it is easier for residents of local areas to "vote with their feet" and move outside the taxation net.

Usefully some limited national funding (for example provision of roads) is available to local governments with local decision-making. This follows the US funding model of local decision-making relative to the European model where local authorities are responsible for delivering national goals.

Relative to international norms, local government in New Zealand tends to be largely independent of central government and much more reliant on property taxation than local government internationally that often has recourse to a taxation base including sales taxation for example.

The absence of other taxation bases raises the importance whether to levy property taxation on a land or capital taxation basis.

The case for land-based taxation: land-based taxation is more efficient

Economists agree that land-based taxation is one of the most efficient taxes. Because land is in fixed supply, businesses find it extremely difficult to avoid the tax and has the least impact on the decisions businesses make to allocate resources across the

economy. In contrast, capital-taxation applies to the worth of any building, effectively discouraging businesses to develop economic value.

That agreement can be pretty stark and to the point. One Nobel prize-winning economist notes:

> "The property tax is economically speaking, a combination of one of the worst taxes – the part that is assessed on real estate improvements … and one of the best taxes – the tax on land or site value". (Vickrey 1999)[8]

And a second Nobel prize-winning economist puts it simply:

> "…the least bad tax is the property tax on the unimproved value of land" (Milton Friedman).[9]

In contrast, income taxation reduces the return from employment, reducing the effort of labour. Similarly, a capital-based property tax reduces the returns to capital, reducing the incentive to invest. In short, land-based taxation is good for growth. According to the Economist (2013):

> "Taxing land and property is one of the most efficient and least distorting ways for governments to raise money. A pure land tax, one without regard to how land is used or what is built on it, is the best sort."

Ultimately land is immobile. That makes land-based taxation and efficient, non-distortionary taxation system. The Taxation Working Group agrees:

> "Most members of the TWG support the introduction of a low-rate land tax as a means of funding tax rate reductions and improving the overall efficiency of the tax system. However, there are concerns over the political sustainability of such a tax."

The OECD's 2011 report on New Zealand advocates a land-based tax:

> "A land tax would tend to be more efficient than a property tax. Because land is fixed in supply, it is relatively price-inelastic, and therefore deadweight losses from taxing it are relatively low."

Since capital is mobile and unlike land, can respond to relative price shifts, taxing capital would reduce the existing taxation base. Assessing the rates required to return a fixed revenue base needs to assess the price effect on the size of the capital base. That favours retaining land-based taxation.

Land-based taxation is not less "fair"

Traditionally economists have been more divided about not just the relative "fairness" of property taxation versus income and other forms of taxation but also the relative fairness of land-based versus capital-based taxation.

Property taxes have long been considered regressive since the burden was thought to be passed on to tenants and workers. But when capital markets are efficient, capital taxation falls on the owners of capital. Since these owners of capital tend to be richer, the tax is less likely to be regressive (the Economist 2013).

[8] Cited in Dye and Richards (2011)
[9] Referenced in Blaug (1980) and Coleman and Grimes (2010).

With regard to land-based versus capital-based taxation, capital-based taxation was favoured since capital was assumed to represent an asset that might be more closely associated with a cash stream than a land-based tax alone.

But the equity impact of land-based taxation depends on many factors. These include not just the direct impact of the tax, but on how the tax shapes the prices of land and other assets and how homeowners and businesses change their behaviour in response to these price changes.

Coleman and Grimes (2010) note that the international evidence is mixed but that area specific features matter making it hard to generalise with regard to whether a land-based tax is regressive.

For example, Bowman and Bell (2008) use Roanoke, Virginia as a case study and find a land-based taxation system is more progressive. England and Zhou (2005) use the case of Dover, New Hampshire and find the tax is likely to be regressive.

Coleman and Grimes (2010) find that for the case of New Zealand, at a national level, the land-based tax is more likely to be progressive than regressive. McClusky et al.(2006) take a closer look at land-based taxation at a local-level and conclude that the land-based tax is likely to be regressive in the New Zealand case while Kerr, Aitken and Grimes (2004) advocate for land-based taxation in the New Zealand context – at least partly because it is likely to be progressive.

To see how the land-based taxation system can be progressive, compare the taxation incidence of a well-located inner-city urban property with a property in a less desirable location. For the well-located inner-city property, land makes up a larger fraction of the overall value of the property. Since individuals with more wealth and income can afford to live in the well-located suburbs, they would pay more tax under a land-based taxation system.

What would this look like for Tasman?

Regime change will create winners and losers. Existing taxation rules are baked in or capitalised into existing property values. So, expect substantial winners and losers from changing taxation regime. The winners will already have above average capital intensity, developed under the previous capital-based taxation regime. Conversely the losers will have large land holding with relatively undeveloped properties.

There are other effects. Land taxes intensify use of land. That penalises holding undeveloped land and promotes a more compact city, since Greenfields urban development at the edges of the city is typically more costly than brownfields development since infill can make use of capacity of some existing infrastructure.

But many cities face different infrastructure constraints. Like Tasman, much of New Zealand's infrastructure is ageing and upgrades are needed to many water systems, making decisions about greenfields and brownfields development, over other short- and long-run horizons, far from obvious.

Changing the taxation regime will have non-trivial implications for households and businesses. Property values – particularly commercial property values – will move immediately on announcement of the new regime, even if the incidence of the taxation regime begins in ten years' time. Where to live and work, the type of house to buy and the house location are all dependent on the local taxation regime. A halfway house, where taxes are set as a 50-50 weight of capital-based and land-based might prove a political feasible option.

3. Which indicators should Tasman District follow?

Forecasting supply and demand 30 years ahead is extremely difficult

Taking a central planning approach to forecasting future demand and supply for housing can be fraught. On the demand side, forecasts need to account for a wide range of factors including national and regional migration, ageing populations and changes in fertility.

On the supply side, markets can change dynamically in response to changes in relative prices. Industries that didn't exist 30 years ago can start, grow and wane over these generational timeframes. Moreover, it can be hard to estimate the trajectory of economic trends that, such as a generational long move from agriculture and manufacturing towards services, that dominate the demand for industrial land.

In practice, population growth has outstripped even Statistics New Zealand's "high" population projections, placing additional pressure on local councils that plan for growth based on these assessments.

Use prices to augment 30-year forecasts for demand and supply

So rather than relying solely on demand and supply forecasts we can use various measures of relative prices to infer whether current land market conditions are tight and unnecessarily restrictive.

This speaks to two of your central questions:

> Q4 Councils tend to release land for housing based on population projections, not market conditions. What are the most important market factors council should take into account?
>
> Q5 Tasman is the second least affordable region in the country for housing, according to the Massey University index. Land values have also increased strongly since 2014. If house and land prices continue to rise, is that a signal to release more greenfield land?

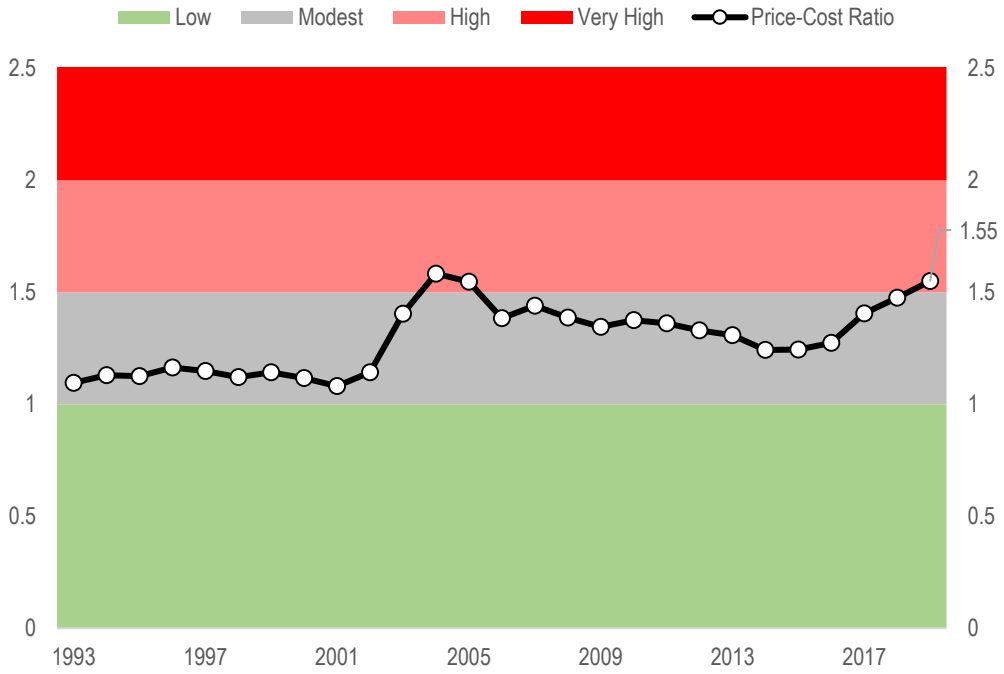
Rather than relying on any single measure of prices, councils can examine the price-cost ratio that is an indicator of the extent to which the price of land rather than the cost of construction is driving house prices. This signals a shortage of development opportunities, not just that construction costs may be high.[10]

In many ways, the price-cost acts as a check on the overall state of the market. Rural-urban price differentials and zone price differentials can be used to assess underlying causes of markets that show elevated price-cost ratios. Figure 4 shows

[10] The per square metre house price (obtained from sales records) are compared to per square metre construction costs, to estimate how much of sales price is driven by the cost of land, including some allowance for infrastructure.

the update price-cost ratio for the Nelson-Tasman urban area against MBIE's classification framework for the price-cost ratio. The value for 2019 places the ratio in the "High" category – from 1.5 to 2.

FIGURE 4: THE PRICE-COST RATIO FOR THE TASMAN-NELSON AREA IS HIGH



How might Tasman District respond to a high price-cost ratio?

The price-cost ratio is a general indicator – it shows the impact of the existing suite of land use regulation on development supply given existing demand conditions. So, the price-cost ratio should inform the general response of Tasman District.

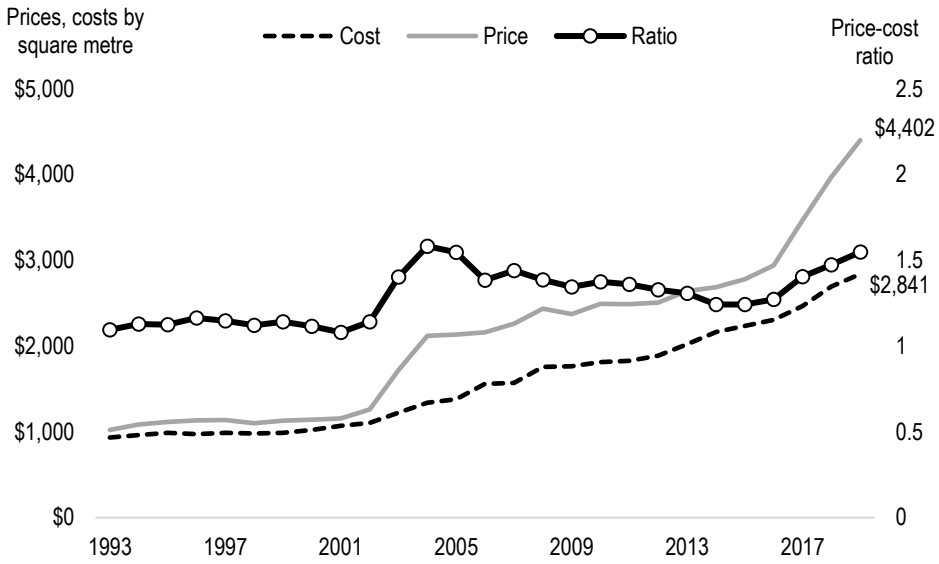
Guidance on the National Policy Statement on Urban Development Capacity suggests that:

- **When the price-cost ratio is *low*** – less than one – construction costs outstrip prices, land is not playing a significant role in the housing affordability so council efforts are best placed elsewhere.
- **When the price-cost ratio is *modest*** – between 1 and 1.5 – councils should monitor changes over time. Planning policies and processes take time to implement and are generally do not build-in sufficient flexibility to respond to rapid changes in demand. Even when the price-cost ratios are elevated councils might want to test whether policies enable sufficient flexibility to meet current conditions.
- **When the price-cost ratio is *elevated*** – between 1.5 and 2.0 land is playing a substantial role in driving up house prices and reducing housing affordability.

Councils should check the role any confounding factors might be playing. For Tasman, this could be significant since Tasman is only a part of the broader Nelson-Tasman

urban area. The persistence of any factors, such as a wedge between prices in Nelson and the Tasman District, should be tested. If these factors are likely to persist, then councils should adjust plans and regulations to improve housing supply. Figure 5 shows that recent increase in house prices have outstripped increases in construction costs – lifting the price-cost ratio.

FIGURE 5: HIGHER HOUSE PRICES DRIVE THE PRICE-COST RATIO IN TASMAN



Source: Sense Partners

When the price-cost ratio is *elevated* Tasman District could be satisfied with either:

(i) modest changes that span existing plans, land use regulation within the city and land use regulation and incentives for development at the city boundary; or

(ii) substantive relaxation of the master plan or land use regulation either across the city or within the city.

Option (ii) would require identifying where relaxing land use regulations would improve land supply. At this point, the rural-urban price differential and zone price differentials can be used to test where land use restrictions might be eased. These land use restrictions might include:[11]

This includes how much needs to be done when, across a range of potential responses rather than prioritising responses. Responses can be characterised into a typology that includes:

i. revisiting Master plans and carrying out the assessments of demand for business and housing demand and capacity

ii. relaxing land use restrictions at urban limits by expanding the amount of greenfields land ready for development

[11] See "Moving on up Relaxing land use restrictions can lift Auckland city", NZIER report to Auckland Council 13 February 2015

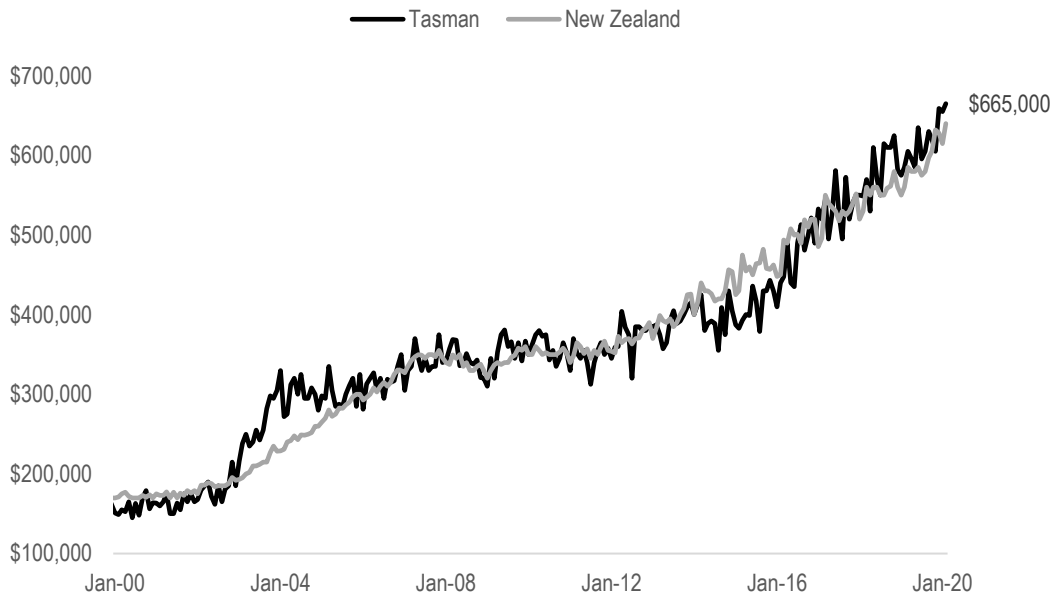
iii. relaxing land use restrictions within the city, and allowing for additional density within the city

Deciding on which path might prove most fruitful requires a closer look at the drivers of land and housing markets across the region. We might expect Nelson to be constrained by the sea and hills for greenfields development so Tasman might need to do more to provide land across the wider Nelson urban area. So, we first conduct a mini stocktake for Tasman District before moving to evaluating the question of greenfields vs intensification

A stocktake of Tasman's land and housing markets

Regardless of the drivers, house prices have pushed up in Tasman more than elsewhere. Figure 6 show house prices estimate (based on Core logic data) that compare Tasman to the average median sale price in New Zealand to February 2020.

