

Central Hawke's Bay District Council

District Plan Review

Urban and Settlement Environment Section 32 Topic Report

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1 Introduction

This report contains a summary evaluation of the Urban Environment provisions of the Proposed Central Hawke's Bay District Plan (Proposed District Plan). These provisions are mostly found in the GRZ – General Residential Zone, SETZ – Settlement Zone, COMZ – Commercial Zone, and GIZ – General Industrial Zone chapters of the Proposed Plan. It is important to read this report in conjunction with the Section 32 Overview Report which contains further information and evaluation about the overall approach and direction of the District Plan review and Proposed District Plan.

This report contains a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from implementing the proposed provisions.

The provisions of the Proposed Plan have been assessed against the relevant higher-order documents that have been prepared under the RMA including the Hawke's Bay Regional Policy Statement (RPS).

The General Residential Zone (called the Residential Zone in the Operative Central Hawke's Bay District Plan (Operative District Plan)) covers the residential areas of Waipukurau and Waipawa, representing the most significant concentration of residential settlement in Central Hawke's Bay, with approximately 50% of the District's population living within them. The zone provides principally for low/medium density and low height permanent living accommodation.

The Settlement Zone (called the Township Zone in the Operative District Plan) covers the rural-based settlements of:

- Elsthorpe
- Ongaonga
- Ōtane
- Porangahau
- Takapau
- Tikokino

The Commercial Zone (called the Business 1 Zone in the Operative District Plan) is located in Waipukurau and Waipawa, which are the largest commercial business and rural service centres in the District, providing a wide range of activities, including retail shops, professional and administrative offices, community facilities, personal and household services, entertainment, restaurants and industry.

The General Industrial Zone (called the Business 2 Zone in the Operative District Plan) is located in Waipukurau and Waipawa and is characterised by a range of light industrial and ancillary activities, and large-scale retailing activities that require larger sites for car parking. Many businesses in the zone are involved in handling and processing agricultural and horticultural produce.

2 Statutory & Policy Context

2.1 Resource Management Act

The RMA sets out in section 31 the functions of territorial authorities. The key function for the District Council is the integrated management of the use, development, or protection of land and associated natural and physical resources of the district. 'Natural and physical resources' includes all parts of the natural environment, including air, water, soil, and ecosystems (natural resources) throughout the District.

Section 31(1)(aa) of the RMA requires every local authority to establish, implement and review 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.

Section 5 sets out the purpose of the RMA, which is to promote sustainable management of natural and physical resources and this is explained more in section 5(2).

In this Act, 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.

Sections 6 and 7 of the Act set out principles of national importance and other matters in which the Council shall recognise and provide for, or have particular regard to, when reviewing the District Plan.

There are no section 6 matters that are directly relevant to the urban environment.

Relevant section 7 'Other Matters' seek that the Council has particular regard to the following:

- 7(b) the efficient use and development of natural and physical resources:
- 7(ba) the efficiency of the end use of energy.
- 7(c) the maintenance and enhancement of amenity values:
- 7(f) maintenance and enhancement of the quality of the environment:

Section 8 requires Council to take into account the principles of the Treaty of Waitangi. Tangata whenua, through iwi authorities, have been consulted as part of the review process and the obligation to make informed decisions based on that consultation is noted.

Section 31 of the RMA further requires Councils to control any actual or potential effects of the use, development or protection of land and associated natural and physical resources of the district.

Section 75(3) of the Resource Management Act directs that district plans must give effect to any relevant National Policy Statements (NPSs) and National Environmental Standards (NESs), and to the Regional Policy Statement (RPS).

All of the above matters are relevant when considering network utilities and ensuring their safe, efficient, and sustainable development, operation, maintenance, and upgrading, while also managing potential adverse effects on the environment.

2.2 National Direction

National direction in respect of the urban environment chapters of the Proposed Plan is provided in the following document:

- Resource Management (National Policy Statement on Urban Development) 2020.

2.2.1 National Policy Statement on Urban Development 2020

The former National Policy Statement on Urban Development Capacity 2016 (NPS-UDC) came into effect on 16 December 2016. It provided direction to decision makers under the Resource Management Act 1991 on planning for urban environments, with a particular focus on ensuring that local authorities, through their planning, both:

• Enable urban environments to grow and change in response to the changing needs of the communities, and future generations, and

Provide enough space for their populations to happily live and work, which could be by allowing
development to go "up" by intensifying existing urban areas, and "out" by releasing land for
greenfield areas.

The NPS-UDC was replaced by the National Policy Statement for Urban Development (NPS-UD) which came into force on 20 August 2020.

Section 1.3 (in Part 1) of the National Policy Statement states that the NPS-UD applies to:

- 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.

An 'urban environment' is defined in the NPS-UD as:

"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"

Tier 1 and Tier 2 local authorities are listed in the Appendix to the NPS-UD. Central Hawke's Bay District Council is not listed in the Appendix.

A 'Tier 3' local authority is defined in the NPS-UD as:

"tier 3 local authority means a local authority that has all or part of an urban environment within its region or district, but is not a tier 1 or 2 local authority, and tier 3 regional council and tier 3 territorial authority have corresponding meanings."

The populations of the urban centres of Waipukurau, Waipawa and \bar{O} tane are shown in Table 1 1 .

Table 1: Actual-vs projected population growth in the urban areas

Area	Estimated*			2017 201		ons (Stats NZ) 2023		
	2013	2018	2019	Medium	High	Medium	High	
Central Hawke's Bay district	13,250	14,550	14,850	13,850	14,150	13,900	14,500	
Otane ¹	540	669	710	580	590	580	600	
Waipawa	2,060	2,150	2,180	2,090	2,140	2,090	2,190	
Waipukurau ²	4,050	4,520	4,580	4,130	4,220	4,140	4,340	
*estimate as at June, provisional f	rom 2018; 1	: SA1 aggr	egation; 2	: New SA2 A	reas inclu	de west of th	e airport	

The current populations of the three urban areas are well below 10,000 people and therefore do not fall within the definition of 'urban environment'.

The population growth scenarios for the three areas to 2031 and 2051 are shown in Table 2².

¹ Extrapolated from Table 3, page 10, of the report "Demographic and Economic Growth Projections 2020-2051", prepared by Squillions Ltd (July 2020) (Squillions Report).

² Extrapolated from Table 20, page 34, of the Squillions Report.

Table 2: Population growth scenarios for the urban areas

Area	2019	Senerio	2031	2051	Change 2019- 2031	Change 2019- 2051
		Low	2,220	2,090	40	(90)
Waipawa	2,180	Medium	2,360	2,520	180	340
		High	2,507	2,852	327	672
		Low	4,760	4,190	180	(390)
Waipukurau	4,580	Medium	5,340	6,030	760	1,450
		High	5,890	7,540	1,310	2,960
		Low	770	700	60	(10)
Ōtāne1	710	Medium	950	1,170	240	460
		High	1,151	1,756	441	1,046

Under the 'High' scenarios, it is expected that the population of Ōtāne will increase to 1,151 by 2031, Waipawa will increase to 2,507 by 2031, and Waipukurau will increase to 5,890 by 2031.

Therefore, as none of the populations of the three urban areas are projected to increase to 10,000 people within the next 10 years, none fall within the definition of an 'urban environment'. Given this, the Council is not a 'Tier 3 local authority' and the NPS-UD does not apply to it.

However, if the population of any of the urban areas was to increase to at least 10,000 people within the life of the Proposed Plan, then the Council would immediately become a Tier 3 local authority and the NPS-UD would become applicable.

Regardless of there being is no requirement for the Council to apply the NPS-UD, the NPS-UD includes some helpful objectives and policies that the Council can still have regard to, particularly in taking a long-term approach to planning for urban development in the District.

The NPS-UD 2020 includes eight objectives and eleven policies. Essentially the objectives are for local authorities to:

- provide well-functioning urban environments that enable people and communities to provide
 for their social, economic and cultural wellbeing, and for their health and safety, now and into
 the future (Objective 1)
- make planning decisions that improve housing affordability by supporting competitive land and development markets (Objective 2)
- have district plans that enable more people to live in areas of an urban environment in which one or more of the following apply:
 - o the area is in or near a centre zone or other area with many employment opportunities
 - o the area is well-serviced by existing or planned public transport
 - o there is high demand for housing or for business land in the area, relative to other areas within the urban environment (Objective 3)
- have New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations (Objective 4)
- have planning decisions relating to urban environments take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) (Objective 5)
- have local authority decisions on urban development that affect urban environments:
 - o integrated with infrastructure planning and funding decisions; and
 - o strategic over the medium term and long term; and

- o responsive, particularly in relation to proposals that would supply significant development capacity (Objective 6)
- have robust and frequently updated information about their urban environments and use it to inform planning decisions (Objective 7)
- have urban environments that support reductions in greenhouse gas emissions and are resilient to the current and future effects of climate change (Objective 8)

Policy 2 and Clause 3.2 of the NPS-UD requires Tier 1, 2 and 3 local authorities, at all times, to provide at least sufficient development capacity in its region or district to meet expected demand for housing in existing and new development areas, for both standalone and attached dwellings, in the short term (3 years), medium term (3-10 years) and long term (10-30 years). To be sufficient, the development capacity must be plan-enabled, infrastructure-ready, feasible and reasonably expected to be realised.

The life of a district plan captures the short to medium term (10 years).

Policy 5 requires district plans applying to Tier 3 local authorities to enable heights and density of urban form commensurate with the greater of:

- The level of accessibility by existing or planned active or public transport to a range of commercial activities and community services, or
- Relative demand for housing and business use in that location.

The NPS-UD states that development capacity is 'plan-enabled' for housing or business if³:

- In relation to the short term, it is on land zoned for housing or business use in an operative district plan.
- In relation to the medium term, it is on land zoned for housing or business in an operative or proposed district plan.
- In relation to the long term, it is either on land zoned for housing or business in an operative or proposed district plan, or it is on land identified by a local authority for future urban intensification in an Future Development Strategy (FDS), or if the local authority is not required to have an FDS (as is the case for Central Hawke's Bay District Council), any other relevant plan or strategy.

The NPS-UD states that development is 'infrastructure-ready' if⁴:

- In relation to the short term, there is adequate existing development infrastructure to support the development of the land.
- In relation to the medium term, there is adequate existing development infrastructure to support the development of the land or funding for adequate infrastructure to support development of the land is identified in a long-term plan.
- In relation to the long term, there is adequate existing development infrastructure to support the development of the land, or funding for adequate infrastructure to support development of the land is identified in a long-term plan, or the development infrastructure to support the development capacity is identified in the local authority's infrastructure strategy (as required as part of its long-term plan).

Where there is insufficient development capacity over the short, medium or long term, the Council must immediately notify the Minister for the Environment, and if the insufficiency is wholly or partly a

³ Clause 3.4(1) of the NPS-UD

⁴ Clause 3.4(3) of the NPS-UD

result of RMA planning documents, change those documents to increase development capacity for housing or business land (as applicable) as soon as practicable, and update any other relevant plan or strategy. The Council must also consider other options for increasing development capacity and otherwise enabling development⁵.

Clause 3.10(1) requires every local authority to assess the demand for housing land in urban environments, and the development capacity that is sufficient to meet demand in its region or district in the short term, medium term, and long term.

Clause 3.11(1) of the NPS-UD requires local authorities, when making plans, that affect the development of urban environments to:

- Clearly identify the resource management issues being managed, and
- Use evidence, particularly any relevant Housing and Business Development Capacity Assessments (HBA)⁶, about land and development markets, and the results of the monitoring required by the NPS-UD, to assess the impact of different regulatory and non-regulatory options for urban development and their contribution to:
 - o achieving well-functioning urban environments; and
 - o meeting the requirements to provide at least sufficient development capacity.

Clause 3.11(2) requires local authorities to include the matters referred to in Clause 3.11(1) in relevant evaluation reports and further evaluation reports prepared under sections 32 and 32AA of the Resource Management Act.

2.2.2 National Planning Standards

The first set of National Planning Standards (NPS) were released in April 2019. Their purpose is to improve consistency in district plan and policy structure, format, and content.

The District Plan Structure Standard (Standard #4) and Zone Framework Standard (Standard #8) includes direction as to zone names and the order in which zones must be included in Part 3: Area Specific Matters heading of the Proposed Plan. Designations within the urban environment are also contained within the Designations section under the Part 3: Area Specific Matters heading, which have been formatted in line with the Designations standard (Standard #9).

2.2.3 National Environmental Standards

There are no National Environmental Standards currently in force that are relevant to the urban environment chapters.

2.3 Regional Policy Statement & Regional Plans

2.3.1 Hawke's Bay Regional Resource Management Plan (containing the Regional Policy Statement)

Under Section 75(3)(c) of the RMA, the District Plan must give effect to the Regional Policy Statement (RPS). The Hawke's Bay Regional Policy Statement (RPS) is contained within the Regional Resource Management Plan. The following RPS provisions are particularly relevant to this topic.

OBJ1 To achieve the integrated sustainable management of the natural and physical resources of the Hawke's Bay region, while recognising the importance of resource use activity in Hawke's Bay, and its contribution to the development and prosperity of the region.

⁵ Clause 3.7 of the NPS-UD.

⁶ Only Tier 1 and 2 local authorities are required to prepare HBAs, therefore, this is not a requirement for Central Hawke's Bay District Council (being a Tier 3 local authority).

OBJ UD1 Establish compact, and strongly connected urban form throughout the Region, that:

- a) achieves quality built environments that:
 - provide for a range of housing choices and affordability,
 - ii. have a sense of character and identity,
 - iii. retain heritage values and values important to tangata whenua,
 - iv. are healthy, environmentally sustainable, functionally efficient, and economically and socially resilient, and
 - v. demonstrates consideration of the principles of urban design;
- b) avoids, remedies or mitigates reverse sensitivity effects in accordance with objectives and policies in Chapter 3.5 of this plan;
- c) avoids, remedies or mitigates reverse sensitivity effects on existing strategic and other physical infrastructure in accordance with objectives and policies in Chapter 3.5 and 3.13 of this plan:
- avoids unnecessary encroachment of urban activities on the versatile land of the Heretaunga Plains; and
- avoids or mitigates increasing the frequency or severity of risk to people and property from natural hazards.

2.4 Other Relevant legislation and Policy Documents

There is no other legislation or policy document relevant to the urban environment chapters of the Proposed Plan.

2.5 Local Policies, Plans and Strategies

2.5.1 Iwi Environmental Management Plan

There are currently no iwi management plans relevant to Central Hawke's Bay District.

2.5.2 Statutory Acknowledgements

Heretaunga Tamatea and its hapū is one of six large natural groupings represented by He Toa Takatini who negotiated settlement of the historical Treaty of Waitangi claims of Ngāti Kahungunu, signed on the 26 September 2015. Settlement assets for Tamatea sit with the trustees of the Heretaunga Tamatea Settlement Trust, the post-settlement governance entity.

As part of the deeds of settlement are statutory acknowledgements. These statutory acknowledgements are to be included as appendices in the relevant District Plan. Current State, Issues & Trends

2.5.3 Council Bylaws under the Local Government Act 2002

Part 8 of the Local Government Act 2002 provides Councils with a number of powers, including bylaw making, enforcement and development contribution powers.

