
Proposed Hastings District Plan

**Proposed Variation 4:
Iona Urban Development Area**

**Section 32AA Further Evaluation
Report**

July 2018

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Attachment: Development Scenario 5 Layout and Yield Assessment

1 Introduction

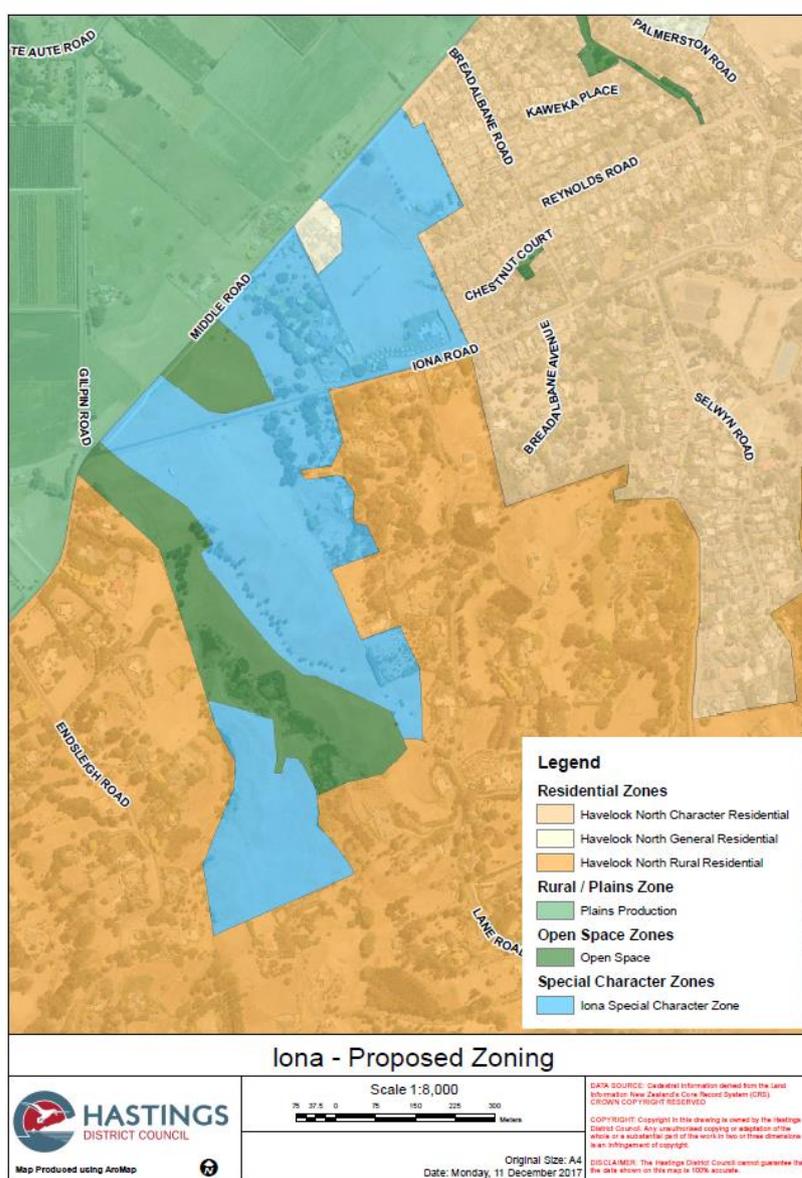
1.1 Purpose of this Report

This report presents a further evaluation of proposed Variation 4 to the Proposed Hastings District Plan (Proposed Plan), in accordance with Section 32AA of the Resource Management Act 1991 (RMA) following the hearing of submissions.

This further evaluation report is required for the changes that have been made to Variation 4 as a result of the hearing of submissions on the Variation.

1.2 Outline of Proposed Variation 4 to the Proposed Hastings District Plan

Proposed Variation 4 sets out to rezone a greenfield growth area identified in the Hawke’s Bay Regional Policy Statement (RPS) and Heretaunga Plains Urban Development Strategy (HPUDS) for urban residential purposes in the Proposed Hastings District Plan (Proposed Plan). The extent of the rezoning area and new zone map (as notified) is shown below.



In summary, the proposed variation involves:

- i) Rezoning approximately 55.4 hectares of land on the western fringe of Havelock North from a combination of Rural Residential, Deferred Residential and Character Residential to provide for the District's residential growth needs (43.4 hectares of residential land less roading needs and 12 hectares of open space reserves). The rezoning extent is depicted in the map attached in the original Section 32 report as **Appendix A** and involves both infill (Breadalbane Avenue) and greenfield areas (Iona triangle and hill areas);
- ii) inserting an accompanying Structure Plan and structure plan provisions for the area into the Proposed Plan; and
- iii) consequential amendments to the Proposed Plan.

No designations are involved in the rezoning as new roads are to be vested in Council, along with services. An existing portion of Iona Road is to be stopped and realigned using the process under the Local Government Act 1974 as the land concerned is in single ownership and access needs to be maintained.

1.3 Background to Proposed Variation 4

A detailed background to Variation 4 is outlined in the s32 report. As an overview, Havelock North currently accounts for between 55% and 60% of demand for greenfield development in the Hastings District. Havelock North is an attractive area to live and is facing growth pressures due to a shortage of residentially zoned land. The Iona and Breadalbane areas, which are the subject of Variation 4, were identified in the HPU DS back in 2010 and subsequently in the RPS for future urban expansion at Havelock North. HPU DS provides a strategic framework for urban growth within the Heretaunga Plains. It takes a long term view of land use and infrastructure and is implemented through the RPS and the Hastings District Plan.

However as the Iona and Breadalbane areas were originally not scheduled for urban development until 2026, those areas were not originally included for development within the District Plan as part of its relatively recent 10 year review. The Hastings District has been identified as a medium growth area under the NPSUDC, which requires that Council show how it is providing sufficient development capacity to meet the needs of people and communities and future generations in urban environments. The National Policy Statement on Urban Development Capacity (NPS UDC) requires medium growth councils to provide an additional margin of feasible development capacity over and above projected demand of at least 20% in the short and medium term and 15% in the long term (PC1).

Bringing forward the Iona and Breadalbane areas has the benefit of ensuring that there is sufficient capacity to meet housing needs for Havelock North as required under Policy PA1 of the NPS UDC.

At the same time, both the Iona and Breadalbane Special Character Areas have high landscape, character or amenity values and some neighbourhoods provide a transition to rural areas within the wider district. Accordingly, a key aspect of Variation 4 is to provide for significant new growth, while at the same time ensuring that development is undertaken in a way that protects these significant values. In part this is achieved by providing for greater intensity development within the Bull Hill Neighbourhood, ensuring a high level of urban design in intensively developed areas and providing a lower level of development density within the Iona Terraces and Plateau Neighbourhoods and the Breadalbane Special Character Area.

1.4 Direction from the Minister for the Environment

Variation 4 is being progressed through a Streamlined Planning Processing accordance with Clause 78 of Schedule 1 of the RMA. In approving the Streamlined Planning Process, the Minister issued a direction to Council that included procedural steps, timeframes, a statement of expectations and reporting requirements. This direction included a requirement to provide a written report to show the changes (if any) recommended to the proposed planning instrument including an evaluation report under Section 32 AA.

Of particular relevance to the changes evaluated below the Direction included, in the Statement of Expectations, that *“the Proposed Iona Rezoning Variation should provide sufficient development capacity for a housing yield of at least 390 to 400 dwellings.”*

2 Statutory Basis for Addressing Long Term Land-Use and Infrastructure Issues in the District Plan

In terms of managing long-term land use associated with urban growth and associated strategic infrastructure, Section 74 of the RMA outlines the requirements for District Councils in terms of the preparation of, and any change to, their district plan in accordance with their functions under section 31 and the provisions of Part 2 of the RMA.

2.1 Part 2 (Purpose and Principles) of the RMA

Managing the provision for long term land-use and infrastructure aligns closely with the purpose of the RMA, which is *‘the sustainable management of natural and physical resources’*. Section 5 of the RMA defines ‘sustainable management’ as:

“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;*
 - (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.”*
-

Proposed Variation 4 directly relates to providing for the long term provision of land for urban growth in the Hastings District. Part 2 requires that this occurs in a way and at a rate which enables people and communities to provide for their social, economic and cultural wellbeing; meeting the reasonably foreseeable needs of future generations; safeguarding the life-supporting capacity of air, water, soil and ecosystems; and addressing adverse effects on the environment.

Section 7 identifies other matters requiring particular regard. Of particular relevance are:

-
- b) the efficient use and development of natural and physical resources;*
 - ba) the efficiency of the end use of energy;*
 - c) the maintenance and enhancement of amenity values;*
 - f) maintenance and enhancement of the quality of the environment;*
 - i) the effects of climate change.*
-

The land concerned has been identified through the HPUDS process and subsequently in the RPS as an Appropriate Greenfield Residential Development Area. This indicates suitability in terms of efficient use and development of the land resource, maintaining and enhancing amenity values and the quality of the environment, and any finite characteristics of resources, and having taken into account the end use of energy and the effects of climate change.