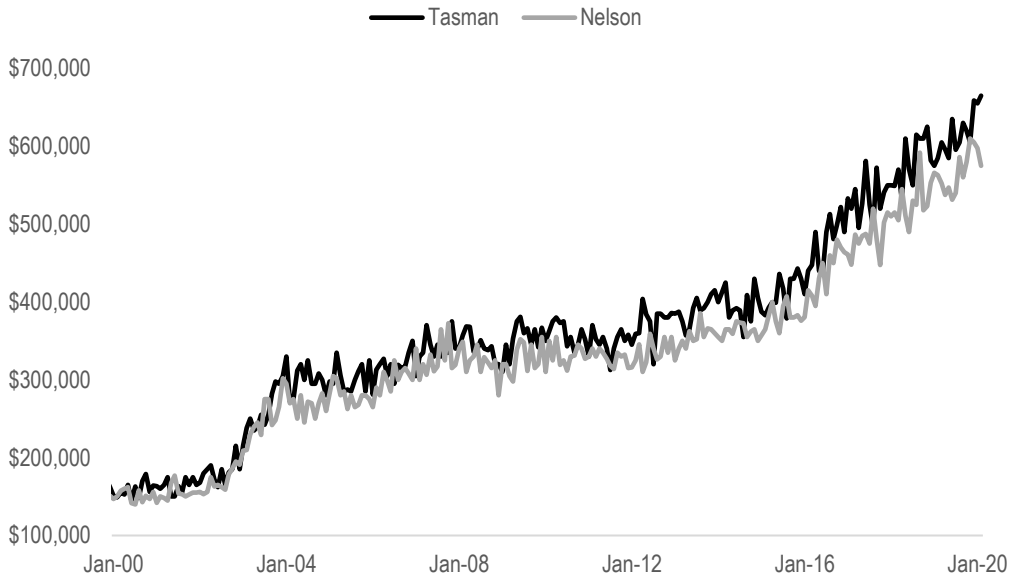
FIGURE 6: MEDIAN HOUSE PRICES HAVE PUSHED HIGHER IN TASMAN
MEDIAN SALES PRICE, TASMAN VS NEW ZEALAND



Source: REINZ

Figure 7 shows that house prices in Tasman are closely linked to Nelson City. It is sensible to consider Nelson and most of Tasman as a joint urban area.

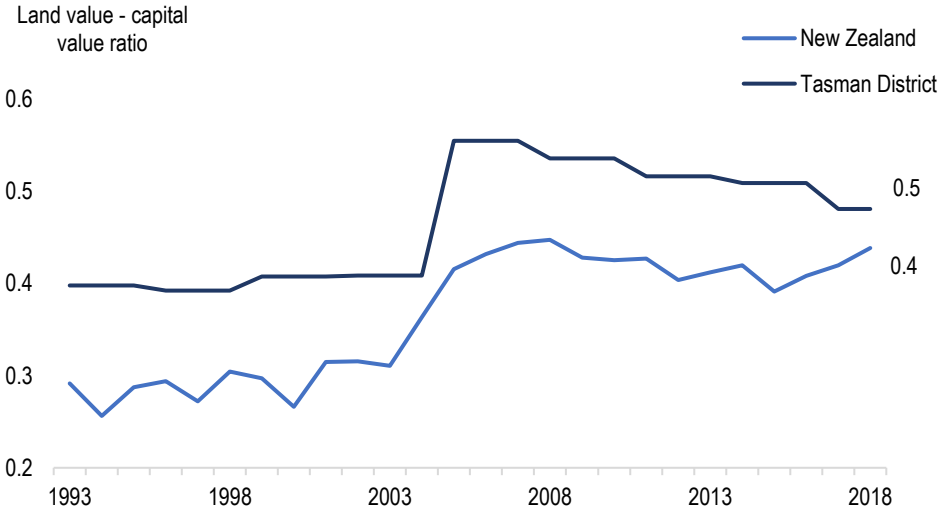
FIGURE 7: LIKELY PRESSURES IN NELSON ARE SPLLING OVER TO TASMAN
NOMINAL HOUSE PRICES TASMAN DISTRICT AND NELSON CITY



Source: Sense Partners

Increases in land price appear to be a critical driver.Figure 8 shows that land price increases have outpaced the increases in house price according to the land value to capital value ratio.

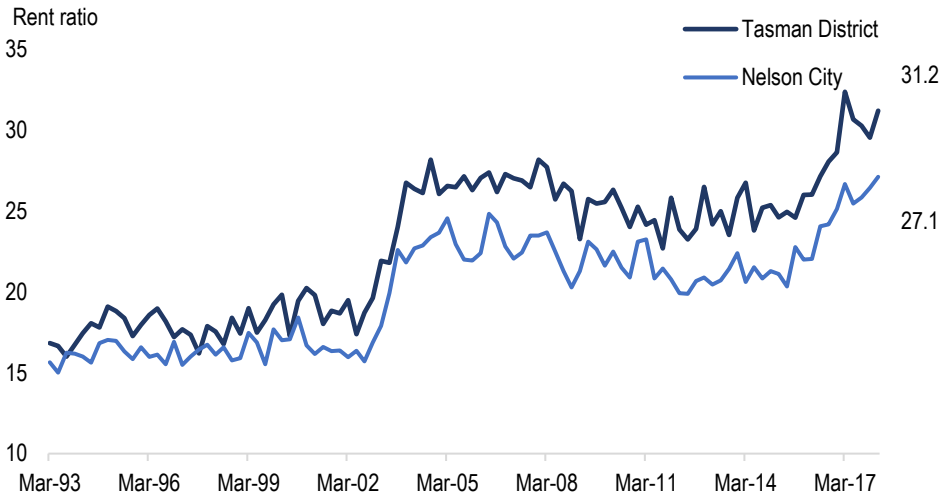
FIGURE 8: LAND PRICE INCREASES HAVE OUTSTRIPPED HOUSE PRICE INCREASES
RELATIVE PRICE OF LAND TO HOUSING NEW ZEALAND AND TASMAN



Source: Sense Partners

And elevated land prices are in turn spilling over to the rental market, decreasing housing affordability for both home-owners and renters. Figure 10 and Figure 11 suggest growth in housing and land prices for Tasman District have been in the top of half relative to New Zealand councils in.

FIGURE 9: RENTS ARE INCREASING RELATIVE TO HOUSE PRICES
RENT RATIO TASMAN AND NELSON



Source: MBIE

FIGURE 10: TASMAN 'MID-PACK' IN HOUSE PRICE GROWTH, 2009-19

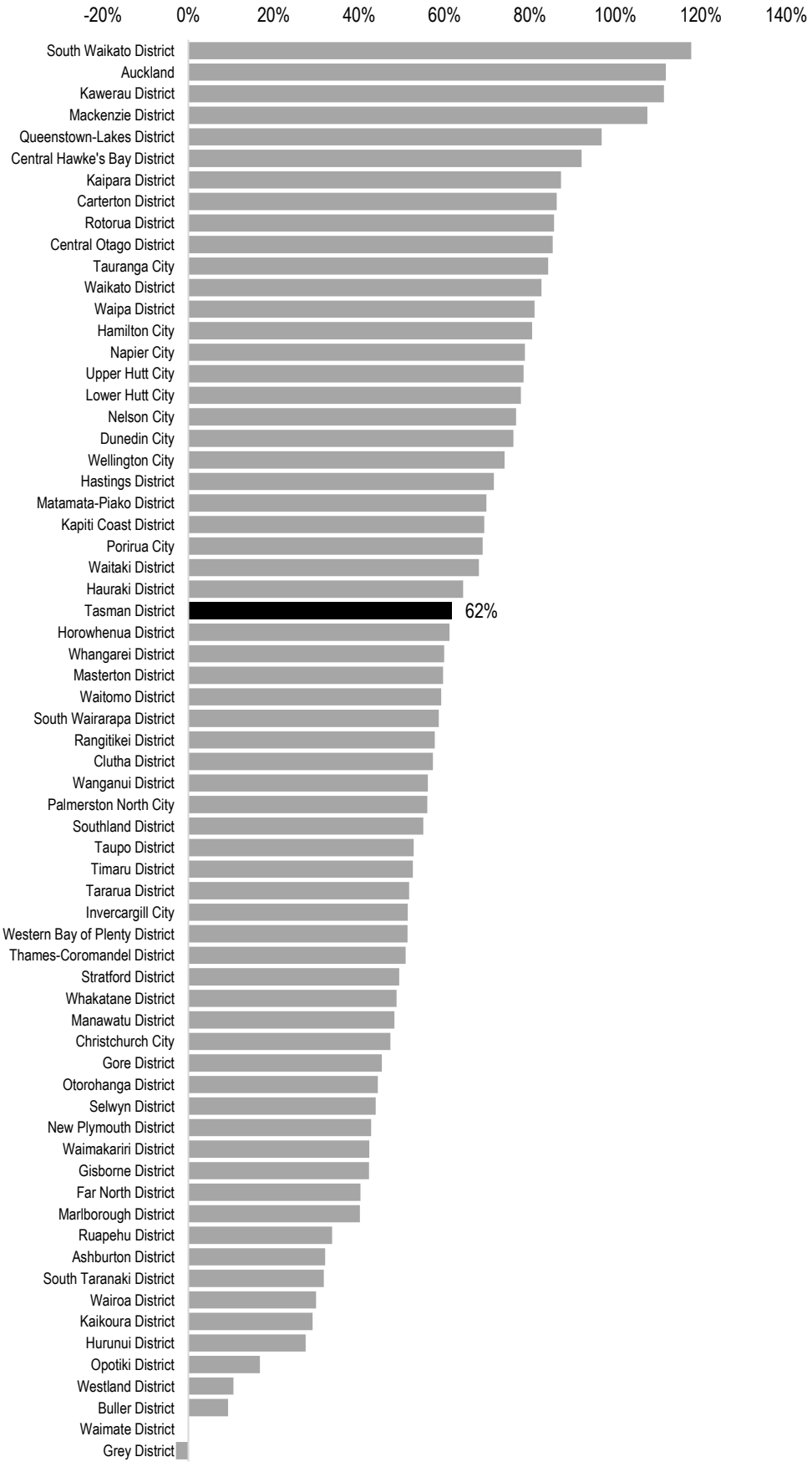
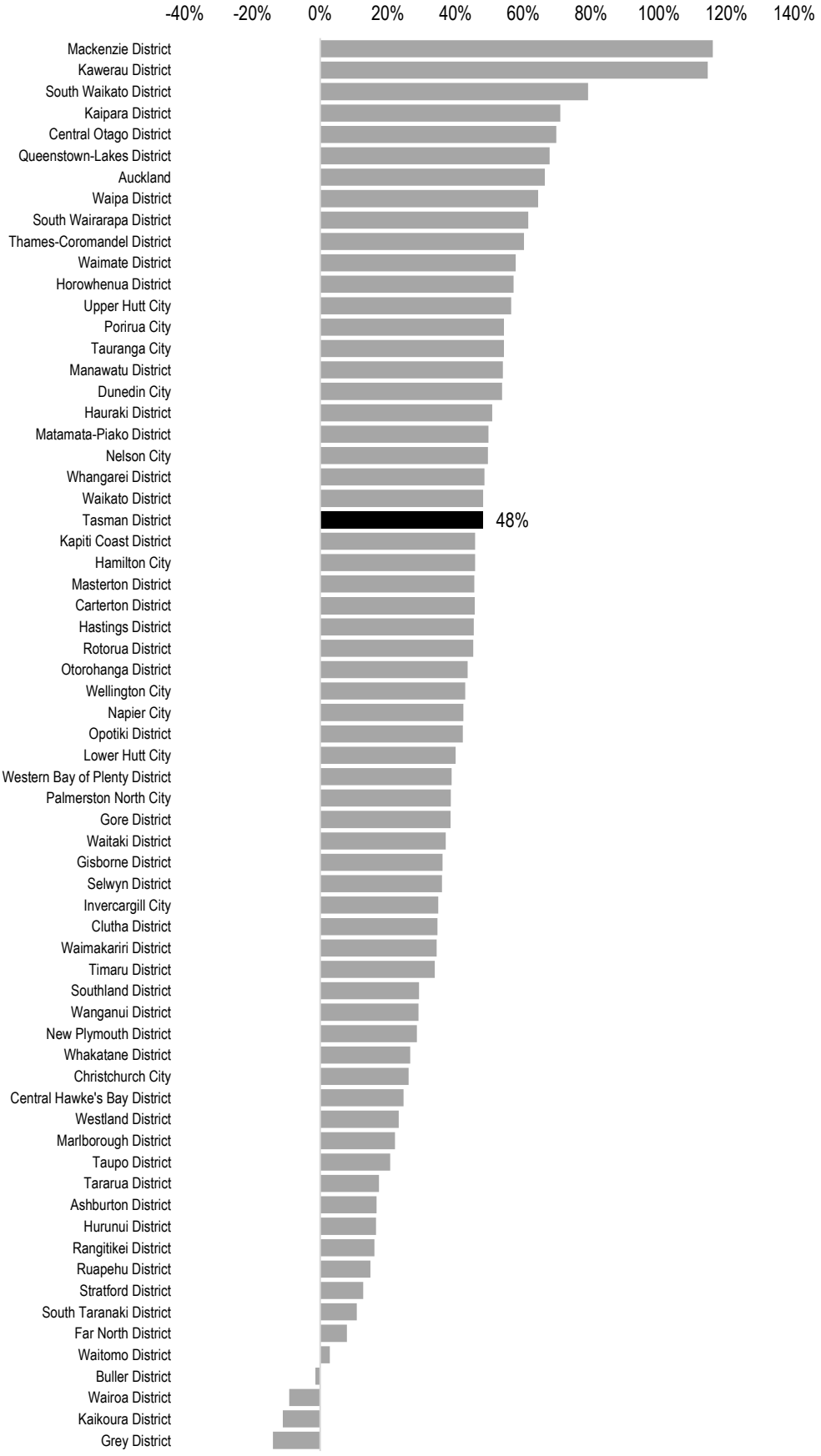


FIGURE 11: TASMAN LAND PRICE GROWTH IS SIMILAR TO OTHER COUNCILS



Alongside strong population growth, one feature of the local economy is the level of GDP per capita is lower than the rest of New Zealand, at least according to MBIE's modelling GDP per capita. Figure 13 shows incomes are lower than the New Zealand average and growing at only a moderate pace, placing pressure on affordability measures. In addition, falls in real interest rates have decreased borrowing costs and are placing additional pressures on prices (see Figure 14).