The keeping of pigs, bees and poultry in the urban environment is controlled under the Central Hawke's Bay Bylaws: Part 13 – The Keeping of Animals.

2.6 Operative District Plan Approach

2.6.1 Residential Zone

Chapter 5 Residential Zone of the Operative District Plan outlines the issues, objectives, policies, methods, environmental results anticipated, rules and performance standards for urban residential areas within Waipawa and Waipukurau.

The issues identified in this chapter are:

- 'Extent and Diversity of Living Environments satisfy demand for diversity in living environments and future residential growth subject to constraints caused by a lack of servicing, the threat of natural hazards and conflict with non-residential activities'.
- 'Residential Amenity the location, nature and design of buildings and activities within residential areas can result in adverse effects on the amenity of those areas'.

Environment results anticipated in this chapter are:

- 'Retention of the predominant character and scale of development within and around the District's residential settlements'.
- 'A compact and coherent residential area which recognizes the need to achieve:
 - o residential accommodation close to employment and social services
 - o protection of property and lives from the effects of natural hazards
 - o provision of utility services
 - o diversity in housing and lifestyle types, to meet a range of community needs'.
- 'A high degree of residential amenity expressed by way of:
 - o dominance of open space and plantings over buildings
 - o limited high density housing
 - o a safe and efficient residential transport network
 - o compatibility between activities, with residential use the predominant activity.'
- 'Diversity in architecture, providing for individual and community expression, while achieving a reasonable degree of coherence in urban character'.
- 'Maintenance of water quality and availability for residential use particularly where reticulated sewage disposal is not available'.

Under Rule 5.7.3(d) any Permitted Activity or Controlled Activity which does not comply with any one or more of the performance standards in Part 5.7.1 and 5.7.2 is a Restricted Discretionary Activity. Any activity not listed as a Permitted, Controlled or Non-Complying Activity is a Discretionary Activity under Rule 5.7.3(e).

Assessment Criteria relevant to the Residential Zone are included in Part 14.2 - 14.4 of the Operative District Plan and relate to assessing:

- Building and residential density.
- Setback from streets and neighbours.
- Electrical safety distances.
- Outdoor living and service space.
- Access.
- Noise.
- Hours of operation.
- Heavy vehicle storage.
- Noxious or unpleasant activities.
- Community activities, recreational activities (greater than 100m² gross floor area) and commercial activities (where a Controlled Activity).
- Home Occupations (where a Discretionary Activity).
- Visitor Accommodation (where a Discretionary Activity).

2.6.2 Township Zone

Chapter 6 Township Zone of the Operative District Plan outlines the issues, objectives, policies, methods, environmental results anticipated, rules and performance standards for the rural townships in the District⁷.

The issue identified in this chapter is:

• 'Amenity of Townships – the location, natural and design of buildings, activities and their services vary considerably in townships and can, without management, adversely affect the amenity of those townships and their surrounding landscapes'.

Environment results anticipated in this chapter are:

- 'Small rural townships comprising a mixture of residential, business, rural and community activities and with a 'village' amenity'.
- 'Development of activities which permit satisfactory servicing of that development, including wate supply, sewage disposal, stormwater disposal and roading provisions'.
- 'Pleasant living and working environments for the local population, within a variety of township environments which provide a good level of privacy and access to daylight and sunlight'.
- 'Improved energy conservation in providing for facilities and services close to rural populations'.
- 'Access (vehicle and pedestrian) to all properties without compromising the safe and efficient functioning of adjacent roads'.

Under Rule 6.6.2(d) any Permitted Activity which does not comply with any one or more of the performance standards in Part 5.7.1 and 5.7.2 is a Restricted Discretionary Activity. Any activity not listed as a Permitted or Non-Complying Activity is a Discretionary Activity under Rule 6.6.2(e).

Assessment Criteria relevant to the Township Zone are included in Part 14.2 - 14.4 of the Operative District Plan and relate to assessing:

- Building and residential density.
- Building coverage
- Building height and recession lines.
- Setback from streets and neighbours.
- Electrical safety distances.
- Outdoor living and service space.
- Access.
- Noise.
- Hours of operation.
- Noxious or unpleasant activities.

2.6.3 Business 1 Zone & Business 2 Zone

Chapter 7 Business of the Operative District Plan outlines the issues, objectives, policies, methods, environmental results anticipated, rules and performance standards for Business Zone 1 and Business Zone 2 in Waipawa and Waipukurau.

⁷⁷ The Township Zone also relates to coastal townships in the District. However, these are townships are within the Large Lot Residential Zone (Coastal) of the Proposed District Plan, and so are discussed in the Coastal Environment section 32 report.

The issue identified in this chapter is:

• 'Amenity – the establishment and operation of poorly managed businesses can cause noise, odour, dust, loss of visual amenity, and traffic congestion'.

Environment results anticipated in this chapter are:

- 'Enhancement or retention of the vitality, convenience, accessibility and pleasantness of the towns' commercial and retail areas'.
- 'Retention of the existing scale of commercial buildings'.
- 'Adequate car-parkin in relation to a business activity, an car-park surfaces that minimise dust nuisance'.
- 'Minimal noise disturbance within the business environment'.
- 'Adequate public facilities such as street seats, public toilets, rubbish bins, directional signs'.
- 'Preservation of the living environment adjacent to business areas in terms of light admission, noise and odour'.
- 'Limited residential occupation of buildings within busines areas'.
- 'Maintenance of visual amenity of residential sites adjacent to business sites'.
- 'A wide range of business activities within defined locations'.
- 'High customer use of convenient car-parking.
- 'Efficient loading and unloading of goods and convenience access to business'.
- 'Maintaining and enhancing the historic, heritage and cultural values of buildings where such values exist'.

Under Rule 7.6.3(e) any Permitted Activity or Controlled Activity which does not comply with any one or more of the performance standards in Rule 7.7 is a Discretionary Activity. Any activity not listed as a Permitted, Controlled or Non-Complying Activity is a Discretionary Activity under Rule 7.6.3(f).

Assessment Criteria relevant to the Business 1 and 2 Zones are included in Part 14.2 - 14.4 of the Operative District Plan and relate to assessing:

- Building height.
- Setback from streets and neighbours.
- Electrical safety distances.
- Windows verandahs and setback in the Commercial Frontage Area Business 1 Zone.
- Amenity of residential areas adjoining the Business Zones.
- Outdoor Storage
- Buildings by Waipukurau Aerodrome Business 2 Zone.
- Residential activities, rest homes, visitor accommodation, hospitals and educational facilities (where a Controlled Activity).
- Offensive processes Business 2 Zone (where a Discretionary Activity).
- Retailing (less than 400m2 gross floor area) Business 2 Zone (where a Discretionary Activity).
- Catteries and Kennels (where a Discretionary Activity).
- Licensed premises (where a Discretionary Activity).

3 Approach to Evaluation

3.1 Background Research

In 2017, a high-level scoping exercise was undertaken to determine what aspects of the Operative District Plan were in reasonable shape and identify areas for review and the general approach to be taken to review them⁸. With respect to the urban and settlement environment, the scoping report identified the following, as 'the most appropriate, effective and efficient option..., and is therefore the preferred option':

- Residential Zone "...revising and updating the Residential Zone provisions in the District Plan ('a do minimum' approach) to reflect:
 - a) changes in legislation, and changes to national and regional policy statements and plans;
 - b) amendments as necessary to reflect advances in best practice and alignment with approach of neighbouring TLAs; and
 - c) amendments as necessary to reflect community desire for long term sustainability of the established urban areas of Waipukurau and Waipawa, identified through 'Project Thrive'".
- Township Zone "...amendment to the Township Zone provisions in the District Plan to incorporate:
 - a) changes in legislation, and changes to national and regional policy statements and plans;
 - b) amendments as necessary to reflect advances in best practice;
 - c) a succinct description of the character of each of the townships; and
 - d) amendments that allow some distinction between the townships in the rural area and those in the coastal area in giving effect to the New Zealand Coastal Policy Statement."
- Business 1 and Business 2 Zones "... merely revising and updating the Business Zone provisions in the District Plan (a 'do minimum' approach) to reflect:
 - a) changes in legislation, and changes to national and regional policy statements and plans;
 - b) Amendments as necessary to reflect advances in best practice".

As part of the District Plan scoping exercise the following relevant background reports and feedback were also noted.

3.1.1 Residential Zone

Draft Plan Effectiveness Report

- The Residential Chapter (Part 5) of the operative Plan provides for the growth and development
 of the two urban centres of Waipawa and Waipukurau. When the review of the Plan
 commenced it was decided to prepare an Urban Growth Strategy to enable consideration of
 the servicing and infrastructure needs relevant to any proposed expansion and growth of the
 urban centres as part of the review.
- Growth projections provided by the Council's 2014/2015 Economic Report (Economic Solutions Napier, Limited) have the potential to create a demand for appropriately zoned and serviced land to provide for the expansion of residential, industrial and commercial land uses. The expansion or intensification of land uses has the potential to create a demand for provision of services including water, storm water, sewage and land transport.

⁸ "Initial Section 32 Scoping Report – CHB District Plan Review 2017", prepared by Sage Planning HB Ltd, dated 24 August 2017.

- This demand could occur in both existing and new zoned areas.
- Planning for growth and associated infrastructure ultimately provides council with the opportunity to direct how and where growth is provided for as well as managing the effects and costs of growth.
- The District Plan review process provides the appropriate context in which to consider investment in infrastructure as part of growth options being considered by Council to accommodate projected residential, commercial and industrial expansion within the District.

'Project Thrive' Feedback (2016)

The following matters were raised:

Residential Lots

- Review lot sizes. Consider larger minimum sizes in character areas, smaller sizes for affordability and conserving arable land.
- Review the current minimum section size-needs to be larger, no smaller than 2ha (now 1 acre).

Quality Living Environments

- Lack of section size options Waipukurau.
- Lack of smart land-use, housing, quality housing, suburban.
- Keep trees and space.
- Relocatable buildings -rules need to be upheld, enforced.
- Regulated, land utilised efficiently, iwi build, more and quality, maintained, future-proofing social housing.

Retirement Village

• Provide for retirement housing, retirement villages and self-contained flats.

Issues Raised in Staff Interviews

- Review controls on hardstand areas/building coverage in Residential Zones to ensure compliance with Council urban stormwater discharge consents (issued by Hawke's Bay Regional Council).
- Relocatable buildings are going everywhere (could run a report to show how many relocates are occurring). Often no information about the building's history, so do not know if it meets Code. Have a look at current best practice for dealing with them in other District Plans (e.g. Hastings District). Look at including a standard under the relocatable dwelling rules, requiring applicants to provide Council with a building report, including a copy of all plans pertaining to the building (e.g. plans and specifications from previous Council, what standards it was built to, when it was built, what alterations have been made to it since, etc.) Currently there are no standards only assessment matters restricted to appearance/visual amenity matters. Potential problems if buildings not built for different wind zone requirements, etc.
- Need more rules in place for stormwater management, as the systems are pressured in the urban areas need some place-specific rules in relation to achieving hydraulic neutrality.

- Indications in Waipukurau and Waipawa are that there are issues with flooding minimum floor level (RL) needs to be tightened up. Modelling is currently being undertaken which will help determine what rules are needed. There is very little stormwater infrastructure in places.
- Reverse sensitivity rules needed for people near the wastewater treatment ponds in all areas. Especially Waipukurau sensitive activities (e.g. houses, schools, etc.). Mt Herbert is located near a residential zone. The other wastewater treatment ponds are located in the Rural Zone. Need to look at what other councils are doing in relation to this.
- In urban zones most have easements in place, therefore the Council does not rely on esplanade reserves to obtain access for management purposes.
- Residential Unit, Accessory Building need to go to multiple definitions to determine what they
 are
- Minimum lot sizes around duplex housing (in various zones) lot sizes are smaller than allowed
 in the plan, but the concept is good therefore need specific provision for comprehensive
 residential developments reflecting demand for smaller section sizes for retirement housing.
 This is a growing thing the plan needs to allow for it issue is highlighted in the Urban Growth
 Strategy.
- Setbacks for buildings from boundaries in the urban zones 1.5m setback from boundary, but question of where the 1.5m setback applies is it the external wall at ground level, or the eaves of roofs? Review Definition of 'Setback' to confirm.
- Residential Zone setback from streets only controls residential units, but needs to deal with all buildings (Rule 5.8.4).

3.1.2 Township Zone

Draft Plan Effectiveness Report

The following matters were raised:

- Problems have occurred in relation to the consenting of relocatable buildings, particularly in rural townships.
- Permissive performance standards relating to industrial and/or commercial activities in rural townships have the potential to adversely affect rural character and amenity.
- The Plan does not recognise any distinction between the activities provided for in townships in the rural and coastal zones.
- The performance standards relating to the coastal townships are currently the same as the rural townships. There may be benefits in adopting different provisions in the Plan for the coastal townships that reflect the coastal setting and the sensitive coastal environment.

'Project Thrive' Feedback (2016)

- Review lot sizes. Consider larger minimum sizes in character areas, smaller sizes for affordability and conserving arable land.
- Update and enforce design guidelines, especially for relocatables.
- More consultation for planning, keep trees and space.
- Leave Otane 'a Living Lifestyle'.

- Relocatable buildings -rules need to be upheld, enforced.
- Grow sustainably.
- Smaller homes for aging.
- Some development in Otane spoils the atmosphere: removal houses, sections too small, detract from ambience of village.
- Promote no permanent residents at campground / beach, and more Maori home ownership.
- Retirement housing.

<u>Issues Raised in Staff Interviews</u>

The following matters were raised:

- Stormwater neutrality, controls on hardstand areas/building coverage.
- Reverse sensitivity rules needed for people near the wastewater treatment ponds in all areas. Need to look at what other councils are doing in relation to this.
- Minimum lot sizes around duplex housing (in various zones) lot sizes are smaller than allowed
 in the plan, but the concept is good therefore need specific provision for comprehensive
 residential developments reflecting demand for smaller section sizes for retirement housing.
 This is a growing thing the plan needs to allow for it issue is highlighted in the Urban Growth
 Strategy.

3.1.3 Business 1 Zone and Business 2 Zone

District Economic Assessment' (Economic Solutions Ltd, Aug 2013)

The following matters were raised:

- Information provided by Council staff indicates that Business Zone 2 in the Waipawa area comprises a total of 9.02 hectares, all of which is currently used.
- In Waipukurau, the Zone covers some 92.7 hectares in total, of which approximately 41.4 hectares or about 45% is still available for use.
- Thus, there is still a significant amount of zoned and serviced land within the latter community
 available for further industrial development, along with the possible use of some of the existing
 building stock (and potentially the use of suitable land in rural centres/parts of the wider
 district, as with the Takapau/Silver Fern Farms example).

Draft Plan Effectiveness Report

The following matters were raised:

• The performance standards for the Business 1 and 2 Zones require amendment to reflect best practice.

'Project Thrive' Feedback (2016)

- Lack of commercial infrastructure for small business in Waipawa.
- Accommodation for truck drivers, other workers / travellers for work.
- Parking Strategy: Parking strategy to keep free parking with time limit to avoid shop keepers
 using prime parking, consider new parking area for shopkeepers and business owners. Cheap
 /free parking.

