<u>APPENDIX 8</u> PROPOSED PLAN CHANGE – WHAREROA NORTH EVALUATION REPORT (SECTION 32, RESOURCE MANAGEMENT ACT 1991)

PART 1: IS THE PURPOSE OF THE PLAN CHANGE THE MOST APPROPRIATE WAY TO ACHIEVE THE PURPOSE OF THE ACT ?? \$32(1)(a)

Purpose of the Plan Change

The proposed District Plan Change seeks to rezone land at Whareroa North from "Rural" to "Residential" and to secure a District Plan framework enabling residential subdivision there which is in accordance with a specific concept plan (to be included as a new District Plan appendix).

Purpose of the Resource Management Act 1991 (RMA)

The purpose of the Act is set down in Section 5 and is aimed at promoting "the sustainable management of natural and physical resources". That purpose is supported by a range of "principles" set out in Sections 6, 7, and 8 of the Act. An assessment of the Plan Change proposal against the purpose and principles of the Act is in Section 9 of the application document.

The purpose of the Act is advanced through a hierarchy of resource management policies and plans (at a national, regional, and district level) with the lower plans and policies being subject to the higher order documents. A Regional Policy Statement and Regional Plans are the primary tools of the regional local authority (in this case the Waikato Regional Council) to carry out its functions in order to achieve the purpose of the Act and a District Plan is the primary resource management tool for a territorial local authority (in this case Taupo District Council) to carry out its functions in order to achieve the purpose of the Act.

An assessment of the Plan Change proposal in terms of the relevant regional and district resource management policy framework is in Section 5 of the application document.

The "Most Appropriate" Way?

In the case of the purpose of this Plan Change proposal (ie to rezone land at Whareroa North from "Rural" to "Residential" and to secure a District Plan framework enabling residential subdivision there which is in accordance with a specific concept plan) the Taupo District Plan and Southern Settlement Structure Plan specifically directs that a Plan Change process be advanced (by the landowners rather than Council) to provide for residential development in the Whareroa North urban growth area. This is explained in detail in Sections 5 and 7 of the application document. In that context, and given that the District Plan is the Taupo District Council's primary tool for carrying out its resource management functions in order to achieve the purpose of the Act, the purpose of the Plan Change (ie to re-zone land and secure a suitable District Plan framework) is considered to be the most appropriate way to achieve the purpose of the Act. An alternative approach would be inconsistent with the very clear process set down in Section 3e of the Taupo District Plan and therefore would be inappropriate.

As well as being appropriate in terms of that high level growth management and land development policy framework, it is also considered (based on assessment of the proposal in Section 7 of the application document), that the proposal is appropriate in terms of other relevant District Plan and Regional Policy Statement objectives and policies.



Further, it is considered that the purpose of the Plan Change is "appropriate" in terms of the following matters:

- Relevance: the Plan Change addresses a resource management issue (around growth management and land development) identified and addressed in the Taupo District Plan and the Waikato Regional Policy Statement, and as concluded from the assessment in Section 9 of the application document, it will advance one or more aspects of the purpose and principles of the RMA;
- <u>Usefulness</u>: the Plan Change will be useful as it determines the appropriate location, form, density, and nature of residential development in the Whareroa North urban growth area. It will therefore provide a high degree of certainty for the community and guide future decision-making;
- Reasonableness: the Plan Change is considered to be reasonable as it has been planned for by the community and the landowner over several decades, it provides for a high degree of certainty of outcome, it results in long planned for infrastructure efficiency, and it is proposed by the landowner which is the entity (rather than the community/Council) which will bear the development costs and risks;
- <u>Achievability</u>: The outcome sought by the Plan Change is able to be achieved by the single landowning interest which has developed Whareroa Village over the past 40 years (in accordance with a long-term and long-planned proposal for development of its lands which comprised both the south and north sides of the Whareroa Stream).

