

---

# Proposed Hastings District Plan

## Proposed Variation 5: Inner City Living

### Section 32 Summary Evaluation Report



**Prepared  
by:**

Megan Gaffaney

**Environmental Policy  
Planner, Hastings District  
Council**

**Date:**

November 2018

**File Ref:**

ENV-9-19-6-18-2

**Status:**

FINAL

**Reviewed  
by:**

Rowan Wallis

**Environmental Policy  
Manager, Hastings  
District Council**

## Contents

<b>1</b>	<b>Introduction .....</b>	<b>2</b>
1.1	Purpose of this Report .....	2
1.2	Outline of Proposed Variation 5 to the Proposed Hastings District Plan .....	2
<b>2</b>	<b>Section 32 Evaluation Requirements .....</b>	<b>3</b>
<b>3</b>	<b>Statutory Basis for Addressing Inner City Living in the District Plan .....</b>	<b>5</b>
3.1	Part 2 (Purpose & Principles) of the RMA .....	5
3.2	Part 4 (Functions, Powers & Duties) of the RMA .....	6
3.3	Hawke's Bay Regional Policy Statement .....	6
<b>4</b>	<b>Background – Current status of Residential Activity in the CBD .....</b>	<b>7</b>
4.1.1	Designated Retail Frontage .....	7
4.1.2	Central Character Precinct .....	8
4.1.3	Comprehensive Residential Development and Mixed Use Development in the CBD .....	10
4.2	Strategies underpinning Variation 5 – Inner City Residential .....	11
4.2.1	The vision of having people living in Hastings CBD has been identified as a goal in Council CBD strategies. The Key Strategies with goals relating to Inner City Living are listed in the table below: Hastings CBD Strategy, EMS Isthmus Group Consortium, 2000 .....	11
4.2.2	Hastings Urban Issues & Urban Design Framework, UrbanismPlus 2010 .....	11
4.2.3	Hastings City Centre Strategy, Hastings District Council 2012 .....	11
4.2.4	Hastings City Centre Vibrancy Plan – Annual Activities Plan 2016/17 .....	11
<b>5</b>	<b>Community Engagement Process &amp; Results .....</b>	<b>12</b>
5.1.1	What the community said .....	12
5.1.2	Engagement with stakeholders, 2017 .....	12
<b>6</b>	<b>Matters for Consideration .....</b>	<b>14</b>
6.1	RPS Considerations .....	14
6.2	Connectivity, Social Infrastructure and Open Space .....	16
6.3	Parking Effects .....	17
6.4	Services Infrastructure .....	20
6.5	Noise Effects .....	20
6.6	Historic Heritage Features .....	20
6.6.1	Significant Natural, Ecological & Landscape Areas or Features .....	20
6.6.2	Historic Heritage .....	21
6.7	Economic Impacts .....	23
6.8	Conclusion as to Suitability .....	23
<b>7</b>	<b>Appropriateness, Efficiency &amp; Effectiveness of Proposed Variation 5 in Achieving the Purpose of the RMA .....</b>	<b>23</b>
7.1	Is the Proposal the Most Appropriate Way to Achieve the Purpose of the RMA? .....	23
	<b>The proposal is confirmed as representing the most appropriate way to provide for the sustainable management of the District's resources – the purpose of the RMA. ....</b>	<b>23</b>
7.2	Are the Provisions the Most Appropriate Way to Achieve the Purpose of the Proposal? ..	23
<b>7.3</b>	<b>SUMMARY OF OPTIONS EVALUATION .....</b>	<b>24</b>
7.3.1	Extent to which Residential Activities and Comprehensive Residential Development are permitted .....	24
7.3.2	On-Site Parking Provisions .....	25
7.3.3	Outdoor Living Space Provisions .....	25
7.3.4	Comprehensive Residential Development and Mixed Use Development provisions .....	25
7.3.5	Rule H2 Section 18.1 Heritage Items and Notable Trees .....	25
<b>8</b>	<b>Summary &amp; Conclusions .....</b>	<b>38</b>

## 1 Introduction

### 1.1 Purpose of this Report

This report presents the summary evaluation of proposed Variation 5 to the Proposed Hastings District Plan (Proposed Plan), in accordance with Section 32 of the Resource Management Act 1991 (RMA).

Proposed Variation 5 seeks to enable an emergence of inner-city living within Hastings CBD.

This report is required to accompany proposed *Variation 5 at the time of public notification under Schedule 1 of the RMA*.

### 1.2 Outline of Proposed Variation 5 to the Proposed Hastings District Plan

Proposed Variation 5 will result in amendments to the status of above ground floor residential activities and some performance standards applicable to Residential Activities, parking for Residential Activities and consequential changes to Comprehensive Residential Development and Mixed Use Development in the Central Commercial Zone.

The proposed changes seek to enable and increase the Residential Activity in the upper levels of buildings in Hastings Central Commercial Zone.

It is recommended that the Section 32 be read in conjunction with the amended Sections 7.3 (Central Commercial Zone) and 26.1 (Transport and Parking) of the Proposed Hastings District Plan. Submissions can only be made on the proposed changes, not the existing unaltered provisions.

#### **PLAN PROVISIONS TO BE AMENDED:**

##### Section 7.3 Hastings Commercial Environment:

###### Objectives and Policies

- Policy CCP4

Amend this policy to reinforce the policy direction that commercial, residential activity and comprehensive residential development above-ground floor level be enabled in the Central Commercial Zone.

###### Rule Table 7.3.4.1 Central Commercial Zone

- Rule CCR3

Amend this rule to allow residential activity and comprehensive residential development above-ground floor level as a Permitted Activity throughout the Central Commercial Zone. Presently residential activity is only permitted in areas with a Designated Retail Frontage.

- Rule CCR20

Delete this rule which provides for Comprehensive Residential Development and Mixed Use Development as a Restricted Discretionary Activity Non Notified. This rule does not assist with enabling residential activity in this zone.

- Rule CCR23

Amend this rule to reinforce the message that residential activities and comprehensive residential development at ground-floor level is not to be encouraged. The Activity Status is Discretionary.

- Specific Performance Standard 7.3.6C (1) (a)

Amend this provision to include reference to comprehensive residential development.

- Specific Performance Standard 7.3.6C (3)(a)

This provision controls the minimum size of residential units. It will be amended for consistency with the equivalent standard for comprehensive residential development and allow greater flexibility in unit size.

- Specific Performance Standard 7.3.6C (3)(e)

Amend this provision to exempt Above-Ground Floor Level Residential Activities from outdoor living space requirements in the Russell Street and Queen Street Historic Areas (Appendix 51, and to sites within the Central Character Precinct (Appendix 32).

- Specific Performance Standard 7.3.6I

Amend this provision to acknowledge and accommodate the differences of comprehensive residential development in the commercial environment instead of a residential environment.

- Assessment Criteria 7.3.7.2S for of comprehensive residential development and mixed use
- Minor change to wording to improve clarity of criteria and avoid duplication.
- Assessment Criteria 7.3.7.2U – Residential Activities in the Central Commercial zone not meeting performance standards (Restricted Discretionary)

Introduce a new assessment criteria for above-ground residential activity not complying with standards. This was omitted previously.

- Assessment Criteria 7.3.7.3A – Residential Activities at ground floor level (Discretionary)

Amend this criteria which currently addresses residential accommodation at ground floor level on sites with designated retail frontage to broaden its scope to include all residential accommodation at ground floor level within the Central Commercial Zone and strengthen the criteria against ground floor level residential development.

### **Section 18.1 Heritage Items and Notable Trees**

Rule Table 18.1.5A, specifically Rule H2

Amend this rule to include internal alterations and/or internal safety alterations to buildings in the Russell St or Queen St East Historic areas shown in Appendix 51 as a permitted activity.

### **Section 26.1 Transport and Parking**

- General Standard 26.1.6D (2)

Amend this standard to also exempt above-ground level residential activities and comprehensive residential development from having to provide on-site parking in the Central Character Precinct and Russell St or Queen St East Historic areas and minor consequential amendments.

### **SUMMARY**

In summary, the proposed variation involves:

- i) Evaluating the current provisions for residential activities (above ground floor) in the Central Commercial zone
- ii) Evaluating the provisions for on-site parking for residential activities in the Central Commercial zone
- iii) Evaluating the provisions for Comprehensive Residential Development in the Central Commercial zone
- iv) Evaluating the provisions for Mixed Use Developments in the Central Commercial zone; and any
- v) Consequential amendments to the Proposed Plan in the Central Commercial zone
- vi) Consequential amendments to the Heritage Items and Notable trees section of the Proposed Plan

## **2 Section 32 Evaluation Requirements**

Clause 5(1) of Schedule 1 of the RMA, requires preparation of an evaluation report for any proposed plan (including any proposed variation to a proposed plan) in accordance with section 32, and for Council's to have particular regard to that report when deciding whether to proceed with the statement or plan.

Section 32 evaluations effectively 'tell the story' of what is proposed and the reasoning behind it to the community and to decision-makers. The evaluation also provides a record for future

reference of the process, including the methods, technical studies, and consultation that underpin it, including the assumptions and risks.<sup>1</sup>

An evaluation report is required to examine both:

- the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA (s32(1)(a)); and
- whether the provisions in the proposal are the most appropriate way in which to achieve the objectives in terms of their efficiency and effectiveness 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)).

The evaluation report must 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 (s32(1)(c)).

Such an 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)).

In this case, proposed Variation 5 (the proposal) does not, of itself, contain or state 'objectives'. Therefore, pursuant to section 32(6), 'objectives' in this setting relate to 'the purpose of the proposal', which is:

***Purpose of the Proposal:***

***To improve the vibrancy, growth and identity of Hastings City Centre by having more people living in the heart of the Central Business District (CBD).***

Similarly, the 'provisions' to be evaluated are:

***Provisions: i) the Central Commercial Zone provisions as they relate to residential activities; and  
ii) any Plan provisions that will be applied to the Central Commercial Zone and Transport and Parking sections of the Proposed Plan.***

The first part of the evaluation therefore has to address:

- *'Whether making amending the provisions of the Hastings Central Commercial Zone and the Transport and Parking Section of the Plan is the most appropriate way to achieve the purpose of the RMA'.*

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

- *'Whether changing land use provisions is the most appropriate way to improve the vibrancy, growth and identity of Hastings City Centre by having more people living in the heart of the CBD.*

The following evaluation fulfils Council's statutory obligations under Clause 5(1) of Schedule 1 of the RMA, in accordance with section 32, for proposed Variation 4 to the Proposed Plan.

<sup>1</sup> Ministry for the Environment. 2014. *A guide to section 32 of the Resource Management Act: Incorporating changes as a result of the Resource Management Amendment Act 2013*. Wellington: Ministry for the Environment.



### 3 Statutory Basis for Addressing Inner City Living in the District Plan

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.

#### 3.1 Part 2 (Purpose & 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 5 directly relates to providing inner city housing within existing urban boundaries that provides 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, and 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 purpose of Variation 5 is to ensure that Hastings CBD has a vibrant and sustainable future by enabling people to live in the inner city and therefore enabling people and the community to provide for their social, economic and cultural wellbeing.

The adopted Hastings City Centre Strategy identifies the importance of planning for the future of Hastings CBD and aims to secure a long term positive, sustainable future. The Strategy was developed as a response to global, national and regional challenges that will influence Hastings long-term success. The strategy represents a 20 year approach to progress Hastings City Centre. The Hastings District Plan is one of many strands that contribute to the success of the Strategy. One of the assumptions of the Strategy is that the District Plan will actively support the concentration and diversification of land use and activities in the City Centre; and also that cycling and walking will become a preferred mode of transportation within the Central City area.

The Vision for the City is:

***Hastings - City Centre of Choice - Great living for a sustainable and fulfilling future***

***In 2033, the Hastings City Centre will be a growing, vibrant and fun place that recognises and embraces its wider landscape, productive hinterland, creativity and cultural diversity – it will be the Heart of Hawke's Bay.***

The City Centre Strategy has the following outcome:

***A dynamic City Centre with a diversity of choice... Where inner-city housing options attract people into the City Centre, providing 24/7 activity.***

### 3.2 Part 4 (Functions, Powers & 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:

- 
- “(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—**
- (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:**
- (2) the methods used to carry out any functions under subsection (1) may include the control of subdivision.”**
- 

Proposed Variation 5 expressly seeks to establish and implement plan provisions to achieve integrated management of the effects of inner city living in the Hastings City. 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 within the City.