- No traffic lights.
- More disabled parking.

<u>Issues Raised in Staff Interviews</u>

The following matters were raised:

- Urban Stormwater consents going back to HBRC that what they require (re. land use activities within stormwater catchments) is too prohibitive.
- Stormwater neutrality, controls on hardstand areas/building coverage in Residential Zones, industrial/commercial zoning control of what's put into the stormwater system Council connection issues (Bylaw).
- Hours of operation in Commercial Zones. How to deal with future businesses, such as Longridge

 trying to pre-empt what is happening with land. i.e. activities that are semi industrial are not linked to the use of the land.

3.2 Draft Urban Growth Strategy 2016

The Draft Strategy was prepared by the Council in 2016 as a desktop exercise to set out the recommended direction for the growth and development of the two town centres of Waipawa and Waipukurau, to provide the context for future Council decisions related to managing residential and commercial growth to 2046. Any issues identified and recommendations made in the document for future growth were also intended to be taken into consideration when preparing the Council's Asset Management Plans and the Infrastructure Strategy Plan required under the Local Government Act 2002, and to provide guidance and direction for the District Plan review. The Draft Strategy was based on an assumption that the Ruataniwha Water Storage Scheme would proceed.

3.3 Household Growth Projections 2018-2028

In 2017, to assist the District Plan review, the Council commissioned Economic Solutions Ltd to provide an update of the demographic and economic growth directions report prepared by Economic Solutions Ltd in 2014 that was based on the 2013 Census and used to inform the Draft Urban Growth Strategy⁹. The report concluded the following in relation to household numbers:

- Total household numbers grew by an estimated 160 between 2013 and 2017 and are projected to grow further by 65 during the year to June 2018, based on recent activity levels. Over the 2018-2028 LTP period, total household numbers in the district are projected to increase by a further 535. The number of households in the combined urban area of Waipukurau/Waipawa/Otane is projected to increase by 340 or 10% (Otane 19%), with Waipukurau accounting for 68% of this gain.
- Household demand growth is projected to be highest over the long-term for sole-person households and 'couple without children' families. The 65+ population of the district is projected to more than double. The Maori ethnic group population in the district is projected to increase by over a half, compared to the European ethnic group increase of around 12%.

3.4 Commercial and Industrial Floorspace Growth Projections 2018-2028

In terms of future commercial/industrial sector floorspace growth in the district during the 2018-2028 period, the 2017 Economic Solutions Ltd (ESL) report¹⁰ concluded the following:

⁹ "Central Hawke's Bay District Long Term Planning – Demographic and Economic Growth Directions 2018-2048", prepared by Economic Solutions Ltd, dated 28 August 2017.

¹⁰ Ibid.

• In terms of future commercial/industrial sector floorspace growth in the district during the next 2018-2028 period, additional total commercial/industrial floorspace demand in the range 10,000m2-30,000m² is forecast, with a midpoint level of 20,000m². These three results are based on assumed underlying annual average growth rates of 0.5%, 1% and 1.5%. The historical period has seen annual average growth in floorspace of just over 1%.

3.5 Consultation

3.5.1 Iwi Consultation

Meetings were held as follows with iwi and hapu to outline (among other District Plan matters) proposed network utilities and renewable energy provisions:

• Hui seeking feedback on the Draft Plan, Rongomaraeroa Marae, Porangahau (20 June 2019).

3.5.2 Wider Consultation

- Public notification of the Draft District Plan, inviting members of the community to attend dropin meetings, and calling for submissions – 3 June 2019.
- Public drop-in meetings were held to present the Draft District Plan:
 - o Waipukurau Club 4 June 2019
 - o Ōtāne Hall 11 June 2019
 - o Porangahau Hall 12 June 2019
 - o Takapau Hall 18 June 2019
 - o Tikokino Hall 19 June 2019
 - o Waipawa Municipal Theatre 25 June 2019
- Informal hearings for submitters to present their submissions on the Draft District Plan to the District Plan Committee 3 February to 21 February 2020.

3.6 Draft Plan Feedback

The Draft Plan included the following relevant urban and settlement environment chapters:

- Chapter 24: Rural Townships Zone;
- Chapter 26: Residential Zone;
- Chapter 27: Commercial Zone; and
- Chapter 28: Mixed-Use Industrial Zone.

Chapter 24: Rural Townships Zone partly replaced Operative District Plan Chapter 6: Township Zone, relating to the rural settlements of Elsthorpe, Ongaonga, Ōtane, Porangahau, Takapau and Tikokino.

The settlements of Kairakau Beach, Mangakuri Beach, Pourerere Beach, Blackhead Beach and Te Paerahi Beach were contained within Chapter 25: Coastal Settlements Zone of the Draft Plan, as they are all located within the coastal environment.

Chapters 27 and 28 of the Draft Plan replaced Operative District Plan Chapter 7: Business.

In addition to the matters raised in submissions, as set out below, submissions were also received in relation to the Draft Plan definitions for commercial activity, community activity, day care facility, educational facility, health care facility, home-based education and care service, hospital, home occupation, household unit, industrial activity, minor residential unit, office, residential unit, residential activity and rest home. Most submissions requested the replacement of definitions with those from the National Planning Standards.

There were also a number of submissions that requested rezoning land, which are discussed further below.

Chapter 24 – Rural Townships Zone

Nine submitters made a total of 22 submission points on the Rural Townships Zone chapter of the Draft Plan – two of these were from local submitters and the rest were made by the following submitter organisations:

- Rural Sector Horticulture New Zealand (HortNZ)
- Network Utilities Powerco, Kiwirail
- Government Agencies New Zealand Defence Force (NZDF), Ministry of Education (MOR),
 Department of Corrections (Corrections) and Fire and Emergency New Zealand (FENZ)

One local submitter queried the activity status in the Rural Townships Zone for the extension of existing industrial activities versus the activity status for entirely new industrial activities within this zone.

Another local submitter made 2 submissions regarding clarifying the point of measurement for calculating the setback of buildings from boundaries (seeking a 1m setback similar to the City of Napier District Plan) and seeking a reduction in the minimum dimensions for outdoor living space on smaller sections. Both these submissions were also made to the Residential Zone chapter.

HortNZ made 2 submissions on this chapter seeking additional text in the Rural Townships Zone statement about how urban spread will be contained in these areas to prevent further intrusion onto productive land and seeking a 30m setback for residential dwellings in the Rural Townships Zone from the boundary with the Rural Zones.

MOE sought amendments to Objective 24.3.3 and Policy 24.4.6 to specifically reference educational facilities.

Key changes to this chapter as a result of this feedback to the Draft included:

- Replacing references to 'home occupations' and 'community activities' with the terms 'home businesses', 'community facilities' and 'education facilities' to be consistent with the terms and definitions in the National Planning Standards.
- Amending Permitted Activity Rule 24.10.1(b) by replacing 'farming activities' with 'Primary Production Activities, including ancillary buildings and structures and excluding mining, quarrying and post-harvest facilities'.
- Amending Permitted Activity Rule 24.10.1(c) relating to visitor accommodation, to specify that the length of stay for any one visitor is not greater than 3 months at one time.
- Adding 'emergency services activities' and 'rest homes' as permitted activities under Rule 24.10.1.
- Added a new performance standard for 'electrical safety distances'.

Chapter 26 - Residential Zone

Two local submitters made submissions on Chapter 26. One of the submissions requested that the minimum setback for buildings from neighbouring boundaries in the Residential Zone (Performance Standard 26.11.5) and the minimum area and dimension for outdoor living spaces (Performance Standard 26.11.6) be reduced. The second submission sought amendments to clarify Performance Standards 26.11.4 and 26.11.5 on setbacks of buildings from streets and neighbours, and to clarify Performance Standard 26.11.17 in relation to the duration of temporary events and vehicle crossing requirements.

In addition, nine submitter organisations (i.e. Powerco, MOE, FENZ, NZDF, Corrections, HB District Health Board (HBDHB), Aggregate & Quarry Association of New Zealand (AQA), Centralines and KiwiRail) made submissions on the Chapter 26 Draft Plan provisions.

Powerco sought an additional objective and policies to ensure land use activities will not result in reverse sensitivity effects on regionally significant infrastructure and other network utilities.

MOE sought an amendment to Objective 26.3.2 and Policy 26.4.3 to include specific reference to 'educational facilities' and requested that educational facilities be provided as a Restricted Discretionary Activity under Rule 26.10.3.

FENZ requested that 'emergency service facilities' be added as a Permitted Activity in the Residential Zone, that 'emergency service facilities' be exempt from the 8m height limit applying to buildings in the Zone, and that 'emergency service facilities' be exempt from the hours of operation limits under Performance Standard 26.11.10.

NZDF requested that Permitted Activity Rules 26.10.1(k) and Performance Standard 26.11.18 be retained, and that Territorial Military Training Activities (Permitted under Rule 26.10.1(k)) that do not comply with the Permitted Activity performance standards be Controlled Activities (under Rule 26.10.2) instead of Restricted Discretionary Activities (under Rule 26.10.3(c)).

Corrections requested that the rules be amended to provide for 'community corrections activities' as a Discretionary Activity under Rule 26.10.4.

HBDHB requested that 'licensed premises' be Discretionary Activities under Rule 26.10.4 on the basis that "it would strengthen community input to liquor licensing decisions".

AQA requested that 'Mining Activities and Gravel Extraction" be deleted from Non-complying Activity Rule 26.10.5 (which would have the effect of changing the status of these activities to Discretionary under Rule 26.10.4(e)).

Centralines requested that the performance standards in the Operative District Plan (i.e. 4.9.8, 5.8.8 and 7.7.9), requiring all new development new electricity infrastructure to comply with the electrical safety distances specified in the New Zealand Code of Practice for Electricity Safety Distances (NZCEP 34:2001) be reinserted into the Draft Plan.

KiwiRail requested that Performance Standard 27.11.4 Setback from Streets be amended to refer to "Setback from the Land Transport Network" and add a new clause to require a minimum 5m setback for all buildings from rail boundaries. The submitter also requested that Performance Standard 27.11.7 be amended.

Key changes to this chapter as a result of this feedback to the Draft included:

- Replacing references to 'home occupations' and 'community activities' with the terms 'home businesses', 'community facilities', 'education facilities' and 'Community Corrections Activities' to be consistent with the terms and definitions in the National Planning Standards.
- Amending Permitted Activity Rule 26.10.1(d) relating to visitor accommodation, to specify that the length of stay for any one visitor is not greater than 3 months at one time.
- Added a new performance standard for 'electrical safety distances'.

Chapter 27 - Commercial Zone

One local submitter made a submission on the Commercial Zone provisions, on Performance Standard 27.11.12 in relation to the duration of temporary events and vehicle crossing requirements.

In addition, nine submitter organisations (i.e. Powerco, MOE, FENZ, NZDF, Corrections, HBDHB, Hawke's Bay Regional Council (HBRC), Centralines and KiwiRail) made submissions on the Chapter 27 Draft Plan provisions.

Powerco sought an additional objective and policies to ensure land use activities will not result in reverse sensitivity effects on regionally significant infrastructure and other network utilities.

MOE sought an amendment to Objective 27.3.2 to include specific reference to 'educational facilities', requested that Policy 27.4.6 be retained as notified, and requested that educational facilities be a Restricted Discretionary Activity under Rule 27.10.3.

FENZ requested that 'emergency service facilities' be added as a Permitted Activity in the Commercial Zone, and that 'emergency service facilities' be exempt from the 12m height limit applying to buildings in the Zone.

NZDF requested that Permitted Activity Rules 27.10.1(g) and Performance Standard 27.11.13 be retained, and that Territorial Military Training Activities (Permitted under Rule 27.10.1(g)) that do not comply with the Permitted Activity performance standards be Controlled Activities under Rule 27.10.2) instead of Restricted Discretionary Activities (under Rule 27.10.3(a)).

Corrections requested that Rule 27.10.1 be amended to provide for 'community corrections activities' as a Permitted Activity.

HBDHB requested that licensed premises be provided for as Restricted Discretionary Activities under Rule 27.10.3.

HBRC requested that the Commercial Zone provisions also consider the potential impact of stormwater and wastewater and amenity values of the environment.

Centralines requested that the performance standards in the Operative District Plan (i.e. 4.9.8, 5.8.8 and 7.7.9), requiring all new development new electricity infrastructure to comply with the electrical safety distances specified in the New Zealand Code of Practice for Electricity Safety Distances (NZCEP 34:2001) be reinserted into the Draft Plan.

KiwiRail requested that Performance Standard 27.11.2 Setback from Streets be amended to refer to "Setback from the Land Transport Network" and add a new clause to require a minimum 5m setback for all buildings from rail boundaries, and that Performance Standard 27.11.7 Noise be amended to also require buildings containing noise sensitive activities to comply with the provisions of Section 18 of the District Plan on Noise, in addition to 'activities'.

Key changes to this chapter as a result of this feedback to the Draft included:

- Replacing references to 'community activities' with the terms 'community facilities', 'education facilities', 'emergency service activities' and 'Community Corrections Activities' to be consistent with the terms and definitions in the National Planning Standards.
- Added a new performance standard for 'electrical safety distances'.

Chapter 28 – Mixed-Use Industrial Zone

One local submitter made a submission on Performance Standard 28.11.11 in relation to the duration of temporary events and vehicle crossing requirements.

In addition, ten submitter organisations (i.e. Woolworths, Powerco, MOE, FENZ, NZDF, Corrections, HBDHB, HortNZ Zealand, Centralines and KiwiRail) made submissions on the Chapter 28 Draft Plan provisions.

Woolworths considered that the zone provisions did not provide for the types of activities the zone sought to provide for i.e. permitted retail limited to 400m^2 was too small, and any retailing over this threshold was a Discretionary Activity (Rule 28.10.4(b)).

Powerco sought an additional objective and policies to ensure land use activities would not result in reverse sensitivity effects on regionally significant infrastructure and other network utilities.

MOE sought an amendment to Objective 28.3.2 to include specific reference to 'educational facilities', requested that Policy 28.4.1 be retained as notified, and that Controlled Activity Rule 28.10.2 be retained as notified.

FENZ requested that 'emergency service facilities' be added as a Permitted Activity in the Mixed-Use Industrial Zone, and that 'emergency service facilities' be exempt from the 12m height limit applying to buildings in the Zone.

NZDF requested that Permitted Activity Rules 28.10.1(i) and Performance Standard 28.11.12 be retained, and that Territorial Military Training Activities (Permitted under Rule 28.10.1(i)) that do not comply with the Permitted Activity performance standards be Controlled Activities under Rule 28.10.2) instead of Restricted Discretionary Activities (under Rule 28.10.3(a)).

Corrections requested that Rule 28.10.1 be amended to provide for 'community corrections activities' as a Permitted Activity.

HBDHB requested licensed premises be provided for as Restricted Discretionary Activities under Rule 28.10.3.

HortNZ requested that Post-Harvest Facilities be provided for as a Restricted Discretionary Activity under Rule 28.10.3 and that the Assessment Criteria in Chapter 29.4.4 for Post-Harvest Facilities should also apply to Chapter 28.

