

BEFORE THE HEARING COMMISSIONERS

UNDER the Resource Management Act 1991
(the Act)

AND

IN THE MATTER of the Proposed Otago Regional Policy
Statement (pORPS)

MEMORANDUM ON BEHALF OF HORTICULTURE NEW ZEALAND



ATKINS | HOLM | MAJUREY

Helen Atkins
PO Box 1585
Shortland Street
AUCKLAND 1140

MAY IT PLEASE THE COMMISSIONERS:**INTRODUCTION**

1. This memorandum is filed on behalf of counsel for Horticulture New Zealand (**HortNZ**) in response to the Panel's directions within Minute 7 dated 16 February 2023.
2. Those directions required interested submitters to address the rewrites of Chapter 15 – Urban Form and Development (**UFD Chapter**) undertaken by consultant planner for Otago Regional Council, Ms. Elizabeth White.
3. The proposed rewrites for the UFD Chapter were published on 30 March 2023, alongside a memorandum by Ms. White in response to Minute 7, in which she addressed submissions for a proposed new Rural Chapter.

HORTNZ'S POSITION ON UFD CHAPTER REWRITES

4. We have reviewed the proposed re-writes on behalf of HortNZ and consulted with planning experts Lynette Wharfe and Vance Hodgson. We acknowledge the considerable work put in by Ms. White in redrafting the UFD Chapter.
5. HortNZ sought the inclusion of a new Rural Chapter, given the particular rural context within the Otago Region, and the recognition required of rural activities and areas. This submission was rejected by Ms. White in her memorandum,
6. Much of the UFD Chapter changes have made changes that afford greater recognition to rural areas as compared to earlier iterations. However, HortNZ considers that the rewrites have shifted focus more to the development of urban and rural areas, rather than the form those areas should take. HortNZ consider that the form those rural areas should take is critical as it guides where rural activities can be appropriately

accounted for. It is considered that this aspect has been diluted in the proposed redrafting.

7. HortNZ's position, therefore, is that there is still some work required to achieve the appropriate balance, and fully reflect the current and future status of rural activities and areas within the Otago Region.
8. A statement by Ms. Wharfe is **attached** to this memorandum, alongside a marked-up copy of the UFD Chapter Rewrites showing Ms. Wharfe's in-line commentary.

DATE: 21 April 2023



Helen Atkins

Legal Counsel for **HortNZ**

BEFORE THE COMMISSIONERS
AT DUNEDIN

IN THE MATTER of the Resource Management Act 1991
(the Act)

AND

IN THE MATTER of Proposed Otago Regional Policy
Statement – Non-Freshwater - Urban Form
and Development

MEMORANDUM OF LYNETTE WHARFE IN RESPONSE TO MINUTE 7

21 APRIL 2023



ATKINS | HOLM | MAJUREY

Helen Atkins/Louise Ford
PO Box 1585
Shortland Street
AUCKLAND 1140

Solicitor on the record
Contact solicitor

Helen Atkins
Louise Ford

Helen.Atkins@ahmlaw.nz
Louise.Ford@ahmlaw.nz

(09) 304 0421
(09) 304 0429

INTRODUCTION

1. This memorandum is in response to the directions in Minute 7 and the rewrite and Memorandum dated 30 March 2023 by Liz White of the Urban Form and Development (**UFD**) chapter in the non-freshwater part of the proposed Otago Regional Policy Statement (**pORPS**).
2. The rewrite by Ms White addresses many issues with the UFD chapter identified during the hearings on the topic.
3. This Memorandum addresses outstanding issues or where I disagree with the approach taken in the rewrite:
 - (a) Ongoing debate regarding provision of a separate rural chapter;
 - (b) The need for clear provisions for rural activities – or the form of rural areas - not just development of rural areas;
 - (c) The recommended change so that rural lifestyle development is not limited to zones – which would allow developments to occur throughout all the rural area;
 - (d) The use of *productive capacity* which is defined in NPSHPL and limited to land based primary production;
 - (e) The rewording regarding the rural – urban interface wording.
4. Attached to this statement are comments I have inserted into the recommended rewrite and where I consider additional changes are needed if the chapter is to be retained in the current format.
5. I have not included a separate rural chapter but could develop such a chapter if this would assist the commissioners.

BACKGROUND CONTEXT

6. Before commenting on the specific matters I consider that there are a number of important factors that need to be taken into account when considering the appropriateness of provisions in the pORPS for the rural area.

Purpose of the regional policy statement

7. The purpose of the regional policy statement is set out in s59 of the Act:

The purpose of a regional policy statement is to achieve the purpose of the Act by providing an overview of the resource management issues of the region and policies and methods to achieve integrated management of the natural and physical resources of the whole region.

8. The issues for the region are identified in the SRMR section of the pORPS. There are a range of submissions on these issues and the Hearing Panel has sought further input from submitters regarding the issues for the region.

9. Rural activities interface with a number of issues in the SRMR chapter, including SRMR I4 and the proposed new issue:

(a) SMRM I4 Poorly managed urban and residential growth affects productive land, treasured natural assets, infrastructure and community wellbeing. There is a recommended addition to the issue to specifically address productive land in the region and its contribution to the region.