### 3.3 Hawke’s Bay Regional Policy Statement

In addition, Section 75 of the RMA states that a district plan ‘*must give effect to*’ any regional policy statement (RPS).

Of particular relevance in terms of provision for housing is Chapter 3.1B of the Hawke’s Bay Regional Policy Statement (RPS) which dedicates a chapter to Managing the Built Environment. The RPS places priority on:

- establishing a compact and strongly connected urban form (OBJ UD1);
- providing for a range of housing choices and affordability (OBJ UD1);
- ensuring that the built environment is healthy, sustainable, functionally efficient, economically and socially resilient (OBJ UD1);
- urban design principles (OBJ UD1);
- providing residential growth through higher density development (OBJ UD2);
- retention of the versatile land of the Heretaunga Plains, efficient utilization of existing infrastructure and planned infrastructure (POL UD1);
- 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 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.**
- AER UD2 Balanced supply of affordable residential housing and locational choice in the Heretaunga Plains subregion.**
- AER UD3 More compact, well-designed and strongly connected urban areas.**
- AER UD4 Napier and Hastings retained as the primary urban centres for the Heretaunga Plains sub-region.**
-

**AER UD6** *The retention, as far as is reasonably practicable, of the versatile land of the Heretaunga Plains for existing and foreseeable future primary production.*

**AER UD7** *Efficient utilisation of existing infrastructure.*

**AER UD9** *Increased use of public transport and active transport modes (cycling, walking), reduced dependency on the private motor vehicle and reduced energy use.*

**AER UD12** *Urban development is avoided in areas identified as being at unacceptable risk from natural hazard (flooding, coastal inundation, coastal erosion, liquefaction, land instability).*

**AER UD13** *New development is appropriately serviced by wastewater, stormwater, potable water and multi-modal transport infrastructure.*

---

The preparation of proposed Variation 5 to the Proposed Hastings District Plan is subject to a statutory obligation 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.

The following sections of the report will outline how Variation 5 gives effect to the RPS.

## 4 Background – Current status of Residential Activity in the CBD

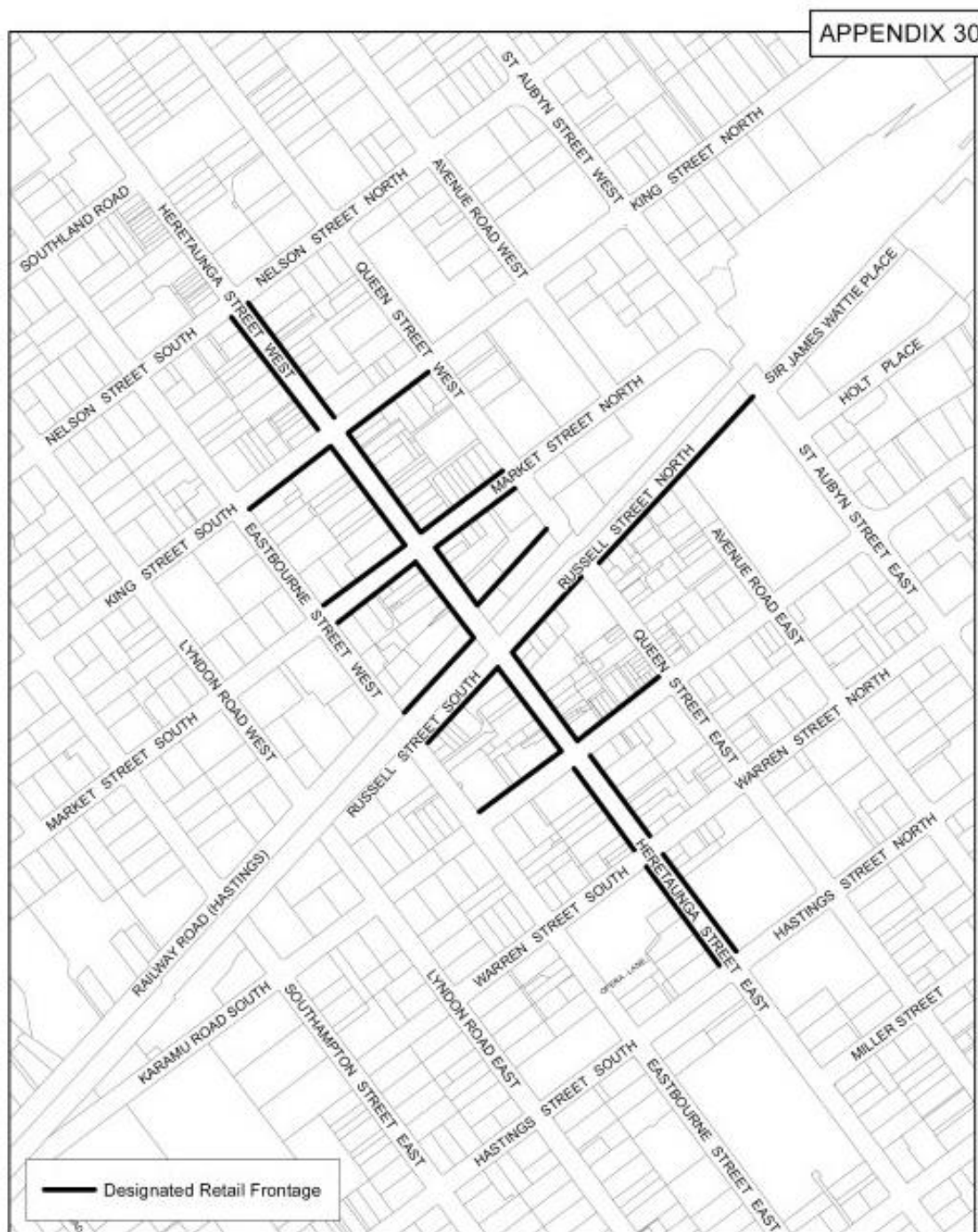
### 4.1.1 Designated Retail Frontage

Currently, above-ground floor level Residential Activities, if outside the Designated Retail Frontage are a Non Complying Activity in the Plan. However within the Designated Retail Frontage (Rule CCR3) above ground floor residential activity is a Permitted Activity. Residential Activity at ground level in the Designated Retail Frontage is a Discretionary Activity (Rule CCR23).

Proposed Variation 5 will change provisions in the Central Commercial Zone (CCZ) and the Transport and Parking (T&P) sections of the District Plan to reduce the 'barriers' (within the scope of the District Plan) to establish inner city living. The barriers being the Plan requirements which result in the need for resource consent approval for residential activity to establish without causing any adverse effects to the environment.

The Designated Retail Frontage is contained to property frontages of buildings within the twelve blocks shown below:

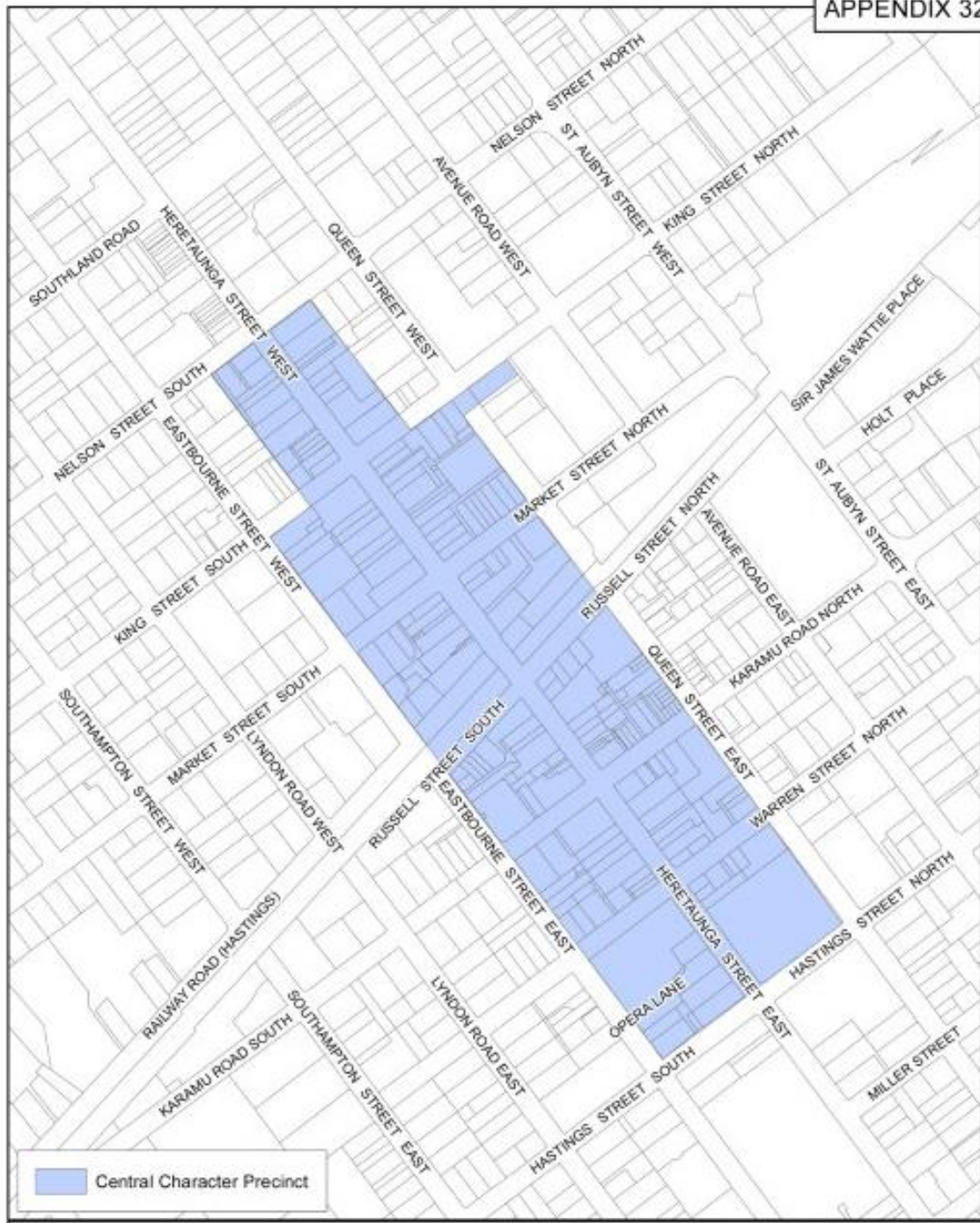




#### 4.1.2 Central Character Precinct

The majority of those twelve blocks are also subject to Central Character Precinct (CCP) Plan requirements. The buildings in this area are recognised as having heritage value, and external alterations to the buildings need resource consent (Rule CCR16) to ensure that development reflects the character of the existing buildings and streetscape values.

See (CCP) area below:



To meet the requirements of the Plan, above-ground level Residential Activities in CCZ must to provide an outdoor living space in the form of a balcony. This requires external alterations to those buildings without it and therefore triggers the CCP rules and the need for a resource consent.

Another key requirement for residential activities in the CCZ is to provide on-site car parking (26.1.6D). This is 1 vehicle space per household unit plus 1 additional space for a vehicles standing bay.

Where residential activities are to be established in existing buildings in some cases the provision of on-site car parking is difficult to achieve because there is no space for parking on site. The alternatives to address this issues are:

- to make alterations to the building to gain the parking space.
- to demonstrate a suitable alternative parking arrangement

Both options require assessment via the resource consent process and resource consent approval. These sorts of issues make establishing residential activity in the CBD not a straight forward exercise. That is not discounting that there are other constraints outside the District Plan, such as the requirement for earthquake strengthening, development costs and the profits margins that make the proposal financially viable, or not.

#### 4.1.3 Comprehensive Residential Development and Mixed Use Development in the CBD

The CCZ also has a rule for Comprehensive Residential Development and Mixed Use Development. Both of which are classified as Restricted Discretionary Activity Non Notified (Rule CCR20). The Restricted Discretionary Activity Non Notified (RDNN) status enables assessment of design to ensure that developments take into account urban design principles. These activities require outdoor living space, minimum floor area limits and parking.

