



**GREAT LAKE TAUPŌ**  
Taupō District Council

# **DISTRICT PLAN MONITORING REPORT AND ISSUES IDENTIFICATION**

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WORKING DRAFT

# 1. INTRODUCTION

Monitoring of the District Plan is undertaken in accordance with Section 35 of the Resource Management Act. While this report discusses the performance of the Operative District Plan it takes the results from the various sources of data collected and identifies strategic issues for the District Plan review now due.

The identification of issues is the first stage of the District Plan review. The purpose of developing issues is to gain a greater understanding of potential problems or opportunities to inform the District Plan review. The research and engagement undertaken to date has seen the feedback split into the following:

- Strategic issues that cut across the district and different parts of the District Plan.
- Technical issues that are more confined to either spatially or a particular part of the District Plan.
- Out of scope issues that don't fit neatly into Council's role and responsibilities under the Resource Management Act.

This document focuses on the strategic issues, of which there are currently ten, this is however not an exhaustive list. As Resource Management planning is forever evolving and changing we expect that the issues will continually be revisited and tested through the review process and it is likely that new issues will arise as more information is collected and we engage with the community, iwi, stakeholders and various organisations. With this in mind, it is the intention to retain this issues report as a 'working document' where changes are able to be made rather than adopting a set of issues and undertaking policy development on just these matters. This approach will allow a more flexible approach to the development of the District Plan rather than adopting a static set of issues. Issues for matters that are required to be addressed under Section 6 of the RMA, such as Natural Hazards and Historic Heritage, have not been identified as these will be developed when these workstreams are underway.

The District Plan review has been separated into work streams which reflect the structure of the District Plan being developed in accordance with the National Planning Standards gazetted in April 2019. As discussed, issues evolve and therefore each of these work streams will develop more specific issues as a result of feedback on this document, research and consultation on those individual work streams.

# 2. TECHNICAL ISSUES

A large amount of the feedback provided through the research and development phase of this project related to more technical components. These included problems with specific rules and performance standards of the Operative District Plan. Whilst on a smaller scale, these issues are still important and need to be addressed of which will be undertaken when the individual plan sections are looked at during the District Plan review.

# 3. OUT OF SCOPE

The District Plan can only address matters that sit within the scope of the Resource Management Act 1991. There was some feedback provided that may well sit outside the scope of the Resource Management Act. Like the technical issues noted, these matters will also be addressed when the individual plan sections are looked at during the District Plan review and consider how this matter is able to be resolved.

# 4. BACKGROUND INFORMATION

The issues identified in this document have been developed using several sources of information, including resource consent data, discussions with stakeholders, brainstorming sessions, the District Plan evaluation report and Council documents and strategies.

## 4.1 Resource Consent Data

A list of resource consents lodged between 1 January 2014 and 1 October 2018 was provided from MAGIQ. There was a total of 1304 resource consent applications lodged during this time which included the following:

- Landuse
- Subdivision
- Variation to consent (both landuse and subdivision)
- Variation to consent notices
- Certificate of Compliance
- Breach of a national environmental standards
- Extension to lapse date
- Crosslease updates
- Right of Way applications
- Compliance Certificates – Sale of Liquor Act
- Notice of Requirements
- Outline Plan Approval

Table 1 below provides some high-level analysis of the resource consents received by Taupō District Council in the period during 1 January 2014 to 1 October 2018.

**Table 1 – Resource Consents Received**

	Number of Resource Consents	% of Total Received
Total Consents Received	1304	
Total Consents not processed*	48	3.7%
Total Resource Consents Declined	5	0.4%
Landuse Consents Approved	795	61%
Subdivision Consents Approved	248	19%

\*Resource consents which were withdrawn or are on hold for further information/written approval

While there were a range of applications received, the following analysis has focused on the landuse and subdivision resource consents granted. This is due to the direct relationship these applications have with the District Plan. Landuse and subdivision consents are required as the activities proposed are unable to comply with a performance standard or rule in the District Plan. Other applications, such as variations to consent conditions, instead relate to the consent granted and changing aspects specific to that resource consent for example the layout of a subdivision development.

Table 2 below identifies the number of landuse and subdivision resource consents granted in each of the District Plan Environments (zones) between 1 January 2014 to 1 October 2018.

**Table 2 – Number of Landuse and Subdivision Consents granted in District Plan Environments**

District Plan Environment	Landuse Consents	Subdivision Consents
Residential	440	122
Rural	165	71
Low Density Residential	65	17
Kinloch Residential	26	8
Taupō Industrial	24	11
High Density Residential	19	3
Kinloch Rural Residential	16	4
Taupō Town Centre Pedestrian Precinct	10	
Taupō Town Centre Commercial Fringe Precinct	4	2
Centennial Industrial	4	3
Mapara Valley Cluster Neighbourhood	4	3
Kinloch Low Density Residential	4	7
Spa Road Mixed Use	3	
Mapara Valley Forest Cluster	2	2
Town Centre	2	
Taupō Town Centre Retail Expansion Precinct	2	1
Lake Ohakuri Development Zone	1	
Mapara Valley Urban Neighbourhood	1	
New Residential	1	2
Industrial	1	3

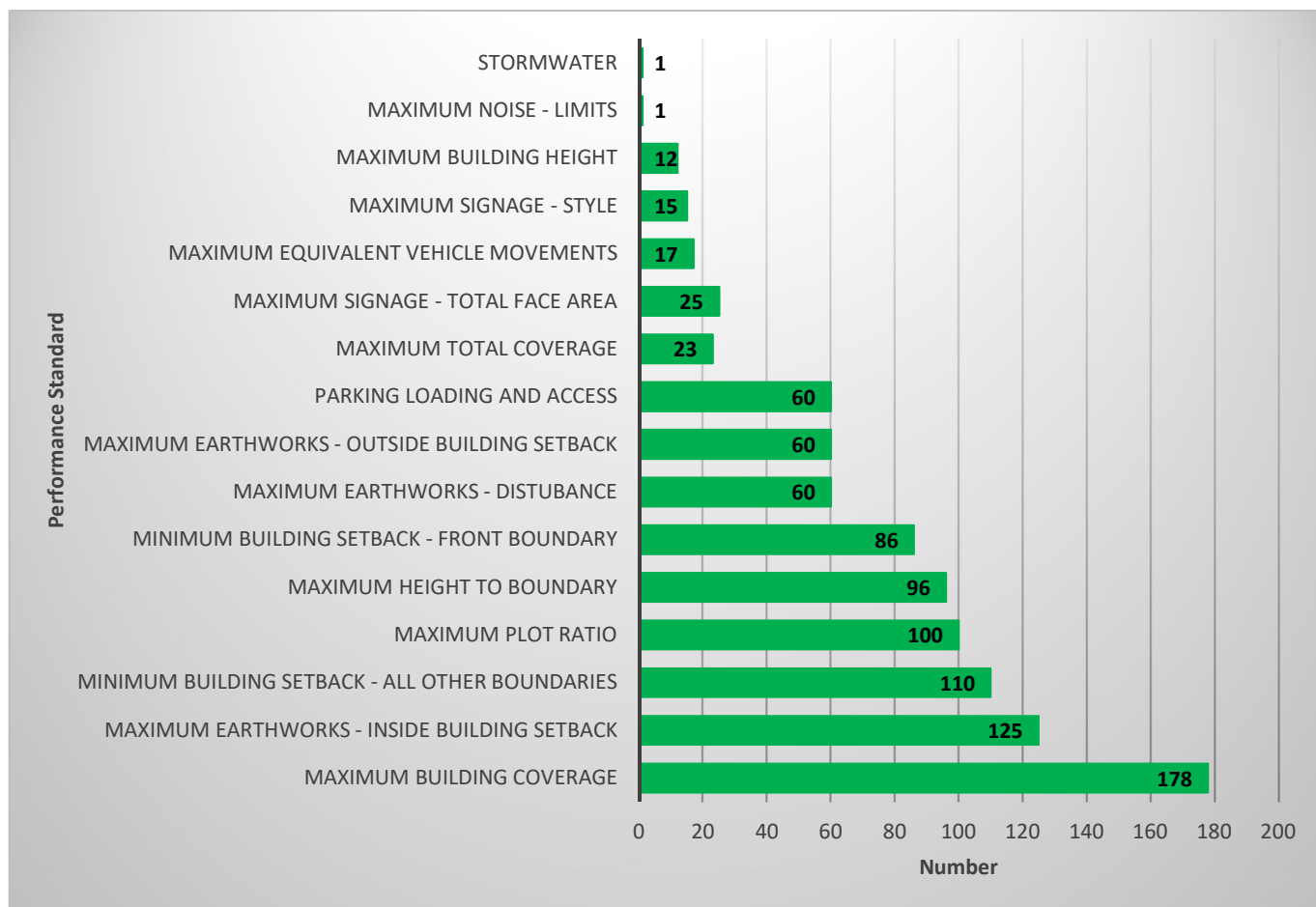
At least one landuse consent were sought for an activity or development in each of the District Plan environments, while subdivision consents were sought in 15 out of the 20 District Plan environments.

