



**AREA SPECIFIC MATTERS**  
**Future Urban Zone**

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**Section 32 Report for the Proposed Waitomo District Plan**

Section 32 Report – Future Urban Zone

SUMMARY OF ISSUES	RESOURCE MANAGEMENT ACT 1991	NATIONAL DIRECTION	REGIONAL POLICY STATEMENTS	IWI MANAGEMENT PLANS CONT...
<p>The future urban zone addresses the following issues:</p> <ul style="list-style-type: none"> <li>There is a need to ensure that areas identified for future growth are not compromised in the meantime by inappropriate development.</li> <li>Identifying areas for future growth will enable infrastructure planning and funding.</li> <li>There is a need to ensure that development of future urban areas is coordinated, integrated into the townships and addresses any reverse sensitivity issues.</li> <li>Fragmentation of land can compromise future urbanisation and efficient use of the land.</li> <li>Development should occur in a planned and integrated manner through a structure plan process. The structure plan must be comprehensively designed and coordinate with infrastructure where this is available.</li> </ul>	<p><b>Section 5 RMA</b> The use of the future urban zone as a mechanism to indicate where urbanisation will occur in the future will maintain the land resource to provide for future community needs. This approach will achieve section 5(2)(a) by sustaining the potential of physical resource for future needs. The objectives will ensure development in the interim does not undermine the ability for land to be developed efficiently.</p> <p><b>Section 6 RMA</b> There are no specific section 6 matters relevant to this topic.</p> <p><b>Section 7 RMA</b> The following clauses are relevant in section 7:</p> <p>Section 7(b) The efficient use and development of natural and physical resources</p> <p>The future urban zone will enable residential and business activities, both of which are significant and valuable use of the land resource. Ensuring that the Proposed District Plan (PDP) caters for the efficient use and development of future urban growth areas through allocating the most appropriate land for future urban zone/Structure Plan Development Areas is critical to ensure the efficient use and development of other zones throughout the district (e.g. rural production zone). The future urban zone is also an efficient mechanism to ensure interim land use does not compromised its intended future purpose.</p> <p>Section 7(ba) The efficiency of the end use of energy</p> <p>Development and built form are a major determinant of the efficiency and end use of energy and will be a key consideration for any new development. The future urban zones are largely in the existing towns and located near existing development. Growing existing towns is likely to reduce the use of energy by reducing the need for long vehicle trips.</p>	<p>There are six National Policy Statements (NPSs) currently in place:</p> <ul style="list-style-type: none"> <li>New Zealand Coastal Policy Statement 2010</li> <li>NPS for Electricity Transmission 2008</li> <li>NPS for Renewable Electricity Generation 2011</li> <li>NPS for Freshwater Management 2020</li> <li>NPS on Urban Development 2020</li> <li>NPS for Highly Productive Land 2022</li> </ul> <p><b>National Policy Statement on Urban Development</b> The most relevant national policy statement is the National Policy Statement on Urban Development 2020 (NPS-UD) which came into effect on 20 August 2020. It is noted that the Waitomo District is not an urban environment as defined in the NPS-UD. However, the NPS-UD provides valuable commentary on land use and development. It recognises the national significance of urban environments and provides direction to decision-makers on planning for urban environments and seeks to establish well-functioning urban environments that respond to the changing needs of people, communities and future generations.</p> <p>Objective 1 of the NPS-UD seeks that well-functioning urban environments enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.</p> <p>Objective 2 seeks that planning decisions improve housing affordability by supporting competitive land and development markets.</p> <p>Objective 3 seeks that district plans enable more people to live in areas of an urban environment that is in or near a centre zone or other area with many employment opportunities, or well-served by existing or planned public transport.</p> <p>Objective 4 seeks that urban environments are provided that, over time, develop and change in response to the changing needs of people and communities and future generations.</p> <p>The NPS-UD objectives and policies aim to ensure that local authorities through their planning activities including the district plan:</p> <ul style="list-style-type: none"> <li>Provide sufficient housing and business land to meet demand, including providing choice in housing typology and location. This also includes infrastructure to support new housing and business.</li> <li>Provide well-functioning urban environments</li> <li>Improve housing affordability</li> <li>Enable more people to live in, and more businesses and community services to be located in, areas of an urban environment</li> <li>Recognise that urban environments develop and respond over time, including amenity</li> <li>Planning decisions must contribute to well-functioning urban environments that, as a minimum have or enable a variety of homes that meet the needs of different households</li> <li>Urban development is integrated with infrastructure planning and funding decisions</li> <li>Actively monitor the housing market and understand the demand and supply of housing</li> </ul>	<p><b>The Waikato Regional Policy Statement</b> While many of the provisions in the Waikato Regional Policy Statement (WRPS) are relevant to the growth and development of new urban land, the most relevant objective is Objective 3.12 which seeks that development of the built environment (including transport and infrastructure) occurs in an integrated, sustainable and planned manner. The objective sets out eleven key outcomes to achieve.