FIGURE 12: TASMAN HAS GROWN FASTER THAN NELSON AND NEW ZEALAND
POPULATION GROWTH (PERCENT), PAST TEN YEARS

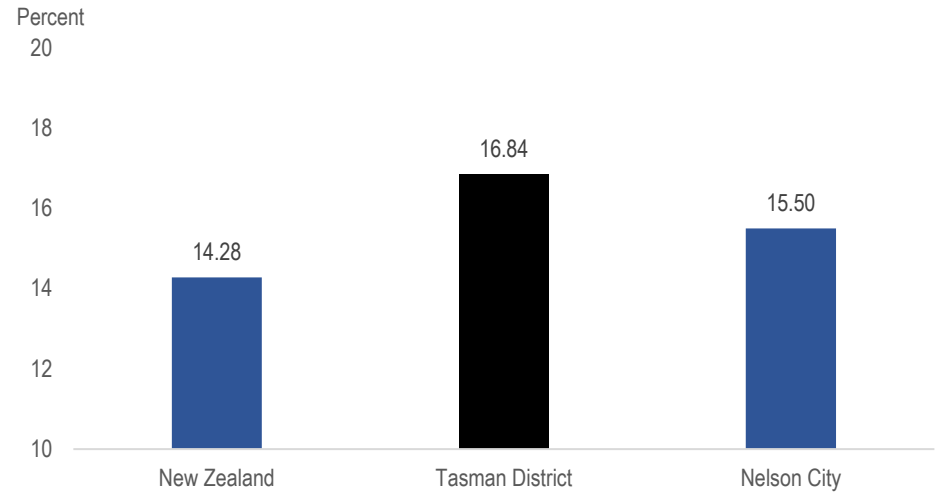
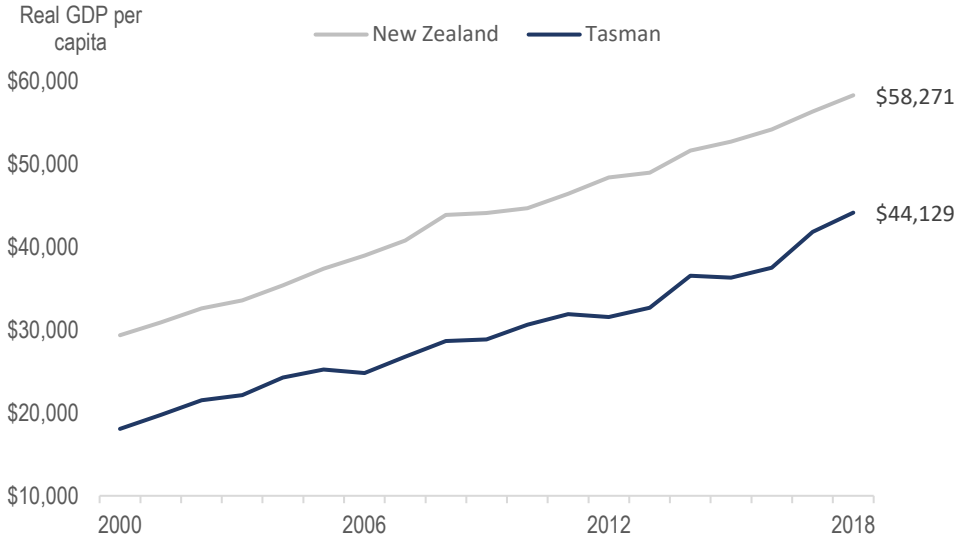
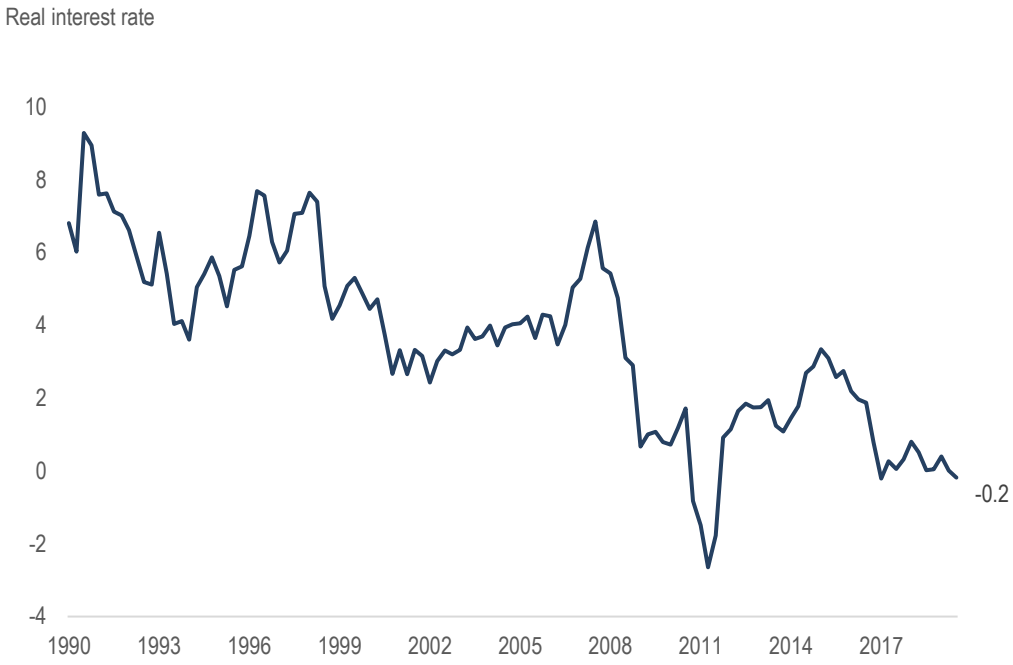


FIGURE 13: INCOMES ARE LOWER ON AVERAGE THAN THE REST OF NEW ZEALAND
MBIE'S MODELLED GDP FOR TASMAN AND NEW ZEALAND



Source: MBIE

FIGURE 14: THE COST OF BORROWING IS DECREASING, PUSHING UP HOUSE PRICES



Source: Sense Partners

4. Developing Greenfields and Brownfields

One of your key questions relates to the feasibility of your target of meeting 60 percent of new housing need from intensification of existing land rather than greenfield development:

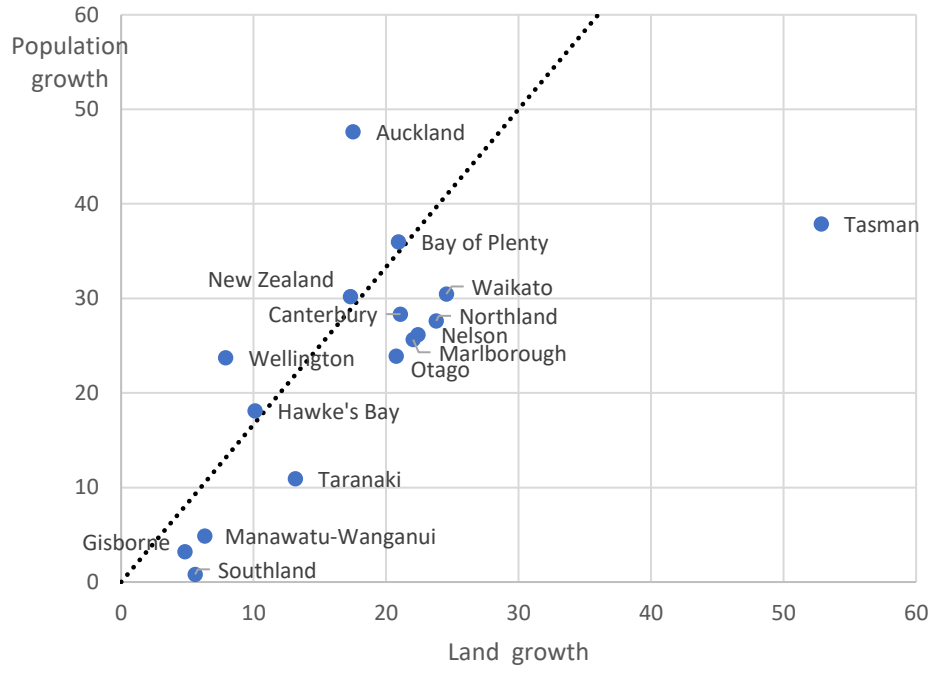
Q1. How feasible is a target of 60% new housing from intensification within the Nelson urban area based on the behavior of the NZ market and home buyers?

Many factors will drive the likelihood of meeting this target, including for example: income growth (that increases demand for backyard space),changes in interest rates (that over the past generation have facilitated additional borrowing to fuel house and land consumption) and internal and international migration patterns.

But a simple gauge exists – looking at how New Zealand regions accommodated growth over the past 25 years. We use Landcare New Zealand's Land Cover Database (LCDB), to calculate the change in urban land over the 22 years (from 1996 to 2018) and compare land growth to population growth for each region in New Zealand. Figure 15 shows the results relative to a dashed line for a target of meeting 40 percent of housing needs via intensification – allowing for 60 percent greenfield development. The target for Tasman and Nelson Districts overall (as opposed to the Nelson Urban Area) in the Future Development Strategy is 40% intensification.

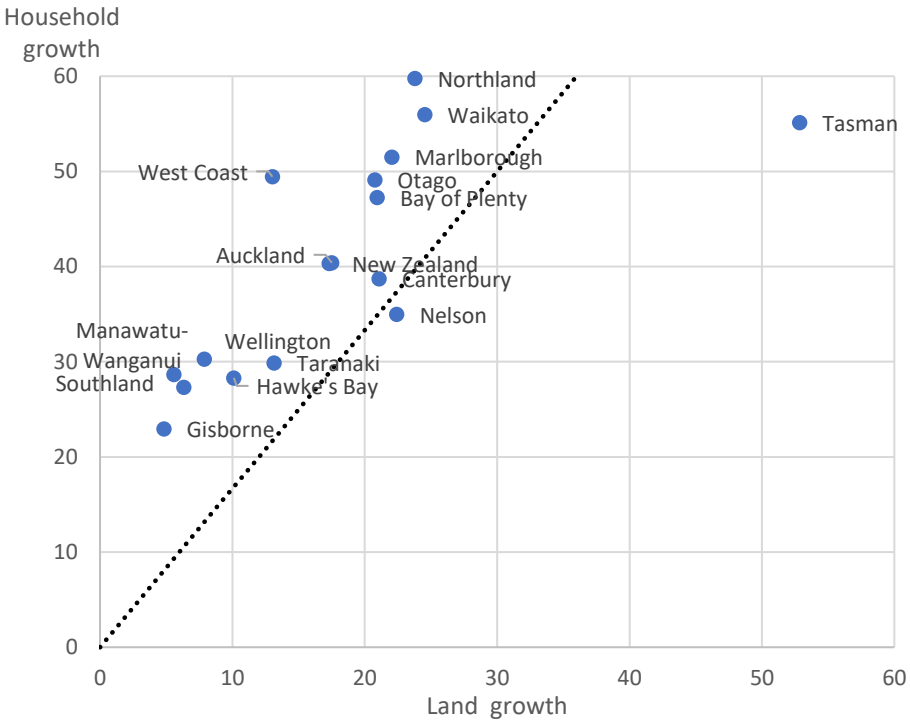
On first blush the results are a little sobering. Only Auckland and Wellington are much to the left of the dashed line and meet the target for intensification over the past 22 years. Most other regions are to the right of the line and Tasman is some distance from the target line.

FIGURE 15: AUCKLAND AND WELLINGTON MEET HARD INTENSFICATION TARGET
CENSUS POPULATION GROWTH (1996 VS 2018) AGAINST LANDCARE URBAN GROWTH (1996 VS 2018)



But population growth is not household growth since demographics -and an ageing population in particular, shifts around household formation. The number of households has grown rapidly over the past 22 years. Figure 16 shows that many regions have almost matched household growth with a 40 percent intensification target, but such a target looks challenging for Tasman. Significant change would need to occur.

FIGURE 16: HISTORY SAYS 40 PERCENT INTENSIFCATION IS TOUGH FOR TASMAN
CENSUS HOUSEHOLD GROWTH (1996 VS 2018) AGAINST LANDCARE URBAN GROWTH (1996 VS 2018)



And we can do more to use change in urban land over history to show the drivers of change in Tasman District. Figure 17 shows the drivers of demand for land in Tasman at a high level. The first element is national population growth. New Zealand's population has grown rapidly over the past 22 years and this translates into additional demand for land.

The second element shows demand for land that has accrued from a regional pivot: Tasman District has experienced greater internal net migration than other regions placing additional demand pressures on land.

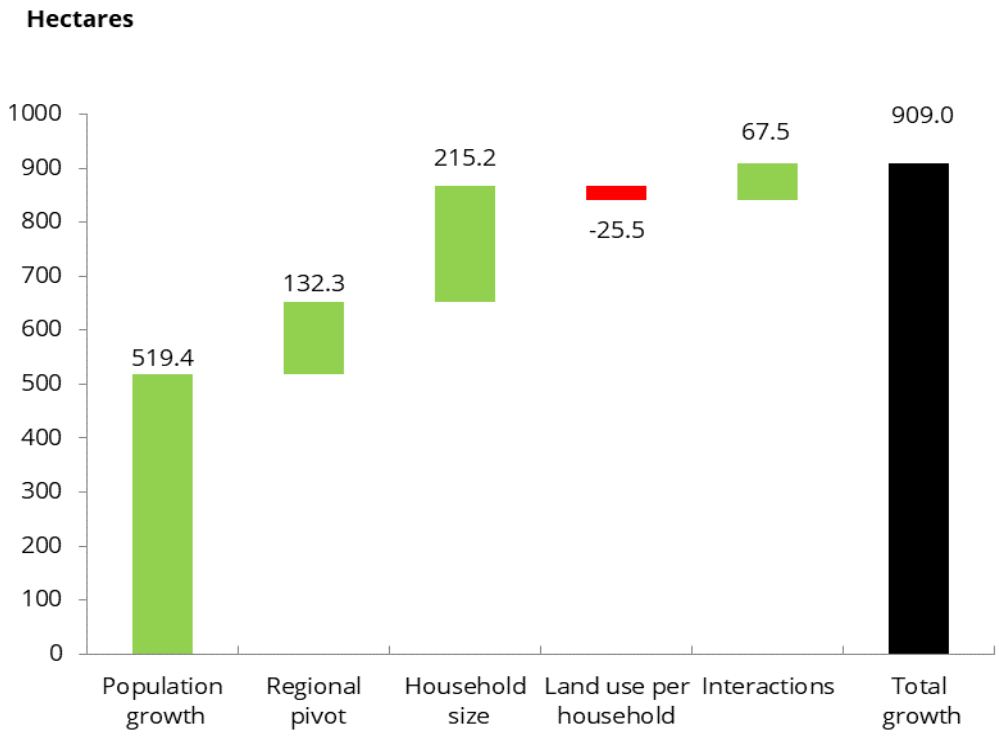
The third element is household size. As the population ages, fewer people accommodate each household and additional housing is required to house the same number of people. Ageing and household size account for about 215 hectares or about 24 percent of the growth in land Landcare estimates occurred over the period.

Households are using less land per household, perhaps driven by increases in land prices. A term that accounts for interactions across the drivers adds an additional 67 hectares so growth in urban land is 909 hectares since 1996. This speaks to your second question.

Q2 If we squeeze the greenfield market, what are the likely impacts on the market, prices, buyer behavior and any wider economic impacts?

These underlying demand drivers show that Tasman has accommodated population growth and an ageing population by releasing urban land for development. This has moderated price increases relative to build costs, keeping the price-cost ratio lower than most other regions. Expect this process to reverse if greenfield development is curtailed.

FIGURE 17: NATIONAL POPULATION GROWTH, INTERNAL MIGRATION, AND POPULATION AGEING GENERATE LAND GENERATED LAND GROWTH IN TASMAN DRIVERS BY HECTARE



You also ask:

Q3. Is there a potential negative impact on land values in intensification areas if further large areas of greenfield land are released?

And:

Q4. Conversely by not releasing greenfield land, if population growth continues to be high and prices unaffordable, it may create scarcity, limit housing choice and prices continue to worsen

This relates to the substitutability between greenfield and brownfield development across the Nelson-Tasman urban area. Greenfield sites will not substitute one-for-one with brownfield sites since our modelling work suggests some benefits accrue to homeowners with locations close to the city centre but in general, increasing greenfield site will reduce the price of brownfields development sites.

Our modelling work (see Appendix A) suggests a coefficient estimate of 0.183 on the impact of land on house prices – increasing the land available with a house and land package increases the house price by about 18 percent.

So on average homeowners are willing to pay for additional land. Doubling the size of the land available on a standard house increases the average sale price from $665,000 to $788,025. This result suggests existing strong demand for greenfield land. It's important to note that this effects averages across many buyer types, and today's homeowners will not share the same preferences and demands of tomorrow's homeowners, a point noted in the joint Nelson-Tasman capacity feasibility assessment:

> "Council is anticipating increased demand in our larger settlements as the rural population ages and people choose to live closer to services."

But at least for Tasman District, greenfields development should provide a range of pricing options and housing typologies.

5. Conclusion

House prices pushed higher in the ten years to the end of 2019. In February 2020, the median sales price stands at $665,000, challenging housing affordability for many when incomes are lower than the national average. Land prices have also grown rapidly adding to growth in house prices. The price-cost ratio that relates the sales price of homes to the cost of building on a like-for-like basis suggests land is a key driver of house prices, despite a sustained programme of greenfield land release.

One measure of land growth provided by Landcare research suggests Tasman District has doubled urban land available for development over the past 22 years – outpacing strong growth in population and household formation. Cutting back on this pace of release would lift land and house prices, decreasing affordability even further. Substantive increases in house prices would be likely to push firms and households to other more affordable regions of New Zealand.