Comprehensive Residential Development and Mixed Use Development rules are triggers with developments comprising 3 or more residential buildings on a site and at a density of 20-40 residential buildings per hectare of land and incorporates an overall integrated design of buildings, infrastructure and landscaping.

Mixed Use Development incorporates residential and commercial activity together with infrastructure, landscaping and a plan showing the exclusive use areas for each activity. If commercial activity is an existing use and it is only the upper levels of the building that are changing to residential use, this would be considered a Residential Activity only.

An issue with this rule is that it was prepared and aimed at the residential environment, but was subsequently incorporated into the Commercial environment, however many of the requirements for CRD are not suitable for the commercial context and difficult to achieve.

To facilitate inner city living the CRD rules need to be modified.



## 4.2 Strategies underpinning Variation 5 – Inner City Residential

4.2.1	<p>The vision of having people living in Hastings CBD has been identified as a goal in Council CBD strategies. The Key Strategies with goals relating to Inner City Living are listed in the table below: Hastings CBD Strategy, EMS Isthmus Group Consortium, 2000</p> <ul style="list-style-type: none"> <li>• The purpose of this strategy is to help improve the performance of the CBD through urban design.</li> <li>• Inner city housing supporting businesses in the CBD</li> </ul>
4.2.2	<p>Hastings Urban Issues &amp; Urban Design Framework, UrbanismPlus 2010</p> <ul style="list-style-type: none"> <li>• A framework for Hastings that co-ordinates streams of work within Hastings District Council in response to both current and future urban issues. The purpose of the framework enabled reviews of policies and processes, to provide guidance for the development of new strategies and policies and to help Hastings District Council define a set of current and future Council projects. Including recommendations relating to the improved functioning of the Hastings CBD. The Framework identified the importance of enabling residential intensification in the CBD. The CBD was identified as a 'First Order Preference' area for intensification. It states:</li> <li>• <i>A higher live-in catchment will help to further revitalise the CBD, provide higher levels of safety due to more pedestrian activity, people enlivening the public realm and more likelihood of establishing 24/7 activities.</i></li> </ul>
4.2.3	<p>Hastings City Centre Strategy, Hastings District Council 2012</p> <ul style="list-style-type: none"> <li>• <i>This Strategy represents a 20-year approach to move the Hastings City Centre forward. This Strategy recognises our City Centre's key strengths and aligns these with future opportunities.</i></li> <li>• <i>Faced with competition from other City Centres, technology changes and broader global challenges, it is important that Hastings City Centre maintains its ability to remain competitive as a location for growth in the district.</i></li> <li>• <b>Goal – Providing opportunities for Inner-City Living and Visitor Accommodation</b></li> <li>• <b>Reason</b> - <i>The introduction of City Centre residential activities will bring a number of benefits. If planned and designed correctly, they may bring returns to retailers and enterprise (due to the higher density of people in close proximity), improve vibrancy, reduce transport pressures and congestion, provide housing choice (for professionals, retirees, small families), including the opportunity for affordable and retirement housing, while reducing pressure on the natural environment and our productive soil resource.</i></li> </ul>
4.2.4	<p>Hastings City Centre Vibrancy Plan – Annual Activities Plan 2016/17</p> <ul style="list-style-type: none"> <li>• Key Focus Area 1 – More People</li> <li>• <b>Action: Assess and promote opportunities for developing more inner city living.</b></li> <li>• Acton: Allow for a mix of land uses – Activities will likely be based around commercial and residential, and retail and upper-floor residential.</li> </ul>

This proposal is consistent with the previously discussed RPS Objectives and Anticipated Environmental Outcomes. It is an efficient way of providing housing in the District that is able to utilise existing infrastructure, requires no additional land, is compact, will be well-designed and connected to the urban areas. Having people living in the CBD supports Hastings position as a primary urban centre in the region. Furthermore it will reduce dependency on the private motor vehicle and therefore reduce energy use as a result of people being able to live and work in the same location.

## 5 Community Engagement Process & Results

This variation is a mechanism to achieve the objectives of the adopted Hastings City Centre Strategy and the Central Commercial Zone.

The Hastings City Centre Strategy was based on extensive community engagement in 2011/12. The purpose of that consultation was to:

- Understand the needs and aspirations of the community with regards to the City Centre.
- Ensure City Centre initiatives are grounded in community needs and aspirations.

Whilst the consultation was done a number of years ago now, the issues remain the same and the feedback from that consultation is relevant to this Variation. It was estimated that more than 600 people passed through the voice box over the three days that it was located in the Hastings City Centre. A telephone survey was also completed in conjunction with the voice box Hastings City Centre event. Further targeted engagement of City Centre retailers, businesses, property owners and residents also took place. More than 850 survey questionnaires were received as part of the City Centre Strategy community consultation process.

### 5.1.1 What the community said

The broad reoccurring themes arising out of the 2011/12 consultative process are noted below:

- Retain our sense of place, heritage character and amenity
- Establish more green/open space
- Improve vibrancy
- Events and activity
- The City Centre Square and Fountain
- Parking
- Inner City Centre accommodation
- A compact City Centre

To expand on the theme Inner City Centre accommodation the Strategy states that:

*'The community was generally split as whether there was a need to provide more inner-city housing options. While we acknowledge the 'split' nature of the feedback received, we believe that the demand for inner-city living is strongly linked to the form and function of the area in which it is located. It is anticipated that higher amenity areas will have the greatest demand.'*

### 5.1.2 Engagement with stakeholders, 2017

Initially it came to the attention of Council staff with enquiries to convert the first floor of commercial buildings to residential use, but in many cases they found that it was a noncomplying activity to do this, unless the building had a Designated Retail Frontage. This in a number of cases was a deterrent to doing this and the idea of residential conversion remained that, an idea.

Council staff were also approached by members of the development community whether this could be changed to make it easier to progress with such development. This idea of amending the Plan was progressed to a Council meeting in November 2017. The resolution was to progress a variation that would enabling inner city residential living in the Hastings Central Commercial zone and meet the objective of the Hastings City Centre Strategy to provide opportunities for inner city living.

Following the resolution, Council officers met with stakeholders with an interest in residential conversions of first floors of commercial buildings to hear what their experience of it has been and the issues preventing it from their perspectives.

The issues raised were:



- Development Contributions
- On Site Parking Requirement
- Plan rules e.g. outdoor living space
- Seismic Strengthening
- Assistance through the applications process with unit title subdivision

These are some of the comments made:

- Would like to see residential clustering in the CBD – a concentration of residential activity in one area will have a greater effect of activating the area.
- They think the future of first floor level is residential use – no longer individual small offices – small businesses prefer a more social environment and the concept of shared working spaces is the future in that regard. This is complemented by apartment living.
- To encourage residential clustering they think that while the area of Designated Retail Frontage is not quite large enough, but allowing residential activity as a permitted activity throughout the entire Central Commercial Zone is not wise at this point in time because it could water down the positive benefits of clustering residential activity together. Perhaps in future, the area could be expanded once residential activity is already established in the heart of the CBD.
- The council should be providing additional car parking in the CBD that could be made available on a preferential basis to residential occupiers. This would be particularly helpful where no car parking is physically available at the rear of a specific property.

Attached is a diagram that shows where residential activity is presently allowed and where they think it should be extended to.

In the area with a solid red line residential activity is currently permitted, and the area with dashed red line is suggested residential first floor by stakeholders:

These RPS Matters For Decision-Making aim to confirm the suitability of an area for urban development purposes, policy as follows:



**MATTERS FOR DECISION-MAKING (REGION)**

*POL UD12 In preparing or assessing any rezoning, structure plans, or other provisions for the urban development of land within the Region, territorial authorities shall have regard to:*

- a) The principles of the New Zealand Urban Design Protocol (Ministry for the Environment, 2005); ...*
- b) New Zealand Standard NZS4404:2010 Land Development and Subdivision Infrastructure, and subsequent revisions;*
- c) Good, safe connectivity within the area, and to surrounding areas, by a variety of transport modes, including motor vehicles, cycling, pedestrian and public transport, and provision for easy and safe transfer between modes of transport;*
- d) Location within walkable distance to community, social and commercial facilities;*
- e) Provision for a range of residential densities and lot sizes, with higher residential densities located within walking distance of commercial centres;*
- f) Provision for the maintenance and enhancement of water in waterbodies, including appropriate stormwater management facilities to avoid downstream flooding and to maintain or enhance water quality;*
- g) Provision for sufficient and integrated open spaces and parks to enable people to meet their recreation needs, with higher levels of public open space for areas of higher residential density;*
- h) Protection and enhancement of significant natural, ecological, landscape, cultural and historic heritage features;*
- i) Provision for a high standard of visual interest and amenity;*
- j) Provision for people's health and well-being through good building design, including energy efficiency and the provision of natural light;*
- k) Provision for low impact stormwater treatment and disposal;*
- l) Avoidance, remediation or mitigation of reverse sensitivity effects arising from the location of conflicting land use activities;*
- m) Avoidance of reverse sensitivity effects on existing strategic and other physical infrastructure, to the extent reasonably possible;*
- n) Effective and efficient use of existing and new infrastructure networks, including opportunities to leverage improvements to existing infrastructure off the back of proposed development;*
- o) Location and operational constraints of existing and planned strategic infrastructure;*
- p) Appropriate relationships in terms of scale and style with the surrounding neighbourhood; and*
- q) Provision of social infrastructure.*

In 'giving effect to' the RPS, the following addresses the above matters in terms of the proposed changes to the Proposed Hastings District Plan. In this case, some of the above matters are more relevant to this proposal than others, given the limited scope and scale of the changes proposed and that existing infrastructure is in place: roads, three waters, parks.

Hastings District Council is a signatory to the NZ Urban Design Protocol<sup>2</sup> which outlines the essential qualities that should guide development of the built environment, and has developed and adopted an urban design framework for the District<sup>3</sup>.

HPUDS (of which Hastings District Council is a partner) also incorporates aspects of urban design in terms of guiding urban development – some of the key principles of HPUDS being

*‘quality living environments with high levels of amenity and thriving communities’, ‘urban centres of Napier and Hastings have distinct identities and provide complementary working, living and learning opportunities’, and ‘community and physical infrastructure is planned, sustainable and affordable’.*

The recent District Plan Review for Hastings involved a significant shift towards a ‘place-based’ approach to planning for communities, recognising the differing character of the various areas within the District, and the resulting Proposed Plan encapsulates that approach.

Ultimately, the current provisions in the Proposed Hastings District Plan include objectives, policies, rules, standards and anticipated outcomes (as well as refer to other methods outside of the District Plan) that build in urban design principles. These District Plan provisions collectively seek to maintain and enhance residential amenity values; create visual interest; and address building design and relationship in scale and style with the surrounding area.

