Nelson City Council
Te Kaunihera o Whakatū

Plan Change 29 to the NRMP

Section 42A Report – Overview and Strategic

Prepared by Rachel Morgan

24 June 2024

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1.0 Executive Summary

1. My name is Rachel Grace Morgan and I am a consultant planner working on behalf of Nelson City Council. In this Section 42A report I provide an overview of Plan Change 29 (PC29) and set out the background and relevant statutory documents. I also address the following strategic issues that have been identified in submissions:

    a) General opposition to and general support for PC29;

    b) Long term growth and demand projections for Nelson and their relevance to PC29;

    c) The planning strategy for integrating land use decisions with infrastructure planning and delivery;

    d) The proposed zoning and height strategy; and

    e) Other general and strategic matters.

2. The purpose of PC29 is amend the NRMP to give effect to the requirements of the NPSUD, with a particular focus on Policy 1 (well-functioning urban environments), Policy 2 (development capacity), Policy 5 (heights and densities), and Policy 6 (planned urban built form). In undertaking this, PC29 proposes to amend the NRMP to address Section 6 matters as they relate to natural hazards (s6(h)) and historic heritage (s6(f)). A range of other amendments are proposed that are necessary to support the level of urban development PC29 provides for, including provisions relating to infrastructure, noise and transport/access.

3. Within the context of broadly enabling greater heights and densities, PC29 has a strong emphasis on urban design and achieving quality built form outcomes. PC29 proposes to achieve this through a mix of built form standards and qualitative design assessment using a restricted discretionary framework within the Inner City, Suburban Commercial and proposed residential zones. The standards and restricted discretionary assessment are intended to work together, balancing the need to provide a degree of certainty, while maintaining discretion to respond to the specific context of a site and neighbourhood.

4. The key change to the notified PC29 that I evaluate in this report relates to zoning. PC29 as notified proposes to introduce the GRZ, MDRZ and HDRZ to those parts of Nelson's urban area not significantly affected by natural hazards. Greater heights are also proposed in the Inner City and Suburban Commercial Zones. Collectively these zones enable significantly greater heights and densities than the operative NRMP and are intended to achieve a well-functioning urban environment with greater housing choice and improved housing affordability. Submitters raised concerns about the extent of the MDRZ and the HDRZ in particular. In response to the matters raised, I have evaluated an additional zoning option which involves deleting the HDRZ and replacing it with the MDRZ, while enabling high density development to occur on large sites in highly accessible locations around the Inner City and Stoke.

5. My evaluation concludes that the additional zoning option is more efficient and effective in achieving the objectives of the NRMP and better accords with the sustainable management purpose of the RMA and gives effect to the NPSUD. This is because it continues to provide at

least sufficient development capacity to meet residential demand in the long term and enabling opportunities for high density development to occur in accessible locations. In my view, it also better responds to amenity values by targeting opportunities for high density to larger sites with adequate dimensions to achieve quality design outcomes that better integrates with surrounding sites and neighbourhoods. Section 12 of the report below discusses this in detail and Appendix 3 provides a detailed S32AA analysis of the notified zoning and the additional zoning option set out in this report.

6. This report addresses the general and strategic submission points relating to the above matters. The report is also intended to be contextual and serve as a reference point for the other s42A reports for PC29.

7. The analysis undertaken in this report is informed by the section 32 Report for PC29. It is also informed by the technical evidence of Lawrence McIlrath (urban economics), Cam Wallace (urban design), and Philip Ruffell/Rhys Palmer (infrastructure) and the further section 32AA evaluations undertaken in this report.

8. Appendix 1 provides the accept/accept in part/reject recommendations to each of the submission points relating to the matters addressed in this report.

2.0 Acronyms and Abbreviations

Abbreviation	Full Text
PC29	Plan Change 29
Panel	Plan Change 29 Hearings Panel
RMA	The Resource Management Act 1991
NRMP	Operative Nelson Resource Management Plan 1997
DNP	Draft Whakamahere Whakatū Nelson Plan
RPS	Operative Nelson Regional Policy Statement 1997
FDS	Nelson Tasman Future Development Strategy 2022-2052
MDRS	Medium Density Residential Standards prescribed in Schedule 3 of the RMA
NZCPS	New Zealand Coastal Policy Statement 2010
NES	National Environmental Standard
NPS	National Policy Statement
NPSUD	National Policy Statement Urban Development 2020 (updated May 2022)
Council	Nelson City Council
GRZ	General Residential zone
MDRZ	Medium Density Residential zone
HDRZ	High Density Residential zone
HBA	Housing and Business Capacity Assessment

3.0 Introduction to the Report

3.1 Purpose of the report

9. The purpose of this report is to provide the background and context to PC29 and to evaluate the general and strategic submission points on PC29. It also sets out the PC29 zoning strategy and evaluates an additional zoning option developed in response to submissions. The report specifically addresses the following strategic issues that have been identified in submissions:

    a) General opposition to and general support for PC29;

    b) Long term growth and demand projections for Nelson and their relevance to PC29;

    c) The planning strategy for integrating land use decisions with infrastructure planning and delivery;

    d) The proposed zoning and height strategy; and

    e) Other general and strategic matters.

10. This report is also intended to be contextual and serve as a reference point for the other s42A reports for PC29, which are as follows:

    a) Residential and Subdivision (reporting planner - Coralie Barker)

    b) Commercial and infrastructure (reporting planner - Mithran Gopinath)

    c) Heritage and Churchill View Shaft (reporting planner - Jacqui Hewson)

    d) Natural hazards (reporting planners – Sue Robb and Janice Carter)

    e) Papakāinga and transport (reporting planner – David Badham)

11. The report is prepared in accordance with the requirements of section 42A of the RMA and is intended to assist the Panel to make decisions on the submissions and further submissions on PC29.

12. My consideration of submissions has been undertaken in the body of this report within each issue[1]. For ease of reference, all submission points have been grouped and considered under a particular issue. Due to the number of submission points and their general nature, my evaluation of the submissions does not contain specific recommendations on each submission point, but instead discusses the issues generally.

13. The conclusions reached and recommendations made in this report are only recommendations to the Panel. It should not be assumed that the Panel will reach the same conclusions having considered all the information in the submissions and the evidence to be brought before them.

[1] When I refer to submissions I am referring to both orignal and further submissions unless otherwise specified.

3.2 About the Author

14. My name is Rachel Grace Morgan and I a consultant planner working on behalf of the Council. I am a Director and Planner at Barker & Associates and have over 15 years of experience in all aspects of resource management, and particularly in planning strategy and policy development across New Zealand. I am a full member of the New Zealand Planning Institute.

15. Most recently, I have been a consultant planner working on behalf of Rotorua Lakes Council, Napier City Council and Queenstown Lakes District Council on their National Policy Statement: Urban Development (NPSUD) plan changes, plan reviews and appeals. I was involved in the preparation of the Auckland Unitary Plan. I have also recently worked on behalf of private clients on various private plan changes, including several private plan changes in Drury, Auckland. I led the consultant team who prepared the Nelson Tasman Future Development Strategy 2022-2052 (FDS), and I have worked with the Council for the last five years variously on the draft Nelson Plan, the FDS and the preparation of PC29.

16. Although this is a Council Hearing, I confirm that I have read the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2023 and that I have complied with it when preparing this report. Other than when I state that I am relying on the evidence of another person, this evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

3.3 Supporting evidence

17. In preparing this report I have relied on the following expert evidence:

    a) Lawrence McIlrath – Urban economics: particularly those aspects which address the residential demand forecasts for Nelson over the next 30 years, and the development capacity analysis of the notified zoning and the amended zoning proposed in this s42A report.

    b) Cam Wallace – Urban design: particularly those aspects which address the accessibility analysis undertaken to inform the notified zoning and the further refinement to the analysis undertaken in response to submissions.

    c) Phil Ruffell and Rhys Palmer – Infrastructure: particularly those aspects addressing the capacity of Nelson infrastructure networks to cater for the development enabled by the zoning proposed in this s42A report.

3.4 Section 32AA evaluation

18. This report uses key issues to group, consider and provide reasons for the recommended decisions on similar matters raised in submissions. Where applicable, the recommended decisions have been evaluated using section 32AA of the RMA. The section 32AA further evaluation for each key issue considers (as relevant):

    a) Whether the amendments proposed in this section 42A report to objectives are the most appropriate way to achieve the purpose of the RMA;

b) Whether any amendments proposed in this section 42A report to other provisions are the most appropriate way to achieve the objectives, including by consideration of other reasonably practicable options for achieving the objectives;

c) The efficiency and effectiveness of the amendments proposed in this section 42A report to other provisions in achieving the objectives.