2.2 Part 4 (Functions, Powers and Duties) of the RMA

The particular statutory functions of the District Council in giving effect to the Act as contained in Section 31 of the Resource Management Act 1991 also provide a clear mandate for addressing long term provision for urban growth and provision of associated strategic infrastructure issues in a District Plan.

In particular:

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- “(1)(a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:*
- (b) the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—*
- (i) the avoidance or mitigation of natural hazards; and*
- ...*
- (iia) the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:*
- ...*
- (d) the control of the emission of noise and the mitigation of the effects of noise:*
- (e) the control of any actual or potential effects of activities in relation to the surface water in rivers and lakes:*
- (2) the methods used to carry out any functions under subsection (1) may include the control of subdivision.”*
-

Proposed Variation 4 expressly seeks to establish and implement plan provisions to achieve integrated management of the effects of a new urban development area in the Hastings District. Existing zone and district wide rules and standards in the Proposed Plan (and proposed amendments to provisions in the proposed variation) provide the mechanism for controlling any actual or potential effects of the subdivision, use and development of new urban development areas within the District.

2.3 National Policy Statement for Urban Development Capacity

Section 75 of the RMA states that a district plan ‘must give effect to’ any national policy statement. Of most relevance to this proposal is the NPS UDC. Objectives of the NPS UDC include:

- OA1: *Effective and efficient urban environments that enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing.*
- OA2: *Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.*

OA3: *Urban environments that, over time, develop and change in response to the changing needs of people and communities and future generations.*

Relevant policies include:

PA1: *Local authorities shall ensure that at any one time there is sufficient housing and business land development capacity according to the table below¹:*

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

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

- a) *Providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses;*
- b) *Promoting the efficient use of urban land and development infrastructure and other infrastructure; and*
- c) *Limiting as much as possible adverse impacts on the competitive operation of land and development markets.*

2.4 Hawke’s Bay Regional Policy Statement

Section 75 of the RMA states that a district plan ‘*must give effect to*’ any regional policy statement.

Of particular relevance in terms of long term provision for urban growth and strategic infrastructure, the RPS dedicates a whole chapter to issues, objectives, policies, methods and anticipated environmental results for urban development and the strategic integration of infrastructure across the Region, and particularly within the Heretaunga Plains, titled ‘*Managing the Built Environment*’ (Chapter 3.1B of the RPS).

This includes planned provision for urban development and integration of land use with significant infrastructure. Of particular relevance, the RPS places priority on:

¹http://www.mfe.govt.nz/sites/default/files/media/Towns%20and%20cities/National_Policy_Statement_on_Urban_Development_Capacity_2016-final.pdf, page 11

- establishing a compact and strongly connected urban form (OBJ UD1);
- intensification of residential areas (OBJ UD2);
- planned provision for urban development in a planned and staged manner, and integrated with the provision of strategic and other infrastructure (OBJ UD4 & OBJ UD5);
- retention of the versatile land of the Heretaunga Plains, efficient utilization of existing infrastructure and planned infrastructure (POL UD1);
- the establishment of urban limits and criteria for determining future residential greenfield growth areas (POL UD4.1 and POL UD4.2);
- identification of areas appropriate and inappropriate for residential greenfield growth areas in the Heretaunga Plains Sub-Region (POL UD4.3 and POL UD4.4);
- provision for papakainga and marae-based development (POL UD6.1 and POL UD6.2);
- achieving minimum net densities within greenfield growth areas (POL UD8);
- providing for sequencing/staged release of new greenfield growth areas (POL UD9.1 and POL UD9.2);
- requirement for comprehensive structure plans for any new greenfield growth areas (POL UD10.1, POL UD10.2, POL UD10.3, POL UD10.4 and POL UD11); and
- having regard to various matters when preparing or assessing any rezoning, structure plans or other provisions for the development of urban activities (POL UD12).

Relevant Anticipated Environment Results in the RPS include:

AER UD1	<i>Availability of sufficient land to accommodate population and household growth, as and where required, while retaining versatile land for existing and foreseeable future primary production.</i>
AER UD2	<i>Balanced supply of affordable residential housing and locational choice in the Heretaunga Plains subregion.</i>
AER UD3	<i>More compact, well-designed and strongly connected urban areas.</i>
AER UD4	<i>Napier and Hastings retained as the primary urban centres for the Heretaunga Plains sub-region.</i>
AER UD5	<i>Encroachment of urban activities (residential, commercial, industrial) onto the versatile land of the Heretaunga Plains is confined to defined greenfield growth areas within specified urban limits.</i>
AER UD6	<i>The retention, as far as is reasonably practicable, of the versatile land of the Heretaunga Plains for existing and foreseeable future primary production.</i>
AER UD7	<i>Efficient utilisation of existing infrastructure.</i>
AER UD8	<i>Efficient utilisation of infrastructure which has already been planned and committed to by a Local Authority (e.g. by funding) but not yet constructed.</i>
AER UD9	<i>Increased use of public transport and active transport modes (cycling, walking), reduced dependency on the private motor vehicle and reduced energy use.</i>
AER UD10	<i>Planned provision for, and protection of, infrastructure to support existing development and anticipated urban growth in defined growth areas.</i>
AER UD11	<i>Urban activities and urban development maintains groundwater and surface water quality and habitat health.</i>
AER UD12	<i>Urban development is avoided in areas identified as being at unacceptable risk from natural hazard (flooding, coastal inundation, coastal erosion, liquefaction, land instability).</i>
AER UD13	<i>New development is appropriately serviced by wastewater, stormwater, potable water and multi-modal transport infrastructure.</i>

Proposed Variation 4 to the Proposed Hastings District Plan is therefore required to give effect to the above. In summary, the RPS sets a vision for planned, compact and well-designed urban development within defined urban limits on the Heretaunga Plains, with limited encroachment on the versatile soils of the Plains and a staged approach to the release of land for greenfield growth, which ensures balanced supply (both in terms of price and location) and the efficient, planned provision of public infrastructure.

3 Section 32AA Evaluation Requirements

3.1 Section 32AA Further Evaluations

The further evaluation report under Section 32AA:

- (a) is required only for any changes that have been made to, or are proposed for, the proposal since the evaluation report for the proposal was completed (the **changes**);
- (b) must be undertaken in accordance with section 32(1) to (4);
- (c) must despite paragraph (b) and section 32(1)(c), be undertaken at a level of detail that corresponds to the scale and significance of the changes; and
- (d) must—
 - (i) be published in an evaluation report that is made available for public inspection at the same time as the approved proposal (in the case of a national policy statement or a New Zealand coastal policy statement or a national planning standard), or the decision on the proposal, is notified; or
 - (ii) be referred to in the decision-making record in sufficient detail to demonstrate that the further evaluation was undertaken in accordance with this section.

3.2 Section 32 Requirements for Evaluation Reports

As stated, a further evaluation under Section 32AA must cover the matters set down in Section 32 (1) to (4), in particular:

- whether the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of the Act (s32(1)(a));
- whether the provisions in the proposal are the most appropriate way in which to achieve the objectives including by identifying other reasonably practicable options for achieving the objectives; assessing the efficiency and effectiveness of the provisions in achieving the objectives; and summarizing the reasons for deciding on the provisions (s32(1)(b));
- contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal (changes) (s32(1)(c)).

The evaluation must take into account:

- the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions including opportunities for economic growth and employment that are anticipated to be provided or reduced (s32(2)(a)) and, if practicable, quantify them (s32(2)(b)); and

- the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions (s32(2)(c)).

3.3 Matters for Evaluation

As this is a further evaluation under s 32AA, only those objectives, policies and methods that ***have been amended as a result of the hearing of submissions*** are subject to this evaluation. The original Section 32 evaluation (dated 29 March 2018) will remain valid for all other content. The existing objectives of Section 8.2 – Havelock North Residential Environment are also relevant.

While there are numerous amendments to proposed Variation 4, the recommendations made to the Minister fall into five areas²:

1. The provision of sufficient development capacity within the Iona Structure Plan Area to give effect to the RPS, HPUDS and the Minister’s direction for development capacity, while at the same time ensuring that structure plan expectations regarding maintaining the character and key values of the Structure Plan area are retained;
2. The clarification of provisions relating to the protection of landscape character, residential amenity and other values within the Iona Terraces and Iona Plateau Neighbourhoods;
3. The management of stormwater to mitigate the risks of exacerbating off-site flooding effects and providing more certain outcomes;
4. Providing an option for up to two commercial nodes within the Bull Hill Neighbourhood; and
5. The broadening of references from ‘walkways’ to ‘recreational linkages’ to provide for other recreational modes within identified reserves in the Iona Structure Plan area.