## 6.2 Connectivity, Social Infrastructure and Open Space

Relevant RPS provisions:

**POL UD12** *In preparing or assessing any rezoning, structure plans, or other provisions for the urban development of land within the Region, territorial authorities shall have regard to:*

- c) Good, safe connectivity within the area, and to surrounding areas, by a variety of transport modes, including motor vehicles, cycling, pedestrian and public transport, and provision for easy and safe transfer between modes of transport;*
- d) Location within walkable distance to community, social and commercial facilities;*
- g) Provision for sufficient and integrated open spaces and parks to enable people to meet their recreation needs, with higher levels of public open space for areas of higher residential density;*
- p) Provision of social infrastructure;*

**POL UD10.4** *Notwithstanding Policy UD10.1, in developing structure plans for any area in the Region, supporting documentation should address:*

- c) How effective provision is made for a range of transport options and integration between transport modes;*

**AER UD3** *More compact, well-designed and strongly connected urban areas.*

**AER UD9** *Increased use of public transport and active transport modes (cycling, walking), reduced dependency on the private motor vehicle and reduced energy use.*

**AER UD13** *New development is appropriately serviced by wastewater, stormwater, potable water and multi-modal transport infrastructure.*

In response to POL UD12, the proposed are for inner city living is within short walking distance to various community, social and commercial facilities, including:

- schools (St Matthews Primary School, Taikura, Hastings Central, Hastings Intermediate) to name but a few and many early childhood centres
- Parks close by

<sup>2</sup> New Zealand Urban Design Protocol, March 2005, Ministry for the Environment

<sup>3</sup> Report on Urban Issues and Urban Design Framework for Hastings District Council, adopted by Council resolution 2010, Urbanismplus Ltd



- All supermarkets, retail shops, cafes and Large Format Retail areas
- Library facilities, gyms, cinema
- Buses

**Therefore, Proposed Variation 5 ensures good connectivity within the area and to surrounding areas, by a variety of transport modes; provides for an appropriate level of social infrastructure; and is located within close walking distance of adequate community, social and commercial facilities.**

### 6.3 Parking Effects

Relevant RPS provisions:

---

*POL UD12 In preparing or assessing any rezoning, structure plans, or other provisions for the urban development of land within the Region, territorial authorities shall have regard to:*

- c) Good, safe connectivity within the area, and to surrounding areas, by a variety of transport modes, including motor vehicles, cycling, pedestrian and public transport, and provision for easy and safe transfer between modes of transport;*

*POL UD10.4 Notwithstanding Policy UD10.1, in developing structure plans for any area in the Region, supporting documentation should address:*

- c) How effective provision is made for a range of transport options and integration between transport modes;*
- 

Traffic Design Group (TDG) was engaged by the Hastings District Council ("the Council") to examine and review the current inner city parking conditions of Hastings, in relation to Council's desire to understand the potential impacts on current parking patterns if the Council was to exempt residential developments in the Central Commercial Zone ("CCZ") from requiring on-site parking.

The full report is appended to the Section 32 Evaluation.

The TDG Report provides a review of the existing parking supply in relation to the likely parking demand to be required if the forecast future residential development is achieved, and whether the absorption of the forecast parking demand is attainable.

Figure 1 (next page) shows the study area in the CBD area to which the Parking study was assessing and where a residential parking exemption is being considered.



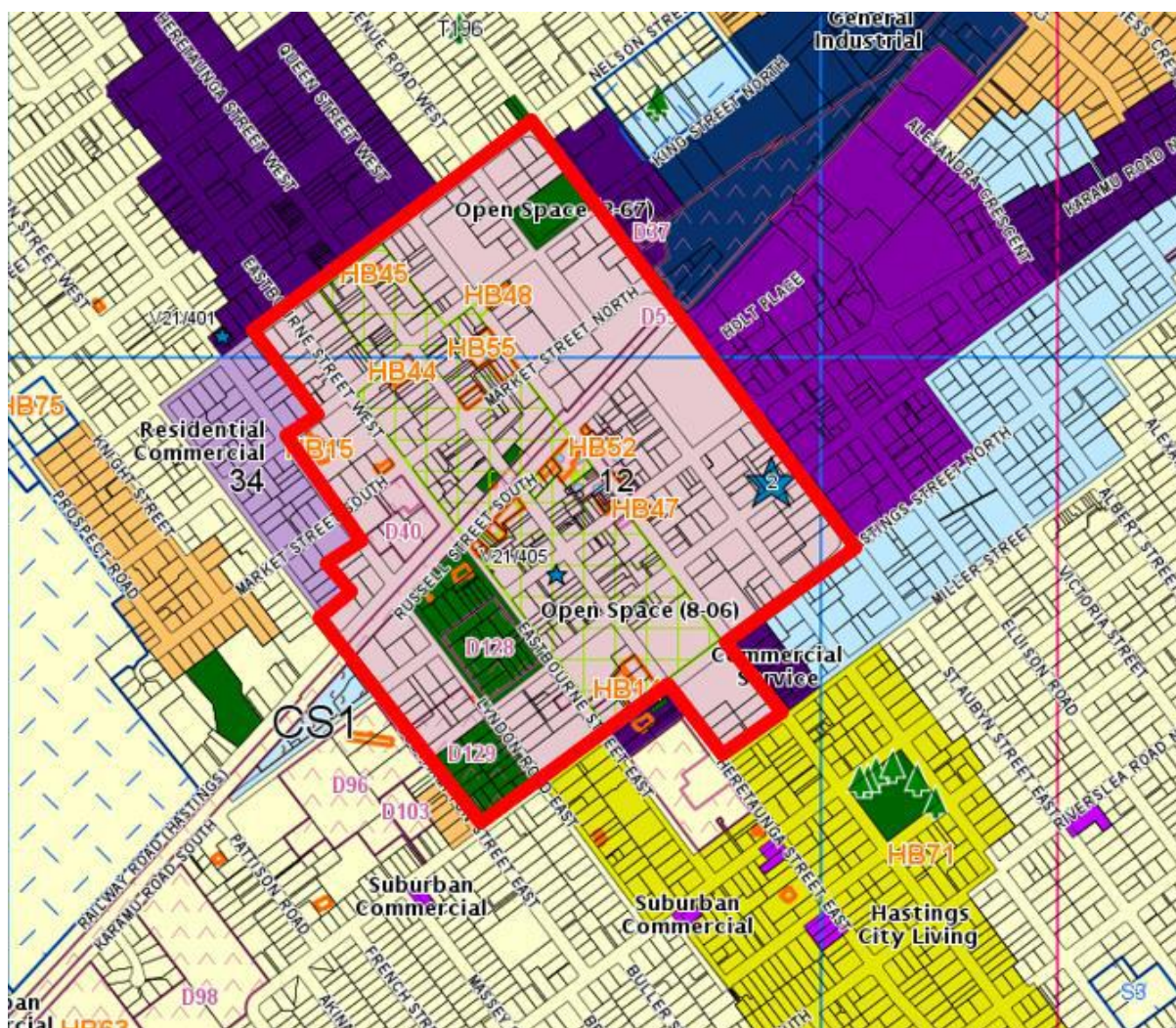


Figure 1 - The parking study area

The Parking Review Report (“the Report”) captures the following:

- background and context – why a review is required of current inner city parking in relation to forecast parking demand resulting from residential developments marked for development within the CCZ;
- an outline of the study area;
- review of, and findings from existing data sources. This review includes an outline of calculated future increase in potential development of apartments, census data review for Hastings and similar sized urban areas, and a review of historical data held within the 2016 ‘Parking Monitoring – Data and Analysis Report’; and
- a summary of the results found within the Parking Monitoring Report. The potential increase in residential dwellings and associated parking needs and effects has then been assessed against the available car parking levels recorded within the Parking Monitoring Report.

The study area includes the roads within the CCZ which provide an idea of the related on and off street areas in which people may park if they were to reside in a property within the CCZ.

Whilst developers will have the option to provide on-site parking, it will not be a requirement of the District Plan in certain blocks of the CBD. Sites without on-site parking will require alternative parking if they have a vehicle and there will be a spillover into car parking facilities located on roads within the vicinity of the development.

The TDG report also said it is reasonable to expect that people with a vehicle will wish to park their vehicle as close as possible to their property. For that reason only the roads within the study area have been considered for the study area. Those roads further away, it is assumed would not be favorable with potential future residents.

Research was done to gauge the buildings (with one or more storeys) that are either available or are likely to become available, for residential development within the CCZ in the future. These numbers are unlikely to be 100% accurate, but instead provide a general guide to the scale of opportunity for residential living in the CBD. Details of future development forecasts are in section 4.1 of the TDG report.

The TDG Report concluded that:

*'A total of 61 sites potentially yielding 202 apartments has been identified by the Council for residential development, of which most will be unlikely to provide on-site parking.'*

*TDG has completed a review of the available Census Data for Hasting, as well as a number of other cities of similar size to understand the likely level of parking demand that would be generated by future residential developments.*

*This was then compared to baseline car parking occupancy survey data which was collected in November 2015, to understand how the future parking demand would relate to the existing parking supply and whether or not the existing parking supply could absorb the proposed increases in parking demand for developments which could not achieve on-site car parking.*

*It is concluded that, overall, the increase in parking demand could be accommodated within the CCZ. However, it is also acknowledged that the surplus capacity within the existing parking supply is provided at spatially independent locations across the CCZ, with some areas under more parking pressure than others. As such, parking management intervention could be appropriate in some locations in order to successfully manage the residential parking demand within the existing on-street parking supply, to offer convenient residential parking.*

*TDG is satisfied that there is sufficient capacity within the existing on-street parking supply of the CCZ to accommodate the proposed increase in parking demand as a result of the proposed residential development, but acknowledges that the current patterns and demand for city parking will change in the future (from the 2015 baseline position referenced here), such that particular reviews and responses may be needed in respect to individual developments in future years.'*

This proposal satisfies the relevant RPS provisions POL UD12 and POL UD10.4.

In addition to adding vibrancy and livability to the City by enabling people to live in the CBD it will reduce external pressures felt on the local road network during morning and evening peak periods which are driven by commuter behavior. More people living in the CBD means a potential reduction in people commuting from external areas and subsequently, less reliance on the ownership of a private vehicle, and the need to travel by private vehicle.



## 6.4 Services Infrastructure

RPS Policy UD12 requires that regard be given to the infrastructure requirements and capability of the area to service the proposed development when preparing provisions for the urban development of land. This policy is more directed to new greenfield areas for development, but it is a guide to ensure that there is infrastructure capacity for this proposal.

The existing water supply, wastewater and stormwater infrastructure has sufficient capacity available in the CBD for the proposed addition of more residences. There is Three Waters funding in the LTP for medium density upgrades, should they be identified as a result of detailed planning.

Stormwater runoff is regulated by existing District Plan requirements in the Central Commercial Zone (7.3.5L) which will ensure that any potential negative environmental effects associated with increased stormwater runoff by development will be appropriately managed.

**The above confirms that the proposed activity can effectively and efficiently connect to existing public infrastructure and can be appropriately serviced for water, wastewater and stormwater.**

## 6.5 Noise Effects

Relevant RPS provisions:

---

**POL UD12** *In preparing or assessing any rezoning, structure plans, or other provisions for the urban development of land within the Region, territorial authorities shall have regard to:*

- l) Avoidance, remediation or mitigation of reverse sensitivity effects arising from the location of conflicting land use activities;*
- 

Reverse sensitivity applies to situations where a potentially incompatible land use is proposed to be sited next to an existing land use. The expansion of residential activity in the may result in conflict at the residential/commercial interface (e.g. amenity standards expected by new residential dwellers could place constraints on existing permitted commercial activities. Typically, concerns revolve around noise.

The Proposed Plan addresses noise sensitive activities in commercial zones with Specific Performance Standard 25.1.7C. This provision requires that Minimum External Sound Insulation Level Standards apply to all habitable spaces within commercial zones.

This ensures that noise sensitive activities, such as residential living are insulated to mitigate the effects of high background noise levels. These provisions are relatively recent (reviewed as part of the Plan Review and follow best practice.

Therefore, the provisions of the Proposed Hastings District Plan provides sufficient ability to avoid or mitigate reverse sensitivity effects arising from permitting residential activity, a noise sensitive activity in the CBD.

## 6.6 Historic Heritage Features

Relevant RPS provisions:

---

**POL UD12** *In preparing or assessing any rezoning, structure plans, or other provisions for the urban development of land within the Region, territorial authorities shall have regard to:*

- h) Protection and enhancement of significant natural, ecological, landscape, cultural and historic heritage features;*
- 

### 6.6.1 Significant Natural, Ecological & Landscape Areas or Features

There are no 'Significant Natural Areas' or any significant ecological or landscape areas or features identified on the Planning Maps, within or in close proximity of the CBD development area.