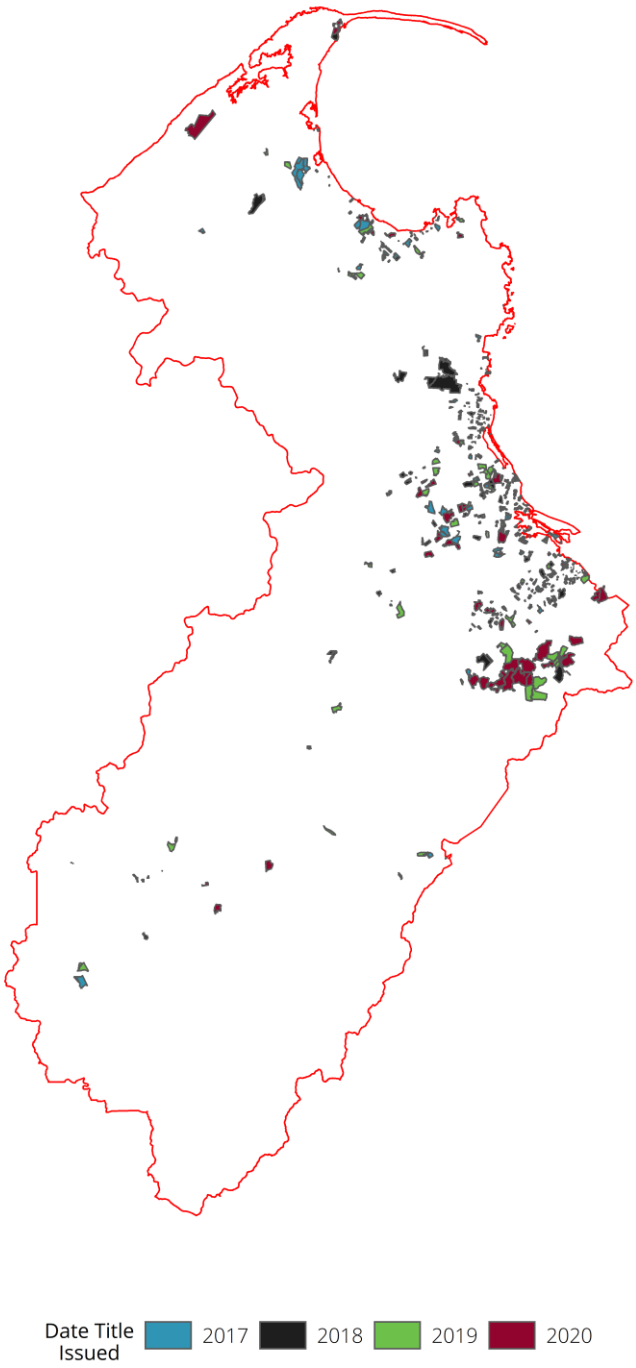
But Tasman District has options. It's not necessary to choose between greenfield and brownfield development. Instead, council can continue to release greenfield land (and recent years show strong growth in titles across the region, see

Figure 18), providing opportunities for the market to develop both greenfield and brownfield sites.

Land banking is likely to be playing a role. But Tasman District can influence the opportunity for land banking by increasing the size of the market, adding more greenfield land to make it more difficult for developers to capture market share. Council could also change incentives to holding land – raising the cost of holding land relative to development by applying the rating system to land rather than capital values.

Continuing to release greenfield land for development also pushes down prices of land within existing urban areas, facilitating some intensification. At least according to history, a target of meeting 40 percent of housing demand from intensification is achievable but requires a step-up in intensification efforts within the District.

FIGURE 18: RECENT YEARS SHOW CONTINUED RELEASE OF LAND WITHIN TASMAN DISTRICT
PROPERTY TITLES CREATED EACH YEAR, LINZ ON-LINE DATABASE



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Appendix A: Economic Modelling

Methodology

Overview

Our core objective is to estimate the value home-owners place on the land that comes alongside a house and land package, that is, space for the backyard for kids to play, gardens to enjoy and space for families to enjoy. The extent to which households value this space can be used to assess the extent to which demand for land will drive growth in greenfields vs brownfield intensification in Tasman District.

There are a wide range of factors that drive house prices that we are less interested in. These include for example the build quality of the dwelling, the construction type, the number of garages, whether the house has deck, and several other factors that we need to account for before looking at factors that help determine the value of land.

Controls

To estimate the hedonic model, we use the population of sales data from the third quarter of 2006 to the third quarter of 2018. We also choose to filter out a number of sales from out dataset prior to estimation:

- A small number of house sales not associated with a residential code from LINZ
- Less than 50 houses with total living area smaller than 50 squares metres or greater than 400 square metres
- Sales with very low (less than $75,000) or very high (more than $2,500,000) prices
- Sales with large land areas (greater than 4,000 square metres) and for the narrow model, land area less than 100 square metres
- We also exclude 90 sales that have an outlier flag attached in the sales record.

Amenity

In addition to a relatively standard list of control variables, we construct several variables that we believe are likely to be associated with underlying amenity values. Equation 1 describe the model:

$$\log(home\ price) = \log(land\ area) + other\ controls + amenities + \varepsilon_t \qquad (1)$$

We are primarily interested in land areas but need to adjust for the wide range of factors that impact on house prices.

Model estimation

We start the model with the full set of variables model by removing insignificant coefficients (at the ten percent level), retaining any dummy variables that are significant as a class. The adjusted R^2 statistic on the preferred broad model is 0.877 and the model as a whole is statistically significant (testing the F-statistic at the one percent level).

Appendix 2 – Background Report

Project Number: 5-G3626.00

Residential Growth Plan Change - Wakefield

Background Report – Technical Reference Document

25 July 2022

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Revision	Date	Author	Reviewed by	Approved by	Status
0	16/12/21	Nicole White	Anna McKenzie		Draft for Comment
1	24/1/22	Nicole White			Draft for Comment
2	10/5/22	Nicole White	Reuben Peterson		Final Draft
3	25/7/22	Nicole White	Reuben Peterson	Reuben Peterson	Final

Revision Details

Revision	Details
0	Initial draft for comment
1	Amended as per client review, added additional information and refined growth area boundaries.
2	Amended as per position papers and internal infrastructure meetings.
3	Report finalised with minor amendments.

Contents

Disclaimers and Limitations

This report ('**Report**') has been prepared by WSP exclusively for Tasman District Council ('**Client**') in relation to the information received to date for the Growth Plan Change ('**Purpose**') and in accordance with the Contract for Services dated 13 September 2021. The findings in this Report are based on and are subject to the assumptions specified in the Report. WSP accepts no liability whatsoever for any reliance on or use of this Report, in whole or in part, for any use or purpose other than the Purpose or any use or reliance on the Report by any third party.

In preparing the Report, WSP has relied upon data, surveys, analyses, designs, plans and other information ('**Client Data**') provided by or on behalf of the Client. Except as otherwise stated in the Report, WSP has not verified the accuracy or completeness of the Client Data. To the extent that the statements, opinions, facts, information, conclusions and/or recommendations in this Report are based in whole or part on the Client Data, those conclusions are contingent upon the accuracy and completeness of the Client Data. WSP will not be liable in relation to incorrect conclusions or findings in the Report should any Client Data be incorrect or have been concealed, withheld, misrepresented, or otherwise not fully disclosed to WSP.

1 Introduction

This document comprises technical background material, obtained from Tasman District Council (Council) staff and external infrastructure and service providers, iwi, and key third parties, to inform the Wakefield Residential Growth Plan Change.

2 Heritage

There are a number of Tasman Resource Management Plan (TRMP) heritage listed buildings and protected trees on the properties surrounding the growth area, but none within the plan change area. There are no known archaeological sites within the identified plan change area (NZ Archaeological Association).

There is a heritage consent notice that applies to 127 Edward Street which requires that that the owners '*shall not damage, demolish, modify or alter the building or environs…*' Development of the site under the compact density provisions is likely to alter the site's environs. This site, which is already zoned Residential, has been excluded from the plan change area for this reason.

Figure 1: Heritage Buildings and Protected Trees (Local Maps)

3 Ecology

Pitfure Stream dissects the growth area. This section of Pitfure Stream is ephemeral and is considered to have relatively low ecological values, given that it is dry for a large portion of the year, affecting fish passage to areas upstream of Wakefield which have a greater length of permanent flow and higher ecological values (Trevor James, Senior Resource Scientist Freshwater and Estuarine Ecology, email 28 January 2022). However, despite the relatively low ecological values of the adjacent section of Pitfure Stream, the discharges of sediment and nutrients still need to be managed well because they will end up in sensitive areas e.g. Waimea Inlet and Waimea River

(Trevor James, Senior Resource Scientist Freshwater and Estuarine Ecology, email 28 January 2022).

There is a need for more wetlands within the wider catchment (Trevor James, Senior Resource Scientist Freshwater and Estuarine Ecology, email 28 January 2022). Opportunities exist to improve the ecological outcomes through planting of the stream margins. The landowner / developer has shared plans with Council and the community which include riparian margin restoration and wetland development (Developer's planning consultant, phone conversation 22 October 2021)

There is a Significant Natural Area (SNA) located on the southeast boundary of the growth area (Figure 2). This SNA contains native bush habitat (podocarp-dominated forest, including remnant totara trees) which has been assessed as ecologically 'significant' (Matt Moss, Ecologist, email 1 February 2022). It is recommended that the preservation and restoration of native bush habitat – including connecting fragmented pockets of native bush habitat – be a priority, as native bush habitat is very rare across the Moutere ecological district and is often confined to fragments in the Wakefield area (Matt Moss, Ecologist, email 1 February 2022).

In this case, there is an opportunity for the SNA to provide an attractive natural feature in a highly modified landscape (Matt Moss, Ecologist, email 1 February 2022). A new indicative reserve is being sought around the pocket of totara trees within the growth area (adjoining the SNA site).

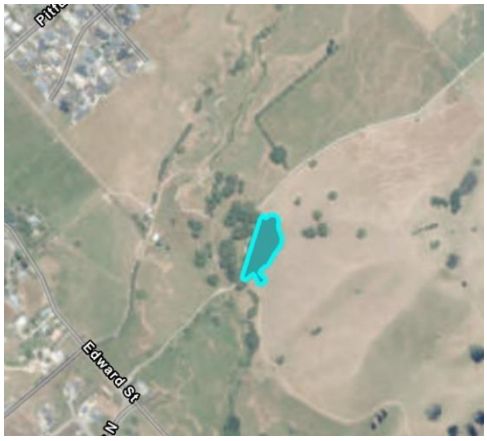

Figure 2: SNA, ID 426

4 Reverse Sensitivity

4.1 Rural and Residential Land Use

The growth area is located on Wakefield's suburban fringe and borders rural land to the east. There is the potential for reverse sensitivity effects between the existing farmland to the east and the development of the growth area. This will be managed through the TRMP's existing building bulk and location rules, noise, and discharge provisions.

4.2 State Highway

The portion of the growth area is near to State Highway 6 to the north. Waka Kotahi NZ Transport Agency (Waka Kotahi) have developed a Reverse Sensitivity Guideline[1] to mitigate the effects of noise and other disturbances from the state highway network on the habitants of any new dwelling. As part of this, Waka Kotahi have developed a reverse sensitivity 'buffer' and 'effects' area. The excerpt below explains the function of these areas.

[1] Waka Kotahi's Reverse Sensitivity Guideline: https://www.nzta.govt.nz/resources/effects-on-noise-sensitive-land/

'The approach is based around buffer and effects areas, which are determined in the same way for both rural and urban state highways, but the applicable reverse sensitivity controls within each area vary depending on the environment. To achieve a reasonable level of acoustic amenity, all noise sensitive activities in rural areas should be located outside of a buffer area, providing a setback from state highways. The buffer area will be partly or sometimes fully within the state highway designation, particularly for more recent designations. However, in other cases where an existing state highway has a narrow designation, the buffer will need to be accommodated outside the designation, and for example might take the form of local roading, stormwater treatment or reserve land within a new residential development, or may be accommodated by building setbacks within larger sections. Beyond the buffer area buildings containing new noise sensitive activities within a wider 'effects area' may be allowed but need to be designed and constructed to achieve reasonable indoor acoustic amenity. In urban areas noise sensitive activities may be allowed in the buffer area, subject to additional vibration controls.'[2]

The Waka Kotahi buffer and effects areas are depicted below for the Wakefield growth area. The north-western corner of the growth area is partially within the effects area. The adjacent section of state highway is in a built-up 50kph urban environment. Waka Kotahi have not raised reverse sensitivity as an issue for Wakefield (Waka Kotahi, meeting 1 November 2021).

Figure 3: Waka Kotahi Reverse Sensitivity Areas (Source: https://www.nzta.govt.nz/roads-and-rail/highways-information-portal/technical-disciplines/noise-and-vibration/planning/reverse-sensitivity-buffer-and-effects-areas/)

[2] Waka Kotahi Reverse Sensitivity Guideline, Page 7: https://www.nzta.govt.nz/resources/effects-on-noise-sensitive-land/

5 Infrastructure

5.1 Reticulated Stormwater

T&T have modelled flooding from a 1% AEP rainfall event for present day (Figure 4) and the year 2090 (Figure 5). The models show the accumulation of rainfall within Pitfure Stream. This situation is shown to become more pronounced in the 2090 year scenario.

The option of onsite stormwater detention has been considered for this growth area and was ruled out due to the potential for detained stormwater to add to peak event flows (Dwayne Fletcher, Councillor Workshop, 18 November 2021).

Council is not planning to install any stormwater infrastructure; however, it is considered possible for the flood hazard to be mitigated by the developer (Glenn Stevens, Senior Resource Scientist – Hazards, 26 January 2022; Wouter Woortman, Team Leader – Infrastructure Planning, email 4 May 2022). The zoning will need to be deferred for this reason.

Note: The growth area boundaries shown on the maps below are those originally consulted on in Round 1 Engagement and are not the same as the proposed Plan Change site boundaries.

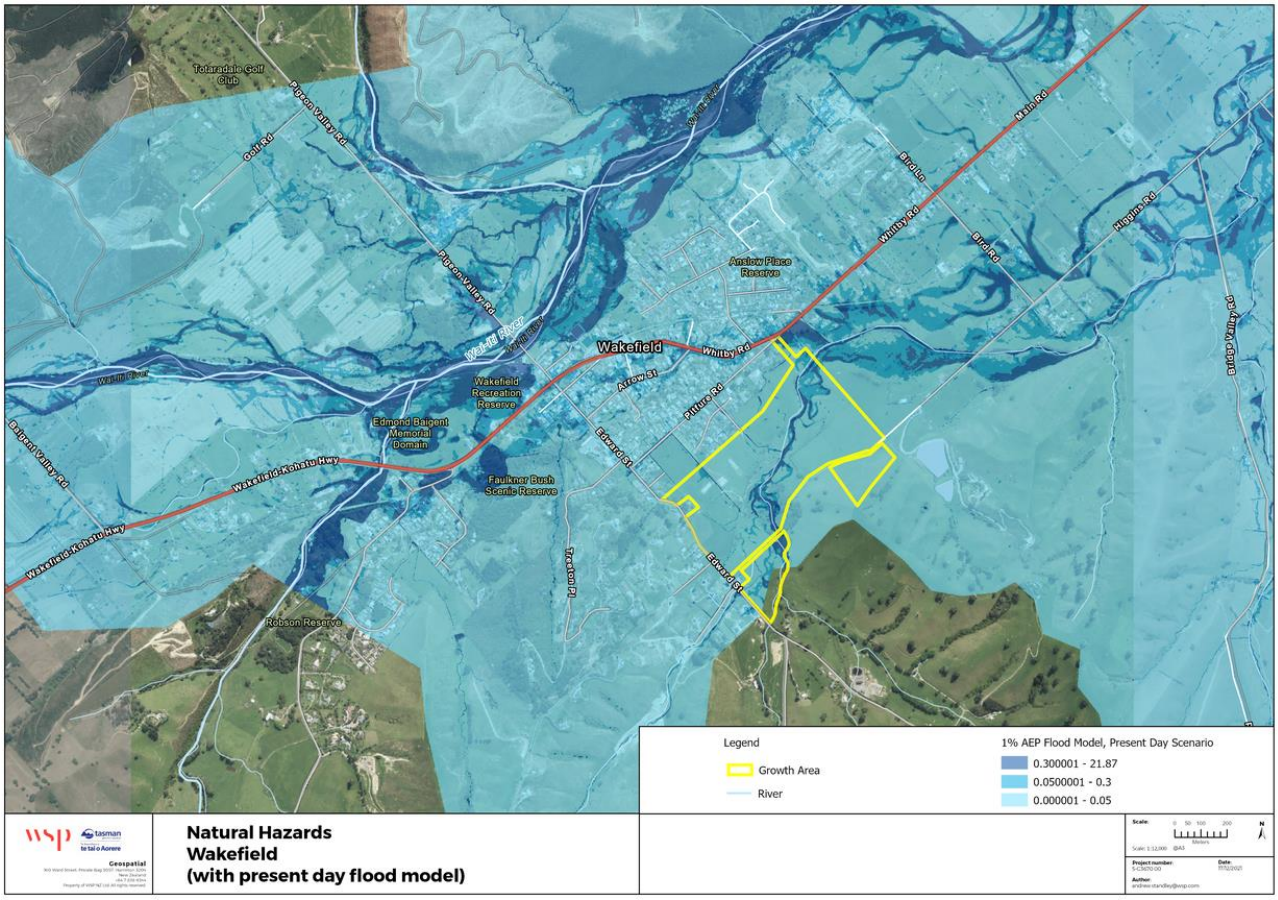

Figure 4: Present Day 1% AEP Flood Model 2021 (T&T Model)