19. The section 32AA further evaluation contains a level of detail that corresponds to the scale and significance of the anticipated effects of the changes that have been recommended in this report. A tabulated section 32AA analysis is used for more complex issues and is included at Appendix 2. Recommendations on editorial, minor and consequential changes that improve the effectiveness of provisions without changing the policy approach are not re-evaluated.

4.0 Overview of PC29

20. This section of the report provides an overview of the key aspects of PC29. It includes a description of the scope of the notified PC29, including the reasoning that sits behind its spatial extent and content. It attaches legal advice on the issue of scope in the context of a plan change, which will be the addressed by the section 42A report writers in their reports.

4.1 Notified PC29 - Scope of the Plan Change

4.1.1 Overview

21. The purpose of PC29 is amend the NRMP to give effect to the requirements of the NPSUD, with a particular focus on Policy 1 (well-functioning urban environments), Policy 2 (development capacity), Policy 5 (heights and densities), and Policy 6 (planned urban built form). In undertaking this, PC29 proposes to amend the NRMP to address Section 6 matters as they relate to natural hazards (s6(h)) and historic heritage (s6(f)). A range of other amendments are proposed that are necessary to support the level of urban development PC29 provides for, including provisions relating to infrastructure, noise and transport/access.

22. PC29 provides for greater heights and densities within Nelson's existing urban area in appropriate locations. This principally includes Nelson's network of centres and surrounding residential areas. PC29 also includes strengthened urban design provisions to ensure that the higher density development enabled achieves quality design outcomes.

23. At the same time, PC29 includes a suite of District Plan provisions aimed at managing the risks associated with natural hazards. These provisions apply to all zones in the Nelson urban area, including residential, commercial and industrial zones (see Figure 2 below). PC29 also includes provisions to better protect historic heritage and enable the efficient operation of nationally and regionally significant infrastructure in the region.

24. Section 1.3 of the Section 32 report outlines the scope of PC29, and Table 1 from page 11 of the Section 32 report provides a summary of the provisions of the NRMP that are proposed to be amended.

25. PC29 is not a full plan review, and there are a range of provisions that are not proposed to be amended. This includes for example the Nelson Regional Policy Statement, rezoning of greenfield land or rezoning of land for commercial uses.

26. The NRMP is a combined regional and district plan. PC29 amends the district plan provisions of the NRMP and does not amend any of the regional plan provisions. PC29 proposes to delete the Wakefield Quay Precinct, which is partly located within the Coastal Marine Area, however the rule that is proposed to deleted (CMr.60 & CMr.63.4(g)) relates to buildings and is a District Plan rule.

4.1.2 Spatial extent of PC29

27. Figure 1 below shows the areas where PC29, as notified, proposes to introduce new zones and/or amend the heights and densities. Figure 2 shows the extent of the proposed natural hazard overlays in PC29 as notified.

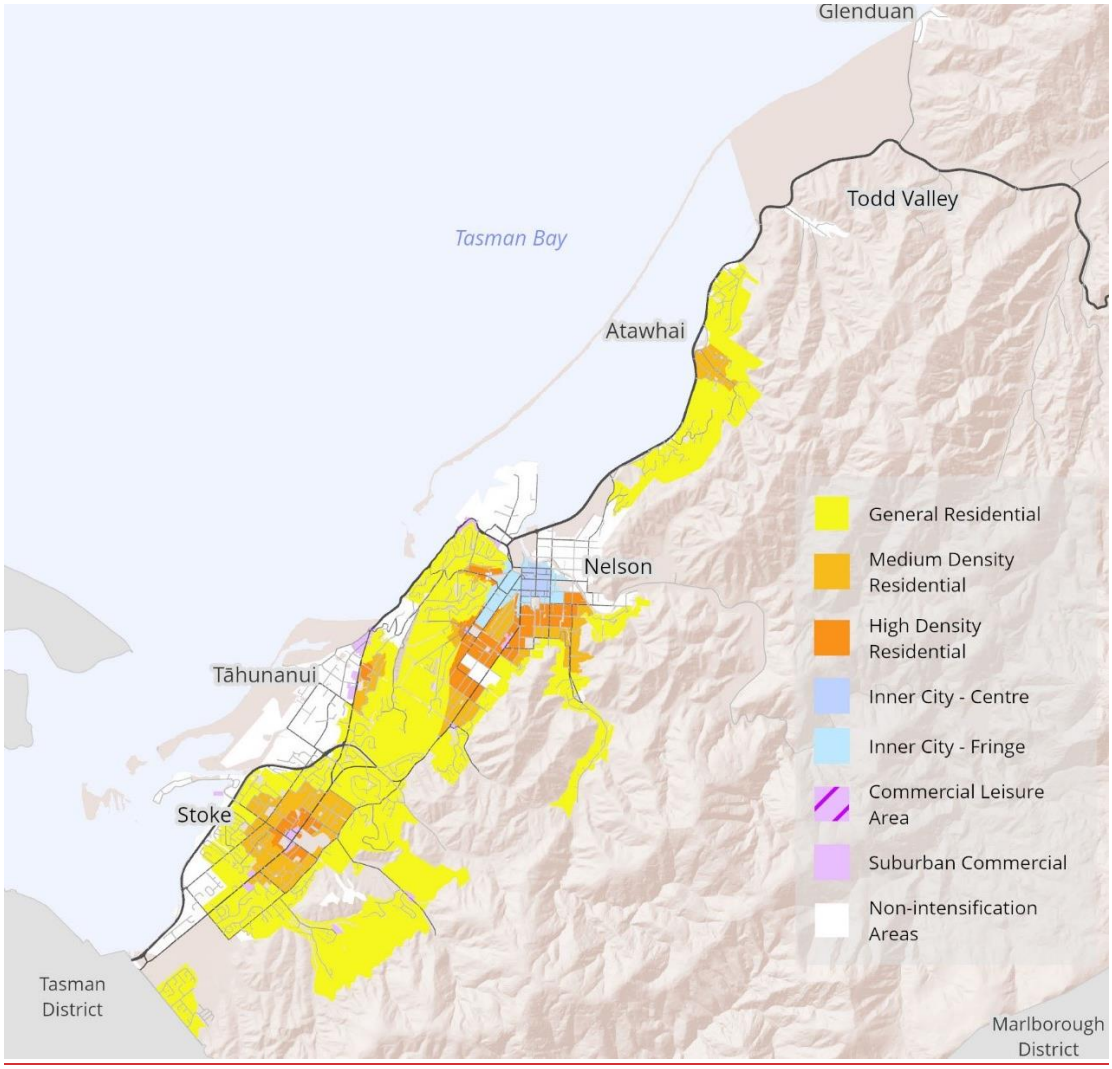


Figure 1: Showing the areas where new zones and/or increases in heights and densities is proposed in PC29 as notified