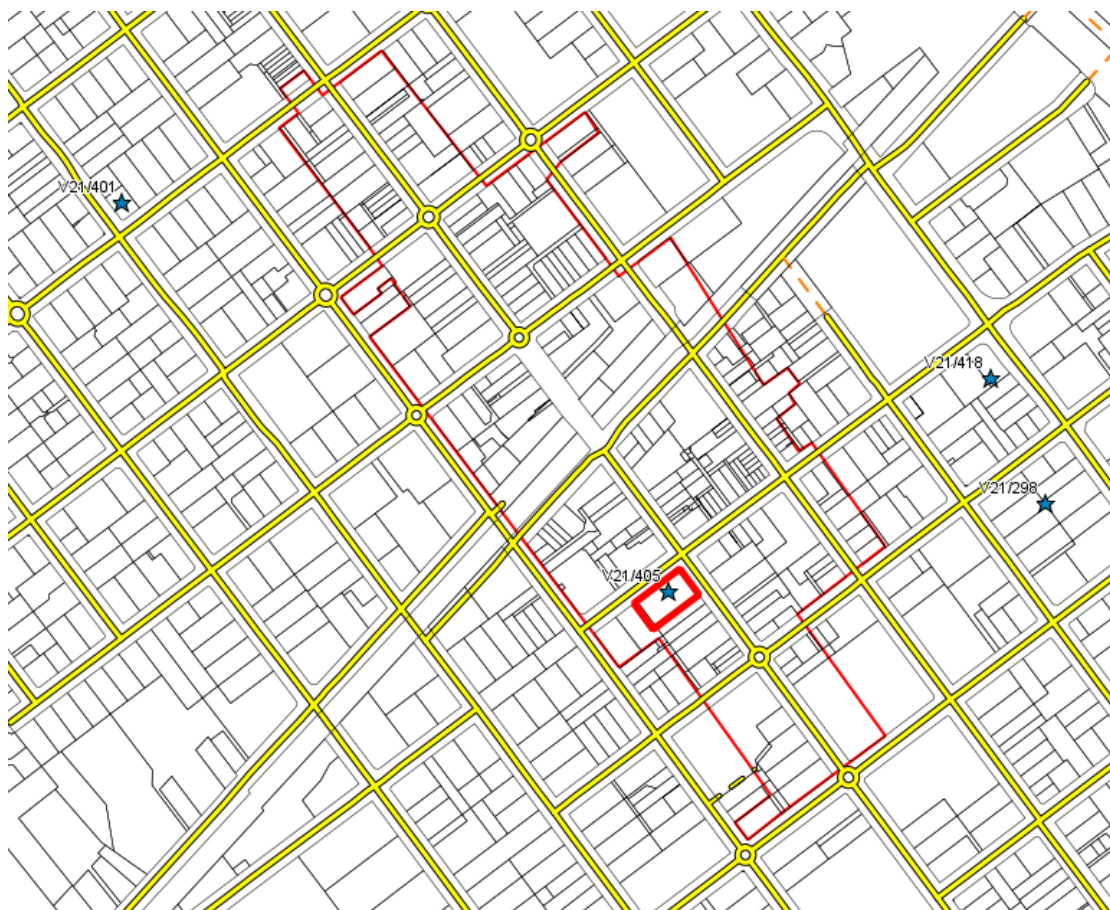
### 6.6.2 Historic Heritage

#### Archaeological Sites:

The New Zealand Archaeological Association (NZAA) manages a national database of recorded archaeological sites in New Zealand. There are currently over 59,000 records in the database however there remain several areas of New Zealand that have not been the subject of intensive archaeological survey and recording.

Examination of the database indicates there is one recorded archaeological sites within the plan change area, as shown in the figure below. This is located on the current Albert Park, an open space where the Albert Hotel used to be, though it is possible that there are other unrecorded sites. Targeted archaeological assessment has not been undertaken for this plan change as in most instances the activity will not be affecting the ground floor.

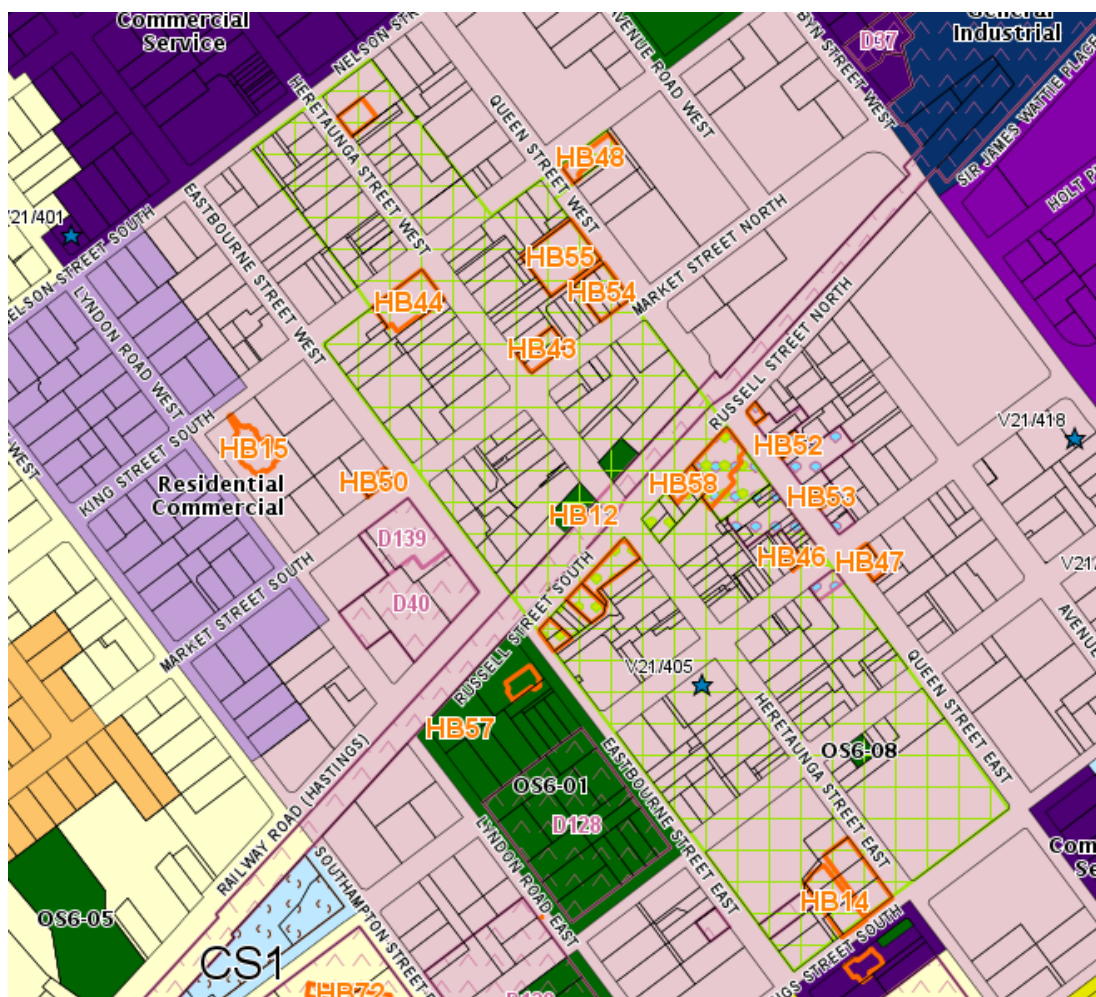
However, the Proposed Plan does contain sufficient safeguards to ensure that archaeology is considered at subdivision and detailed land development stage, and the Heritage New Zealand Act imposes further statutory obligations on all persons in respect of any work that may lead to the destruction or modification of any recorded or unrecorded archaeological sites.



### Hastings District Council Heritage Items

Category I and II Heritage Items are listed in Appendix 47 and 48 of the District Plan. These are also registered with Heritage New Zealand. In terms of unrecorded historic heritage sites, if any are discovered at the development stage the Proposed Plan along with the Heritage New Zealand Act, contain sufficient safeguards.

There are a number of Heritage Items within the area of the plan change. These are shown on the map below:



Section 18.1 of the Proposed Plan contains rules and standards to protect, preserve and promote the use of heritage buildings where this encourages their retention, restoration and maintenance of the heritage character and history. A significant number of these buildings in Hastings CBD, are built in the earlier part of the 20th century and are recognised in the Plan for their heritage values, whether as a specific Heritage Item, or within the Central Character Precinct.

The plan change proposal to enable above-ground level use of existing commercial buildings for residential living is in-line with the objectives of Section 18.1 as it creates another opportunity for the use of these buildings, thus encouraging their retention and restoration.

In terms of not requiring outdoor living space as is currently the case, this resolves a conflict of intentions of Plan provisions. Currently, the Plan requires an outdoor living space for residential activities. When above ground, this takes the form of a balcony. Where this conflicts is that the majority of buildings in the CCP are of some heritage value. Changes to the external appearance of these buildings by adding balconies has an impact on the integrity of those buildings. Furthermore, it requires resource consent approval to undertake such external alterations. So currently, to meet a performance standard of the Plan requires resource consent from another Rule in the Plan.



Also it was observed that the rules in the Heritage section provide for internal alterations to listed Category II Heritage items, but does not provide for those buildings in the Historic Areas. This will be addressed in the variation.

#### 6.7 Economic Impacts

Section 32 requires consideration of the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated as a result of adoption of the plan change, including opportunities for economic growth and employment that are anticipated to be provided or reduced (s32(2)(a)).

#### 6.8 Conclusion as to Suitability

The above assessment confirms that there are no other significant factors that suggest the proposed plan change area is unsuitable for residential development.

### 7 Appropriateness, Efficiency & Effectiveness of Proposed Variation 5 in Achieving the Purpose of the RMA

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

As outlined in section 2.1 of this report, the first part of this evaluation is:

*'Whether making amending the provisions of the Hastings Central Commercial Zone and the Transport and Parking Section of the Proposed Plan is the most appropriate way to achieve the purpose of the RMA'.*

The assessments above in section 3 to 6 of this report, demonstrate the following:

1. The proposal assist in the provision of inner city residential living to meet the demand of Hastings District by contributing to the range of housing types to be made available.
2. Inner City Residential living in this area has been signaled through the Hastings City Centre Strategy and Vibrancy Plan.
3. The proposal amends the Proposed Plan in a way that will achieve integrated management of the effects and use of the land for commercial and residential purposes, while being affordable to the community. In this way the proposal seeks to enable people and communities to provide for their social and economic wellbeing.
4. The results of the community engagement process during preparation of proposed Variation 5 suggests general overall acceptance and a level of support for the proposal.

Ultimately, the proposal gives effect to the RPS, and is efficient and effective in providing for urban growth in Hastings in a way which enables people and communities to provide for their social, economic and cultural wellbeing; meets the reasonably foreseeable needs of future generations; safeguards the life-supporting capacity of air, water, soil and ecosystems; and avoids, remedies or mitigates adverse effects on the environment.

The proposal is confirmed as representing the most appropriate way to provide for the sustainable management of the District's resources – the purpose of the RMA.

#### 7.2 Are the Provisions the Most Appropriate Way to Achieve the Purpose of the Proposal?

As outlined in section 2.1 of this report, the second part of the evaluation is:

*"Whether changing land use provisions is the most appropriate way to enable an expansion of inner city residential living in the Hastings CBD."*

The following evaluation examines whether the provisions in the proposal are the most appropriate way in which to achieve the objectives of the proposal in terms of their efficiency and effectiveness (s32(1)(b)).

To date, section 32 case law has interpreted 'most appropriate' to mean "suitable, but not necessarily superior"<sup>4</sup>. Therefore, the most appropriate option does not need to be the most optimal or best option, but must demonstrate that it will meet the objectives in an efficient and effective way.

As a variation to a proposed plan, this is regarded as an 'amending proposal' under Section 32 of the RMA. In terms of section 32(1)(a) no objectives are proposed and the objectives of Section 7.3 Hastings Commercial Environment of the Proposed Plan remain relevant.

Therefore, the focus of this Evaluation is on the differences between what was adopted under the Proposed Plan) and what is now being proposed under Variation 5.

It is important to note that the provisions of Section 7.3 Hastings Commercial Environment that are not being altered by the Variation do not need to be reconsidered.

This Evaluation will assess the following aspects of the Variation:

- The extent and whether residential activities and comprehensive residential development on upper-floor levels are permitted in the Central Commercial zone
- Car parking requirements for residential activities and comprehensive residential development in the Central Commercial zone
- Outdoor living space requirements for residential activities and comprehensive residential development in the Central Commercial zone

And is at a level of detail that corresponds to the scale and significance of the effects anticipated from implementation of the proposal.