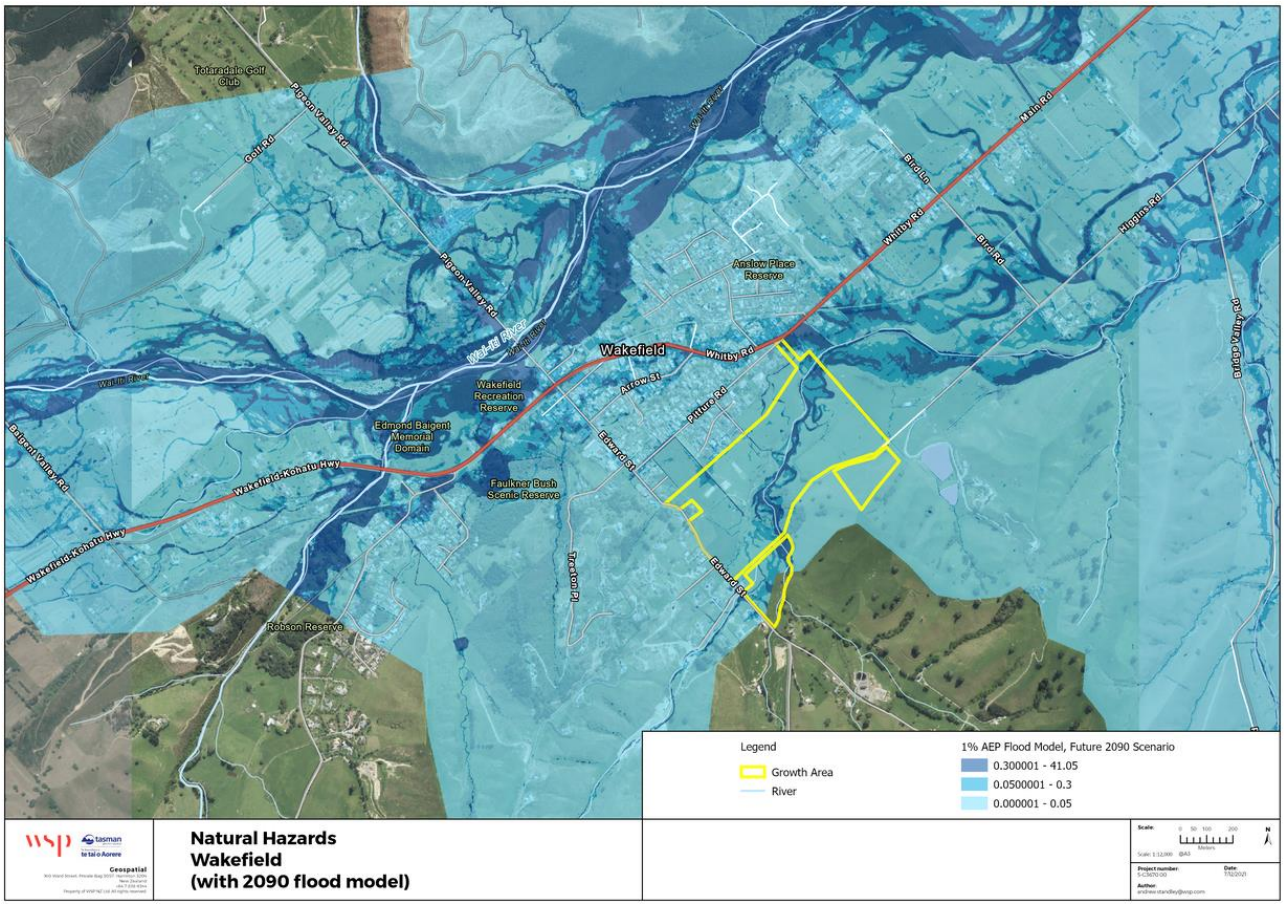

Figure 5: Future 1% AEP Flood Model 2021 (T&T Model)

5.2 Wastewater

The re-zoning will need to be deferred until wastewater is provided for (Council Infrastructure Meeting, 9 February 2022).

Wakefield's wastewater currently flows to the existing Brightwater pump station (Helen Lane, Infrastructure Planning Advisor, 24 February 2022). To cater for future growth, there are plans for a new pressure main to be installed along Higgins Road. This will bypass Brightwater and then inject into the pressure main at the Wairoa River Bridge and convey to Beach Road pump station in Richmond (Helen Lane, Infrastructure Planning Advisor, 24 February 2022).

5.3 Potable Water

The re-zoning will need to be deferred until potable water is provided for (Council Infrastructure Meeting, 9 February 2022).

The Long Term Plan 2021-2031 includes the implementation of the Waimea Water Strategy, over the 2024-2031 period. This includes plans for new and upgraded infrastructure for source, treatment and reticulation of water supply to improve the level of service and growth capacity in Wakefield and Brightwater. The Long Term Plan 2021-2031 also includes plans to upgrade the existing Treeton Water Pump Station, by increasing storage capacity and installing a new main from Treeton to Totara. The Treeton Water Pump Station upgrades are programme to commence this year and be completed in 2025.

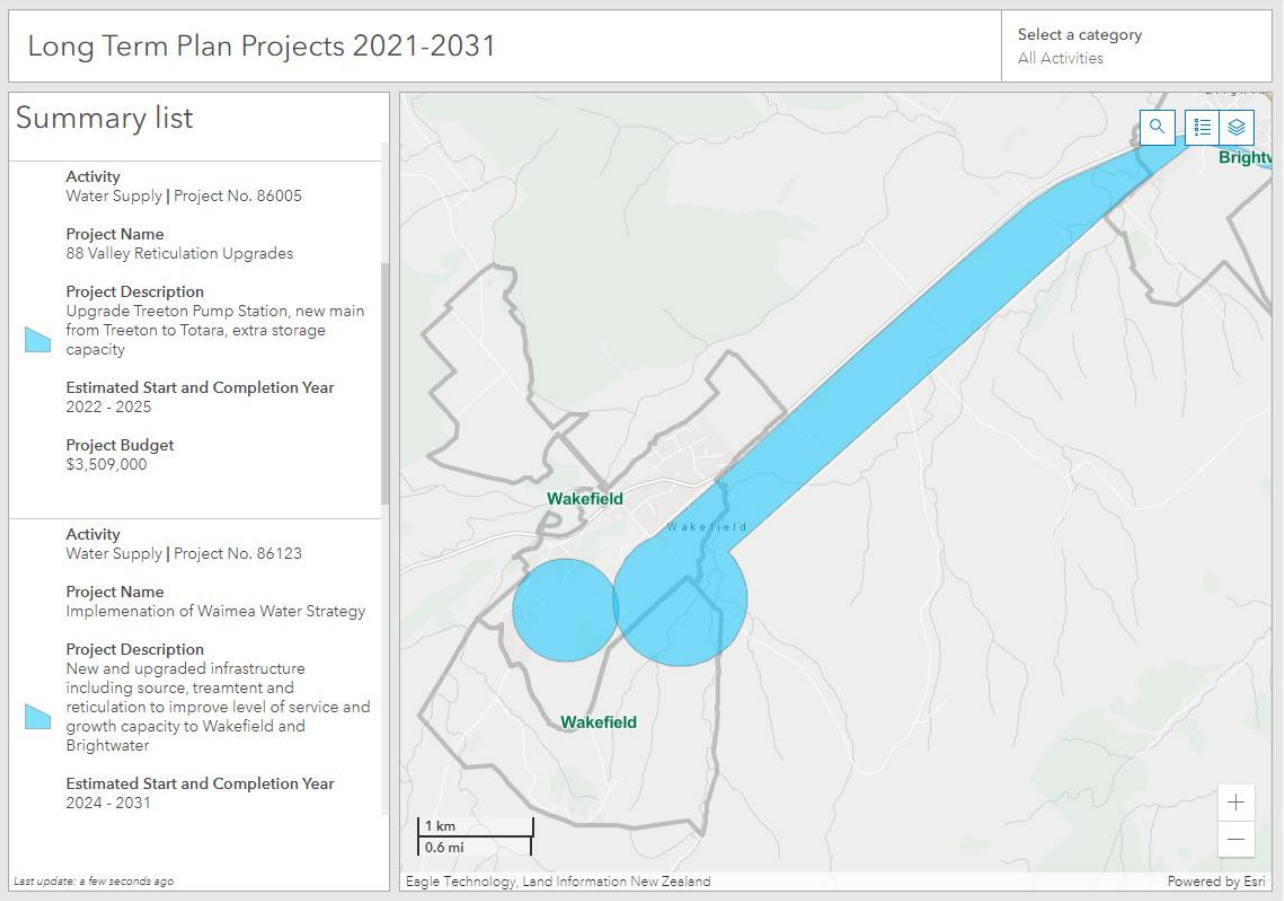

Figure 6: Planned Water Supply Works, LTP 2021-2031

5.4 Transport

5.4.1 Pitfure Road/ Whitby Road Intersection

The growth area is intended to be accessed via Pitfure Road (Council Infrastructure Meeting, 8 October 2021), which feds onto Whitby Road (State Highway 6). The Pitfure Road/ Whitby Road intersection will need to be upgraded to safely cater for traffic from the growth area and may warrant a roundabout; this is recognised by both Council and Waka Kotahi (Councillor Workshop, 18 November; Council Infrastructure Meeting, 9 February 2022; Waka Kotahi IAF Feedback, 16 July 2022).

Waka Kotahi have highlighted that, if there are active transport links directing pedestrians and cyclists to the Pitfure Road/ Whitby Road intersection, then changes will need to be made to slow vehicles entering Pitfure Road from Whitby Road (Waka Kotahi IAF Feedback, 16 July 2021). Waka Kotahi have suggested re-arranging the central island, and building out the left-turn into Pitfure Road with a kerb and channelised island to slow vehicles down and provide path and berm space (Waka Kotahi IAF Feedback, 16 July 2021).

5.4.2 Higgins Road

The community have expressed a desire for the growth area to have vehicle access via Higgins Road, rather than sole vehicle access via Pitfure Road (Wakefield Community Council Meeting, 15 November). However, regular vehicle access via Higgins Road has been deemed to be unnecessary, given that adequate vehicle access can be provided via Pitfure Road, and cost prohibitive, as various upgrades would be required on Higgins Road, including a bridge upgrade, widening of Higgins Road to Bird Road, and the Bird Road/SH6 intersection (Drew Bryant, Senior Infrastructure Transport Advisor, 23 February 2022). The use of Higgins Road as a regular vehicle access would also impact the Great Taste Cycle Trail which currently uses this route (Council

Infrastructure Meeting, 9 February 2022; Drew Bryant, Senior Infrastructure Transport Advisor, 23 February 2022).

The eastern corner of the growth area is currently zoned 'Rural 2 deferred Rural Residential', with the matters of deferral (listed in TRMP Schedule 17.14A) including 'Higgins Road upgrade south of the Pitfure Bridge to ensure access in a Q100 event'. This matter of deferral is not required to be retained for the new zoning, as this area will now connect to Pitfure Road (Drew Bryant, Senior Infrastructure Transport Advisor, email 4 May 2022).

However, it is recognised that multiple access routes are important in the event of an emergency. As such, Council's infrastructure team have recommended that Higgins Road is used only as an emergency access (e.g. with bollards that can be lowered to allow access in an emergency event) to ensure resilience (Council Infrastructure Meeting, 8 October; Councillor Workshop, 18 November) – this emergency access connection to Higgins Road is proposed to be shown with a new indicative road (Council Infrastructure Meeting, 9 February 2022).

5.4.3 Indicative Roads

The TRMP includes existing indicative roads and walkways within the growth area, as depicted below. As outlined above, a new indicative road connection is required to connect to Higgins Road to provide an emergency access route (Infrastructure Meeting, 9 February 2022). A new indicative road connection is also required for the northeast boundary of the growth area, to ensure connectivity to an adjoining Future Development Strategy 2022 site.

The Transport Team are supportive of the existing indicative walkway connecting to Pitfure Road (Council Infrastructure Meeting, 9 February 2022). An indicative road has also been considered at this location, however, is not supported by the Transport Team as this would create additional challenges at the Pitfure Road/ Whitby Road intersection, increasing the scope, complexity and cost of the intersection upgrade project (Drew Bryant, Senior Infrastructure Transport Advisor, 3 February 2022).

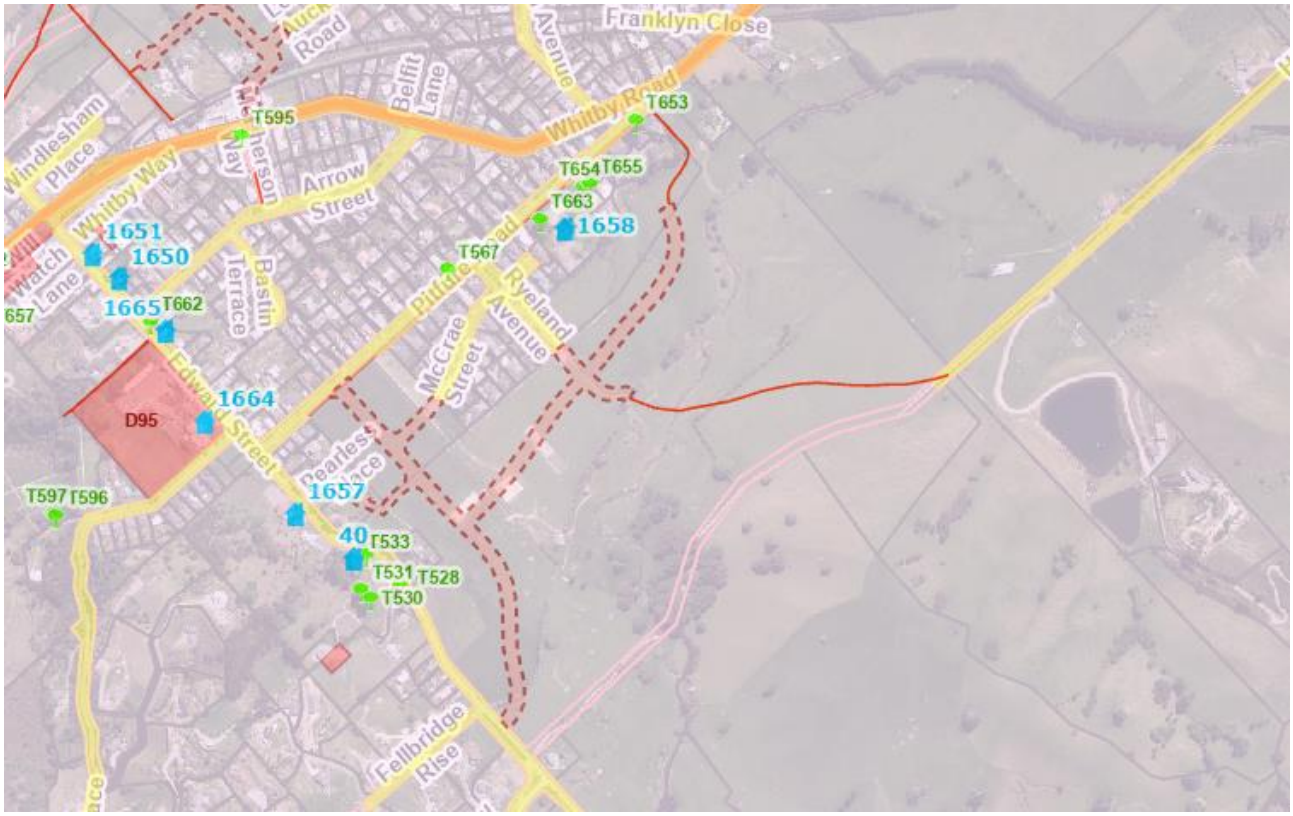

Figure 7: Existing Indicative Roads and Walkways

5.4.4 Active Transport

The Walking and Cycling Strategy 2022-2052 outlines a plan to create 'greenways' or slow speed zones (less than 30kph), with the use of traffic calming treatment, where all road users and residents feel safe. Two cul-de-sac roads to the north-west of the growth area, Ryeland Avenue and McCrae Street, have been identified in the Walking and Cycling Strategy 2022-2052 as slow speed zones.

Higgins Road forms part of Tasman's Great Taste Trail cycleway and provides an excellent route for recreational and commuter cyclists into Richmond and Nelson, away from the high traffic volumes on the state highway (Drew Bryant, Senior Infrastructure Transport Advisor, 3 February 2022). The Walking and Cycling Strategy 2022-2052 includes the installation of a separate cycle lane on Pitfure Road and Edward Street, which connect to the Great Taste Trail on Higgins Road.

The eastern corner of the growth area is currently zoned 'Rural 2 deferred Rural Residential', with the matters of deferral (listed in TRMP Schedule 17.14A) including 'pedestrian/cycle link over the Pitfure Stream to Ryeland Avenue'. This matter of deferral is not required to be retained for the new zoning, as the indicative walkways and the existing Great Taste Trail will ensure adequate connection (Drew Bryant, Senior Infrastructure Transport Advisor, email 4 May 2022).

A new bus route is planned to go past the growth area (Council Internal Infrastructure Meeting, 8 October 2021). A bus stop is required near the Pitfure Road/ Whitby Road intersection and another at the southern end of Pitfure Road (Council Infrastructure Meeting, 9 February 2022).