Centralines requested that the performance standards in the Operative District Plan (i.e. 4.9.8, 5.8.8 and 7.7.9), requiring all new development new electricity infrastructure to comply with the electrical safety distances specified in the New Zealand Code of Practice for Electricity Safety Distances (NZCEP 34:2001), be reinserted into the Draft Plan.

KiwiRail requested that Performance Standard 28.11.2 Setback from Streets be amended to refer to "Setback from the Land Transport Network" and amended to require a minimum 5m setback for all buildings from rail boundaries, and that Performance Standard 28.11.5 Noise be amended to also require 'buildings containing noise sensitive activities' to comply with the provisions of Section 18 of the District Plan on Noise, in addition to 'activities'.

Key changes to this chapter as a result of this feedback to the Draft included:

- Replacing references to 'community activities' with the terms 'community facilities', 'education facilities', 'emergency service activities' and 'Community Corrections Activities' to be consistent with the terms and definitions in the National Planning Standards.
- Amended the error in Permitted Activity Rule 28.10.1(g)(ii) to clarify that the sale of goods not manufactured, fabricated or processed on site must be from one retail premises per site with a retail floor area exceeding 400m².
- Added a new performance standard for 'electrical safety distances'.

<u>Note</u>: There were no submissions to the Draft District Plan specifically applying to subdivision within the urban and rural township zones. Therefore, subdivision provisions for those zones remained unchanged following feedback on the Draft District Plan.

Rezoning Requests

A local submitter requested that their property (0.7767ha) at Takapau Road, west of Waipukurau, in the Plains Production Zone in the Draft Plan, be rezoned to Residential Zone.

Another local submitter requested that all of the south side of Svensen Road in Waipukurau, located within the Plains Production Zone, be included in the Residential Zone.

A local submitter requested that the zoning of Kintail Honey property at 11-13 Sydney Terrace, Takapau, be changed from Plains Production Zone to Mixed Used Industrial Zone.

A local submitter sought the inclusion of a new 'Special Character Zone' supported by a structure plan for their property adjoining the existing Residential Zone on Mt Herbert Road, Waipukurau, located within the Rural Production Zone of the Draft District Plan.

A local submitter requested that land located in the Residential Zone of Waipawa, immediately south of the railway line and west of Tamumu Road, be rezoned to Mixed Used Industrial, as it was currently in industrial use, in the same ownership as the Mixed-Used Industrial land adjoining it, and its future use would be for an industrial purpose associated with rail transport.

One submitter sought that the zoning of the Waipawa urban area should be extended, including the provision of more industrial land, however, no details were provided of where the extension(s) should occur.

A local submitter requested that the Scallywaggs Childcare property at 8 Russell Street, Waipukurau, be entirely located within the Commercial Zone, including a property within the Residential Zone on the opposite side of Russell Street (8A Russell Street), located between the Waipukurau Club and St Joseph's Catholic School, which the childcare centre was expanding into.

One submitter requested that land within the Mixed-Use Industrial Zone in Russell Street, Waipukurau, be rezoned to Residential to reflect the current use of the land.

Key changes to the urban environment zones and planning maps as a result of this feedback to the Draft District Plan included:

- rezoning a property located at Takapau Road from Plains Production Zone to General Residential Zone (to match the zoning of an adjoining property to the west of the subject property, currently located within the General Residential Zone).
- Rezoning a property located immediately south of the railway line and west of Tamumu Road in Waipawa, from Residential to General Industrial Zone.
- Rezoning the entire Scallywaggs Childcare property at 8 Russell Street, Waipukurau, to Commercial Zone.

3.7 Household Growth Response Report 2020

The Central Hawke's Bay District Plan Review Household Growth Response report (November 2020)¹¹ reviewed the Draft District Plan's response to accommodating household growth in light of more recent and relevant higher-level statutory planning documents, and with regard to recommended actions and planned direction of growth for Ōtāne, Waipawa and Waipukurau in the Central Hawke's Bay Integrated Spatial Plan 2020-2050 (ISP) (released 24 September 2020). A copy of the report is provided in Appendix A of this report. This included updated household growth projections (by Squillions Ltd), an infrastructure assessment (by VCV Consulting Ltd) and a high-level residential development capacity

¹¹ Prepared by Sage Planning HB Limited, dated 13 November 2020).

assessment for Ōtāne, Waipawa and Waipukurau (by Veros Ltd) prepared as part of the ISP (see Appendix B, Appendix C and Appendix D of this report, respectively).

The high-level residential development capacity analysis undertaken by Veros for the ISP found that, theoretically, all three towns had capacity within the existing Residential /Rural Township Zone boundaries to accommodate projected household growth over the next 30 years (i.e. to 2051), such that:

- Waipawa essentially has double the capacity required;
- Waipukurau has nearly double the capacity required; and
- Ōtāne has well over double the capacity required; and

provided infrastructure issues are resolved.

Veros identified that the single largest issue for yielding projected household growth within the existing towns relates to infrastructure servicing, therefore, the Council needed to complete detailed infrastructure capacity assessments and structure plans. There was also an immediate need for the Council to plan for investment to yield growth and achieve the Project Thrive outcomes of 'smart growth', 'durable infrastructure' and 'environmentally responsible'.

As there was anticipated to be more than sufficient capacity within the existing towns to accommodate projected household growth, even for the next 30 years (which satisfies Policy 2 of the NPS-UD), the Household Growth Response report considered that there was currently no need to rezone any land within the potential urban growth areas identified in the ISP. If household growth over the short to medium term was to exceed the projections, new residential development could be directed to the medium-term potential urban and rural residential growth areas identified in the ISP in the first instance, by way of a change to the District Plan or as part of the next District Plan review.

In addition, the Household Growth Response report found that the three Rural Living Zones provided in the Draft District Plan could potentially yield 278 new rural residential lots, which was approximately 40% of all projected new household growth in the urban area to 2031. It was also anticipated that some new household growth would occur within existing, undeveloped 4000m2 minimum lots in the rural zones, as well as within new Lifestyle Sites that might be subdivided in the Plains Production and Rural Production Zones.

On that basis, the Household Growth Response report considered that the existing Residential Zones, Rural Living Zones, and lifestyle site subdivision rules in the Draft District Plan would provide more than enough capacity to accommodate the projected new household growth over the life of the District Plan. They would also provide the benefit of giving the District's community choices about where that growth could occur.

Therefore, in relation to the Draft District Plan (May 2019), the Household Growth Response report recommended that the:

- 1. Plains Production Zone be retained.
- 2. Rural Production Zone be retained.
- 3. Current Residential Zone boundaries for Waipawa and Waipukurau be retained.
- 4. Current Rural Township Zone boundaries for Ōtāne be retained.
- 5. Current Rural Living Zone areas and locations be retained.
- 6. 4,000 m² minimum lot size for the Rural Living Zone be retained.
- 7. Lifestyle site subdivision rules for the Plains Production and Rural Production Zones be retained.

- 8. Housing and Business Growth Chapter be amended by:
 - a) referring to the NPS-UD (which has replaced the NPS-UDC), the PNPS-HL and the ISP.
 - b) replacing the map in Figure 5A Waipukurau Indicative Urban Growth Nodes with a new map indicating the general direction of potential urban growth in the medium-term around the periphery of Waipukurau identified in the ISP, and adding the Mount Herbert Road 'Rural Living Zone' area identified in the ISP as a potential future Rural Living Zone.
 - c) replacing the map in Figure 5B Waipawa/Otane Growth Nodes with a new map indicating the general direction of potential urban growth in the medium-term around the periphery of Waipawa and Ōtāne identified in the ISP.

3.8 Commercial and Industrial Floorspace Growth 2020-2051

A review of the demand for commercial and industrial floorspace in the district that was undertaken by ESL, was reviewed by Squillions Ltd¹².

The report found that:

- The average commercial and industrial floorspace consented over the last three years was just over 1,300m² annually. Given the disruption from Covid-19, Squillions considered that the additional commercial/industrial floorspace demand forecasted by ESL for the 2018-2028 period looked 'optimistic'.
- In the near term, the significant hit to economic activity from the Covid-19 crisis is likely to leave some buildings vacant and it will take time for demand for new commercial and industrial buildings to pick up even as economic activity recovers.
- The lower end of ESL's forecast is now the most realistic. This would mean an average of less than 1,000m² consented annually for commercial and industrial consents, lower over the next 2-3 years and picking up towards 2028.

3.9 Decision-Making

A series of presentations and discussion documents were presented to the District Plan Committee on the Urban and Settlements Environment topic during the preparation of Draft / Proposed District Plan provisions. These are described in the following table:

¹² "Central Hawke's Bay District – Demographic and Economic Growth Projections 2020-2051", prepared by Squillions Ltd, dated July 2020.

Meeting	Document	Overview and Direction
30 August 2017	Initial Section 32 Scoping Report	Refer to Section 3.1 of this report.
27 September 2017	Discussion documents - Review of issues, objectives and policies of Part 5: Residential Zone, Part 6: Township Zone and Part 7:	Reviewed the issues, objectives and policies relating Parts 5, 6 and 7 of the Operative District Plan and made recommendations on amendments to be made to the Operative District Plan provisions for the Residential Zone, Rural Townships Zone and Business Zones.
	Business Zones of the Operative District Plan	Referred to the review approach identified in the Scoping Report (as set out in Section 3.1 of this report) and the key relevant issues identified in the Scoping Report.
	PowerPoint Presentation	The discussion document on Part 5: Residential Zone referred to issues around retirement housing/villages and residential density in the Operative District Plan, as well as issues relating to relocatable buildings in the District.
		The discussion document on Part 6: Township Zone recommended that the coastal towns be removed from the chapter, and that the chapter be renamed "Part 6: Rural Townships", more descriptive information be inserted about each of the rural townships, strengthen the objectives and policies to recognise and provide for rural amenity and township character., historic character of Otane and Ongaonga, and clearer provisions relating to non-residential activities. It was also recommended that specific provisions in the Operative District Plan for factory farming, extractive industries, pigs, poultry and beekeeping be removed.
		The discussion document on Part 7: Business Zone questioned whether the Business 1 Zone should be renamed 'Inner Commercial Zone', and whether the Business 2 Zone should be renamed 'Mixed Commercial and Industrial Zone'.
25 October 2017	Discussion documents - Review of rules, standards and assessment criteria of Part 5: Residential Zone, Part 6: Township Zone and Part 7: Business Zones of the Operative District Plan PowerPoint Presentation	 Reviewed the rules, standards and assessment criteria of Parts 5, 6 and 7 of the Operative District Plan. For the Residential Zone, main changes recommended: Adding new rule to permit 'showhomes' Created new Restricted Discretionary Activity status - for permitted or controlled activities that do not comply with one or more of the relevant performance standards. Currently they are Discretionary (under Rule 5.7.3), but the plan states that Council's "discretion is restricted"; Simplified Rule 5.7.4 Non-Complying Activities so it applies to 'any other activities that are not provided for as Permitted, Controlled, Restricted Discretionary or Discretionary Activities'; Minor amendments to clarify and simplify rules and standards; Amendments to achieve better consistency with Napier and Hastings District Plans - standards for screening of outdoor storage/service areas and lighting and glare; Question of whether 'building coverage' standard was needed; Question of stormwater attenuation/runoff controls - timing of completion of supporting technical studies;

		 Amendments to Part 14: Resource Consent Assessment Matters; and Amendments to definitions and add new definition for 'showhome. For the Rural Townships Zone, main changes recommended: Inclusion of Pourerere as a Rural Township Updates where appropriate to reflect changes in the Residential Zone: Rule 6.6.1(a) residential activities, removal of reference to pigs, poultry, rooster & bees Rule 6.6.3 new restricted discretionary activity Rule 6.6.5 Catch all, non-complying activity Introduce limits and additional categories for industrial activities Introduce limits for commercial activities New Standard for light and glare Amendments to definitions for 'camping ground', 'visitor accommodation' For the Business Zones, main changes recommended: Delete rules relating to activities within the airport noise boundary applying to Business Zone 1 Add a new restricted discretionary activities rule Amend the non-complying activities rule Delete Prohibited Activities rule and replaced it with a Non-Complying rule Delete building coverage standard Delete hours of operation standard relating to Licensed Premises in the Business Zones Add new light and glare standard for the zones Amend definitions to achieve consistency with Hastings District and City of Napier District Plans.
29 November 2017	Discussion document PowerPoint presentation	District Plan Committee adoption of: Reviewed Rural Townships Zone chapter reviewed draft Residential Zone chapter reviewed draft Business Zones chapter – split into two zones: Commercial Zone and Mixed-Use Industrial Zone
24 April 2018	PowerPoint Presentation and Discussion Document	Presented re-drafted introduction, issue, objectives, policies, reasons, and methods for the Subdivision chapter for the Committee's consideration, including provisions relating to the Residential, Rural Township, Commercial and Mixed-Use Industrial Zones.
20 May 2018	PowerPoint Presentation and Discussion Document	Presented re-drafted rules and standards for the Subdivision chapter for the Committee's consideration.
9 April 2019	PowerPoint presentation Draft District Plan	Submitted Chapters 24, 26, 27 and 28 as part of the entire Draft District Plan for adoption by the District Plan Committee, and for the Draft District Plan to go out for public consultation. Decision made on 10 April for Draft Plan to be publicly notified.

		Public notification of Draft District Plan occurred on 3 June 2019.
18 February 2020	Hearing of informal submissions on the Draft District Plan	Hearing of submissions specifically relating to subdivision.
	Report No.1 Subdivision	
16 March 2020	Hearing of submissions on the Draft District Plan Report No.2 Rural Zoning and Land use	Responded to submission points on Chapter 24 Rural Townships Zone of the Draft District Plan and provided recommendations to the District Plan Committee to address submitter requests. A recommended tracked changes version of Chapter 24: Rural
		Townships Zone was provided with the report.
17 March 2020	Hearing of submissions on the Draft District Plan	Responded to submission points on Chapters 26, 27 and 28 of the Draft District Plan and provided recommendations to the District Plan Committee to address submitter requests.
	Report No. 5 Urban	A recommended tracked changes version of Chapter 26: Residential Zone, Chapter 27: Commercial Zone and Chapter 28: Mixed Use Industrial Zone was provided with the report.
2 November 2020	Hearing of submissions on the Draft District Plan.	Responded to requests in submissions for changes to the zones and planning maps of the Draft District Plan, which included recommendations to accept some requests and to
	Rezoning and Mapping – Addendum response to Rezoning Requests following Completion of the Central Hawke's Bay Integrated Spatial Plan 2020-2050 (released 24 September 2020)	reject others.
11 November 2020	Covering Report on Household Growth Response Household Growth Response Report (November 2020)	Presented the Household Growth Response Report (November 2020) to the District Plan Committee and recommended that the report be received and the recommendations in the report endorsed by the Committee. The recommendation was accepted by the District Plan Committee.
15 December 2020	National Planning Standards version of District Plan	Presented draft Proposed District Plan in National Planning Standards format, including: - Part 2 District-Wide Matters, SUB — Subdivision chapter - Part 3 Area Specific Matters, GRZ — General Residential Zone chapter - Part 3 Area Specific Matters, SETL — Settlement Zone chapter - Part 3 Area Specific Matters, COMZ — Commercial Zone chapter - Part 3 Area Specific Matters, GIZ — General Industrial Zone chapter

3.9.1 Reference to Other Relevant Evaluations

This section 32 topic report should be read in conjunction with the following other section 32 reports:

- Section 32 Overview Evaluation Report
- Section 32 Remaining Chapters & Relocated Building Provisions Report

3.10 Resource Management Issues

The table below details the key issues for the Residential Zone, Township/Rural Townships Zone and Business/Commercial/Mixed-Industrial Zones in the Operative District Plan and the Proposed District Plan.