The Residential and Rural Environments received by far the greater number of resource consent applications, as such the analysis undertaken below only focuses on these two environments.

#### 4.1.1 Residential Environment Analysis

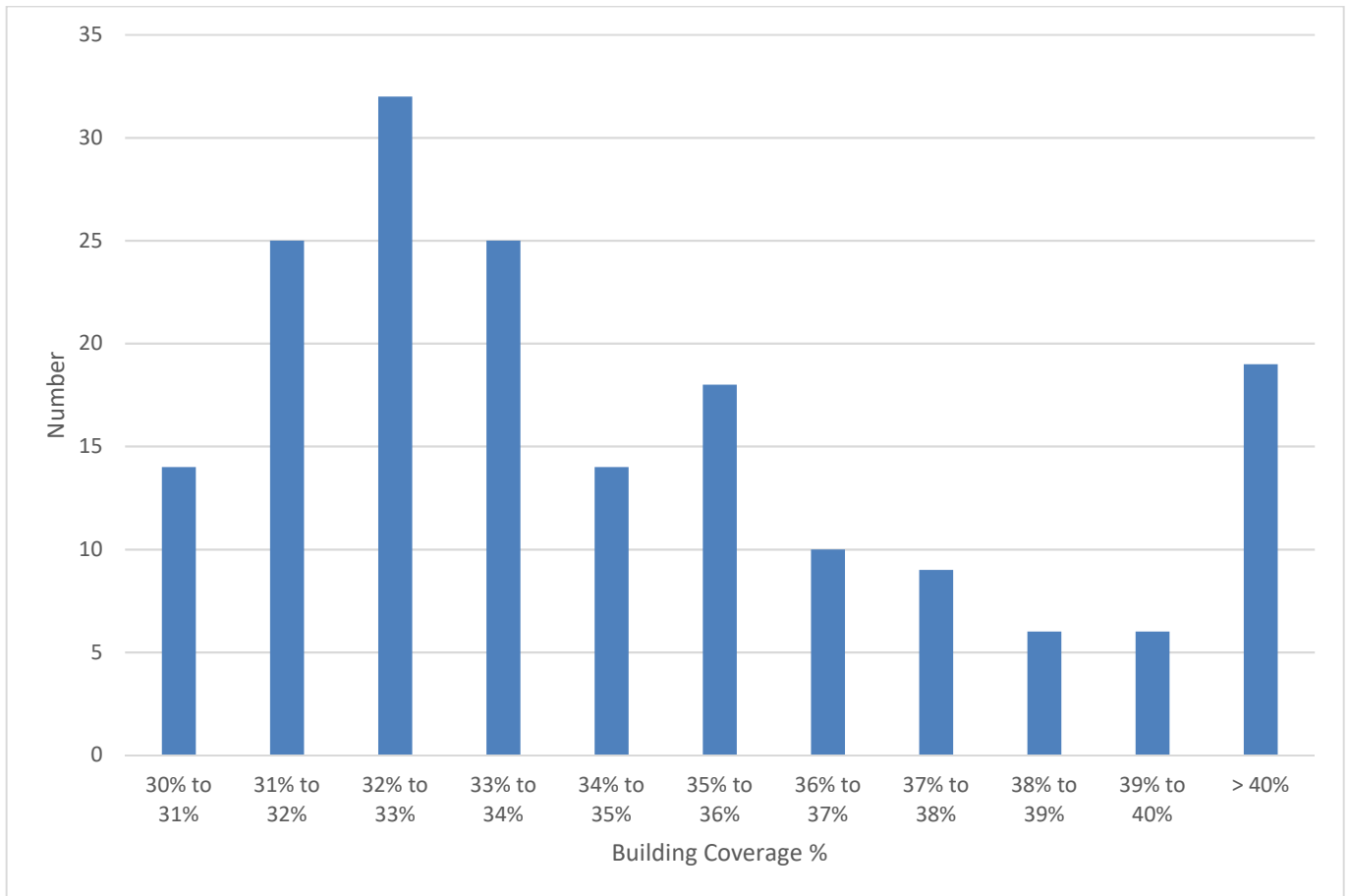
Graph 1 illustrates the performance standards that activities and development were unable to comply with in the residential environment. There are 23 residential environment performance standards, however only 16 were exceeded, leaving seven that every activity and development was able to comply with. The highest non-compliance was for development exceeding the 30% maximum building coverage allowance.

**Graph 1 – Residential Performance Standards Non-Compliances**



Further analysis of the residential environment data identified that 33% of the landuse consents were for new dwellings while 29% related to earthworks activities and 24% were additions to existing dwellings/buildings. There were several other activities granted resource consents but these were significantly lower numbers, for example 1.1% of landuse consents granted were for education/spiritual/health activities, 1.4% for accommodation activities and 0.9% for commercial activities.

**Graph 2 – Building Coverage**



Graph 2 identifies the building coverage percentage that was granted for each of the 178 landuse consents, those that were 40% or higher were put into the same category.

Further analysis of the building coverage data identified that the building coverages granted ranged from 30.2% to 54% with the average non-compliance being 34.9%. Most resource consents granted for exceeding building coverage were new dwellings (57%) while additions to existing buildings contributed to 30% of the resource consents granted for exceeding building coverage in the Residential Environment. There were six landuse consents granted for multiple dwelling developments seeking a greater building coverage that provided in the performance standards, three of these were for large subdivisions consents seeking that future dwellings could build up to 35%.