</p> <p>The policies which achieve Objective 3.12 are mostly in chapter 6, and establish a range of methods such as:</p> <ul style="list-style-type: none"> <li>Subdivision, use and development of the built environment, including transport, occurs in a planned and co-ordinated manner</li> <li>Coordinating growth and infrastructure</li> <li>Minimise transport, energy demand and waste production</li> </ul> <p>Section 6A contains two development principles that are relevant to rural including:</p> <p><i>b) occur in a manner that provides clear delineation between urban areas and rural areas</i> <i>o) not result in incompatible adjacent land uses (including those that may result in reverse sensitivity effects), such as rural activities</i></p> <p><b>The Manawatū-Whanganui One Plan</b> The RPS provisions of the Manawatū-Whanganui One Plan do not address growth, although they establish objectives and policies which address features of the district which will need to be taken into account when planning for urban growth e.g. indigenous biodiversity.</p>	<p>The Waikato Tainui Environment Management Plan 2018 (WTEP)</p> <p>The future urban zone does not enable development itself and therefore many of the objectives and policies of the WTEP are not relevant. However, the objectives and policies will be relevant for the development of any structure plans, including where there are waterbodies, indigenous vegetation, natural hazards etc.</p> <p>The most relevant provisions reside in Part 25 and relate to land use planning. Objective 25.3.1 seeks that development principles are applied to land use and development (urban and rural) and, in particular, development in new growth cells, that enhance the environment. Policy 25.3.1.1 sets out the development principles to be applied to new growth cells to enhance the environment.</p> <p>Objective 25.3.2 seeks that urban and rural development is well planned and the environmental, cultural, spiritual, and social outcomes are positive. Policy 25.3.2.1 sets out the methods for urban development to achieve Objective 25.3.2, and Policy 25.3.2.2 establishes a framework for rural land.</p> <p>It is considered that the proposed provisions appropriately take into account the relevant provisions in the WTEP, as they establish a framework for enabling a comprehensive and planned approach to growth.</p>
<b>OPERATIVE WAITOMO DISTRICT PLAN</b>			<b>IWI MANAGEMENT PLANS</b>	<b>OTHER RELEVANT PLANS OR LEGISLATION</b>
<p>There is no future urban zone in the Operative District Plan (ODP), or any similar mechanism.</p>	<p><b>Section 8 RMA</b> Section 8 is not particularly relevant to future urban zone.</p> <p><b>Section 31</b> The functions of territorial authorities are set out in Section 31. The key function for a district council is the establishment, implementation and review of objectives, policies and methods to achieve the integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district.</p>		<p><b>Maniapoto Environmental Management Plan (MEMP)</b> We are required to take into account planning documents recognised by an iwi authority and lodged with the territorial authority, and there are many provisions in these documents broadly relevant to the interim use of the land for rural purposes. Key objectives in the Maniapoto Environmental Management Plan (MEMP) include:</p> <ul style="list-style-type: none"> <li>Enabling customary activities (9.3.2)</li> <li>Ngā Wai o Maniapoto is healthy (14.3)</li> <li>Enhance and protect wetlands (15.3)</li> <li>Enhance and protect the holistic functioning and interconnected relationships of the natural environment (18.3.1)</li> <li>Reducing soil nutrient loss, nutrient leaching and runoff to water bodies (18.3.3)</li> <li>Manage, with Maniapoto, any adverse social, cultural, spiritual, environmental, and economic effects resulting from existing and new mining activities (23.3.2), including remediation and restoration of mining sites</li> <li>To adopt a precautionary approach to the introduction and use of new organisms and GMOs (25.3.4)</li> <li>Enabling papakāinga</li> </ul> <p>There are a number of objectives and policies in the MEMP that are relevant to new urban areas, such as: Policy 18.3.1.3 which seeks to ensure that urban planning and development is conducted in accordance</p>	<p>There is no other relevant legislation or plans relevant to this Chapter.</p>
<b>SCALE &amp; SIGNIFICANCE s32(1)(c)</b>				<b>STRATEGIC DIRECTION</b>
<p>The assessment is based on eight factors outlined in Ministry for the Environment’s guidance on Section 32 reports. Each factor is scored in terms of its scale and significance (where 1 is low and 5 is high).</p> <p>Reason for Change: Problem / Issue: 3 Degree of Shift from Status Quo: 4</p>				<p>The following objective from the Strategic Directions chapter of the PDP are relevant to this topic:</p> <p><b>SD-O21:</b> Require subdivision and development within townships and within the future urban zone to occur in a planned, integrated and co-ordinated manner which ensures that infrastructure has sufficient</p>