Much of the background and assessment in the preceding sections of this report contributes to the overall evaluation of the specifics of this proposal.

## 7.3 Summary Of Options Evaluation

### 7.3.1 Extent to which Residential Activities and Comprehensive Residential Development are permitted

Options are:

1. **Do Nothing** – this option would involve retaining Central Commercial Zone provisions and making no additional provision for residential activities or comprehensive residential development in this location;
2. **Residential activities and comprehensive residential development be permitted above-ground level throughout the Central Commercial Zone** – this option involves amending the Rules applying to Residential Activities comprehensive residential development in the Central Commercial Zone; or
3. **Residential Activities and comprehensive residential development permitted in the targeted locations** – this option involves making above ground level residential activities and comprehensive residential development permitted in the CCP and leaving the remainder as restricted discretionary or discretionary.

---

<sup>4</sup> Rational Transport Soc Inc v New Zealand Transport Agency HC Wellington CIV-2011-485-2259, 15 December 2011.

### 7.3.2 On-Site Parking Provisions

Options are:

1. **Do Nothing** – this option would involve retaining parking provisions and making no changes for residential activities and comprehensive residential development in this location;
2. **Parking exemption for Residential activities and comprehensive residential development throughout the Central Commercial Zone** – this option involves amending the parking provisions applying to Residential Activities and CRD in the Central Commercial Zone; or
3. **Parking exemption for Residential activities and comprehensive residential development in Central Character Precinct** - this option involves amending the parking provisions applying to Residential Activities and comprehensive residential development in the Central Character Precinct, the remainder would still require on-site parking as per current provisions of the District Plan.

### 7.3.3 Outdoor Living Space Provisions

Options are:

1. **Do Nothing** – this option would involve retaining the outdoor living space provisions and making no changes for residential activities and comprehensive residential development in this location; or
2. **Remove outdoor living space provisions throughout Central Commercial Zone** - this option involves amending the provisions for outdoor living space for Residential Activities in the Central Commercial Zone; or
3. **Remove outdoor living space provisions in the Central Character Precinct** - this option involves removing the requirement for outdoor living space for Residential Activities and comprehensive residential development located in the Central Character Precinct.

### 7.3.4 Comprehensive Residential Development and Mixed Use Development provisions

Options are:

1. **Do Nothing** – Retain Rule CCR20 & performance standards (CRD & Mixed Use – Restricted Discretionary Non Notified)
2. **Delete Rule CCR20**; amend Rules CCR3 and CCR23; and amend performance standard 7.3.6I for CRD in the Central Commercial Zone to accommodate CRD and Mixed Use above-ground floor level in the commercial environment.

### 7.3.5 Rule H2 Section 18.1 Heritage Items and Notable Trees

Options are:

1. **Do Nothing** – Retain Rule H2 as written
2. **Amend Rule H2** - to allow alteration and/or safety alterations to buildings in the Russell St and Queen St East Historic areas shown in Appendix 51 as a Permitted Activity.

## 7.3.5.1 Evaluation of Options

**Issue 1: The extent that Residential Activity, Comprehensive Residential Development and Mixed Use should be permitted in the Central Commercial Zone to encourage inner city living whilst maintaining an appropriate supply of commercial land**

	<p><b>OPTION 1:</b></p> <p>Retain Rule CCR3 - status quo: <i>Residential Activities above ground floor level on sites with Designated Retail Frontage are a Permitted Activity</i></p> <p>Retain Rule CCR22 - status quo: <i>Comprehensive Residential and Mixed Use Development are a Restricted Discretionary Activity</i></p>	<p><b>OPTION 2:</b></p> <p>Make Residential Activity and Comprehensive Residential Development a Permitted Activity above-ground floor level throughout Central Commercial Zone; and Mixed Use Development (residential above ground level);</p> <p>whilst maintaining and protecting the ground floor levels for commercial activity by making Residential Activity and Comprehensive Residential Development and Mixed Use Development (residential ground Level) a Discretionary Activity.</p>	<p><b>OPTION 3:</b></p> <p>Make Residential Activity and Comprehensive Residential Development a Permitted Activity above-ground floor level; and Mixed Use Development (residential ground Level) permitted in the Central Character Precinct <u>only</u> and require resource consent to establish in the remainder of the Central Commercial zone.</p>
<p><b>EFFECTIVENESS</b></p> <p><b>In achieving:</b></p> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>Objectives CCO1 and CCO2 seeks to improve the vibrancy, character and amenity of the Central Commercial Zone in a number of ways, including encouraging inner city living.</p> <p>Residential Activity however is not present in the Central Commercial zone at the present time.</p> <p>However, in contrast to the above objectives, Rule CCR3 Residential Activity to the upper levels of building with a Designated Retail Frontage. This accounts for less than half of the Central Commercial zone.</p> <p>Residential activity in other areas of the Central Commercial zone is not provided for and falls to a Non Complying Activity status. This gives a strong indication that residential activity is not wanted in the remainder of the Zone.</p> <p>The Status Quo is considered to be ineffective in achieving the relevant objectives of the Proposed Plan for this zone; and the purpose of the Proposal - to enable the growth of inner city housing within Hastings Central Commercial zone.</p>	<p>Objectives CCO1 and CCO2 seeks to improve the vibrancy, character and amenity of the Central Commercial Zone in a number of ways, including encouraging inner city living.</p> <p>Council is seeking to improve the vibrancy of the City centre and this is articulated in the Plan Objectives and other Council Strategies.</p> <p>Residential Activity however is not present in the Central Commercial zone at the present time.</p> <p>To better enable the Plan Objectives, rules CCR3, CCR20 and CCR23 need to be altered to allow Residential Activities; Comprehensive Residential Development above-ground floor level; and Mixed Use Development (residential above ground level); throughout the Central Commercial zone. Not just limiting it to the Designated Retail Frontage.</p> <p>Option 2 is considered to be an effective way to enable inner city living in the CBD, particularly when accompanied with the following options to exempt outdoor living space and on-site parking.</p> <p>This will achieve the relevant objectives of the Proposed Plan for this zone.</p>	<p>Objectives CCO1 and CCO2 seeks to improve the vibrancy, character and amenity of the Central Commercial Zone in a number of ways, including encouraging inner city living. This desire for inner city living has not eventuated to date.</p> <p>This option is similar to Option 1, in that it only allows for inner city living as a permitted activity in the central blocks; but defined by the extent of the Central Character Precinct. This intervention contains opportunities for inner city living and may result in concentrating inner city living in these blocks, but misses opportunities for inner city living in the wider zone, which would still be beneficial to having more people in the city.</p> <p>This option is moderately effective at achieving the objectives of the Zone, being CCO1 and CCO2; and the purpose of the proposal, however a more effective means of incentivizing inner city living is via exemptions to outdoor living space and on-site parking provisions as will be discussed in the next options.</p>

<p><b>COSTS</b></p> <p><b>Effects anticipated from implementation, including:</b></p> <ul style="list-style-type: none"> <li>- <b>Environmental</b></li> <li>- <b>Economic (incl. on economic growth &amp; employment)</b></li> <li>- <b>Social</b></li> <li>- <b>Cultural</b></li> </ul>	<p>The vacant upper floor levels are a financial cost to the landowners (e.g. rates, insurance, seismic strengthening) and do not realise any economic gain in rents or sales. The first floors are therefore missing the opportunity to contribute to the economic or social wellbeing of the landowners or the community. Culturally, Hastings CBD misses out on the benefits of having more people living in the CBD – as described in the Hastings City Centre strategy and Vibrancy Plan.</p> <p>Any residential activity outside the Designated Retail Frontage requires non-complying resource consent approval which is costly and has a risk of failure of no getting resource consent approval.</p> <p>Lack of sufficient provision for new households could put pressure on existing housing affordability or direct development elsewhere in the future.</p> <p>Retaining the status quo results in a missed opportunity to provide housing on previously developed land (brownfield). The alternative to providing housing on brownfield land is greenfield development. This therefore has the environmental cost of encroaching on the versatile soils of the Plains.</p>	<p>The land in the CBD is already developed and supported with existing infrastructure. HDC engineers have confirmed that there is capacity for residential activity and therefore has little / if no any environmental cost with regards to services infrastructure.</p>	<p>A cost of this selective approach is that the properties outside the specified area will be subject to resource consent to establish a residential activity above-ground level and this will make it harder to develop by creating uncertainty of outcome for stakeholders. This is considered a barrier to conversion and may discourage residential activity. From an individual property owners perspective this restricts the development potential of that building.</p> <p>Limiting permitted activity status to the central blocks in the CCP is not much different from the present situation with the Designated Retail Frontage allowing residential activity above ground floor level as a permitted activity and little residential activity is occurring.</p>
<p><b>BENEFITS</b></p> <p><b>Effects anticipated from implementation, including:</b></p> <ul style="list-style-type: none"> <li>- <b>Environmental</b></li> <li>- <b>Economic (incl. on economic growth &amp; employment)</b></li> <li>- <b>Social</b></li> <li>- <b>Cultural</b></li> </ul> <p><b>EFFICIENCY</b></p> <p><b>In achieving:</b></p> <ul style="list-style-type: none"> <li>- <b>the purpose of the Proposal; and</b></li> <li>- <b>existing relevant objectives of the District Plan.</b></li> </ul>	<p>There is little benefit to maintaining the status quo. Residential activity is not happening in the CBD now and that is likely continue with the status quo.</p> <p>Low efficiency</p>	<p>Using developed land and existing building resources to create new housing opportunities in the Central Commercial zone is a sustainable way to achieve new residential development by virtue of close proximity of residences to shops, public transport, parks and amenities such art galleries and library residents will be less reliant on private vehicles for transport. This is a positive and sustainable benefit of the Proposal.</p> <p>No additional Council infrastructure costs to service the area; continuation of existing commercial activities taking place at ground level.</p> <p>Using under-utilized (in many cases vacant) existing buildings adds value and opportunity to the CBD economy by having more people living there, using the services on offer, bringing in rents for landlords (if they are tenanted); and adding capital value to the building asset.</p> <p>Allowing residential above ground floor level advantages all property owners in the Central Commercial zone instead of only improving planning conditions for owners in the central blocks.</p> <p><u>Highly Efficient</u></p> <p>High net benefit for the CCZ</p>	<p>Using developed land and existing building resources to create new housing opportunities in the CBD is a sustainable way to achieve new residential development. Close proximity to shops, public transport, parks and amenities residents will be less reliant on private vehicles for transport. This is a positive benefit of the Proposal.</p> <p>There is little to no additional Council infrastructure costs to service the area; continuation of existing commercial activities taking place at ground level.</p> <p>Using under-utilized (in many cases vacant) existing buildings adds value and opportunity to the CBD economy by having more people living there, using the services on offer, bringing in rents for landlords (if they are tenanted); and adding capital value to the building asset.</p> <p>Residential activity concentrated in specific locations in the CBD has the benefit of helping in the central blocks.</p> <p><u>Efficient</u></p> <p>A benefit for targeted areas (but not for remainder of zone).</p>
<p><b>OVERALL APPROPRIATENESS</b></p>	<p>Not Appropriate</p>	<p>Very Appropriate</p>	<p>Appropriate</p>



<b>In achieving:</b> <ul style="list-style-type: none"><li>- the purpose of the Proposal; and</li><li>- existing relevant objectives of the District Plan.</li></ul>			
<b>RISK OF ACTING OR NOT ACTING</b>  (if uncertain or insufficient information)	N/A (information is sufficient and certain).	N/A (information is sufficient and certain).	N/A (information is sufficient and certain).
<b>CONCLUSION:</b> The above evaluation demonstrates that making Residential activity above ground floor level throughout the CCZ (Option 2), is an efficient and effective way to improve the economy, safety and vibrancy of the heart of the CBD particularly when paired with appropriate use of exemptions for Outdoor Living Space and On-site parking. In balancing the benefits, Option 2 is considered the most appropriate way to achieve the purpose of the proposal. The means of encouraging above ground floor residential activity in the central blocks of the city is via permissive changes to parking and outdoor living space requirements of the Plan which are discussed as follows.			

Issue 2: That the On-Site Parking requirement in the District Plan is a constraint to residential development in the Central Commercial Zone.