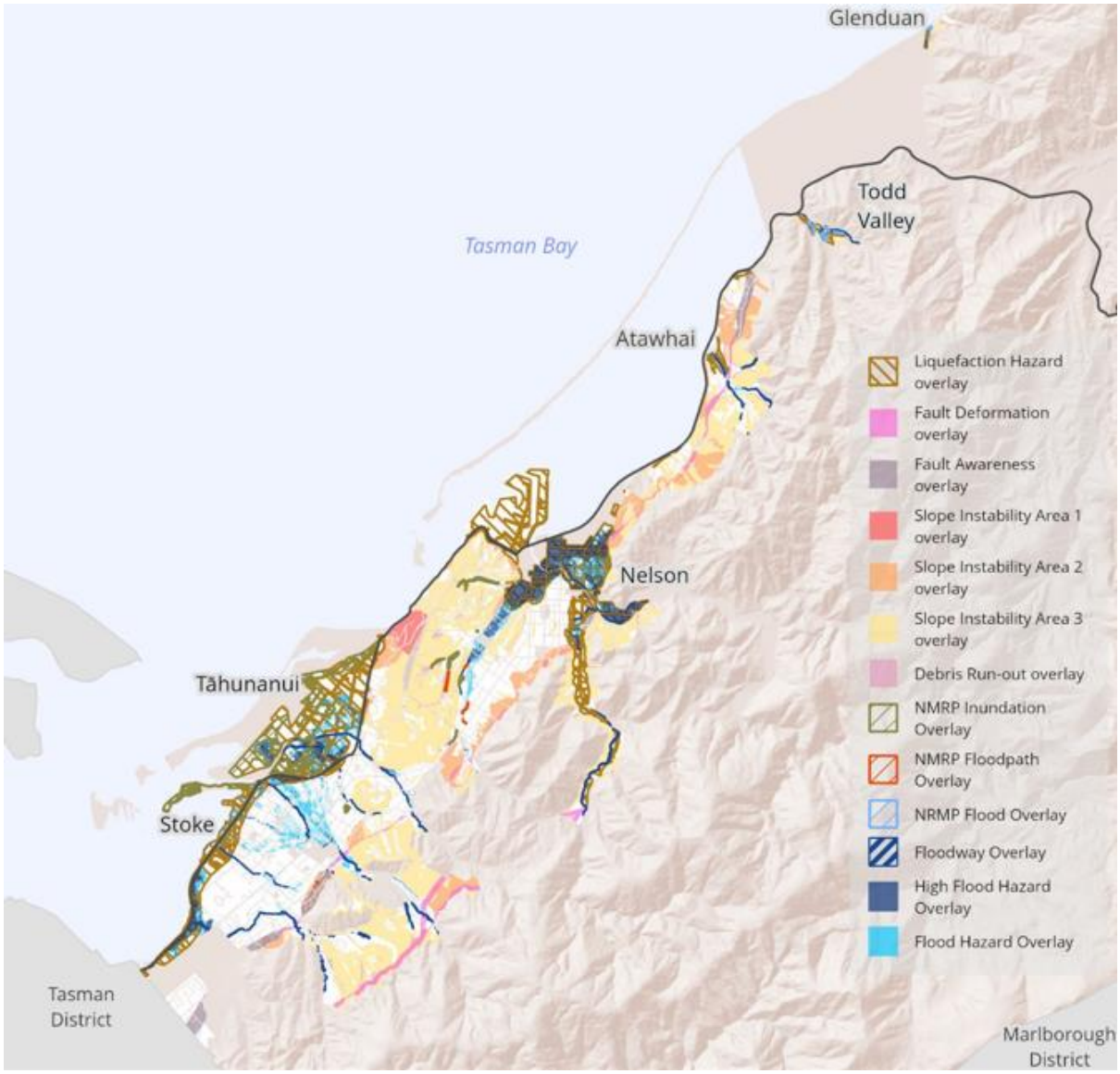


Figure 2: Showing the locations where natural hazard overlays are proposed in PC29 as notified

28. The following areas are not proposed to be rezoned through PC29 and are proposed to retain their operative zoning under the NRMP:

a) Areas identified to be potentially susceptible to coastal inundation in a 1% AEP event with sea level rise under a greenhouse gas emissions scenario of SSP 8.5(H+) at 2130 including vertical land movement;

b) Areas identified as requiring further assessment in relation to flood or being potentially susceptible to both high river flood levels and coastal flood;

c) The area commonly known as the Tāhunanui Slump (Slope Instability Overlay Area 1); and

d) The Open Space and Recreation zone, Rural zone, Coastal Marine Area (except for Wakefield Quay) and the Conservation zone.

29. Sections 15.1-15.3 of the Section 32 report outline the reasons for excluding these areas from upzoning. In summary, these areas are subject to significant natural hazard risk and/or require further investigation to determine if further development can be enabled.

30. S42A report – Natural Hazards addresses submissions seeking rezoning in these areas.

4.1.3 Submissions Which May be Out of Scope

31. A number of submission points received may be out of scope in terms of the notified PC29. To assist the Panel, the Reporting Officers have categorised submission points potentially out of scope as set out below. While raising where they consider there are scope issues, the reporting planners still address the merits of the relief sought as the Hearings Panel may reach a different conclusion on scope.

32. Potential out of scope submissions are identified and addressed where relevant within the body of the S42A reports.

33. A legal memo has been prepared on scope matters and this is included at Appendix 2 to this report.

Submissions that are not "on" the Plan Change

34. These are submission points that Reporting Officers consider may not be "on" the plan change. This includes submission points that seek amendments to provisions that are not proposed to be altered by PC29. This includes, for example, submission points seeking rezoning of greenfield land, and amendments to activities and development in the rural zones.

Relief that is not within scope of a submission

35. This aspect of scope relates to what amendments can be made to the PC29 provisions as notified. Those amendments need to be fairly and reasonably within a range of options between what was originally notified, and the relief requested in submissions.

5.0 Background to Plan Change 29

5.1 Developing PC29

36. The Council commenced preparation of PC29 in 2021 following a decision to pause the work on the full review of the NRMP that was underway at the time, known as the Draft Whakamahere Whakatū Nelson Plan (DNP). Prior to that the Council had consulted with the community on the DNP in 2020. This included discussion of key resource management issues for the region, including urban development, heritage and natural hazards.

37. The technical work undertaken for the DNP has informed aspects of PC29 as explained in the various s42A reports.

5.2 Nelson Tasman Future Development Strategy 2022-2052

38. In 2021 the Council, together with Tasman District Council, commenced preparation of its joint FDS. This was prepared in accordance with NPSUD requirements and used the Special Consultative Procedure for public consultation, in addition to earlier consultation with the community and stakeholders. The FDS was adopted in 2022 and the joint implementation plan was published in 2023.

39. The FDS outlines a strategy of consolidated growth focussed largely along State Highway 6. This includes prioritising intensification of housing development in Nelson, Richmond, Brightwater, Wakefield, Māpua and Motueka. It also includes managed greenfield expansion in specific locations. A key component of the strategy is prioritising a broad level of intensification within the existing urban area, particularly in Nelson. Of the residential growth in Nelson in the long term, about 78 per cent is intended to be met through intensification and about 22 per cent is intended to be met through greenfield expansion. It is important to note that this is long term and based on a high growth scenario for Nelson and Tasman, rather than the medium growth scenario assumed for the Housing and Business Capacity Assessments[2].

40. Figures 5a, 5b, 6 and 6b of the FDS provide indicative height and density plans for the urban areas of Nelson. These maps identify four different intensification areas as follows:

    a) Intensification areas of 6 storeys in the City Centre;

    b) Intensification areas of 4-6 storeys located in accessible locations around the City Centre, Nelson Hospital, Wakefield Quay, Tāhunanui, and Stoke;

    c) Intensification areas of up to three storeys in surroundings areas including the Brook, Washington Valley and Stoke;

    d) In residential infill areas a mix of attached and detached dwellings is envisaged.

[2] Refer to Section 13.2 Housing Growth of the FDS: file:///C:/Users/RachelM/Downloads/Future%20Development%20Strategy%20Sep%202022%20%20(8).pdf

41. The FDS, including the strategic accessibility analysis that informed it[3], was a key document informing the zoning proposed in the notified version of PC29.

42. The NPSUD requires that the Council must **have regard to** the FDS when preparing or changing the RMA planning documents. In this case the FDS is a highly relevant document and in my view, it should be given a reasonable degree of weight, given it is recent Council policy, has been through the Special Consultative Procedure for public consultation under the LGA, and PC29 is intended to directly implement it.

43. With that said, the FDS is a strategic document and intentionally provides flexibility in how the height and density strategy for Nelson could be applied through zoning and provisions in the NRMP. This is reflected in the broad approach shown in the height and density plans explained above. It also accounts for further technical work required to determine zoning through a plan change, including the more detailed accessibility, development capacity and natural hazards analysis undertaken to inform PC29.

44. In my view, one of the key factors to consider is whether the zoning in PC29 meets the higher-level intensification objectives of the FDS and provides for intensification opportunities in accessible locations, particularly in and around Nelson's network of centres.

5.3 Consultation and Engagement on PC29

45. The community and stakeholder engagement undertaken for PC9 is outlined in Section 11.3 of the Section 32 report.

46. Understanding the community's views on PC29 was in part derived from the engagement undertaken in 2020 on the DNP and from the engagement undertaken for the FDS in 2021. Approximately 556 submissions were received on the draft FDS from residents and businesses with an interest in Nelson. A strong theme of the feedback received was support for greater intensification within the urban area as a means of relieving pressure on greenfield land for development. Some submissions were concerned with the loss of amenity values that higher residential densities would bring, with a number of submissions concerned about the level of development proposed around Tāhunanui. This feedback was used to inform the drafting of PC29.

47. Stakeholder engagement was undertaken on the draft of PC29 in accordance with clause 3(1) of Schedule 1 to the RMA. A list of all parties who were invited to provide feedback is attached as Appendix 1d of the Section 32 report.

48. Engagement with iwi authorities was undertaken via the Iwi Working Group established for the DNP. This included discussion of all aspects of PC29, with a particular focus on the papakāinga provisions. Appendix 1f of the Section 32 report provides a summary of engagement with iwi authorities on PC29.

[3] Refer to the evidence of Mr Wallace for further discussion of the strategic accessibility analysis undertaken for the FDS and the origin of the height and density plans.