Note: The growth area boundaries shown on the maps below are those originally consulted on in Round 1 Engagement and are not the same as the proposed Plan Change site boundaries.

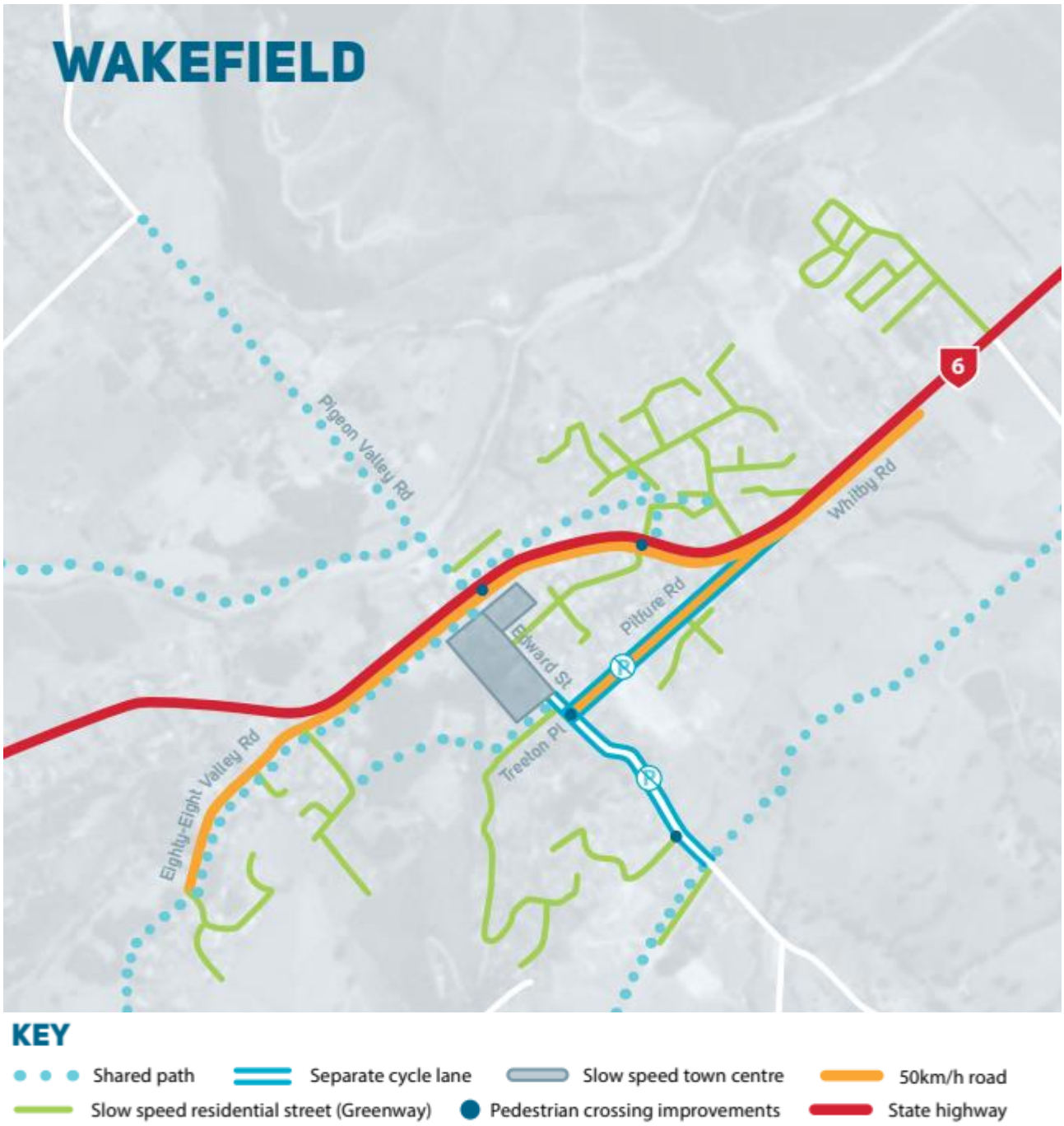

Figure 8: Proposed Walking and Cycling Improvements, Walking and Cycling Strategy 2022-2052

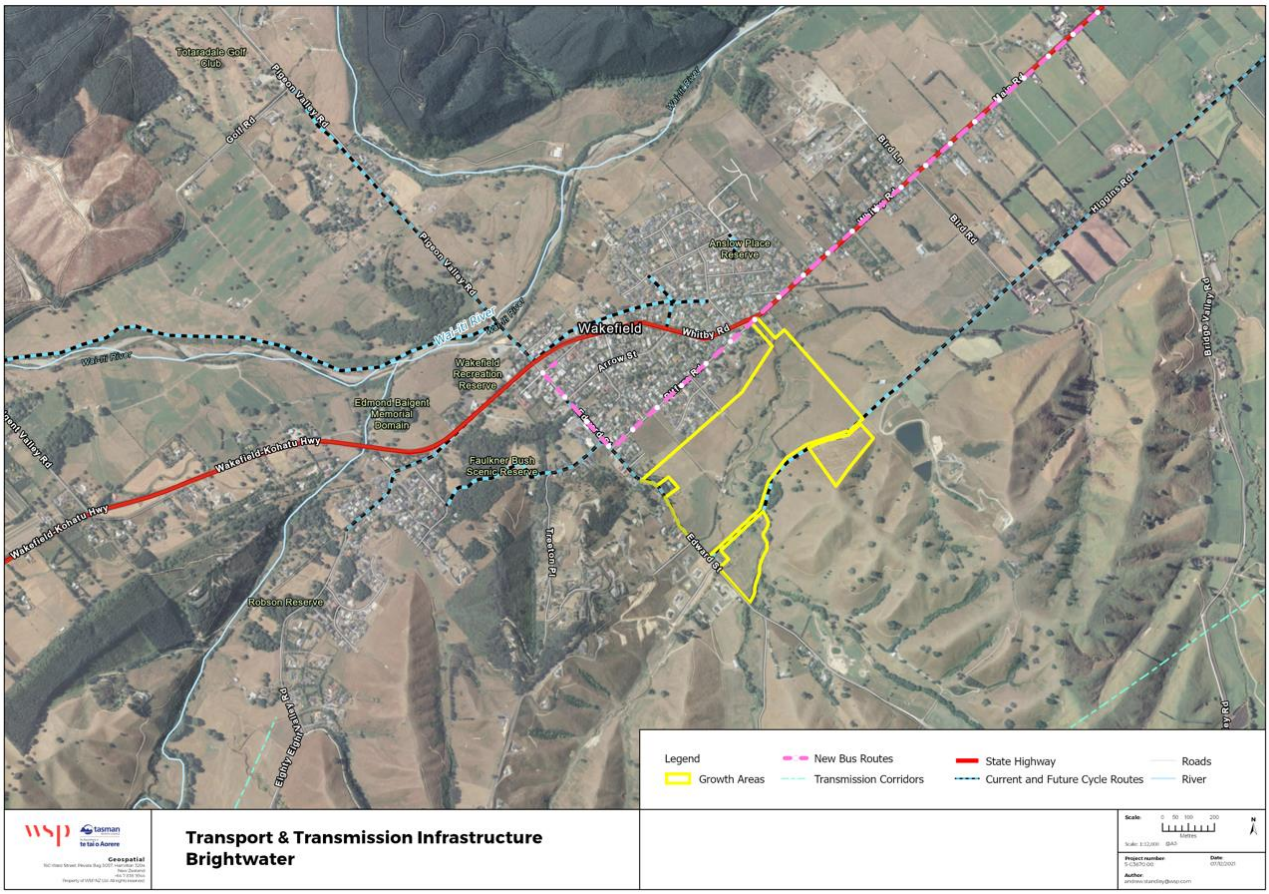

Figure 9: Transport and Transmission Infrastructure Map

Increasing density may support local services and shops in the Wakefield township and reduce the need for residences to commute to Richmond and Nelson (Drew Bryant, Senior Infrastructure Transport Advisor, Council Infrastructure Meeting, 8 October 2021).

Waka Kotahi are supportive of active transport and creating communities with local services and facilities (Transport Meeting, 1 November 2021; Waka Kotahi, email 3 December 2021).

5.5 Power and Internet

Network Tasman have advised that they support the growth area from a network planning and development perspective (Network Tasman, email 21 March 2022).

Chorus have advised that Wakefield has Next Generation Access; an Ultrafast Broadband internet product which provides broadband to the home. Additional infrastructure (fibre cable) would need to be installed by the developer to service the growth area (Chorus, email 26 October 2021).

6 Services and Facilities

6.1 Parks and Reserves

There are currently no existing or indicative reserves within the growth area. The reserves in the wider area are depicted in Figure 10 below. There is a desire to acquire a reasonable amount of land for reserves in this area (2019 FDS Site Re-evaluation Notes, 10 November 2021).

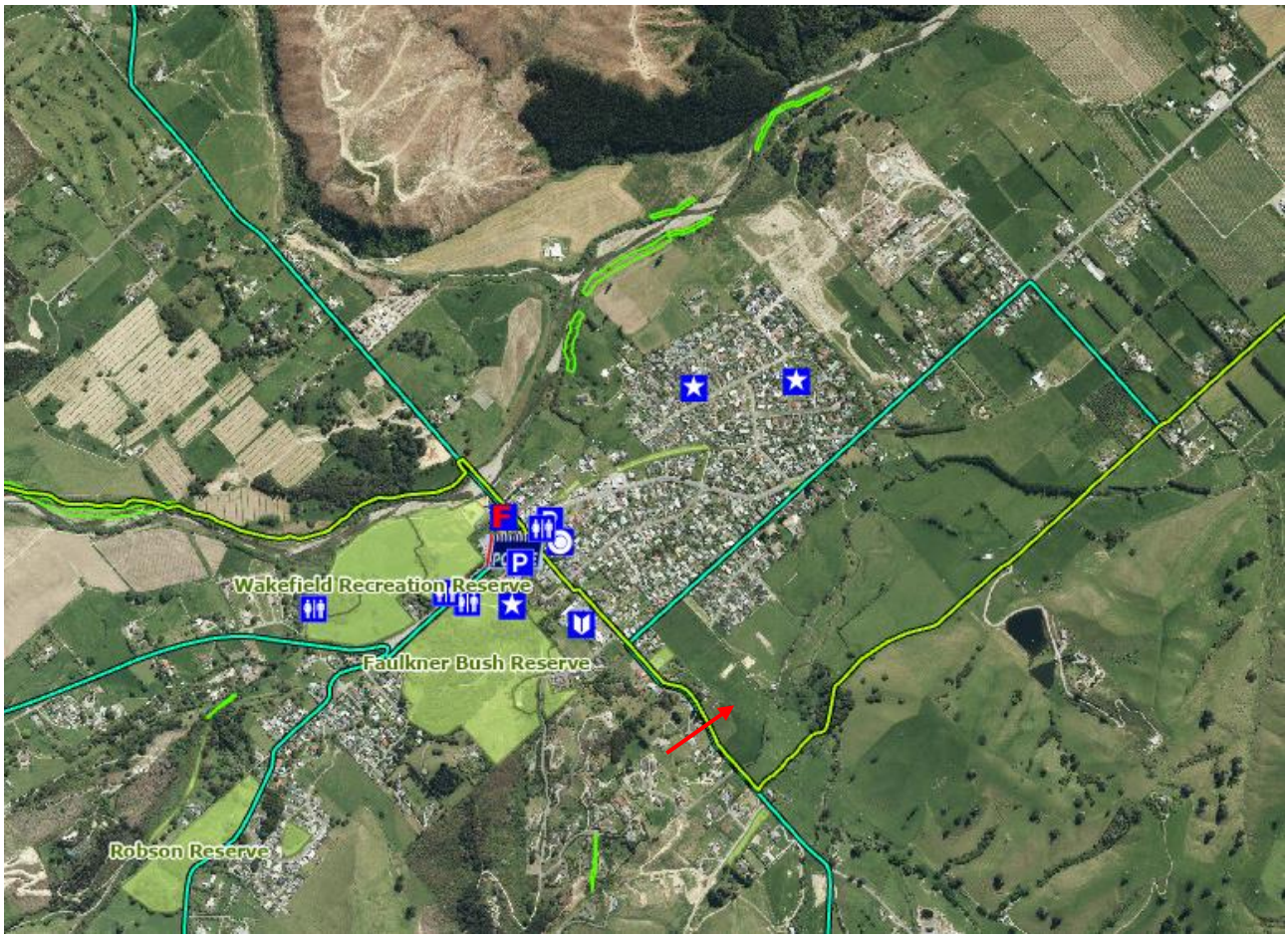

Figure 10: Existing Reserves (Council Recreation Map), site indicated by red arrow

6.1.1 New Indicative Esplanade Reserve

Council's Senior Resource Scientist – Hazards has recommended that the Residential zoning include the stream, and that an indicative reserve be used to indicate a buffer area (to allow the exact setback to be confirmed as part of the resource consent process) (Glenn Stevens, 19 January 2022). The Reserves and Facilities Team support the vesting of 20 metre wide Local Purpose (Esplanade) Reserves on either side of Pitfure Stream (Rosalind Squire, Contract Reserves Planner, 7 February 2022).

6.1.2 New Indicative Recreation Reserves

Totara Trees

As outlined above, there is a Significant Natural Area (SNA) located on the southeast boundary of the growth area (Figure 2), which contains remnant totara trees (Matt Moss, Ecologist, email 1 February 2022). There is an opportunity for the SNA to provide an attractive natural feature in a highly modified landscape (Matt Moss, Ecologist, email 1 February 2022). The Reserves team seek to create a Recreation Reserve around the existing cluster of totara trees within the growth area (Reserves Meeting, 11 November 2021).

Oak Tree

The Reserves team see the need for an indicative Recreation Reserve around the existing oak tree, located northeast of the totara trees (Reserves Meeting, 11 November 2021). They recommend that an indicative reserve be included to encompass the tree and a buffer area set well back from the dripline of the tree, with allowance made for future growth of the tree (Rosalind Squire, Contract Reserves Planner, 7 February 2022). This reserve would serve the purpose of protecting the tree and

its environs, and also provide an important open space feature for the future residents. It would also be accessible off the Great Taste Trail.

Neighbourhood Park

The Reserves team seek a ~2,500m^2 Recreation Reserve adjoining the Local Purpose (Esplanade) Reserve at the northern area of the development (Rosalind Squire, Contract Reserves Planner, 7 February 2022).

6.1.3 Indicative Walkways

The Reserves team agree with the existing indicative walkways (depicted in Figure 7 above) for Pitfure Road and through to Higgins Road (Reserves Meeting, 11 November 2021).

While the proposed indicative road provides a connection to Higgins Road, the existing indicative walkway is retained to provide a connection through the eastern side of the site to the proposed indicative reserve along Pitfure Stream and through to Ryeland Avenue (Rosalind Squire, Contract Reserves Planner, email 19 July 2022). This is a more direct connection. The indicative walkway alignment crosses the land diagonally however the expectation is the final connection will follow internal roads and stormwater flow paths for the most part. As opposed to necessarily cutting diagonally across the site.

6.1.4 Community Facilities

Wakefield School, a primary school catering for year 1-6 students, is located at 55 Edward Street, opposite the growth area. The Wakefield Health Centre (general practice medical centre) is located further north at 12 Edward Street.

Information on the proposed re-zoning has been sent to the Ministry of Education and the Nelson Marlborough District Health Board. The Ministry of Education are interested in the estimated yield for the growth area, however, have not raised any concerns. The Nelson Marlborough District Health Board have not responded.

7 Natural Hazards

7.1 Flooding

Figure 11 depicts the modelled extent of a present-day 1% annual exceedance probability flood for Wakefield. This shows the predicted extent of flooding from the Wai-iti River, Eighty-Eight Valley Stream and Pitfure Stream (Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022).

The existing Residential and 'Rural 2 deferred Residential' zoning on either side of Pitfure Stream recognises the flood hazard that the Pitfure Stream presents (Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022). Flood modelling indicates that the lower terraces adjacent to the Pitfure Stream area are required to accommodate flood flows (Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022). This could potentially limit the housing yield within this area.

Council's Senior Resource Scientist – Hazards has recommended that the Residential zoning include the stream, and that an indicative reserve (based on the lower terrace) be used to indicate a buffer area (the exact setback to be confirmed as part of the subsequent resource consent process) (Glenn Stevens, Senior Resource Scientist – Hazards, 28 January 2022).