	OPTION 1: Retain existing parking requirements	OPTION 2: Create a parking exemption for above-ground residential activities throughout the central commercial zone	OPTION 3: Create a parking exemption for above-ground residential activities located in the Central Character Precinct
<b>EFFECTIVENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"><li>- the purpose of the Proposal; and</li><li>- relevant objectives of the District Plan.</li></ul>	<p>The purpose of the plan change is to facilitate residential activity in the Central Commercial Zone.</p> <p>Objective CCO1 seeks to encourage and promote the use, development and operation of the Hastings Central Commercial Zone as the principal commercial heart of the District through District Plan provisions which promote its vibrancy and contain it within a defined boundary. The policy following CCP1 specifically states that it wants medium to high density residential mixed use activity in the City.</p> <p>Retaining the parking requirement of 1 parking space per household and 1 space for standing bay is not always achievable on already developed sites.</p> <p>This is not effective at achieving the purpose of the Proposal or the relevant objectives.</p>	<p>The purpose of the variation is to facilitate residential development in the Central Commercial Zone.</p> <p>Objective CCO1 seeks to encourage and promote the use, development and operation of the Hastings Central Commercial Zone as the principal commercial heart of the District through District Plan provisions which promote its vibrancy and contain it within a defined boundary. The policy following CCP1 which specifically states that it wants medium to high density residential mixed use activity in the City.</p> <p>A parking exemption throughout the Central Commercial Zone will eliminate one of the constraints to residential activity.</p> <p>The TDG/Stantec report concludes that applying this exemption throughout the Central Commercial Zone will not produce adverse parking effects on the on street and public parking resource of the CBD given the substantive public parking available.</p> <p>However the Central Commercial Zone covers a relatively wide geographical area and this approach could result in residential activity being dispersed throughout the zone and therefore have less benefit in achieving the goal of a vibrant CBD which is centred around the 100, 200 and 300 blocks east and west.</p>	<p>The purpose of the variation is to facilitate residential development buildings in the Central Commercial Zone.</p> <p>The primary purpose of having people living in Hasting CBD is to make the city feel safer, be more vibrant and sustain the City in a changing retail market.</p> <p>A parking exemption in the central blocks (which area also defined by the Central Character Precinct) will create a favourable situation for developers that will provide an additional incentive to develop upper floor levels with residential activity.</p> <p>This exemption in the Central Character Precinct and other historic areas, is highly effective way focus residential development activity in the heart of the Central Commercial zone; and assist and promote the adaptive re-use of buildings while not undermining the heritage fabric of buildings with heritage value.</p>

<b>COSTS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental</li> <li>- Economic (incl. on economic growth &amp; employment)</li> <li>- Social</li> <li>- Cultural</li> </ul>	<p>Creates an obstacle to development when on-site parking cannot be achieved.</p> <p>This, together with the constraints of non-complying activity status for residential activity; and that buildings in the CCP need resource consent to provide outdoor living space cumulatively make redevelopment too difficult, risky and expensive for developers. The costs outweigh the benefits and the ultimate cost is that residential conversions to not occur. This does not discount that there are other costs outside the district plan for developers to take in to account, however these factors can be the decider in not proceeding.</p>	<p>Residents of apartments have less conveniently located parking than if it were on-site and have to walk further.</p> <p>Residents with motor vehicles inconvenienced by having to abide by public parking restrictions during the day.</p> <p>Option 2 is a moderately effective way to encourage residential activity in the Central Commercial Zone, but may not achieve the concentration of activity in the central blocks that is sought in the Hastings City Centre strategy.</p>	<p>Residents of apartments have less conveniently located parking than if it were on-site and have to walk further.</p> <p>Residents with motor vehicles inconvenienced by having to abide by public parking restrictions.</p>
<b>BENEFITS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental</li> <li>- Economic (incl. on economic growth &amp; employment)</li> <li>- Social</li> <li>- Cultural</li> </ul>	<p>The benefit of the status quo are minimal.</p> <p>One could say that public parking spaces will not be occupied for residential use. However the TDG parking study has concluded that the impact on the public parking resource will be minimal and result in not adverse effects.</p> <ul style="list-style-type: none"> <li>• More convenient for home occupiers to have on-site parking space than a nearby on street or other leased parking space.</li> <li>• Higher rental income or sale of residential apartment with on-site parking.</li> </ul>	<p>Land on-site is not required for parking, i.e. the land can be used for other purposes.</p> <p>Gives flexibility to landowner to choose to provide parking or not – leaving it to market forces.</p> <p>One less obstacle for developers to overcome when undertaking residential conversion.</p> <p>The number residential conversions increase resulting in more people living in the CBD.</p> <p>Adds vibrancy and livability to the city by enabling people to live in the CBD.</p> <p>Reduce external pressures felt on the local road network during morning and evening peak periods which are driven by commuter behavior.</p> <p>More people living in the CBD means a potential reduction in people commuting from external areas and subsequently, less reliance on the ownership of a private vehicle, and the need to travel by private vehicle.</p>	<p>Land on site is not required for parking space, i.e. The land can be used for other purposes.</p> <p>Gives flexibility to landowner to choose to provide parking or not – essentially leaving it to market forces.</p> <p>One less obstacle for developers to overcome when undertaking residential conversion.</p> <p>The number residential conversions increase resulting in more people living in the CBD.</p> <p>Applying exemption to CCP only concentrates benefits to a 'tighter' area increasing activity and vibrancy where it is sought – in the heart of Hastings.</p> <p>Adds vibrancy and livability to the city by enabling people to live in the CBD</p> <p>Reduce external pressures felt on the local road network during morning and evening peak periods which are driven by commuter behavior.</p> <p>More people living in the CBD means a potential reduction in people commuting from external areas and subsequently, less reliance on the ownership of a private vehicle, and the need to travel by private vehicle.</p> <p>Assists and promotes the adaptive re-use of buildings while not undermining the heritage fabric of buildings with heritage value.</p> <p>A potential commercial advantage of having this amenity if apartments have on-site parking – for higher rental or resale value.</p>
<b>EFFICIENCY</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>An inefficient way of achieving the Proposal and objectives of the Plan.</p>	<p>A moderately efficient way of achieving the Proposal and objectives of the Plan.</p>	<p>Concentrates benefits to a 'tighter' area increasing activity and vibrancy where it is sought, in the heart of Hastings.</p> <p>A very efficient way of achieving the Proposal and objectives of the Plan.</p>
<b>OVERALL APPROPRIATENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>Not Appropriate</p>	<p>Appropriate</p>	<p>Very Appropriate</p>
<b>RISK OF ACTING OR NOT ACTING</b> <b>(if uncertain or insufficient information)</b>	<p>N/A (information is sufficient and certain).</p>	<p>N/A (information is sufficient and certain).</p>	<p>N/A (information is sufficient and certain).</p>

**CONCLUSION:**

The above evaluation demonstrates that a parking exemption contained in the CCP area is an efficient and effective way to incentivise above-ground floor level residential activity to improve the economy, safety and vibrancy of the heart of the CBD; and assists and promotes the adaptive re-use of buildings while not undermining the heritage fabric of buildings with heritage value.

Option 3 is considered the most appropriate way to achieve the purpose of the proposal.



**Issue 3: That the outdoor living space requirement in the District Plan is a constraint to residential development in the Central Commercial Zone.**

	<b>OPTION 1: Retain existing Outdoor Living Space (OLS)</b>	<b>OPTION 2: Remove requirement for Outdoor Living Space throughout the Central Commercial Zone.</b>	<b>OPTION 3: Remove requirement for Outdoor Living Space throughout the Central Character Precinct and Historic Areas</b>
<b>EFFECTIVENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>The purpose of the plan change is to facilitate residential conversions of existing commercial buildings in the CBD. Objective CCO1 encourages development that promotes Hastings Central Commercial Zone as the commercial heart of the District. Policy CCP1 states that it wants medium to high density residential mixed use activity in the City.</p> <p>In addition, the CCZ has a CCP overlay to recognise the heritage value of buildings in the centre of Hastings. External alterations to buildings in the CCP need resource consent (Rule CCR16) to ensure that alterations retain the heritage values of buildings in the city centre. However, outdoor living space rules apply in the CCP (unlike other areas recognized for their historic significance).</p> <p>To meet this requirement, resource consent is needed by Rule CCR16 which equates to an external alteration and triggering the CCP provisions and resource consent.</p> <p>This present situation is not considered effective at meeting the purpose of the proposal or the relevant objective.</p>	<p>Removing the requirement for outdoor living space in its entirety in the CCZ would be moderately effective at achieving the purpose of the proposal, (to improve the vibrancy, growth and identity of Hastings City Centre by having more people living in the heart of the CBD), as it would make it easier throughout the whole zone to create above ground floor living.</p> <p>It is not considered highly effective at achieving the purpose of the variation because it has the potential to disperse the location of residential activity in a wider area.</p> <p>Furthermore it is a good thing for the wellbeing of residents to have access to outdoor living space and if it can be provided without compromising heritage of the centre, then it should. As you move further out from the main street the intensity of building coverage reduces as does the heritage value of the buildings (as they are newer) therefore there is less reason to not provide outdoor living space.</p>	<p>This option targets the centre blocks in Hastings CBD and the heritage areas. It will achieve the outcome above.</p> <p><i>‘assist and promote the adaptive re-use of all buildings while not undermining the heritage fabric of identified heritage items.’</i></p> <p>This option is considered the most effective at achieving the purpose of the variation. It removes the conflict between provisions of the plan and benefits the appearance of buildings in the CCP by not requiring external alterations to create outdoor living space.</p>
<b>COSTS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental</li> <li>- Economic (incl. on economic growth &amp; employment)</li> <li>- Social</li> <li>- Cultural</li> </ul>	<p>Conflicting provisions add a measure of complexity and uncertainty to residential building conversions and creates limitations to development in achieving outdoor living space and good design in retaining the heritage values of buildings.</p> <p>This together with the obstacles of non-complying activity status for residential activity and on-site parking cumulatively make redevelopment difficult, risky and expensive for developers. The costs outweigh the benefits and the ultimate cost is that residential conversions do not occur. This does not discount that there are other costs outside the district plan for developers to take in to account, however these factors can be the decider in not proceeding.</p>	<p>The main cost of this option is that it is less likely to achieve the purpose of the variation - to improve the vibrancy, growth and identity of Hastings City Centre by having more people living in the heart of the CBD – for the reasons given above – incentive.</p>	<p>The main cost here is to the future residents that may not have OLS, there may be less of an expectation to have it in the heart of the city.</p>
<b>BENEFITS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental</li> <li>- Economic (incl. on economic growth &amp; employment)</li> <li>- Social</li> <li>- Cultural</li> </ul>	<p>The benefit of the status quo are minimal given that residential conversions are a rarity due in part to the required provisions.</p> <p>However, potential (though unsubstantiated) higher rental incomes or sale of residential apartment with outdoor living space.</p> <p>Amenity for occupiers gained by having outdoor living space.</p>	<p>This option is enabling which is great in the short term for the developer of residential conversions, however as discussed above it has the potential to enable dispersed residential activity and therefore not creating the vibrant atmosphere sought of having more people living and being active in the heart of the CBD.</p>	<p>This options is beneficial to the integrity of the heritage buildings in the CCP, by not having the addition of OLS. It benefits the developer by not having to address resource consent to alter the appearance of the building.</p> <p>There may be a commercial advantage of having this amenity if there are developers that chose to include an OLS in the apartment – for higher rental or resale value.</p>
<b>EFFICIENCY</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	Inefficient	Moderately efficient.	Highly Efficient
<b>OVERALL APPROPRIATENESS</b> <b>In achieving:</b>	Not appropriate	Moderately Appropriate	Highly Appropriate

	OPTION 1: Retain existing Outdoor Living Space (OLS)	OPTION 2: Remove requirement for Outdoor Living Space throughout the Central Commercial Zone.	OPTION 3: Remove requirement for Outdoor Living Space throughout the Central Character Precinct and Historic Areas
- the purpose of the Proposal; and - existing relevant objectives of the District Plan.			
RISK OF ACTING OR NOT ACTING (if uncertain or insufficient information)	N/A (information is sufficient and certain).	N/A (information is sufficient and certain).	N/A (information is sufficient and certain).
CONCLUSION: The above evaluation demonstrates Option 3 to remove requirement for Outdoor Living Space throughout the Central Character Precinct and Russell and Queen St Historic Areas is an efficient and effective way to improve the economy, safety and vibrancy of the heart of the CBD. Option 3 is considered the most appropriate way to achieve the purpose of the proposal.			