Operative District Plan Issues

Operative District Plan – Residential Zone Issues

5.2 ISSUE - Extent and Diversity of Living Environments

Satisfy demand for diversity in living environments and future residential growth subject to constraints caused by a lack of servicing, the threat of natural hazards and conflict with non-residential activities.

5.3 ISSUE - Residential Amenity

The location, nature and design of buildings and activities within residential areas can result in adverse effects on the amenity of those areas.

Operative District Plan - Township Zone Issues

6.2 ISSUE - Amenity of Townships

The location, nature, and design of buildings, activities and their services vary considerably in townships and can, without management, adversely affect the amenity of those townships and their surrounding landscapes.

Operative District Plan - Business Zone Issues

7.2 ISSUE - Amenity

The establishment and operation of poorly managed businesses can cause noise, odour, dust, loss of visual amenity, and traffic congestion.

Proposed District Plan Issues

Proposed District Plan - UFD - Urban Form and Development

UFD-I1 Sufficient Development Capacity for Urban Growth

When supply of housing is not able to keep up with demand, this can lead to rapidly increasing property prices, as well as housing affordability challenges.

A lack of supply of land for new urban development constrains potential for economic growth.

Proposed District Plan – GRZ – General Residential Zone Issues

GRZ-I1 Diversity of Living Environments

Satisfying demand for diversity in living environments.

GRZ-I2 Residential Amenity

The location, nature and design of buildings and activities within residential areas can result in adverse effects on the amenity of those areas.

Proposed District Plan – SETZ – Settlement Zone Issues

SETZ-I1 Rural Township Amenity

The location, nature, and design of buildings, activities and their services vary considerably in the rural settlements reflecting the historical mix of activities that give these small townships their distinct character. However, this can, without suitable environmental management, lead to adverse effects on the amenity of those townships and their surrounding landscapes.

Proposed District Plan - COMZ - Commercial Zone Issues

COMZ-I1 Amenity

There is a need to provide for and enable a diverse range of commercial business activities to establish within the urban areas of Waipawa and Waipukurau, as they contribute to the economic and social wellbeing of the District. However, the establishment and operation of businesses without adequate environmental controls can cause noise, odour, dust, loss of visual amenity, and traffic congestion, leading to reduced quality of the environment and incompatibility with other land uses.

COMZ-I2 Reverse Sensitivity

New sensitive activities locating within the Commercial Zone can create actual or potential reverse sensitivity effects.

Proposed District Plan - GIZ - General Industrial Zone Issues

GIZ-I1 Amenity

There is a need to provide for and enable a diverse range of industrial and commercial business activities to establish within the urban areas of Waipawa and Waipukurau, as they contribute to the economic and social wellbeing of the District. However, the establishment and operation of businesses without adequate environmental controls can cause noise, odour, dust, loss of visual amenity, and traffic congestion resulting in reduced quality of the environment and incompatibility with other land uses.

GIZ-I2 Reverse Sensitivity

New sensitive activities locating close to existing industrial activities can create actual or potential reverse sensitivity effects.

Following identification of the issues for the General Residential, Settlement, Commercial and General Industrial Zones, the evaluation involved a review of the existing objectives, policies and methods to determine whether they effectively addressed the issues.

4 Evaluation of Proposed Objectives

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

There are seventeen (14) objectives proposed for the District Plan relating to the urban environment chapters and provisions.

The following evaluates the extent to which those 14 proposed objectives are the most appropriate way to achieve the purpose of the RMA with respect to the sustainable management of the General Residential, Settlement, Commercial and General Industrial Zones, and the issues identified in the previous section:

Strategic Direction LIED Links Form and Day

Proposed Objectives

Strategic Direction - UFD- Urban Form and Development:

UFD-O1	Provide for a	sustainable	supply c	of land	to me	et current	and	future	urban	development	
I	demands.										

UFD-O3 Ensure that new urban development is planned for and undertaken in a manner that is consistent with the matters outlined in the Hawke's Bay Regional Policy Statement.

Area Specific Matters – REZ – Residential Zones - GRS – General Residential Zone:

GRZ-O1 To enable existing and future residential needs to	be met.
-----------------------------------------------------------	---------

GRZ-O2	To provide for the location of appropriate activities within residential areas which benefit local
	communities, but do not detract from the amenity of the area.

GRZ-O3 Enabling individual and community expression in building design and architecture, while managing some elements of development in order to maintain and enhance the character and amenity values of the residential environment.

Area Specific	Matte	rs – RURZ – Rural Zones - SETZ– Settlement Zone:				
SETZ-O1	To m ensur provi	aintain and enhance the attractive open space character of the rural settlements by ring that development is compatible in scale to surrounding activities and structures, and des for generous on-site landscaping, screening and street frontage planting. This will be ved through well-managed design, layout and intensity of land use activities.				
SETZ-O2	by en	aintain and enhance the historic character of the rural settlements of Ongaonga and Ōtane couraging development that is cognisant of and compatible with the historic buildings and cape of these towns.				
SETZ-O3	amen	ovide for non-residential activities, within limits, to locate in the settlements such that their lity is maintained and enhanced, and to provide for the social, economic and cultural wells of the people in these rural communities, and for their health and safety.				
Area Specific	Matte	rs – COMZ– Commercial Zone:				
COMZ-O1	Z-O1 Maintain and enhance the character and amenity values of the commercial that enables commercial activities to support the local economy and provid environment, while avoiding, remedying or mitigating adverse effects within Commercial Zones.					
COMZ-O2	•	plementary and compatible non-commercial activities within the Commercial Zone that gnise the sensitivities and amenity levels within the Commercial Zones.				
COMZ-O3	Busin areas	ess activities which do not detract from the standard of amenity in adjoining residential .				
Area Specific	Matte	rs – GIZ– General Industrial Zone:				
GIZ-O1	tain and enhance the character and amenity values of the General Industrial Zone in a ner that enables a range of activities to support the local economy and provide a pleasant environment, while avoiding, remedying or mitigating adverse effects within and adjoining one.					
GIZ-O2		de for complementary and compatible non-commercial activities within the General trial Zone that recognise the sensitivities and amenity levels within the zone.				
GIZ-O3	Mixe areas	d-use activities which do not detract from the standard of amenity in adjoining residential .				
Comment		These objectives respond directly to the resource management issues of relevance to the Proposed District Plan set out in Section 3.10 of this report.				
Appropriater	ness	Strategic Direction Urban Form and Development				
(relevance, usefulness, achievability,		Proposed Objective UFD-O1 responds to Strategic Issue UFD-I1, which recognises that a lack of supply of land for new urban development constrains potential for economic				
reasonablene		growth.				
	ess	growth. The objectives are consistent with Objective 1 and Objective 4 of the NPS-UD.				
	ess					
	ess	The objectives are consistent with Objective 1 and Objective 4 of the NPS-UD. Objective UFD-O3 seeks to ensure that new urban development is planned for and undertaken in a manner that is consistent with the matters outlined in the Hawke's Bay Regional Policy Statement (RPS). The objective is consistent with Objective OBJ UD1 in the RPS (refer to Section 2.3.1 above). It is considered that the objectives are the most appropriate way to achieve the purpose of the RMA (section 5) of the RMA.				
	2 SS	The objectives are consistent with Objective 1 and Objective 4 of the NPS-UD. Objective UFD-O3 seeks to ensure that new urban development is planned for and undertaken in a manner that is consistent with the matters outlined in the Hawke's Bay Regional Policy Statement (RPS). The objective is consistent with Objective OBJ UD1 in the RPS (refer to Section 2.3.1 above). It is considered that the objectives are the most appropriate way to achieve the purpose				
	2 55	The objectives are consistent with Objective 1 and Objective 4 of the NPS-UD. Objective UFD-O3 seeks to ensure that new urban development is planned for and undertaken in a manner that is consistent with the matters outlined in the Hawke's Bay Regional Policy Statement (RPS). The objective is consistent with Objective OBJ UD1 in the RPS (refer to Section 2.3.1 above). It is considered that the objectives are the most appropriate way to achieve the purpose of the RMA (section 5) of the RMA. GRS – General Residential Zone Proposed Objective GRZ-O1 responds to Issue GRZ-I1, which is satisfying demand for diversity in living environments.				
	ess	The objectives are consistent with Objective 1 and Objective 4 of the NPS-UD. Objective UFD-O3 seeks to ensure that new urban development is planned for and undertaken in a manner that is consistent with the matters outlined in the Hawke's Bay Regional Policy Statement (RPS). The objective is consistent with Objective OBJ UD1 in the RPS (refer to Section 2.3.1 above). It is considered that the objectives are the most appropriate way to achieve the purpose of the RMA (section 5) of the RMA. GRS – General Residential Zone Proposed Objective GRZ-O1 responds to Issue GRZ-I1, which is satisfying demand for				

SETZ – Settlement Zone

Proposed Objectives SETZ-O1, SETZ-O2 and SETZ-O3 respond to Issue SETZ-I1 relating to Rural Township Amenity.

The objectives are considered to be the most appropriate and reasonable way to achieve the purpose of the RMA and SETZ-I1, as they recognise the importance of maintaining the distinct character of the rural settlements, the importance of maintaining and enhancing the strong historic character of the rural settlements of Ongaonga and Ōtane which is valued by the communities, and the need to provide for non-residential activities which provide useful services or employment, and reflects the close economic, social and physical linkages between the rural settlements and their surrounding rural land. They are consistent with section 5(2), 7(b), 7(c) and 7(f) of the RMA.

COMZ - Commercial Zone

Objective COMZ-O1 responds to Issue COMZ-I1, as it recognises the importance of maintaining and enhancing the character, quality and amenity values of the commercial areas of Waipawa and Waipukurau, to support the social and economic wellbeing of the District.

Objective COMZ-O2 responds to Issues COMZ-I1 and COMZ-I2, as they recognise the importance of providing for a wide range of activities within the Commercial Zone to support the economic and social wellbeing of the District. However, the establishment of more sensitive activities within the zone can potentially restrict the operation of lawfully established commercial activities in relation to environmental standards.

Objective COMZ-O3 responds to Issue COMZ-I1, as it recognises the importance of there being adequate environmental controls for the establishment and operation of activities within the Commercial Zone to ensure they do not lead to reduced quality of the environment and incompatibility with other land uses in adjoining residential areas.

Objectives COMZ-O1, COMZ-O2 and COMZ-O3 are considered the most appropriate and reasonable way to achieve the purpose of the RMA (section 5) and sections 7(b), 7(c) and 7(f) of the RMA.

<u>GIZ – General Industrial Zone</u>

Objective GIZ-O1 responds to Issue GIZ-I1, as it recognises the importance of maintaining and enhancing the character, quality and amenity values of the industrial areas of Waipawa and Waipukurau, to support the social and economic wellbeing of the District.

Objective GIZ-O2 responds to Issues GIZ-I1 and GIZ-I2, as it recognises the importance of providing for a wide range of activities within the General Industrial Zone to support the economic and social wellbeing of the District. However, the establishment of more sensitive activities within the zone can potentially restrict the operation of lawfully established commercial activities in relation to environmental standards.

Objective GIZ-O3 responds to Issue GIZ-I1, as it recognises the importance of there being adequate environmental controls for the establishment and operation of activities within the General Industrial Zone to ensure they do not lead to reduced quality of the environment and incompatibility with other land uses in adjoining residential areas.

Objectives GIZ-O1, GIZ-O2 and GIZ-O3 are considered the most appropriate and reasonable way to achieve the purpose of the RMA (section 5) and sections 7(b), 7(c) and 7(f) of the RMA.

Summary

Given the above, the proposed suite of objectives is deemed appropriate in terms of achieving the purpose of the RMA being the sustainable management of the District's natural and physical resources.

These objectives are in line with Council's functions under section 31 of the RMA, including establishment of objectives to achieve integrated management of the effects of the use, development, and protection of land and associated natural and physical resources of the District, and give effect to relevant Part 2 matters and relevant matters in the RPS, and is not inconsistent with the RPS/RMMP.

Other Alternatives Considered

Maintaining the status quo – being retention of the following existing objectives in the Operative District Plan:

Part 5 Residential Zone

5.2.1 Objective

To enable existing and future residential needs to be met, subject to the constraints imposed by servicing and the natural and physical environment.

5.3.1 Objectives

- a. The location of appropriate activities within residential areas which benefit local communities or are appropriate interim use of residential land, but do not detract from the amenities of the area.
- b. Individual and community expression of architecture, while otherwise controlling development in order to achieve a pleasant residential environment.

Part 6 Townships

Objective 6.2.1

A spacious appearance and level of amenity necessary for the enjoyment of residents in the townships, while enabling a range of businesses to establish and operate.

Part 7 Business

Objective 7.2.1

Areas of business activity having a standard of amenity and provide a pleasant work environment.

Objective 7.2.5

Business activities which do not detract from the standard of amenity in adjoining residential areas.

Preferred Option & Reasons

The proposed suite of objectives is the preferred option.

They include two new specific objectives for Urban Form and Direction, which are consistent with Objectives 1 and 4 of the NPS-UD, and Objective OBJ UD1 in the RPS.

The proposed objectives for the GRZ – General Residential Zone are similar to the Residential Zone objectives in the Operative District Plan but the wording has been simplified and expanded to better reflect the policies, rules and standards that relate to them.

The proposed objectives for the SETZ – Settlement Zone are more appropriate than the current Operative District Plan Township objectives, as they refer to maintaining and enhancing the particular elements of the settlements that characterise them (e.g. open space, generous on-site landscaping, screening and street frontage planting, and historic character).

While the current Business Zones objectives are considered to be generally appropriate, the proposed objectives are more appropriate as they have been separated into specific objectives for the COMZ – Commercial Zone and specific objectives for the GIS – General Industrial Zone, and they have been expanded to refer to maintaining and enhancing the character, as well as amenity values, of the commercial and industrial areas, to recognise the need to avoid, remedy or mitigate adverse effects from within and adjoining the zones, and to refer to providing for complementary and compatible non-commercial activities within the zones that recognise the existing sensitivities and amenity levels of the zones.

The proposed objectives have been through a thorough review process, including scrutiny by Council's District Plan Committee, and were subject to a publicly notified Draft District Plan process involving presentation and consideration of informal submissions which resulted in amendments.

The proposed objectives address the identified resource management issues more comprehensively than the corresponding objectives in the Operative District Plan and respond to higher order statutory documents adopted after the current District Plan was made operative in 2003 (including the NPS-UD and Hawke's Bay RPS/RRMP (2006)).

Therefore, this suite of objectives is deemed the most appropriate way to achieve sustainable management of the natural and physical resources (the purpose of the RMA).