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<p>Who and How Many Affected, Geographic Scale of Effects: 2                  Degree of Impact on or Interest from Maori: 1                  Timing and Duration of Effects: 2                  Type of Effect: 1                  Degree of Risk or Uncertainty: 2</p> <p><b>Total (out of 40): 15</b></p>		<p>(including for different types of housing, preferred locations and price points).</p> <ul style="list-style-type: none"> <li>• Monitor the impact of district plan zones, rules, standards and overlays on housing and business land supply.</li> <li>• Ensure good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport.</li> <li>• Enable building heights and density of urban form commensurate with the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services or the relative demand for housing and business use in that location.</li> <li>• Recognise that planned urban built form may involve significant changes to an area, but those are not, of themselves, an adverse effect.</li> </ul> <p>While the future urban zone does not enable development itself, it ensures comprehensive and integrated structure planning is undertaken. The future urban zone is an effective mechanism for ensuring future growth is well planned and coordinated with infrastructure provision.</p> <p>There are also seven National Environmental Standards (NESs) currently in place:</p> <ul style="list-style-type: none"> <li>• NES for Air Quality 2004</li> <li>• NES for Sources of Human Drinking Water 2007</li> <li>• NES for Telecommunication Facilities 2016</li> <li>• NES for Electricity Transmission Activities 2009</li> <li>• NES for Assessing and Managing Contaminants in Soil to Protect Human Health 2011</li> <li>• NES for Plantation Forestry 2017</li> <li>• NES for Freshwater 2020</li> <li>• NES for Storing Tyres Outdoors 2021</li> </ul> <p>None of the above NESs are considered to be directly relevant to this topic.</p> <p><b>Relevant case law considered</b>                  Dixon v Invercargill City Council [2018] NZEnvC 217                  District plan proposed – Variation – Zoning</p> <p>This decision concerned a joint memorandum which set out the proposal, agreed to by the parties to the appeal, for the zoning of an area of land on the north-eastern edge of a residential area of Invercargill City (“the land”) in the Proposed Invercargill District Plan (“the PDP”). The appellants and Invercargill City Council (“the council”) agreed that the land would have a deferred zone to be known as Residential 4, with the present Rural zone to continue to apply until the extension of footpaths and reticulated sewerage services, the details of which were yet to be finalised in accordance with a concept plan to be included in the PDP. The deferred Residential 4 zone covered 14 privately owned properties. A s 274 party to the appeal, Mr Devine (“D”), responded to the joint memorandum, commented on the proposed zoning for the land and set out his continuing concerns and remedy sought.</p> <p>The Court stated that the fine tuning of provisions had not yet occurred and there was no consent memorandum before it. The council submitted that D opposed the new zone in the belief that the ability to subdivide properties contained within it should be immediate, without having to wait for, or pay for wastewater network or footpaths. The issue before the</p>	<p>with best practice principles, and infrastructure services provide for the environmental, social, economic, and cultural needs of Maniapoto within the financial capacity of the community.</p> <p>Policy 22.3.4.1 Transport networks reduce costs and impacts on the environment through improved energy efficiency.</p> <p>It is considered that the proposed interim general rural zone provisions take appropriate account of the MEMP.</p>	<p>capacity to accommodate the form and type of development anticipated.</p> <p><b>SD-O22:</b> Where the area is appropriately serviced by existing or planned infrastructure, encourage development and intensification that enables more people to live in, and more businesses and community services to be located in the district’s existing townships.</p> <p><b>SD-O25:</b> Enable a variety of residential housing types for a diverse range of households across the district to meet the community’s diverse social and economic housing needs.</p> <p><b>SD-O31:</b> Ensure the future urban areas transition to accommodate planned growth in a coordinated and efficient manner by requiring the development of a comprehensive, integrated structure plan for each individual future urban zone in its entirety.</p> <hr/> <p align="center"><b>UNCERTAINTIES AND RISKS s32(2)(c)</b></p> <p>The risk of not acting is that growth areas are not planned or funded in terms of land use and infrastructure. Development in the interim could compromise the ability for efficient future land use activities.</p> <p>Not acting would lead to uncoordinated growth and development.</p> <p>The future urban zone provisions are essentially a holding mechanism for land until it is re-zoned and developed in accordance with the plan change and structure plan process. As such, they are not operative provisions, and rely on a future plan change process. There is considerable uncertainty therefore in terms of the timing, scale and nature of future development and effects.</p> <p>For the interim rural uses, the nature of the activities and the effects are well understood.</p>
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		<p>Court was whether it was appropriate to amend the rules for the area specified to provide for subdivision to the minimum lots size requested by D as a discretionary activity.</p> <p>The Court reviewed the relevant law, including ss 74 - 76 , 31 and 32 of the RMA and together with the PDP provisions relating to subdivision, the Rural zone and the Residential 4 zone. After considering submissions by the council and D, the Court considered which provisions were the most appropriate way to achieve the objectives of the PDP. D’s proposal to accord special status through discretionary activity status for subdivision with on-site effluent disposal to a minimum lots size of 1.9 ha in a limited area would set a precedent and undermine the district plan’s approach. At the stage when the deferred Residential 4 zoning came into effect, there would be reticulated wastewater provision and a footpath, and the subdivision and land use density regime recognised this. At that time landowners would be able to subdivide the land. The Court found that D’s proposed provisions would not implement or achieve the objectives and policies of the PDP for subdivision and the Rural zone. The deferred Residential 4 zone would discourage fragmentation of the land until comprehensive subdivision and development could be achieved. The Court found that D’s proposed relief would not achieve integrated management of the effects of the use, development or protection of land and resources. D’s relief was declined. Costs were reserved.</p>		
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**OBJECTIVE(S) s32(1)(a)**