The evaluation below is grouped in accordance with these recommendation areas to provide a nexus between the recommendations and the corresponding changes to provisions in the proposed plan. Of the five decision areas, it is considered that only the first is a significant change to the proposed plan objectives. The others are minor amendments to policies and rules that provide clarity, and in some cases flexibility, within the proposed plan.

4 Evaluation

The five decision areas are assessed below in accordance with the requirements of s32. The first part of the evaluation therefore has to address:

- Whether the amendments made to the objectives of the proposal are the most appropriate way to achieve the purpose of the Act.

Secondly, in evaluating the provisions of the proposal in terms of efficiency and effectiveness, the evaluation has to address:

² Note that there were also decisions made by the Hearing Panel that did not result in amendments to the notified provisions. These decisions are not required to be evaluated pursuant to s32AA and hence are not included here.

- Whether the proposed amended provisions are the most appropriate way to achieve the objectives of Variation 4 as amended.

4.1 Provision of development capacity while maintaining character and urban design

4.1.1 Recommended Changes to Objectives

The primary changes to objectives in respect of development capacity that have been recommended in the decision include:

- Amendment to Objective HNSMAO8 (Section 8.1) to reflect the need to develop the area for *residential* development;
- New Objective HNSMAO9 (Section 8.1) to recognise the need to develop the Variation 4 area efficiently in order to ensure the development capacity sought by the Minister’s statement of expectations;
- Amendment to Objective ISCO1 (Section 8.3) to recognise the need to provide for residential development within the Iona Special Character Zone;
- Amendment to Objective BHO2 (Section 8.3) to recognise the importance of higher densities in the Bull Hill Neighbourhood to meet the required housing yield; and
- Amendment to the Structure Plan Objectives (Appendix 13A) to explicitly refer to residential development.

4.1.2 Rationale for the Recommended Changes

The primary purpose of Variation 4 is “to make additional land available for Greenfield Housing development in the Iona Road area of Havelock North”. The strategy adopted in Variation 4 for promoting urban development in this area is to provide for a higher housing density in the Bull Hill Neighbourhood due to its flat to gentle topography and location adjoining an existing residential zone. Lower density development is provided for in the Iona Terraces and Plateau Neighbourhoods due to their landscape prominence, more challenging topography and as a transition to the wider rural environment.

Under Variation 4 as notified, the subdivision provisions recognise the need to allow for some flexibility as to how greater density could be achieved in the Bull Hill area by having a minimum density of 15 and maximum density of 17 dwellings per hectare. There was also an allowance for intensified comprehensive residential development to be established in the Bull Hill Neighbourhood.

The amended and new objectives for the Iona Special Character Zone relate to submissions outlining concerns that the density provisions in the notified variation would not meet the target of 390- 400 dwellings set down in the statement of expectations by the Minister for the Environment under the Streamlined Planning Process.

In response to a Minute from the Hearing Commissioners, the major land holder in the area submitter (Lowe Family) and the Council conferenced on this issue on the preferred approach of the Commissioners, which was to have a minimum lot yield combined with minimum lot sizes and a focus of more intensive development within the Bull Hill neighbourhood. The Minute also sought amendments to urban design criteria and variety in site sizes to ensure good urban design outcomes continue to be achieved under more intensive land use development within the Bull Hill Neighbourhood. This latter emphasis is considered appropriate as the landscape and character of the Iona Special Character area is a special consideration of the Structure Plan.

As a result of this process, the recommended changes seek to provide greater emphasis on providing for residential development to achieve a minimum of 390 - 400 dwellings across the Iona and Breadalbane Special Character areas and in particular the need to develop the Bull Hill Neighbourhood efficiently to achieve the desired housing yield.

4.2 Iona Terraces and Plateau Neighbourhood Character and Amenity

4.2.1 Recommended Changes to Objectives

The primary changes to objectives in respect of the character and amenity of the Iona Terraces and Plateau Neighbourhoods that have been recommended in the decision include (all Section 8.3):

- Amendment to Objective ITO1 to reflect the desire to enable housing choice and high amenity in the Iona Terraces Neighbourhood;
- Amendment to Objective ITO3 in respect of development in the Iona Terraces Neighbourhood avoiding or mitigating adverse effects on the landscape character and amenity of the adjoining rural-residential area;
- Amendments to Objective IPO1 to promote a high standard of residential amenity in the Iona Plateau Area; and
- Amendment to Objective IPO2 in respect of development in the Iona Plateau Neighbourhood avoiding or mitigating adverse effects on the landscape character and amenity of the adjoining rural-residential area.

4.2.2 Rationale for the Recommended Changes to Objectives

The corollary of increasing residential density within the Iona Structure Plan area is to provide greater emphasis on protecting the important values within the Iona Terraces and Plateau Neighbourhoods and the impacts of these Neighbourhoods on the wider district, including adjoining rural residential and rural zones. This ensures that the development capacity targets can be met, while at the same time managing the important values that make the special character areas unique.

4.3 Other Recommendation Areas

There are no recommended changes to Objectives in respect of the other areas.

4.4 Is the Proposal the Most Appropriate Way to Achieve the Purpose of the RMA?

An evaluation of the amendments to the objectives identified above is provided in Table 1.

Table 1: Amended and New Objectives –Assessment Against Part II of the RMA

OBJECTIVES	PART II OF THE RESOURCE MANAGEMENT ACT
<p>OBJECTIVE HNSMA08</p> <p>The Iona Growth Area will provide a place that adds value to Havelock North providing an opportunity to create innovative <u>residential</u> land development responses to this unique environment.</p> <p>STRUCTURE PLAN OBJECTIVE</p> <p>That <u>in providing for residential housing needs</u> the Iona Urban Growth Area develops into a place that adds value to Havelock North providing an opportunity to create innovative land development responses to this unique environment.</p>	<p>As stated in the original Section 32 Report this objective seeks to achieve the following matters under Part 2 of the RMA:</p> <ul style="list-style-type: none"> - the efficient use and development of natural and physical resources (Section 7(b); - the maintenance and enhancement of amenity values (Section 7(c); - the maintenance and enhancement of the quality of the environment (section 7F). <p>The amendment to the objective aims to clarify that the primary purpose of the development is for residential purposes, consistent with the NPS UDC, the HPUDS, the Hawkes Bay RPS and the Minister’s direction for Variation 4. There is significant demand for residential growth in Havelock North and the purpose of the plan change is to cater for this demand.</p> <p>In this regard, it is considered that the amendment is the most appropriate way to give effect to the RMA in that it directly provides for the social wellbeing of people and communities while ensuring potential adverse effects on the values of the area are appropriately avoided or mitigated.</p>
<p>NEW OBJECTIVE HNSMA09</p> <p><u>To promote the efficient use of the land within the Breadalbane and Iona Special Character Zones to ensure that development capacity of at least 390-400 dwellings can be met.</u></p>	<p>This is a new objective within the SMA to ensure that land is used efficiently to achieve a yield of 390-400 dwellings within the Iona and Breadalbane areas as a whole. Section 5(1) of the RMA requires that the natural and physical resources of the district be managed in a sustainable manner. This land has been identified under the HPUDS for future residential development. The focus of HPUDS is to provide for compact urban development and to encourage both intensification within existing boundaries and more efficient use of land where greenfield development is proposed.</p> <p>This objective therefore seeks to ensure that land is used efficiently consistent with the HPUDS, RPS, NPS UDC and the Minister’s direction for Variation 4. It does this in a way that will provide for the social, economic and cultural wellbeing of the District, through meeting the housing needs of the Havelock North community, while appropriately maintaining the significant values of the area including matters identified in RMA s 6 and 7 and avoiding or mitigating potential adverse effects.</p>
<p>OBJECTIVE ISC01</p> <p>To create a unique residential environment <u>providing for residential development while retaining the distinct that retains the special</u> character and amenity values of the Iona Special Character Zone.</p>	<p>The amendment to this objective reflects the matters discussed above – the need to provide for residential development in accordance with the HPUDS and RPS, while at the same time retaining the character and amenity values of the Iona Structure Plan area. As discussed above, this gives effect to a range of matters in s6 and 7 of the RMA, and hence is considered the most appropriate way of giving effect to the RMA by providing capacity for urban development while protecting significant values and amenity.</p>
<p>OBJECTIVE BHO2</p> <p>To promote the efficient use of the residential land resource to ensure that the <u>required housing yield capacity for development set for the Iona Structure Plan Area by the Minister for the Environment within</u></p>	<p>As stated in the original Section 32 Report, Objective BHO2 achieves the purpose of the Act by promoting the sustainable management of the Bull Hill environment (Sec 5(1)). This objective promotes the efficient development of the land for residential housing to meet required yields while ensuring that future generations will benefit from the retention of the special features and character of the area.</p>

