

SECTION 32 REPORT

Urban Environment (General Residential, Mixed Use, and Light Industrial zones) and the Heavy Industrial zone

May 2022

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1 Executive Summary

This analysis in relation to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones has been prepared in accordance with the requirements of section 32 of the Resource Management Act 1991 (RMA) and gives effect to the principles in Part 2. The provisions also give effect to the relevant National Policy Statements (NPS), National Environmental Standards (NES) and the Regional Policy Statement for Northland 2016 (RPS).

The Proposed Far North District Plan (**PDP**) has defined the term 'urban' to mean an area of land zoned either General Residential, Kororareka Russell Township (special zone), Mixed Use or Light Industrial that currently has access to adequate development infrastructure or is signalled to receive adequate development infrastructure in the Long Term Plan (**LTP**) or the 30 Year Infrastructure Strategy. Land zoned Heavy Industrial was not included in the definition of 'urban' as some parts of the District zoned Heavy Industrial may not have access to, or be programmed to receive, adequate development infrastructure (wastewater, potable water and stormwater).

The Far North District (**District**) contains a number of urban centres spread over a large land area and operates 16 wastewater schemes and eight potable water schemes. There has been a global trend of people moving back into and around urban centres because of the convenience of access to services, reduced reliance on motor vehicles, and less maintenance associated with smaller sections.

Many of the District's centres are currently experiencing growth and will continue to do so over the coming decades, while others may experience decline. Growth has been constrained in a number of the District's urban areas due to a lack of provision, capacity or knowledge surrounding development infrastructure. Council is in the process of undertaking work to better understand its development infrastructure assets so more surety can be given to development in areas where it is available. While this work is being undertaken, expansion of these networks is limited to those areas funded or identified in the Long-Term Plan or 30 Year Infrastructure Strategy.

The key resource management issues that relate to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones are:

- Support for urban sustainability through the consolidation of growth around existing or planned infrastructure deployment.
- Encouraging affordable housing and infrastructure through promoting more intensive development and a variety of housing typologies around existing infrastructure networks.
- Sending a clear signal to landowners and developers where available or programmed development infrastructure is or will be located.
- Retaining the amenity and character of General Residential, Mixed Use, Light Industrial and Heavy Industrial zones, ensuring the scale and design is appropriate and compliments the existing environment.
- Support improved vibrancy of the District's town centres, while addressing safety and amenity.
- Enabling a range of activities that compliment General Residential, Mixed Use, Light Industrial and Heavy Industrial zones, and support the social and economic well-being of the community.
- Promoting the benefits of density by maximising the efficiency of exchange and movement in urban environments and in turn minimising the potential for greenhouse gas emissions.

The main changes in the overall proposed management approach are:

• The consolidation of residential zones to one General Residential zone that is or will be supported by adequate development infrastructure.

- A Mixed Use zone which replaces the traditional Commercial zone, supporting a residential component above ground floor.
- Light and Heavy Industrial zones replacing a single Industrial zone, with more specificity around the activities provided for within each zone.
- A large portion of business land zoning is rolled over from the OPD, with the main area of rezoning occurring at Waipapa, to meet the demand for additional business land in the Kerikeri / Waipapa area.
- Provisions that are more activities based, making it clear what the PDP provides for within each zone.

The proposed provisions in the chapters for each of these zones strikes a balance between retaining provisions that are currently functioning well and addressing existing issues with the existing provisions in the Operative District Plan (**ODP**). The balance of old and new provisions is considered to be both an efficient and effective approach for these revised chapters in the PDP. Overall, this section 32 evaluation concludes that the objectives for these chapters in the PDP are the most appropriate way to achieve the purpose of the RMA and the proposed provisions are the most appropriate way to achieve the objectives, based on an assessment of effectiveness, efficiency, benefits and costs.

2 Introduction and Purpose

2.1 Purpose of report

This report provides an evaluation undertaken by the Far North District Council (**Council**) in preparation of district plan provisions for the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones in the PDP. This assessment is required by section 32 of the RMA.

Section 32 of the RMA requires Councils to examine whether the proposed objectives are the most appropriate to achieve the purpose of the RMA and whether the provisions (i.e. policy, rules and standards) are the most appropriate way to achieve the objectives. This assessment must identify and assess environmental, economic, social, and cultural effects, benefits and costs anticipated from the implementation of the provisions. Section 32 evaluations represent an on-going process in RMA plan development and a further evaluation under section 32AA of the RMA is expected throughout the review process in response to submissions received following notification of the PDP.

This report sets out the issues of the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones, provides an overview of the statutory and policy context, and any specific consultation. The report also includes a review of the ODP and evaluation of alternatives to determine the most appropriate way(s) to achieve the purport of the RMA in relation to these zones. While the Kororareka Russell Township is an urban zone, it has its own separate section 32 report, as it is a distinct special zone, due to its historic heritage values.

2.2 Overview of the topic

The District has a diverse range of urban settlements that are experiencing very different resource management issues. For example, the growth pressures being experienced in the Eastern – Bay of Islands Ward are different from those being felt in the Western – Kaikohe-Hokianga Ward. Across the District's urban areas Council operates 16 wastewater schemes and 8 potable water schemes. It is important to ensure the towns that receive infrastructure are sufficiently enabled to make certain that the right activities are provided for and that those communities paying for infrastructure services are getting the best value from them.

Council needs to ensure that regulatory intervention appropriately balances the character and vitality of the District's urbanised environments while addressing issues relating to health and safety, responding to demand, supply and development. The provisions proposed in the PDP have modified the existing provisions in the ODP and centre on the outcomes sought in the relevant National Policy Statement (NPS), and the Regional Policy Statement for Northland (RPS). PDP moves away from an effects based approach to a hybrid approach providing more clarity in terms of what can be achieved in the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones.

In the ODP there are a number of urban zones that are not serviced or programmed to be serviced by adequate development infrastructure. This creates uncertainty for landowners, developers, or potential purchasers that the property will at some point be serviced by adequate development infrastructure.

The PDP seeks to zone land General Residential, Mixed Use and Light Industrial where adequate development infrastructure is currently available or is programmed through the Long-Term Plan or the 30 Year Infrastructure Strategy. This creates a genuine expectation for landowners, developers and potential purchasers that the land is, or is planned to be, serviced by adequate development infrastructure.

It is noted that not all Heavy Industrial zoned land has or will be serviced by adequate development infrastructure so does not fall under the definition of urban in the PDP. The proposed provisions that relate specifically to the Heavy Industrial zone address the nuances of infrastructure delivery.

Despite Heavy Industrial land not being defined as 'urban' in the PDP it is assessed within this section 32 report due to land use promoted in that zone being commensurate with other business zones and some areas of Heavy Industrial zoned land being serviced with, or programmed to be serviced with, adequate development infrastructure.

3 Statutory and Policy Context

3.1 Resource Management Act

The **Section 32 Overview Report** for the PDP provides a summary of the relevant statutory requirements in the RMA relevant to the PDP. This section provides a summary of the matters in Part 2 of the RMA (purpose and principles) of most relevance to this topic.

Section 74(1) of the RMA states that district plans must be prepared in accordance with the provisions of Part 2. The purpose of the RMA is the sustainable management of natural and physical resources which is defined in section 5(2) of the RMA as:

"...sustainable management means managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing, and for their health 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."

To achieve the purpose of the RMA, all those exercising functions and powers under the RMA are required to:

- Recognise and provide for the matters of national importance identified in section 6.
- Have particular regard to a range of other matters in section 7.
- Take into account the principles of the Treaty of Waitangi in section 8 of the RMA.

The following section 6 matters are directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

- (a) The preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development.
- (d) The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers.
- (g) The protection of historic heritage from inappropriate subdivision, use and development.
- (h) The management of significant risks from natural hazards.

Section 6(a) is of relevance for the towns and urban areas in the District that are located in the coastal environment. Section 6(d) addresses public access to and along the coastal marine area, lakes and rivers which is relevant for both coastal communities and for those towns or urban areas where rivers run along or through them. Section 6(f) will apply in several of the District's urban areas where there is identified historic heritage. Section 6(h) is also relevant and requires Council to consider the significant risks from natural hazards when providing for development within urban areas.

Natural character, the Coastal Environment, Public Access, Historic Heritage and Natural Hazards are addressed specifically within separate section 32 reports and their provisions are located within their respective chapters in the PDP in accordance with the National Planning Standards (**Planning Standards**). They are therefore not specifically assessed in this section 32 report.

The following section 7 matters are directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

- (b) The efficient use and development of natural and physical resources.
- (c) The maintenance and enhancement of amenity values.
- (f) Maintenance and enhancement of the quality of the environment.
- (i) The effects of climate change.

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

Section 8 of the RMA requires that all persons exercising functions and powers under it take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi), which have been considered in the preparation of the urban zones and Heavy Industrial zone.

Section 31(1)(aa) of the RMA requires the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the District. Work has been undertaken to understand both the relationship of land supply for housing in relation to forecast population growth over the short, medium and long term as well as the forecast demand for business land. Land supply in the urban zones plays a large part in that. Detail in terms of how section 31(1)(aa) is satisfied is further detailed in the **Section 32 Overview Report**.

3.2 Higher order planning instruments

Section 75(3) of the RMA requires district plans to give effect to higher order planning instruments – **NPS**, the New Zealand Coastal Policy Statement (**NZCPS**), National Planning Standards (**Planning Standards**), and the relevant Regional Policy Statement. The **Section 32 Overview Report** provides a more detailed summary of the relevant RMA higher order planning instruments relevant to the PDP. The sections below provide an overview of the provisions in higher order planning instruments directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones.

3.2.1 National Planning Standards

Section 75(3)(ba) of the RMA requires that district plans give effect to the Planning Standards. The Planning Standards were gazetted in April 2019 and their purpose is to assist in achieving the purpose of the RMA and improve consistency in the structure, format and content of RMA plans.

In accordance with Mandatory Direction 8:

- A district plan (for areas landward of mean high water springs) must only contain the zones listed in table 13 consistent with the description of those zones.
- Provisions developed for each zone must manage the use, development, and protection of natural and physical resources in it, in accordance with Part 2 of the RMA.

The following zoning options are proposed in the PDP:

- **General Residential zone** Areas used predominantly for residential activities with a mix of building types, and other compatible activities.
- **Mixed Use zone** Areas used predominantly for a compatible mixture of residential, commercial, light industrial, recreational and/or community activities.
- **Light Industrial zone** Areas used predominantly for a range of industrial activities, and associated activities, with adverse effects (such as noise, odour, dust, fumes and smoke) that are reasonable to residential activities sensitive to these effects.
- **Heavy Industrial zone** Areas used predominantly for industrial activities that generate potentially significant adverse effects. The zone may also be used for associated activities that are compatible with the potentially significant adverse effects generated from industrial activities.

3.2.2 National Policy Statements

Section 75(3)(a) of the RMA requires that district plans give effect to any NPS and the NZCPS must be given effect to under section 75(3)(b).

National Policy Statement for Urban Development 2020 (NPS-UD)

Council commissioned the services of Infometrics to understand the projected population growth of the district by Statistical Area 2 geographies (**SA2**). The population forecasts were produced under low, medium and high growth scenarios out to year 2072. Having assessed the figures, Council considers that none of its towns will reach the required threshold of 10,000 people to be considered an 'urban environment' as defined in the NPS-UD in the short, medium or long term. This is the case under both a medium and high growth scenario. The NPS-UD therefore does not apply to the Council under clause 1.3(1)². Regardless, the NPS-UD represents good planning practice, and guidance has been taken from it in the preparation of the provisions in the PDP. Land for housing supply has been provided out to the long term³, to accommodate the requirement of section 31(1)(aa) of the RMA, in a combination of zones including Rural Residential.

Council is developing a Spatial Strategy for Kerikeri/Waipapa utilising the format of a Future Development Strategy (FDS) to further consider long term growth and the achievement of a well-functioning urban environment.

The Rural Residential zone is the 'next cab off the rank' in terms of expansion of 'urban areas' at a time when further land supply is required to meet demand. Regular monitoring of Council's urban areas will ensure this happens in a timely manner and options will be considered in accordance with the Spatial Plan when completed and adopted. The Rural Residential zone evaluation is part of the Rural Environment section 32 report.

New Zealand Coastal Policy Statement 2010

While the 'Natural Character' and 'Coastal Environment' chapters of the PDP are considered most relevant in terms of the NZCPS it is acknowledged that General Residential, Mixed Use and Light Industrial zones exist in the coastal environment. There are no areas of Heavy Industrial zoned land located within the Coastal Environment.

The table below outlines the provisions in the NZCPS that are directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

NZCPS	
Policy 6	Activities in the coastal environment
Policy 7	Strategic planning
Policy 13	Preservation of natural character

This National Policy Statement applies to:

¹ Defined in the NPS-UD: urban environment means any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that:

⁽a) is, or is intended to be, predominantly urban in character; and

⁽b) is, or is intended to be, part of a housing and labour market of at least 10,000 people $\,$

² NPS-UD: 1.3 Application:

⁽a) all local authorities that have all or part of an urban environment within their district or region (ie, tier 1, 2 and 3 local authorities); and

⁽b) planning decisions by any local authority that affect an urban environment.

³ Defined in the NPS-UD: long term means between 10 and 30 years

Policy 6 encourages the consolidation of urban areas where it will contribute to the avoidance or mitigation of sprawling or sporadic patterns of urban growth. It also requires consideration of how adverse visual impacts of development can be avoided in areas sensitive to such effects, such as headlands and prominent ridgelines in the Coastal Environment, and as far as practicable and reasonable apply controls or conditions to avoid those effects.

Policy 7 requires consideration of where, how and when to provide for urban development and to identify areas of the Coastal Environment where subdivision, use and development is inappropriate without the consideration of effects through a resource consent application.

Policy 13 requires subdivision, use and development to avoid significant adverse effects and avoid, remedy or mitigate other adverse effects of activities on Natural Character in urban areas within the Coastal Environment.

3.2.3 National Environmental Standards

Under section 74(1)(f) of the RMA, a district plan must be prepared in accordance with any regulations, which includes NES. Section 44A of the RMA requires local authorities to recognise NES by ensuring plan rules do not conflict or duplicate provisions in a NES. There are no NES considered to be directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones.

3.2.4 Regional Policy Statement for Northland

Section 75(3)(c) of the RMA requires district plans to 'give effect' to any RPS. The RPS was made operative on 14 June 2018. The policies and methods contained in the RPS contain guidance for territorial authorities for plan making. The table below outlines the provisions in the RPS that are directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

RPS	
Objective 3.5	Enabling economic wellbeing
Objective 3.6	Economic activities – reverse sensitivity and sterilisation
Objective 3.8	Efficient and effective infrastructure
Policy 5.1.1	Planned and coordinated development
Policy 5.1.2	Development in the coastal environment
Policy 5.2.1	Managing the use of resources
Policy 6.1.1	Regional and district plans

The RPS covers the management of natural and physical resources across the Northland Region. The provisions within the RPS give guidance at a higher planning level in terms of the significant regional issues.

In summary, the PDP approach gives effect to the relevant objectives and policies of the RPS though the following management measures:

- Providing clear direction in terms of where urban development will be undertaken and the
 expectation of services in those areas, improving levels of amenity, infrastructure costs and
 community wellbeing.
- Provisions that ensure built development is undertaken in a planned and coordinated manner and integrated with the delivery of adequate development infrastructure.
- Consolidation of urban development within the coastal environment to existing settlements to avoid sprawling or sporadic patterns of development.
- Providing sufficient supply of land in the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones, protecting the viability of land and activities that are important and contribute to Northland's economy.

- Provisions that consider the interface between General Residential, Mixed Use, Light Industrial and Heavy Industrial zones to ensure that sensitive activities do not locate in close proximity to land which may inhibit its use for its zoned purpose.
- Zones and provisions that aim to maximise the benefits of density, transport and exchange and minimisation of greenhouse gas emissions.

3.3 Regional Plan for Northland

Section 75(4)(b) of the RMA states that any district plan must not be inconsistent with a regional plan for any matter stated in s30(1) of the RMA. Section 74(2)(a) of the RMA states that when preparing or changing a district plan, a territorial authority shall have regard to any proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4 of the RMA. The operative Northland Regional Plans and proposed Northland Regional Plan are summarised in the **Section 32 Overview Report**. The table below provides an overview of Proposed Regional Plan provisions directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

Proposed Regional Plan	
Policy D.2.1	Rules for managing natural and physical resources
Policy D.2.2 Social, cultural and economic benefits of activities	
Policy F.1.5 Enabling economic wellbeing	

The Proposed Regional Plan combines the operative Regional Plans (coastal, air quality, water and soil) into one plan. The responsibilities under the regional plan sit with the Northland Regional Council and in respect to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones there are generic cross overs identified, which are addressed in more detail within the RPS. The relevant policies of the Proposed Regional Plan have been taken into consideration in the drafting of the proposed General Residential, Mixed Use, Light Industrial and Heavy Industrial zones chapters.