5 Evaluation of Proposed Provisions (Policies and Methods)

Section 32(1)(b) requires an evaluation of whether the proposed provisions are the most appropriate way to achieve the objectives by identifying other reasonably practicable options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions.

The assessment must identify and assess the benefits and costs of environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including opportunities for economic growth and employment. The assessment must, if practicable, quantify the benefits and costs and assess the risk of acting or not acting if there is uncertain or insufficient information available about the subject matter.

5.1 Identification of Reasonably Practicable Options

The other options that were deemed reasonably practicable for achieving the above objectives of the Proposed Plan in relation to the urban environment, are:

 Retaining the Status Quo – rely on the policies and methods currently contained in the Operative District Plan.

5.1.1 Evaluation of Option 1 – Status Quo

The status quo in the Operative District Plan involves:

- Retention of Part 5 Residential Zone Seventeen policies, and rules specifying the types and nature of activities provided for as Permitted Activities (Rule 5.7.1), Controlled Activities (Rule 5.7.2), Discretionary Activities (Rule 5.7.3) and Non-Complying Activities (Rule 5.7.4), and performance standards relating to building and residential density, height of buildings, recession lines, setback from streets, setback from neighbours, outdoor living space, outdoor service space, electrical safety distances, access, noise, hours of operation, heavy vehicle storage, noxious or unpleasant activities and setback from faultlines.
- Retention of Part 6 Townships six policies, and rules specifying the types and nature of activities provided for as Permitted Activities (Rule 6.6.1), Discretionary Activities (Rule 6.6.2) and Non-Complying Activities (Rule 6.6.3), and performance standards relating to building density, building coverage, heigh of buildings, setback from streets, setback from neighbours, outdoor living space, outdoor service space, access, outdoor storage, hours of operation, noise, noxious or unpleasant activities, electrical safety distances, and setback from faultlines.
- Retention of Part 7 Business six policies, and rules specifying the types and nature of activities provided for in the Business Zone 1 (Inner Commercial) and the Business 2 Zone (General Commercial and Industrial) as Permitted Activities (Rule 7.6.1), Controlled Activities (Rule 7.6.2), Discretionary Activities (Rule 7.6.3) and Non-Complying Activities (Rule 7.6.4), and performance standards relating to height of buildings, setback from streets, building coverage, verandahs, windows, outdoor storage, amenities of Residential Zones, noise, electrical safety distances, setback from faultlines and buildings by Waipukurau Aerodrome.
- Retention of resource consent assessment matters in Part 14.

While retaining the status quo would be efficient in terms of administrative simplicity, it would result in the following issues:

• Inclusion of definitions that are not consistent with the definitions of the National Planning Standards.

- Inconsistent with the provisions of other district plans, where appropriate, particularly neighbouring ones (Hastings District and City of Napier District Plans).
- Will include rules for Discretionary Activities which state that the Council's discretion and which should be more appropriately identified as 'Restricted Discretionary Activities'.
- Relocated buildings provisions would remain in a separate chapter of the plan and require Discretionary Activity resource consent under Rule 12.3.1 of the Operative District Plan.
- Will retain some urban growth elements within the policies of the Residential Zone that are better suited as strategic objectives and policies relating to urban form and development (as proposed within Strategic Direction UFD Urban Form and Development).
- Will include some repetition of policies and policies that do not appropriately or sufficiently reflect the rules and standards that relate to them.
- Will include no specific provisions for show homes, rest homes and camping grounds (in the rural townships/settlements).
- Will retain provisions for the keeping of pigs, poultry and bees which are considered to be more appropriately controlled through the Central Hawke's Bay District Council Bylaw: Part 13 The Keeping of Animals, Poultry and Bees (2008)).
- Will retain specific provisions for 'Licensed Premises' which are considered to be better controlled by the general provisions for 'Commercial Activities' and through liquor licenses (e.g. hours of operation).
- Will include policies in the Township Zone that do not adequately reflect the range of activities, character and amenity of the rural settlements, including the special historic character of Ōtane and Ongaonga.
- Will retain provisions that relate to the Business 1 and Business 2 Zones (instead of specific provisions for the COMZ Commercial Zone and GIZ General Industrial Zone) which are not consistent with the requirements of the National Planning Standards.
- Will not include a 'catch-all' non-complying activity rule that would provide greater clarity and better catch unanticipated activities in the zones.
- Will retain the same minimum lot sizes for subdivision in all of the zones.

For the above reasons, this option is <u>not</u> considered the most appropriate way to achieve the proposed objectives.

5.1.2 Summary

The evaluation above concludes that the current approach in the Operative District Plan is not the most effective way to achieve the Proposed District Plan objectives and will result in the issues identified in Section 5.1.1 above.

Therefore, the preferred approach is the proposed one.

5.2 Evaluation of Proposed Policies and Methods

Building on the approach to evaluation in Section 3 of this report, including background research, analysis and technical assessments, and an iterative process including public feedback on informal submissions to the Draft District Plan, this section of the report provides a summary evaluation of the provisions in terms of assessing their efficiency and effectiveness in achieving the objectives.

In undertaking this assessment, the emphasis is on the issue(s), and the policies and methods proposed to achieve the objective(s) surrounding the issue.

As per section 32(1)(c), the evaluation below contains a level of detail that corresponds to the scale and significance of the effects that are anticipated from the implementation of the provisions.

5.2.1 UFD – Urban Form and Development

Issue(s)	UFD-I1 Sufficient Development Capacity for Urban Growth		
	When supply of housing is not able to keep up with demand, this can lead to rapidly increasing property prices, as well as housing affordability challenges.		
	A lack of supply of land for new urban development constrains potential for economic growth.		
	<u>Explanation</u>		
	The District requires sufficient development capacity for future urban growth.		
	Demographic projections for Central Hawke's Bay District, predict an increase in population and declining household size leading to a need to provide for modest housing demand during the short term (2018-2031) of approximately 1,322 new households across the District (adopting the high projection by Stats NZ). Much of this demand (approximately 55%) is projected to continue to concentrate in and around the urban areas of Waipukurau and Waipawa, and the settlement of Ōtane.		
	Forecast demand for additional industrial floorspace over the $2018 - 2028$ period suggests a potential requirement for $1 - 2$ hectares of land to accommodate new building construction. However, indications are that there is currently sufficient industrial land within the urban boundaries to satisfy demand in the short-term. A potential future greenfield industrial growth area comprising 16.4 hectares is identified for Waipukurau in Figure 3 above (west of the Waipukurau urban boundary, between Takapau Road/State Highway 2 and the Tukituki River), to meet medium (and long-term) demand.		
Associated Objective(s)	UFD-O1 and UFD-O3		
Proposed Suite of Provisions	Effectiveness and Efficiency		
	Benefits	Costs	
Policies: UFD-P1 To provide a range of urban development opportunities within the District. UFD-P3 To prioritise the efficient utilisation and operation of existing infrastructure.	Environmental:	Environmental:	
	Provides direction for strategic management of urban growth that aims to avoid widespread adverse environmental effects associated with ad-hoc urban	There are no obvious environmental costs associated with the proposed policies and methods.	

UFD-P4 To prepare comprehensive structure plans, prior to any plan change application to amend the zoning of identified urban growth areas to facilitate urban development.

Methods:

UFD-M1 Area-Specific Provisions

The use of zoning to avoid ad-hoc urban development: General Residential, Commercial and General Industrial Zones.

UFD-M2 Infrastructure Upgrades

Directing resources toward upgrading the infrastructural resources of urban areas to accommodate increased urban development through the long-term and annual planning processes.

UFD-M3 Structure Plans

Preparation of a comprehensive structure plan to guide development in any future urban growth areas in accordance with Policies UD10.1-UD10.4 and Policy UD12 of the Regional Policy Statement, followed by a plan change application to amend the zoning to facilitate development.

Requirement for subsequent development of any future urban growth area to implement the objectives of any relevant Structure Plan.

UFD-M4 Monitoring and Review

Regular monitoring and review of the uptake of residential and business land in the District.

development, particularly effects on highly productive land.

Provides a process via the preparation of structure plans prior to any rezoning for urban growth which will ensure that appropriate infrastructure services are provided to support it and development is designed to manage adverse effects on the environment.

Economic:

Social:

Provides direction for the timely provision of land and infrastructure to meet demand for residential, commercial and industrial growth in a way that is economically affordable, efficient and equitable.

The process in this chapter will promote more efficient provision of infrastructure services to meet needs of anticipated urban growth and associated cost benefits.

Social:

More sustainable, compact and vibrant urban environments that meet demand for living, working and business, focusing on development within the existing urban boundaries in the first instance.

Provision of indicative direction for future residential and industrial greenfield development, and residential infill, while enabling a degree of flexibility to respond to urban growth as and when it occurs (anticipated to occur beyond the life of the Proposed District Plan). This gives the community and developers guidance for future decisions around urban growth without dictating where, when and how much land is released at this time.

Economic:

Potentially greater up-front costs associated with implementing the policy direction introduced by this chapter.

Cultural: Acknowledges and supports the existing form and character of Waipawa, Waipukurau and Ōtane as the main urban areas of the District. Cultural: No obvious cultural costs.

Opportunities for economic growth and employment

Future economic growth and employment opportunities may come from increased population and development concentrated in the existing urban boundaries of Waipawa, Waipukurau and Ōtane. These towns currently have sufficient capacity to cater for anticipated household and commercial/industrial growth over the life of the Proposed District Plan

Summary of efficiency and effectiveness of the provisions in achieving the objectives

The proposed policies and methods are considered efficient and effective in addressing the issue identified and generally provide an efficient way to achieve Objectives UDF-O1 and UFD-O3 and the benefits of providing for a consolidated urban form outweigh the costs. The primary benefits of the methods are that they encourage an efficient use of existing infrastructure through restricting urban sprawl and reducing the need to develop new infrastructure, while indicating the direction of future urban growth.

5.2.2 GRZ General Residential Zone

Issue(s)	GRZ-I1 Diversity of Living Environments		
	Satisfying demand for diversity in living environments.		
	<u>Explanation</u>		
	The residential areas of Waipukurau and Waipawa are generally density environment, with some consolidation and infill having tall has developed.		
	People's needs and lifestyle preferences for housing differ in terr detached dwellings, rental accommodation, and senior citizens' h living environment sought by residents, while still maintaining an	ousing. The District Plan recognises and provides for diversity in	
	GRZ-I2 Residential Amenity		
	The location, nature and design of buildings and activities within residential areas can result in adverse effects on those areas.		
	<u>Explanation</u>		
	Well-being is enhanced by a pleasant living environment. This often depends on the character of existing residential areas. character includes the location and scale of open space, density and predominant style of residential development, and height buildings.		
	Residential areas have always contained a range of complementary non-residential activities catering for the educational, spiritual, social, recreational, and day-to-day economic needs of the residents. Many of these activities require a residential location, as they provide a local service for residents, such as doctors' surgeries and pre-schools. These activities often generate traffic and can result in on-street parking, or cause noise and glare, particularly from outdoor activities, which can cause a nuisance for neighbours.		
	Compatibility between residential and non-residential activities is desirable if the standard of ame maintained at an acceptable level. Home-based business activities (known as 'home businesses') may bring many social and economic benefits but can also cause problems in residential areas. The range of character and scale vary considerably. Like other non-residential activities, the potential of these activities can become a problem. The likely rate at which traffic is drawn to a site often relates to the scale extent of retailing that may be involved. Measures, such as placing limitations on the scale of activities the number of persons employed in the activity who are not living on the site, are commonly adopted adverse effects.		
Associated Objective(s)	GRZ-O1, GRZ-O2, GRZ-O3 and SUB-O2		
Proposed Suite of Provisions	Effectiveness and Efficiency		
	Benefits	Costs	
Policies:	Environmental:	Environmental:	
GRZ-P1 To enable a mixture of housing and lifestyles in the General Residential Zone by avoiding the distinction between, and restrictions on, various residential housing types.	Provisions generally provide for the same or similar activities and associated standards as the Operative	No obvious environmental costs associated with the proposed provisions.	

GRZ-P2 To enable higher density development associated with senior citizens' housing, as an alternative to medium-density living environments.

GRZ-P3 To enable the establishment of certain non-residential uses, such as home businesses, educational facilities and primary production activities, as an integral component of the General Residential Zone, to enable people to provide for their social, economic and cultural wellbeing, and for their health and safety, while maintaining and enhancing the character and amenity values of the zone.

GRZ-P4 To promote medium density development as the predominant residential character.

GRZ-P5 To confine the General Residential Zone within Waipukurau and Waipawa to those areas of the towns which are, or are likely to be, provided with infrastructural services of formed and sealed roading, footpaths, reticulated water supply, stormwater and sewage treatment and disposal.

GRZ-P6 To allow limited primary production activities in the General Residential Zone which maintain the character and amenity values of the residential environment.

GRZ-P7 To ensure the design and siting of development, such as building height, building coverage, height in relation to boundaries and setbacks, provision of outdoor living and service areas, is such that:

- development will not unreasonably deny neighbouring properties of outlook, sunlight or daylight;
- 2. ample on-site outdoor living space is provided;
- 3. an attractive streetscape is maintained; and
- the character and scale of buildings and open space are compatible with the anticipated residential environment.

GRZ-P8 To ensure on-site parking and manoeuvring areas for vehicles are provided, and on-site heavy vehicle storage is restricted for the convenience and safety of residents and visitors, and to maintain the amenity of residential streets.

GRZ-P9 To encourage the incorporation of open space and plantings within residential developments for amenity purposes.

 ${\tt SUB-P1} \ \ {\tt To\ establish\ standards\ for\ minimum\ lot\ sizes\ for\ each\ zone\ in\ the\ District.}$

Methods:

GRZ-M1 Other Provisions in the District Plan

Other sections of the District Plan contain additional rules and standards applying to activities in the General Residential Zone:

- NU Network Utilities includes rules and standards relating to network utility operations.
- TRAN Transport includes rules and standards relating to access, parking, and loading.
- HAZS Hazardous Substances includes rules relating to the storage, handling and use of hazardous substances, and rules applying to major hazardous facilities.
- NH Natural Hazards includes rules applying in areas specifically identified as subject to natural hazards.

District Plan, including retaining the current subdivision minimum lot size, therefore, amenity levels within the proposed General Residential Zone will remain consistent with those of the existing Residential Zone.

The provisions exempt domestic water storage tanks up to 2m in height from the height in relation to boundary and setback from neighbours standards which will give people living with the zone ability to supplement their water supply and provide greater resilience in times of water shortages. Environmental benefits with respect to reducing stormwater runoff from residential sites to the Council's reticulated stormwater system.

Economic:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the General Residential Zone.

Relocated buildings now permitted subject to compliance with Permitted Activity standards. This will reduce costs for the community and developers as resource consents (Discretionary Activity) will no longer be required.

Social:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the General Residential Zone.

Cultural:

No obvious cultural benefits associated with the proposed provisions.

Economic:

No obvious economic costs associated with the proposed provisions.

Social:

No obvious social costs associated with the proposed provisions.