<p><u>the Streamlined Planning Process can be met through higher residential densities in the Bull Hill Neighbourhood.</u></p>	<p>This objective is consistent with Section 5(2)(b) of the RMA in that it will assist in safeguarding the life-supporting capacity of the versatile soils of the Heretaunga Plains by ensuring that urban development of the land resource is undertaken in an efficient manner relative to the special character and amenity of the neighbourhood.</p> <p>In terms of the remaining matters under Part 2 there are no matters of national importance under Section 6, but the objective will also help to achieve the following matters under Section 7 (b): “the efficient use and development of natural and physical resources”.</p> <p>The amendments to the objective do not alter its ability to meet the requirements of Part 2 of the Act as set above. The amendments reinforce that the land within the Bull Hill Neighbourhood is to be used in an efficient manner to meet housing yield requirements and in turn help better safeguard the versatile soils of the Heretaunga Plains and the character and landscape values of the Iona Terraces and Plateau Neighbourhoods.</p>
<p>OBJECTIVE ITO1</p> <p>To ensure that the <u>level of amenity associated with the Iona Terraces Neighbourhood provides for housing choice and high amenity that</u> is complementary to the adjoining Havelock North Rural Residential Zone.</p>	<p>The Section 32 report identified that Objective ITO1 achieves the purpose of the Act by promoting the sustainable management of the natural resource of the Havelock North Hills. It also achieves sustainable management by supporting the use and development of this land resource in a way which enables the community to provide for its social, economic and cultural wellbeing through the provision of new building sites while mitigating the adverse effects of the development on the environment, including the adjoining rural residential zone.</p> <p>In terms of the remaining matters under Part 2 there are no matters of national importance under section 6 but the objective will also help to achieve the following matters to be given particular regard to under section 7 of the Act:</p> <p><i>(c) the maintenance and enhancement of amenity values</i></p> <p><i>(f) maintenance and enhancement of the quality of the environment.</i></p> <p>The densities and rules that have been applied to the proposed development will maintain amenity and environmental values and be complementary to those of the adjoining rural residential zone.</p> <p>The amendments made to the objective as a result of submissions do not alter the ability of the objective to meet the purpose of the Act under Part 2. The amendment clarifies that the main purpose of the zone is to provide for residential development in a way that provides housing choice, giving effect to Objective OA2 and Policy PA3 of the NPS UDC.</p>
<p>OBJECTIVE ITO3</p> <p><u>That development within the Iona Terraces Neighbourhood avoids or mitigates adverse effects on the existing landscape character and amenity values of the adjoining Rural Residential Zone are retained and maintained.</u></p>	<p>Objective ITO3 achieves the purpose of the Act by promoting the sustainable management of the landscape character of the area. A significant portion of the Iona Terraces development area is located within the Rural Landscape Character Area, which recognises landscape values associated with the rural backdrop to the Te Mata hills and the increased landscape values that apply to the adjoining area. While the Rural Landscape Character overlay will be lifted from the Iona Residential Character zone as part of the variation it will remain over the adjoining rural residential zone and remains relevant.</p> <p>There are no matters of national importance that are required to be achieved but the objective will assist in achieving the following matters under section 7 of the Act:</p> <p><i>(c) the maintenance and enhancement of amenity values</i> – the density, minimum site sizes and setback rules for the Iona Terraces neighbourhood recognise the special landscape values of the adjoining rural residential zone.</p> <p><i>(f) maintenance and enhancement of the quality of the environment.</i></p>

	<p>As for objective ITO1, the amendment does not alter the ability of the objective to meet Part 2 of the Act and the previous Section 32 evaluation remains equally valid. The amendment to the wording better reflects the purpose of the objective which is to ensure that effects of the development on the existing landscape character and amenity of the adjoining rural residential zone are avoided or mitigated. This is consistent with the sustainable management purpose of the Act.</p>
<p>OBJECTIVE IPO1 <u>A To promote a high standard of residential amenity within the Iona Plateau Neighbourhood</u></p>	<p>Objective IPO1 achieves the purpose of the Act by promoting the sustainable management of the natural resource of the Iona Plateau Neighbourhood (Section 5(1)), part of the lower Havelock North hills environment. Sustainable management is promoted by supporting the use and development of this land resource in a way which enables the community to provide for their social, economic and cultural wellbeing (Section 5(2)), which is consistent with the higher order statutory planning document the RPS. This is achieved through the provision of a restricted number of new lots, which respond to their landscape context, while mitigating the adverse effects of the development on the environment.</p> <p>In terms of the remaining matters under Part 2, there are no matters of national importance under Section 6, but the objective will also help to achieve the following matters to be given particular regard to under Section 7(c) <i>“the maintenance and enhancement of amenity values”</i> and (f) <i>“maintenance and enhancement of the quality of the environment”</i> of the Act. The density of development and rules that are intended to be applied to this neighbourhood are based on the sympathetic placement or location of building platforms which will reduce the visual impact of buildings on the landscape.</p> <p>The amendment made to Objective IPO1 is directive of the actions to be taken rather than the outcome. As such it does not alter the results of the Section 32 assessment and will continue to meet the requirements of the Act under Part 2.</p>
<p>OBJECTIVE IPO2 <u>That development within the Iona Plateau Neighbourhood avoids or mitigates adverse effects on the existing landscape character and amenity values of the adjoining Rural Residential Zone are retained and maintained.</u></p>	<p>Those Rural Residential zoned properties that adjoin the neighbourhood have low density housing with high amenity values, which contributes to the sense of openness and lifestyle choice of the residents. Maintaining landscape character and amenity values for these existing properties has been a significant consideration in the work undertaken by the Iona Working Group. Objective IPO3 achieves the purpose of the Act by avoiding, remedying or mitigating adverse effects of activities on the environment, created through the rezoning of this land for more intensive residential purposes.</p> <p>There are no matters of national importance under Section 6, but the objective will also help to achieve the following matters to be given particular regard to under Section 7(c):</p> <p style="padding-left: 40px;"><i>(c) the maintenance and enhancement of amenity values; and</i> <i>(f) maintenance and enhancement of the quality of the environment.</i></p> <p>The amendments are similar to those made in ITO3 and the same comments apply. As such, they do not alter the ability of the objective to meet Part 2 of the Act and the above assessment carried out under Section 32 of the Act remains equally valid. The amendment to the wording better reflects the purpose of the objective, which is to ensure that effects of the development on the landscape character and amenity of the adjoining rural residential zone are avoided or mitigated, consistent with the sustainable management purpose of the Act.</p>

4.5 Are the provisions the most appropriate way to achieve the objectives of Variation 4?

To give effect to the new and amended objectives, and in some instances to give better effect to existing objectives, a significant number of amendments to the provisions have been recommended to the Minister. The most pertinent changes to provisions are summarised for the key areas below.

4.5.1 Provision of development capacity while maintaining character and urban design

Key changes to policies and other provisions that give effect to the amended objectives of Variation 4 include:

- Amendments to the Structure Plan, including:
 - Providing for fixing and indicative road networks on the Structure Plan map to enable flexibility in urban design;
 - Refining the design criteria to reflect smaller lot sizes, higher densities and variety in section sizes in the Bull Hill Neighbourhood; and
 - Enabling land not required for stormwater management purposes to be utilised for use in accordance with its underlying zoning.
- Amendments to Policy HNSMAP11 to direct the efficient of more gently sloping land in the Bull Hill Neighbourhood for residential development;
- New Policy HNSMAP13 directing the requirement to meet a housing yield of at least 390 to 400 dwellings across the Iona and Breadalbane areas;
- Amendments to Policy BHP1 to provide certainty of density and amenity outcomes for existing residents;
- Amendments to Policy BHP5 to ensure variety in site sizes and housing typologies to provide good urban design outcomes;
- Amendments to Policy BHP7 to recognise the role of Comprehensive Residential Development to provide good urban design outcomes and a high quality living environment;
- Amendments to the development rules to enable Comprehensive Residential Development within the Bull Hill Neighbourhood;
- The addition of specific development standards for Comprehensive Residential development;
- Additional assessment criteria and subdivision rules for Comprehensive Residential Development;
- Amendments to subdivision minimum lot sizes within the Bull Hill Neighbourhood to ensure housing yield targets are met; and
- Subdivision assessment criteria to ensure a variety of lot sizes, including minimum percentages of each lot size in the Bull Hill and Iona Terraces Neighbourhoods, and additional assessment criteria to ensure good urban design outcomes.