#### **4.1.2 Residential Subdivision Analysis**

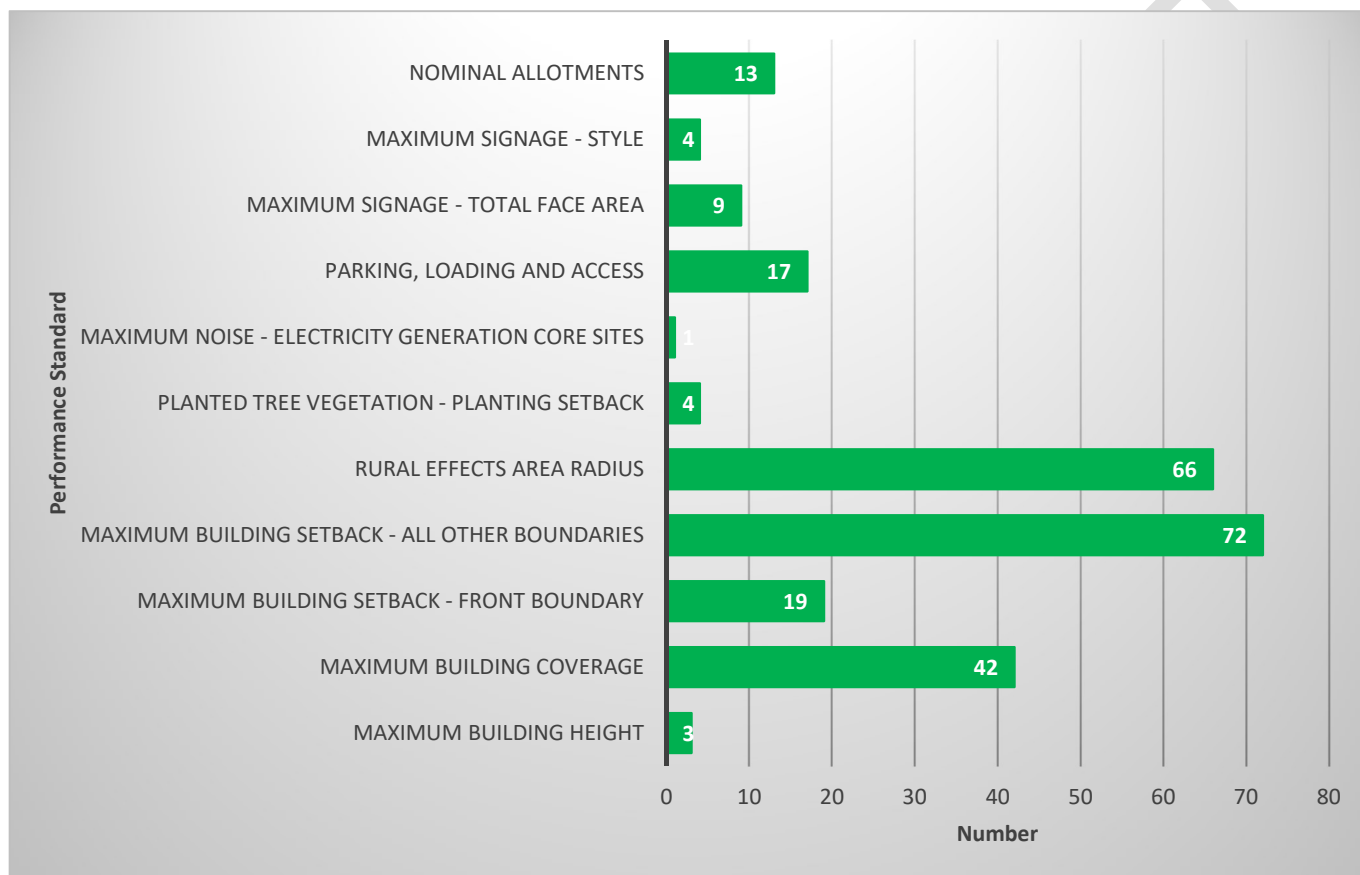
There were 122 subdivision consents granted in the Residential Environment. These subdivisions ranged from small scale infill subdivision of two or three allotments, while other were more comprehensive greenfield subdivisions seeking 53 to 530 allotments. Of the 122 subdivision consents granted, 26 of these did not result in any additional allotments being created, for example changes to land tenure (cross lease to fee simple), boundary adjustments, unit title developments or where allotments were created for a different purpose such as access. As such, these resource consents were not included in calculating the average lot size sought. The smallest allotment created was 220m<sup>2</sup> and largest was 1.3ha which has resulted in an average lot size created of 710m<sup>2</sup>, the median lot size was 520m<sup>2</sup>.

### 4.1.3 Rural Environment Analysis

Graph 3 illustrates the performance standards that activities and development were unable to comply with in the rural environment. There are 22 rural environment performance standards, however only 11 were exceeded, leaving 11 performance standards that every activity and development was able to comply with in the rural environment. The highest non-compliance was for development encroaching the 15m minimum building setback.

Further analysis of the rural environment data identified that 34% of the landuse consents were for new dwellings, 26 of these landuse consents were for second or subsequent dwellings. Some of these were on large farming properties not just smaller lifestyle properties. Additions to buildings was the second highest activity at 12% while accessory buildings (garages and carports etc) and Implement sheds both accounted for 8% of the landuses needing resource consent. Commercial activities were 4% and accommodation activities were 2%.

**Graph 3 - Rural Performance Standards Non-Compliances**



The Rural Environment framework for subdivision considers activities creating allotments less than 4ha in area as non-complying activities, between 4ha and 10ha as discretionary activities and over 10ha is a controlled activity. With this framework in mind, only allotments 10ha or less have been used for consideration. Subdivision consents which approved allotments of less than 1ha in some areas were also not used given the character of the area which has established overtime and allotments created for purposes such as utilities. The smallest allotment granted was 1.4ha and the average allotment size of those considered was 5.7ha. Four subdivision consents were granted using the cluster provisions for the Rural Environment which do provide allotments as small as 2,500m<sup>2</sup>.



## 4.2 Enquiries

The resource consents team collected details of daily enquires over a two-month period. The purpose of collecting this information was to gain a better understanding of what people are wanting to undertake within the Taupō district. Outlined below are some of the findings from the enquires received:

- People seeking general information about residential and rural landuse development
- Subdivision in Residential Environments
- Subdivision and additional dwellings in the Rural Environment
- Development of commercial and accommodation activities in residential areas
- Signage in residential areas

## 4.3 Brainstorming Sessions and Discussions with Stakeholders

We met internally and externally with frequent users of the District Plan and sought their perspective on what is and what isn't working. Internally, we met with staff from the resource consents, infrastructure, strategic property and reserves teams. Externally, we met with local resource management consultants, Destination Great Lake Taupō Enterprise Great Lake Taupō and Town Centre Taupō.

In addition to these meetings, we contacted all local authorities that adjoin the Taupō District, the four regional councils that sit within the Taupō District, energy providers such as Contact and Mercury and local real estate agents given their high level of interest in the District Plan. We will continue to work with these and a growing group of stakeholders as the review process progresses.

## 4.4 Phase 1 Evaluation Report

The Phase 1 evaluation report was prepared by PLANZ consultants in 2016. The purpose of the report was to gain a better understanding of how the Operative District Plan aligned with higher order documents including National Policy Statements, National Environmental Standards and Regional Policy Statements. It is important to understand what gaps may exist with the District Plan given it is a requirement under the Resource Management Act 1991 that the District Plan gives effect to national policy statements and regional policy statements. While the report identifies there are some gaps in the District Plan they are not significant. The main findings of the evaluation report are outlined below.