49. The process outlined in Section 11.3 of the Section 32 report demonstrates that, in my view, the notified PC29 met the consultation requirements of Clause 3 Schedule 1 of the RMA.

6.0 Notification and Submissions to PC29

50. PC29 was publicly notified on 12 August 2023 and submissions closed on 31 October 2023, following an extension to the submission period. The public notice was included in the Nelson Mail on 12 August 2023, was available on the Council's website, and was included in the Our Nelson publication which was sent to all households on 16 August 2023.

51. During this time various consultation events were held, including:

a) Public meeting (recorded), Trafalgar Centre, 7 September 2023.

b) Neighbourhood meetings:

i. Greenmeadows Centre, Stoke, 20 September 2023

ii. Victory Community Centre, Nelson South, 27 September 2023

iii. Nelson Centre of Musical Arts, Nelson Central, 4 October 2024

iv. Tāhunanui School Hall, Tāhunanui, 10 October 2024

v. Clifton Terrace School Hall, Atawhai/Nelson North, 12 October 2024.

c) Library drop-in sessions:

i. Stoke Library, 21 September 2024

ii. Nelson Library, 28 September 2024

iii. Nelson Library, 5 October 2024

iv. Tāhunanui Library, 11 October 2024.

d) Zoom Webinar, 18 October 2023.

52. The summary of submissions was notified on 12 February 2024 and the period for further submissions closed on 8 March 2024. Two late submissions were subsequently notified for further submissions.

53. A summary of the primary submissions and further submissions received on PC29 is as follows:

a) 884 primary submissions containing 9,331 submission points;

b) 78 further submissions containing 3,417 further submission points;

c) Two late submissions containing three submission points:

d) Four further submissions on the late submissions containing four submission points;

e) One late further submission containing one submission point.

54. Of the primary submissions received, many were in general support of PC29 and or were in general opposition. Other submission points requested a range of amendments to PC29 or changes to related Council processes. The further submissions variously supported or opposed matters raised in primary submissions.

55. Two late submissions were received on 8 February and 4 March 2024. The Hearings Panel has accepted these late submissions pursuant to section 37 and section 37A of the RMA[4]. The Council summarised these submissions and invited further submissions. Four further submissions were received in support of these late submissions. A further late submission was received opposing submission 385 (Mr Bowman) requesting their property at 6 Melrose Tce Nelson South be 'heritage listed'. The Panel has accepted this late further submission pursuant to section 37 and section 37A of the RMA[5].

56. One submission has been withdrawn, at the request of the submitter, on 12 February 2024. Two Incomplete submissions with no submitter details were received on 30 October 2024 and therefore were not included as submissions.

57. There are no known trade competition issues raised within the submissions.

58. Following the close of submissions and in preparing the Section 42A reports, the reporting team has had several direct discussions with some submitters to better understand the issues raised in submissions. The Section 42A reports provide further detail on meetings with submitters relevant to their topic.

[4] https://shape.nelson.govt.nz/plan-change-29/hearing (See Direction 1).
[5] https://shape.nelson.govt.nz/plan-change-29/hearing (See Direction 3).

7.0 Key Issues in Contention

59. While not an exhaustive list, the key issues/themes arising from the submissions can be summarised as follows:

a) Appropriateness of the proposed new residential zones, including the heights and densities enabled;

b) Appropriateness of the height enabled in the Inner City and Suburban Commercial zones;

c) Relevance and reliability of the residential demand projections;

d) Impacts on residential amenity and character arising from the proposed zoning;

e) Appropriateness of staging or progressively intensifying the city, including prioritising development in the Inner City;

f) Appropriateness of rezoning in natural hazard areas;

g) Appropriateness of the proposed design standards for buildings to achieve quality environments, particularly relating to sunlight access and dominance;

h) Appropriateness of the methodology used to inform the heritage amendments, including whether a wider heritage and character assessment is necessary;

i) Appropriateness of removing the Church Hill Viewshaft;

j) General climate change considerations;

k) Accuracy of information used to inform natural hazard overlay extents;

l) Capability of infrastructure networks to cater for intensification.

60. I address several of these broad issues in the analysis contained in the report below. They are also addressed in the other Section 42A reports, together with the requests for specific amendments to PC29 sought by submitters.

8.0 Statutory Framework

8.1.1 Resource Management Act 1991

61. Section 5.1 of the Section 32 report sets out policy directives of the RMA that are relevant to PC29. I do not repeat this here, other than to say that PC29 (as a change to the district plan) has been prepared in accordance with the requirements of the RMA, in particular:

a) Section 72 – 77E regarding the preparation of district plans. Section 74 in particular sets out the matters that must be considered when changing a district plan, including the need to be prepared in accordance with the provisions of Part 2 and any national policy statement;

b) Section 32 and Section 32AA – regarding the evaluation reports informing PC29;

c) Section 31 – regarding the functions of territorial authorities under the RMA;

d) Schedule 1, Part 1 – setting out the process for changing district plans.

62. The requirements of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act do not apply to Nelson. As a Tier 2 urban environment, Nelson has greater flexibility in where and how to apply any zoning and provisions that enable medium density residential, with Policy 5 of the NPSUD being a key consideration. Regardless, the Amendment Act sets out a standardised approach to enabling medium density residential development in Tier 1 cities, which provides context for the type of medium density residential to be enabled in other New Zealand cities.

8.1.2 National Policy Statement Urban Development 2020

63. The NPSUD is the key policy document driving PC29. Section 6.2 of the Section 32 report provides a detailed description of the relevant NPSUD policies relevant to PC29 which I do not repeat here.

64. The following NPSUD policies and provisions are particularly relevant to PC29, which I have grouped into themes under the umbrella of achieving a **well-functioning urban environment**:

a) Policy 1 which seeks to provide well-functioning urban environments with a variety of homes and a variety of sites suitable for business use, that have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces (**housing choice and accessibility**);

b) Objective 2, Policy 1 and Policy 2 which seek to improve housing affordability by supporting competitive land and development markets, and ensuring that there is at least sufficient development capacity to meet demand over the short, medium and long term[6] (**housing affordability and supply**);

[6] Subpart 1 of the NPSUD prescribes the methods by which the Council must estimate future demand and calculate development capacity over time, noting that there is flexibility in the methods that the Council adopts.

c) Objective 8 and Policy 1 which seeks that New Zealand's environment's support reductions in greenhouse greenhouse gas emissions and resilience to the current and future effects of climate change (climate change and natural hazards);

d) Objective 3 and Policy 5 which seeks to enable more people to live and more business and community services to be included in and near centres, areas well served by public transport and where there is high demand for housing and business land (locations for heights and densities);

e) Objective 4 and Policy 6 which recognise that amenity values develop and change over time in response to the diverse and changing needs of people, communities and future generations (amenity values);

f) Objective 7 requires that the Council uses robust and frequently updated information about their urban environment and use it to inform planning decisions (information). This includes the Nelson HBA for example as well as other relevant information and evidence sources;

g) Objective 6 which seeks to integrate planning decisions with infrastructure planning and funding decisions (infrastructure);

h) Objective 5 and Policy 9 which ensure local authorities take into account the principles of the Treaty of Waitangi in relation to urban environments, including accounting for the values and aspirations of hapū and iwi for urban development (Te Tiriti o Waitangi);

i) Policy 11 which does not allow district plans to set minimum car parking rate requirements (transport).

8.1.3 Overall Assessment of NPSUD

65. In my view, PC29 as a whole and as proposed to be amended in the S42A reports, gives effect to the NPSUD for the following key reasons:

a) The recommended zoning framework will provide opportunities for more people to live in and more businesses, and community services to be located in, Nelson's Inner City and network of Suburban Centres. It will also provide opportunities for more people to live close to those areas where they are well served by public transport or otherwise have convenient walking access.

b) The recommended zoning framework will support reductions in greenhouse gas emissions by encouraging the use of more sustainable forms of transport for people. The supporting natural hazard provisions will ensure that communities are resilient to the current and future effects of climate change.

c) Informed by the evidence of Mr McIlrath, the increase in heights and densities proposed will provide at least sufficient development capacity that will exceed projected demand over the next 30 years. Providing increased opportunities for development to occur is a key way in which a more competitive land and development market can be achieved and a means to contributing to improved housing affordability.

d) The heights and densities proposed are concentrated within the Inner City and Suburban Commercial Zones and reduce progressively from there. This is commensurate with the level of access to a range of commercial activities and community services and relative demand for housing and business use, with the greatest level of accessibility being within the Inner City.

e) The rule framework proposed in the zones provide for the planned urban built form anticipated and recognise that this will involve significant change to existing communities. This is achieved while at the same time ensuring that new development delivers quality design outcomes that respond to the context of Nelson.

f) The principles of the Treaty of Waitangi have been taken into account and PC29 has involved hapū and iwi in its preparation as set out in Section 5 above.

