Planning Officer Overview of Plan Change 79

1. Purpose of notified change

The overall purpose of this Plan Change is:

- a) to amend the TRMP to introduce a modified deferred zone framework that is legally robust; and
- b) to release for development existing deferred land, (land previously rezoned to a deferred zone through a Schedule 1 plan change) provided the services are available and, on assessment, the destination or end use zoning is appropriate. If not, the location is down zoned or rezoned appropriately.

To achieve this purpose, this Plan Change:

- a) Proposes to amend the TRMP by introducing a modified deferred zone framework that:
 - Operates in tandem with the two other relevant zone chapters and a trigger rule (which is linked to clearly defined infrastructure requirements). In effect, the zone chapters and trigger rule operate as a collective set of provisions for the land in question – and provide the deferred zone framework. Once the trigger rule is satisfied, the relevant land can rely on the existing TRMP provisions that provide for urban activities.
 - For existing deferred land to remain deferred, and for additional land to be deferred after PC79 is operative, funding for the infrastructure should be included in the Council's Long-Term Plan (LTP) within the next 1 to 10 years and the infrastructure upgrades required to service the area identified in the TRMP and Council Long Term Plan.
- b) Rezones land that currently is subject to a deferred zone under the TRMP, on the basis that servicing is now available, and where the 'destination' or 'end use' zone is appropriate (s32 report Part 3 refers).

2. Scope

The scope of PC79 includes all the deferred zone locations in the Tasman district except for those in or adjacent to Māpua and Motueka. Currently other planning processes are occurring in these towns that will address the issue of zoning.

3. Background

As stated in the s32 report (pg. 20): "The current (operative) TRMP deferred zoning method is valued by Council and the development community as it assists to manage the gap between the demand for and supply of serviced urban land needed for growth in the region.

The method enables Council to plan for and prioritise funding; it enables developers to provide infrastructure in collaboration with Council thus reducing holding costs while increasing certainty; and it enables stakeholders to obtain alternative sources of funding (e.g.infrastructure Acceleration Fund contribution toward the Motueka West Compact Density Plan Change 80)".

Hence the PC79 proposal for a deferred zone framework that is legally robust

From the time the legal robustness of the 'operative' TRMP deferred zone framework, was questioned in December 2022, Council, stopped 'uplifting' deferred zones by Council resolution. Since then infrastructure has been built. Several locations with a deferred zoning are now serviced and ready for development. These locations are needed to provide for growth.

Hence PC79 reassesses (in s32 report Part III) all the deferred zone locations that are not subject to a parallel planning process (Māpua and Motueka) and, where appropriate proposes:

• <u>Upzoning</u> deferred land to the end use or destination urban zone (e.g. Richmond South deferred zone locations RS14, RS15, RS15A-C from Rural 1 deferred Residential to Residential).

Where relevant, new planning provisions are added for land that is subject to risks associated with climate change including sea level rise, coastal inundation and flooding (e.g.: Lower Queen Street (RW1) upzoned from from Rural 1 deferred Light Industrial to Light Industrial subject to limitations on subdivision and land use).

- Re-zoning deferred land to a more appropriate zone (e.g. 265 Sandby Bay Mārahau Road (MR49) from Rural 1 deferred Residential to Rural 2).
- <u>Down-zoning</u> deferred land to the original zone (e.g. Patons Rock Road (PR51) from Rural 2 deferred Residential to Rural 2.

2. Updates not included in the papers

Following the filing of Legal Evidence and the Council Staff Reply to Evidence, the following updates are noted:

2.1 Richmond South, RS14

Jane Bayley of Staig and Smith has confirmed by written statement, that Stephen and Abbie Field (Submitter 4255):

- (i) Support the rezoning of RS14 to Residential.

 (Council Reply to Evidence 3.2.1 Update Zone Map 76-10 Richmond South (S42A report Plan Topic 8.2.1))
- (ii) Do not support the staff recommendations to retain the deletion of the portion of the indicative road that connects to Hill Street.
 (Council Reply to Evidence Update Area Map 76-02 Richmond South (S42A report Plan Topic 8.2.2))

2.2 Update on Māpua Masterplan Decision making process

Following public feedback on the draft Masterplan, Council staff confirm that that the deferred portion of 166 Māpua Drive is recommended to be rezoned as Medium Density residential. The recommendation was accepted by the Hearing Committee and is expected to be formally adopted by Council on 31 July 2025 and included in Plan Change 81 – Urban. PC 81 is scheduled to be notified in the third quarter of this year.