<p><b>Relevance</b></p> <ul style="list-style-type: none"> <li>• FUZ-01 explains the intent of the zoning.</li> <li>• FUZ-02 provides for interim rural activities to enable continued use and production land in the zone.</li> <li>• Manages the effects of use, development or protection of land consistent with section 31(1)(a).</li> <li>• FUZ-03 sets out the need for comprehensive and integrated structure planning to enable efficient urban development.</li> <li>• Addresses key issues relevant to the management of future growth areas.</li> <li>• The objectives are relevant to Part 2 of the RMA and are an essential part of sustainable management as they seek to not to compromise the future development of the zone.</li> </ul> <p><b>Usefulness</b></p> <ul style="list-style-type: none"> <li>• The objectives outline what the purpose of the zone is which will guide decision making when considering a resource consent application under section 104.</li> <li>• The objectives address the key resource management issues for the zone.</li> </ul> <p><b>Reasonableness</b></p> <ul style="list-style-type: none"> <li>• The objectives will not impose unjustifiably high costs on the community / parts of the community.</li> <li>• The objectives enable the activities which are legitimately needed in the rural environment.</li> </ul> <p><b>Achievability</b></p> <ul style="list-style-type: none"> <li>• The objectives are within Council’s powers and functions.</li> <li>• The objectives can be achieved.</li> </ul> <p><b>Are the objectives the most appropriate way to achieve the Purpose of the Act?</b></p> <p>The proposed objectives are considered to meet the tests of relevance, usefulness, reasonableness and achievability under the section 32 of the RMA. The objectives are the most appropriate way to achieve the purpose of the RMA because they:</p> <ul style="list-style-type: none"> <li>• Address key issues for future growth management.</li> <li>• Gives effect to Part 2 of the RMA through allowing for the efficient use and development of resources and enabling the needs of current and future generations to be met;</li> <li>• Gives effect to the RPS by seeking to plan new development areas comprehensively;</li> <li>• Provides clear direction for decision makers, and specifies matters decision makers need to consider in Appendix 5;</li> <li>• Are achievable given the clear nature and intent and can be given effect to;</li> <li>• Implement the strategic objectives that seek to ensure future urban areas transition to accommodate planned growth in a coordinated and efficient manner; and</li> <li>• Will not result in high costs to the community.</li> </ul>
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<b>PROVISIONS s32(1)(b)</b>	
<b>EFFICIENCY &amp; EFFECTIVENESS s32(1)(b)(ii), 32(2)(a)(i), s32(2)(a)(ii)</b>	<b>ALTERNATIVES s32(1)(b)(i)</b>
<p><b>Benefits Anticipated</b></p> <p><u>Environmental</u></p> <ul style="list-style-type: none"> <li>The provisions clearly establish the future urban zone as a transitional zone that set a clear expectation for the future urban use of the land.</li> <li>The existing rural character and amenity will change as a result of rezoning, and in most cases will be completely transformed. Rural land use and landscapes will be replaced by urban built form and urban activities. However, in the interim future urban zoned land will continue to retain the existing character and amenity of the general rural zone, and the rural environment.</li> <li>Prevents rural-residential subdivision and development, which compromises the efficient use of land for urban development; while ensuring that rural land is maintained for productive purposes.</li> <li>A plan change process for re-zoning, coupled with a robust structure plan supported by technical assessments, has a key role to play in ensuring effects are adequately avoided, remedied or mitigated.</li> <li>Rural character and amenity in neighbouring properties can be maintained by applying the rules in the rural zone in the interim and through establishment of adequate buffer areas and other mitigation measures through the structure plan process. This approach will help avoid reverse sensitivity effects for future urban activities through setbacks from sensitive activities.</li> <li>The on-going enablement and protection of rural activities from inappropriate subdivision, use and development will maintain rural character and amenity prior to comprehensive development taking place.</li> <li>The establishment of the future urban zone also provides certainty in terms of the location of future urban areas, providing certainty for other rural and rural lifestyle zoned land.</li> </ul> <p><u>Economic</u></p> <ul style="list-style-type: none"> <li>Allows time to plan and fund suitable infrastructure to support urban growth and development.