(b) Proposed new issue: The social, cultural and economic wellbeing of Otago's communities depends on the use and development of natural and physical resources, but this can conflict with the achievement of environmental outcomes, including managing conflicts between land uses.

(c) Other issues which point to rural activities:

i. SRMR-I2 climate change will impact our economy and environment.

ii. SRMR-I3 Pest species pose and ongoing threat to indigenous biodiversity, economic activities and landscapes.

iii. SRMR-I5 Freshwater demands exceed capacity in some places.

iv. SRMR-I6 Declining water quality has adverse effects on the environment, our communities, and the economy.

- v. SRMR-I10 Economic and domestic activities in Otago use natural resources but do not always properly account for the environmental stresses or the future impacts they cause.
10. The pORPS needs to adequately respond to these issues where they interface with the rural areas.
 11. It is my opinion that the pORPS needs to clearly articulate the role and function of the rural areas so that these issues are able to be addressed.

National Planning Standards

12. The National Planning Standards establish the framework for the regional policy statement. Of particular relevance are:
 - (a) 2- Regional Policy Statement Structure Standard
 - (b) 8 - Zone Framework Standard

Regional Policy Statement Structure Standard

13. The standard sets out directions for the RPS Structure:
 - (a) Urban form and development is not a mandatory or required section – but to be included if relevant.¹ If the chapter is included then the associated heading must also be included.
 - (b) Local authorities can add sections and subsections within chapters where appropriate to organise related provisions.
 - (c) Provisions that apply predominantly to only one topic must be located under the Topics heading – which is where urban form and development is located.
 - (d) Any other matter addressed in the RPS not covered by the structure must be included in a new chapter under Topics.
14. The Council has determined that an urban form and development chapter is appropriate for inclusion in the

¹ Urban Form and development is identified in grey in Table 2 meaning that it must be included if relevant to the regional policy statement. Items identified in black are mandatory.

pORPS and included as directed by the National Planning Standard.

15. While other matters are able to be included that are not covered by the structure in the standard the Council has not included a specific chapter for rural areas.

Zone Framework Standard

16. The Zone Framework Standard sets out mandatory directions for district plans to use the zones listed in the standard, unless it is a special purpose zone.
17. Relevant zones for the rural areas are:
 - (a) General Rural Zone.
 - (b) Rural Production Zone.
 - (c) Rural Lifestyle Zone.
 - (d) Settlement Zone.
18. Each zone has a descriptor for what is anticipated in that zone. Of particular relevance to the pORPS are the General Rural Zone and Rural Lifestyle Zone descriptors.
19. General Rural Zone: Areas used predominantly for primary production activities, including intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry, and other activities that require a rural location.
20. Rural lifestyle zone: Areas used predominantly for a residential lifestyle within a rural environment on lots smaller than those of the General Rural and Rural Production Zones, while still enabling primary production to occur.
21. The descriptors provide direction that rural lifestyle should be provided for in specific zones and are not included in the descriptor for the general rural zone.
22. While the pORPS does not prescribe zones it should be cognisant of the planning framework that will implement the RPS.

RURAL CHAPTER

23. In my EIC (323-333) and in my Hearing Statement (25-34) for the UFD hearing I set out the rationale for the rural area to be a separate chapter.
24. The Memorandum by Ms White accompanying the rewrite of the UFD chapter considers potential inclusion of a 'Rural' Chapter in the pORPS.
25. Ms White does not support inclusion of a rural chapter because:
 - (a) For the initial reasons set out in s42A Report;
 - (b) It is not required by the National Planning Standards;
 - (c) There is little benefit moving rural focused provisions into a separate chapter – wouldn't alter their effects;
 - (d) There is not the sole chapter where direction on how rural areas are to be managed;
 - (e) Separating provisions would result in less integration.
26. As set out above, in respect of the National Planning Standard framework for Regional Policy Statements, an urban form and development chapter is not mandatory in an RPS.
27. It is agreed that a rural chapter is not 'required' by the National Planning Standards.
28. The issue is rather whether a rural chapter is 'appropriate' for the pORPS.
29. The National Planning Standard framework is clear that a Council can include other chapters as appropriate to the region.
30. In my opinion, there is a need to clearly identify in the pORPS how the range of rural related issues are to be addressed in the region.
31. If a rural chapter is not considered necessary for the reasons set out by Ms White, it could equally be argued that an urban form and development chapter is not necessary and that the urban matters be incorporated throughout the pORPS.
32. Issues of integration arise throughout the pORPS and inclusion of a separate rural chapter would not increase the need for

consideration of integration of provisions. Integration needs to be considered wherever the provisions are located.