4.5.2 Iona Terraces and Plateau Neighbourhood Character and Amenity

Key changes to policies and other provisions that give effect to the amended objectives of Variation 4 include:

- Amendments to the Structure Plan maps (Figures 2 and 3) to provide clarity of no build and no earthworks zones;

- Amendments to Policy ITP6 in respect of mitigating adverse effects on the wider environment;
- Amendments to Policy ITP8 to ensure a variety of lot sizes to assist in maintaining landscape values;
- Amendments to development controls to clarify building, earthwork and vegetation restrictions;
- Amendments to subdivision minimum lot sizes, while ensuring variety of sizes in achieved to maintain character;
- The inclusion of subdivision standards to ensure variety of lot sizes on the Iona Terraces;
- The removal of maximum yields from the Bull Hill and Terraces Neighbourhoods;

4.5.3 Stormwater Management

Key changes to policies and other provisions that give effect to the amended objectives of Variation 4 in this decision area include:

- Amendments to the design outcomes of the Structure Plan including specification of stormwater neutrality;
- Amendments to Policy ISCP6 to better define the expectations for stormwater mitigation;
- Inclusion of a stormwater runoff coefficient for the commercial nodes;
- More specific subdivision standards in respect of stormwater management and achieving stormwater neutrality, including the development of a stormwater management plan for the entire Structure Plan area at the time of first major subdivision;
- The addition of stormwater neutrality requirements for subdivision in the Breadalbane area; and
- Additional stormwater assessment criteria for subdivision to provide for on-site devices and development in advance of the construction of communal management devices.

4.5.4 The provision for up to two commercial nodes within the Bull Hill Neighbourhood

Key changes to policies and other provisions that give effect to the amended objectives of Variation 4 include:

- Amendments to the design outcomes of the Structure Plan including:
 - Provision for one larger, or two smaller, commercial nodes to be established in the Bull Hill Neighbourhood;
 - Providing locations of the two potential nodes on the structure plan maps;
- Amendments to the development rules to provide for up to two commercial nodes;
- Amendments to the performance standards for commercial nodes;
- Additional assessment criteria in respect of the commercial nodes to ensure integration with the surrounding area; and
- Subdivision lot sizes for either one or two commercial nodes.

4.5.5 Broadening of references to ‘walkways’ to provide for other recreational nodes

Key changes to policies and other provisions that give effect to the amended objectives of Variation 4 include:

- Amendments to the green network elements of the Structure Plan and provisions relating to the Iona Terraces and Plateau Neighbourhoods to broaden references to walkways so that they refer to ‘recreational linkages’ to ensure multiple recreational uses are enabled.

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- Amend Policy ITP6 to refer to recreation linkages.

Changes to the policies that give effect to the existing and amended objectives are evaluated in Table 2.

An evaluation of the wider provisions that give effect to the objectives is provided in Table 3.

Table 2: Assessment of amendments to policies

Objective to which Policy Relates – HNSMAO8	
Amended Policies	Assessment: Benefits / Costs / Efficiency / Effectiveness
Provision of sufficient development capacity while maintaining character and urban design outcomes	
<p><i>POLICY HNSMAP11</i> <i>The Iona Growth Area will provide an attractive residential development which will cater for a range of property sizes and building types. Development will <u>efficiently utilise the gentle sloping land and be lower in density as the topography increases in height and prominence.</u></i></p>	<p>The policy seeks to give effect to the objective of providing for residential development that is responsive to the environment. The benefits of the policy are that in providing for a range of property sizes and types, development can better respond to the environment and ensure scarce residential land will be utilized in an efficient manner. The amendment clarifies that the efficient use of the land that is most suitable for higher density development is one of the outcomes sought.</p> <p>Benefits include:</p> <ul style="list-style-type: none"> • Efficiently utilising the land that is most suitable for higher density development, thus reducing the need to undertake intensive development elsewhere in the Structure Plan area and protecting the productive soils of the Heretaunga Plains • Effective utilization of transport networks through concentrated development near arterial roads; • The ability to mitigate adverse effects through variability in site sizes and building types. <p>Additional costs are unlikely to be significant, as the proposal provides for more intensive use of gentle sloping land, thus maximising return from development. Any costs are considered to be outweighed by the primary objective of the SMA to retain existing features that contribute to the special character of each particular neighbourhood and to ensure that existing amenity values of the surrounding area are maintained. It is considered that this policy is an efficient and effective means of achieving the existing and amended objectives.</p>
<p><i>POLICY HNSMAP13</i> <i><u>To collectively make provision within the Breadalbane and Iona Special Character Zones for development capacity housing yield of at least 390-400 dwellings.</u></i></p>	<p>Setting a yield to be achieved across the development area will ensure that there is flexibility in the densities to be achieved across the neighbourhoods. This policy also ensures consistency with the RPS density targets for greenfield growth areas (noting that in some areas this density target is not met due to the nature and character of the areas) and the yield set down in the Statement of Expectations from the Minister under the Streamlined Planning Process.</p> <p>The ability of the Bull Hill Neighbourhood to accommodate greater levels of density relative to other areas within the Iona Urban Growth Area and in particular the Iona Special Character Zone is a key component of ensuring that the capacity for development set by Minister can be achieved. This policy also ensures an efficient use of the residential land resource and provides a more certain outcome.</p> <p>The costs of setting a housing yield includes the impacts on the amenity values of the adjoining lower density zones (Havelock North Character Residential, Rural Residential and Plains Residential), although this is addressed in the provisions to ensure site sizes adjoining or opposite these zones are similar. Other costs include the potential perception that higher density equals lower amenity, and costs associated with the need for greater infrastructure requirements to</p>

	<p>accommodate a greater density level including stormwater runoff. This policy also has potential to impact on the community desire to maintain the character of the Iona Special Character Zone.</p> <p>This policy will be effective in achieving objective HNSMAO7, 8 and 9 in that it will ensure an efficient use of the land resource by a requiring a minimum yield across the neighbourhood as a whole and contain development within the Havelock SMA.</p> <p>It is considered to be an efficient and effective policy. Meeting the housing yield specified by the Minister is a key consideration to development of this area under the Streamlined Planning Process.</p>
<p>POLICY BHP1 <i>Identify areas where the site sizes should be similar to adjoining existing development to provide certainty of the maintenance of existing residential density and amenity values for existing residents.</i></p>	<p>The amendments to Policy BHP1 reflect the conferencing around the interface of the Bull Hill Neighbourhood with the existing Havelock North Character Zone. The amendments to the policy are to provide certainty to existing landowners on the density of the land to be developed and the level of amenity that can be expected.</p> <p>The amended policy will be effective in ensuring the new development will be complementary to existing development and provide certainty of outcomes. The provisions that implement this policy are minimum lot sizes, with those adjoining the Havelock North Character Residential, Rural Residential and Plains zones being larger than those within the wider Bull Hill Neighbourhood. The Urban Design evidence identified that the effects of the reducing the minimum site size on the interface will have very little effect on the level of amenity of the existing area, provided a variety of lots sizes and housing typologies is achieved.</p> <p>Potential costs include the perception that higher density equals lower amenity, costs associated with the need for greater infrastructure requirements to accommodate a greater density level including stormwater runoff – although this is countered by reduced stormwater reticulation costs that would be incurred if development occurred elsewhere.</p> <p>This Policy will be effective in achieving objective BHO1 in particular, by requiring certainty on density and amenity levels that are complementary to the adjoining zones.</p>
<p>POLICY BHP5 <i>Allow for flexibility in how the density of development is achieved in the Bull Hill Neighbourhood Area while setting a maximum residential density requirement to be met.Provide controls to achieve variety in site size and housing typologies.</i></p>	<p>The ability of the Bull Hill Neighbourhood to accommodate greater levels of density relative to other areas within the Iona Urban Growth Area and in particular the Iona Special Character Zone is a key component of ensuring that the capacity for development set by Minister can be achieved. The ability of this area to provide for these greater levels of density without compromising the amenity of the zone was supported by urban design evidence, provided a variety of lot sizes and housing typologies was achieved.</p> <p>The Policy will be effective in achieving objective BHO2 in that it will allow for the minimum yield set by the Minister to be met by ensuring that a mix of small and large lot sizes can be achieved by applying minimum site sizes (and percentages) within the Bull Hill Neighbourhood. In turn, this will also deliver good urban design outcomes.</p>
<p>POLICY BHP6 <i>Provide opportunities for Comprehensive Residential Developments <u>(which include Retirement Village</u></i></p>	<p>The amendment to Policy BHP6 does not alter the intent of the policy assessed under the Section 32 report. The amendment clarifies that Retirement Village development forms part of Comprehensive Residential Developments. The definition of Comprehensive Residential Development has also been altered to include reference to retirement villages. The Policy will continue to meet Objective BHO2 as retirement villages will assist in achieving the higher densities required</p>