- With respect to **National Environmental Standards** a more coherent and consistent approach could be provided, chiefly through referencing the respective standard, and identifying the approach where discretion remains.
- For **National Policy Statements (NPS)**, the key improvement that should be made to the district plan is centred on amendments to the Network Utility provisions, to better distinguish and provide for Renewable Electricity Generation, Electricity Transmission; and distinguish between the aspects of Strategic Infrastructure and remaining Network Utilities.
- The NPS - Urban Development Capacity requires consideration of Strategic Direction level provisions in the district plan aimed at housing and business zoned land supply, the diversity of such supply, and the integration with supporting infrastructure.
- The Taupō District Plan is largely aligned with respective Regional Policy Statement (**RPS**) requirements. Mechanical improvements, particularly in terms of Energy, Infrastructure and Built Form could assist.

## 4.5 Council Documents and Strategies

The District Plan doesn't sit in isolation, it works with Council's wider set of policies, plans and strategies to provide direction for decision making. In particular the following documents have been considered:

- TD2050
- Long-term Plan 2018 to 2028
- Financial Strategy
- Infrastructure Strategy
- Challenges Paper
- The Demographic Snapshot 2017
- Council vision and values

These plans and policies are all available on the Taupō District Council website.

## 5. COUNCIL'S VISION AND VALUES

Council's Vision is:

***The most prosperous and liveable district in the North Island by 2022***

Turning that vision into a reality requires a range of tools and partnerships. The District Plan has a role to play given its influence over both the prosperity and liveability of the district. There can be a tendency to view the District Plan as a tool to stop undesirable activities or over regulate things, however it can also provide incentives and provide for more positive outcomes.

The values below were developed to further articulate what the vision means for the district. Through the District Plan Council can put those values into action. This can happen in numerous ways such as urban design controls creating world class urban areas, management of natural hazards contributing to community resilience, or controls over the location of business activity supporting vibrant and viable town centres.



**World class** – The work we do will maintain - and build on - our international reputation as a destination of choice. We will promote an excellent quality of life for our residents while protecting the natural environment that makes our district so special.



**Authentic** – We will be open and transparent in the way we carry out our business and offer an experience that is genuine and real.



**Resilient** – Our plans, infrastructure and work programmes will be designed to ensure we are prepared to withstand or recover quickly from disasters and/or difficult situations. We will be flexible and respond quickly to change.



**Charming** – Our district's reputation will be built on the attractiveness of our towns, the diversity of the experiences we offer, and the friendliness of our people.



**Vibrant** – The vibrancy of our district will be created by well-connected communities who work together to create a positive, fun environment people want to call home.



**Quality** – We will enable people to prosper by working to keep unemployment low, housing affordable and ensuring whatever we do is the best it can be.



**Value** – We will retain and attract residents and businesses by ensuring the district remains affordable and ensuring the work we do creates a better life for people and their families.

## 6. ASSESSMENT OF OPERATIVE DISTRICT PLAN ISSUES

The Operative District Plan identifies seven significant resource management issues that formed the basis of the District Plan in 2007. These issues were addressed through the objectives, policies and rules of the plan and link through to the communities desired outcomes at that time. The seven issues are outlined below and include discussion as to how the ODP has addressed each issue and what will need to be addressed through the review of the District Plan.

### ISSUE 1 – AMENITY AND CHARACTER

What is Amenity?

The Resource Management Act 1991 defines amenity as “...those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes.”

The Environment Court has expanded on the Act's definition of amenity in the Phantom Outdoor Advertising Ltd v Christchurch CC case (EnvC C90/2001) by stating:

“...pleasantness, aesthetic coherence, and cultural and recreational attributes were not some combined absolute value which members of the public appreciated to a greater or lesser extent. Rather, the definition of amenity embraces a wide range of elements and experiences, and appreciation of amenity values may change depending on the audience.”

Amenity values almost defy a specific definition. Amenity values are subjective to each individual person, and may be influenced by their particular circumstances and traits. These observations signal the importance of consultation to find out those features or values that are important in respect to each proposal.

What is Character?

While the Act does not define “character”, the Oxford Dictionary defines it as:

“Collective qualities or peculiarities that distinguish an individual or group...”

Although there is also a subjective component to ‘character’, it can be more readily described than amenity. Hence in case law it is not uncommon for participants or even for the Environment Court to identify particular qualities or peculiarities that comprise the character of an area. For example, in the context of the Rural Environment such components may include, (but are not limited to): open space; a lower incidence of built structures (as compared to other environments); fewer people; more flora (both indigenous and exotic / commercial), and fauna; open vistas; a lower level of background noise; less “hustle and bustle”; and a higher incidence of organic odours (compared with a higher incidence of inorganic odours in other environments).

However, there will be significant diversity in character of each Environment identified within the Plan, as each Environment itself is generally quite large in area and hosts many different activities.

Over time, distinct Environments have been created within the District. The nature of each Environment has been largely determined by the type of predominant activity taking place, and often the resulting community perception of the associated level of amenity. One of the Council's roles is to define, develop and maintain, and enhance the community's amenity and character within these identified environments. This is achieved through the performance standards of the Plan and through the allocation of resources in the Annual and Strategic Plans.

Within the Plan, the Environments of the District have been identified as being Residential, Rural, Town Centre and Industrial. The Plan contributes directly to the amenity of these Environments through the establishment of performance standards, such as building setbacks, noise standards and maximum height. Natural Value and Landscapes contribute to the amenity and character of the District, particularly in the Rural Environment, and are provided for through the implementation of policy. In addition to these environmental standards, the community develops itself, creating an environment to reflect its own individual character. Therefore, it is essential to recognise that development of this community amenity and character is not static, but instead is part of a dynamic and continuous process in which the District Plan is involved.

The role of the Plan, therefore, is to ensure the maintenance and promote the enhancement of the identified character, amenity and utility of these Environments. This is through ensuring that any adverse effect of an activity on the identified character, amenity and utility of the particular Environment is avoided, remedied or mitigated. Adverse effects can arise through the location of activities within an inappropriate Environment, or through conflict at the interface of Environments with different levels of accepted effects. Some Environments can be sensitive, with other Environments perceived to be more robust – absorbing potential effects more readily. These issues are reflected within each of the Environments and within the relevant performance standards.

*Implemented through: Residential Environment, Rural Environment, Industrial Environment, Town Centre Environment*

**How do we think the Operative Plan has done in maintaining and promoted the enhancement of identified character?**

The current operative plan appears to have been effective in maintaining some elements which contribute to character. For example, the community has expressed a desire through a number of planning processes for a town centre with a reasonably low-rise character. The plan has been effective in maintaining this through its 3-floor height limit.

Through the consultation for the issues report (which involved several meetings with regular users of the plan) the loss of character was not raised as an issue. The lack of consents for large-scale developments is also evidence that development is essentially occurring as anticipated by the Plan.

Character and amenity and its maintenance will need to be retested through the District Plan Review.

Issues to address through the District Plan Review:

- Reassess through each chapter review what character the community wants to maintain.

## **ISSUE 2 – TANGATA WHENUA RELATIONSHIPS**

Resources of cultural and spiritual significance to Tangata Whenua can be lost or damaged if development and activities are undertaken without consideration for the value or significance of the site. The Plan recognises and provides for the special relationship of Tangata Whenua, their culture and traditions with their ancestral land, water and other taonga.