33. In addition, I consider that the consideration of the need for a rural chapter is limited by the assessment of what provisions are required relating to the rural area.
34. In the Memorandum Ms White sets out what she considers to be the provisions relating to the rural areas (Paragraph 3):
 1. Management of urban expansion into rural areas;
 2. Management of the interface between urban and rural areas; and
 3. Management of development within rural areas.
35. I consider that this analysis totally overlooks a fourth category – providing for rural activities in the rural area.
36. Providing for rural activities does not fall within ‘development’ – rather it is the ongoing form and use of the rural areas for activities such as primary production, rural industry and supporting activities and what is anticipated for rural areas in response to identified issues.
37. The limited view of what rural provisions should be included in the pORPS appears to have contributed to the position that a rural chapter is not necessary.
38. The point of seeking separate provision for the rural area is to ensure it is appropriately recognised for the role and contribution to the Otago Region, which is distinctly different from the urban area.
39. I consider that burying rural provisions in an urban chapter does not give due recognition to the importance of the rural area for the region nor does it respond to the issues identified that relate to the rural areas.
40. In my opinion, the rural issues for the region should not be placed in a subordinate position. Separating the issues out into a separate chapter ensures that due recognition is given to that topic.

PROVISION FOR RURAL ACTIVITIES

41. As set out above, I consider that the provisions in the recommended rewrite of the UFD chapter overlook a clear

articulation of what is anticipated in the rural area, including providing for rural activities.

42. The focus of the provisions is on 'development' and not the 'form' of the area.
43. Articulation of the overarching 'form' of an area will assist the development of regional and district plans which give effect to the pORPS.
44. The Partially Operative ORPS includes Policy 5.3.1 Rural activities that sets out how activities in the rural areas will be managed and provides a clear framework against which activities can be assessed as to their appropriateness to be located in rural areas.
45. I consider that the pORPS does not include such a framework so does not clearly describe the anticipated form or address issues identified for the rural area and that is a gap in the pORPS which should be addressed.
46. Inclusion of provisions for rural activities will respond to the new issue that has been submitted for the Hearing Panel consideration including the potential for conflict between incompatible activities.

PROVISION FOR RURAL LIFESTYLE DEVELOPMENT

47. HortNZ supports the use of the Rural lifestyle Zone to clearly define where rural lifestyle will be located rather than pepper-potted throughout the district.
48. The pORPS had policy UFD P7 (5) that directed rural lifestyle development to areas zoned for that purpose. But the recommended rewrite has removed that requirement.
49. This recommendation is in response to submissions by developers and the comment states that there may be instances where this rural lifestyle development is appropriate within a zone where that is not the purpose of the zone but still might be anticipated / appropriate in some circumstances.
50. In addition, the pORPS had a policy, UFD-P8 Rural lifestyle that required that rural lifestyle should be adjacent to existing or planned urban area and ready access to employment and services are available. The recommended rewrite deletes this requirement.
51. Again, this change is in response to submissions by developers.

52. I oppose the recommended rewrite that removes the requirement for rural lifestyle to be in appropriate zones.
53. Continuing to provide for rural lifestyle throughout rural zones is inconsistent with the National Planning Standards as it does not provide clear direction to district plans that rural lifestyle should be located in appropriate zones.
54. An appropriate zoning or rural lifestyle assists in reducing potential incompatible activities and reverse sensitivity in the rural zone.
55. Consideration of the NPS for Highly Productive Land is an additional layer that needs to be considered in provision for Rural Lifestyle and will assist in identification of appropriate locations for such development.
56. Therefore, I oppose the deletion of UFD-P7 (5) which directed that rural lifestyle development be in areas zoned for that purpose.
57. The header to UFD-P8 also deletes the requirement of 'zones' and replaces with 'development'. This change is also opposed.
58. I consider that there is merit in retaining a direction that rural lifestyle zones will 'generally' be located near urban areas with access to employment and services. Such a direction would assist in the identification of appropriate areas for rural lifestyle zones as part of the district plan process, but removing the mandatory nature of the clause in the pORPS.

RURAL URBAN INTERFACE

59. In my EIC and Hearing Statement I highlighted the need to appropriately manage the rural – urban interface.
60. In particular, my evidence supports amending UFD-O2 to expressly refer to the rural-urban interface:

Minimises conflict between incompatible activities within the urban area and at the rural -urban interface.
61. In the recommended rewrite the inclusion in UFD-O2 of minimising conflicts between incompatible activities has been deleted, with the comment being that it has been covered in the addition of UFD-O1 (2).

62. The new UFD-01 (2) is 'integrates effectively with surrounding urban and rural areas' but makes no mention of incompatible activities or potential conflicts. Nor does it give any indication as to what 'effectively integrates' may imply or involve. As such it does not provide a clear outcome for the objective.
63. The only references to incompatible activities in the recommended rewrite are in UFD-P1 8A Strategic planning and UFD-M2 (3) District plans.
64. There is no clear reference that management of potentially incompatible activities at the rural urban interface is an issue to be addressed.
65. I consider that avoiding incompatible activities is a directive that is important in the planning framework and should be clearly articulated, not just buried in a strategic planning or district plan provisions.
66. In my Hearing Statement I outlined the tension that exists with the urban rural interface and that I consider it to be an issue that the RPS needs to address.
67. I do not consider that the recommended rewrite has adequately provided for this issue and seek changes to ensure that it is addressed.