Cultural:

- HH Historical Heritage includes rules applying specifically to identified heritage buildings.
- SASM Sites and Areas of Significance to Maori includes rules applying specifically to identified sites of significance.
- TREE Notable Trees includes rules applying specifically to identified notable trees.
- 8. SUB Subdivision includes rules and standards applying to subdivision.
- 9. EW Earthworks includes rules and standards relating to earthworks and land disturbance, mining, quarrying and mineral prospecting and exploration.
- 10. NOISE Noise includes rules and standards relating to the emission of noise.
- 11. LIGHT Light includes rules and standards relating to light and glare.
- 12. PKH Papakāinga and Kaumātua Housing, and associated Marae-based Development includes rules and standards relating to papakāinga and kaumātua housing and marae-based developments on Māori land.
- 13. SIGN Signs includes rules and standards relating to the design and installation of signs.
- 14. TEMP Temporary Activities includes rules and standards relating to temporary activities, temporary buildings, and temporary events.

Rules GRZ-R1 to GRZ-R9 provide for residential activities, showhomes, home businesses, visitor accommodation, day care facilities, educational facilities, commercial activities, community facilities, emergency service activities, and community corrections activities, relocated buildings as Permitted Activities, subject to compliance with conditions. The activity status where these activities do not comply with the conditions is Restricted Discretionary.

Rule GRZ-R10 provides for commercial activities, subject to compliance with conditions. Where the retail sale of goods in a building is more than 75m2 gross floor area (including storage), a Non-Complying Activity resource consent is required under Rule GRZ-R10(3).

Rules GRZ-R11 and GRZ-12 provide for retirement villages, rest homes and relocatable building depots as Discretionary Activities.

Rules GRZ-R14, GRZ-R15 and GRZ-R16 provide for intensive primary production activities, industrial activities and service activities as Non-Complying Activities.

Any other activities not otherwise provided for under the rules are Discretionary Activities under Rule GRZ-R13.

Standards GRZ-S1 to GRZ-S11 control building and residential density, height of buildings, height in relation to boundary, setback from roads and Rail Network, setback from neighbours, outdoor living space and outdoor service space (in relation to residential activities), hours of operation (except for residential activities or visitor accommodation), heavy vehicle storage, screening of outdoor storage and service areas, electrical safety distances.

Assessment Matters GRZ-AM1 to GRZ-AM10 apply to discretionary activities that may be considered (among other factors), recognising that the Council's discretion is not restricted.

SUB - Subdivision:

Rule SUB-R1 provides for subdivision not otherwise provided for as a Permitted Activity, subject to compliance with conditions. Non-compliance with Standard SUB-S1(1) (as outlined below) is a Discretionary Activity.

Standard SUB-S1(1) & (2) specifies the minimum net site area in the General Residential Zone, being:

- 1. Where public sewerage reticulation is available 350m².
- 2. Where public sewerage reticulation is not available -1000 m².

Opportunities for economic growth and employment

Opportunities for economic growth and employment are not impacted by the proposed provisions, as the range of activities and standards remain generally unchanged from the Operative District Plan provisions.

Summary of efficiency and effectiveness of the provisions in achieving the objectives

The proposed policies and methods are considered efficient and effective in addressing the issues identified and generally provide an efficient way to achieve Objectives GRZ-O1, GRZ-O2, GRZ-O3 and SUB-O2. The primary benefits of the methods are that they generally provide for the same or similar activities and associated standards as the Operative District Plan, such that amenity levels within the proposed General Residential Zone will remain consistent with those of the existing Residential Zone.

5.2.3 SETZ – Settlement Zone

Issue(s)	SETZ-I1 Rural Township Amenity The location, nature, and design of buildings, activities and their services vary considerably in the rural settlements reflecting the historical mix of activities that give these small townships their distinct character. However, this can, without suitable environmental management, lead to adverse effects on the amenity of those townships and their surrounding landscapes. Explanation The District's rural townships have developed over a long period of time. Ongaonga and Ōtane, particularly, have a strong heritage character which is valued by their communities. While predominantly residential, a range of local and community service activities are found in these settlements, and rural township residents generally accept an informal pattern of activities. Such non-residential activities are usually of a small scale, for example, primary schools, halls, and service stations. If such non-residential activities provide useful services or employment, many residents are willing to live beside them. Similarly, the effects of primary production activities (excluding mining and quarrying) near or within townships are more acceptable to rural township residents than those living in the larger urban areas. This reflects the close economic, social, and physical links between the townships and their surrounding rural land. Nevertheless, residential activities in the rural townships require a degree of amenity protection, for example, from potential adverse visual effects, traffic generation, noise, and odour of nearby non-residential activities.	
Associated Objective(s)	SETZ-O1, SETZ-O2, SETZ-O3 and SUB-O2	
Proposed Suite of Provisions	Effectiveness and Efficiency	
	Benefits	Costs
Policies:	Environmental:	Environmental:
SETZ-P1 Recognise and provide for existing rural settlements that serve an important local role and have a distinct character related to their rural location, through a Settlement Zone.	Provisions generally provide same or similar activities and associated standards as the Operative	No obvious environmental costs associated with the proposed provisions.
SETZ-P2 Provide for a mix of land-use activities and development which are complementary and compatible with the surrounding area, while ensuring an acceptable level of amenity for residents through the application of rules and standards.	District Plan, therefore, amenity levels within the proposed Settlement Zone will remain generally consistent with those of the existing Township Zone.	
SETZ-P3 Provide controls for the rural settlements which promote an overall low built form and density of development.	However, the proposed minimum net site area for	
SETZ-P4 Minimise the adverse effects of developments created by inappropriate building scale, overshadowing, building bulk, high site coverage and/or loss of neighbourhood privacy.	the Settlement Zone under the subdivision standards (SUB-S1) have been amended from the	
SETZ-P5 Provide for non-residential activities which are compatible with the existing scale, intensity and character of development within the Settlement Zone, including the historic character of Ōtane and Ongaonga.	Operative District Plan, such that the minimum net site area where public sewerage reticulation is available in Ōtane is proposed to increase from	
SETZ-P6 Provide for existing commercial, industrial, community and educational facilities, while ensuring any changes or expansion of these activities do not adversely affect the qualities of the settlement.	350m² to 600m². This will have the benefit of ensuring that the size of lots in new subdivisions within Ōtane include lot sizes that are generally consistent with the size of existing lots in the	

SETZ-P7 Ensure all land use activities, development and subdivision provide a suitable on-site wastewater treatment and disposal system, stormwater systems, and water supply unless an approved alternative system is available.

SUB-P1 To establish standards for minimum lot sizes for each zone in the District. Methods:

SETZ-M1 Other Provisions in the District Plan

Other sections of the District Plan contain additional rules and standards applying to activities in the Settlement Zone:

- NU Network Utilities includes rules and standards relating to network utility operations.
- TRAN Transport includes rules and standards relating to access, parking, and loading.
- HAZS Hazardous Substances includes rules relating to the storage, handling and use of hazardous substances, and rules applying to major hazardous facilities.
- NH Natural Hazards includes rules applying in areas specifically identified as subject to natural hazards.
- HH Historical Heritage includes rules applying specifically to identified heritage buildings.
- SASM Sites and Areas of Significance to Maori includes rules applying specifically to identified sites of significance.
- TREE Notable Trees includes rules applying specifically to identified notable trees.
- 8. SUB Subdivision includes rules and standards applying to subdivision.
- 9. EW Earthworks includes rules and standards relating to earthworks and land disturbance, mining, quarrying and mineral prospecting and exploration.
- 10. NOISE Noise includes rules and standards relating to the emission of noise.
- 11. LIGHT Light includes rules and standards relating to light and glare.
- 12. PKH Papakāinga and Kaumātua Housing, and associated Marae-based Development — includes rules and standards relating to papakāinga and kaumātua housing and marae-based developments on Māori land.
- 13. SIGN Signs includes rules and standards relating to the design and installation of signs.
- 14. TEMP Temporary Activities includes rules and standards relating to temporary activities, temporary buildings, and temporary events.

Rules SETZ-R1 to SETZ-R13 provide for residential activities, showhomes, home businesses, visitor accommodation, day care facilities, service activities, commercial activities not otherwise provided for, community facilities, educational facilities, emergency service activities, community corrections facilities, primary production activities (including ancillary buildings and structures, but excluding post-harvest facilities, mining and quarrying), extension of existing industrial activities (existing as at the date of notification of the District Plan), and new industrial activities and post-harvest facilities as Permitted Activities, subject to compliance with conditions. Activities not complying with the conditions range from Restricted Discretionary

settlement, and the associated character and amenity.

The provisions exempt domestic water storage tanks up to 2m in height from the height in relation to boundary and setback from neighbours standards which will give people living within the Settlement Zone the ability to supplement their water supply and provide greater resilience in times of water shortages. Environmental benefits with respect to reducing stormwater runoff from residential sites to the Council's reticulated stormwater system.

Economic:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the Settlement Zone.

Relocated buildings now permitted subject to compliance with Permitted Activity standards. This will reduce costs for the community and developers as resource consent (Discretionary Activity) will no longer be required.

Social:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the Settlement Zone.

The proposed increase in the minimum lot size for subdivisions in Ōtane will support the community's desire to retain the existing low density village character and amenity of the settlement.

Economic:

Potential economic costs for landowners associated with the proposed increase in minimum net site area for subdivisions in \bar{O} tane which will reduce the number of new lots that may be subdivided in that settlement. This is not case for the other settlements, which have retained the current minimum lot sizes for subdivision in the Operative District Plan.

Social:

Activities to Non-Complying Activities (depending on what conditions re not complied with).

Rules SETZ-R15, SETZ-R16 and SETZ-R17 provide for retirement villages, camping grounds and relocatable building depots as Discretionary Activities.

Rules SETZ-R19 and SETZ-R20 provide for intensive primary production activities and industrial activities involving offensive processes as Non-Complying Activities.

Any other activities not otherwise provided for under the rules are Discretionary Activities under Rule SETZ-R18.

Standards GRZ-S1 to GRZ-S11 control residential density, building coverage, height of buildings, height in relation to boundary, setback from roads and Rail Network, setback from neighbours, outdoor living space and outdoor service space (in relation to residential activities), hours of operation (except for residential activities or visitor accommodation), screening of outdoor storage and service areas, and electrical safety distances.

Assessment Matters SETZ-AM1 to SETZ-AM9 apply to discretionary activities that may be considered (among other factors), recognising that the Council's discretion is not restricted.

SUB - Subdivision

Rule SUB-R1 provides for subdivision not otherwise provided for as a Permitted Activity, subject to compliance with conditions. Non-compliance with Standard SUB-S1(3) (as outlined below) is a Discretionary Activity.

Standard SUB-S1(4) & (5) specifies the minimum net site area in the Settlement Zone, being:

- a. Where public sewerage reticulation is available 600m²
- b. Where public sewerage reticulation is not available 1000m²

Opportunities for economic growth and employment

Opportunities for economic growth and employment are not impacted by the proposed provisions, as the range of activities and standards remain generally unchanged from the Operative District Plan provisions.

Cultural:

proposed provisions.

No obvious cultural benefits associated with the

Summary of efficiency and effectiveness of the provisions in achieving the objectives

The proposed policies and methods are considered efficient and effective in addressing the issues identified and generally provide an efficient way to achieve SETZ-O1, SETZ-O2, SETZ-O3 and SUB-O2. The primary benefits of the methods are that they generally provide for the same or similar activities and associated standards as the Operative District Plan, such that amenity levels within the proposed Settlement Zone will remain consistent with those of the existing Township Zone. In relation to Ōtane the change to the minimum lot size for subdivision is the most appropriate way to achieve continuity of the character and amenity of the settlement.

Cultural:

5.2.4 COMZ – Commercial Zone

Issue(s)	COMZ-I1 Amenity		
	There is a need to provide for and enable a diverse range of commercial business activities to establish within the urban areas of Waipawa and Waipukurau, as they contribute to the economic and social wellbeing of the District. However, the establishment and operation of businesses without adequate environmental controls can cause noise, odour, dust, loss of visual amenity, and traffic congestion, leading to reduced quality of the environment and incompatibility with other land uses. Explanation		
	The inner commercial areas of Waipawa and Waipukurau contain retail and service activities and their characteristics quit		
	Visually, the Commercial Zone is characterised by one and two sto windows, verandahs and advertising signs. Important issues with		
	 retaining the existing scale and spatial distribution of buildings preventing the proliferation of advertising from detracting from amenity 		
	 preventing the erection of large blank walls along road 	frontages	
	 a safe and pleasant pedestrian environment 		
	To maintain an attractive environment, new buildings should not significantly exceed existing heights or create large blank we which have no interest or appeal. Large, sealed areas, such as car parks, also have little visual interest and fragment the continuor of buildings. The potential effects of a proliferation of advertising is discussed in the SIGNS – Signs chapter. Certain buildings in the District's business areas (such as the Waipawa Town Hall and Library) contain significant historic architectural, or cultural values. Poorly considered development can compromise the character of buildings. It is therefore important to ensure that the development and refurbishment of these buildings is sympathetic to, and maintains, their important values. COMZ-12 Reverse Sensitivity New sensitive activities locating within the Commercial Zone can create actual or potential reverse sensitivity effects. Explanation		
	The establishment of more sensitive activities within the zone, su of lawfully established commercial activities because they have including noise levels, traffic, light and glare.		
Associated Objective(s)	COMZ-O1, COMZ-O2, COMZ-O3 and SUB-O2		
Proposed Suite of Provisions	Effectiveness and Efficiency		
	Benefits	Costs	
Policies:	Environmental:	Environmental:	
COMZ-P1 To maintain and enhance the commercial environment by avoiding, remedying or mitigating adverse effects created by activities such as noise, glare, dust, odour and car-parking or visual impacts; by:	Provisions generally provide same or similar activities and associated standards as the Operative District Plan, therefore, amenity levels within the	No obvious environmental costs associated with the proposed provisions.	

- requiring all parking and vehicle manoeuvring areas to be formed and sealed to minimise the creation of dust nuisance; and
- ensuring noise standards within commercial areas do not compromise the functioning of anticipated activities, while recognising that the areas need to remain pleasant to visit and work in.

COMZ-P2 To maintain and enhance the existing form and character of central commercial areas in terms of building height, setback from streets, building coverage, verandahs and display windows.

COMZ-P3 To maintain and enhance the character and integrity of buildings which have significant cultural, historic or architectural values.

COMZ-P4 To differentiate between commercial activities, based on the general nature of their effects, so that incompatible activities are not located together; by:

 ensuring the retention of a central commercial area (Commercial Zone) in Waipukurau and Waipawa, with particular focus on the retail and commercial frontage areas, so they remain convenient, accessible, identifiable and pleasant areas to undertake commercial and retail activities.

COMZ-P5 To maintain and enhance public open spaces within commercial areas, and to provide public facilities and street furniture (such as bench seats) for the enjoyment and convenience of visitors, workers and residents.

COMZ-P6 To provide for a mix of activities within the Commercial Zone which meet the needs of the local community with convenient access to goods and services, while ensuring adverse effects on the environment, human health and safety are avoided, remedied or mitigated.

COMZ-P7 To recognise and encourage a clear distinction between the Commercial Zone and the General Residential Zone.