3.4 Iwi and Hapū Environmental Management Plans

When preparing and changing district plans, Section 74(2A) of the RMA requires Council to take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district. At present there are 14 iwi planning documents accepted by Council which are set out and summarised in the **Section 32 Overview Report**.

The key issues in these plans that have been taken into account in the preparation of the provisions are as follows:

- The protection of culture, heritage and the environment from urban sprawl.
- Encouraging development in existing settlements and an efficient urban development form.
- Any plans for the Kerikeri town centre must focus on intensification of the existing town and not see further 'urban sprawl' as is occurring at a huge rate currently.
- The pressure for development plus the increasing urbanisation of rural land is putting pressure on natural resources land, air and water.
- Growth is developer driven with little or no infrastructure in place.
- Industrial or commercial development in areas that are not well supported by the infrastructure required to effectively operate, or that adversely impacts on residential living.
- Opposition to the establishment of any large-scale commercial/industrial development and the effects that these are likely to have on the natural character and values of the area

While urban related matters do not feature extensively within the identified iwi and hapu management plans, there is a familiar theme involving reducing sprawl around the District's towns and settlements. This sentiment aligns with the significant resource management issues of urban sustainability and affordable infrastructure which feed through to the objectives and policies within the PDP.

3.5 Other Legislation and Policy Documents

When preparing or changing a district plan, section 74(2)(b)(i) of the RMA requires Council to have regard to management plans and strategies prepared under other Acts to the extent that it has a bearing on resource management issues of the District. The **Section 32 Overview Report** provides a more detailed overview of strategies and plans prepared under legislation that are relevant to the PDP.

This section provides an overview of other strategies and plans directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones.

3.5.1 30 Year Infrastructure Strategy

Identifies the District's significant infrastructure issues for transport, water, wastewater and stormwater over the next 30 years (2021-2051).

3.5.2 Integrated Transport Strategy

The Integrated Transport Strategy (ITS) sets out the District's priorities to achieve a transport system that will best support the District and its people over the next 10-30 years (2021-2051). Subsequent Integrated Transport Plans will collate projects and activities to implement the ITS.

3.5.3 Growth strategies/spatial plan

The original Kerikeri - Waipapa Structure Plan 2007 (**KKWSP**) set a high-level direction or vision for the integrated and sustainable development of the Kerikeri-Waipapa area. It identified the expansion of the urban areas both to the north and south of the Kerikeri township as well as areas in Waipapa. These areas, along with extensive areas of 'Rural Lifestyle' land, are shown as being within the "Wastewater Reticulation Area of Benefit 2006-2016 LTCCP". Due to affordability of wastewater reticulation, the service catchment was paired back to cover only the existing Kerikeri urban zoned land.

Mixed use zoned land and provision for a higher density Residential zone within the networked area has been promoted in general accordance with the KKWSP, along with further zoning of 'Waipapa Industry and Employment Centre' in the form of Light Industrial and Heavy Industrial zones.

Council is currently undertaking work to replace the KKWSP with a spatial strategy, which will look at options for accommodating growth over the longer term. The spatial plan for Kerikeri Waipapa is being developed in accordance with the "Future Development Strategy" provisions of the NPS-UD and this should set a template for integrated management approach for land use, financial and infrastructure planning. This strategic approach will also assist Council in determining how and when Kerikeri and Waipapa assume tier 3 status, and how Council will then service urban growth under the NPS UD directions.

3.5.4 Far North 2100

Far North 2100 is an aspirational strategy looking at how the Far North might look in 80 years' time, based on Council's vision 'He Whenua Rangatira – a district of sustainable prosperity and wellbeing'. It takes on board the things that will influence the District's future from a global, national and local perspective. It considers the District's place in New Zealand and the challenges that must be overcome.

The strategy looks to put people first in the four urban hubs and other settlement areas by ensuring the places where they live have the appropriate level of facilities, services and resources for healthy and affordable lifestyles. The strategy also seeks to:

- Connect people and businesses both physically and virtually.
- Compliment the role of towns and communities, allowing the District to benefit from the strategic advantage that each brings to the Far North as a whole.
- Create communities providing quality of life and attract innovators, entrepreneurs and business owners who choose to live in the Far North.
- Promote compact walkable urban forms maximising efficiency of exchange and connectivity

3.5.5 Long Term Plan 2021-2031

Long term plan strategic priorities directly relevant to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones:

Better asset management - The Far North District is large, and the communities are dispersed. Providing water and roading infrastructure to many small communities places a heavy burden on the District's limited resources. Council's decision making around how it renews and upgrades its assets is limited by the way it gathers and stores its asset information. This strategic priority is about continuing to invest in Council's asset management approach in order to optimise its infrastructure investment, improving both the reliability of its services and their overall cost.

Address affordability - A significant challenge Council faces is paying for the public services its communities require to maintain a quality standard of living. Most of the money that pays for these services comes from individual households through rates. Balancing the cost of services against a relatively low number of ratepayers is a significant challenge. In the Long Term Plan 2021-31, Council is looking at options that could lessen the burden on those who can least afford it.

Council is currently undertaking work to better understand it's assets and maintaining current levels of service. There are no projects within the Long Term Plan 2021-31 for the expansion of reticulated wastewater services in any of the District's towns, which inhibits the ability to zone additional land urban and provide adequate development infrastructure.

4 Current State and Resource Management Issues

This section provides an overview of the relevant context for the current approach to manage General Residential, Mixed Use, Light Industrial and Heavy Industrial zones through the ODP, and key issues raised through consultation. It concludes with a summary of the key resource management issues for the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones to be addressed through the PDP.

4.1 Context

The following three zones manage the urban areas within the 'Urban Environment' chapter:

- Residential zone.
- Commercial zone.
- Industrial zone.

There are also two chapters within the Coastal Environment chapter that would also be considered urban in nature and akin to the Residential zone, being the:

- Coastal Residential zone; and
- Russell Township zone

'Urban growth management' is identified as a significant resource management issue, and through its description talks about the expansion of urban centres or new urban areas. Where this is proposed it is considered vital to provide for infrastructure in a co-ordinated and timely manner to support growth to ensure that adverse environmental effects are avoided.

A number of areas across the District have the above zones applied but do not have access to adequate development infrastructure, nor are they programmed to have adequate development infrastructure delivered in the Long-Term Plan or 30 Year Infrastructure Strategy.

4.2 Operative District Plan Approach

4.2.1 Summary of the current management approach

The Residential, Commercial and Industrial zones are located within Chapter 7 in the ODP. The provisions in the ODP generally seek to develop urban areas in a manner that promotes sustainable management of natural and physical resources while preserving the distinctive natural character and amenity of each area. There are 58 separate areas across the District that have an urban zoning.

Residential zone

The ODP contains two 'residential' zones being Residential and Coastal Residential. The Russell Township zone is also considered a residential zone and has additional provisions designed to control amenity. In terms of the Residential and the Coastal Residential zones the provisions are generally similar with the only differences reflecting the character of urban settlements with slight alterations to the rules around residential intensity, scale of activities and noise rules. Of the 58 areas across the district that contain an urban zoning:

- 54 contain Residential zoned land.
- 25 have reticulated wastewater infrastructure.
- 16 have access to a Council supplied reticulated potable water supply.

Commercial zone

The ODP only identifies one commercial or business zone and it is applied generically across the District. While the zone itself is generic there are place based variations that apply with respect to height restrictions to a number of towns as well as variations to setbacks from boundaries in Paihia. Of the 58 areas across the District that contain an urban zoning:

- 33 contain Commercial zoned land.
- 23 have reticulated wastewater infrastructure.
- 16 have access to a Council supplied reticulated potable water supply.

Industrial zone

The ODP only identifies one Industrial zone and it is applied generically across the District. Of the 58 areas across the District that contain an urban zoning:

- 14 contain industrial zoned land.
- 10 have reticulated wastewater infrastructure.
- 8 have access to a Council supplied reticulated potable water supply.

The provisions in the urban environment chapter are largely effects based and identify context, issues, environmental outcomes expected, objectives, policies and rules. The methods used to control these environments include rules that manage:

- Relocated buildings
- Residential intensity
- Scale of activities
- Building height

- Roof pitch (Commercial zone)
- Sunlight
- Stormwater management
- Set back from boundaries
- Screening from neighbours non-residential activities (Residential zone)
- Outdoor activities
- Visual amenity (and environmental protection)
- Transportation
- Site intensity non-residential activities (Residential zone)
- Hours of operation non-residential activities (Residential zone)
- Keeping of animals
- Noise
- Noise mitigation for residential activities (Commercial and Industrial zones)
- Helicopter landing area
- Building coverage

Reference is made to consideration of other chapters in the District Plan such as those within Part 3 – District Wide provisions. Where activities fall into a discretionary or non-complying activity status assessment criteria are provided in Chapter 11 of the ODP.

4.2.2 Limitation with current approach

The Council has reviewed the current ODP approach, which has been informed by technical advice, internal workshops and feedback from the community and stakeholder feedback.

A number of limitations with the current ODP approach have been identified through this process, including:

- A shortfall in clearly articulating where specific activities can be undertaken. For example, a
 number of commercial activities have been taken up in industrial zoned land due to the lack
 of differentiation between the commercial and industrial provisions. This in turn has led to a
 shortfall in supply of industrial zoned land for industrial activities.
- Lack of clarity where urban activities can and should be undertaken, due to:
 - Urban zones being applied to areas where there is no adequate development infrastructure and no programme of delivery of these services in the Long Term Plan or the 30 Year Infrastructure Strategy.
 - Insufficient asset information to determine whether urban activities can be supported by infrastructure.
 - Limited potential for a variety of housing options which affects the ability to realise the benefits achieved from density within areas serviced by adequate development infrastructure.
- Affordability, in so far that people have fewer options to purchase/rent properties more aligned to their personal circumstances, including smaller properties.
- Lack of direction regarding the type of non-residential activities that can establish in residential areas, which results in uncertainty for people and communities in terms of how their neighbourhood may change.

4.3 Key issues raised through consultation

The **Section 32 Overview Report** provides a detailed overview of the consultation and engagement Council has undertaken with tangata whenua, stakeholders and communities throughout the District to inform the development of the PDP and the key issues identified through this consultation and engagement. This section provides an overview of key issues raised through consultation in relation to the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones, and a summary of advice received from iwi authorities on these zones.

4.3.1 Summary of issues raised through consultation

There was a high level of interest on the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones from the community through consultation and engagement of the PDP. Approximately one third of the feedback was in relation to the township of Russell, which was proposed through the Draft District Plan (DDP) to be included within the General Residential provisions. The larger percentage of feedback either requested more zoning of urban land or were concerned about the delivery of infrastructure.

In terms of the more detailed feedback the following was identified through this process:

- There is a need to rezone more land General Residential in advance of development infrastructure programming.
- There is concern that wastewater cannot deal with the capacity enabled by the General Residential zone.
- The Russell Township sewerage system cannot deal with the increased density promoted in the General Residential zone. Further the ODP rules for the Russell Township should remain in the PDP, as the General Residential zone provisions will erode the special amenity values within Russell.
- General Residential rules permit a variety of activities to be undertaken in the residential unit,
 e.g. home business, child care etc. Why restrict these uses to the residential unit when they
 may be appropriately located in an outbuilding or garage.
- Further clarification on urban residential intensity because the associated rule implies that units should be inside one building.
- The plan fails to meet s31(1)(aa) of the RMA as there is no indication as to how demand for housing and business land have been assessed nor how development capacity will be provided.
- Flood risk should not be a barrier to re-zoning and more intensive residential development. No matter what the use of the land this risk will be present. There are engineering solutions that can be applied at time of subdivision to mitigate the risks. There are other subdivisions in the area that have been subdivided with the risk being successfully managed.
- Commend the Council for its effort in developing the proposed objectives, policies, rules and standards for the General Residential zone. These provisions generally reflect current best practice in terms of both structure and substance.
- Supports the shift away from a permissive effects based approach to a more directive hybrid activity effects based approach.
- The provision for building coverage for multi-unit development is unclear in how this would be interpreted by Council for land use consents combined with subdivision.
- Potential for a 12-metre height limit in the General Residential zone as a restricted discretionary activity to further enable multi-unit development.
- Potential medium density residential zone applied to the fringe or adjacent to town centres.
- Common themes raised with respect to the Mixed Use and Industrial zones include:
 - Changing the current height limitations of the Commercial zone to taller buildings in the Mixed Use zone will change the fundamental character of Russell and Paihia waterfront.
 - The size limits within the Mixed Use and Light Industrial zones are too small, discretionary status where compliance is not achieved is regarded as too onerous.
 - Mixed Use zone activity list is unusual, with discretionary activity default status too onerous.
 - The DDP does not provide alternative commercial zones outlined in the Planning Standards. It is unclear as to why Council have proposed only one zone for all urban centres.

- Pedestrian frontage requirements in Mixed Use zone are too onerous, particularly when upgrading a building.
- Lack of Commercial zoning in Coopers Beach.
- Expand the Light Industrial zone in Waipapa.
- Reinstate Marine Exemption Area in the Light Industrial zone

In response to the above:

- Land is not zoned General Residential unless it has adequate development infrastructure in place, or it is programmed for delivery in the Long Term Plan or 30 Year Infrastructure Strategy. The General Residential zone enables increased density, making existing networks more efficient and affordable. Further, the work undertaken to understand population growth in relation to latent residential development capacity in the General Residential, Mixed Use and Rural Residential zone demonstrates that there is sufficient land zoned in the district. No additional land has been zoned General Residential due to the shortfall of information around Council's wastewater and potable water schemes.
- While it is acknowledged that there is a shortfall in information relating to the capacity and condition of wastewater and potable water assets, the infrastructure department at Council is currently undertaking work to better understand its assets so it will be in a position to better ensure delivery of these urban services. The General Residential zone has not been extended anywhere in the District, instead further density or options are provided within existing networks. This promotes both efficiency for the use of General Residential zoned land, and affordability in terms of less spend on extending the reticulated networks.
- The Russell Township is no longer included within the General Residential provisions and has reverted to having a special zone. There is a separate section 32 report for that topic.
- Activities such as visitor accommodation, home business, education facilities and supported residential care are now provided for within accessory buildings in addition to a residential unit.
- Further clarity is provided within the rule for residential activity and when the multi-unit
 development rule is used it means it is a development contained within one contiguous
 building and is not a collection of multiple standalone units.
- Work has been undertaken and detailed later in this report in relation to satisfying the requirements of section 31(1)(aa) of the RMA. The work assesses population growth in relation to latent residential development capacity in the General Residential, Mixed Use and Rural Residential zones and demonstrates that there is sufficient land zoned in the district.
- In relation to flood hazards, the RPS policy direction with respect to residential development requires a freeboard of at least 500mm and new subdivision plans are able to identify that building platforms will not be subject to inundation and/or material damage (including erosion) in a 100-year flood event (Policy 7.1.2). The work assesses population growth in relation to latent residential development capacity in the General Residential, Mixed Use and Rural Residential zone and demonstrates that there is sufficient land zoned in the district.
- An impermeable surface rule has been created to ensure that the effects of stormwater and flooding from a development are managed appropriately. This applies to all development whether it be a site with a standalone residential unit or a multi-unit development.
- Increasing the height in the General Residential zone to 12 metres is a marked increase from the existing residential environment, which is predominantly single storey. Without an assessment of what the effects may be on the character and amenity of the General Residential zones across the District and whether the community support the shift, it is not considered appropriate. Further, it has been demonstrated that sufficient land for housing can be provided through the zoning proposed in the PDP without allowing three level development across the entire General Residential zone.

• The option of introducing a medium density Residential zone has been considered. Given the shortfall of asset information, development contributions and that it can be demonstrated that sufficient land for housing can be provided through the zoning proposed in the PDP, it is considered prudent to retain one residential zoning. It is noted that a multi-unit residential unit provision has been introduced in the PDP to provide for a mix of housing typologies and assist with affordability.