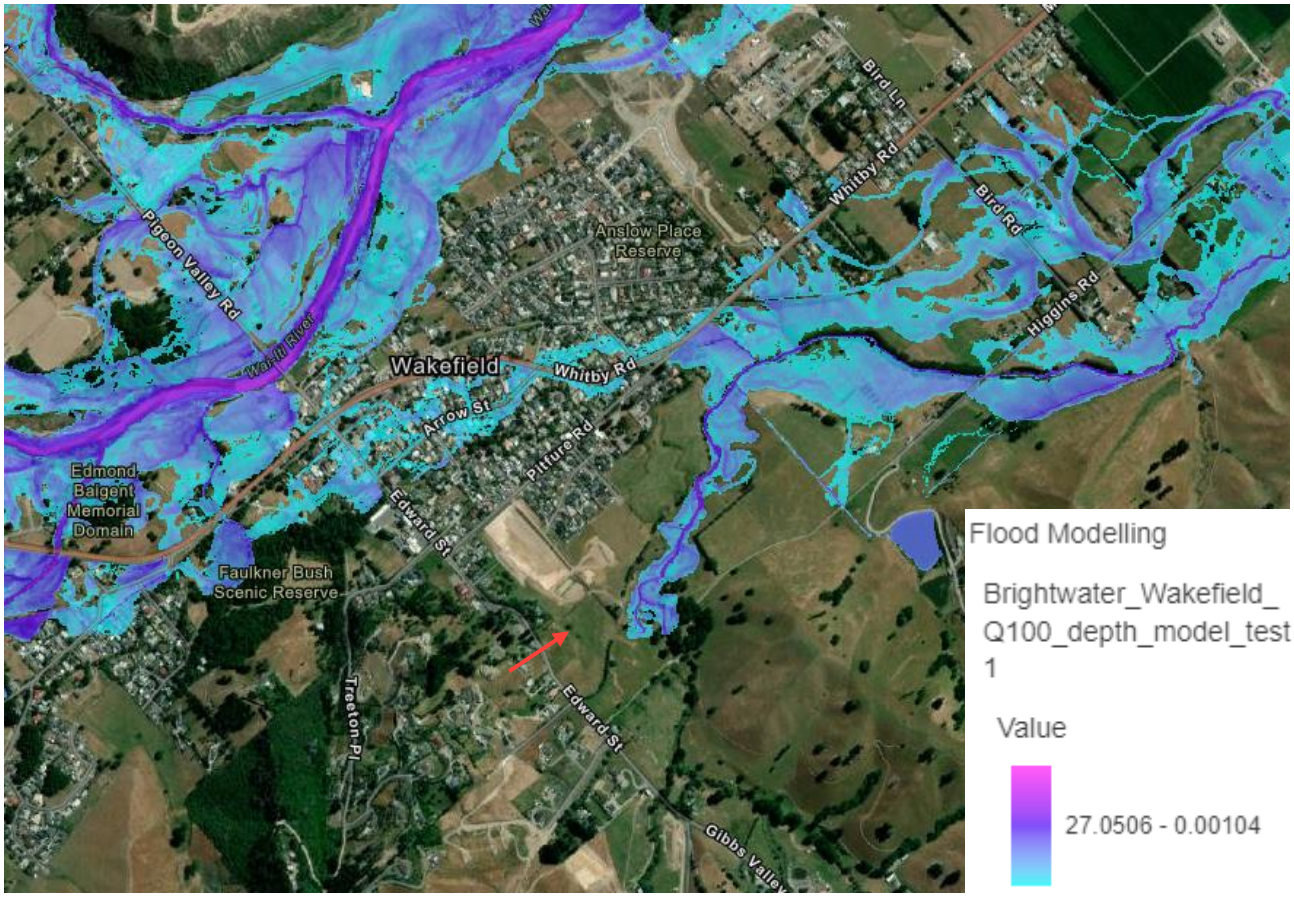

Figure 11: Brightwater Wakefield Flood Model Q100 (FDS Mapping), , site indicated by red arrow

7.2 Coastal Inundation

Wakefield is located approximately 14km inland from the Waimea Estuary and is not shown to be at risk of coastal inundation.

Figure 12: Coastal Inundation (FDS Mapping), site indicated by red arrow

7.3 Seismic Risk

The is an active fault line located along the foothills to the south-east of Wakefield, over 2.6km southeast from the proposed growth area. The risk is no different to the generally experienced within Wakefield.

Figure 13: Seismic Features (FDS Maps), site indicated by red arrow

7.4 Other

Dam Break Hazard

There are two irrigation dams located to the south-east of the growth area, at 335 Higgins Road. A 2017 dam break assessment[3], which estimated the dam break outflow and likely downstream flood effects, found that the area to the north-east of the growth area would be affected by a dam break. However, some flooding would also occur along the eastern edge of the south-eastern corner of the growth area.

Most of the proposed growth area can be developed without any mitigation of the dam break hazard. The dam break inundation hazard is likely to be able to be mitigated with some bunding or overland flow path works (Plan Change 65 Dambreak Assessment July 2017, T&T). Any development on the edge of the growth area, within the north-eastern corner, will require mitigation of this known hazard (Glenn Stevens, Senior Resource Scientist – Hazards , 28 January 2022). There is the space and ability to carry out any mitigation required on this site.

[3] Plan Change 65 Dambreak Assessment July 2017, T&T

Figure 14: Irrigation Dams

Civil Defence

The growth area has been discussed with Civil Defence (meeting, 7 April 2022) who have not raised any other issues with the site (beyond what has been raised by Glenn Stevens, Senior Resource Scientist – Hazards).

8 Topography and Land Productivity

8.1 Topography

The site is relatively flat.

Figure 15: Topo Map (Top of the South Maps)

8.2 Land Productivity

Council uses three productive land classification systems. These are:

- Land Use Capability (LUC):

  The Land Use Capability (LUC) classification system is a measure of the versatility of the land, and includes eight soil classifications, LUC 1 being the most versatile with the least limitations, and LUC 8 being the least versatile with the greatest limitations, as illustrated in Figure 16 below.

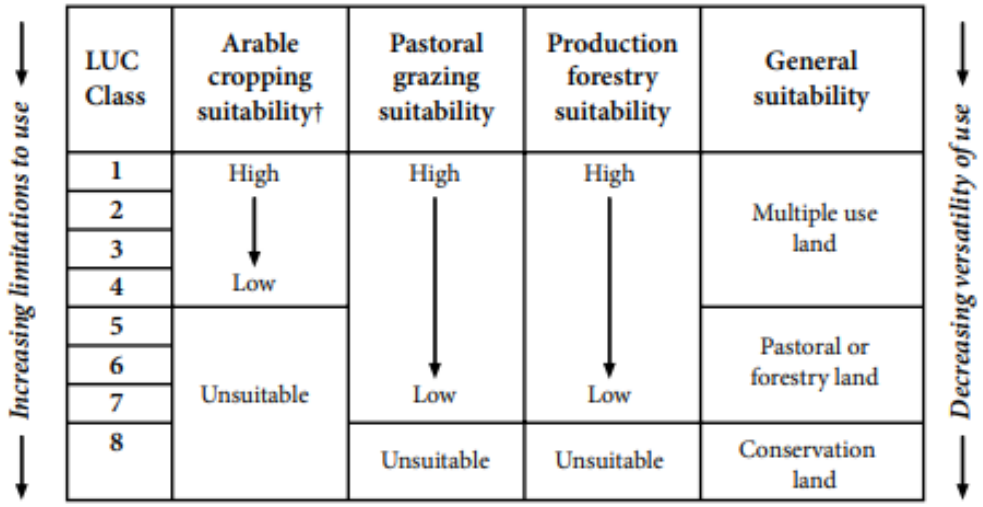

Figure 16: LUC Classification Classes

The LUC system is based on five attributes (rock type, soil, slope angle, erosion type and severity, and vegetation cover), and does not consider economic input for improvements (e.g. drainage, fertiliser, irrigation) (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022). LUC is a national classification system, meaning that it can be used to compare land in the Tasman region to other land in other parts of the country (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022).

This classification system has an emphasis on conservation rather than production, and focuses on forestry to pastoral to arable land, meaning that it is not reliable for ranking horticultural land types (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022). Horticulture is a significant land use in the Tasman region. The PLC classification system is also being used for this reason (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022).

- Classification System for Productive Land in Tasman (PLC) 1994:

  The PLC system was developed by Agriculture New Zealand for Tasman District Council in 1994, when it was found that the LUC system consistently undervalued some types of soils and climatic areas in the region (Highly Productive Land – Tasman District Council Submission to the Ministry for the Environment, October 2019). The system groups land units into similar classes using a range of topographical, soil, climate, and past use criteria (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022).

  The classification system ranges from 'A – Very Intensive Horticulture', being the most productive, to 'H – Non-Productive', being the least productive (refer to Figure 17). The classification indicates the potential land use. Each classification is suitable for the specified land use, and all land uses assigned to categories below itself. For example, soil classified as 'D – Cropping' could be used for cropping, as well as intensive pastoral, extensive pastoral, productive forestry, and non-productive use.

Range of enterprises that could be sustained on a land unit	TDC Class							
	Very Flexible ——— Inflexible							
	A	B	C	D	E	F	G	H
Very Intensive Horticulture								
Semi-IntensiveHorticulture								
Intensive Cropping								
Cropping								
Intensive Pastoral								
Extensive Pastoral								
Production Forestry								
Non Productive								

Figure 17: PLC Classification Classes

- Classification System for Productive Land in Tasman (PLC) 2021:

  The PLC classification was re-assessed in 2021 using a new set of criteria. This system is currently being ground truthed to ensure accuracy. Some discrepancies have been found been the PLC 2021 classification and field observations (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022).

Productive land has been assessed for the Wakefield growth area based on all three productive land classification systems.

The strip of land around Pitfure Stream, which is still zoned Rural 2, is classed as LUC 3 (Figure 18). This indicates that the land is highly productive and is suitable for arable cropping, horticulture and pastoral grazing. Note that the LUC map does not include classification of the land that is already zoned Residential or deferred Rural Residential or include LUC classes 4-8.

Note: The growth area boundaries shown on the maps below are those originally consulted on in Round 1 Engagement and are not the same as the proposed Plan Change site boundaries.

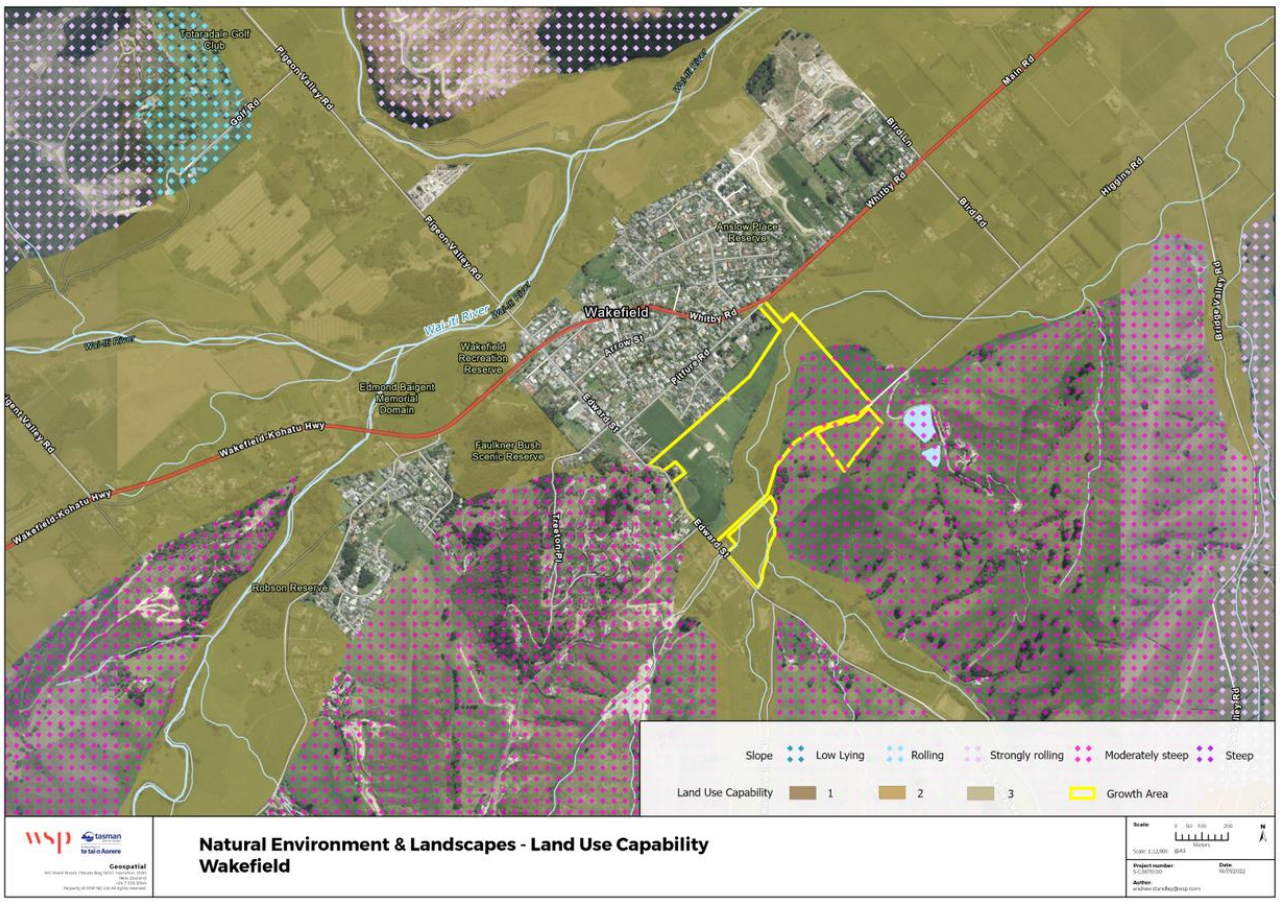

Figure 18: Land Use Capability (FDS Mapping)

Under the Productive Land Classification undertaken in 1994, the soil is classified predominantly as 'D' (along Pitfure Stream), and 'F' (to the east of Pitfure Stream). The Productive Land Classification 2021 assigns a productive land classified to the site, with the site classified predominantly as 'B2' (along Pitfure Stream), and partially as 'D' (to the east of Pitfure Stream).

Figure 19: Productivity Land Classification 1994 (Local Maps)

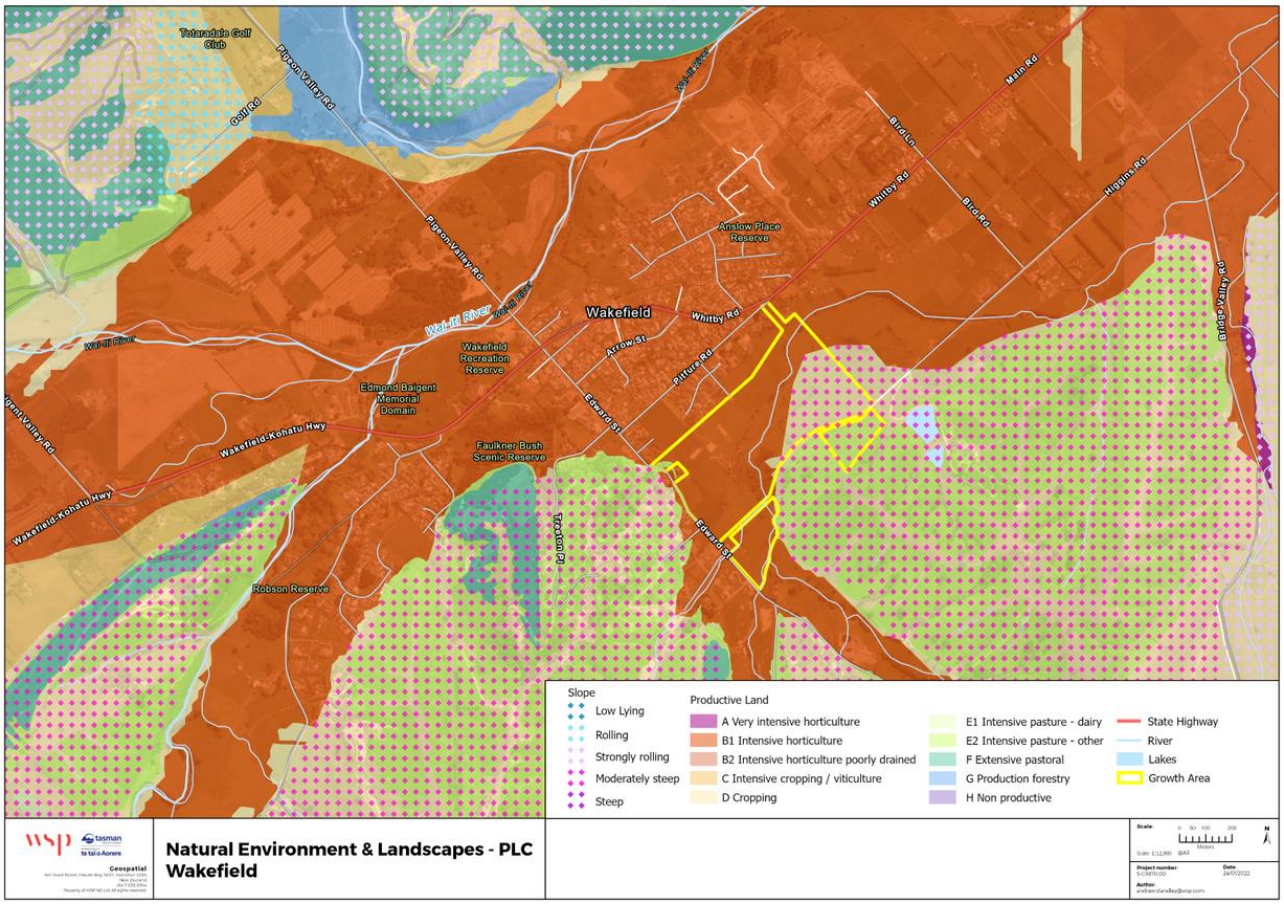

Figure 20: Productivity Land Classification 2021 (Draft Mapping – Yet to be Finalised)

Despite the high productive land classification, the productive capability of the growth area is limited due to the existing Residential and 'Rural 2 deferred Residential' zoning and Pitfure Stream (Mirka Langford, Senior Resource Scientist – Land and Soil, meeting 19 January 2022).