Section 6 requires that the relationship of Maori, their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga be recognised and provided for as a matter of national importance. In addition, Section 7 states when managing the use, development and protection of natural and physical resources, particular regard needs to be given to Kaitiakitanga. The Council has a duty under Section 8 of the Act to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

The recognition and acceptance that there are different understandings of resource issues between Tangata Whenua and the Council is an important issue involved within resource management. Consultation between parties will provide the basis for achieving a greater understanding between Tangata Whenua and the Council.

*Implemented through: Tangata Whenua Cultural Values Section.*

## **How do we think the Operative Plan has done in meeting its obligations under Section 6 of the RMA?**

In many ways the current operative plan does not effectively recognise and provide for the relationship of Maori with their culture, traditions, ancestral lands, water, sites, waahi tapu and other taonga. An example of this is the requirement of multiply owned Maori land to be developed through a structure plan process. This process has been one of a number of barriers which have prevented Maori land developing.

Some small parts of the plan, such as the papakainga provisions have been effective in allowing several papakainga developments to occur. However, in some meetings with iwi partners there appears to have been a complete lack of knowledge that the papakainga provisions exist.

The operative plan only addresses tangata whenua issues through the Tangata Whenua Cultural Values section, which is fairly limited in its application. It is anticipated that the District Plan Review will look towards a collaborative development approach with the incorporation of the Maori world view throughout the plan.

Council has however taken steps to forge greater relationships in terms of resource management with iwi. One in particular was the development of a Joint Management Agreement with Ngāti Tūwharetoa which provides for joint decision making on notified resource consents in relation to multiply owned maori land. The introduction of new legislation through the Waikato River Settlement 2010 has also seen the development of two additional Joint Management Agreements where the purpose is to give effect to the Vision and Strategy by ensuring activities do not have an impact on the quality of water.

Issues to address through the District Plan Review

- Involve iwi partners through a collaborative process from the start of the review
- Incorporate the Maori world view throughout the plan
- Review and where possible improve the papakainga provisions
- Ensure improved understanding and knowledge of the papakainga provisions.

## **ISSUE 3 – HERITAGE**

Heritage is an important part of any District, helping to define the community and giving it a sense of place. Heritage within the District includes natural resources such as lakes, rivers, geothermal resources, landforms, and indigenous ecosystems including native bush, scrub and wetlands. Heritage also includes places, structures, landscapes and resources of historical, archaeological, cultural, territorial, and ancestral significance including sites of waahi tapu. Accordingly, heritage can be divided into two broad categories, natural relating to the land's natural features and characteristics, and cultural, being the image of the culture that has been left on the land, or facets of our past and present that have special significance. Responsibility under the Act includes ecological values, Maori values, historic values, landscape values, community values. The Heritage Issue and associated sections will be amended to reflect the outcomes and ongoing studies.

*Implemented through: Tangata Whenua Cultural Values, Landscape Values, Natural Values, Historic Values.*

### **How do we think the Operative Plan has done in protecting Heritage values?**

Plan change 24 and Variation 25 introduced protection mechanisms for outstanding and amenity landscapes and significant natural areas (SNAs). These Plan changes became operative in 2012. Concerns have been raised by some iwi partners that these provisions have resulted in an unfair bias on multiply owned Maori land. This is because a lot of Maori land hasn't been developed and therefore has a higher proportion of significant natural areas. Through monitoring we know that some SNAs have been cleared illegally for development.

The Operative District Plan lists 4 heritage sites. Although these sites still exist and appear to have been protected by the District Plan there has been significant changes in national criteria around recognising Heritage values.

The following issues will need to be addressed through the District Plan review:

- How SNA provisions apply on multiply owned Maori land
- Compliance of clearance of SNAs
- Recognition of national criteria for identification of Heritage sites.

## **ISSUE 4 – THE NATURAL ENVIRONMENT**

Within the Taupō District there are a number of outstanding natural areas, features and landscapes that are of significance. Often natural features are subject to a range of conflicting development pressures. Balance is required between the competing demands of protecting those areas, the community's desire to use and enjoy those areas, and the landowners' right to use those areas.

Of special importance within the District are waterbodies, being some of the District's greatest natural assets. Many values are associated with these waterbodies, including resource use, recreation, natural, cultural and historic values that all need to be appropriately incorporated in to their management. Of concern is the potential for activities on the surface of the water to have adverse effects on the amenity values of particular waterbodies, causing conflict and limiting the waterbodies' capacity to cope with use.

In particular, Lake Taupō, considered by many to be the central natural feature and taonga of the District, is a significant natural feature. Only a long term and integrated approach to resource management in the Lake Taupō catchment will be effective in dealing with the complex and often inter-related resource management issues facing this waterbody. Of importance is water quality, with nutrient inputs from sources such as run-off from pastoral agriculture activities, poorly managed on-site effluent treatment, and stormwater from roads and development, thereby deteriorating the existing quality of water.

The protection and enhancement of the District's natural environment is an important issue locally, nationally and internationally. The identification and protection of our natural areas is important with the District Plan providing a range of opportunities to achieve this.

The Plan includes the results of research undertaken by the Council in the identification of the District's valued landscapes and natural environment. Proposed development or activities will be required to demonstrate an understanding of the pressures and the threats and the community values associated with these natural areas in order to avoid, remedy or mitigate any adverse effects on the environment.

*Implemented through: Landscape Values, Natural Values, Activities on the Surface of the Water.*

### **How do we think the Operative Plan has done in protecting the Natural Environment?**

Plan change 24 and Variation 25 introduced protection mechanisms for outstanding and amenity landscapes and significant natural areas (SNAs). These Plan changes became operative in 2012. Through monitoring we know that some SNAs have been cleared for development.

The District Plan has not directly addressed key issues regarding the protection and enhancement of water quality. The main nutrient inputs have been dealt with through other mechanisms such as:

- Stormwater management
- Through the Waikato Regional Plan Variation 5 provisions
- Waikato Regional Plan Change 1
- Through the Lake Taupo Protection Trust
- Wastewater management.

The following issues will need to be addressed through the District Plan review:

- Compliance of clearance of SNAs

### **ISSUE 5 – THE AVOIDANCE OF HAZARDS**

The District Plan has a role in protecting both the community and the environment from hazards. Hazards can come in the form of technological hazards associated with activities carried out within the District, and also natural processes present within the natural environment.

The community and individuals of the District can be adversely affected when activities and development are located in areas subject to the effects of natural hazards or land instability. The risks of natural hazards on the environment can also be increased or altered. In addition the storage, handling or transportation of hazardous substances in an irresponsible or inappropriate manner can adversely affect the health and wellbeing of the community and the environment.

Appropriate levels of protection for communities needs to be established along with ensuring activities and developments do not increase the level of threat, or increase the potential for hazards to occur. The identification of natural hazards and subsequent protection of at-risk communities is required, as well as the development of hazard reduction from a variety of pollutants such as noise, sprays and odour. Odour will seek to protect people and communities from the dynamic qualities of geothermal activity by managing the location of urban growth and related infrastructure, in particular in areas of current and/or historic hot ground.

*Implemented through: Natural Hazards and Unstable Ground, Hazardous Substances, and Hot Ground Hazard Areas.*

### **How do we think the Operative Plan has done in protecting the community and the environment from hazards?**

The Taupō District has many natural hazards which the District Plan seeks to manage and ensure subdivision and development is undertaken in a manner that does not adversely impact on the community. These hazards are identified on planning maps which has ensured the community are aware of the hazard location and assisted with avoiding inappropriate development. Council's growth management strategy TD2050 identifies a number of urban growth areas, all of which avoid natural hazards.