Business Land

In 2015 and 2017 studies were undertaken by BERL to develop a better understanding of the trends that determine industrial land needs, current and future commercial land uses, understand the amount of business land that is required over the next 10, 20 and 30 years, and the factors that influence industry decisions on where they locate. Further, a land demand tool was developed to project the estimated commercial and industrial land demand up to the year 2045.

The BERL evaluation and forecast was updated in 2019, and involved the following methods:

- A review of population projections completed by Council and integrate the projections into BERL's land use model
- Revision of BERL's commercial and industrial land projections from a Census Area Unit base to a SA2 base
- Update of BERL's 2045 commercial and industrial land projections to a 2019 base from its 2014 base
- Provision of updated projections on new commercial and industrial land requirements for 2045 by SA2
- Employment projections out to 2045 by SA2 for BAU and Growth scenarios
- Commercial land requirements in 2045 by SA2 for both scenarios, including the amount of commercial land used, and the amount of new commercial land required
- Industrial land requirements in 2045 by SA2 for both scenarios, including the amount of industrial land used, and the amount of new industrial land required
- A report detailing out methodology and the final outputs

The summary of the 10 year forecast requirements is provided in the tables below:

Industrial

Location	Current Supply (ha)	Additional Land Needed (ha)
Kerikeri	42	11
Kaikohe	42.8	0
Kaitaia	85	0
Kawakawa & Moerewa	43	21
Paihia, Haruru & Opua	33	8

Commercial

Location	Current Supply (ha)	Additional Land Needed (ha)
Kerikeri	23	11
Kaikohe	24.42	1.51
Kaitaia	42	7
Kawakawa & Moerewa	21	7
Paihia, Haruru & Opua	84	5

The industrial site that is not clearly represented in the above table is Waipapa. The industrial zoned area has no wastewater networks and further zoned land is included in the PDP to meet the industrial demands of Kerikeri identified in the table above. All other locations have existing wastewater networks and other services.

The PDP principally supports growth in the urban environments where Council controlled infrastructure already exists to address the identified significant resource management issues around 'affordable infrastructure' and 'urban sustainability'.

The review of the district plan allows for Council to identify how it can perform its integrated management functions under s31 of the RMA by demonstrating how development capacity is enabled for short and medium term, effectively the life of a district plan, whilst creating a strategic approach for future growth responses.

Evidence of demand

The model developed by BERL indicated an estimated 11 hectares of additional industrial zoned land every ten years, over the next 30 years is required for the Kerikeri Waipapa area.

The PDP approach has been to target the additional supply of zoned land in terms of Light Industry and Heavy Industry on the western side of State Highway 10 Waipapa. The reasons for the proposed method include:

- The existing industrial area has provided for establishment of a mix of industry and services.
- The development by Waka Kotahi of a new roundabout at the intersection of State Highway 10, Waipapa Road and Klinac Lane, has created a safer and more efficient means of accessing this industrial zoned area.
- The provision of additional business land to service Waipapa was identified as an outcome of the Kerikeri Waipapa Structure Plan, with some spatial differentiation of light and heavy industrial uses being considered appropriate.
- The uptake of the existing industrial zoned land has neared capacity, despite the lack
 of onsite wastewater servicing, creating demand for new zoned land, which can
 benefit from the agglomeration of industrial and commercial services in the one
 location.
- The provision of new zoned land will address the long term demands for industrial zoned land for Kerikeri/Waipapa.
- Provision of additional zoned land provides creates a more enabling framework for new development, as opposed to new development being established in other zones which can be less appropriate.
- There are cumulative beneficial effects of the long term growth of industrial land uses in a concentrated area, including more confident supply of employment, pathways for new investment including infrastructure investment.
- Council has considered the 12 metre height limits proposed within the Mixed Use zone, in particular on the Russell and Paihia waterfronts. The areas referred to are subject to the Coastal environment overlay that is subject to the following limits:
 - The maximum height of any new building or structure above ground level is 5m and must not exceed the height of the nearest ridgeline, headland or peninsula.
 - Any extension to a building or structure must not exceed the height of the existing building above ground level or exceed the height of the nearest ridgeline, headland or peninsula.

Notwithstanding the above, Council has considered the varied heights currently applying through the ODP to the Commercial zone in Paihia and the potential implications of a blanket 12 metre height applying through the Mixed Use zone upon the adjacent Residential zone. As Council is satisfied that there is sufficient land zoned Mixed Use in the District, to the maintain the amenity of the adjacent residential land variable height limits apply to the Mixed Use zone along the Paihia waterfront.

It has not been considered necessary to alter the 12 metre height restriction applying to the Mixed Use zone in Russell given the controls applying through the Heritage Area and Coastal Environment overlays.

- Whilst Council has increased the gross business are threshold for buildings and structures in the Light Industrial zone marginally, overall Council is satisfied that the area thresholds in the Mixed use and Light Industrial zones are adequate.
- The pedestrian frontage requirements have been imposed to create an interactive area along the road frontage, enhancing pedestrian amenity and safety and visual quality.
- Based upon demand modelling, Council has not identified a need for multiple commercial zones, with the Mixed Use zone accommodating a range of activities.

4.3.2 Summary of advice from iwi authorities

Section 32(4A)(a) of the RMA requires that evaluation reports include a summary of advice on a proposed plan received from iwi authorities. The **Section 32 Overview Report** provides an overview of the process to engage with tangata whenua and iwi authorities in the development of the PDP and key issues raised through that process. 15 pieces of feedback were received in relation to residential and industrial zones. In summary the feedback identified:

- Ngāti Rēhia supports the mixed variety, densities and housing types and sizes in the General Residential zone and consider that any new development should include a portion of affordable housing. Affordable housing and housing for kuia/kaumatua in the Kerikeri– Waipapa area is a priority for Ngāti Rēhia and the District Plan should enable that.
- Ngāti Rehia are concerned about the implications of industry setting up in Waipapa, where
 there is limited infrastructure and there are flood hazards. Better alignment is needed with
 spatial planning to give direction on where and how land is developed, this is critical especially
 in areas that have minimal or no infrastructure and services. Unrestrained development in
 Waipapa needs to stop and the health of the two awa that run through there needs to be
 prioritised.
- The management of adequate infrastructure (road network and stormwater in particular) in the Industrial and Mixed Use zone is a priority for Ngāti Rēhia. Unmanaged stormwater will directly impact upon water ways.
- Need to reference consideration of relevant iwi/hapū management plans in Policy GRZ-P8.
- The setbacks from a waterbody control is not consistent with the National Policy Statement for Freshwater (2020) and the accompanying National Environmental Standards.
- Commercial activities require resource consent regardless of the size of the site and carrying capacity, this is not regarded as enabling to papakāinga that include a commercial component.
- LIZ-P6 and HIZ-P6 are different to the other similar policies throughout the PDP in that they do not require consideration of cultural values or sites of significance.

Section 3.4 above provided a summary of the key concerns and issues raised in hapū and iwi environmental management plans.

Section 5 of this report outlines how the proposed management approach responds to this advice in accordance with section 32(4A)(b) of the RMA.

4.4 Summary of resource management issues

'Urban sustainability' was identified as a significant resource management issue in the development of the PDP following an analysis of higher order statutory documents, the ODP and feedback from various stakeholders. The significant resource management issue 'affordable infrastructure' is also considered relevant in the consideration of the provisions for the General Residential, Mixed Use, Light Industrial and Heavy Industrial zones.

• Urban sustainability

A permissive approach to development has led to adverse impacts on urban character, amenity and infrastructure provision and created incompatible land uses. In the District, there are a number of commercial and industrial activities on unserviced rural land which have located there due to lower costs and minimal regulation. This has resulted in an inefficient use of existing infrastructure and has made infrastructure planning and deployment difficult to forecast and undertake. Some urban zoned land (commercial, mixed use, industrial, and residential) in the District is not currently serviced by infrastructure. An urban zoning leads to an expectation that services are either already available or will be provided to enable development to occur. However, demand for urban infrastructure must be balanced against what the communities can afford. Consideration should be given to the provision of on-site infrastructure to promote community resilience to climate change. The National Policy Statement on Urban Development Capacity 2020 has emphasised the need for the Council to coordinate land for growth and infrastructure.

• Affordable infrastructure

The ability to provide the infrastructure expected by the District's communities is limited by its low population density, socio-economic constraints, the impacts of natural hazards and climate change, and incompatible land uses. This has resulted in parts of the District having limited access to efficient, resilient and affordable infrastructure and services. A lack of consolidated and coordinated development has resulted in inefficient use of existing infrastructure and has compromised the affordability of future infrastructure provision. There are costs associated with not protecting infrastructure from incompatible land uses and adapting to climatic and technological changes. This can limit infrastructure providers in what they provide, where, and at what cost.

The General Residential, Mixed Use, Light Industrial and Heavy Industrial zones may be influenced by a number of chapters in Part 2- District Wide matters section of the PDP. These chapters are supported by their own section 32 analysis.

Based on the analysis of relevant context, current management approach, and feedback from consultation, the key resource management issues for this topic to be addressed through the PDP are that:

- Clear articulation of what zones are 'urban' and have or will receive adequate development infrastructure, so informed investment decisions can be made.
- Sufficient land is supplied to accommodate demand and population that is forecast.
- A variety of housing types, densities and sizes is provided for within the General Residential zone to accommodate different demographics and help address housing affordability.
- Clarity around what non-residential activities are provided for within the General Residential zone.
- Creating more vibrancy in the Districts town centres with a mix of commercial and residential
 activities, while making sure that commercial activities remain at the interface of business
 zones
- Clear methods to address the interface between Urban zones and the Heavy Industrial zone to ensure amenity is addressed and any reverse sensitivity effects are addressed.

5 Proposed District Plan Provisions

The proposed provisions are set out in the Residential zone, Mixed Use zone and Industrial zones chapters of the PDP. These provisions should be referred to in conjunction with this evaluation report.

5.1 Strategic objectives

The PDP includes a strategic direction section which is intended to provide high level direction for the PDP and guidance on how best to implement the Council's community outcomes set out in Far North 2100. The strategic objectives of direct relevance to the urban environment are:

Social prosperity:

- **Objective 1**: Community wellbeing is heightened by a sense of place.
- **Objective 3**: Encourage opportunities for fulfilment of our cultural, spiritual, environmental, and economic wellbeing.

Environmental prosperity:

 Objective 4: Protection of versatile soils from inappropriate development to ensure their production potential for generations to come.

Urban form and development:

- **Objective 1:** The wellbeing of people who live in and visit towns in the Far North is considered first when it comes to planning places and spaces.
- **Objective 2**: Urban growth and development consolidated around existing reticulated networks within town centres, supporting a more compact urban form, affordability and providing for a mix of housing typologies.
- **Objective 3**: Adequate development infrastructure in place or planned to meet the anticipated demands for housing and business activities.
- **Objective 4:** Urban growth and development resilient and adaptive to the impacts from natural hazards or climate change.

5.2 Proposed Management Approach

This section provides a summary of the proposed management approach for the Residential zone, Mixed Use zone and Industrial zones focusing on the key changes from the ODP. The **Section 32 Overview Report** outlines and evaluates general differences between the PDP provisions and ODP, including moving from an effects-based plan to a 'hybrid plan' that includes effects and activities-based planning and an updated plan format and structure to align with the Planning Standards.

The main changes in the overall proposed management approach are:

- A change in how urban areas are identified. The introduction of the Coastal Environment in the RPS has negated the need for a Coastal Residential zone and the Coastal Environment will instead be identified and managed through an overlay.
- A shift in what is now understood to be an urban area. Limited information is available with respect to the capacity and condition of wastewater and potable water schemes across the District. Additional zoning of urban land and expansion of existing networks has been limited accordingly. Areas are only given an urban zone if they are serviced by adequate development infrastructure or have been identified within the long term plan or the 30 Year Infrastructure Strategy to receive these services.
- Urban zoned areas in the ODP that are not serviced by adequate development infrastructure
 or have not been identified within the Long Term Plan or the 30 Year Infrastructure Strategy
 to receive these services have been rezoned.

- A change in density provisions have been provided in the General Residential zone to enable a mix of housing typologies and greater density within the zone to provide for growth within existing development infrastructure.
- The Commercial zone, which is the default for the District's town centres is renamed Mixed
 Use to make it more explicit that a combination of residential and commercial activity is
 provided for.
- The Industrial zone has been split into Light Industrial and Heavy Industrial zones to make it clear what is anticipated in each zone and to better control reverse sensitivity effects on neighbouring zones.

The sections below provide a high-level summary of the objectives, policies, and rules and other methods for:

- The General Residential zone.
- The Mixed Use zone.
- The Light Industrial zone.
- The Heavy Industrial zone.

5.3 Summary of proposed objectives and provisions

This section provides a summary of the proposed objectives and provisions which are the focus of the section 32 evaluation in section 6 and 7 of this report.

5.3.1 Summary of objectives

The proposed management approach for the urban environment includes objectives that:

General Residential zone:

- Consolidate residential development around adequate development infrastructure.
- Provide for a variety of densities, housing types and sizes that can respond to demand, availability of infrastructure, amenity and character and well as historic heritage values.
- Provide for non-residential activities where they contribute to the wellbeing of the community.
- Support communities to be resilient to changes in climate.

Mixed Use zone:

- Provide for a variety of commercial activities in a way that contributes positively to the vibrancy, safety and amenity of the District.
- Provide for residential activities where these activities compliment the commercial uses of the zone.
- Supported by adequate infrastructure.
- Manages incompatible land uses within the zone.

Light Industrial zone:

- Provides land zoned for the operation of light industrial activities which is protected from land sterilisation and reverse sensitivity.
- Accommodates commercial uses as well as light industrial uses.
- Supported by adequate infrastructure.
- Maintains the amenity of the surrounding area while managing the effects of industrial activities.

Heavy Industrial zone:

- Provides for a range of heavy industrial activities such as manufacturing, production and logistics, some ancillary offices and retail.
- Manages the effects of land fragmentation, land sterilisation and reverse sensitivity effects.
- Supported by adequate infrastructure.
- Avoids inappropriate activities in this zone, while encouraging appropriate ones.

5.3.2 Summary of provisions

For the purposes of section 32 evaluations, 'provisions' are the "policies, rules, or other methods that implement, or give effect to, the objectives of the proposed plan or change".

The proposed management approach for Residential zone, Mixed Use zone and Industrial zones includes policies that:

General Residential zone:

- Enable land use and subdivision where there is adequate development infrastructure to support it and where it is consistent with the scale, design and character anticipated in the zone.
- Require subdivision to provide reticulated services to the boundary of each new lot to ensure consistent services are available in the urban environment.
- Enable a variety of housing typologies and densities where the land is serviced by adequate development infrastructure.
- Enable non-residential activities where it complements the surrounding area and supports the social and economic wellbeing of the community.
- Provide for retirement villages where they complement the residential environment, ensure the effects are managed and can be serviced by adequate development infrastructure.
- Encourage and support the use of on-site water storage.
- Encourage energy efficient design and the use of domestic scale renewable energy.

Mixed Use zone:

- Enable a range of commercial, community, civic and residential activities where there is adequate infrastructure to support these activities.
- Require subdivision to provide reticulated services to the boundary of each new lot to ensure consistent services to the urban environment.
- Require development in the Mixed Use zone to contribute positively to streetscapes, amenity, traffic needs and pedestrian connectivity.
- Manage reverse sensitivity issues and ensure that activities in the Mixed Use zone are compatible with activities in adjacent zones.
- Restrict activities that are likely to have an adverse effect on the function, role, sense of place and amenity of the Mixed Use zone.
- Consider the effects of noise, privacy, domination and lighting when assessing applications to establish residential, early childhood, retirement and education facilities.

Light Industrial zone:

- Enable the establishment and operation of appropriate light industrial activities such as light manufacturing, contractors depots, automotive and marine repair and service industries.
- Require subdivision to provide reticulated services to the boundary of each new lot to ensure consistent services to the urban environment.
- Avoid establishing activities in the Light Industrial zone which are incompatible with the purposes of the zone.
- Ensure built development in the zone maintains the amenity of the Light Industrial zone and is complementary to the amenity of adjoining zones.

Heavy Industrial zone:

- Enable the establishment and operation of appropriate heavy industrial activities such as manufacturing, production and logistics.
- Require subdivision to provide reticulated services to the boundary of each new lot to ensure consistent services, where services are available.
- Avoid establishing activities in the Heavy Industrial zone which are incompatible with the purpose of the zone.
- Ensure that effects from industrial activities are managed within the zone and avoid reverse sensitivity at the interface of zones.
- Allow ancillary activities where there is a direct relationship to the industrial activity onsite.
- Avoid land fragmentation that diminishes the ability for a site to accommodate a wide range
 of heavy industrial activities.