COMZ-P8 At the interface between the Commercial zone and General Residential Zone, to protect living environments from unacceptable noise, odour, shading, traffic, or reduction in visual amenity by:

- applying the residential standards for height and admission of sunlight to buildings on commercial sites adjoining residential areas;
- applying the residential standard for noise on activities on commercial sites adjoining residential areas; and
- requiring landscape planting along the boundaries of commercial sites adjacent to residential sites and screening of outdoor storage areas to protect the visual amenity of the residential areas.

Methods:

COMZ-M1 Other Provisions in the District Plan

Other sections of the District Plan contain additional rules and standards applying to activities in the Commercial Zone:

- NU Network Utilities includes rules and standards relating to network utility operations.
- TRAN Transport includes rules and standards relating to access, parking, and loading.

proposed Commercial Zone will remain consistent with those of the existing Business Zone 1.

The provisions exempt domestic water storage tanks up to 3m in height from the height in relation to boundary standard under Standard COMZ-S6 Amenity of Adjoining General Residential Zone, which will give people living within the Commercial Zone the ability to supplement their water supply and provide greater resilience in times of water shortages. Environmental benefits with respect to reducing stormwater runoff from sites to the Council's reticulated stormwater system.

Economic:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the Commercial Zone.

Relocated buildings are now permitted subject to compliance with Permitted Activity standards. This will reduce costs for the community and developers as resource consent (Discretionary Activity) will no longer be required.

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The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the Commercial Zone.

Cultural:

Social:

No obvious cultural benefits associated with the proposed provisions.

Economic:

No obvious economic costs associated with the proposed provisions.

Social:

No obvious social costs associated with the proposed provisions.

Cultural:

- HAZS Hazardous Substances includes rules relating to the storage, handling and use of hazardous substances, and rules applying to major hazardous facilities.
- NH Natural Hazards includes rules applying in areas specifically identified as subject to natural hazards.
- 5. HH Historical Heritage includes rules applying specifically to identified heritage buildings.
- SASM Sites and Areas of Significance to Maori includes rules applying specifically to identified sites of significance.
- 7. TREE Notable Trees includes rules applying specifically to identified notable trees
- 8. SUB Subdivision includes rules and standards applying to subdivision.
- EW Earthworks includes rules and standards relating to earthworks and land disturbance, mining, quarrying and mineral prospecting and exploration.
- 10. NOISE Noise includes rules and standards relating to the emission of noise.
- 11. LIGHT Light includes rules and standards relating to light and glare.
- 12. SIGN Signs includes rules and standards relating to the design and installation of signs.
- 13. TEMP Temporary Activities includes rules and standards relating to temporary activities, temporary buildings, and temporary events.

COMZ-M2 Council-Funded Projects

Provide finance and initiate projects for street and open space enhancement and the provision of public facilities.

Rules COMZ-R1 to COMZ-R6 provide for commercial activities, service activities (excluding warehouses and transport depots), community facilities, educational facilities, emergency service activities, and community corrections facilities as Permitted Activities, subject to compliance with conditions. Activities not complying with the conditions are Restricted Discretionary Activities.

Rule COMZ-R8 provides for residential activities, rest homes and visitor accommodation as a Controlled Activity subject to compliance with conditions. Activities not complying with the conditions are Restricted Discretionary Activities.

Rules COMZ-R9 and COMZ-R10 provide for commercial boarding and/or breeding of cats, dogs and other domestic pets and relocatable building depots as Discretionary Activities.

Rules COMZ-R12, COMZ-R13 and COMZ-R14 provide for intensive primary production activities (other than commercial boarding and/or breeding of cats, dogs and other domestic pets), industrial activities and warehouses and depots as Non-Complying Activities.

Any other activities not otherwise provided for under the rules are Discretionary Activities under Rule COMZ-R11.

Standards COMZ-S1 to COMZ-S7 control height of buildings, setback from roads and Rail Network, verandahs, widows, outdoor storage, amenity of adjoining General Residential Zone, and electricity safety distances.

Assessment Matters COMZ-AM1 to COMZ-AM4 apply to discretionary activities that
may be considered (among other factors), recognising that the Council's discretion is
not restricted.

SUB - Subdivision:

Rule SUB-R1 provides for subdivision not otherwise provided for as a Permitted Activity, subject to compliance with conditions. Non-compliance with Standard SUB-S1(2) (as outlined below) is a Discretionary Activity.

Standard SUB-S1(3) specifies the minimum net site area in the Commercial Zone, being:

a. No minimum net site area applies.

Opportunities for economic growth and employment

Opportunities for economic growth and employment are not impacted by the proposed provisions, as the range of activities and standards remain generally unchanged from the Operative District Plan provisions.

Summary of efficiency and effectiveness of the provisions in achieving the objectives

The proposed policies and methods are considered efficient and effective in addressing the issues identified and generally provide an efficient way to achieve COMZ-O1, COMZ-O2, COMZ-O3 and SUB-O2. The primary benefits of the methods are that they generally provide for the same or similar activities and associated standards as the Operative District Plan, such that amenity levels within the proposed Commercial Zone will remain consistent with those of the existing Business Zone 1.

5.2.5 GIZ – General Industrial Zone

Issue(s)	GIZ-I1 Effects on Amenity of Surrounding Areas There is a need to provide for and enable a diverse range of industrial and commercial business activities to establish within the urban areas of Waipawa and Waipukurau, as they contribute to the economic and social wellbeing of the District. However, the establishment and operation of businesses without adequate environmental controls can cause noise, odour, dust, loss of visual amenity, and traffic congestion resulting in reduced quality of the environment and incompatibility with other land uses. Explanation The General Industrial Zone encompasses those industrial activities that process, manufacture or service various items or products. Some industrial activities in the zone provide service and retailing activities — complementary to their manufacturing, processing, and storage activities. The zone also provides for large-scale retail outlets that usually sell 'bulky' goods and therefore need larger sites for vehicle manoeuvring and provision of on-site car parking. The nature of some operations makes it difficult for them to conform to high standards of amenity. Compliance with a higher environmental standard could inhibit their ability to operate. Such industries require specific sites or separation from areas of higher		
Associated Objective(s)	amenity, particularly the General Residential Zone. GIZ-I2 Reverse Sensitivity New sensitive activities locating close to existing industrial activities can create actual or potential reverse sensitivity effects. Explanation The establishment of more sensitive activities within the zone, such as residential activities, can potentially restrict the operation of lawfully established industrial and large-scale retail activities because they have different expectations in relation to environmental standards, including noise levels, traffic, light and glare. GIZ-O1, GIZ-O2, GIZ-O3 and SUB-O2		
Proposed Suite of Provisions	Effectiveness and Efficiency		
	Benefits	Costs	
Policies: GIZ-P1 To provide for a mix of activities within the General Industrial Zone which meet the needs of the local community through the provision of convenient access to goods and services, while ensuring adverse effects on the environment, human health and safety are avoided, remedied or mitigated. GIZ-P2 To maintain and enhance the General Industrial Zone environment by avoiding, remedying or mitigating adverse effects created by activities such as noise, glare, dust, odour or visual impacts, by: 1. requiring all parking and vehicle manoeuvring areas to be formed and sealed to minimise the creation of dust nuisance:	Environmental: Provisions generally provide same or similar activities and associated standards as the Operative District Plan, therefore, amenity levels within the proposed General Industrial Zone will remain consistent with those of the existing Business Zone 2.	Environmental: No obvious environmental costs associated with the proposed provisions.	
ensuring noise standards within the zone do not compromise the functioning of anticipated activities, while recognising the areas need to remain pleasant to visit and work in; and	Economic: The community and developers will have ongoing certainty and consistency in relation to the types,	Economic: No obvious economic costs associated with the proposed provisions.	

 accommodating industrial activities in an appropriate zone in recognition that they may not be able to operate under high standards of amenity.

GIZ-P3 To differentiate between activities, based on the general nature of their effects, to ensure incompatible activities are not located together, and by enabling the establishment of industries, warehouses and transport depots in locations which are separated from the Commercial Zone and General Residential Zone areas.

GIZ-P4 To manage the location of industrial activities that use offensive processes in the General Industrial Zone that have the potential for significant adverse effects on the amenity and character of the surrounding environment and residential areas, such as noise or dust generation, heavy traffic movements, glare or odour.

GIZ-P5 To recognise and encourage a clear distinction between the General Industrial Zone and the Commercial and General Residential Zones.

GIZ-P6 At the interface between the General Industrial Zone and General Residential Zone, to protect living environments from unacceptable noise, odour, shading, traffic, or reduction in visual amenity; by:

- applying the residential height and height in relation to boundary standards to buildings on sites adjoining residential areas:
- applying the residential standard for noise on activities adjoining residential areas: and
- requiring landscape planting along boundaries adjacent to residential sites and screening of outdoor storage areas to protect the visual amenity of the residential areas.

Methods:

GIZ-M1 Other Provisions in the District Plan

Other sections of the District Plan contain additional rules and standards applying to activities in the General Industrial Zone:

- NU Network Utilities includes rules and standards relating to network utility operations.
- TRAN Transport includes rules and standards relating to access, parking, and loading.
- 3. CL Contaminated Land includes
- HAZS Hazardous Substances includes rules relating to the storage, handling and use of hazardous substances, and rules applying to major hazardous facilities.
- NH Natural Hazards includes rules applying in areas specifically identified as subject to natural hazards.
- 6. SUB Subdivision includes rules and standards applying to subdivision.
- 7. EW Earthworks includes rules and standards relating to earthworks and land disturbance, mining, quarrying and mineral prospecting and exploration.
- 8. NOISE Noise includes rules and standards relating to the emission of noise.
- 9. LIGHT Light includes rules and standards relating to light and glare.
- 10. SIGN Signs includes rules and standards relating to the design and installation of signs.
- 11. TEMP Temporary Activities includes rules and standards relating to temporary activities, temporary buildings, and temporary events.

scale and form of activities and development that can be carried out in the General Industrial Zone.

Relocated buildings are now permitted subject to compliance with Permitted Activity standards. This will reduce costs for the community and developers as resource consent (Discretionary Activity) will no longer be required.

Social:

The community and developers will have ongoing certainty and consistency in relation to the types, scale and form of activities and development that can be carried out in the General Industrial Zone.

Social:

No obvious social costs associated with the proposed provisions.

Cultural:

No obvious cultural benefits associated with the proposed provisions.

Cultural:

Rules GIZ-R1 to GIZ-R7 provide for industrial activities and post-harvest facilities, service activities, service stations, retailing (limited to the sale of goods manufactured, fabricated or processed on site, and the sale of all other goods (not manufactured, fabricated or processed on the site in one retail premises per site) with a retail floor area greater than 400m²), tyre storage, emergency service activities, and community corrections activities as Permitted Activities, subject to compliance with conditions. Activities not complying with the conditions range from Restricted Discretionary Activities to Non-Complying Activities (depending on what conditions re not complied with).

Any other community facilities not otherwise provided for under the rules are Permitted Activities under Rule GIZ-R8, subject to compliance with conditions.

Rule GIZ-R10 provides for hospitals and educational facilities as a Controlled Activity, subject to compliance with conditions.

Rule GIS-R11 provides for the expansion or intensification of existing noise sensitive activities located within the Outer Control Boundary for the Waipukurau Aerodrome as a Controlled Activity, subject to compliance with conditions.

Rule GIS-R12 provides for commercial boarding and/or breeding of cats, dogs and other domestic pets as a Discretionary Activity.

Rule GIZ-R13 provides for relocatable building depots as a Discretionary Activity.

Any other activities not otherwise provided for under the rules are Discretionary Activities under Rule GIZ-R14.

Rule GIZ-R15 provides for Intensive primary production activities (other than commercial boarding and/or breeding of cats, dogs, and other domestic pets) as a Non-Complying Activity.

Rule GIZ-R16 prohibits new noise sensitive activities within the Air Noise Boundary or Outer Control Boundary for the Waipukurau Aerodrome.

Standards GIZ-S1 to GIZ-S6 control height of buildings, setback from roads and Rail Network, outdoor storage, amenity of adjoining General Residential Zone, buildings and structures by Waipukurau Aerodrome and electricity safety distances.

Assessment Matters GIZ-AM1 to GIZ-AM5 apply to discretionary activities that may be considered (among other factors), recognising that the Council's discretion is not restricted.

SUB - Subdivision

Rule SUB-R1 provides for subdivision not otherwise provided for as a Permitted Activity, subject to compliance with conditions. Non-compliance with Standard SUB-S1(2) (as outlined below) is a Discretionary Activity.

Standard SUB-S1(3) specifies the minimum net site area in the General Industrial Zone, being:

a. No minimum net site area applies.

Opportunities for economic growth and employment

Opportunities for economic growth and employment are not impacted by the proposed provisions, as the range of activities and standards remain generally unchanged from the Operative District Plan provisions.

Summary of efficiency and effectiveness of the provisions in achieving the objectives

The proposed policies and methods are considered efficient and effective in addressing the issues identified and generally provide an efficient way to achieve GIZ-O1, GIZ-O3 and SUB-O2. The primary benefits of the methods are that they generally provide for the same or similar activities and associated standards as the Operative District Plan, such that amenity levels within the proposed General Industrial Zone will remain consistent with those of the existing Business Zone 2.

5.3 Adequacy of Information and Risks of Acting or Not Acting

Section 32(2)(c) states that an evaluation report must assess the risk of acting of not acting if there is uncertain or insufficient information about the subject matter of the provisions.

For most matters relating to the urban environment, the Council has sufficient information to determine the provisions. Therefore, there is no assessment of risk associated with acting or not acting in respect of these associated provisions in the Proposed District Plan.

5.4 Quantification

Section 32(2)(b) requires that if practicable the benefits and costs of a proposal are quantified.

Exact quantification of the costs and benefits was not considered practicable, given the application of the provisions across the District and the differing circumstances that will apply through the life of the Plan. Any attempt at quantifying the costs and benefits would therefore be speculative and would not provide any real assistance in assessing the proposed provisions.

6 Summary and Conclusion

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

- The proposed objectives continue to address the identified resource management issues in a manner similar to the corresponding objectives in the Operative District Plan and respond to higher order statutory documents adopted after the current District Plan was made operative in 2003 (including the NPS-UD and Hawke's Bay RPS/RRMP (2006)).
- The proposed policies and methods provide certainty to plan users and the community on the
 type and scale of activities that can occur as Permitted Activities and outcomes expected for
 activities in the General Residential Zone, Settlement Zone, Commercial Zone and General
 Industrial Zone and the management of adverse effects. The clear decision-making framework
 will lead to consistent outcomes.
- Activities requiring resource consent are limited to those that have potential for adverse effects on the environment, which enables a case-by-case assessment.

Overall, it is considered that the proposed provisions are appropriate given that the benefits outweigh the costs, and there are considerable efficiencies to be gained from adopting them. The risks of acting are also clearly identifiable and limited in their extent.

REFERENCES

'Central Hawke's Bay Area Based Infrastructure Assessment', VCV Consulting Ltd, June 2020.

'Central Hawke's Bay District Demographic and Economic Growth Projections 2020-2051', Squillions Ltd, July 2020.

'Central Hawke's Bay District Plan Review Household Growth Response', Sage Planning HB Limited, 13 November 2020.

'Central Hawke's Bay Integrated Spatial Plan 2020-2050', CHBDC, 24 September 2020.