PRODUCTIVE CAPACITY

68. A number of the provisions relating to the rural area and primary production use the term 'productive capacity'.²
69. It has been recommended by Council that this term is defined in the pORPS as in the National Policy Statement for Highly Productive Land:

In relation to land, means the ability of the land to support land-based primary production over the long term, based on an assessment of:

- a) Physical characteristics (such as soil type, properties, and versatility); and*
- b) Legal constraints (such as consent notices, local authority covenants, and easements); and*
- c) The size and shape of existing and proposed land parcels.*

² UFD-O4 (4A), UFD-P7 (6) and UFD-AER 13

70. The definition is limited to land based primary production and a limited range of assessment matters is specific to being applied to highly productive land.
71. If productive capacity is to be used in respect of primary production a broader definition that applies to all primary production (not just land-based primary production) should be used.
72. It is noted that Policy 5.3.1 of the Partially Operative ORPS uses productive capacity or productive efficiency which encompasses broader concepts of production.
73. Given the overlap with the NPSHPL I consider it would be better to use productive efficiency unless the use of productive capacity is specific to highly productive land.

Lynette Wharfe
21 April 2023

UFD – Urban form and development

Commented [LW1]: Could the title be expanded with a subtitle – including rural activities

Objectives

UFD-01 –Development of *urban areas*

The development and change of Otago's *urban areas* occurs in a strategic and coordinated way, which:

- (1) accommodates the diverse and changing needs and preferences of Otago's people and communities, now and in the future,
- (2) integrates effectively with surrounding urban and rural *areas*,
- (3) results in a consolidated, well-connected and well-designed urban form which is integrated with *infrastructure*, and
- (4) supports *climate change adaptation* and *climate change mitigation*.

Commented [LW2]: This is not clearly stating an outcome – what does 'integrates effectively' mean? Before there was an objective of minimising conflict between incompatible activities. There is no specific mention of rural urban interface

UFD-04 – Development in *rural areas*

Development in Otago's *rural areas* occurs in a way that:

- (4) provides for the ongoing use of *rural areas* for *primary production*, supported by *rural industry* in appropriate locations, and
- (4A) does not compromise the *productive capacity*, and long-term viability of the rural sector and rural *communities*.

Commented [LW3]: There needs to be objective about the 'form' of rural areas – not just development

Commented [LW4]: Note comments in memo about the definition of productive capacity – replace with productive efficiency.

Commented [LW5]: Not a focus on not compromising primary production

Policies

UFD-P1 – Strategic planning

Strategic planning processes, undertaken at an appropriate scale and detail, precede urban growth and development and:

- (1) identify how housing choice, quality, and affordability will be improved,
- (1A) ensure integration of *land* use and *infrastructure*, including how, where and when necessary *development infrastructure* and *additional infrastructure* will be provided, and by whom,
- (2) demonstrate at least sufficient *development capacity* supported by integrated *infrastructure* provision for Otago's housing and business needs in the short, medium and long term,
- (3) maximise current and future opportunities for increasing resilience, and facilitate adaptation to changing demand, needs, preferences and *climate change*,
- (5) indicate how connectivity will be improved and connections will be provided within *urban areas*,
- (6) provide opportunities for iwi, hapū and whānau involvement in planning processes, including

Commented [LW6]: No mention of NPSHPL as part of strategic planning

in decision making, to ensure provision is made for their needs and aspirations, and cultural practices and values,

- (7) facilitate involvement of the current community and respond to the reasonably foreseeable needs of future communities, and
- (8A) identifies areas of potential conflict between incompatible activities and sets out the methods by which these are to be resolved.

Commented [LW7]: Needs to be clear that this includes the rural urban interface

UFD-P2 – Sufficiency of *development capacity*

Ensure that at least sufficient housing and business *development capacity* is provided in *urban areas* in the short, medium and long term including by:

- (5) responding to any demonstrated insufficiency in housing or business *development capacity* by increasing *development capacity* or providing more *development infrastructure* as required, as soon as practicable,
- (5A) being responsive to plan changes that demonstrate compliance with UFD-P10, and
- (6) requiring Tier 2 *urban environments* to meet, at least, the relevant housing bottom lines in APP10.

UFD-P3 – Urban intensification

Ensure that intensification in urban areas, as a minimum:

- (1) contributes to establishing or maintaining the qualities of a *well-functioning urban environment*,
- (2) is well-served by existing or planned *development infrastructure* and *additional infrastructure*,
- (3) enables heights and densities that meet the greater of demonstrated demand for housing and/or business use or the level of accessibility provided for by existing or planned *active transport* or *public transport*, and
- (5) addresses issues of concern to iwi and hapū, including those identified in any relevant iwi planning documents.