<p><i>Developments) in appropriate locations within the Bull Hill neighbourhood.</i></p>	<p>to meet the yield established by the overarching objective HNSMA09 and in providing wider housing choice for some sectors of the community.</p>
<p>POLICY BHP7 <i>Ensure-Encourage comprehensive residential developments demonstrate as a form of medium density housing meeting good urban design principles and in a form that positively contributes to the creation of a high quality living environment within the Bull Hill neighbourhood by requiring an assessment of such proposals by qualified urban design specialists as part of the resource consent process.</i></p>	<p>The changes to this policy are aimed at clarifying the outcomes that are sought, rather than the method of doing so, for Comprehensive Residential Development. These outcomes consistent with those discussed above in relation to urban design outcomes.</p> <p>Quality Comprehensive Residential Development is a key element of achieving the required development capacity, urban design outcomes and housing choice. As such, clarity in respect of this form of development is considered an efficient and effective way of achieving the objectives of the plan change, particularly Objective BHO2 and new Objective HNSMA09. The Policy remains effective and efficient in ensuring land will be used in an efficient manner and a high quality residential environment will be achieved.</p>
<p>Iona Terraces and Plateau Neighbourhood Character and Amenity</p>	
<p>POLICY ITP6 <i>Mitigate any potential significant adverse effects of buildings and activities on the community, <u>the adjoining and the environment</u>, with particular emphasis on maintaining the character and amenity of the adjoining established Havelock North Rural Residential Zone and the wider environment</i></p>	<p>The changes to this policy do not alter the intent of the assessment of its efficiency and effectiveness under the Section 32 evaluation. The changes to the policy provide clarity as to the intent of mitigating adverse effects on adjoining zones and the wider environment. As such it is more efficient and effective than the notified version. There are no costs anticipated to arise as a result of this amendment.</p>
<p>POLICY ITP8 <i>Provide for a range of lot sizes to ensure that there is flexibility in the creation of lots sizes to enable <u>variety and efficiency in residential development and to enable landscape values to be recognised.</u></i></p>	<p>The Iona Terraces overlay comprises four different areas with different average lot sizes that recognise the transition between the Bull Hill Neighbourhood and the Iona Plateau Neighbourhood. The benefits of this policy are that the landscape values of the Havelock Hills are recognised and maintained and that a range of lot sizes are created to enable housing choice, while at the same time providing for better urban design outcomes.</p> <p>The costs associated with this policy are the financial costs to the developer associated with creating diversity within the development. However, maintaining the character and landscape values of this area is fundamental to the Structure Plan and hence the changes do not represent a significant change from the notified version.</p>
<p>Stormwater Management</p>	
<p>POLICY ISCP6 <i>Ensure that all stormwater runoff from the developed area that has the potential to create ponding or</i></p>	<p>The changes to this policy reflect the stormwater management regime that is anticipated by the structure plan, whereby stormwater attenuation will be achieved through a range of methods but primarily in communal (rather than on-site) stormwater detention facilities. It also gives better effect to the changes to the structure plan objectives that provide more specific requirements regarding stormwater neutrality.</p>

<p><i>flooding effects beyond predevelopment levels will be attenuated on-site to achieve stormwater neutrality.</i></p>	<p>This clarification may reduce costs, as evidence provided to the Hearing of submissions indicated that communal management was likely to be more efficient and cost effective than residential on-site management of stormwater. Accordingly, this policy is considered an efficient and effective way of meeting stormwater management requirements to ensure that the potential adverse flooding effects from future development are appropriately avoided or mitigated.</p>
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Table 3: Assessment of other methods

<p>Provision of sufficient development capacity while maintaining character and urban design outcomes</p>	
<ul style="list-style-type: none"> • Amendments to the Structure Plan, including: <ul style="list-style-type: none"> - Providing for fixing and indicative road networks on the Structure Plan map to enable flexibility in urban design; - Refining the design criteria to reflect smaller lot sizes, higher densities and variety in section sizes in the Bull Hill Neighbourhood; - Enabling land not required for stormwater management purposes to be utilised for use in accordance with its underlying zoning. • Amendments to the development rules to enable Comprehensive Residential Development within the Bull Hill Neighbourhood; • The addition of specific development standards for Comprehensive Residential development; • Additional assessment criteria and subdivision rules for Comprehensive Residential Development; • Amendments to subdivision minimum lot sizes within the Bull Hill Neighbourhood to ensure housing yield targets are met; and • Subdivision assessment criteria to ensure a variety of lot sizes, including minimum percentages of each lot size in the Bull Hill and Iona Terraces Neighbourhoods and additional assessment criteria to ensure good urban design outcomes. 	<p>In conjunction with the revised policies, there are a range of provisions that have been included or amended to give effect to the existing and amended objectives. Key ones are highlighted here.</p> <p>These requirements, which include overarching Structure Plan guidance through to development/subdivision rules, standards and assessment criteria have been largely developed through a caucusing process, initiated through the hearing, to ensure that the housing yield can be met. Of particular relevance are the lot sizes that have been determined for the Bull Hill area, which are discussed in more detail in Table 4 below.</p> <p>These provisions establish an important balance between providing for sufficient development capacity and housing yield and choice, while ensuring variation in lot size and housing typology to maintain the character, landscape and amenity values of the Iona Structure Plan area and a high quality of development.</p> <p>Providing addition certainty of outcomes by specifying the minimum percentages of lot size ranges and greater clarification of urban design considerations is consider effective and efficient to both developers and the wider community. However, flexibility in lot sizes proportions has been retained to enable flexibility in subdivision design and implementation. On this basis, it is considered that the proposed changes do not increase costs, but rather increase certainty and outcomes for both development and the community.</p>

<p>Iona Terraces and Plateau Neighbourhood Character and Amenity</p>	
<ul style="list-style-type: none"> • Amendments to the Structure Plan maps (Figures 2 and 3) to provide clarity of no- build and no-earthworks zones; • Amendments to development controls to clarify building, earthwork and vegetation restrictions; • Amendments to subdivision minimum lot sizes, while ensuring variety of sizes in achieved to maintain character; • The inclusion of subdivision standards to ensure a variety of lot sizes on the Iona Terraces; • The removal of maximum yields from the Bull Hill and Iona Terraces Neighbourhoods; 	<p>A key aspect of the Iona Structure Plan is the graduation of development intensity within the Structure Plan area, with higher densities in the Bull Hill Neighbourhood, medium density in the Iona Terraces and low density large lot development on the Iona Plateau. This has been designed in part to recognise the challenges of developing in the steeper slopes of the upper plateau and importantly to protect the character and landscape values of these elevated areas and the transition to adjoining rural residential properties.</p> <p>The objective to meet 390 to 400 lots, while still retaining character, landscape and amenity values requires clarity and certainty to achieve necessary development capacity while at the same time mitigating potential adverse effects. In this regard, it is considered that the combination of provisions is the most appropriate method of achieving a balance between intensity of development and retaining landscape, character and amenity values of the Terraces and Plateau Neighbourhoods and adjoining zones.</p>
<p>Stormwater Management</p>	
<ul style="list-style-type: none"> • Amendments to the design outcomes of the Structure Plan including specification of design performance outcomes for stormwater management to achieve stormwater neutrality; • Inclusion of a stormwater runoff coefficient for the commercial nodes; • More specific subdivision standards in respect of stormwater management and achieving stormwater neutrality, including the development of a stormwater management plan for the entire Structure Plan area at the time of first major subdivision; • The addition of stormwater neutrality requirements for subdivision in the Breadalbane area; and • Additional stormwater assessment criteria for subdivision to provide for on-site devices and development in advance of the construction of communal management devices. 	<p>The amendments that are recommended to the Minister provide certainty, to both developers and downstream properties that may be affected by flooding, of the stormwater mitigation requirements that are necessary to mitigate potential adverse effects.</p> <p>The requirement to develop a stormwater management plan at the time of first major subdivision enables efficient stormwater planning and network design that will facilitate subsequent development while mitigating potential adverse effects. Evidence provided to the hearing advised that developing a stormwater management plan for the entire structure plan area would likely lead to more efficient and cost effective stormwater outcomes.</p> <p>The costs of this approach relate to the need to develop the overall concept plan, but this is offset by costs associated with the development of separate, and not necessarily consistent, individual subdivision plans.</p> <p>Overall, it is considered that the recommended provisions are the most efficient and effective method of achieving appropriate stormwater management, as sought through the objectives, and effectively managing risks and avoiding or mitigating potential adverse effects.</p>