</li> <li>There will be significant economic benefits associated with the ultimate development of future urban zoned areas in accordance with the future rezoning process.</li> <li>Making more land available for urban development may increase the affordability of the existing housing stock.</li> <li>The on-going provision for rural activities in the future urban zone areas including primary production will also ensure economic use of the land continues in the interim.</li> </ul> <p><u>Social</u></p> <ul style="list-style-type: none"> <li>Enables growth in key areas and provides more opportunities for affordable and social housing.</li> <li>Through job and wealth creation, and improved housing supply and affordability, the development of future urban zone areas will have a positive long-term economic impact on the District.</li> </ul> <p><u>Cultural</u></p> <ul style="list-style-type: none"> <li>There are unlikely to be cultural benefits associated with the future urban zoned provisions. However, specific development of Māori land is provided for in the Māori purpose zone.</li> </ul> <p><b>Costs Anticipated</b></p> <p><u>Environmental</u></p> <ul style="list-style-type: none"> <li>The existing rural character and amenity will change as a result of rezoning, and in most cases will be completely transformed. Rural land use and landscapes will be replaced by urban built form and urban activities.</li> </ul> <p><u>Economic</u></p> <ul style="list-style-type: none"> <li>The land is not worth as much as if it were live zoned for urban development.</li> <li>Requires significant investment to develop a structure plan and plan change to enable development.</li> <li>There will be potential for 'planning blight', i.e. where comprehensive development may be 20-years away or more it may result in property owners not investing in land or building improvements.</li> </ul> <p><u>Social</u></p> <ul style="list-style-type: none"> <li>May lead to the land being underutilised in the interim period if it is land banked.</li> </ul> <p><u>Cultural</u></p> <ul style="list-style-type: none"> <li>There is unlikely to be a cultural cost to these provisions. There is no Māori owned land held under Te Ture Whenua Māori Act 1993 in the future urban zone areas, and sites and of significance to Māori and cultural landscapes will be provided for through district-wide chapters and associated provisions.</li> </ul> <p><b>Economic growth opportunities</b> While the eventual rezoning and development of future urban zone will result in economic growth, the future urban zone itself will not.</p> <p><b>Employment opportunities</b> Residential and commercial construction associated with the development of land zoned future urban zone has the potential to create additional jobs in construction and related supply industries, as well as ancillary services including real estate and development finance. However, the future urban zone itself does not create additional employment opportunities.</p>	<p>For the purpose of this evaluation, the Council has considered the following potential options: 1. The proposed provisions; and 2. The status quo.</p> <p>The ODP provisions are not considered to be efficient or effective in achieving the objectives.</p> <p>In order to identify other reasonably practicable options, the Council has undertaken the following:</p> <ul style="list-style-type: none"> <li>Reviewed other relevant district plan provisions for a future urban development zone;</li> <li>Sought feedback from Council asset managers in terms of infrastructure;</li> <li>Collated feedback from discussions with iwi;</li> <li>Sought feedback from the farming community; and</li> <li>Sought feedback from elected members.</li> </ul>
<b>QUANTIFICATION OF BENEFITS &amp; COSTS s32(2)(b)</b>	
Section 32(2)(b) requires that, where practicable, the benefits and costs of a proposal are to be quantified. Given the assessment of the scale and significance of the proposed provisions, specific quantification of the benefits and costs in this report is considered neither necessary, beneficial nor practicable in relation to this topic.	
<b>EFFICIENCY &amp; EFFECTIVENESS s32(1)(b)(ii)</b>	<b>REASONS FOR PROVISIONS s32(1)(b)(iii)</b>
<p>Section 32(1)(b)(ii) requires assessing the efficiency and effectiveness of the provisions in achieving the objectives:</p> <p><u>Efficiency</u> The proposed set of provisions for the future urban zone addresses current issues, in particular providing a pathway for the identification of land suitable for urban growth.</p>	<p>Section 32(1)(b)(iii) requires a summary of the reasons for deciding on the provisions:</p> <ul style="list-style-type: none"> <li>gives effect to the RPS.</li> <li>enables the Council to fulfil its statutory obligations.</li> <li>achieves Part 2 of the RMA, particularly section 5 in providing for the economic and social wellbeing of the community, and the current and future needs of the community.</li> </ul>