PART 2: ARE THE PROVISIONS THE MOST APPROPRIATE WAY TO ACHIEVE THE PURPOSE OF THE PLAN CHANGE? \$32(1)(b)

The Provisions of the Plan Change

The "provisions" of the Plan Change are policies, rules or other methods that implement or give effect to the proposed plan change. In this case the provisions proposed to be changed do not include policies, but include:

- District Plan Map (re-zoning land);
- Additional "explanation" wording;
- New subdivision Rule and associated Whareroa North Residential Concept Plan.

A full copy of the District Plan amendments proposed by this Plan Change application is at Appendix 5 and these are explained in detail in Section 4 of the application document.

Purpose of the Plan Change

The proposed District Plan Change seeks to rezone land at Whareroa North from "Rural" to "Residential" and to secure a District Plan framework enabling residential subdivision there which is in accordance with a specific concept plan (to be included as a new District Plan appendix).

Other reasonably practicable options for achieving the purpose of the Plan Change

Having determined (from the Part 1 analysis above) that the Plan Change is the most appropriate way to achieve the purpose of the Act, the next stage is to establish that the provisions proposed are the most appropriate way to achieve the purpose of the Plan Change by evaluating the proposed provisions along with a selection of other options - s32(1)(b)(i).

As explained in Section 4.6 of the application document, four other options were considered, two only of which were considered to be reasonably practicable for achieving the



purpose of the Plan Change, specifically:

- no changed District Plan provisions (ie pursue the proposal through resource consent processes);
- seek to apply the "New Residential Environment" zoning already in the District Plan.

Evaluation of proposed and alternative provisions

In order to establish that the proposed provisions are the most appropriate to achieve the purpose of the Plan Change, an evaluation of those provisions and the two alternatives is provided below. As set down in Sections 32(1)(b) and 32(2) of the Act, that evaluation assesses the efficiency and effectiveness of the provisions (proposed and alternative) in achieving the purpose of the plan change by identifying and assessing benefits and costs of anticipated effects (including economic growth and employment), and assessing the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

Finally, based on that evaluation, a summary of the reasons for deciding on the provisions is provided.

ASSESSMENT OF THE EFFICIENCY AND EFFECTIVENESS OF THE PROPOSED AND ALTERNATIVE PROVISIONS IN ACHIEVING THE PURPOSE OF THE PLAN CHANGE - s32(1)(b)(ii)

OPTION A: PROPOSED PROVISIONS

BENEFITS AND COSTS' OF THE EFFECTS OF IMPLEMENTATION OF THE PROVISIONS - s32(1)(b)(ii) and s32(2)(a) and (b)			
Type of effects	Costs	Benefits	
Environmental ²	In terms of effects on natural and landscape values, implementation of	The existing District Plan provisions (and which will not be changed by the	
	the Plan Change proposal (which includes a subdivision concept plan	proposed Plan Change) do not prohibit indigenous vegetation clearance from	
	showing Whareroa Stream crossing and future road access to the	being undertaken within SNAs. Instead the focus of the provisions is on	
	residential development area) involves potential adverse effects arising	protecting the values of areas from the effects of inappropriate clearance. In	
	from earthworks, removal of indigenous vegetation, and retaining and	terms of effects on natural values, implementation of the Plan Change	
	bridge structures within SNA062 and OLA060. It is considered, however,	proposal through the proposed provisions (including the subdivision concept	
	that with appropriate input to the bridge and access design (including	plan) provides an opportunity, through the resource consent process required	
	ecological and landscape input), and planting to off-set the vegetation	by Rule 4e.6.2, to secure a "net environmental gain" (NEG), and long term legal	
	loss, appropriate access can be provided. Further, the bridge and access	and physical protection of the SNA affected. NEG is defined in the District Plan	
	design would be subject to a resource consent process required by	as "Net Environmental Gain – recognises that a level of adverse effect may be	
	existing District Plan rules explained in Section 4.3 of the application	balanced by measures that result in an overall positive environmental	
	document (which are unchanged by the proposed Plan Change) aimed at	outcome". As well as NEG, the natural values provisions also include reference	
	managing the effects of earthworks, structures, and indigenous	to the concept of environmental compensation.	
	vegetation removal in SNAs and OLAs.	Formal recognition of the approach of environmental offsetting and/or	

¹ Quantified, if practicable - in terms of s32(2)(b)

² For Environmental Effects discussion refer also to Section 8 of application document.