<p>The provision for up to two commercial nodes within the Bull Hill Neighbourhood</p>	
<ul style="list-style-type: none"> • Provision for one larger, or two smaller, commercial nodes to be established in the Bull Hill Neighbourhood; • Providing locations of the two potential nodes on the structure plan maps; • Amendments to the development rules to provide for up to two commercial nodes; • Amendments to the performance standards for commercial nodes; • Additional assessment criteria in respect of the commercial nodes to ensure integration with the surrounding area; and • Subdivision lot sizes for either one or two commercial nodes. 	<p>These amendments are designed to provide flexibility in the location and sizing of commercial nodes (being a dairy or café activity) at specific locations in the Bull Hill Neighbourhood.</p> <p>The benefit of this change is providing some flexibility to enable a choice of commercial node options, while not significantly increasing the scale of these beyond that of the notified Variation. The node(s) provide benefit to the community by providing a local meeting point (café) or small scale commercial service (dairy), noting that the Havelock North township is some 1.5km away.</p> <p>The costs of providing two nodes are a potential small loss of developable area, an additional commercial activity in a residential zone and potential issues regarding on-street parking.</p> <p>Providing the choice of one (larger) or two (smaller) nodes is considered to be efficient and effective, in that it enables decisions to be made during detailed subdivision design as to the best option to provides services to the area while retaining the residential character of the area.</p>
<p>Broadening of references to ‘walkways’ to provide for other recreational modes</p>	
<ul style="list-style-type: none"> • Amendments to the green network elements of the Structure Plan and provisions relating to the Iona Terraces and Plateau Neighbourhoods to: • Broaden references to walkways so that they refer to ‘recreational linkages’ to ensure multiple recreational uses are enabled. • Amend Policy ITP6 to refer to recreation linkages. 	<p>This is a minor amendment. The changes have been made to enable consideration of multi-modal linkages during the development of reserve management plans.</p>

4.6 Options Evaluation – Development Capacity/Density

The major issue considered through the Hearing was the provisions necessary to enable the development capacity specified in the Minister’s Statement of Expectations (a housing yield of at least 390 to 400 dwellings), to be met. In particular, the Hearing Panel considered how land could be developed most efficiently and effectively to meet the yield targets set by the Minister in the Statement of Expectations, while also retaining the special character and other values of the Iona area.

The Density Rules as notified were:

- a) 700m² minimum applying to sites adjoining or opposite the following zones PP, HNCR & HNRR;
- b) No minimum site size for the remainder of the Bull Hill area but a requirement to achieve an overall minimum density of 15 dwellings per hectare and an overall maximum density of 17 dwellings per hectare across the neighbourhood as a whole;
- c) A requirement for subdivision proposals including sites below 400m² to provide a concept plan at subdivision stage to ensure proposed sites can comply with performance standards (bulk and location) given there is no minimum site size; and
- d) A requirement for an urban design assessment provided with any application for subdivision that includes sites with a minimum net site area of less than 400m² and/or those identified as forming a Comprehensive Residential Development site.

Some submissions sought higher density levels in the Bull Hill Neighbourhood in particular. This was to be achieved by lowering minimum site sizes both within the Bull Hill Neighbourhood and for those sites bordering the Havelock North Character Residential, Rural Residential, and Plains Zones, along with changes to the Comprehensive Residential Development provisions. This needed to be balanced against ensuring that the level of amenity of the Bull Hill Neighbourhood remains high and that there is variety in the size of lots within the development to ensure that uniformity is avoided and good urban design outcomes and housing choice are achieved.

The Hearing Panel directed that five different development scenarios be jointly assessed (by Council and the major land owner) as to their ability to achieve the yield outcome sought in the Minister’s Statement of Expectations and in respect of criteria to ensure variety of lot sizes and housing typologies to retain character and provide housing choice (consistent with the NPS UDC – PA3).

The five development options assessed were:

Scenario 1

- Based on the structure plan area as notified excluding development in the area identified for stormwater detention in the vicinity of outlet D as shown on the Structure Plan;
- Lot sizes of the Bull Hill Neighbourhood in accordance with the Commissioners minute;
- Includes 600m² lots located as buffer to properties on Chestnut Court and consequent street realignment;
- Lot sizes in the Iona Terraces Neighbourhood – 600m² minimum, 800m² average and 8 small lots between 350m²-500m².

Scenario 2

- Includes 1.16ha of CRD – within the agreed range between 1.1ha – 1.3ha;
- Otherwise uses the same lot size assumptions as Scenario 1 for Bull Hill and Iona Terrace Neighbourhoods;
- Uses the amended Isthmus boundary between the central reserve and Iona Terraces Area D.

Scenario 3

- Incorporates the small extension of Bull Hill Neighbourhood south of Bull Hill Reserve, and the area earmarked for potential storm water detention;
- Otherwise, uses same CRD range and lot size assumptions as above;
- Shows a slightly larger area of 1.26ha for CRD to correspond to increase in size of Bull Hill Neighbourhood;
- Uses the amended Isthmus boundary between the Iona Recreation Reserve and Iona Terraces Area D.

Scenario 4

- 19 dwellings per ha is considered an appropriate average density per hectare target in Bull Hill Neighbourhood;
- Method agreed to achieve variability: a standard that requires the overall concept plan for areas A and B of the Bull Hill Neighbourhood to comply with a minimum percentage for the different lot sizes and qualitative assessment criteria (see standards and assessment criteria attached).

Scenario 5

- Lot sizes for Bull Hill in accordance with scenario 1 but with an area of 1.24ha for CRD included;
- Average lot size reduced to 700m² (600m² minimum) in the Iona Terraces Neighbourhood with allowance for 13 small lots between 350m²-500m² as recommended in the s42A Report;
- Uses the amended Isthmus boundary between the reserve and Iona Terraces Area D;
- Includes a minor extension to the Bull Hill Neighbourhood in the vicinity of Outlet D along lines indicated in Mr Bredemeijer's evidence.;
- Realigns the stormwater area near Outlet D parallel with Middle Rd as suggested during hearing;
- Includes eastern extension to Iona Terraces Neighbourhood at 153 Iona Road as recommended in the s42a report;
- Includes minor realignment of southern lane in Iona Terraces Neighbourhood to improve lot depth; and
- Includes minor extension to Lot 1 in Iona Plateau Neighbourhood as sought in Lowe submission.

These options are evaluated in Table 4. Option 5, for which an indicative master plan is attached to this evaluation, was supported by parties undertaking caucusing. It has also been evaluated as the most efficient and effective option to meet the Minister's direction, while at the same time protecting the character and amenity of the area and providing housing choice. As a result it formed the basis of the lot size, density and variety provisions in the recommended amendments to Variation 4.

Table 4: Development Scenarios evaluation

Option	Costs	Benefits	Effectiveness	Efficiency
1	<p>May not meet the minimum yield required by the Minister in the SPP and the objectives of the NPS UDC.</p>	<p>Environmental – This option could potentially result in less uniformity and flexibility in the development of the land with good urban design outcomes as a result of the urban design assessment required where sites are below 400m².</p> <p>Environmental- It would ensure a higher level of amenity for landowners adjoining the development by retaining larger sites on the boundaries that would be complementary to the existing built environment.</p> <p>Economic – Allow for landowners and developers to have a flexible approach to the development</p>	<p>Rating: Medium/high</p> <p>This minimum site size on the periphery of the Bull Hill Neighbourhood and no minimum within, would allow for the greatest level of density within the Bull Hill Neighbourhood while maintaining the amenity levels that were sought by submitters on the Variation and those providing feedback on the Draft Structure Plan. It is considered to have only a medium level of effectiveness as there is some doubt that the required yield can be met.</p> <p>The proposal would be less effective in achieving the existing Objectives of the Havelock Residential Environment Section of the District Plan, particularly Objective HNSMAO9, which requires the yield targets set by the Minister to be met.</p>	<p>Rating: Medium/high</p> <p>While greater environmental benefits might be achieved in terms of amenity, the risk that this option will not achieve the minimum yield required in the Statement of Expectation of the SPP lowers the efficiency rating. Not meeting yield targets would mean that the land is not used efficiently thereby having negative impacts for the sustainable management of the Heretaunga Plains versatile land resource.</p>
2	<p>Economic – Would constrain the amount of CRD thereby reducing the yield achievable which is not as efficient use of the land resource.</p> <p>Environmental – The criteria to achieve larger lot sizes where they adjoin existing established zones may make the ability to achieve the yield more difficult.</p>	<p>Environmental – This option could potentially result in less uniformity and flexibility in the development of the land with good urban design outcomes as a result of the urban design assessment required where sites are below 400m².</p> <p>Environmental- It would ensure a higher level of amenity for landowners adjoining the development by retaining larger sites on the boundaries that</p>	<p>Rating: Medium/high</p> <p>This option has a medium/high effectiveness rating as it provides variety in site sizes and ensure high levels of amenity particularly for those zones adjoin the development area, together with certainty over where the CRD will be located.</p> <p>However it may not provide the level of flexibility to allow the density of development required to be achieved</p>	<p>Rating: Medium/high</p> <p>This option results in the ability to achieve a high level of amenity within the development and for those adjoining it.</p> <p>However as for Option 1 the risks associated with not being able to meet the yield targets established under the SPP could result in the inefficient use of the land resource placing pressure on other areas.</p>