The proposed management approach for the Residential zone, Mixed Use zone and Industrial zones includes rules and standards that:

- Define 'urban' means an area of land zoned either:
 - General residential
 - Kororareka Russell Township
 - Mixed use
 - Light industrial

that currently has adequacy and capacity of available development infrastructure or is signalled to receive at a minimum reticulated wastewater infrastructure, in the Long Term Plan or the 30 Year Infrastructure Strategy.

NOTE: Land zoned Heavy Industrial in some parts of the District may not have access to, or be programmed to receive, adequate development infrastructure so is not included within this definition.

General Residential zone:

- Enable provisions for residential activity that focusses more on siting and design as opposed to a strict density control. For example, multi-unit development is enabled where it meets the siting and design controls ordinarily associated with a standalone residential unit.
- Enable and provide clear provisions for non-residential activities where they are undertaken in a residential unit or accessory building.
- Explicitly provide for retirement villages.
- List a number of activities within the zone to make it explicit what is proved for by the PDP.
- Provide a clear measurable set of standards applied to the siting and design of buildings and structures.

Mixed Use zone:

- Enable provisions for commercial activities that focus on catering for a range of different
 activities, while controlling the amenity and vitality of the District's urban centres. These rules
 focus on building coverage, building height and amenity based provisions for verandas and
 landscaping.
- Allow for residential activities where they are undertaken on the second storey of a building and the bottom floor is restricted to commercial purposes.
- Provide permitted thresholds for community facilities and emergency service facilities.

Light Industrial zone:

- Enable provisions for the establishment and operation of light industrial activities.
- Controlling built development through building design (i.e. coverage, height, height to boundary and setback).

- Allow for certain ancillary activities to be undertaken, in addition to limited commercial activities which complement light industrial activities.
- Create higher thresholds for activities which aren't complementary to the purpose of the

Heavy Industrial zone:

- Enable provisions for the establishment and operation of heavy industrial activities.
- Control built development through building design (i.e. coverage, height, height to boundary and setback) which ensure that the effects of heavy industrial activities are managed within the zone.
- Landscaping requirements to control reverse sensitivity and amenity issues to adjoining zones.

5.3.3 Responding to advice from iwi authorities

Section 32(4A) of the RMA requires evaluation reports to summarise advice received from iwi authorities on a proposed plan and the response to that advice, including any provisions that are intended to give effect to the advice. Section 4.3.2 of this report provides a summary of advice received from iwi authorities on the General Residential, Mixed Use and Industrial chapters.

Te Runanga O Ngāti Rēhia have provided feedback on the Draft District Plan General Residential, Mixed Use and Industrial zone chapters:

- Ngāti Rēhia supports the approach for the Kerikeri urban centre and housing densities. An area that should be investigated is, for a % of a development of a particular size, to include affordable housing, like the inclusionary zoning Queenstown Lakes District Council is proposing. This should be standard for any housing development in the Kerikeri Waipapa area. Affordable housing and housing for kuia/kaumatua in the Kerikeri— Waipapa area is a priority for Ngāti Rēhia and the District Plan should enable that.
 - The PDP is increasing potential densities and providing for a mix of housing typologies in the General Residential zone. In doing so it is increasing potential supply of housing and assisting with housing affordability.
- The implications of industry setting up in Waipapa, where there is limited infrastructure and in a flood hazard zone on the regional plan. Better alignment with spatial planning to give direction on where and how land is developed is critical especially in areas that have minimal or no infrastructure and services. Unrestrained development in Waipapa needs to stop and the health of the two awa that run through there needs to be prioritised.
 - Flood modelling is being undertaken to better understand the effects of flooding in the Waipapa area and any potential increase in the zoning in this location. Council is also undertaking work to investigate options for reticulated services in this location.
- GRZ P8 needs to include providing for affordable housing.
 The PDP is increasing potential densities and providing for a mix of housing typologies in the General Residential zone. In doing so it is increasing potential supply of housing and assisting with housing affordability.
- [The management of appropriate infrastructure (road network and storm water in particular for Kerikeri) in the Mixed Use zone is a priority for Ngāti Rēhia. Unmanaged stormwater will impact directly on our tupuna awa that flows through Kerikeri.
 - Under the ODP, the commercial zone (which has been replaced by the Mixed Use zone), allowed 100% impermeable surface site coverage as a permitted activity. The PDP has reduced this to 90% and imposed a permitted standard to comply with the Council's updated engineering standards. Additionally, under the Building Act 2004 stormwater must be addressed when obtaining building consent for any development. Stormwater from the roading network is outside the scope of the district plan unless a development results in the construction of a new road or an upgrade of an existing road. If a new road or an upgrade to

an existing road requires resource consent, consideration will be given to the management of stormwater. It should be noted however that existing roads are designated under the district plan, and no resource consent can be required unless the works go outside of the existing legal road corridor.

- The lack of infrastructure in Waipapa has led to industrial businesses not managing their stormwater appropriately and directly impact on the water ways that run through Waipapa. These waterways are taonga to Ngāti Rēhia and the continued lack of control or monitoring will no longer be tolerated by Ngāti Rēhia.
 - The OPD Industrial zone enables 100% impermeable surfaces under the ODP. Controls under the RMA can only be imposed if resource consent is required, and there is a breach of an impermeable surface threshold. The Building Act does require stormwater management of buildings that require consent. The PDP has separated the industrial zone into heavy and light. The Light Industrial zone now only enables 90% impermeable surface coverage and requires as a permitted standard compliance with Council updated engineering standards. The Heavy Industrial zone only provides for 15% coverage, to reflect the fact this zoning is unlikely to be serviced by a reticulated stormwater network.
- Industrial zones P6 needs to include any sites of significance to Māori and Māori values, the impacts on any biodiversity areas within the vicinity of the development.
 This policy has been amended and the PDP now includes this clause within the policy "any historical, spiritual, or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6".
- Industrial zones S7 should have similar regulations for stormwater as Heavy Industrial.

 The Light Industrial zone has been applied to land that is supported by reticulated infrastructure or is programmed to receive infrastructure. Heavy Industrial zone land has not been classified urban due to the lack of reticulated services areas of this zoned land. Therefore, it is not appropriate for these two zones to have the same stormwater management. More intensive development can be supported where the land benefits from a reticulated stormwater network vs having to provide for onsite stormwater controls.
- HIZ P7 needs to include any sites of significance to Māori and Māori values, the impacts on any biodiversity areas within the vicinity of the development.
 This policy has been amended and the PDP now includes this clause within the policy "any historical, spiritual, or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6".

Te Runanga O Te Rarawa has provided feedback on the Draft District Plan General Residential, Mixed Use and Industrial zone chapters:

- Policy GRZ-P8 does not consider any relevant iwi/hapū management plan.
 Registered Iwi and Hapū management plans were considered at the time the provisions for the chapter were drafted. There is no need therefore to make specific reference to them within the provisions. By definition 'historic heritage' includes cultural qualities and includes sites of significance to Māori, including wāhi tapu.
- GRZ-R4 relating to setbacks from a waterbody is not consistent with the National Policy Statement for Freshwater (2020) and the accompanying National Environmental Standards. Cultural matters should be included in the matters of discretion relating to setbacks from waterbodies
 - The standard refers to GRZ-S4 has been amended and is now contained in the Natural Character chapter to be consistent with the Planning Standards. Water quality is a matter for regional council to control. Any buildings, structures or activities being undertaken within the

margins of wetlands, lakes or rivers require consent as a discretionary or non-complying activity. This triggers the need for a policy assessment under the Natural Character chapter, which includes consideration of "any historical, spiritual or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6".

Kahukuraariki, Matauri X, Ngati Kuri, Ngai Takoto, Whaingaroa, Ngati Kuta, Te Aupori, Ngati Kuta, Te Runanga o Whaingaroa - Te Ukaipo have provided the following feedback on the Draft District Plan General Residential, Mixed Use and Industrial chapters:

- Commercial activities require resource consent regardless of the size of the site and their carrying capacity. This is not considered enabling as many papakāinga are likely to have a commercial component. Commercial development in all instances are not inappropriate and this item should be addressed.
 - The mixed used zone does not have any specific rules relating to papakāinga development, it does however provide for a range of commercial activities and for housing to be integrated with a commercial development, e.g. a multi storey building with retail / offices on the ground floor and housing on subsequent levels. The rules provide for several commercial activities that do not require consent subject to scale of associated buildings. The Māori Purpose zone, in the PDP has been split into urban and rural, if the land qualifies for this zoning it will provide for papakāinga development in an urban setting.
- LIZ P6 is different to the other similar policies throughout the proposed Plan in that it does not require a consideration of cultural values or sites of significance. This should be corrected. This policy has been amended and the PDP now includes this clause within the policy "any historical, spiritual, or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6".
- HIZ-P7 is different to the other similar policies throughout the proposed Plan in that it does not require a consideration of cultural values or sites of significance. This should be corrected.
 This policy has been amended and the PDP now includes this clause within the policy " any historical, spiritual, or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6".

Te Runanga o Whaingaroa - Te Ukaipo have provided the following feedback on the Draft District Plan General Residential, Mixed Use and Industrial chapters:

 Retain 'Urban Form and Development' strategic direction. Acknowledged.

Ngāti Kuri have provided the following feedback on the Draft District Plan Mixed Use chapter:

• From a commercial and economic development perspective, we are likely to be further constrained by a zoning regime which is general in its nature and truly fails to understand our development intentions. The approach, in which 78% of the District remains as Rural Production, will continue to constrain and require Ngāti Kuri to obtain consent for activities which increase the cultural, social, economic and environmental wellbeing of our communities. Again, on our larger landholdings, the effects of commercial and economic development opportunities can be easily internalised, and to require consent for these doesn't make sense. The Rural Production zone now only makes up 65% of the district, with the changes in zoning undertaken by the PDP. Urban zoning supporting commercial development is located in areas where there is existing infrastructure, or infrastructure is programmed to be provided. Urban zoning cannot be given to land that is in the general rural environment, as this would not be in keeping with the character of the area, the lack of infrastructure, and would undermine the outcomes sought by the PDP. The PDP includes the Māori Purpose zone, and the Treaty Settlement Overlay. These chapters provide an enabling framework for development on

Māori land that qualifies for this zoning or overlay. It makes up approximately 17% of the district.

6 General Residential zone (GRZ)

6.1 Approach to Evaluation

6.1.1 Introduction

The overarching purpose of section 32 of the RMA is to ensure all proposed statements, standards, regulations, plans or changes are robust, evidence-based and are the most appropriate, efficient and effective means to achieve the purpose of the RMA. At a broad level, section 32 requires evaluation reports to:

- Examine whether the objectives in the proposal are the most appropriate to achieve the purpose of the RMA.
- Examine whether the provisions are the most appropriate way to achieve the objectives through identifying reasonably practicable options for achieving the objectives and assessing the efficiency and effectiveness of the provisions, including an assessment of environment, economic, social and cultural economic benefits and costs.

These steps are important to ensure transparent and robust decision-making and to ensure stakeholders and decision-makers can understand the rationale for the proposal. There are also requirements in section 32(4A) of the RMA to summarise advice received from iwi authorities on the proposal and the response to that advice through the provisions

6.1.2 Evaluation of Scale and Significance

Section 32(1)(c) of the RMA requires that evaluation reports contain a level of detail that corresponds with the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of this proposal. This step is important as it determines the level of detail required in the evaluation of objectives and provisions so that it is focused on key changes from the status quo.

The scale and significance of the environmental, economic, social and cultural effects of the provisions for the General Residential chapter are evaluated in the table below.

Criteria	Comment	Assessment
Raises any principles of the Treaty of Waitangi	The principles of partnership, participation and protection have been taken into consideration in the drafting of the PDP provisions. Development within the General Residential zone is within a highly modified environment serviced by infrastructure. Any development within the margins of wetlands, lakes and rivers requires an assessment of provisions within the Natural Character chapter and will trigger a consent where consideration needs to be given to any historical, spiritual or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6 of the PDP. Further, lwi were directly consulted on multiple occasions through the drafting of the PDP, the most recent being for the Draft District Plan and direct responses have been given in section 5 of this report.	Low
Degree of change from the Operative	The approach has changed considerably from the ODP, both with respect to what is zoned General Residential and the way in which the	High

Criteria	Comment	Assessment
Plan	chapter manages land use and subdivision. Many areas that were previously zoned residential or coastal residential have been rezoned to reflect that they do not have or are not planned or programmed to receive adequate development infrastructure. The PDP has moved to a hybrid approach which is more prescriptive and specifically identifies activities which the plan does and does not provide for.	
Effects on matters of national importance	The GRZ does not directly involve a section 6 RMA matter of national importance. While the GRZ may be located within the Coastal Environment, rules that apply to the GRZ are modified by the Coastal Environment chapter. The same applies for the natural character of wetland, lake and river margins. Matters relating to these chapters are addressed in other sections of the PDP and assessed through the respective section 32 analysis.	Low
Scale of effects – geographically (local, district wide, regional, national).	The PDP is not proposing to add any land zoned residential from that which exists in the ODP. Land has been removed where there is no adequate development infrastructure in place, nor is it planned/programmed. The GRZ consolidates around those areas that can or will deliver adequate development infrastructure. Overall, the amount of 'residential' zoned land is reduced from the ODP.	Low
Scale of people affected – current and future generations (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?).	The scale of people affected by the proposed changes will generally be limited to those who owned land zoned Residential or Coastal Residential in the ODP that are no longer considered 'urban'. In these areas where wastewater was not available the density provisions are akin to those of the Rural Residential zone, so little to no development rights are effectively lost. Those within the GRZ will have more options to develop their land with a new density provision for multi-unit development.	Medium
Scale of effects on those with specific interests, e.g., Tangata Whenua	As highlighted above any development within the margins of wetlands, lakes and rivers will trigger a consent where consideration needs to be given to any historical, spiritual or cultural association held by tangata whenua, with regard to the matters set out in Policy TW-P6 of the PDP. The provisions in the GRZ, provide more certainty for landowners and developers around	Low

Criteria	Comment	Assessment
	what can happen in each zone, and creates a clear expectation of the services that are or will be delivered.	
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?	Overall, the PDP approach aligns with the Planning Standards and with the RPS. The provisions also address points raised by the community in providing for a mix of housing typologies and reducing sprawl. The multi-unit development rule will also assist with housing affordability.	Low

6.1.3 Summary of scale and significance assessment

While there is one matter that is considered to be of high and one being medium, most are of low significance. The overall scale and significance of the effects from the proposal is assessed as being medium. Consequently, a medium level of detail is appropriate for the evaluation of the objectives and provisions for the General Residential chapter in accordance with section 32(1)(c) of the RMA.

6.2 Evaluation of Objectives

Section 32(1)(a) of the RMA requires that the evaluation report examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA. The assessment of the appropriateness of the objectives for the General Residential chapter is against four criteria to test different aspects of 'appropriateness' as outlined below.

Criteria	Assessment	
Relevance	Is the objective directly related to a resource management issue?	
	 Is the objective focused on achieving the purpose of the RMA? 	
Usefulness	Will the objective help Council carry out its RMA functions?	
	Does the objective provide clear direction to decision-makers?	
Reasonableness	Can the objective be achieved without imposing unjustified high costs on	
	Council, tangata whenua, stakeholders and the wider community?	
Achievability	Can the objective be achieved by those responsible for implementation?	

Section 32 of the RMA encourages a holistic approach to assessing objectives rather than necessarily looking at each objective individually. This recognises that the objectives of a proposal generally work inter-dependently to achieve the purpose of the RMA. Where appropriate the objectives have been grouped in the evaluation below.

6.2.1 Evaluation of existing objectives

The objectives below are the objectives for the Residential and Coastal Residential zones in the ODP.

Objective(s):	
Residential zone	

- **7.6.3.1** To achieve the development of new residential areas at similar densities to those prevailing at present.
- **7.6.3.2** To enable development of a wide range of activities within residential areas where the effects are compatible with the effects of residential activity.
- **7.6.3.3** To protect the special amenity values of residential sites on the urban fringe, specifically Lot 1 DP28017, Lot 1 DP 46656, Lot 1 DP 404507, Lot 1 DP 181291, Lot 2 DP 103531, Lot 1 DP 103531, Lot 2 DP 58333, Pt Lot 1 DP 58333 (and any sites created as a result of a subdivision of these lots), and those having frontage to Kerikeri Road between its intersection with SH10 and Cannon Drive.