Plan Change 34 reviewed the existing flood hazard modelling and introduced a risk-based framework to protect people and property from flood hazards and made operative in 2019. The plan change considered flooding from six rivers and streams and Lake Taupo. The risk based approach is required by the Waikato Regional Policy Statement.

Hazards are not static features and therefore the existing hazards in the plan will be addressed through the District Plan review, including investigating any new hazards. Given the flood hazard framework was only recently reviewed it is unsure yet if it will form part of the District Plan review.

The following issues will need to be addressed through the District Plan review:

- Review of existing hazards and identification of any new hazards in the district
- Giving effect to the Regional Policy Statement and adopting a risk-based approach to all hazard management

### **ISSUE 6 – GROWTH MANAGEMENT**

Parts of the district are currently experiencing population growth resulting in the need for residential and urban expansion, which increases the pressure on existing infrastructure. This requires the construction of new infrastructure for roads, water, wastewater, stormwater and reserves networks that collectively create a sustainable urban form. The district is also experiencing increased recreational and tourism development which places pressure on the natural and physical resources of the district such as lakes, rivers and natural areas and reserves. The issue of growth management also directly deals with the avoidance, remedying and mitigation of adverse effects on the natural environment.

The provision of infrastructure, land ownership issues, the presence of natural resources and existing development can all influence how and where new development takes place. In terms of geothermal resources, Council has measures to address the issue of reverse sensitivity of urban expansion and development in the immediate proximity of power stations. In addition, as people's expectations and desires change over time so do their aspirations towards where and how they want to live. Structure plans prepared either by Council or privately, indicate the nature of any urban growth options to guide urban expansion in a coherent way.

*Implemented through: All sections of the Plan.*



## How do we think the Operative Plan has done in addressing Growth Management?

A philosophical change in the direction of the District Plan through Plan Changes 19-21 in 2010 to provide more direction on where urban development was appropriate. Growth areas that were ready to go were rezoned, while the requirement for structure planning and a plan change was put in place for future growth areas requiring more detailed work.

In reality the district has not seen the level of growth that had been anticipated back in 2006. This is partly due to the Global Financial Crisis that started in 2008, which slowed the economy and caused a step change in the flow of credit to facilitate development. This is particularly relevant in a district where approximately one third of the housing is holiday homes.

Council's understanding of future demographic projections has also improved. In 2006 Council had anticipated residential growth would continue for the foreseeable future. This meant land could be identified for future urban growth and it would then be a matter of time before it was utilised. We now have the information from the Census in 2006 and 2013 and Statistics New Zealand have significantly changed their projections. The district's usually resident population is expected to peak in the late 2030's before going into decline. This has forced a rethink on how much land might be required for urban growth. There have also been a number of other changes which have necessitated a refresh of TD2050 2006:

- A number of growth areas identified in 2006 covered areas of multiply-owned Māori land. At the time it had been assumed that they would be developed in a conventional manner, however multiply-owned Māori land tenure and the market have meant traditional development mechanisms have not worked and forced a reconsideration.
- New responsibilities under the National Policy Statement on Urban Development Capacity which reinforce a need for integrated planning;
- Identification of the Council's top challenges within the Challenges Report, which was adopted by the Council in 2018 and helps to drive decision making and priorities;
- The 2014 amendments to the Local Government Act 2002 placing an emphasis on asset management planning as part of the Council's prudent stewardship of resources, and a requirement to prepare an infrastructure strategy for at least a 30 year period and incorporate this within its Long term plan (LTP);
- The adoption of the new Council Vision to be the most liveable and prosperous district by 2022;
- The District Plan is due for review and will need to have the future development pattern embedded within it.

The following issues will need to be addressed through the District Plan review:

- Ensure the District Plan is updated to reflect the revised TD2050.

## Issue 7 – Business Activity

The Taupō economy has a strong record of commercial and industrial growth over the last 20 years. Commercial and industrial activity utilises major resources of the City in terms of land and buildings. And these resources have significant value to the District as a whole.

The Taupō economy is a diverse one. The district contains over 33,000 people, with Taupō township being the dominant venue of employment and business activity. Only modest growth is anticipated over the next 20 years with a population by 2031 edging closer to 40,000.

There are two dominant factors within the Taupō economy these include a proportionally considerable manufacturing sector, which operates to a significant extent in servicing the farming, forestry and energy activities within the district. The second is the role of Tourism in both growing and sustaining commercial activity and employment. Accordingly, there has historically been the distinction and separate grouping of Industrial activities within Industrial Environments, and more commercial, tourism and public sector activities within Town Centre Environments.

Business development, including new land use and subdivision, results in changes in the places we work, and associate with. Change can be positive or negative, depending on where, when and how it occurs. Economic development can better enable people and communities to provide for their economic well-being, and where appropriately managed can also promote positive changes to the environment.

The strategic integration of land-use with regionally significant infrastructure, including the State Highway and Arterial Road network is important for the functioning of communities at the district and local scale. Without effective regionally significant infrastructure the benefits of business development will decline or business development will result in unacceptable adverse effects on the environment.

Once business development is established it is likely to exist for a number of generations. Changing the form and structure of established urban and rural areas can be difficult and expensive. Therefore, it is important to achieve a robust form of development that is responsive in the long term to the changing needs of Taupō District's many communities.

Unless the design, location and function of business development is not carefully managed, it will not necessarily be able to:

- (1) respond to changes in the demographic structure of the population.
- (2) enable socially cohesive and resilient communities.
- (3) reduce the intensity of energy use.
- (4) reduce vehicle trip frequency, trip generation and distance, and improve modal choice.
- (5) make efficient use of physical resources within communities, especially those associated with Town Centre Environments.
- (6) efficiently and effectively provide public infrastructure such as roads, sewerage, stormwater and potable water.
- (7) agglomerate in defined locations so as to better internalise and manage adverse environmental effects;
- (8) agglomerate commercial activities within Town Centre Environments so as to provide for the more efficient provision of activities and services provided, and enhance certainty in public and private sector confidence in physical infrastructure in these locations.
- (9) recognise and avoid reverse sensitivity effects.

#### Issue 7a - Character

Existing Town Centre Environments, in particular the Taupō Town Centre Environment, represent an agglomeration of significant resources, play an important role in providing for the economic and social well-being of the district, and have an associated value and range of benefits to the community; reinforcing the distinct character that define these Town Centres presents challenges for the identification of appropriate mechanisms to ensure that such resources are sustainably managed for existing and future communities.

#### Issue 7b - Land Use

The Taupō Town Centre Environment, as a diverse urban environment provides the greatest scale and intensity of business activities. The Taupō Town Centre Environment may struggle to maintain this role if there is significant dispersal of retail/commercial activity through the Taupō urban area.

Likewise the Industrial Environments provide for the agglomeration of activities with effects that may impact on more sensitive land uses, such as Residential Environments. There is a need to ensure the provision of suitable capacity and locations for such Industrial activities to further the economic growth of the district, and to provide mechanisms to internalise and manage the adverse effects of these activities.