Adverse "edge effects" on SNA062 will potentially arise from the close proximity of future residential properties on the southern edge of the Whareroa North residential area. There are other cases in the District where an SNA adjoins land zoned "Residential Environment" (for example at Kuratau). Although existing District Plan provisions do not include controls to manage this potential effect (for example through building setback standards or indigenous vegetation buffer strip), an application for subdivision consent at Whareroa North provides an opportunity to consider and impose conditions in terms of "effects on landscape and natural values areas" (through Controlled Activity matters under Rule 4a.3.2, and/or subdivision Assessment Criteria 4a.7.17). This will enable inclusion of the mitigation measures recommended in Section 8 of the Landscape and Visual Assessment at Appendix 4.

compensation has been confirmed through a recent amendment introducing s104(1)(ab) of the Act.

In terms of visual and landscape effects, the achievement of "net environmental gain" is also applied, through existing District Plan provisions and in this way visual and landscape benefits will likewise result from the long-term protection (physical and legal) of the indigenous vegetation.

In terms of managing the effects of growth management in the District, (and for the reasons explained in Sections 5 and 7 of the application document), implementation of the Plan Change proposal will positively advance both the District Plan and the Southern Settlement Structure Plan aims.

In terms of effects from infrastructure and servicing, implementation of the Plan Change proposal will result in the following benefits:

- the subdivision concept plan (part of the proposed new Plan provisions) sets out the maximum number of new house sites (ie between 140 and 160) and provides for staging and therefore servicing and infrastructure requirements can be considered with certainty;
- infrastructure at Whareroa (including for roading, reserves, water supply and wastewater) has been planned to include the northside and accordingly implementation of the northside proposal will result in longterm efficiencies as explained in the KeySolutions Limited report at Appendix 3.

Social

An additional 160 (maximum) house sites at Whareroa will result in additional pressure on social and recreational facilities, including boating facilities, reserves, etc. For only 203 house sites, the existing village is well served with reserves (to the extent that TDC reserves staff rejected the proposal for a neighbourhood playground in the subdivision concept plan for the north side). Extensive areas of lakeside reserves (on both the north and the expansive flat areas of lakeshore reserve on the south side of the Whareroa Stream) were vested in Council when the 200 acres was severed from Whareroa Station for the purpose of a holiday settlement several decades ago. In terms of boating facilities, the installation (in 2013) of a jetty alongside the boat ramp means that this small lakeside settlement (which, with the northside development will consist of no more than 362 houses) is well served.

The subdivision concept plan includes pedestrian walkways on the north side and connecting with the southern side of the village, which will bring positive connectivity and recreational benefits.

The inclusion of a subdivision concept plan in the proposed changed Plan provisions provides the benefit of certainty for the community in terms of what is proposed at Whareroa North (ie size and location of the residential development area, bridge and access, density of development, section sizes, pedestrian linkages etc).