Coastal residential zone

- 10.8.3.1 To enable the development of residential activity in and around existing coastal settlements.
- **10.8.3.2** To protect the coastline from inappropriate subdivision, use and development.
- **10.8.3.3** To enable the development of coastal settlements where urban amenity and coastal environmental values are compatible.

Relevance

These objectives have little relevance in terms of urban sustainability and affordable infrastructure. This is in part because these zones in the ODP are not necessarily paired with the delivery of adequate development infrastructure. The two tiered system in the ODP in these zones for density where sites are sewered or unsewered does not require Council to deliver services in a timely manner. This makes it difficult for landowners and developers to commit to development and reduces certainly of outcomes for the zones. As such the objectives do little to enable people and communities to provide for their economic wellbeing or help achieve the outcomes sought in the RPS with respect to economic wellbeing and the effective and efficient use of infrastructure.

Objective 7.6.3.3 attempts to control the amenity of residential zoned sites on the periphery of Kerikeri. However, the provisions that relate to these sites within the objective and the relative policies and rules in the ODP are more onerous than the Rural Living land that it abuts and creates more of an anomaly than creates special amenity values. The objective fails to acknowledge that urban boundaries do change over time and the Rural Living zone on the border of the Residential zone is designed to be the buffer between town and country. Further, it reduces the capacity of the Residential zone in these locations to achieve a density commensurate with the Residential zone and does not consider the efficiencies of density within areas serviced by adequate development infrastructure.

Usefulness

While the objectives will assist Council to carry out its RMA functions, they are one dimensional and do not encompass efficiencies in terms of what it takes to deliver adequate development infrastructure in the residential zones. This creates uncertainty for landowners and developers in terms of when appropriate services will be available and does not provide clear direction to decision-makers.

Reasonableness

Costs associated with these objectives generally lie with landowners and developers holding on to land zoned residential until such time as Council decides to deliver adequate development infrastructure. The benefits of density, which is assumed with land zoned residential, cannot be realised until such time that sites in that zone are sewered.

Objective 10.8.3.1 promotes the development around existing coastal settlements without any consideration to infrastructure delivery and the ability to efficiently and affordably service locations within a coastal residential zone.

Achievability

It is considered that the objectives may struggle to achieve what they intend to in an urban context. It is difficult to achieve the development of new residential areas at similar densities to those prevailing at present when there is no surety around when adequate development infrastructure will be delivered to enable it.

Overall evaluation

On balance it is considered that the existing objectives across the residential zones in the ODP do not provide sufficient guidance about how the District will grow in a cohesive, compact and structured way and are not considered to achieve the purpose of the RMA. The objectives are one dimensional and do not address the need to pair adequate development infrastructure with an urban zone. As such it is not considered to be good planning practice in an urban environment where landowners should expect that they can connect to adequate development infrastructure commensurate with an urban zoning. It is not considered appropriate to apply a residential zone to a piece of land in the district that does not or is not programmed to receive adequate development infrastructure. Little certainty is given to both landowners and developers to develop the zone for its intended purpose.

6.3 Evaluation of proposed objectives

Objective(s):

GRZ-O1 The General Residential zone provides a variety of densities, housing types and sizes that respond to:

- a. housing needs and demand;
- b. the adequacy and capacity of available or programmed development infrastructure;
- c. the amenity and character of the receiving residential environment;
- d. historic heritage.

GRZ-O2 The General Residential zone consolidates urban residential development around available or programmed development infrastructure to improve the function and resilience of the receiving residential environment while reducing urban sprawl.

GRZ-04 Land use and subdivision in the General Residential zone is supported where there is adequacy and capacity of available or programmed development infrastructure.

GRZ-O5 Land use and subdivision in the General Residential zone provides communities with functional and high amenity living environments.

GRZ-O6 Residential communities are resilient to changes in climate and are responsive to changes in sustainable development techniques.

Relevance

These objectives directly relate to the significant resource management issues relevant to the GRZ as well as recognising and supporting residential living opportunities, which contributes to the economic and social wellbeing of the District. The approach to the residential zones has changed given the Regional Council direction to delineate the coastal environment. Accordingly, an approach to identify the GRZ with a coastal overlay is considered a better way of managing both the GRZ and the natural character of the coastal environment.

The GRZ is paired with the delivery of adequate development infrastructure which provides certainty in realising the effective and efficient use of that land. Further, objective GRZ-02 promotes the consolidation of the residential zone and in concert with objective GRZ-01 creates efficiencies with density and improves affordability of infrastructure delivery in the GRZ. At the same time objectives GRZ-05 and GRZ-06 ensure the product of what is delivered is of high amenity and considers climate change, new technologies and sustainable development techniques.

Usefulness

These objectives are useful in helping Council carry out its functions in terms of section 31(1)(aa) of the RMA as it creates an understanding of the yield (latent residential development capacity) available in the GRZ to ascertain whether there is enough land for housing over the short, medium and long term.

Pairing the GRZ with adequate development infrastructure provides certainty for both landowners and developers that appropriate services are available or are programmed to be delivered in the GRZ. It also helps Council understand where services need to be provided so infrastructure capacity can be monitored, and growth related infrastructure programmed.

Reasonableness	Costs associated with implementation will generally be on those that benefit from the services provided in the GRZ, and on Council to deliver and maintain those services. By consolidating adequate development infrastructure in the GRZ Council will be able to plan and program infrastructure delivery in a clearly delineated area, monitor capacity, and program growth related upgrades, which will enable development contributions for new development to help pay for it.
Achievability	It is considered that the objectives can be achieved what is intended within an urban context. The objectives are clear in demonstrating the outcomes sought in the GRZ and creates a clear expectation of what services are expected. Further, the objectives are consistent with higher order statutory documents and are sufficient to achieve the purpose of the RMA.

Overall evaluation

The objectives address the resource management issues relevant to urban sustainability and affordable infrastructure and are considered appropriate in achieving the sustainable management of the RMA. The objectives will sustain the potential of physical resources for current and future generations, while enabling people and communities to provide for their wellbeing.

Objective:		
GRZ-O3 Non-residential activities contribute to the well-being of the community while complementing the scale, character and amenity of the General Residential zone.		
Relevance	The outcomes sought in this objective enables the inclusion of non-residential activities that contribute to the wellbeing of the community. This contributes to urban sustainability recognising there needs to be an element of flexibility for landowners in the GRZ.	
Usefulness	The objective is useful in providing clear direction that in some circumstances it is appropriate to provide for non-residential activities where it complements the GRZ. The non-residential activities provided for in the PDP will make it clear to decision makers what activities are considered appropriate. This objective will help Council carry out its RMA functions and provide clear direction both to plan users and decision makers and help achieve the intended purpose of the chapter.	
Reasonableness	Costs associated with implementation will be generated by the requirement to apply for consent (on any future developer) and monitoring (on Council). It is considered that the proposed objective does not result in any un-justifiable costs.	
Achievability	It is considered that the objective can be achieved and creates a clear expectation for non-residential activities within the GRZ. Further, it is consistent with higher order statutory documents and are sufficient to achieve the purpose of the RMA.	
Overall evaluation		

It is considered that the proposed objectives are appropriate in achieving the sustainable management purpose of the RMA. The objectives will sustain the potential of physical resources for current and future generations, while enabling people and communities to provide for their wellbeing.

6.4 Evaluation of Provisions to Achieve the Objectives

Introduction

Section 32(1)(b) of the RMA requires the evaluation report to examine whether the provisions are the most appropriate way to achieve the objectives by:

- (i) identifying other reasonably practicable options for achieving the objectives; and
- assessing the efficiency and effectiveness of the provisions in achieving the objectives; and (ii)
- (iii) summarising the reasons for deciding on the provisions.

When assessing the efficiency and effectiveness of the provisions in achieving the objectives, section 32(2) of the RMA requires that the assessment:

- (a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—
 - (i) economic growth that are anticipated to be provided or reduced; and
 - (ii) employment that are anticipated to be provided or reduced; and
- (b) if practicable, quantify the benefits and costs referred to in paragraph (a); and
- (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

This section provides an assessment of reasonably practicable options and associated provisions (policies, rules and standards) for achieving the objectives in accordance with these requirements. This assessment of options is focused on the key changes from the status quo as outlined in the 'proposed management approach' in 5.2 of this report.

Each option is assessed in terms of the benefits, costs, and effectiveness and efficiency of the provisions, along with the risks of not acting or acting when information is uncertain or insufficient. For the purposes of this assessment:

- *effectiveness* assesses how successful the provisions are likely to be in achieving the objectives and addressing the identified issues
- *efficiency* measures whether the provisions will be likely to achieve the objectives at the least cost or highest net benefit to society.

The sections below provide an assessment of options (and associated provisions) for achieving the objectives in accordance with sections 32(1)(b) and 32(2) of the RMA.

6.4.2 Quantification of benefits and costs

Section 32(2)(b) of the RMA requires that, where practicable, the benefits and costs (environmental, economic, social and cultural) of a proposal are quantified. The requirement to quantify benefits and costs where practicable recognises it is often difficult and, in some cases, inappropriate to quantify certain costs and benefits through section 32 evaluations.

As discussed in 6.1, the scale and significance of the effects of proposed changes for the GRZ chapter are generally assessed as being medium. Therefore, exact quantification of the benefits and costs of the different options to achieve the objectives is not considered to be necessary or practicable for this topic. Rather this evaluation focuses on providing a qualitative assessment of the environmental, economic, social and cultural benefits and costs anticipated from the provisions with some indicative quantitative benefits and costs provided where practicable.

6.5 Evaluation of options

6.5.1 Option 1: Status quo

Option 1: Retain the Residential, Coastal Residential and Russell Township zones. Retain the extent of the existing zoning including those areas not serviced or programmed to be serviced by adequate development infrastructure and retain the three sets of provisions that relate to the Residential, Coastal Residential and Russell Township zones.

Benefits • Costs Risk of acting / not acting

- The public and practitioners are familiar with the provisions in the ODP applied to the residential zones.
- The current amenity and character of residential areas, as derived from a predominance of standalone housing in standard suburban lots, will be maintained.
- More residential zoned land is available.
- The less prescriptive provisions for non-residential activities will make it easier to undertake a larger range of activities in the residential zones.
- Effects based provisions may better enable some activities and development, particularly if they are not anticipated in residential areas.

Economic growth and employment opportunities

As this approach is the status quo, opportunities for economic growth are not anticipated to be provided or reduced from this approach.

- The provisions are not clear to landowners and developers where urban scale development is anticipated as adequate development infrastructure is not always paired to residential zoned land.
- The provisions do not directly give effect to the RPS in terms of efficient and effective infrastructure in so far that the provisions do not optimise the use of existing infrastructure.
- The provisions limit the potential for a variety of housing options and the benefits realised from density within areas serviced by adequate development infrastructure. This limits choice in terms of living opportunities to meet existing and future housing demand and does little to address Councils obligations under section 31 of the RMA to ensure there is sufficient development capacity in respect of housing to meet the expected demands of the district.
- The lack of housing choice impacts on housing affordability, in that people have fewer options to purchase/rent properties more aligned to their personal circumstances, including smaller properties or residential units.
- There is less certainty for availability and delivery of adequate development infrastructure for residential zoned land as not

- Makes it difficult for Council to understand or calculate the capacity left in water and wastewater facilities.
- May facilitate future plan changes as it is not clear to the market where and when adequate development infrastructure will be delivered.
- It is inappropriate and inconsistent with regional direction to apply controls on land currently zoned Coastal Residential that are no longer considered to be in the coastal environment in accordance with the RPS.
- Council will find it more difficult to plan for infrastructure delivery with numerous tracts of land zoned residential that do not receive or are not planned to receive adequate development infrastructure.

- all residential zoned land is serviced. This also places pressure on Council to deliver infrastructure for residential zoned land where it is not available or planned/programmed.
- Lack of clarity for landowners and developers in the residential zones in terms of what can be achieved on the land due to the lack of certainty around infrastructure delivery and an effects based rule framework.
- The mapping of the coastal environment in the RPS is inconsistent with the coastal residential zone, placing unnecessary amenity controls on landowners and developers in the Coastal Residential zone.
- There is a lack of direction regarding the type of non-residential activities that can establish in residential areas, which results in uncertainty for people and communities in terms of how their neighbourhood may change.

Effectiveness

- The provisions do not ensure development is directed to locations that has adequate development infrastructure to service it.
- The provisions are failing to provide opportunities to increase housing choice and housing supply. This currently creates a barrier to town houses, apartments and duplex housing, as well as multi-unit housing developments.
- The provisions fail to enable people to remain in their neighbourhoods as their life circumstances change, and their housing needs change.
- The existing mapping does not give effect to the recent mapping that has been undertaken by the Regional Council with respect to the coastal environment.
- The provisions provide little certainty in terms of non-residential activities which may occur in the residential environments.

Efficiency

Option 1 is not considered to be the most efficient method of achieving the GRZ objectives. The costs of not clearly articulating where adequate development infrastructure is, or is going to occur, makes it difficult for landowners, developers and Council to plan. Further, the provisions do not support the efficient use of land in the GRZ or the efficient use of infrastructure where services are delivered. The provisions hamper the ability for the GRZ to assist in improving housing affordability.

Overall evaluation

On balance this option is not considered to be the most appropriate option to achieve the objectives because:

- This option retains an effects based framework, making it unclear what activities are appropriate in the residential zones.
- The provisions do not provide a level of certainty as to what can be achieved in a residential zone due to the zone not being paired to existing or planned infrastructure delivery.
- The existing framework does not adequately address growth and fails to recognise or accommodate the need for residential environments to change in response to the changing demand for housing and the needs of future generations.
- The ODP approach of zoning the Coastal Residential land does not align with the mapping of the Coastal Environment undertaken as part of the NRC regional mapping project.

6.5.2 Option 2: GRZ chapter – Applying the GRZ without the multi-unit development provision

Option 2: Apply GRZ to areas zoned residential and coastal residential in the ODP. Rezone land in these zones that are not serviced or programmed to be serviced by adequate development infrastructure.

Benefits Costs Risk of acting / not acting

- The provisions make it clear to landowners and developers where urban development is anticipated as adequate development infrastructure is paired to GRZ land. This helps address the significant resource management issues of urban sustainability and affordable infrastructure.
- The promotion of on-site water storage and energy efficient design promotes sustainability both in terms of the landowner reliance on Council and third-party infrastructure services and in terms of those providers having to provide supply.
- The provisions give effect to the RPS in terms of efficient and effective infrastructure in so far that it optimises the use of existing infrastructure and subdivision use and development is undertaken in a planned and coordinated manner.
- The provisions provide improved certainty to the community over the range and type of non-residential activities that can locate in residential areas.

- The more prescriptive provisions for nonresidential activities in the GRZ may make it more difficult to undertake the range of activities currently afforded under the ODP provisions.
- Listed activities with rules/standards may potentially limit some activities and development, particularly if they are not anticipated in the GRZ.
- An opportunity is missed to help address housing affordability through not providing for a mix of housing typologies and creating greater choice in living environments to meet existing and future housing demand.
- An opportunity is missed in providing for additional housing supply in close proximity to the town centre and the social services provided in those locations improves the

- The community has shown support for the provision of a variety of housing densities, housing types and sizes.
- The large percentage of housing stock does not address the demand for smaller residential units. Statistics New Zealand show a large percentage of 1 and 2 person household sizes, with the average across the District being 62% combined across these categories.

 The provisions and development standards create increased development rights for existing property owners. It is considered that the clearer regulatory framework will reduce consent costs and time for residential and non-residential development. This will benefit developers, landowners, investors and other housing providers, including social housing providers. wellbeing of those communities.

Economic growth and employment opportunities

- The GRZ provisions are directive in providing for appropriate non-residential activities, such as visitor accommodation, home business, education facilities and supported residential care. This purposive approach ensures residential land is available to supply much needed housing while providing a limited scale for the non-residential activities identified. There is an economic benefit and increased employment potential from the inclusion of these activities locating in the GRZ.
- The provision for retirement villages in the residential zone provides for an aging population but also provides employment opportunities within the urban area of the town across the Far North for those servicing the needs within these villages.

Efficiency

- The rules and standards that follow on from the policy framework are considered effective in that they clearly set out what can occur and what requires resource consent and further assessment.
- The provisions provide a high level of certainty to landowners, residents, neighbours, the community and Council about the nature and level of activities and development allowed.

 Option 2 is efficient in that it will achieve the objectives with the removal of GRZ-O1, however it is not considered to deliver the highest net benefit to the community for the zone.