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The approach achieves the proposed objectives in an efficient and effective manner by providing a balance between managing existing rural activities and ensuring those do not compromise an efficient urban form.

#### Effectiveness

The proposed provisions are considered to be the most effective means of achieving the objective(s) as together they will:

- Restrict inappropriate development and protect legitimate rural activities.
- Provide clear direction in the policy framework as to how and when the zone is suitable for urban development.
- Standards provide certainty in terms of the level of effects that can be generated. This also benefits neighbours from unreasonable impacts.
- The provisions identify those activities which have the potential to create reverse sensitivity effects and minimises the potential for these to occur.
- The provisions identify those activities which are appropriate
- Provides certainty to landowners, farmers, neighbours, community and the Council about the nature and scale of activities and development allowed.
- Minimises the potential for new rural activities to adversely affect existing sensitive activities.

- ensures that adverse effects on rural amenity values are managed appropriately by restricting inappropriate residential and business development and protecting legitimate rural activities.
- enables the Council to effectively administer its District Plan and to monitor the outcomes of the proposed provisions in a clear and consistent manner.
- Streamlined, simplified rules/standards that are easier for plan users to interpret and apply. The reduction in ambiguity is expected to result in increased compliance and effective compliance monitoring.
- Has regard to the iwi management plans and reflects the policy direction in those documents.
- Sets out a comprehensive framework for identifying land suitable for urban development and the requirements for urbanisation to occur.