#### Issue 7c - Built Form

Any change in the pattern of distribution of business activities can result in particular adverse effects or require consideration of linkages with other aspects of urban form, including the following:

- relationship to Residential Environments, transport routes and community facilities;
- efficiency of use of existing resources including public infrastructure and the ability to access goods and services;
- impacts upon Town Centre Environments, the significance of the impact, and whether there is a likely reduction in social and economic function and amenity of those centres;
- the ability to adequately integrate and provide for community infrastructure, including roading, sewer and water supply;
- the ability to integrate with, and maintain the function and efficiency of the wider road network.
- for some activities such as retailing and residential activity, the potential to restrict the opportunities for industrial activity to operate and expand within Industrial Environments, which may unnecessarily put pressure upon those industrial activities to reduce the nature of their operations or relocate.
- The need to separate incompatible activities including reinforcing the East Taupō Arterial as an 'urban fence'.

#### Issue 7d - Circulation

The integration of land use and the transport network provides challenges for ensuring that the growth and development of business activities can be accommodated within the road network, but not at the expense of degrading the amenity, safety and functioning of that network.

#### Issue 7e - Heritage, Public Space and Culture

Providing for the economic growth and development of business activities within the district provides challenges for ensuring that Taupō's unique heritage and culture is acknowledged and celebrated.

#### Issue 7f - Economic Growth

There is need to ensure that there is a diverse range of opportunities to develop economic and employment growth within the district, so as to retain and attract a diversity of people and business interests. This presents challenges in terms of identifying appropriate locations and servicing requirements to foster such growth.

#### Issue 7g - Sustainability

Business buildings and activities can, if not appropriately managed, give rise to adverse effects on the visual and other amenities within and adjoining areas of business activity, including effects of building height, form and design, and effects of an activity's noise production, hours of operation and traffic generation. Some new industrial areas also pose difficulties in relation to their servicing requirements for future development.

*Implemented through: Taupō and Centennial Industrial, Taupō Town Centre, Residential and High Density Residential, Spa Road Mixed Use Zone and Business Development Chapter*

### **How do we think the Operative Plan has done in addressing Growth Management?**

This approach to managing our town centre was introduced in the Taupō Urban Commercial and Industrial Structure Plan (2011) and is supported through TD2050. It has been included in the District Plan and we expect it will continue to be supported through the upcoming review process.

To achieve this, we have a proactive programme of investment in the public spaces to improve the look and feel of the town centre. There is a programme of progressive street upgrades, renewal of street furniture, regular maintenance and investment in new facilities. We have also made changes to the District Plan to encourage redevelopment by removing car parking requirements, introducing flexibility in building heights and other elements like making it easier to develop in laneways.

To support these proactive measures and achieve a consolidated and vibrant town centre, the District Plan was also amended to make it clear that retail and office activity belonged in the town centre. Restrictions were placed on those activities locating in residential or industrial areas. This helps to create certainty for landowners and that helps to create the confidence to drive future public and private investment in our town centre.

The following issues will need to be addressed through the District Plan review:

- Ensure the District Plan is updated to reflect the revised TD2050.
- Maintain provisions within the District Plan which strengthen the Town Centre Environment's role as the primary business, retail, recreational and entertainment hubs.

## **STRATEGIC ISSUES**

The Strategic issues outlined below have been developed from the collection of various data sources. This includes resource consent data, conversations with a large number of district plan users, enquires taken from the resource consent team and the use of existing Council information and reports such as TD2050 (Council Growth Management Strategy), The Challenges Paper, Demographic Snapshot and the Long Term Plan 2018 – 2028.

The issue statements have been developed using the following guidance.

#### **Issue should:**

- Identify an environmental problem (or opportunity for improvement) that can be addressed under the RMA
- Identify the cause of the problem (where known)
- Be specific to the district or region
- Be succinct
- Include what is being affected, how it is being affected and where
- If the issue is intermittent in nature or relates to a specific timeframe or event, include information relates to the circumstance that give rise to the issue or duration and frequency

#### **Issues should avoid:**

- Restating the provision of the Resource Management Act as issues e.g. maintenance of amenity values
- Only stating the issues as a topic e.g. rural subdivision
- Issues outside the scope of the Resource Management Act
- Defining the desired outcome
- Internal issues to the council i.e. relationships with stakeholders
- Pre-empting the solution- issues should be identified before the solution is found, not after

## Management of urban growth

### **Issue 1**

*Landowners outside the existing urban areas want the ability to develop land more intensely, however*

- *there can be a cost to the community to fund and maintain infrastructure, and*
- *dispersed growth can undermine existing compact, vibrant and functional communities.*

TD2050 provides an overarching direction on the management of urban growth within the Taupō District. A refresh of TD2050 was completed and adopted by Council in 2018. The refreshed version of TD2050 considered the most recent data from STATS NZ which resulted in a number of growth areas being removed given a prediction that population in Taupō District would start to decline in approximately 20 years. However, TD2050 still recognises that development in rural areas will continue and be managed through the District Plan review. TD2050 is also a recognised document in the Waikato Regional Policy Statement. The RPS, in Policy 6.11, requires the Council to manage growth in accordance with Taupō District 2050 so this must be reflected through the District Plan review.

Considerations:

- When landowners turn their land from rural land uses into residential it can increase conflict with the nearby rural activities
- When people live on smaller pieces of land they tend to desire more urban services like rubbish collections, street lighting, footpaths and reserve land
- A dispersed pattern of growth means higher transport costs (economic and environmental) and reduces the choices for more sustainable transport options.
- Dispersed urban settlements result in additional demand for infrastructure which is less efficient and costs more.
- NPS on Urban Development Capacity has requirements around efficient use of land
- Regional Policy Statement has requirements for efficient use of land and directs Council to manage growth in accordance with TD2050
- TD2050 provides direction on the management of urban growth. This policy direction has been in place since 2006 and reviewed in 2018.
- Reduces the availability of rural productive land
- Fragmented land is less adaptable for potential changes in land use.

## Tangata Whenua

### **Issue 2**

*Conventional District Plan provisions have not enabled tangata whenua to develop multiply owned Maori land.*

Approximately half of the District is in Maori ownership with much of that being multiply-owned Maori land. Maori land as defined by the Te Ture Whenua Maori Act 1993 can be Maori Customary Land or Maori Freehold Land. Customary land has not had its ownership investigated and determined by the Maori Land Court, acquired by the Crown, does not have a Land Transfer Act title or deed and continues to be held in accordance with tikanga Maori. Maori Freehold Land has been investigated by the Maori Land Court and a freehold order issued, was set aside by the crown as Maori freehold land and awarded by Crown Grants to specific individual and has had the status determined as Maori Freehold Land by the Maori Land Court. Maori Freehold Land is held by individuals who have shares together as tenants in common.

Considerations:

- Multiply owned Maori land tenure provides significant challenges for the owners. It is difficult to subdivide land and to sell it which has flow on challenges for raising capital.
- District Plan has tended to treat multiply-owned Maori land much the same as land in general title. This may have inhibited development of that land. For example, some Maori owned land has previously been identified as growth areas (within TD2050 and the District Plan) which in order to be developed requires all owners to agree on what and how development will occur. Multiple ownership can make this process difficult.

- Recent partitioning of parts of the Paenoa Te Akau block on Acacia Bay straight has highlighted the many differing aspirations that owners of multiply-owned land can have, both in terms of land use and the timing of development.
- Council has a requirement under Section 6e of the RMA to recognise and provide for the relationship with Maori and their ancestral lands.