Overall evaluation

Effectiveness

- On balance this option is not considered to be the most appropriate option to achieve the objectives. On a positive note it:
 - o moves away from the effects based provisions in the ODP zoning framework to a hybrid approach with a clearer structure in terms of providing more certainty about the scope of development able to be achieved on a site and making sure that there is adequate development infrastructure commensurate with an urban zone to support that development; and
 - o is consistent with the mapping of the Coastal Environment undertaken as part of the NRC regional mapping project.

- However, omission of multi-unit development housing options within the GRZ reduces the ability for the zone to:
 - o cater for the District's growth needs;
 - o provide housing choice; and
 - o address housing affordability issues.

6.5.3 Option 3: GRZ chapter - Proposed approach

Option 3: Apply GRZ to areas zoned residential and coastal residential in the ODP. Rezone land in these zones that are not serviced or programmed to be serviced by adequate development infrastructure. Adding a multi-unit development provision.

Benefits Costs Risk of acting / not acting

- The provisions make it clear to landowners and developers where urban development is anticipated as adequate development infrastructure is paired to GRZ land. This helps address the significant resource management issues of urban sustainability and affordable infrastructure.
- The promotion of on-site water storage and energy efficient design promotes sustainability both in terms of the landowner reliance on Council and third-party infrastructure services and in terms of those providers having to provide supply.
- The provisions give effect to the RPS in terms of efficient and effective infrastructure in so far that it optimises the use of existing infrastructure and subdivision use and development is undertaken in a planned and coordinated manner.
- The provisions provide a transition to mixed housing typologies and more variety in housing types creating greater choice in living environments to meet existing and future housing demand. This will better align with personal circumstances and potentially reduce housing costs (mortgages, rents and property maintenance). This also helps achieve Council's obligations under section 31 of the RMA to ensure there is sufficient

- The absence of urban design controls may result in a gradual or cumulative change in urban character through the removal of strict density controls for the multi-unit development provisions. This will arise from the transition of these areas from their current amenity, derived from an overwhelming dominance of standalone housing in standard suburban lots, to a mixed typology.
- The more prescriptive provisions for nonresidential activities in the GRZ may make it more difficult to undertake the range of activities currently afforded under the ODP provisions.
- Listed activities with rules/standards may potentially limit some activities and development, particularly if they are not anticipated in the GRZ.

- While there is uncertainty in how the community will respond to a changing urban environment in residential areas, the provisions are required for the sustainable management of physical resources in terms of increasing the supply and choice of housing and to ensure the ratepayer spend on infrastructure is efficient and affordable.
- There is a risk that the absence of Council strategies/plans around growth, transport and open space will result in poor connectivity and amenity outcomes to GRZ land.
- Statistics New Zealand show a large percentage of 1 and 2 person household sizes, with the average across the District being 62% combined across these categories. This supports a move to providing for a mix in residential unit typologies.

- development capacity in respect of housing to meet the expected demands of the district.
- The provisions provide improved certainty to the community over the range and type of non-residential activities that can locate in residential areas.
- The provisions and development standards create increased development rights for existing property owners. It is considered that the clearer regulatory framework will reduce consent costs and time for residential and non-residential development. This will benefit developers, landowners, investors and other housing providers, including social housing providers.
- The supply of sufficient residential land in close proximity to the town centre and the social services provided in those locations improves the wellbeing of those communities.

Economic growth and employment opportunities

- Providing for a variety of housing typologies and increasing the potential for housing density sends a clear signal to the market regarding the mix of housing anticipated in the District's urban areas serviced by adequate development infrastructure.
- The introduction of a controlled standard for multi-unit development has created the potential for diversification of housing choice and is designed to encourage a mix of development including standalone housing, multi-unit developments, terraced housing and apartments at a range of price points. This will assist in making housing more attainable to a wider range of residents and future residents and will enable communities to evolve with residents whose situations and needs change over time. This is a significant benefit of the PDP and will help improve economic and potentially employment outcomes.
- The GRZ provisions are directive in providing for

appropriate non-residential activities, such as visitor accommodation, home business, education facilities and supported residential care. This purposive approach ensures residential land is available to supply much needed housing while providing a limited scale for the non-residential activities identified. There is an economic benefit and increased employment potential from the inclusion of these activities locating in the GRZ.

- The provision for retirement villages in the residential zone provides for an aging population but also provides employment opportunities within the urban area of the town across the Far North District for those servicing the needs within these villages.
- The initiatives above in the PDP provisions will have an
 economic benefit in terms of growing the housing
 market, increasing personal wealth, growing GDP and
 generating short and long-term employment
 opportunities. There are few costs associated with more
 permissive residential standards provided anticipated,
 future levels of amenity are attained.

Effectiveness

- The provisions are the most effective method of meeting the objectives as they provide the greatest range of opportunities and flexibility in the supply and choice of housing compared to the status quo. The provisions also best recognise and provide for the changing housing demands of the community and their associated change to the urban environment.
- The rules and standards that follow on from the policy framework are considered effective in that they clearly set out what can occur and what requires resource consent and further assessment.
- The provisions provide a high level of certainty to landowners, residents, neighbours, the community and Council about the nature and level of activities and development allowed.

Efficiency

 Option 3 is efficient in that this will achieve the objectives at the highest net benefit to the community. Overall the benefits, as set out above, outweigh the costs to sections of the community, landowners and business owners across environmental, social, economic and cultural effects.

Overall evaluation

On balance this option is considered to be the most appropriate option to achieve the objectives because:

• It moves away from the effects based provisions in the ODP zoning framework to a hybrid approach with a clearer structure in terms of providing more certainty about the scope of development able to be achieved on a site and making sure that there is adequate development infrastructure commensurate with an urban

zone to support that development.

- While the provisions rely on the existing character and amenity to deliver positive outcomes for the zone it is considered the addition of the multi-unit development will provide benefits that outweigh these concerns until such time that strategies and area planning is undertaken.
- The bulk and location controls for multi-unit development mirror those of a single residential unit on a site and are considered sufficient on addressing amenity and character concerns in the short to medium term.
- The multi-unit development provisions seek to ensure the GRZ:
 - o adequately caters for the District's growth needs;
 - o is an efficient use of land;
 - o provides housing choice; and
 - o minimises any adverse effects on the environment.
- The approach is consistent with the mapping of the Coastal Environment undertaken as part of the NRC regional mapping project.

6.6 Summary

An evaluation of the proposed objectives and provisions for the GRZ chapter has been carried out in accordance with section 32 of the RMA. This evaluation has concluded that the objectives are the most appropriate way to achieve the purpose of the RMA and the provisions are the most appropriate way to achieve the objectives for the following reasons:

- The GRZ objectives give effect to Part 2 of the RMA and the relevant National Policy Statement and Regional Policy Statement policy direction.
- While the NPS-UD is not considered to apply to any of the urban areas within the Far North District at this juncture as a Tier 3 urban environment, it has been a consideration in the process of establishing the PDP.
- The GRZ follows the zoning standard and definitions set out in the Planning Standards.
- The GRZ introduces a revised regulatory framework for activities, which is a focused approach across the PDP and a move away from an effects based planning framework.
- The technical standards such as height, site coverage, and setbacks are generally being retained, but there is greater policy direction and emphasis on providing for density and a mix of housing typologies in the GRZ where adequate development infrastructure is available or planned/programmed.
- The GRZ is expected to result in improved housing options and potentially more affordable
 housing products while addressing growth and creating inclusive, quality urban environments
 for people to live, work and play.
- Research has been undertaken to understand the plan enabled development within the GRZ
 alongside growth projections and it has been concluded that the combined zoning in the PDP
 (GRZ, Mixed Use and Rural Residential) is sufficient to accommodate growth for the short,
 medium and long term with appropriate headroom.
- Landowners on properties being rezoned GRZ have further opportunities than those currently
 afforded under the ODP, as such economic benefits are likely to be realised if and when they
 chose to develop their land.

Overall, it is considered that the proposed provisions are the most appropriate given that the benefits outweigh the costs, and there are considerable efficiencies to be gained from adopting the preferred provisions.

7 Business Zones

The proposed approach in the PDP is to change from the ODP model of two business zones; Commercial and Industrial, to three business zones; Mixed Use, Light Industrial and Heavy Industrial. This is to add specificity to the plan in order to have the right commercial and industrial activities occurring in the right places, and to manage the effects from activities in the business zones appropriately.

Specifically, the Mixed Use zone aims to cater for a range of commercial activities, with some residential activities occurring where appropriate (for example on the second storey of a commercial building).

The Heavy and Light Industrial zones cater for differing levels of industrial activities, with the Light Industrial zone specifically catering for activities such as light manufacturing, contractors depots, automotive and marine repair, and service industries. The Heavy Industrial zone caters for uses which are associated with objectionable environmental effects including manufacturing, production, and logistics, with some ancillary offices and retail. The Heavy zone is located away from areas where sensitive activities may occur and have provisions to control reverse sensitivity.

Section 31 of the RMA states that a function of territorial authorities is the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the district. In 2017, BERL was commissioned by Council to undertake an analysis of business land in the Far North⁴ and to project the future demand for commercial land in the District. Further to this, in 2020 a Commercial and Industrial Land Tool was developed by BERL to predict demand for business land in the Far North District under different scenarios. The work undertaken by BERL is the primary evidence used to inform the supply and location of business zoned land in the PDP.

7.1 Business Zoned Land in the Operative District Plan

An analysis of the Commercial and Industrial zones in the ODP has been undertaken to understand the current supply of business zoned land in the District. The table below details the current supply of commercial and industrially zoned land in the ODP, broken down by urban townships in the Far North District.

Business Zoned land in the Operative District Plan

Area	Commercial Zoned Land (ha)	Industrial Zoned Land (ha)
Waipapa	1	30
Kerikeri	22	12
Kaikohe	24	43
Ngawha	0.33	382.4
Kaitaia	42.20	84.89
Kawakawa	16	0
Moerewa	5	43
Paihia	39.15	0
Haruru	33.37	18.78
Opua	6.78	14.65
Waitangi	4.29	0

⁴ Potential future demand for commercial land – Far North District (2017), BERL – Making Sense of the Numbers

Other areas	63.48	33.98
Total	257.6	662.7

7.2 Future Demand for Business Zoned Land

The BERL commercial and industrial land supply tool has been used to inform the approach on the zoning of Mixed Used, Heavy Industrial and Light Industrial zoned land in the PDP. The land supply tool provides future demand under two scenarios, one based on business as usual (BAU) and one based on a high growth scenario. The BAU scenario is based on a steady rate of 0.7% economic growth towards 2045, while the high growth scenario assumes a growth in employment of 1.18% per annum towards 2045. The 2017 BERL report details this in further detail, however for the purposes of determining demand for business zoned land for the life of the PDP, the high growth scenario was primarily used. The table below details the additional land needed in urban locations across the District for short-, medium- and long-term time periods. The figures below were used when the proposed zoning of business land in the PDP was undertaken. As a note, locations have been grouped together based on geographical proximity and whether the areas operate as combined urban environments.

Additional Commercial Land Needed throughout the District

Area	Short term (5 years) (ha)	Medium term (10 years) (ha)	Long term (20 years) (ha)
Kerikeri/Waipapa	9	14	14
Kaikohe	1.3	1.51	2.16
Kaitaia	7	7	9
Kawakawa/Moerewa	7	7	9
Paihia/Haruru/Opua	4	5	6

Note: Figures are cumulative rather than compounding.

As shown above, all the listed localities across the District require some level of rezoning of Commercial land to meet demand over the medium-term period (the next 10 years) under the high growth scenario. The demand is lowest in Kaikohe, with only 1.51 hectares of commercial zoning being required in the next 10 years. Demand is highest in Kerikeri and Waipapa for commercial zoned land, with 14 hectares being required in the next 10 years, and this has been considered when proposed zoning has been undertaken. There is a level of rezoning proposed for Kerikeri and Waipapa in the PDP, which is largely focused around extending the industrial areas in Waipapa, while also having areas of Mixed Use. Having both Industrial and Mixed Use zoning in Waipapa will recognise the variety of activities that take place throughout the township and will cater for these different uses. As well as this, extending the business zoning in Waipapa will strengthen the way in which Waipapa and Kerikeri operate as one cohesive township by enabling Waipapa to become a hub of business activity.

Additional Industrial Land Needed throughout the District

Area	Short term (5 years) (ha)	Medium term (10 years) (ha)	Long term (20 years) (ha)
Kerikeri/Waipapa	11	11	11
Kaikohe	0	0	0
Kaitaia	0	0	0
Kawakawa/Moerewa	21	21	23

Paihia/Haruru/Opua	7	8	10

Note: Figures are cumulative rather than compounding.

The table above shows the demand for industrial (both light and heavy) zoning over the short, medium, and long term. The highest demand shown is in Kawakawa/Moerewa, where the demand for the medium term is 21 hectares. However, this figure is considered to be unrealistic and is likely skewed by the existence of AFFCO which currently provides all of Moerewa's 43 hectares of industrial zoned land. This zoning will be rationalised through the PDP, with the site being zoned as Heavy Industrial.

Both Kaikohe and Kaitaia show that no additional industrial zoned land is required to meet demand, while Paihia, Haruru and Opua require an additional 8 hectares over the next 10 years. This demand will likely be largely met in existing industrially zoned areas, particularly in Haruru and Opua. Only small amounts of rezoning of industrial land are proposed in these areas, being in all cases contiguous to other industrial zoned areas.

When looking at the medium term for towns across the District, most towns require a level of further business zoning to meet demand under the high growth scenario, with Kerikeri/Waipapa displaying the highest demand for additional land for both industrial and commercial uses. While the above tables show that most towns have an additional demand for commercial and industrial land in the next 10 years (the approximate life of the PDP), this does not take into account the latent capacity of existing commercial and industrially zoned sites. It is considered that to a large degree, this latent capacity will be able to cater for demand in most areas. There is also a component of vacancy across existing zoned sites, which is taken into account in the above figures, however, is likely to add some level of constant change to these numbers.

In the PDP, the above figures have been used in conjunction with the BERL reports to inform zoning of Mixed Use, Heavy Industrial and Light industrial zoned areas across the District. A large proportion of zoning is proposed to be rolled over from the ODP, with the main area of rezoning occurring in the Waipapa area, in order to meet the demand displayed above.

7.3 Proposed Rules for the Business Zones

7.3.1 Mixed Use Zone

The Mixed Use zone rule framework aims to provide for a range of commercial activities, while controlling and discouraging activities which are seen to be inappropriate for the zone. As well as this, the Mixed Use zone allows for some residential activities to occur in order to encourage vibrant town centres where commercial and residential activities co-exist harmoniously. The rule framework in the Mixed Use zone is summarised below:

- Buildings with a gross floor area (GFA) over of 400m² require consent. This is to manage the
 effects that large scale commercial activities may have on town centres. Building and
 structures must meet a number of standards to encourage positive amenity outcomes in the
 zone.
- Commercial activities are permitted (except for service stations) where the GFA is less than 400m² and less than 200m² for an office area.
- Visitor accommodation and residential activities are permitted under certain circumstances.
 For residential activities, these must be located above the ground level of a building used for commercial purposes.
- Community facilities and emergency service facilities are permitted, subject to standards.
- Commercial services are permitted, subject to standards.
- There are a number of proposed discretionary status activities, including educational facilities, industrial activities, service stations, large format retail and retirement villages, as these

activities are associated with certain effects that may not be anticipated in the Mixed Use zone.

7.3.2 Light Industrial Zone

The Light Industrial zone caters for a range of light industrial activities including light manufacturing, contractors depots, automotive and marine repair, and service industries, and some compatible commercial activities. The Light Industrial zone is designed in a way to complement the Heavy Industrial zone. The proposed rule framework for the Light Industrial zone is summarised below:

- Buildings with a GFA under 400m² are permitted, subject to standards. The GFA threshold is to control the scale of new buildings in the Light Industrial zone.
- Industrial activities and ancillary activities where they are occurring on the same site as an industrial use are permitted, subject to standards.
- Trade suppliers are permitted.
- Emergency service facilities are permitted.
- Some commercial uses are permitted (i.e. takeaway outlets and cafes), where the GFA of the activity does not exceed 200m².
- Commercial service activities, and sport and recreation activities are discretionary activities.
- Residential activities, retirement villages, visitor accommodation and educational facilities are non-complying as they are not anticipated in the Light Industrial zone.