66. For these reasons, in my view, PC29, as proposed to be amended in the S42A reports, will achieve a well-functioning urban environment.

8.1.4 Other Legislation and National Direction

67. The following other legislation and National Policy Statements are potentially relevant to PC29 and are variously addressed in the s42A reports:

a) National Policy Statement for Electricity Transmission 2008 (see the Infrastructure S42A report);

b) New Zealand Coastal Policy Statement 2010, and Interim Guidance on the use of Sea Level Rise Projections 2022 (see the Natural Hazards S42A report);

c) Heritage New Zealand Pouhere Taonga Act 2014 (see the Heritage S42A report);

d) Building Act 2004, Health Act 1956, Unit Titles Act 2010 and related legislation that governs residential activities and development in addition to the NRMP (see the Residential S42A report);

e) Local Government Act 2002 as it relates to Councils powers to create and enforce Bylaws (see the Infrastructure S42A report).

8.1.5 Nelson Regional Policy Statement 1997

68. PC29 must give effect to the Nelson Regional Policy Statement and is addressed in Section 7.1 and Appendix 1b of the Section 32 report. I do not repeat that here, other than to say that in my view, PC29, as proposed to be amended in the S42A reports, gives effect to the Nelson RPS.

8.1.6 Other Plans and Strategies

69. Section 9 of the Section 32 report sets out a range of Nelson's other plans and strategies that are relevant to PC29. I have already addressed the FDS above, which is a key strategy guiding PC29 and is a document to have regard to.

70. The National Adaptation Plan was published in 2022 and is a document to have regard to. This is addressed in the Natural Hazards S42A report.

71. The Emissions Reduction Plan was published in 2022 and is a document to have regard to. Chapter 7: Planning and Infrastructure sets out the key planning actions to help meeting the emissions budgets and 2050 targets, while building climate resilience[7]. The commentary relating to well-functioning urban environments is particularly relevant[8] where it states that urban environments with a variety of mixed-use, medium- and high-density development that is connected to urban centres, as well as active and public transport routes, will help reduce greenhouse gas emissions. This links to the requirements of Policy1I of the NPSUD and is particularly relevant given that PC29 seeks to enable greater densities in accessible locations.

72. The Council is scheduled to adopt it's new Long Term Plan for the 2024-2054 period on 27 June 2024 and it is scheduled to come into effect from 1 July 2024. This sets out the Council's budget for the next 10 years and outlines the long term infrastructure strategy. I discuss this in further detail in Section 11 of the report below.

73. Since PC29 was notified the Council has published its latest HBA in March 2024. The Section 32 report was based on the findings of the 2021 HBA. I discuss the latest HBA and its relevance to PC29 in Section 10 of the report below.

8.1.7 Changes in National Direction since notification

74. There are no new relevant National Policy Statements or other national direction introduced since PC29 was notified.

75. In December 2023, the Government repealed the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023. They have signalled that a range of amendments to the RMA and National Policy Statements will be made, starting in late 2024. The form of these changes is not yet known and are therefore, not relevant to PC29 at the time of writing this report.

76. In September 2023 the Proposed National Policy Statement for Natural Hazard Decision-Making was released for public consultation. Public consultation has closed and the Select Committee is examining the submissions received. This has not been progressed beyond consultation and therefore, is not relevant to PC29 at the time of writing this report.

77. The Government has also just released a discussion document "Making it easier to build granny flats"[9]. As it relates to the RMA, the discussion document outlines a preferred option of developing a National Environmental Standard for Minor Residential Units. I note that there is no minimum site area/density for the proposed residential zones in PC29, and therefore minor residential units would be permitted subject to compliance with standards. However, the discussion document has not progressed beyond consultation and therefore, is not relevant to PC29 at the time of writing this report.

[7] https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/emissions-reductions/
[8] See page 127.
[9] Making it easier to build granny flats: Discussion document (mbie.govt.nz)

9.0 General support and general opposition to PC29

78. A number of submission points generally supported or generally opposed PC29, either requesting that the Hearings Panel approve or decline it in full. These submission points are identified in the submission point response table at Appendix 1.

79. Submission points that sought PC29 was approved in full, generally supported the approach to intensification within the existing urban area as a means of minimising expansion onto greenfield land, providing more housing choices for people in the future, reducing transport costs and increasing the vibrancy of Nelson. Climate change was cited as a reason for supporting intensification. These submission points do not recommend specific changes to PC29, and I recommend accepting them in part, noting that the Section 42A reports recommend various amendments to the notified PC29 in response to other submission points.

80. Conversely, submission points that sought to reject or decline PC29 generally opposed the approach to intensification within the existing urban area on the grounds that it would have detrimental impacts on sunlight access, the look and feel/character of Nelson and access to open space/green areas. Reasons also stated that the zoning proposed is too broad brush and enabling and is not required for a city the size of Nelson. I address that particular point in Section 10 of the report below. Other reasons stated include the capacity of infrastructure to cater for growth, and there were various suggestions for accommodating growth in different ways, i.e. through staging. I address those points in Section 10 of the report below

81. As above, I recommend rejecting the submission points that seek to reject/decline PC29 in full, given that in my view PC29 is necessary in some form to give effect to the requirements of the NPSUD outlined in Section 8 above.

10.0 Growth and Demand

10.1.1 Issues raised in submissions

82. Multiple submission points requested a reassessment of the population and residential demand projections used to inform PC29, with some seeking the use of the Statistics New Zealand (SNZ) medium projection forecasts. Submissions also sought to amend PC29 to provide for 10 year demand projections rather than 30 years. The reasons provided by submitters express a view that the population projections are over-stated and therefore, result in more widespread upzoning (greater development capacity) than is necessary.

83. Related to this, various submissions sought to amend PC29 to progressively phase intensification, starting with the inner city, followed by the city fringe, medium density areas and so on.

10.1.2 Reliability of demand projections

84. The technical evidence of Lawrence McIlrath outlines the residential demand projections for Nelson over the short, medium and long term. This work was undertaken by DotLovesData for the Council as part of the Nelson HBA 2024 and is an update to the 2021 HBA analysis that informed the notified version of PC29. Mr McIlrath reviewed the projections and compared it against historic, actual growth projections in Nelson.

85. The analysis projected the following residential demand over the short, medium and long term, including the competitiveness margin, as required by the NPSUD. The projections are based on a medium growth outlook (note that the figures are rounded):

a) Short term (3 years) – 800 residential units;

b) Medium term (7 years) – 3,025 residential units

c) Long term (20 years) – 3,775 residential units

d) **Total additional demand over 30 years – 7,595 residential units**.

86. These demand projections are higher than the long term demand projections forecast in the 2021 HBA, which estimated demand for 6,470 dwellings over the long term. This reflects that projections fluctuate over time and are intended as a guide (and not a blueprint) for future planning.

87. At this point it is important to note the difference between the demand projections underpinning the FDS and PC29[10]. The FDS is a strategic long term (30 year) document and is based on a high growth outlook[11]. This is intended to ensure that the FDS provides enough development capacity in the long term if a high growth trend eventuates. However, if growth is more in line with a medium outlook (as per the HBA and the analysis undertaken by Mr McIlrath

[10] This partly responds to the relief sought and reasoning of Tasman District Council in S879.002.
[11] Refer to the discussion ay Section 13.2 of the FDS: https://www.tasman.govt.nz/my-council/key-documents/more/future-development-strategy/

for PC29) then all the land identified in the FDS may not need to be rezoned and developed. In my view, this approach appropriately provides flexibility in how and when the FDS is implemented over time.

88. As outlined by Mr McIlrath, the population projections informing PC29 were prepared by DotLovesData and follow the same general structure applied by StatsNZ except for higher migration assumptions. He states that when compared with the StatsNZ projections, those used for PC29 align with the StatsNZ high projections and appear reasonable based on recent growth trends in the region particularly in the medium term.

89. Mr McIlrath outlines that the demand projections are robust and considers the preferred projections to be the most likely (therefore complying with Clause 3.24(5)(b) of the NPSUD).

90. I agree and note that in terms of the relationship of demand to development capacity, Policy 2 of the NPSUD requires the Council to provide ***at least*** sufficient capacity to meet expected demand for housing and business over the short, medium and long term. In my view, this indicates a policy intent to enable greater development capacity than is strictly necessary to meet demand, as a means of improving housing affordability and competitive land and development markets (Objective 1) and enabling more people to living close to centres, public transport and areas of high demand (Objective 3). Therefore, while the demand projections are an important policy consideration for zoning, PC29 does not seek to strictly match demand with supply.