Economic ³	In terms of the "costs" associated with economic related effects arising from implementation of the Plan Change proposal: • the applicant solely is responsible for the costs of the Plan Change process and the construction of the development for Whareroa North.	 In terms of the "benefits" associated with economic related effects arising from implementation of the Plan Change proposal: The costs of the Plan Change process and the construction of the development for Whareroa North rests with the applicant and not Council or the community; The proposed Plan Change is efficient in terms of resource management processes to authorise the proposal (by addressing issues early through development of the subdivision concept plan, the applicant has maximised the prospect of subsequent resource consent processes progressing well); The staging plan (locked into the concept plan included in the proposed Plan provisions) ensures that Stage 1 of the development comprises sufficient number of lots to ensure efficient infrastructure delivery; Post plan change, the design, consenting, and construction of the subdivision and future residential properties will generate positive economic effects in terms of supporting growth in the design, construction and trade related businesses. 			
proposed Plan Ch		 In terms of benefits associated with cultural effects arising from implementation of the Plan Change proposal: The concept plan has avoided places of cultural significance to tangata whenua; The Plan Change proposal provides an opportunity to secure net environmental gains including securing long-term legal protection of those affected parts of SNA062, and will therefore assist to protect taonga for future generations. Fertain or insufficient information about the subject matter of the provisions", the agh inclusion of the Whareroa North Residential Concept and Staging Plan) and it that a s32(2)(c) risk assessment is necessary. 			
	OPTION B: NO CHANGED PROVISIONS				
Tuno of offects	BENEFITS AND COSTS OF THE EFFECTS OF IMPLEMENTATION OF Costs	Benefits			
Type of effects Environmental	Compared to the potential costs of environment related effects arising	Compared to the potential benefits of environment related effects arising from			
Livii Olillicitai	from Scenario A above (ie implementation of the proposed Plan Change	Option A above (ie implementation of the proposed Plan Change provisions), it			

³ Including opportunities for economic growth and/or employment that are anticipated to be provided or reduced in terms of s 32(2)(a)(i) and (ii)



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	 provisions), advancing the proposal without changed Plan provisions would result in: Similar costs in terms of the natural values and landscape values related effects referred to in Option A above; the applicant instead pursuing resource management approval for the Whareroa North proposal through a resource consent process (instead of through re-zoning through a Plan Change). That would be contrary to the specific process (structure plan then plan change) 	is not expected that advancing the proposal without changed Plan provisions (and instead, therefore, through resource consent processes) will result in any greater environmental benefits than those identified for Option A above. It is possible that this approach could advance the District's urban growth management strategy (ie through non-complying activity status resource consents) but to a significantly less compliant extent than Options A and C.
	set out in Section 3e of the District Plan for delivery of the future growth areas identified in order to sustainably manage the District's urban growth.	It is possible that this approach could derive the same infrastructure and servicing efficiency benefits as the Plan Change proposal (Option A), however there is significantly less certainty with this option.
Social	Pursuing the proposal through resource consents rather than Plan Change results in uncertainty for the community (compared to the Plan Change proposal) in terms of the location, nature and density of development proposed at Whareroa North.	Compared to the potential benefits of social and recreational related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), it is not expected that advancing the proposal without changed Plan provisions (and instead, therefore, through resource consent processes) will result in any greater social benefits than those identified for Option A above.
Economic	Advancing the proposal without changed District Plan provisions would result in the applicants having to pursue it through resource consent processes instead. That would require significantly greater design work to be undertaken at the outset (with associated costs) with no increased certainty of success and accordingly introduces considerable fiscal risk for the applicant.	Compared to the potential benefits of economic related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), it is expected that advancing the proposal without changed Plan provisions (and instead, therefore, through resource consent processes) will result in a similar range of economic benefits (such as employment and economic growth opportunities) as those identified for Option A above.
		Notwithstanding increased up-front costs and associated uncertainty, pursuing the proposal through resource consent process (instead of Plan Change) may bring procedural efficiency benefits for the applicant, council and the community in that a single process would be involved (instead of Plan Change then subsequent subdivision and other resource consents being sought).
Cultural	Pursuing the proposal through resource consents rather than Plan Changes processes, is unlikely to result in differing cultural effects (and therefore costs arising from them) compared to that of Option A above.	Pursuing the proposal through resource consents rather than Plan Changes processes, is unlikely to result in differing cultural effects (and therefore benefits arising from them) compared to that of Option A above.