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Appendix 3 – Engagement Summary

The table below provides a summary of the pre-public notification engagement undertaken on this Plan Change. This includes an overview of who was engaged, how, and what feedback was received.

Iwi Engagement

Person/Party	Engagement Undertaken	Feedback Received
Iwi Partnership Working Group	*Round 1 Engagement (November 2021):* A hui was held on 17 November 2021, and was attended by the following; • Onur Oktem (Te Rūnanga o Toa Rangatira); • Julia Eason (Ngāti Kuia); and • Sylvie Heard (Te Atiawa). Apologies and absences were noted for the following invited iwi representatives; • Ngāti Tama • Ngāti Kōata • Ngāti Apa • Ngāi Tahu • Ngāti Rarua *Round 2 Engagement (March – April 2022):* • An email update was sent to Te Tau Ihu iwi on 23 March 2022. *Circulation of Plan Change Material (June 2022):* The draft plan change material (Schedule of Amendments and update maps) was sent to iwi authorities on 30 June 2022.	*Round 1 Engagement (November 2021):* From the hui on 17 November 2021, the following general comments were noted in relation to Council's residential growth planning projects, including this Plan Change: • Create communities with a heart/ commercial centre (long-term vision). • Implement Te Mana o te Wai • Iwi placenames • Good to have some guiding development principles. • Allow for larger families/ multi-units. No specific comments were noted in relation to Wakefield. *Round 2 Engagement (March – April 2022):* • No comments were received with regards to the email sent on 23 March 2022. *Circulation of Plan Change Material (June 2022):* Feedback was received from Ngati Tama on the 20 July 2022. Feedback included reference to effects on water quality, the physical structure and hydraulic characteristics of waterbodies and the health of aquatic plants and animals and sedimentation. The plan change has addressed the potential waterway effects through the inclusion of an indicative reserve along Pitfure Stream which provides a development buffer/setback to protect waterways values. Other issues raised include disturbance to soil and associated ecosystems, catchment

		management and stormwater management. As part of this Plan Change the zoning of the land is deferred and will not be lifted until Council is satisfied with stormwater and catchment management. Issues surrounding earthworks will be managed at the subdivision stage.

Landowners and Key Developers

Person/Party	Engagement Undertaken	Feedback Received
Adjoining Landowners	*Round 2 Engagement (March-April 2022):* • Letters were sent to adjoining landowners in March 2022.	*Round 2 Engagement (March-April 2022):* • No specific feedback received from adjoining landowners
Landowner (Plan Change site)	*Prior to commencement of Plan Change:* • Council have previously discussed with landowner's planner. *Round 1 Engagement (November 2021):* • Various phone calls and emails. • Discussion regarding draft scheme plan. • In-person meeting with landowner and his planner on 17 November 2021. *Round 2 Engagement (March-April 2022):* • Video call meeting with landowner and their planner on 2 March 2022 to talk through proposed provisions and indicative items. • Various phone calls and emails.	*Round 1 Engagement (November 2021):* • Planning to develop artificial wetlands for stormwater management and amenity/ecological reasons. • Working with T&T on flood modelling, and with an ecologist on riparian values. • Open to higher density in the right areas, not right across the site. • Happy to work collaboratively with Council. *Round 2 Engagement (March-April 2022):* • Comfortable with indicative roads. Comfortable with new indicative reserves shown, however, question the 20m esplanade reserve strip – don't want to take up housing capacity. • Looking at lodging RC application for the subdivision of the existing residential area, to continue the development of the area. • Looking at some compact density, the amount depends on demand. Also interested in larger lots that

Person/Party	Engagement Undertaken	Feedback Received
		can have multiple dwellings for flexibility. • Supportive of enabling intensification but not of it being required. Question infrastructure capacity to support intensification. *Circulation of Plan Change Material (June 2022):* • Questioned whether the existing indicative roads need to be amended • Raised concern over the indicative reserve around the existing oak tree. • Raised concern over the requirement for smaller lots. Considers the requirement for combined 40% of allotments to be smaller to be too high, and that 20% would be more appropriate in this location. • Suggested that second dwellings also be allowed for. • Requested a small extension to the proposed development area.
	Circulation of Plan Change Material (June 2022): Draft plan change material (Schedule of Amendments and update maps) sent to landowner on 1 July 2022.	

Community Engagement

Person/Party	Engagement Undertaken	Feedback Received
Wakefield community, including the Wakefield Community Council and Homes for Wakefield Sub-Committee, as well as general feedback from members of the wider community and adjoining landowners	*Round 1 Engagement (November 2021):* • Presented to the Wakefield Community Council • Website • Letters sent to adjoining landowners in March 2022	*Round 1 Engagement (November 2021):* • Support for smaller lots to accommodate the elderly. • Support for intensification, quality design and the efficient use of greenfield land. • Would like options for multiple dwellings per site and tiny homes. • Questions regarding infrastructure, particularly stormwater and wastewater capacity.

Person/Party	Engagement Undertaken	Feedback Received
	Round 2 Engagement (March-April 2022): • Joint Future Development Strategy/ Growth Plan Change online webinars, for the community associations and wider public. • Website and online feedback form. Information on the growth plan change communicated, along with information on the Future Development Strategy, via Council Communication Channels e.g. Newsline, social media etc.	• Would like Higgins Road to be used for more than just emergency access. • Important to protect the international dark sky reserve. *Round 2 Engagement (March-April 2022):* • Seek dark sky protection • Concern about flooding in Higgins Road area • Affordability is a concern • Interested in the concept of mandatory density versus enabling density • Questioned whether Pearless Place land is included in the plan change. • Seeking inclusionary zoning to be included. • Improve road safety and concern around additional traffic, including will road access be available along Higgins Road. • Variety of housing types and sizes are sought – Homes for Wakefield Survey

External Infrastructure and Service Providers

Person/Party	Engagement Undertaken	Feedback Received
External Infrastructure and Service Providers: • Transpower • Network Tasman • Delta • Chorus • Civil Defence	*Round 1 Engagement (November 2021):* • Initial email advising of the plan change and seeking any questions or comments. • Various emails and phone calls. • Meetings arrangement upon request: ○ Video call meeting with Waka Kotahi NZ Transport	*Round 1 Engagement (November 2021):* • Waka Kotahi advised of support for intensification of existing residential areas, the need to consider the cumulative effects of development, and the need to engage with iwi. Also site-specific feedback received through the IAF process. • Transpower advised that the site does not contain National Grid Assets.

Person/Party	Engagement Undertaken	Feedback Received
• Fire and Emergency • Nelson Tasman Regional Sewer Business Unit • Ministry of Education • Waka Kotahi NZ Transport Agency	Agency on 1 November 2021. *Round 2 Engagement (March – April 2022):* • A follow up email, providing an update on the plan change and either following up on any feedback, or (where applicable) advising how the early feedback has been incorporated or if the changes affect this early feedback. • Video call meeting with Civil Defence on 7 April.	• Delta advised that they have no comment on the re-zoning, however, would like to be kept informed. • Chorus advised that the site is able to be serviced. • The Nelson Tasman Regional Sewer Business Unit advised that they have no comments at this time. • The Ministry of Education advised that they are interested in the anticipated number of dwellings. *Round 2 Engagement (March – April 2022):* • Network Tasman advised that they do not have any concerns. • Civil Defence have not raised any significant concerns.

Appendix 4 – Operative Regional Policy Statement and Resource Management Plans

The relevant Objectives, Policies, and methods in the operative Tasman Regional Policy Statement and the TRMP are identified in the table below. These are provided due to the relevance of understanding the current regulatory framework for managing the issues identified.

Policy/Objective/Method	Relevance
Tasman Regional Policy Statement	
General Objective 2A: *For the period 2021 to 2051, the minimum sufficient development capacities for housing in the Tasman portion of the Nelson-Tasman Urban Environment are provided.* Objective 5.5: *Maintenance and enhancement of urban environmental quality, including amenity values and the character of small towns.*	Providing for residential growth: Objective 2A is particularly relevant as this Plan Change is based on the T-107 Edward Street site identified in the Future Development Strategy 2022 to contribute to residential capacity to meet growth projections. Objective 5.5 is relevant in terms of the need to ensure good design outcomes. This is provided for through indicative reserves and design in accordance with the Urban Design Guide (TRMP Part II).
General Objective 3: *Avoidance, remedying or mitigation of the adverse effects on the environment and the community from the use, development or protection of resources.*	Managing adverse effects.
General Objective 4**:** *Efficient use and development of resources.*	Ensuring efficient land use.
Objective 5.1: *Avoidance of the loss through urban development, of the potential of land having high productive value to meet the needs of future generations.*	Protecting productive land: This is relevant as part of the site is currently zoned Rural 2, however, the site is considered to have limited productive capacity. This is also relevant Plan Change's intent of ensuring efficient land use through medium density development.
Policy 5.2: *The Council will avoid locating new urban development in areas subject to natural hazards, except that extensions in areas that are so subject may be allowed provided adequate mitigation measures are undertaken.*	Managing potential flood hazard.
Tasman Resource Management Plan	
Policy 5.2.3.7: *To enable a variety of housing types in residential and rural areas.* Policy 5.3.3.1A: *To enable medium density housing with a high standard of amenity in specified locations.* Method of Implementation 5.3.20.1: *Rules relating to:* • *allotment size and intensity of site development;* • *location, design and appearance of buildings and signs;* • *location of classes of activities and effects;* • *heritage, vegetation and landscape features.* Policy 5.4.3.1: *To enable a variety of housing types, recognising different population growth characteristics,*	Providing for residential growth: These provisions relate to the need to provide housing, including medium density housing options, and to ensure good design outcomes.

Policy/Objective/Method	Relevance
age, family and financial circumstances and the physical mobility of, or care required by, residents. Objective 6.1.2.2: *A wide range of living opportunities in urban locations that incorporate urban design principles.* Policy 6.1.3.1: *To encourage subdivision and development to incorporate sustainable urban design principles by:* *(a) encouraging a sense of place and identity;* *(b) working with the natural characteristics of sites;* *(c) creating opportunities to enhance natural values;* *(d) providing a high degree of connectivity within road networks;* *(e) providing for safe walking and cycling;* *(f) designing local roads to ensure a safe low traffic speed environment on local streets and accessways;* *(g) creating a streetscape which enhances perceptions of safety;* *(h) managing stormwater run-off on site where possible, and ensuring off-site stormwater run-off does not increase flood risk nor adversely affect water quality in waterways and the coastal marine area for aquatic ecosystems and recreation; and* *(i) locating and designing development to address cross-boundary effects between land uses.* *j) encouraging medium density housing development in the forms of compact density and comprehensive housing and intensive residential development within walking distance of or close to town centres and urban facilities, including public transport.* *(k) providing for a choice of residential density and form within the District, taking into account people's preferences, the existing character of neighbourhoods, topography, proximity to town centre, the capacity of infrastructure and the constraints of the land resource.* *(l) enabling protection of heritage sites, items and values, cultural heritage and protected trees* Objective 6.2.2.2: *Urban growth and sufficient opportunities, including redevelopment opportunities that encourage more efficient use of land, energy and provision of infrastructure, services and amenities.* Objective 6.2.2.3: *For the period 2021 to 2051, the minimum sufficient development capacities for housing in the Tasman portion of the Nelson-Tasman Urban Environment are provided.* Method of Implementation 6.2.20.1(g): *Subdivision and zone rules and an urban design guide that manage medium density development.* Policy 6.7.3.2: *To identify land for future subdivision, and regulate the form of development, so that the particular character and appearance of each existing settlement is not compromised.*	

Policy/Objective/Method	Relevance
Policy 6.17.3.1: *To ensure suitable land and infrastructure is available in Wakefield for residential and business use, and active and passive recreation needs.* Policy 6.17.3.7: *To encourage a diversity of lot sizes and a range of housing forms to facilitate welldesigned, lower cost housing development close to the village centre.*	
Policy 6.1.3.1A: *To encourage medium density housing developments that achieve a high standard of amenity in areas identified on the planning maps as the Richmond South, Richmond West, Mapua Special and Richmond Intensive development areas and the Motueka West Compact Density Residential Area by:* *(a) ensuring the suitable and compatible location, height, density, scale and bulk of intensive residential development relative to its context and adjacent land uses, including streets and reserves.* *(b) encouraging best practice and design through the use of the Council's Urban Design Guide.* Policy 6.2.3.2A: *To encourage and promote medium density development that achieves a high standard of amenity in areas specified on the planning maps as the Richmond South, Richmond West, Mapua Special and Richmond Intensive development areas and the Motueka West Compact Density Residential Area.*	Compact Density: These provisions are proposed to apply to the Wakefield Development Area.
Policy 6.1.3.2: *To integrate the management of stormwater run-off with the maintenance and enhancement of natural waterways, vegetation and wetlands, and co-locate provision of passive recreational opportunities, and pedestrian and cycle access.* Policy 6.3.3.7: *To require developers to adopt appropriate management methods to avoid or mitigate the adverse effects of stormwater run-off.* Policy 6.17.3.2: *To avoid flood hazard risk when enabling urban development of land.*	Managing stormwater: This is relevant as the Plan Change needs to include provision to ensure the appropriate management of stormwater.
Objective 6.2.2.1: *Urban growth that avoids or mitigates the loss of land of high productive value and the risks of extending onto land subject to natural hazards.* Policy 6.2.3.3: *To minimise the loss of land of high productive value in allowing for further urban development, while having regard to:* *(a) the efficient use of resources, including land, infrastructure, and energy;* *(b) the quality of the urban environment.* Objective 6.3.2.2: *Retention of opportunities for efficient future urban purposes on rural land that is identified for future urban use and development but deferred for this purpose, while enabling rural activities for the time it remains deferred.* Objective 7.1.2: *Except where rural land is deferred for urban use, avoid the loss of potential for all rural land of existing and potential productive value to meet the needs of future generations, particularly land of high productive value.*	Protecting productive land: This is relevant as part of the site is currently zoned Rural 2, however, the site is considered to have limited productive capacity. This is also relevant Plan Change's intent of ensuring efficient land use through medium density development. This will protect areas of higher productive capability.

Policy/Objective/Method	Relevance
Objective 7.1.2.2: *Retention and enhancement of opportunities for plant and animal production on land with high productive value in the District, identified as the Rural 1 Zone.* Policy 7.1.3.1: *To avoid, remedy or mitigate the adverse effects of subdivision of rural land, particularly land of high productive value.* Policy 7.1.3.3: *To avoid, remedy or mitigate adverse actual, potential, and cumulative effects on the rural land resource.* Policy 7.1.3.4: *To avoid, remedy or mitigate the potential for reverse sensitivity on plant and animal production in the Rural 1, Rural 2 and Rural 3 zones.* Objective 7.2.2.1: *Retention of opportunities to use rural land for activities other than plant and animal production, including rural living, rural residential, rural industrial, tourist services and papakainga activities in restricted locations, while avoiding the loss of land of high productive value.* Policy 7.2.3.6: *To minimise the potential for conflict between rural and residential activities by way of setbacks from boundaries and separation between incompatible uses.* Policy 7.4.3.9: *To ensure that adequate physical or spatial buffers or other techniques are applied when allowing new allotments or buildings primarily or exclusively for residential purposes in rural areas, so that productive land use opportunities are not compromised.*	