7.3.3 Heavy Industrial Zone

The Heavy Industrial zone caters for a range of heavy industrial activities including manufacturing, production and logistics, some ancillary offices and retail. The rule framework is designed in a way to cater for heavy industrial activities while managing the effects of these activities within the zone and on the interfaces with other zones. The proposed rule framework for the Heavy Industrial zone is summarised below:

- There is no GFA threshold for buildings and structures. Buildings are permitted, subject to the zone standards.
- Industrial activities are permitted, subject to standards.
- Trade suppliers and service stations are permitted.
- Ancillary activities on the same site as an industrial activity are permitted with controls on hours of operation and size of operation.
- Offensive trade is a discretionary activity.
- Commercial services are a discretionary activity.
- Residential activities, retirement villages, visitor accommodation, educational facilities, sport
 and recreation activities and commercial activities are non-complying as they are not
 anticipated in the Heavy Industrial zone.

7.4 Approach to Evaluation

The overarching purpose of section 32 of the RMA is to ensure all proposed statements, standards, regulations, plans or changes are robust, evidence-based and are the most appropriate, efficient and effective means to achieve the purpose of the RMA. At a broad level, section 32 requires evaluation reports to:

- Examine whether the objectives in the proposal are the most appropriate to achieve the purpose of the RMA
- Examine whether the provisions are the most appropriate way to achieve the objectives through identifying reasonably practicable options and assessing the efficiency and effectiveness of the provisions, including an assessment of environmental, economic, social and cultural economic benefits and costs.

These steps are important to ensure transparent and robust decision-making and to ensure stakeholders and decision-makers can understand the rationale for the proposal. There are also requirements in section 32(4A) of the RMA to summarise advice received from iwi authorities on the proposal and the response to that advice through the provisions.

7.5 Evaluation of scale and significance

Section 32(1)(c) of the RMA requires that evaluation reports contain a level of detail that corresponds with the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of this proposal. This step is important as it determines the level of detail required in the evaluation of objectives and provisions so that it is focused on key changes from the status quo.

The scale and significance of the environmental, economic, social and cultural effects of the provisions for the business zones are evaluated in the table below.

Criteria	Comment	Assessment
Raises any principles of the Treaty of Waitangi	The proposed provisions for the business zones will have limited significance to the Treaty of Waitangi. The policy framework for the business zones aims to avoid any adverse effects on cultural values.	Low
Degree of change from the Operative Plan	For the most part, provisions from the ODP have been adapted and rolled over to the PDP. However, there have been some changes to the zones, including switching to having three business zones. This allows for more specificity in each zone, with providing for certain activities in the right places. For the Heavy and Light Industrial zones this is largely focused on the presence or absence of infrastructure, as well as whether reverse sensitivity issues can be managed appropriately in certain areas.	Medium
	As well as this, the rule framework in the PDP has changed from being an effects based plan to an activities based plan which is a fundamental change in approach. From this, the rules in the business zones are focused around controlling certain activities in each zone and implementing standards for these activities. It will also ensure that commercial development does not uptake land intended for heavy industrial activities as demonstrated by development at Waipapa.	
Effects on matters of national importance	The Section 6 matters of national importance which are relevant to the business zones are detailed in Section 3 of this report. These are particularly relevant where this zoning is located in sensitive environments, for example in the coastal environment. The rule framework has been drafted to ensure that the historic, cultural and natural environment values recognised in section 6 of the RMA are appropriately	Low

Criteria	Comment	Assessment
	managed.	
Scale of effects – geographically (local, district wide, regional, national).	There is Mixed Use and Industrial zoning (both light and heavy) proposed for towns across the District and therefore the entire district will be affected by these zones. However, as they only cover small areas of the district, due to the rural setting of our district it is considered only to be a medium scale of effects.	Medium
Scale of people affected – current and future generations (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?).	The urban centres of the District provide a large amount of employment for residents of the Far North District, as well as being areas where there are concentrated populations of people. Once commercial and industrial uses are established in certain places, it is likely that they will retain that use for years to come and therefore the scale of people that the business zoned land effects is considered to be high. Additionally, these businesses service a wider catchment than the towns themselves, for example rural communities that rely on these larger centres for certain services such as health care. The enablement of business land in the right location has a significant effect on the economic and social well-being of the district.	High
Scale of effects on those with specific interests, e.g., Tangata Whenua	The management of the business zones affects the public generally, as opposed to specific interest groups. There are no interest groups which are considered to be specifically affected.	Low
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?	The provisions in the PDP are aligned with the policy direction of higher order documents. These chapters of the PDP represent a low level of policy risk.	Low

7.6 Summary of scale and significance assessment

While there are two matters that are considered to be of high and one being medium, most are of low significance. The overall scale and significance of the effects from the proposal is assessed as being **medium**. Consequently, a medium level of detail is appropriate for the evaluation of the objectives and provisions for the business zones in accordance with section 32(1)(c) of the RMA.

A summary of the proposed objectives and rules for the business zones are contained in Section 5.3 of this report. This evaluation focuses on key changes in the proposed management approach from the ODP - minor changes to provisions for clarification and to reflect new national and regional policy direction are not included in the evaluation in section 7 and 8 below.

7.7 Evaluation of Objectives

Section 32(1)(a) of the RMA requires that the evaluation report examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA. The assessment of the appropriateness of the objectives for the business zones are against four criteria to test different aspects of 'appropriateness' as outlined below.

Criteria	Assessment
Relevance	• Is the objective directly related to a resource management issue?
	 Is the objective focused on achieving the purpose of the RMA?
Usefulness	Will the objective help Council carry out its RMA functions?
	Does the objective provide clear direction to decision-makers?
Reasonableness	Can the objective be achieved without imposing unjustified high costs on Council, tangata whenua, stakeholders and the wider community?
Achievability	Can the objective be achieved by those responsible for implementation?

Section 32 of the RMA encourages a holistic approach to assessing objectives rather than necessarily looking each objective individually. This recognises that the objectives of a proposal generally work inter-dependently to achieve the purpose of the RMA. As such, some of the objectives for the business zones have been grouped in the evaluation below.

7.7.1 Evaluation of existing objectives

The objectives below are the objectives for the Commercial and Industrial zones in the ODP.

Objective(s):	
Industrial zone	
	nedy or mitigate adverse effects of new industrial activities on existing activities in the on activities on adjoining land, and on the natural and physical resources of the District.
Commercial zone	
activities that avoid,	he development of commercial areas in the District accommodating a wide range of , remedy or mitigate the adverse effects of activities on other activities within the d on the natural and physical resources of the District.
Relevance	These objectives have little relevance in terms of urban sustainability and affordable infrastructure. The focus is more on managing natural and physical resources vs acknowledging these zones are to support and enable business activities, and concern over reverse sensitivity within the zones themselves. This is properly due to the lack of direction of what types of activities should establish in these zones.
Usefulness	While the objectives will assist Council to carry out its RMA functions, they are one dimensional and do not encompass efficiencies in terms of what it takes to deliver business land that will meet the district needs. This creates uncertainty for landowners and developers in terms of where the different types of business development should occur and does not provide clear direction to decision-makers.

Reasonableness	These objectives can be given effect to, however they may be requiring too much focus on natural and physical values, when that should be managed by the appropriate overlay. For example urban development should not create the same level of adverse effects as it is an existing built environment as you would consider in the rural environment. This may be creating unreasonable costs and delay to developers.
Achievability	It is considered that the objectives may struggle to achieve the outcomes sought in an urban and heavy industry environment.

Overall evaluation

On balance it is considered that the existing objectives across the business land zones in the ODP do not provide sufficient guidance about how the District will grow in a cohesive, compact and structured way, while supporting business development. It is not considered to achieve the purpose of the RMA. Little certainty is given to both landowners and developers to develop the zone for its intended purpose.

7.8 Evaluation of proposed objectives

Mixed Use zone

Objective (s):

MUZ-O1: The Mixed Use zone is the focal point for the District's commercial, community and civic activities and provides for residential development where it compliments these activities and is designed to manage any potentially incompatible land uses.

MUZ-O2: Development in the Mixed Use zone is of a form, scale, density and design quality that contributes positively to the vibrancy, safety and amenity of the zone.

MUZ-O3: Land use and subdivision in the Mixed Use zone is supported by appropriate infrastructure.

Relevance	Directly related to a resource management issue
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Objectives MUZ-O1 to MUZ-O3 relate to the resource management issues of urban sustainability and affordable infrastructure. They aim to ensure that a range of commercial activities are enabled in the Mixed Use zone which will add to the economic prosperity of the District and is related to urban sustainability. MUZ-O3 aims to have land use and subdivision in the Mixed Use zone enabled by appropriate infrastructure, which for the Mixed Use zone is reticulated wastewater and water. This is to ensure that commercial activities are occurring where infrastructure can support these uses and this is directly related to addressing affordable infrastructure as a resource management issue.

Focused on achieving the purpose of the RMA

The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA.

MUZ-O1 to MUZ-O3 act to ensure that commercial uses of land throughout the district are managed and supported in an appropriate way in order to control their effects and in order to meet the purpose of the RMA as stated in Section 5(2).

Usefulness Assists in addressing the identified resource management issue

MUZ-O1 to MUZ-O3 are considered to clearly state the outcomes for the Mixed Use zone and to specify the types of activities that are encouraged in this zone, which in turn addresses urban sustainability throughout the District. While MUZ-O1 specifies the purpose of the zone and the types of activities that are encouraged to occur in this zone, MUZ-O2 aims to control the effects that built development may have in this zone and aims for positive outcomes to vibrancy, safety and amenity within the zone which will assist in addressing urban sustainability. MUZ-O3 stipulates that land use and subdivision in the Mixed Use zone should be supported by appropriate infrastructure, and this specifically addresses the management issue of affordable infrastructure as it is integral to have commercial uses of land supported by infrastructure while

consolidating these areas to ensure there aren't disparate areas of commercial land across the district. Reasonableness Consistent with desired community and iwi/hapū outcomes, and will not result in

Consistent with desired community and iwi/hapū outcomes, and will not result in unjustifiably high costs on the community or parts of the community

The objectives must be consistent with desired community and iwi/hapū outcomes but should not result in unjustifiably high costs on the community or parts of the community. MUZ-O1 to MUZ-O3 aim to ensure that a variety of commercial uses can be undertaken in the Mixed Use zone while a high level of amenity and vibrancy is maintained in these areas. Having commercial centres around the District which provide for a variety of commercial uses is in line with community expectations and it is unlikely that the objectives will have unjustifiably high costs on the community or parts of the community.

Achievability

Ability to achieve the objective with the available powers, skills, and resources of councils

It is considered that MUZ-O1 to MUZ-O3 are not above the available powers, skills and resources of Council. The objectives aim to ensure that appropriate activities are occurring in Mixed Use zones across the District and a number of the provisions are rolled over or closely adapted from the ODP and are therefore unlikely to result in increases to resource consenting or compliance requirements.

An acceptable level of uncertainty and risk

As the provisions are largely rolled over from the ODP and are otherwise based on analysis of existing situations within Commercial zones in the ODP, it is considered that there is an acceptable level of uncertainty and risk in introducing these objectives in the PDP.

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

Objective(s):

MUZ-O4: Activities and development in the Mixed Use zone complement land use at the interface of Residential and Open Space zoned land.

MUZ-O5: Residential activity in the Mixed Use zone is located above commercial activities to ensure active street frontages except in some instances where the interface is with the Open Space zone.

Relevance

Directly related to a resource management issue

MUZ-O4 and MUZ-O5 are directly related to addressing the resource management issue of urban sustainability. MUZ-O4 aims to manage the effects that the Mixed Use zone may have on other more sensitive zones (for example the Residential zone), while MUZ-O5 aims to ensure that appropriate activities are occurring in the Mixed Use zone. Both objectives aid in ensuring that urban environments throughout the District are managed in an appropriate way which adds to urban sustainability.

Focused on achieving the purpose of the RMA

The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA.

Both MUZ-O4 and MUZ-O5 act to ensure that appropriate activities are occurring in the Mixed Use zone, while inappropriate uses are discouraged. This is considered to be in line with the sustainable management purpose of the RMA.

Usefulness	Assists in addressing the identified resource management issue
	Both MUZ-O4 and MUZ-O5 are specific in addressing certain issues which may arise in the Mixed Use zone; ensuring that residential activities only occur in certain scenarios where it is appropriate for these to occur and ensuring that the interface between the Mixed Use zone and other zones is appropriately managed.
Reasonableness	Consistent with desired community and iwi/hapū outcomes, and will not result in unjustifiably high costs on the community or parts of the community
	The objectives aim to appropriately manage commercial uses within the Mixed Use zone, and controlling zone interfaces to ensure that effects from the zone are not transferred into more sensitive areas, for example the General Residential zone. This is considered to be aligned with the community's expectation that certain activities will occur in the Mixed Use zone, while other more sensitive activities are protected from these effects. A large portion of provisions have been rolled over and adapted from the ODP, and it is therefore unlikely that there will be high costs on the community or parts of the community from these objectives.
Achievability	Ability to achieve the objective with the available powers, skills, and resources of councils
	The objectives are not a large deviation from the ODP especially when to a large degree, the proposed Mixed Use zoning in the PDP is a rollover from Commercial zoning in the ODP. Therefore, the introduction of a Mixed Use zone in these areas is considered to be achievable in terms of the powers, skills and resources of Council.
	An acceptable level of uncertainty and risk
	The provisions of the Mixed Use zone are largely rolled over from provisions in the Commercial zone of the ODP and therefore it is considered that there is a low level of uncertainty and risk in introducing these provisions.
Overall evaluation	<u> </u>

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

Light Industrial zone

Objective(s):

LIZ-O1: The Light Industrial zone is utilised for the efficient operation of light industrial activities and is managed to ensure its long-term protection, including from land sterilisation; and reverse sensitivity issues.

LIZ-O2: The Light Industrial zone accommodates a range of light industrial activities that efficiently use the physical resources of the zone, are characterised largely by light manufacturing, contractor depots, automotive and marine repair and service industries and are not unreasonably constrained by surrounding activities.

LIZ-O3: Land use and subdivision in the Light Industrial zone is supported by appropriate infrastructure.

Relevance Directly related to a resource management issue		
	LIZ-O1 to LIZ-O3 are directly related to the resource management issues of urban sustainability and affordable infrastructure. They aim to ensure that a variety of activities are enabled in the Light Industrial zone but that at the same time, these activities are managed appropriately to ensure that adverse effects are avoided. As well as this, LIZ-O3 stipulates that uses in the Light Industrial zone should be supported by appropriate infrastructure, which is a key element of urban sustainability, as well as	

affordable infrastructure. For the Light Industrial zone, in most cases appropriate infrastructure means connection to Council's reticulated water and wastewater systems.

Focused on achieving the purpose of the RMA

The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA.

The Light Industrial zone plays a key role in the District by encouraging economic prosperity through industrial activities. However, it is integral that effects from these uses are appropriately managed and this is the purpose of the objectives of the Light Industrial zone, in particular LIZ-O1 and LIZ-O3 which encourage the enablement of certain activities while discouraging other inappropriate activities. This is considered to be meeting the sustainable management purpose of the RMA.

Usefulness

Assists in addressing the identified resource management issue

The objectives act directly to address the resource management issue of urban sustainability by outlining what activities are appropriate in the Light Industrial zone, and by ensuring that the issues of this zone are managed appropriately. LIZ-O1 highlights that both land sterilization and reverse sensitivity are important issues to be managed in the Light Industrial zone and it is considered that by managing these issues, this will also assist in addressing urban sustainability throughout the District.

Reasonableness

Consistent with desired community and iwi/Māori outcomes, and will not result in unjustifiably high costs on the community or parts of the community

The provisions of the Light Industrial zone are largely rolled over from the Industrial zone in the ODP, with some changes to allow for more specificity in the zone and to exclude heavy industrial activities which will be catered for by the Heavy Industrial zone. The proposed Light Industrial zoning in the PDP is located in areas where light industrial activities are already taking place and caters for a range of industrial activities which is in line with what the community expects from industrially zoned areas. It is considered that the objectives of the Light Industrial zone are consistent with desired community outcomes and it is unlikely that they will result in high costs on the community or on parts of the community.

Achievability

Ability to achieve the objective with the available powers, skills, and resources of councils

The objectives aim to ensure that a range of light industrial activities are catered for in the zone while the effects of these uses is appropriately managed. The provisions are largely rolled over from the ODP and the proposed Light Industrial zoning is located in existing industrial areas. Therefore, it is considered that the objectives are achievable in terms of the available powers, skills and resources of council.

An acceptable level of uncertainty and risk

There is a low level of uncertainty and risk involved in the objectives of the Light Industrial zone.

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

Objective(s):

LIZ-O4: Built form integrates with the amenity of the receiving environment and the effects associated with light industrial activities are managed both within the Light Industrial zone and adjacent zones.