91. Overall, and informed by the analysis undertaken by Mr McIlrath, I consider that the demand projections contained in the Nelson HBA 2024 provide a sound basis for PC29.

10.1.3 Planning period for PC29 & relevance of demand projections to zoning

92. I support zoning to provide at least sufficient development capacity over at least the long term. Not the medium term or an alternative staged approach. This approach ensures that opportunities for higher density development are not foreclosed in otherwise accessible locations. It is also efficient and minimises the need for several future plan changes which carry significant time and costs for ratepayers, noting that it has been three years since PC29 was first conceived.

93. Development capacity and Policy 2 of the NPSUD is one consideration when determining the most efficient and effective zoning method to achieve the objectives of PC29. Policy 1 and Policy 5 of the NPSUD are also key considerations, both of which direct councils in their District Plans to provide a variety of homes in accessible locations and support competitive land markets, amongst other matters. In my view, this does require provision to be made for higher density forms of housing in accessible locations, even if there is not a high level of corresponding demand for these forms of housing in the short to medium term. This accounts for the inherent uncertainty in demand projections and in landowner preferences/willingness to develop.

10.1.4 Recommendations

94. On the basis of the above analysis, I recommend rejecting submissions that seek to:

a) Review/revise the methodology or assumptions used to develop the residential demand projections informing PC29;

b) Revise the residential demand projections to apply the SNZ medium series and zone accordingly;

c) Progressively stage intensification for Nelson, starting with the City Centre and progressively moving out.

11.0 Infrastructure Planning and Delivery

11.1.1 Issues raised in submissions

95. Submissions raised various concerns about the capacity of infrastructure networks to cater for the growth enabled by PC29. Specifically, submission points sought:

a) Assurance that utilities and services can cope with increased demand on infrastructure, including three waters, transport, schools and hospitals;

b) Inclusion of a plan to mitigate against future drought situations regarding water supply;

c) Provision for greater green space/open space within development and in public places;

d) Consideration of imposing levies or other financing tools to pay for the required infrastructure enhancements and community facilities.

11.1.2 Analysis

96. Objective 6 of the NPSUD requires local authority decisions (including Plan Changes) on urban development to be integrated with infrastructure planning and funding decisions. The Council achieves this through several regulatory and non-regulatory methods as outlined below.

97. The technical evidence of Phil Ruffell/Rhys Palmer addresses these issues and set out the Council's process for infrastructure planning and investment.

98. A number of the submission points outlined above relate to planning and funding tools outside of the NRMP. As set out by Mr Ruffell/Palmer the Council's primary mechanism for infrastructure planning and investment is the Long Term Plan. This sets out the 10-year funding plan and the long term Infrastructure Strategy for Nelson. This is updated three-yearly and is based on up-to-date population projections. This provides the opportunity to revise the location and timing of the infrastructure upgrades required to respond to and support growth over time. This process can be supported in the future by updated monitoring data detailing the location and scale of development within the urban area.

99. In addition to the Long Term Plan, the NRMP contains a number of rules aimed at ensuring infrastructure provision is appropriately addressed at the site planning stage[12]:

a) Rules RE.r17A, 18A and 19A require development to connect to a community water supply and the wastewater network. This will require an assessment of the capacity of those networks to cater for development at the time.

b) Matters of restricted discretion for four or more residential units in the GRZ, MDRZ and HDRZ, and associated rules requiring the provision of safe and efficient access to the transport network.

[12] Note that the substance of these rules are addressed in the Section 42A report - Commercial and Infrastructure.

c) Matters of restricted discretion for four or more residential units in the GRZ, MDRZ and HDRZ, and rules requiring the provision of private open space within development, including provisions that encourage communal open space. The future provision of public open space is managed through a range of Council processes, including the Long Term Plan and the Reserve Asset Management Plan, which sets out the programme for improving existing neighbourhood reserves.

100. I consider that the infrastructure planning undertaken by the Council through the Long Term Plan and associated methods, together with the proposed rules in the NRMP, ensure that land use decisions are integrated with infrastructure planning and funding decisions as required by the NPSUD.

11.1.3 Recommendations

101. I recommend rejecting submission points that seek to amend the NRMP to provide further detail / information on infrastructure networks and capacity as set out in Section 11.1 above.

12.0 Zoning Strategy

12.1.1 Introduction

102. In this section I analyse the submissions that raise concerns about the broad approach to zoning in PC29. This includes discussing the need for a HDRZ and MDRZ and the level of development enabled, and the approach to zoning in areas with natural hazards and heritage items.

103. I specifically discuss and provide a Section 32AA analysis of an additional zoning option that has been developed in response to the issues raised by submitters. This additional zoning option is discussed in detail below and principally includes the removal of the HDRZ and the introduction of a High Accessibility Overlay, within which higher density development would be enabled on larger sites as a restricted discretionary activity. This option retains the notified building heights and densities in the Inner City and Suburban Commercial Zones.

104. I do not address submission points seeking amendments to the detailed location of the proposed zones or amendments to the provisions of those zones below. I also do not address submission points seeking amendments to zoning in natural hazards overlays or heritage sites/areas. These submission points are addressed in other Section 42A reports.

12.1.2 Background / notified PC29 approach to zoning

105. The notified PC29 approach to implementing Policy 5 of the NPSUD (heights and densities) is summarised as follows:

a) Increase heights to 24m within the **Inner City Zone** (15m-20m in the operative NRMP);

b) Increase heights in the **Suburban Commercial Zone** to:

i. 19.5m in the Stoke Centre and Waimea Road and St Vincent Street/Toi Toi Street areas (8m-10m in the operative NRMP);

ii. 19.5m for Suburban Commercial zones adjoining the HDRZ;

iii. 12m in other all other Suburban Commercial zones (8m in the operative NRMP).

c) Retain the 21m height limit in the **Wakefield Quay Commercial Leisure Area**.

d) Introduce a **HDRZ** and apply it within broad walking catchments of Nelson's centres and otherwise accessible areas, including locations around the Inner City/City Fringe, Nelson Hospital, Stoke and Tāhunanui. Within that zone, enable residential development of up to 19.5m, being generally five/six storeys.

e) Introduce a **MDRZ** and apply it to accessible locations beyond the HDRZ. Enable residential development of up to 11m, being generally three storeys within the MDRZ.

f) Introduce a **GRZ** to remaining residential areas within the PC29 spatial extent of areas to be upzoned, which would enable residential development of up to 8m, being generally two storeys. The GRZ amendments would enable a greater level of development (compared to

the operative NRMP) principally by the removal of operative density standards and amendments to the daylight standards.

106. Within the areas to be rezoned by PC29, the presence of natural hazards (flooding, fault, liquefaction, slope) and heritage buildings/features and precincts has had a limited influence on whether the GRZ, MDRZ or HDRZ was applied. At a strategic level, this approach has been adopted to ensure an integrated and coherent zoning pattern that minimises the potential for 'spot' zones and to recognise that the natural hazard and heritage rules and associated overlays/precincts themselves are the key method for managing related effects. It also recognises that in the case of natural hazards especially, the extent to which development is enabled/constrained and the heights and densities achievable, will depend on the nature of the hazard on the site and the outcome of any site-specific reporting. I support this approach and note that it is broadly consistent with the approach set out in the National Planning Standards (refer Table 17 pg. 49[13]).

12.1.3 Issues raised in submissions

107. Submissions raised various issues with the overall zoning strategy proposed by PC29. These issues include:

a) Support for the notified zoning;

b) Delete the HDRZ that has a maximum height greater than 12m or otherwise reduce its extent as this is not mandated by the NPSUD and will create poor environments for people, including loss of sunlight and amenity;

c) Delete and/or reduce the MDRZ to align with the FDS or the zoning contained in the DNP;

d) Replace the HDRZ and/or MDRZ with the operative NRMP zones, or a variation thereof;

e) Take a site specific/nuanced approach to zoning, accounting for site conditions, topography, impacts on residents, aesthetics and sunlight access;

f) Amend the zoning to focus development along public transport routes;

g) Do not upzone in areas with natural hazard overlays;

h) Create a broader level of protection for neighbourhoods beyond heritage buildings and precincts; remove the HDRZ from the heritage precincts and undertake and apply the findings of a special character assessment for Nelson.