UFD-P4 – Urban expansion

Expansion of existing *urban* only occurs where the expansion:

- (1) contributes to establishing or maintaining the qualities of a *well-functioning urban environment*,
- (1A) is identified by and undertaken consistent with strategic plans prepared in accordance with UFD-P1, or is required to address a shortfall identified in accordance with UFD-P2,
- (1B) achieves consolidated, well designed and sustainable development in and around existing urban areas,
- (2) is logically and appropriately staged, and will not result in inefficient or sporadic patterns of settlement and residential growth,
- (3) is integrated efficiently and effectively with *development infrastructure* and *additional infrastructure* in a strategic, timely and co-ordinated way,

- (4) addresses issues of concern to iwi and hapū, including those identified in any relevant iwi planning documents,
- (6) avoids *highly productive land*, except as provided in the NPS-HPL, and
- (7) considers adverse *effects*, particularly *reverse sensitivity* effects, on existing and anticipated *primary production* or *rural industry* activities when determining the location of the new urban/rural boundary.

Commented [LW8]: Support this inclusion but needs to refer to the RPS provisions for HPL which apply the NPSHPL in the region.

Commented [LW9]: 'Considering' adverse effects isn't clear direction. Adverse effects should be avoided to the extent reasonably possible.

UFD-P5 – Commercial activities

Provide for *commercial activities* in *urban areas* by:

- (1) enabling a wide variety and scale of *commercial activities*, social, recreational and cultural activities to concentrate in city, metropolitan, town centres and commercial zoned areas, where appropriate, especially if they are highly accessible by *public transport* or *active transport*,
- (2) enabling smaller local and neighbourhood centres, mixed use zones and rural settlements to accommodate a variety of *commercial activities*, social, recreational and cultural activities of a scale appropriate to service local community needs, and
- (4) outside the areas described in (1) and (2), provide for small scale retail and service activities, home occupations and *community services* to establish within or close to the communities they serve.

UFD-P6 – Industrial activities

Provide for *industrial activities* in *urban areas* by:

- (1) identifying specific locations and applying zoning suitable for accommodating *industrial activities* and their reasonable needs and *effects* including supporting or *ancillary activities*,
- (2) identifying a range of *land* sizes and locations suitable for different *industrial activities*, and their *operational needs* including land-extensive activities,
- (3) avoiding activities likely to result in *reverse sensitivity effects* on existing or potential *industrial activities* or likely to result in an inefficient use of industrial zoned *land* or *infrastructure*, particularly where the area provides for a significant *operational need* for a particular *industrial activity* or grouping of *industrial activities* that are unlikely or are less efficiently able to be met in alternative locations and
- (4) in areas that are experiencing or expected to experience high demand from other urban activities, and the criteria in (3)(a) does not apply, only allowing for the transition of industrial zoned areas to other purposes, by first applying (1) and (2).

UFD-P7 – Rural areas

The management of *development* in *rural areas*:

- (2) maintains *rural areas* as places where people live, work and recreate and where a range of activities and services are required to support these rural functions, and provide for social and

Commented [LW10]: Only focuses on development not the form or nature of the rural area

- economic wellbeing within rural communities and the wider **region**.
- (3) prioritises *land-based primary production on highly productive land* in accordance with the NPS-HPL,
 - (4) provides for *primary production, rural industry* and supporting activities and recognises:
 - (a) the importance of mineral and aggregate resources for the provision of *infrastructure* and the social and economic well-being of Otago's communities, **and**
 - (b) that mining and aggregate extraction activities can only be located where those resources are present, and
 - (6) restricts the establishment of non-rural activities which could adversely affect, including by way of reverse sensitivity or fragmentation, the *productive capacity of highly productive land* or existing or anticipated *primary production* and *rural industry* activities, unless those activities are undertaken in accordance with MW-P4 or the NPS-HPL.

Commented [LW11]: This focus is not on primary production or rural activities. This opens the door for all sorts of activities in the rural areas. There should be a locational or functional need for activities in rural areas. Reinsert the requirement for rural lifestyle to be in areas zoned for that purpose

Commented [LW12]: Minerals should be separate clause

Commented [LW13]: Note comments about the use of 'productive capacity'

UFD-P8 – Rural lifestyle development

- The establishment, development or expansion of rural lifestyle development only occurs **where**:
- (2) it avoids *land* identified for future urban development in a relevant plan or *land* reasonably likely to be required for its future urban development potential, where the rural lifestyle development would foreclose or reduce efficient realisation of that urban development potential,
 - (3) it **minimises** impacts on existing *primary production, rural industry* and other rural activities and avoids the potential for *reverse sensitivity effects* to arise in adjoining rural production zones,
 - (4) it avoids *highly productive land*, except as provided for in the NPS **HPL**.
 - (5) the suitability of the area to accommodate the proposed development is demonstrated, including
 - (a) capacity for servicing by existing or planned *development infrastructure* (including self-servicing requirements),
 - (b) particular regard is given to the individual and cumulative impacts of *water* supply, wastewater disposal, and *stormwater* management including self-servicing, on the receiving or supplying environment and impacts on capacity of *development infrastructure*, if provided, to meet other planned urban area demand, and
 - (c) likely future demands or implications for publicly funded services including emergency services and *additional infrastructure*.