LIZ-O5: The Light Industrial zone accommodates a limited range of commercial activities where it supports light industrial activities or is not anticipated in the Mixed Use zone.

Relevance

Directly related to a resource management issue

LIZ-O4 and LIZ-O5 are directly related to urban sustainability. LIZ-O4 aims to ensure that the effects of the Light Industrial zone are appropriately managed and that the interface with other zones is appropriately managed, while LIZ-O5 aims to narrow down the activities which occur in the zone, in order to ensure that the activities are appropriate for the zone. Both of these objectives are considered an integral part of achieving urban sustainability throughout the District by ensuring that appropriate activities are occurring in the right zones and that the effects from these activities are appropriately managed.

Focused on achieving the purpose of the RMA

The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA. Both LIZ-O4 and LIZ-O5 aim to ensure that the effects of light industrial activities are appropriately managed in a way that adverse effects on the environment are avoided which meets the sustainable management purpose of the RMA.

Usefulness

Assists in addressing the identified resource management issue

The objectives assist in addressing the resource management issue of urban sustainability by ensuring that appropriate activities are taking place in the Light Industrial zone and that the effects from these activities are managed both within the zone and on the interface with other zones which may be more sensitive than the Light Industrial zone.

Reasonableness

Consistent with desired community and iwi/Māori outcomes, and will not result in unjustifiably high costs on the community or parts of the community

The objectives are considered to be in line with desired community outcomes as the community expects industrial activities to occur in certain places but for the activities to be appropriately managed, and for more sensitive land uses to be protected from industrial uses of the land. The objectives are adapted from current objectives in the Industrial zone in the ODP and it is therefore unlikely that the introduction of the objectives will result in unjustifiably high costs on the community or parts of the community.

Achievability

Ability to achieve the objective with the available powers, skills, and resources of councils

The Light Industrial zone provisions are largely a roll over from existing objectives in the ODP and it is considered that the objectives can be achieved with the available powers, skills and resources of Council.

An acceptable level of uncertainty and risk

LIZ-O4 and LIZ-O5 are aimed at ensuring that appropriate activities are enabled in the Light Industrial zone while inappropriate activities are discouraged. It is considered that there is a low level of uncertainty and risk in introducing these objectives.

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

Heavy Industrial zone

Objective(s):

HIZ-O1: The Heavy Industrial zone is utilised for the efficient operation of heavy industrial activities and is managed to ensure its long-term protection, including from land fragmentation, land sterilisation; and reverse sensitivity effects.

HIZ-O2: The Heavy Industrial zone accommodates a range of industrial activities that efficiently use the physical resources of the zone, are characterised by the use of large-scale purpose built utilitarian buildings and large areas of car parking and/or outdoor storage and are not unreasonably constrained by other activities.

HIZ-O3: Land use and subdivision in the Heavy Industrial zone is supported by appropriate infrastructure.

Pirectly related to a resource management issue HIZ-O1 and HIZ-O2 are directly related to the resource management issue of urban sustainability. They act to ensure that appropriate activities take place in the Heavy Industrial zone by enabling certain activities and discouraging more sensitive activities. HIZ-O3 is directly related to the resource management issue of affordable infrastructure. Focused on achieving the purpose of the RMA The purpose of the RMA is the sustainable management of natural and physical

The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA. The objectives of the Heavy Industrial zone aim to ensure that the effects of activities within the zone, which may be objectionable environmental outcomes such as odour and noise, are appropriately managed to ensure that adverse effects are avoided. These objectives are considered to meet the sustainable management purpose of the RMA.

Usefulness Assists in addressing the identified resource management issue

HIZ-O1 and HIZ-O2 address urban sustainability by ensuring that appropriate activities take places in the Heavy Industrial zone. By being specific about the uses which are encouraged in the zone, this will allow for regulation to be more focussed towards managing the effects of heavy industry within the zone and on adjoining zones. A key element of urban sustainability is to ensure that appropriate activities are occurring in the right places so that the effects can be managed appropriately. It is considered that HIZ-O1 and HIZ-O2 aim to address this. HIZ-O3 is directly related to affordable infrastructure because a key facet of affordable infrastructure is ensuring that industrial uses of land are concentrated throughout the District.

Reasonableness Consistent with desired community and iwi/hapū outcomes, and will not result in unjustifiably high costs on the community or parts of the community

It is considered that the objectives are consistent with desired community outcomes as they aim to restrict the effects of industrial activities within the Heavy Industrial zone which would be expected by the community. It is unlikely that the introduction of the objectives will result in unjustifiably high costs on the community or parts of the community.

Achievability Ability to achieve the objective with the available powers, skills, and resources of councils

It is considered that the objectives will be achievable with the available powers, skills and resources of councils.

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An acceptable level of uncertainty and risk

It is considered that there is a low level of uncertainty and risk associated with introducing these objectives.

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

Objective(s):

HIZ-O4: Built form integrates with the amenity of the receiving environment and the effects associated with heavy industrial activities are managed both within the Heavy Industrial zone and adjacent areas.

HIZ-O5: The Heavy Industrial zone accommodates a limited range of ancillary activities where it supports the on-site heavy industrial activity.

Relevance Directly related to a resource management issue Both HIZ-O4 and HIZ-O5 are directly related to urban sustainability which focuses on ensuring that appropriate activities occur in the right places. This is particularly true for the Heavy Industrial zone which anticipates activities which may have objectionable environmental effects. Focused on achieving the purpose of the RMA The purpose of the RMA is the sustainable management of natural and physical resources as stated in section 5(2) of the RMA. HIZ-O4 and HIZ-O5 are both focussed on ensuring that appropriate activities take place in the Heavy Industrial zone while the effects of these activities are managed. It is considered that these objectives are in line with the sustainable management purpose of the RMA. Usefulness Assists in addressing the identified resource management issue The objectives HIZ-O4 and HIZ-O5 assist in addressing the resource management issue of urban sustainability by adding specificity to what activities are anticipated in the Heavy Industrial zone. This means that appropriate activities will be encouraged in the zone and managed accordingly, while inappropriate activities will be discouraged from establishing within the zone. Adding this specificity enables the Urban zones to be managed according to the effects the activities within them may create, which in turn addresses urban sustainability in the District. Reasonableness Consistent with desired community and iwi/Māori outcomes, and will not result in unjustifiably high costs on the community or parts of the community It is unlikely that the introduction of the objectives will result in high costs on the community or parts of the community. **Achievability** Ability to achieve the objective with the available powers, skills, and resources of councils It is considered that these objectives will be achievable when taking into account the available powers, skills and resources of council. An acceptable level of uncertainty and risk As the areas of Heavy Industrial zoning across the District are already established, and there is little rezoning proposed, it is considered that there is a low level of uncertainty and risk in introducing these objectives.

Overall evaluation

The above assessment concludes that the proposed objectives are the most appropriate way to achieve the purpose of the RMA, in terms of relevance, usefulness, reasonableness and achievability, and is preferred over the status quo.

7.9 Evaluation of Provisions to Achieve the Objectives

7.9.1 Introduction

Section 32(1)(b) of the RMA requires the evaluation report to examine whether the provisions are the most appropriate way to achieve the objectives by:

- (iv) identifying other reasonably practicable options for achieving the objectives; and
- (v) assessing the efficiency and effectiveness of the provisions in achieving the objectives; and
- (vi) summarising the reasons for deciding on the provisions.

When assessing the efficiency and effectiveness of the provisions in achieving the objectives, section 32(2) of the RMA requires that the assessment:

- (a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—
 - (i) economic growth that are anticipated to be provided or reduced; and
 - (ii) employment that are anticipated to be provided or reduced; and
- (b) if practicable, quantify the benefits and costs referred to in paragraph (a); and
- (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

This section provides an assessment of reasonably practicable options and associated provisions (policies, rules and standards) for achieving the objectives in accordance with these requirements. This assessment of options is focused on the key changes from the status quo as outlined in the 'proposed management approach' in section 5.3 of this report.

Each option is assessed in terms of the benefits, costs, and effectiveness and efficiency of the provisions, along with the risks of not acting or acting when information is uncertain or insufficient. For the purposes of this assessment:

- *effectiveness* assesses how successful the provisions are likely to be in achieving the objectives and addressing the identified issues
- *efficiency* measures whether the provisions will be likely to achieve the objectives at the least cost or highest net benefit to society.

The sections below provide an assessment of options (and associated provisions) for achieving the objectives in accordance with sections 32(1)(b) and 32(2) of the RMA.

7.9.2 Quantification of benefits and costs

Section 32(2)(b) of the RMA requires that, where practicable, the benefits and costs (environmental, economic, social and cultural) of a proposal are quantified. The requirement to quantify benefits and costs if practicable recognises it is often difficult and, in some cases, inappropriate to quantify certain costs and benefits through section 32 evaluations, particularly those relating to non-market values.

As discussed in **Section 7.5**, the scale and significance of the effects of proposed changes for the business zones are assessed as being medium. Therefore, exact quantification of the benefits and costs of the different options to achieve the objectives is not considered to be necessary or practicable. Rather this evaluation focuses on providing a qualitative assessment of the environmental, economic, social and cultural benefits and costs anticipated from the provisions.

7.9.3 Evaluation of options

The below evaluation of options is based on retaining the status quo of the ODP, and the proposed approach of introducing a third business zone. The purpose of the evaluation is to analyse which option is best suited to enabling a variety of commercial uses within the business zones, while managing the effects from these uses both within the zones and on the interfaces with other zones.

Benefits	Costs	Risk of acting / not acting

- Controls are generally well understood by both Council staff and plan users.
- Will be able to operate 'business as usual' with little to no disruption to current consenting and compliance practice.

Economic growth and employment opportunities

• As the status quo seeks to retain 'business as usual', no additional economic growth is anticipated.

- The status quo does not provide for the demand anticipated for commercial and industrial zoned land in the next ten years. This may mean that Council falls short of its obligations under section 31 of the RMA.
- The Commercial and Industrial zones lack specificity in terms of what activities can establish in each zone, and therefore inappropriate activities may establish in either zone. This may create undesirable outcomes for the environment and the community.
- Industrial has historically been used by commercial development, pushing it into the Rural Production zone due to the rules being effects based and not considering the effects as different.
- The Commercial zone provisions are outdated in that the provisions only cater for a limited amount of commercial activities and do not encourage reactivation of street frontages.
- The Industrial zone is currently for all industrial activities within the District and does not recognise the difference in effects which may be anticipated from the wide range of industrial activities e.g. a timber mill vs a contractors depot.
- Users of the plan struggle to understand that residential development is provided for in the commercial zone.

• The risk of retaining the status quo is that the chapter will lack specificity about what activities can establish in each business zone and this may create further adverse effects stemming from these activities. In terms of infrastructure, having only a Commercial zone and an Industrial zone doesn't create certainty about what level of infrastructure service the zone can expect. For example, different areas of industrial zoning may not have reticulated wastewater and this is not reflected in the current zone framework.

Effectiveness

Retaining the status quo of having two business zones is not considered
effective as it lacks clarity about what activities and therefore effects are
anticipated in each zone. This may mean that inappropriate activities are
established across the two zones which leads to adverse outcomes.

Efficiency

Retaining the status quo would be efficient in terms of consenting and compliance
practices. However, the approach may not be efficient in that the current zones
are not fit for purpose and result in adverse environmental outcomes for the
District.

Overall evaluation

On balance this option is not considered to be the most appropriate option to achieve the objectives because:

- Lacks specificity about what activities are anticipated within each zone.
- There is no distinction between light and heavy industrial activities which may have significantly different effects and therefore need to be managed accordingly.
- The Commercial zone currently lacks specificity about what type of activity is anticipated in the zone and what outcomes are aimed for in terms of amenity, vibrancy and active street frontages.

7.9.3.2 Option 2: Proposed approach

Option 2: Introduce three business zones; Mixed Use, Light Industrial and Heavy Industrial and align with the Planning Standards

Benefits	Costs	Risk of acting / not acting
 Each zone has specific activities and outcomes for the activities that are anticipated within the zone. Having activity based framework is a change of regime from status quo however is intended to add clarity a specificity to the rule framework. The rule framework is specifically tailored to encoura appropriate activities within the zones, which do not fit the outcomes the zones. Where appropriate, rules have been adapted and roll over from the Commercial and Industrial rules in the second content of the commercial and Industrial rules in the second content of the commercial and Industrial rules in the second content of the commercial and Industrial rules in the second content of the second content o	 As this is a change in regime, there will be costs to both communities and Council staff in learning new rules and applying them for consenting and compliance purposes. However, some provisions have been rolled over from the ODP and the proposed rules are not a significant shift away from status quo so it is envisioned that plan users will be able to adapt accordingly. 	 The risk of not acting is that the rules and zoning for business land will lack specificity and the district will continue to experience land fragmentation, land sterilisation and issues arising from reverse sensitivity. It will result in inadequate business land supply, which will constrain economic growth for the
ODP. This enables plan users to have continuity with a current plan. • Adverse effects from activities are managements.		
Adverse effects from activities are manage	ed	

- appropriately for the type and scale of activity. For example, splitting up light and heavy industry allows for the differing effects of these activities to be managed accordingly.
- Enables reverse sensitivity issues to be managed appropriately and in a focussed way.
- The Mixed Use zone focuses on creating vibrant urban centres which was lacking in the current framework.
- Meets statutory requirements in terms of meeting demand for business land in line with section 31 of the RMA
- Ensures that infrastructure is provided in an appropriate way; for example, not all Heavy Industrial zoned areas will have reticulated wastewater whereas Light Industrial zoned areas will.
- Ensures the expectance and provision of infrastructure in the Mixed Use zone.
- Align with the Planning Standards.

Economic growth and employment opportunities

- Creating vibrant urban centres through a Mixed Use zone may result in economic growth and employment opportunities in the future.
- Managing industrial zones and activities within these zones appropriately may result in economic growth and employment opportunities in the future.

Effectiveness

• The introduction of a third business zone is considered to be effective in terms of adding clarity and specificity to the plan in order to enable the right activities in the right places, and to manage adverse effects accordingly. The rule framework aims to encourage certain activities within the zones, while managing adverse effects from these activities, both within the zones and on the interface of the zones. As well as this, the PDP rule framework rolls over some rules from the ODP where it is considered that these rules are effective in managing the urban environments and are in line with the proposed objectives of the PDP. Separating the business zones into three and adding clarity to the rule framework is considered to be an effective method of

Efficiency

As this represents a change in regime, this option may not be overly efficient to start off with as it will require relearning for plan users in terms of consenting and compliance. However, it is considered that overall the introduction of Heavy Industrial and Light Industrial zones will result in efficiencies in that it will be clear what activities can establish in each zone and how the effects from these activities should be managed. The Mixed Use zone is seen to be an efficient way of managing commercial uses of land throughout the District as it creates a clear and specific framework for the establishment of activities while being clear on what outcomes are proposed for the zone. In the long term, this will create efficiencies

managing the business zones.	for plan users.

Overall evaluation

On balance this option is considered to be the most appropriate option to achieve the objectives because:

- Enables a variety of commercial and industrial activities within the zones, while being clear about where these activities should establish and what effects may be anticipated from them.
- Manages the effects that commercial and industrial uses of land may have on the environment.
- Discourages certain activities from establishing in the Mixed Use, Light Industrial and Heavy Industrial zones where these activities are inappropriate and do not meet the objectives and policies of the zone.
- Adds specificity about what the anticipated outcome of each zone is.
- Allows for effects from industrial activities to be managed according to their scale and environmental disturbance.

7.10 Summary of Business Zones

An evaluation of the proposed objectives and provisions for the business zones has been carried out in accordance with section 32 of the RMA. This evaluation has concluded that the objectives are the most appropriate way to the achieve the purpose of the RMA and the provisions are the most appropriate way to achieve the objectives for the following reasons:

- The Mixed Use zone enables a variety of commercial and residential activities while controlling the amenity of the zone and ensuring that inappropriate uses are discouraged from occurring in the zone.
- The Heavy and Light Industrial zones are designed to provide for different types of industrial
 activities and ancillary activities while managing the effects of these activities within the zone
 as far as practicable.
- The zones are located in areas where there is appropriate infrastructure to support them.
- Effects from commercial and industrial activities are appropriately managed within the zones, while the interfaces with other zones are carefully managed to ensure that reverse sensitivity effects are avoided where possible or mitigated to an acceptable level.

8 Appendices

- 8.1 Commercial and industrial land tool Far North District Council (2020), prepared by BERL
- 8.2 Potential future demand for commercial land Far North District Council (2017), prepared by BERL