In terms of the s32(2)(c) requirement to "assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions", it is considered that Option B (no District Plan Change and instead pursuing the proposal through resource consents) does include a high degree of uncertainty both in terms of costs and process (and therefore represents a high risk alternative for the applicant), as well as provides insufficient information for the community and council at the outset and until full resource consent applications are prepared and available. That is reflected in the efficiency and effectiveness assessments below.



OPTION C: ADOPT "NEW RESIDENTIAL ENVIRONMENT" PROVISIONS					
	BENEFITS AND COSTS OF THE EFFECTS OF IMPLEMENTATION OF THE PROVISIONS - s32(1)(b)(ii) and s32(2)(a) and (b)				
Type of effects	Costs	Benefits			
Environmental	Compared to the potential costs of environment related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), advancing the proposal by instead seeking to apply a "New Residential Environment" zoning provides less certainty/information about the design of the subdivision and access to it, and therefore the range and extent of potential effects on the environment.	Compared to the potential benefits of environment related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), advancing the proposal by instead seeking to apply the District Plan's "New Residential Environment" zoning would not necessarily deliver a less desirable outcome in terms of environmental effects. Pursuing the proposal by seeking to instead apply the New Residential Environment zoning and provisions would be consistent with the District Plan's directive that urban growth areas are advanced through Plan Change processes (subsequent to structure planning).			
		It is possible that this approach could derive the same infrastructure and servicing efficiency benefits as the Plan Change proposal (Option A), however there is less certainty with this option.			
Social	Compared to the potential costs of social related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), advancing the proposal by instead seeking to apply a "New Residential Environment" zoning provides less certainty/information about the design of the subdivision and access to it, and therefore the range and extent of potential social effects.	Compared to the potential benefits of social related effects arising from Option A above (ie implementation of the proposed Plan Change provisions), advancing the proposal by instead seeking to apply the District Plan's "New Residential Environment" zoning would not necessarily deliver a less desirable outcome in terms of social effects.			
	range and extent of peterman social enterts.	The re-zoning of the land provides a small benefit in terms of certainty for the community as to what is proposed at Whareroa North, although provides no detail as to the density, form, etc of the future development.			
Economic	Pursuing the proposal by seeking to apply the New Residential Environment Plan provisions may be inefficient and relatively costly. That is because it would likely involve two substantial resource management processes (Plan Change and then resource consents) as the New Residential Environment zoning is the most restrictive residential zonings and the level of contestability at the resource consent stage (ie subsequent to the zoning being in place) is likely to be high. That is a	Potentially less cost involved for the applicant because of the reduced level of detail required to adopt the New Residential Environment zoning (although in the long-term future resource consent processes would, because of the reduced level of detail available at the rezoning stage) require greater investment. It is expected that advancing the proposal by seeking to apply the New			
	direct result of the level of detail about the residential development proposal required (in order to apply for the New Residential Environment zoning) being relatively low compared with that which is available with	Residential Environment Plan provisions will result in a similar range of economic benefits to those identified for Option A above (ie implementation of the proposed Plan Change provisions).			



	the proposed Plan Change of Option A.	
Cultural	Pursuing the proposal through applying the existing District Plan New	Pursuing the proposal through applying the existing District Plan New
	Residential Environment zoning is unlikely to result in differing cultural	Residential Environment zoning is unlikely to result in differing cultural effects
	effects (and therefore costs arising from them) compared to that of (and therefore benefits arising from them) compared to that of	
	Option A above.	above.

Note: In terms of the s32(2)(c) requirement to "assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions", it is not considered that in this case there is uncertainty or insufficient information to the extent that a formal risk assessment is necessary.