**Issue 4: The rules for Comprehensive Residential Development and Mixed Use Development are a constraint to residential development in the Central Commercial Zone.**

	<b>OPTION 1:</b> <ul style="list-style-type: none"> <li>Retain Rule CCR20 &amp; standards (Comprehensive Residential Development &amp; Mixed Use Development)</li> </ul>	<b>OPTION 2:</b> <ul style="list-style-type: none"> <li>Delete Rule CCR20 (RDNN);</li> <li>Amend Rule CCR3 to make CRD and MU permitted in the Central Commercial zone, above-ground floor level only;</li> <li>Make ground floor level CRD and MU a Discretionary Activity</li> <li>Amend CRD performance standard 7.3.6l to adapt to the commercial environment.</li> <li>Amend assessment criteria under 7.3.7 to strengthen against ground floor level residential activity; manage quality of residential units; and Designated Retail Frontage.</li> </ul>
<b>EFFECTIVENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>the purpose of the Proposal; and</li> <li>existing relevant objectives of the District Plan.</li> </ul>	<p>This this rule that specifically provides for CRD and Mixed Use confuses the messaging about enabling residential activity in the CBD. CRD is triggered when 3 residential buildings are being developed.</p> <p>CRD and the provisions relating to it are set up for new building developments, not conversion of existing buildings and therefore making it difficult to meet the standards set for CRD – not meeting the standards for CRD would elevate a Restricted Discretionary Activity to Discretionary.</p> <p>Mixed use also confuses things because in the CBD context all development will effectively be mixed use; with a commercial ground floor and residential above. This would therefore trump Rule CCR3 which provides for residential activity as a permitted activity.</p> <p>Overall this Rule complicates the consenting process and is not effective at achieving the purpose of the Proposal or objectives of the Plan.</p> <p>The Plan already has provisions to manage the design and appearance of new buildings in the CCZ and the CCP which means that matters of importance to new development in the CBD are covered. Table 1 above identifies that all new buildings within the CCZ need resource consent as RDNN, as do all new buildings in the CCP. Matters for discretion are focused on the design and appearance of the building; good urban design; and how well it fits with the surrounding buildings and area.</p>	<p>Deleting Rule CCR20 will simplify the rules around residential development in the CCZ and CCP whilst maintaining management of design and appearance.</p> <p>This change will mean that developments of 3 or more residential units (provided they are above-ground level) will be a permitted activity – Development of 3 or more residential units is defined in the Plan as Comprehensive Residential Development. This change also required dispensing of density limits contained in the definition of Comprehensive Residential Development to make it work in the commercial environment.</p> <p>The Plan already has provisions to manage the design and appearance of new buildings in the CCZ and the CCP which means that matters of importance to new development in the CBD are covered.</p> <p>All new buildings within the CCZ need resource consent as RDNN, as do all new buildings in the CCP. Matters for discretion are focused on the design and appearance of the building; good urban design; and how well it fits with the surrounding buildings and area.</p> <p>The consequential change to the provisions for CRD and MU are consistent with the exemption of outdoor living space and other interventions to facilitate this type of development in the city centre context.</p>
<b>COSTS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>Environmental</li> <li>Economic (incl. on economic growth &amp; employment)</li> <li>Social</li> <li>Cultural</li> </ul>	<p>As stated above the cost of this is that it sends confused messages about what is permitted for residential activity in the CBD and is likely to result in resource consent being required for any residential activity that includes 3 or more residential buildings.</p>	<p>The cost of implementing this approach is considered minimal as stated above. Design and appearance, which are important to the amenity of the CCZ will still be managed under this option as resource consent is still required for new buildings and external alterations.</p> <p>A small cost is that it may result in greater flexibility in the internal design of residential accommodation, but there are regulations under the building act and code that consider things such as ventilation, access, availability of light and moisture.</p>
<b>BENEFITS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>Environmental</li> <li>Economic (incl. on economic growth &amp; employment)</li> <li>Social</li> <li>Cultural</li> </ul>	<p>There is little benefit to this approach, though it means that the Council will have the opportunity to assess developments on an individual basis through the Resource Consent process.</p>	<p>Beneficial effects of implementing this change are that more residential activities could result in the CBD, thus in the long term improving the economy, safety and vibrancy of the CBD.</p>
<b>EFFICIENCY</b> <b>In achieving:</b>	Not efficient	Highly efficient

	<b>OPTION 1:</b> <ul style="list-style-type: none"><li>Retain Rule CCR20 &amp; standards (Comprehensive Residential Development &amp; Mixed Use Development)</li></ul>	<b>OPTION 2:</b> <ul style="list-style-type: none"><li>Delete Rule CCR20 (RDNN);</li><li>Amend Rule CCR3 to make CRD and MU permitted in the Central Commercial zone, above-ground floor level only;</li><li>Make ground floor level CRD and MU a Discretionary Activity</li><li>Amend CRD performance standard 7.3.6l to adapt to the commercial environment.</li><li>Amend assessment criteria under 7.3.7 to strengthen against ground floor level residential activity; manage quality of residential units; and Designated Retail Frontage.</li></ul>
<ul style="list-style-type: none"><li>the purpose of the Proposal; and</li><li>existing relevant objectives of the District Plan.</li></ul>		
<b>OVERALL APPROPRIATENESS</b> In achieving: <ul style="list-style-type: none"><li>the purpose of the Proposal; and</li><li>existing relevant objectives of the District Plan.</li></ul>	Not appropriate	Highly Appropriate
<b>RISK OF ACTING OR NOT ACTING</b> (if uncertain or insufficient information)	N/A (information is sufficient and certain).	N/A (information is sufficient and certain).
<b>CONCLUSION:</b> The above evaluation demonstrates that Option 2 is an efficient and effective way to improve the economy, safety and vibrancy of the heart of the CBD. Option 2 is considered the most appropriate way to achieve the purpose of the proposal.		



**Issue 5 – Amend Rule H2 of Section 18.1 Heritage and Notable Trees to facilitate internal alterations of heritage buildings.**

	<b>OPTION 1:</b> <b>Retain Rule H2 as written</b>	<b>OPTION 2:</b> <b>Amend Rule H2 to allow alteration and/or safety alterations to buildings in the Russell St and Queen St East Historic areas shown in Appendix 51 as a permitted activity.</b>
<b>EFFECTIVENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>For the reasons explained in Option 2, retaining the rule as presently written is not effective at achieving the purpose of the proposal: which is to encourage and make it easier to establish residential activity above ground floor level in the Central Commercial zone.</p>	<p>For the reason explained below the proposed amendment to Rule H2 is effective at enabling residential activity above ground floor level by making internal alterations a permitted activity.</p> <p>The heritage section rules as currently written mean that internal alterations of buildings within the Russell and Queen St Historic areas require a non-complying activity consent – making conversion from commercial to residential above ground floor level more difficult and costly.</p> <p>The reason for this is that internal alterations including internal safety alterations to buildings within Appendix 51 are not provided for within the Activity Table in section 18.1 Heritage Items and Notable Trees. Technically therefore rule H19 comes into play which states that any activity not otherwise provided for as a permitted, controlled, restricted discretionary (non-notified), restricted discretionary or Discretionary activity is a non-complying activity.</p> <p>Rationale for changing the rule - The rules currently provide for internal alterations (including internal safety alterations) to Category II heritage items as a permitted activity. Any alteration (Internal or external) to Category I heritage items are a Discretionary Activity (internal or external safety alterations to category 1 items are a RDNN activity). Therefore a non-complying activity status for buildings identified within Historic areas is incongruent with the lesser status afforded to buildings identified as Category 1 and 2.</p> <p>Rule H6 provides for external safety alterations to any building within the Russell or Queen St East Historic Areas (other than a category 1 heritage item) as a controlled activity. This status is the same for external safety alterations to a category II heritage item (Appendix 48). So given that external safety alterations are afforded the same status as category II items it is appropriate to consider that internal safety alterations for buildings in Appendix 51 should be treated in the same manner as Category 2 buildings in Appendix 48.</p> <p>It is concluded that it was an oversight that internal alterations and internal safety alterations for buildings within Appendix 51 (other than category 1 items) were not provided for in the activity table. The value of buildings in the historic areas does not relate to their original interiors (if this was the case then there would be more of these buildings listed as Category I heritage items) – it is primarily the exterior that is of significance and that amenity and value provided by the group of buildings collectively. This is confirmed in the reports from Chris Cochrane on the Russell and Queen St East Historic Areas which was used as the basis to list these areas within the Proposed District Plan.</p>
<b>COSTS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental</li> <li>- Economic (incl. on economic growth &amp; employment)</li> <li>- Social</li> <li>- Cultural</li> </ul>	<p>The cost of retaining this rule is that it makes conversion from commercial to residential above ground floor level more difficult and costly for developers.</p>	<p>The costs of making this change to Rule H2 is low as the benefits attributed to residential activity in the Central Commercial zone is high and the cost to the heritage fabric of the Areas is not visible from the outside (the value of the historic area is the exterior, more so than the interior (as qualified by Chris Cochrane)</p>
<b>BENEFITS</b> <b>Effects anticipated from implementation, including:</b> <ul style="list-style-type: none"> <li>- Environmental, Economic (incl. on economic growth &amp; employment)</li> <li>- Social , Cultural</li> </ul>	<p>The benefits of retaining this rule as written are limited for reasons explained in Option 2.</p>	<p>The benefits of amending this rule are significant for reasons explained in Option 2.</p>
<b>EFFICIENCY</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> <li>- existing relevant objectives of the District Plan.</li> </ul>	<p>Low</p>	<p>High</p>
<b>OVERALL APPROPRIATENESS</b> <b>In achieving:</b> <ul style="list-style-type: none"> <li>- the purpose of the Proposal; and</li> </ul>	<p>Low</p>	<p>High</p>

	OPTION 1: Retain Rule H2 as written	OPTION 2: Amend Rule H2 to allow alteration and/or safety alterations to buildings in the Russell St and Queen St East Historic areas shown in Appendix 51 as a permitted activity.
- existing relevant objectives of the District Plan.		
RISK OF ACTING OR NOT ACTING (if uncertain or insufficient information)	N.A	N.A
CONCLUSION: Option 2 to allow internal alterations to buildings in the Russell St and Queen St East historic areas is considered the most appropriate way to achieve the purpose of the proposal.		

Modifying the provisions to facilitate residential activity at upper floor levels in the Central Commercial Zone and having the added incentive to convert the first floors of existing commercial buildings in the Central Character Precinct by removing requirements for on-site parking and outdoor living space will eliminate some of the limitations to residential development and help to get more people living in the central city, as well as modifying the provisions for Comprehensive Residential Development and Mixed Use Development, and allowing internal alterations in the Queen St and Russell St Historic Areas. The presence of people in the CBD day and night has the added advantage of making it safer by having more 'eyes on the street'.

This section 32 summary evaluation confirms the following:

1. That Hastings central city has opportunities for residential development without using valuable ground floor level commercial space.
2. That there are sufficient controls in the Plan to manage the appearance of new buildings and alterations and to manage noise effects.
3. The parking study concludes that providing parking exemptions in the CBD will not adversely affect the on street parking resource and that if and when this changes there are methods available to manage the parking resource.
4. Having inner city living option could in the longer term improve the vibrancy, economy, safety and of the CBD.
5. In addition to adding vibrancy and livability to the City by enabling people to live in the CBD it will reduce external pressures felt on the local road network during morning and evening peak periods which are driven by commuter behavior. More people living in the CBD means a potential reduction in people commuting from external areas and subsequently, less reliance on the ownership of a private vehicle, and the need to travel by private vehicle.

Therefore, adoption of proposed Variation 5 to the Proposed Hastings District Plan is efficient, effective, and appropriate in terms of section 32 of the RMA.