Commented [LW14]: Reinsert limited to zones or located near urban areas as in notified RPS

Commented [LW15]: HNZ sought Avoid and where not possible mitigate to the least extent possible as minimise is not sufficient

Commented [LW16]: Would need to be amended to 'as provided for in the RPS' if the changes HNZ seeks to identification of HPL are accepted.

UFD-P10 – Criteria for significant development capacity

'Significant development capacity' is provided for where a proposed plan change affecting an *urban environment* meets all of the following criteria:

- (3) required *development infrastructure* can be provided effectively and efficiently for the proposal, and without material impact on planned *development infrastructure* provision to, or reduction in *development infrastructure* capacity available for, other feasible, likely to be

realised developments, in the short-medium term,

- (4) the proposal makes a significant contribution to meeting a need identified in a *Housing and Business Development Capacity Assessment*, or a shortage identified in monitoring for:
 - (a) housing of a particular price range or typology, particularly more affordable housing,
 - (b) business space or *land* of a particular size or locational type, or
 - (c) community or educational facilities, and
- (5) when considering the significance of the proposal's contribution to a matter in (4), this means that the proposal's contribution:
 - (a) is of high yield relative to either the forecast demand or the identified shortfall,
 - (b) will be realised in a timely (i.e. rapid) manner,
 - (c) is likely to be taken up, and
 - (d) will facilitate a net increase in district-wide up-take in the short to medium term.

Methods

UFD-M1 – Strategic planning

Otago Regional Council and *territorial authorities*:

- (1) must, where they are Tier 2 local authorities, jointly determine housing *development capacity* that is feasible and likely to be taken up in the medium and long terms through *Housing and Business Development Capacity Assessments*,
- (2) should, for other districts, jointly determine demand and potential supply responses through similar, but appropriately scaled strategic planning approaches,
- (3) must, where they are Tier 2 and Tier 3 local authorities, monitor and regularly assess and report on the supply of, and demand for, residential, commercial and industrial zoned *land development capacity* available at the regional, district and *urban environment* scales, and other local authorities are encouraged to do so,
- (4) must coordinate the redevelopment and intensification of urban areas and the development of extensions to urban areas with *infrastructure* planning and development programmes, to:
 - (a) provide the required *development infrastructure* and *additional infrastructure* in an integrated, timely, efficient and effective way, and
 - (b) identify major existing and future activities, constraints and opportunities,and for Tier 2 local authorities to achieve this through jointly developed *Future Development Strategies* and/or strategic planning, and for all other *local authorities* through strategic planning in accordance with UFD–P1,
- (5) must, where they are Tier 2 local authorities, develop housing bottom lines for urban environments and include those bottom lines in APP10 and in the relevant *district plans*,
- (6) must individually or jointly develop further regulatory or non-regulatory methods and actions

to implement strategic and spatial plans, including to guide the detail of how, when and where development occurs, including matters of urban design, requirements around the timing, provision, and responsibilities for open space, connections and infrastructure, including by third parties, and the ongoing management of effects of urban development on matters of local importance, and

- (7) must involve *mana whenua*, and provide opportunities for iwi, hapū and whānau involvement in planning processes, including in decision making.

UFD-M2 – District plans

Territorial authorities must prepare or amend their *district plans* as soon as practicable, and maintain thereafter, to:

- (1) identify and provide for urban expansion and intensification, to occur in accordance with:
 - (a) any adopted *future development strategy* for the relevant district or region, which must be completed in time to inform the 2024 Long Term Plan, or
 - (b) where there is no *future development strategy*, a *local authority* adopted strategic plan developed in accordance with UFD-P1, for the relevant area, district or region,
- (2) in accordance with any required *Housing and Business Development Capacity Assessments* or monitoring, including any *competitiveness margin*, ensure there is always at least sufficient *development capacity* that is feasible and likely to be taken up and, for Tier 2 urban environments, at a minimum meets the bottom lines for housing in APP-10, and meets the identified *land* size and locational needs of the commercial and industrial sectors, and where there is a shortage, respond in accordance with UFD-P2,
- (3) ensure that urban development is designed to:
 - (a) achieve a built form that relates well to its surrounding *environment*,
 - (b) provide for a diverse range of housing, *commercial activities*, industrial and service activities, social and cultural opportunities,
 - (c) achieve an efficient use of *land, energy, water* and infrastructure,
 - (d) promote the use of water sensitive design wherever practicable,
 - (e) minimise the potential for reverse sensitivity *effects* to arise, by managing the location of incompatible activities, within the urban area, at the rural-urban *interface*,
 - (f) reduce the adverse *effects* of Otago's cooler winter climate through designing new subdivision and development to maximise passive winter solar gain and winter heat retention, including through roading, lot size, dimensions, layout and orientation,
- (4) identify and provide for locations that are suitable for urban intensification in accordance with UFD-P3,
- (5) identify and provide for locations that are suitable for urban expansion, if any, in accordance with UFD-P4,
- (6) identify and provide for *commercial activities* in accordance with UFD-P5,

Commented [LW17]: Minimise is not sufficient – avoid to the extent reasonably possible

Commented [LW18]: And within rural areas

- (7) identify and provide for *industrial activities* in accordance with UFD-P6,
- (8) manage development in *rural areas* in accordance with UFD-P7,
- (9) manage rural lifestyle development in accordance with UFD-P8,
- (11) involve *mana whenua* and provide opportunities for iwi, hapū and whānau involvement in planning processes, including in decision making, and
- (11A) ensure the design and maintenance of places and spaces, including streets, open spaces, public *buildings* and publicly accessible spaces so that they are safe, attractive, accessible and usable by everyone in the community.