EFFICIENCY AND EFFECTIVENESS OF THE PROVISIONS (TAKING INTO CONSIDERATION THE B AND C ASSESSMENT ABOVE) – s32(1)(b)(ii)			
COMPARATIVE <u>EFFICIENCY</u> ASSESSMENT MATRIX			
	OPTION A (Proposed Plan Change provisions)	OPTION B (No changed Plan provisions)	OPTION C (New Environment zoning)
BENEFITS:			
Environmental	5 4 4 5	1 4 4 3	5 4 4 4
 Certainty re future development Economic for council and community – applicant meets cost of process for applicant – procedural efficiency economic growth and employment efficiency of infrastructure delivery 	4 4 5 4	- - 4 5 4	2 4 1 5 4
Cultural			



1			
places of cultural significance	4	4	4
safeguarded (including Poukura Marae)	4	4	4
 taonga sustained 	4	4	4
TOTAL:	52	37	45
COSTS:			
Environmental			
Growth management	-	4	-
 Natural values 	1	1	1
 Landscape value 	1	1	1
Social			
 Reserves and connectivity 	1	1	1
 Uncertainty re future development 	-	4	4
Economic			
for applicant – fiscal and uncertainty costs	1	4	4
Cultural			
 places of cultural significance at risk (including Poukura Marae) 	1	1	1
OVERALL SCORE:	5	16	12
	COMPARATIVE <u>EFFECTIVENESS</u> A	SSESSMENT MATRIX	
	OPTION A	OPTION B	OPTION C
	(Proposed Plan Change provisions)	(No changed Plan provisions)	(New Environment zoning)
RELEVANCE AND TRANSPARENCY:	· · · · · · · · · · · · · · · · · · ·		
Directed towards achieving the purpose of the	5	1	4
Plan Change?			
Will clearly achieve, or partly achieve the	5	1	4
purpose of the Plan Change ?			
<u>USEFULNESS AND UNDERSTANDABILITY</u> :			
Meets principles for writing sound provisions?	5	5	5
Will effectively guide decision-making?	5	5	4
Assumptions made are minimised?	4	4	4
Risk involved is minimised?	4	2	3



ACHIEVABILITY:				
Within Council's functions and powers?	5	5	5	
Within the scope of available tools and resources	5	5	5	
?				
Can be complied with and enforced (for rules)?	5	5	5	
Degree of certainty in the ability to achieve?	4	1	3	
MAORI VALUES:				
Do the provisions take into account tangata	4	4	4	
whenua values?				
OVERALL SCORE:	51	38	46	

Note: Ratings 1 (lowest) to 5 (highest)

REASONS FOR DECIDING ON THE PROVISIONS - s32(1)(b)(iii)

Effectiveness and Efficiency - overall appropriateness

Based on the comparative efficiency and effectiveness assessments provided above (and including assessments of benefits and costs), the most appropriate provisions to give effect to the purpose of the Proposed Plan Change is through Option A – the proposed Plan Change provisions. In summary, and based on those assessments, the reasons for deciding on these provisions are:

- the proposed Plan provisions are consistent with the District and Regional Council approach to the resource management processes for delivering sustainable growth management (ie through structure plan and plan change processes set down in the Taupo District Plan);
- the provisions bring a comparatively high degree of certainty (primarily through inclusion of the Whareroa North Subdivision Concept Plan) compared to other options considered;
- the potential adverse effects (particularly effects on landscape and natural values) are able to appropriately managed in accordance with the District and Regional resource management policy frameworks, and in terms of the purpose and principles of the Act;
- the proposed Plan provisions represent a reasonable level of certainty and efficiency in terms of process and costs;
- the proposed Plan provisions are, in comparison to other reasonably practicable options, the most efficient (the assessment above concludes a 10.4:1 benefit to cost for the proposed Plan provisions, compared to 2.3:1 for Option B and almost 3.75:1 for Option C);
- the proposed Plan provisions are, in comparison to other reasonably practicable options, the most effective (the assessment above concludes an effectiveness score of 51 for the proposed Plan provisions, compared to 38 for Option B and almost 46 for Option C);
- for all of these reasons, and based on the application (including s32 Evaluation) overall the proposed Plan provisions are the most appropriate to achieve the purpose of the Plan Change (which is to secure a District Plan framework enabling residential subdivision at Whareroa North which is in accordance with a specific concept plan).