		would be complementary to the existing built environment. Environmental – This option would provide certainty to the adjoining landowners and the wider community on the levels of amenity that might be expected within the development.	and therefore would be less effective in achieving the Objectives of the Havelock Residential Environment Section of the District Plan, particularly Objective HNSMAO9.	
3	<p>Environmental – This option utilises the area identified for stormwater detention around Outlet D for residential purposes. This has environmental costs around the potential stormwater effects of the development on downstream properties particularly in Richards Road where ponding issues are currently experienced in times of heavy or prolonged rainfall.</p> <p>Economic – Would constrain the amount of CRD thereby reducing the yield achievable which is not as efficient use of the land resource.</p> <p>Environmental – The criteria to achieve larger lot sizes where they adjoin existing established zones may make the ability to achieve the yield more difficult.</p>	<p>Economic- The additional land to be included under this option for housing would provide economic benefits to the landowner and the community.</p> <p>Environmental- It would ensure a higher level of amenity for landowners adjoining the development by retaining larger sites on the boundaries that would be complementary to the existing built environment.</p> <p>Environmental – This option would provide certainty to the adjoining landowners and the wider community on the levels of amenity that might be expected within the development.</p>	<p>Rating: Medium/low</p> <p>This option has the same level of effectiveness in meeting the objectives of the Havelock Residential Environment Section of the District Plan as Scenario 2 above as they relate to amenity.</p> <p>With the additional land area identified for stormwater detention in the vicinity of outlet D there is an increased likelihood of meeting the density objective HNSMAO9. However conversely the use of this area for additional housing, and further adding to the stormwater runoff may mean that this option would not be effective in meeting Objective HNSMAO5 <i>Adequate infrastructure will be in place before intensification of housing occurs.</i></p>	<p>Rating: Medium/low</p> <p>This option is efficient in meeting the density and yield targets set by the Minister and there are also significant benefits in providing for the amenity of the area.</p> <p>However there are significant environmental costs associate with this option as it creates a high level of uncertainty for landowners downstream of Outlet D as to the effects of stormwater from the development south of Iona Road.</p> <p>Uncertainties around stormwater mitigation result in this option being only partially efficient.</p>
4	<p>Environmental- This option would not achieve the variability of sites and the level of amenity sought by the community.</p> <p>Environmental –CRD could occur in any location across the Bull Hill Neighbourhood, having a negative impact on the amenity of the area.</p>	<p>Economic –this option would enhance flexibility options and allow the developer to base his development on maximum economic returns.</p> <p>Economic – it meets the yield targets set.</p> <p>Environmental – This option would provide a greater level of certainty in the</p>	<p>Rating: Medium/low</p> <p>This option applies an average density target across the Bull Hill Neighbourhood. This mechanism will be effective in meeting the yield in objective HNSMAO9 <i>To promote the efficient use of the land within the Breadalbane and Iona Special Character</i></p>	<p>Rating: Medium</p> <p>Option 4 has similar outcomes to Option 3 in that it is an efficient in meeting the density and yield targets set by the Minister.</p> <p>However it has costs that outweigh the benefits in terms of recognising the existing landscape and character of the</p>

	<p>Environmental –This option gives no consideration to the recognition or maintenance of the amenity of the landowners who adjoin the Bull Hill Neighbourhood.</p>	<p>planning of infrastructure for the servicing of the area.</p>	<p><i>Zones to ensure that development capacity of at least 390-400 dwellings can be met.</i></p> <p>It has been calculated that alone this level of density will meet this objective which is also consistent with the Minister’s expectations.</p> <p>Its effectiveness rating is significantly reduced as there are a number of other objectives which would fail to be met as a result of this density standard alone. These include Parts (a) and (c) of Objective HNSMAO4 which aim to recognise and maintain the landscape qualities of the Havelock North Hills.</p> <p>This option may also not be effective in meeting ISCO2 which seeks to achieve new and innovative forms of residential development responding to the unique environment. A standard density without any specific provisions may not achieve the variability that is sought.</p>	<p>area and maintaining the amenity of the environment including those properties adjoining the development area. For these reasons it is assessed as being only partially efficient.</p>
<p>5</p>	<p>Economic – Costs associated with the provision of concept plans.</p> <p>Environmental – Potential for greater stormwater impacts given the increased potential for smaller site sizes across the Bull Hill Neighbourhood.</p> <p>Environmental – Perceived reduction in amenity from adjoining landowners in the Havelock North Character residential zone with a reduction of site sizes to 600m².</p>	<p>Environmental – Retains larger lot sizes adjoining or located opposite lower density zones.</p> <p>Environmental - Provides flexible opportunities for smaller site sizes internal to the development. Balances using the land efficiently with retaining character and amenity.</p> <p>Environmental – Promotes innovation and creativity in different site sizes and seeks to create a mix of house sizes to</p>	<p>Rating: High</p> <p>This option is highly effective in achieving the objectives of the Iona Special Character Zone. It combines the flexibility that is required to meet yields while ensuring that there are opportunities for innovation and variety together with the mechanisms necessary to protect the level of amenity enjoyed by the adjoining land owners.</p> <p>This option takes into account the boundary adjustments, the CRD provisions, and the overall density rules</p>	<p>Rating: High</p> <p>This option has a high level of efficiency. It meets the housing yield targets while providing significant environmental benefits in terms of flexibility and variability in the site sizes to be delivered, that will have social and cultural benefits to the community. The option also has benefits in providing for greater certainty on the level of amenity that will be achieved in the development resulting in a high quality residential</p>

		<p>meet the wider needs of the community.</p> <p>Economic – Flexible provisions means that the required yield of at least 390-400 sites can be achieved.</p> <p>Environmental and Social & Cultural– Concept Plans required for the entire area at the start of the development will provide certainty on how the housing density and variability in site sizes will be achieved.</p>	<p>within the Bull Hill Neighbourhood. With these in place, the yield target set out under objective HNSMAO9 will be successfully met.</p>	<p>development that respects the landscape character of the Iona area.</p> <p>These benefits significantly outweigh the greater subdivision costs associated with this option and make it a highly efficient option.</p>
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4.7 Risks of Acting or Not Acting

Section 32(2)(c) of the Resource Management Act requires that the assessment of the efficiency and effectiveness of the provisions in achieving the objectives must 'assess the risks of acting or not acting if there is insufficient information about the subject matter of the provisions'. This requirement also applies to the assessment of any changes under Section 32AA.

The area of the land subject to Variation 4 has been identified in the District's regional growth strategies, the HPUDS and the RPS as required to meet residential growth needs for the period 2015-2045. Council is required in rezoning land for residential growth needs to give effect to the RPS. As a medium growth authority Council must also take into account its obligations under the NPS UDC to provide sufficient land capacity to meet its housing demands. The Minister for the Environment has also set a yield of 390-400 dwellings for the development in his Statement of Expectations for the Streamlined Planning Process for Variation 4.

Submissions received on Variation 4 raised concerns that the density provisions for the Bull Hill, Iona Terraces and Iona Plateau Neighbourhoods as notified would be unable to achieve the yield required. As a result, changes were made to the development and subdivision provisions in the Bull Hill and Iona Terraces Neighbourhoods to enable the yield target to be met.

It is considered that the risk of not acting on these changes is significant, as it would result in the yield target of 390 – 400 dwellings not being met. The yield is important to meet the efficiency objectives of the NPS UDC and give effect to the RPS. Housing demand within the Hastings District and Hawkes Bay Region is high and Hastings and Napier have both been recently identified as medium growth regions under the NPS. One of the reasons accepted by the Minister in issuing a Streamlined Planning Process direction to Council for this variation was that there is a shortage of residential zoned land and this is a significant community need.

Should the amended provisions of Variation 4 not proceed, there is the risk of less sustainable ad hoc residential development occurring in a dispersed manner throughout the existing Plains Production Zone. This would be in direct response to a lack of supply of appropriately located residentially zoned land being available. Such development would contradict the existing national and regional policy direction for land development within the Region.

5 Conclusion

The evaluation above summarises the recommended changes that have resulted from the hearing of submissions on Variation 4. The majority of the changes were either sought in submissions, offered by Council to address submission concerns or developed collaboratively following directions from the hearing Panel. The evaluation confirms that the proposed changes to the objectives of Variation 4 are consistent with the purposes and principles of the Act. They provide for essential residential growth in an area of high demand for housing that in turn provides for the social and economic well-being of people and communities, while ensuring that potential adverse effects on the values and character of the area and potential flooding effects are appropriately avoided or mitigated.

The changes to the policies and methods that are recommended are considered to be the most appropriate way of achieving the objectives of Variation 4 as amended.

In respect of density and urban design outcomes, they give effect to the development scenario (Scenario 5) that was supported by parties during causing and which has been evaluated as having a high level of efficiency and effectiveness, while providing development capacity that exceeds the direction of the Minister and ensuring a variety of lot sizes and housing typologies to provide good urban design and amenity outcomes.