Commented [LW19]: Not just development, it should be activities

Commented [LW20]: Not just development – should include activities

UFD-M3 – Design of public spaces and surrounds

Territorial authorities must design and maintain public places and spaces, including streets, open spaces, public *buildings* and publicly accessible spaces so that they are safe, attractive, accessible and usable by everyone in the community.

Explanation

UFD-E1 – Explanation

The policies in this chapter are designed to facilitate the provision of sufficient housing and business capacity and ensure all of the region's *urban areas* demonstrate the features of *well-functioning urban environments* and meet the needs of current and future communities. Urban intensification and urban expansion decisions should be preceded and guided by strategic planning processes that consider how best this can be achieved and in consideration of local context, values and pressures. The strategic planning process will also consider and demonstrate where, when, how and by whom the necessary *development infrastructure* and *additional infrastructure* will be provided in order to both facilitate development and change and minimise environmental impacts from it.

In addition, this chapter seeks to manage development in Otago's rural areas, to support the viability of the rural sector. This approach includes direction on different types of development within rural areas, managing the expansion and location of *urban areas*, and rural lifestyle development, and directing that growth be enabled in *urban areas* to minimise the need for development to occur within rural areas.

The policies in this chapter are primarily focused on directing where development is and is not appropriate and under what circumstances, but provides discretion for *local authorities* to determine the detail of how that development is managed, its ultimate density, height, bulk and location, timing and sequencing, the detail of any required *development infrastructure* and *additional infrastructure* that may be needed, and allows for the consideration of particular locally significant features, values and needs that contribute to the attractiveness or uniqueness of the diverse communities, landscapes, and environments of the region.

This more detailed determination must, however, be informed by evidence and information collated through appropriately scaled *strategic planning* processes which will identify how constraints to urban development, such as hazards, landscapes, *highly productive land*, and limits are responded

to, and opportunities for meeting demand, integration with lifeline utilities, infrastructure and other requirements may be provided for. They will be implemented by a range of regulatory and non-regulatory methods, including partnership arrangements with iwi, developers, infrastructure providers and central government, joint development of *Housing and Business Assessments* and *Future Development Strategies* for Tier 2 local authorities, and similar but appropriately scaled processes undertaken in and for other areas, including regular regional, district and *urban environment* scale monitoring, analysis and evaluation.

In delivering on the objectives and policies in this chapter, which relate largely to human activities and settlements, the natural, physical, and built values and features of importance to the region must be recognised and provided for. These values and features are largely identified within other chapters and provision of the RPS. They also provide detail on how they should be identified and managed. Achieving the objectives of this chapter requires consideration of those other relevant parts of this RPS.

The following chapters of this Regional Policy Statement have particular relevance to the achievement of the objectives of this chapter by identifying particular aspects of Domains or Topics to be managed, and where there is an apparent conflict, must be balanced in accordance with the directions outlined in the IM - Integrated Management chapter:

- MW – *Mana Whenua*
- AIR – Air
- CE – Coastal environment
- LF – *Land and freshwater*
- ECO – Ecosystems and indigenous *biodiversity*
- EIT – Energy, *infrastructure* and transport
- HAZ – Hazards and *risks*
- HCV – Historical and cultural values
- NFL – Natural features and landscapes

Principal reasons

UFD-PR1 – Principal reasons

The provisions in this chapter assist in fulfilling the functions of the regional council under section 30(ba) and *territorial authorities* under section 31(aa) of the RMA to ensure sufficient *development capacity* in relation to housing and *business land* to meet the expected demands of the region and districts respectively. They also assist in giving effect to the similar but more detailed requirements of the *NPSUD*.

Urban areas are important for community well-being and are a reflection the inherently social nature of humans. *Well-functioning urban areas* enable social interactions and provide a wide variety (across type, location and price) of housing, employment and recreational opportunities to meet the varied and variable needs and preferences of communities, in a way that maximises the well-being of its present and future inhabitants, and respects its history, its setting and the *environment*. The

combination of population growth and demographic change will result in changes in the quantity and qualities demanded of housing, employment, business, *infrastructure*, social facilities, emergency services and *lifeline utilities* and other services across the region. Upgrade and replacement of the existing development and infrastructure will also continue to be required even where growth is limited, resulting in changes in the built environment. Some of these changes will also be driven by changes in the *natural environment*, including the impacts of climate change. Urban areas are highly dynamic by nature, so the provisions in this chapter seek to manage, rather than limit, the form, function, growth and development of urban areas in a way that best provides for the community's well-being both now and into the future.