### **Issue 3**

*Significant Natural Areas (SNA) are often located on land owned by tangata whenua and can restrict development and the ability to generate value.*

Council has responsibilities under Section 6 of the Resource Management Act 1991 to identify and protect areas of significant indigenous vegetation and significant habitats of indigenous fauna. This is achieved through the identification of Significant Natural Areas in the Operative District Plan which was undertaken with engagement of landowners, Tūwharetoa and hapu.

Considerations:

- Some people feel that their ability to use their land has been compromised by the identification of these areas and the associated rules
- This is particularly pertinent to Maori given that much of their land has been historically undeveloped and is therefore now covered with regenerating native vegetation.

## **Management of industrial and commercial areas**

### **Issue 4**

*There is concern that some of the industrial land identified in the District Plan may not be available to be developed.*

TD2050 has identified that there is approximately 175 hectares of land zoned for industrial development. Approximately 60 hectares is anticipated to be need over the coming 20 years. Furthermore, industrial land supply was increased through Plan Changes 28 – 33, however there are questions if all of the land is actually available for future industrial activity.

Considerations:

- A significant portion of this land is in the ownership of Contact Energy and may have some limitations to its availability for some types industrial activity
- Future development of the airport operations at the Taupō airport may utilise some of the adjacent industrial land thereby limiting the overall amount available.
- The historical areas of industrial activity may not be being used as efficiently as possible. We need to assess that use and consider whether there are benefits in incentivising more intensive redevelopment.

### **Issue 5**

*There is a limited supply of industrial land and if used for other activities there will not be enough for industry.*

The Industrial zoned land supply was increased through Plan Changes 28 – 33. However, if industrial land is used for non-industrial activities it could unduly limit the availability of industrial land and drive the need to rezone more land. Examples of non-industrial activities include retail activities, horticulture and supermarkets

Through TD2050, further analysis on industrial land supply will be undertaken which will ensure all land identified can be developed for industrial uses as well as gaining a better understanding of vacancies and inefficiencies in currently developed industrial land.

Considerations:

- Since being undertaken there has been anecdotal feedback of limitations in terms of industrial land supply.
- Plan Change 28 – 33 introduced a centres-based approach, allowing non-industrial activities to establish on industrial land has the ability to undermine this.
- The provision of additional land in turn creates the need for more infrastructure investment and ongoing operational costs for the community.

### **Issue 6**

*There continues to be pressure for retail and office development outside of the Taupō town centre which has the potential to undermine its vibrancy and viability.*

Plan changes 28 – 33 introduced a new centres-based approach into the District Plan, essentially the plan changes sought to avoid office and retail activities establishing in areas outside of the town centre such as the residential and industrial environments. There is a strong desire from Council and the business community to encourage vibrancy in the town centre, activity and people help create a vibrant town. There is still some pressure however to develop outside the town centre, particularly in industrial environments which has the potential to undermine this approach.

Considerations:

- A range of retail and office activity is required to generate different types of activity.
- The current plan looks to create a market to drive regeneration of the existing building stock and tries to encourage more multi-level developments
- To achieve these outcomes need to control the scale of retail and office activity that is allowed to go elsewhere.
- There are some challenges when it comes to supporting small businesses looking for low rent options.

## **Management of residential land**

### **Issue 7**

*Changing demographics may require different types of housing than we currently have, especially near the town centres and on public transport routes*

TD2050 identifies changes in the district's future population, for example it is estimated that by 2028 people aged over 65 in the district will have risen from 6,700 to 9,000. These changes are likely to require changes to housing to ensure needs are met, for example small household sizes and location to amenities such as healthcare and shops.

Considerations

- As people age their housing needs can change. Smaller household sizes, location in relation to amenities like shops and healthcare, smaller sections sizes that can be more easily managed and close to transport links.
- Growing demand for retirement and lifestyle villages.
- Even families are looking for smaller land areas given the escalating price of land. However there still appears to be a demand for large houses as well.
- Market has been delivering a high proportion of three bedroom and two bathroom houses, is this the diversity we need?

### **Issue 8**

*It is uncertain if communities want to maintain or change the look and feel of our residential areas*

There are several residential settlements within the Taupō district which are managed by the same framework and thus the built environment has a similar design. There are however some settlements such as Kinloch and certain lakeside areas where certain provisions are provided within the framework to maintain a certain character specific to that area, for example 5.0m height restrictions on areas adjacent the lake foreshore and lower building coverages.

Considerations:

- Council has a role managing the amenity of residential areas – this is the look and feel.
- Plan rules are geared to protect the existing amenity through elements like building height and setbacks.
- While the existing framework provides certainty for the community does it enable residential areas to evolve over time to meet changing needs and develop their own character.

## **Management of Rural Land**

### **Issue 9**

*It is unclear what the look and feel of the rural areas should be and how diverse the range of activities should be*

The rural areas of the district have been developed for rural living, agricultural businesses including milk factories and glasshouses, forestry, tourism, small scale businesses as well as large scale industrial operations. The permissive framework in the operative District Plan has resulted in different character and in different parts of the rural area as a result of the development of a range of activities.

Considerations:

- It can be hard developing one set of provisions to ensure that the look and feel and character across the rural area is managed.
- Are people wanting to see paddocks and trees with the occasional house? What about large power stations or factories and the impact that they have on people's outlooks?
- Smaller rural landowners want the ability to have a second dwelling but are restricted under the current one dwelling per 10ha density requirement.

### **Issue 10**

*There are a diverse range of activities that are currently permitted in the rural areas that have the potential to conflict with each other.*

Similar to Issue 10, the permissive District Plan framework has enabled a wide range of activities to establish including those associated with energy generation, tourism and rural production as well as continuing to provide for traditional farming and the establishment of rural lifestyle. The diversity of uses highlights the flexibility of the rural areas but there are areas of conflict between land uses that can reduce the amenity value of the rural area.

Considerations:

- Rural living has become more popular but those not actively working in the rural areas are likely to be less tolerant of productive activities like forestry operations, stock odour or the spraying of wastewater on paddocks within the immediate vicinity of their residence.
- We may need to look at the demand of rural living and how best to insulate it from affecting the more productive orientated activities.
- The National Planning Standards may also influence how the existing rural environment is utilised.



## CONCLUSION

Monitoring of the District Plan is required under Section 35 of the Resource Management Act. It is acknowledged that the material provided in this report could be improved. To achieve this, a monitoring strategy will be developed in parallel with the District Plan review to ensure that future monitoring reports are providing a better overview of how the District Plan is performing.

In creating the ten strategic issues, information was provided from a number of sources, which included resource consent data, conversations with a large number of district plan users, enquires taken from the resource consent team and the use of existing Council information and reports. There was some feedback that whilst useful was considered to be a technical matter and is better placed to be addressed through a specific workstream. In addition, feedback that has been considered to be outside the scope of the Resource Management Act will again be considered through individual workstreams to ensure the feedback is appropriately managed, for example discussions with other Council departments to ascertain if there is a suitable solution.

While this report identifies ten strategic issues, it is important to note that through the development of the individual workstreams during the review it is likely that additional issues will arise given the more in-depth research and analysis that will be undertaken at the time. Furthermore, as discussed, this report has not developed issues for matters required under Section 6 of the Resource Management Act 1991 on the basis that these are matters that need to be included in the District Plan.

WORKING DRAFT