3. Main Areas of Difference

Following the filing of expert and legal evidence, staff consider that the remaining areas of difference are:

- 1. The workability of the provisions comprising the Deferred Zone Framework as recommended in the S42A report.
- 2. The deferred zone framework provisions that apply to deferred zone locations in that are not included in the proposed schedule 17.14A (Motueka and Māpua), as recommended in the S42A report.
- 3. The coastal inundation provisions relating to Lower Queen Street Light Industrial land (RW1) and limitations on subdivision as proposed in the s42A report.
- 4. The deletion of a portion of an indicative road in Richmond South (RS14) leading onto Hill Street.
- 5. The rezoning of the deferred portion of 166 Mapua Drive, owned by Mt Hope Holding Ltd.
- 6. The rezoning of BW16 at 72 Waimea West Road, Brightwater to Conservation without provisions that address direct access to Snowden's Bush from Waimea West Road.

Further comment on some of these issues is set out below:

1. The workability of the provisions comprising the proposed Deferred Zone Framework as recommended in the S42A report.

In this regard, staff recommend that the proposed deferred framework provisions as set out in chapter 17.14 are sufficiently 'certain.' Council staff Reply to Evidence (pg. 20) refers. The legal evidence of Appleby 88 and Mount Hope Holdings Ltd is of a similar view (paras 9 -25)

The legal submissions for A&S Talley suggest that the only way to resolve the issues that they identify is to delete circumstance (ii) from proposed Rule 17.14.2.2 meaning that, in order for infrastructure to be delivered, it would have to be actually constructed. This approach seems to lack any real world understanding. Infrastructure often needs to be planned and built in conjunction with landowners, developers and the end use of the land. But the end use of the land depends on the resource consent process, which cannot be commenced until a final urban plan provisions are in place. Not allowing the final urban plan provisions to be in place until all infrastructure is physically built would create a completely untenable and costly "chicken and egg" scenario.

It is for this reason that that the three year window in 17.14.2.2(ii) is critically important. It allows for funding for the necessary infrastructure to be locked in to the first three years of the LTP. This, in turn, triggers the availability of the final urban plan provisions so that the landowner can apply for resource consent with the correct status (i.e. not non-complying or open discretionary). It is this planning phase and resource consent approval which will shape the final infrastructure that is to be built.

Land development takes years of planning and collaboration between landowners/developers and the Council. Having the flexibility and efficiency is absolutely critical for a high-growth jurisdiction such as Tasman.

2. The deferred zone framework provisions that apply to deferred zone locations in Motueka and Māpua that are not included in the proposed schedule 17.14A, as recommended in the S42A report.

Following submissions on this issue, Council has reaffirmed (s42A report - pg.16 (for topic 2.2.2) and page 24 (for topic 3.2.2) that PC79 does not and does not intend to 'extinguish' all RMA or TRMP development pathways for locations covered with a deferred zone in Māpua or Motueka (as shown on the operative planning maps). The resource consent and private plan change pathways remain available to these deferred locations.

To this end staff recommended amendment to the proposed schedule of plan amendments hearing version to clarify that:

- (i) The <u>operative</u> provisions support further development of all deferred land, including deferred land that is not listed in the notified Schedule 17.14A: Policy 6.3.3.4A; Policy 6.3.3.4B; Principal Reasons 6.3.30; together with notified provisions 17.14.1 and 17.14.2.1; and 17.14.20 and the operative planning maps. These provisions do not use the word "delivered" as defined in proposed Rule 17.14.2.2.
- (ii) The <u>new provisions</u>, which refer to the new trigger method, apply only to deferred land listed in the notified Schedule 17.14A: Policy 6.3.3.4D, Regulatory Method 6.3.20.1(aa) Rule 17.14.2.2. These provisions consistently use the word 'delivered' which is defined in Rule 17.14.2.2.

Schedule 17.14A (Hearing Version)

The schedule has been amended in response to submissions.

Regarding the legal evidence of Mt Hope Holdings and Appleby 88 para 82, pg.20, re 17.14A:

- Staff agree, in principal, to the inclusion of Chap 6 in Column C and
- Agree in principal that the bulk water and stormwater requirements added (in purple) to the RW5, (McShane Rd) Column D -- revert to what was in proposed change i.e.: words in the table in 17.14.20.
- 3. The coastal inundation provisions relating to Lower Queen Street, Light Industrial land (RW1) and limitations on subdivision as proposed in the s42A report.

The approach taken to the Lower Queen Street Light Industrial land reflects a balance between enabling some industrial development that is sought by landowners who have invested in the land, and responding responsibly to the increasing risks associated with coastal hazards. This land is serviced and strategically located to support economic growth. However, it is also in a location that is vulnerable to coastal inundation as a result of projected relative sea level rise and the increasing intensity of storm events.

The proposed provisions maintain the zoning uplift to Light Industrial but include targeted limitations on land use activities, and a prohibition on new subdivision. These limitations are not designed to prevent development altogether, but to ensure that new development proceeds in a way that is adaptive, resilient, and capable of responding to changing environmental conditions.