The pace and scale of growth and change, and the scale and nature of urban environments and areas in the region is variable, meaning no single response at a regional level is appropriate in all cases. Accordingly, the process identified in this RPS remains flexible and responsive (outside of Tier 2 *urban environments*, which have specific requirements under the *NPSUD*). Key requirements of strategic planning include considering and providing for reasonably expected changes in overall quantum of demand and supply as well as changes in needs and preferences that may drive or add to these changes in demand, designing to maximise the efficient use of energy, land and infrastructure (including transport infrastructure). This can best be achieved by prioritising development in and around the region's existing urban areas as the primary focus of the region's growth and change, by enabling development within and adjacent to those urban areas, where it generally is most suitable and most efficient to do so.

These strategic planning processes provide the mechanism by which longer term issues can be considered, integration between land use and infrastructure can be achieved, and various constraints, opportunities and key trade-offs can be identified and appropriately resolved, while identifying and managing the values and resources identified in this RPS. These processes, and others should always involve *mana whenua*, at all levels of the process to ensure their views and values can be incorporated and celebrated, and their needs and aspirations appropriately provided for.

All development should seek to maximise efficient use of water consumption (through water efficient design) and disposal. Reduced consumption reduces sewerage loads, and water sensitive design reduces impacts on both supplying and receiving natural systems and can reduce flooding from stormwater, and maximise the winter capture and retention of the sun's energy, which will also assist with reducing the energy needed to heat homes in winter and can also help reduce *air* pollution from solid fuel burning for home heating. Development in more central parts of the region also need to be designed to be cognisant of minimising excess sun capture in the summer months.

Rural areas contain activities and resources critical for rural production. There is pressure from non-rural activities and rural lifestyle development to locate within the rural area, but these activities can be sensitive to primary production or rural industry and can adversely affect rural production. The provisions in this chapter focus on managing where rural living opportunities and other non-rural activities are provided for, so that the potential *effects* on productive potential and the wide range of environmental values, features and resources that rural areas also contain are appropriately managed. The supply of rural lifestyle opportunities to meet demand should be directed to suitably located and zoned areas to minimise impacts on values in rural areas. In designing and planning for rural lifestyle development, local authorities will need to be aware of the potential future constraints on future urban expansion and development, including the cumulative impacts of infrastructure

servicing irrespective of whether this is onsite, community or through connections to urban reticulated schemes.

Implementation of the provisions in this chapter will occur partially through *regional plans* but primarily *district plan* provisions, as well as through preparation of *future development strategies* and *structure plans* and the financial and infrastructure planning processes they inform. While the functions and duties of regional and territorial authorities are different, each brings different focus and responsibilities to the task of achieving *well-functioning urban environments*. Working together, and with others, in accordance with specified joint responsibilities under the NPSUD, will assist with achieving the purpose of the RMA and the outcomes sought by this RPS.

To appropriately and efficiently achieve the objectives and policies, other non-regulatory spatial planning exercises and associated action plans, agreements and infrastructure delivery programs will be needed to complement regulatory approaches, including setting aside the necessary funding for delivery, and partnering with *mana whenua*, central government, communities and developers to deliver the quality and quantity of urban development needed to meet demand and provide for change, improve land and development market competitiveness, and achieve resilient, efficient and attractive urban places.

Anticipated environmental results

UFD-AER1	Appropriately scaled strategic planning occurs in advance of regulatory planning, and regulatory plans are changed in a timely manner to facilitate to outcomes identified in these processes.
UFD-AER2	Urban expansion only occurs when suitable and sufficient <i>development infrastructure</i> is in place or will be provided at the time of expansion and provision is made for the needs of <i>additional infrastructure</i> .
UFD-AER3	<i>Development infrastructure</i> is in place in time to facilitate reasonably expected urban intensification or planned expansion.
UFD-AER4	New developments including redevelopments are designed to maximise energy and transport efficiency and minimise impacts on <i>water</i> quality and quantity.
UFD-AER5	The majority of new urban development is located close to services, jobs, and other urban amenities and can access those amenities by a range of transport modes including <i>active transport</i> and, where available, <i>public transport</i> .
UFD-AER6	The mode share and use of <i>active transport</i> and where available, <i>public transport</i> increases.
UFD-AER9	There is an increased range of housing types and locations and an increased number of <i>dwellings</i> , particularly more affordable housing in existing and planned <i>urban areas</i> .
UFD-AER10	The current and future needs of business are met by the availability of a range of opportunities for <i>land</i> and space that meets their requirements.

UFD- AER1 1 New rural lifestyle development occurs within areas appropriate for this use.

Commented [LW21]: Should refer to 'Zones' and also does not adversely affect rural production activities

UFD- AER1 2 The establishment of activities within rural areas does not result in adverse effects on activities functionally dependent on rural resources and rural surroundings.

Commented [LW22]: Specifically add 'Primary production and'

UFD- AER1 3 Urban expansion and urban activities are appropriately planned so that they do not adversely affect the *productive capacity*, and long-term viability of the rural sector and rural communities.

UFD- AER1 4 *Mana whenua* are involved in strategic planning and other planning processes.