12.1.4 Additional analysis undertaken & additional zoning option

108. In response to the issues raised in submissions, since March 2024 further technical analysis has been undertaken to inform by the NPSUD as follows:

a) **Detailed accessibility analysis for the areas proposed to be rezoned through PC29**. This work was undertaken by Cam Wallace and a summary of the findings are included in his Evidence

[13] https://environment.govt.nz/publications/national-planning-standards/

in Chief and is summarised below. This analysis is intended to support the application of the accessibility component of Policy 5(a) of the NPSUD at a finer grain level.

b) Development of an **additional zoning option** based on the outcome of the accessibility analysis and other matters as set out below.

c) Additional **development capacity analysis** of the option developed in (b), which has been undertaken by Lawrence McIlrath and is documented in his Evidence in Chief. Mr McIlrath's evidence also comments on the relative demand for housing in Nelson consistent with the requirements of Policy 5(b).

109. The additional zoning option that has been developed in response to submissions[14] and the additional analysis noted above can be summarised as follows:

a) Retain the notified heights and densities enabled in the Inner City, City Fringe, Stoke Centre and Suburban Commercial zones.

b) Delete the HDRZ and generally replace it with:

i) the MDRZ in the areas surrounding the Inner City/City Fringe and Stoke Centre, Nelson South and Washington Valley', and;

i) the GRZ in Tāhunanui and the Hampden Terrace block.

c) Introduce a new High Accessibility Overlay and apply it to the most accessible parts of Nelson around the Inner City/City Fringe, Stoke Centre and Nelson South. Within this overlay, enable high density development on larger sites (greater than 1,000m^2 / 24m in width) subject to a restricted discretionary (non-notified) resource consent process provided standards are complied with.

d) Reduce the extent of MDRZ and apply the GRZ in Tāhunanui, Atawhai, the Brook, Mount Street, Washington Valley, and some of the outer areas around Stoke.

110. This option is shown spatially in the recommended zoning plans at Appendix 2 of the Residential and Subdivision s42A report. In my view, the additional zoning option is within the scope of PC29 as it relates to location of the proposed residential zones and the heights and densities they enable, which directly relate to implementing Policy 5. I also consider that it is within the scope of submissions, as it responds to requests to delete or vary the HDRZ, MDRZ and GRZ or otherwise amend the heights and densities that those zones enable.

111. The detailed accessibility analysis informing the additional zoning option has been undertaken by Mr Wallace and measures the level of accessibility of different parts of Nelson in terms of access

[14] A range of submitters raised various concerns with the HDRZ, including its spatial location and level of heights and densities enabled. The submission of SPA Architects Limited (S603) and Stephanie Phillps (S597) opposed the HDRZ and MDRZ, and specifically sought to include provisions for new medium density rules similar to that contained in the Christchurch District Plan. This includes allowing a site in a general residential area to be developed for Medium Density on larger sites with greater density. The concept explained in the submission has similarities to that contained in the additional zoning option described.

to jobs, commercial services, community services, natural spaces, and open spaces that are locally relevant. Policy 5 requires heights and densities to be enabled commensurate with the level of access by active or public transport to a range of commercial activities and community services. Those activities and services may or may not be located within a centre, and in my view, the more granular assessment undertaken by Mr Wallace, rather than a simple pedestrian catchment by centre approach is appropriate in this context.

112. Mr Wallace's analysis identified the following, which is shown on the plan at **Figure 3** below:

a) **City Centre & surrounds**: this area performs strongly in terms of accessibility given it has the greatest employment density in Nelson as well as access to services, nearby schools and amenities, including open spaces.

b) **Stoke**: this area performs well in terms of its accessibility owing to its concentration of schools, open space and commercial facilities in and around the centre. Stoke also has relatively good public transport access when compared with other locations in Nelson.

c) **Nelson South:** this area also performs well in terms of accessibility owing to its proximity to Nelson Hospital (a key employment destination) and schools and relative proximity to the City Centre.

d) **Washington Valley**: this area has lower accessibility relative to the wider urban area. The topography of this area acts as a barrier to accessibility (through both slope and a circuitous street pattern). There are also limited destinations / services located within these areas as one moves westward away from the city centre. The exception to the above are those areas located in the eastern portion of these areas near the flatter areas of Nelson City Centre and Nelson South.

e) **Atawhai**: this area has lower accessibility relative to the wider urban area. This is due to its distance from the core Nelson urban area, low frequency of public transport access, the small scale of the suburban commercial centre and limited community services.

f) **Tāhunanui**: this area has lower accessibility relative to the wider urban area. The area is detached from a number of key amenities including secondary schooling and supermarkets and the topography of the area around Tamaki Street is a barrier.

g) **Mount Street**: this area has lower accessibility relative to the wider urban area generally owing to its steep topography and resulting circuitous street network, which includes limited or incomplete footpath provision.

h) **The Brook**: this area has lower accessibility relative to the wider urban area, being limited to a single access point and extending along a valley floor, meaning that much of the area is relatively detached from a wide range of services and amenities.

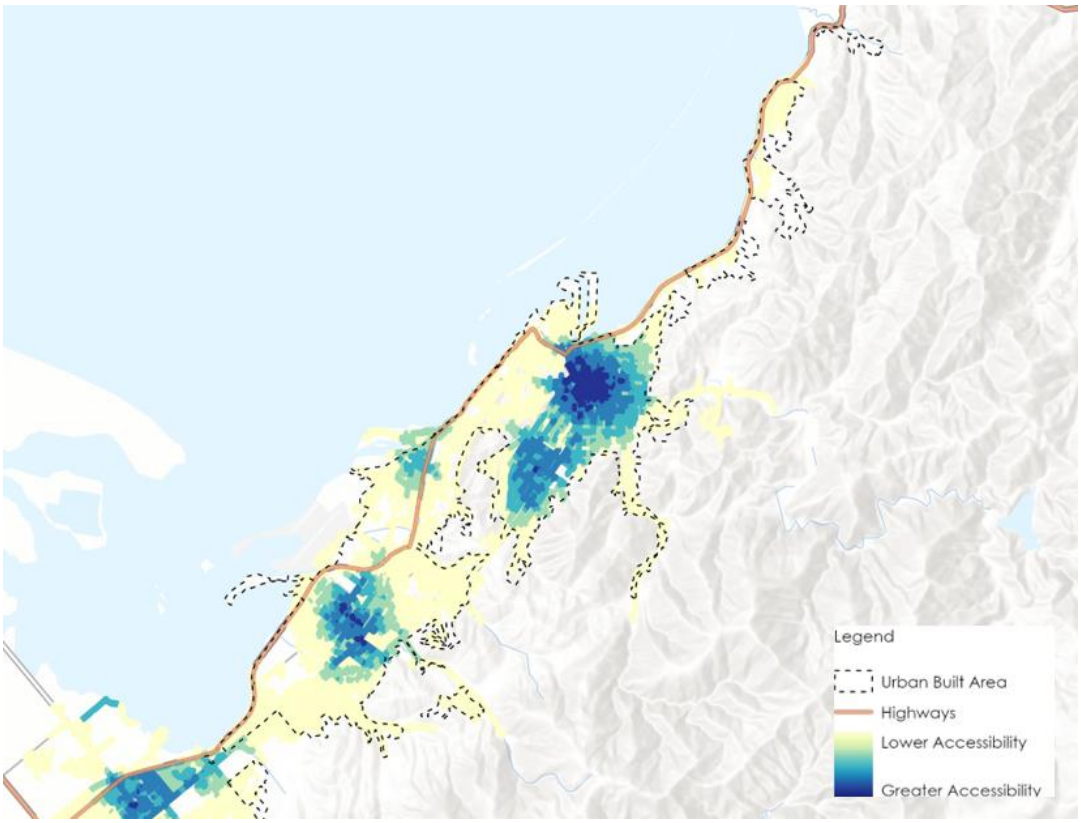


Figure 3:Showing the results of Mr Wallace's detailed accessibility analysis

113. The result of this more fine-grained analysis has been a key factor in informing the additional zoning option, which I recommend and is assessed in detail below. The overall strategy put forward in the additional zoning option can be summarised as follows:

a) Continue to enable the greatest heights and densities within the Inner City, City Fringe, Stoke Centre and Suburban Commercial Centres on the basis that these are the most accessible locations across Nelson relative to other areas.

b) Enable strategic opportunities for high density development on large sites via the High Accessibility Overlay in areas that generally perform well in terms of accessibility, particularly those areas close to the Inner City/City Fringe, Stoke Centre and Nelson South.

c) Enable medium density development via the MDRZ in locations that perform moderately in terms of accessibility, having close walking access to public transport routes, primary and intermediate schools and centres, and residential areas at the fringes of those locations that have consolidated public landholdings and present the opportunity for comprehensive redevelopment.

d) Enable suburban scale development via the GRZ in other locations that have lower accessibility.

114. Lawrence McIlrath has considered the development capacity implications of the additional zoning option and the outcome of this is documented in his technical evidence. Mr McIlrath has

also considered the housing choice and affordability implications of the option and has considered the extent to which it accords with NPSUD Policy 5(b). I address this in my analysis below.

12.1.5 Analysis of the additional zoning option

115. I focus my analysis below on the following matters:

a) Sufficiency of the development capacity enabled to meet residential demand over the short, medium and long term (NPSUD Policy 2);

b) Enabling a variety of homes that meet Nelson's needs in terms of type, price and location of different households ((NPSUD Policy 1(a));

c) Impacts on the competitive operation of land and development markets and affordability ((NPSUD Policy 1(c) / Objective 2);

d) Support for reductions in greenhouse gas emissions (Policy 1(e));

e) Heights and densities commensurate with the greater of accessibility or relative demand (NPSUD Policy 5);

f) Effects on existing and future amenity values (NPSUD Policy 6);

g) Effects on the efficient functioning of Nelson's centre network (Objective DO16.1(2) and (3)).

116. The evidence of Mr McIlrath summarises the development capacity analysis he has undertaken of the additional zoning option and the notified zoning with respect to plan-enabled, feasible and reasonably expected to be realised capacity. Mr McIlrath's analysis assumes that the reasonably expected to be realised capacity will also be infrastructure ready consistent with the findings of the HBA 2024[15]. Mr McIlrath concludes that both options would provide at least sufficient development capacity to meet demand over the short, medium and long term. In my view, this finding provides the ability to refine the location and extent of high density residential enabled by PC29 where that would enable development to occur with lower economic, social and environmental costs, and while efficiently and effectively achieving the relevant objectives.

117. The notified zoning provides significant development capacity across a range of housing types and locations to a greater extent than additional zoning option. The key difference between the options is the extent of feasible capacity enabled in attached housing types/apartments, with the notified zoning providing significantly more opportunities by virtue of the expansive HDRZ. However, as Mr McIlrath identifies, while there is some opportunity cost associated with this reduction - when compared with the likely muted demand for apartments particularly over the medium term in Nelson as reinforced by recent trends elsewhere in New Zealand, the additional development capacity for apartments provided by the notified zoning is less likely to be taken up. The demand for attached forms of housing can be met efficiently in general by the MDRZ, in combination with that enabled in the Inner City/City Fringe/other centres and via the

[15] Refer to Section 4 of the Draft Nelson HBA 2024.

opportunities enabled by the High Accessibility Overlay as proposed in the additional zoning option.

118. In terms of housing choice and affordability, Mr McIlrath has undertaken an analysis of potential future residential sales prices and finds that the weighted average prices under the notified zoning and the additional zoning option are similar and are both likely to be significantly less than the NRMP (by a factor of 25%). This shift is due to both options enabling a greater range of housing types and smaller site sizes, and therefore enabling more development options when compared with the NRMP. As noted above, the additional zoning option does reduce opportunities for apartments to be developed in otherwise accessible locations, however, in the context of the overall demand picture for Nelson, in my view, it does provide for a variety of homes (detached, infill, duplex, terraces and low rise apartments) in residential areas that will meet local needs and therefore gives effect to NPSUD Policy 1 and effectively achieves Objective DO16.1.1 of the NRMP.

119. With that said, I support enabling opportunities for high density residential to occur in accessible locations as a means of providing a different type of living choice for people. High density living in residential neighbourhoods offers a different level of amenity to that provided by inner city living (quieter with greater landscaped areas and space between buildings). Given the lower level of projected demand for apartments in Nelson, the additional zoning option provides the opportunity for higher density development to occur strategically, on larger sites in accessible locations. As set out by Mr Wallace, higher density development on larger sites can be designed more comprehensively, are less restricted by awkward or small geometry and can better internalise potential adverse effects. I agree, and consider that this approach generally has the ability to support improved design outcomes and better manage potential amenity effects at neighbouring boundaries, including visual dominance and privacy.

120. For the reasons outlined above, I consider that the additional zoning option better achieves NRMP objectives relating to the quality of residential environments (Objective DO16.1.1), while recognising and enabling amenity values to change over time to meet future housing needs (NPSUD Policy 6(b)).

121. In terms of Policy 5 considerations I make the following comments:

a) The more detailed accessibility analysis undertaken by Mr Wallace described above, supports amendments to the notified zoning of the HDRZ and the MDRZ extents by ensuring that the enablement of medium and higher density living opportunities are focussed in the high and moderately accessible parts of Nelson and therefore better gives effect to NPSUD Policy 6(a).

b) In terms of relative demand, Mr McIlrath notes the relationship between the development capacity enabled by the notified zoning relative to the overall demand for this type of housing. In summary, given that the overall demand for apartments is likely to be muted at least in the medium term, there is the ability to better focus opportunities for high density living.

122. In terms of effects on Nelson's network of centres, Mr McIlrath notes that the size of the market, i.e., relative demand, and the spatial extent of where higher density development is enabled, interact to determine the likely effects on centres. In his view, an expansive HDRZ in a

Nelson context has the potential to dilute potential gains associated with concentrating development in/around the centre. In my view, this can be seen as an opportunity cost/foregone benefit rather than an adverse effect, which otherwise has the potential to resolve itself over time (albeit slowly). Both the notified zoning and additional zoning option provide opportunities for high density residential to occur within close walking distance to centres via the HDRZ extent or the High Accessibility Overlay, although I acknowledge that there are reduced opportunities for this to occur in the additional zoning option given that it is limited to larger sites.

123. Regarding greenhouse gas emissions, in my view both the notified zoning and the additional zoning option can support reductions by providing significant opportunities for development to occur within the existing urban area and limiting expansion into new and less accessible greenfield areas, that may otherwise give rise to increased car travel and transport emissions.

124. Overall and based on the analysis above, in my view, both the notified zoning and the additional zoning option give effect to the relevant NPSUD policies, particularly with respect to housing capacity, housing choice and affordability[16]. The key areas where the options differ is the extent to which the heights and densities enabled are commensurate with the assessed level of accessibility and relative demand, and the impact on amenity values and design outcomes. In my view, the additional zoning option better gives effect to Policy 5 by focussing opportunities for high and medium density living in accessible locations measured against a range of metrics, and by more appropriately considering the overall demand for apartments relative to the amount of capacity enabled. This conclusion on demand and capacity in particular, enables greater account to be taken of the impact of high density on existing amenity values and consideration of methods available to achieve quality residential development and enhanced design outcomes; both of which the additional zoning option better addresses in my view.

12.1.6 Other zoning approaches

125. Various submission points sought other amendments / approaches to the notified zoning, including:

a) Aligning the MDRZ with the zoning extents contained in the DNP or FDS;

b) Replacing the HDRZ and/or MDRZ with the operative zoning;

c) Focussing zoning along public transport routes, and;

d) Taking a site specific approach to zoning to account for site conditions, topography, impacts on residents, aesthetics and sunlight access.

126. I briefly comment on these matters below.

127. I do not support fully aligning the PC29 zoning with the specific heights and densities shown in the FDS or the zoning proposed in the DNP. As I have outlined in section 5.2 of this report, the heights and densities identified in the FDS are indicative and reflect the high level and strategic

[16] Objective 2, Policy 1 and Policy 2 of the NPSUD.

nature of the document. This is reflected in the following statement contained in the FDS Implementation Plan 2023[17]:

> *A plan change under the RMA Schedule 1 requires a more fine grain assessment of whether the adopted FDS sites are appropriate, effective and efficient, (including further investigations into when infrastructure services can be provided). This may result in fine tuning of the approximate boundaries of growth areas in the FDS. Plan changes under the RMA also require further work with ngā iwi and consultation with stakeholders and the community.*

128. Regarding the MDRZ extents of the DNP, these were largely informed by the Nelson Tasman FDS 2019 and applied to a reasonably expansive area (refer to Figure 4 below). There are similarities between the extent of the MDRZ in the DNP and that proposed in the additional zoning option and in that sense, the additional zoning option has a greater degree of alignment with the DNP than there was with the notified zoning. However, as noted above, the more detailed accessibility analysis undertaken by Mr Wallace has resulted in several recommended refinements to the MDRZ in PC29 in order to better give effect to Policy 5(a). This includes removing the MDRZ from Atawhai and the Brook in particular, and applying a different spatial pattern of MDRZ around the Stoke Centre. These amendments are appropriate in my view for the reasons I have provided in the section above.

[17] http://www.nelson.govt.nz/building-and-property/city-development/future-development-strategy/ (refer to page 12 of the Implementation Plan 2023).

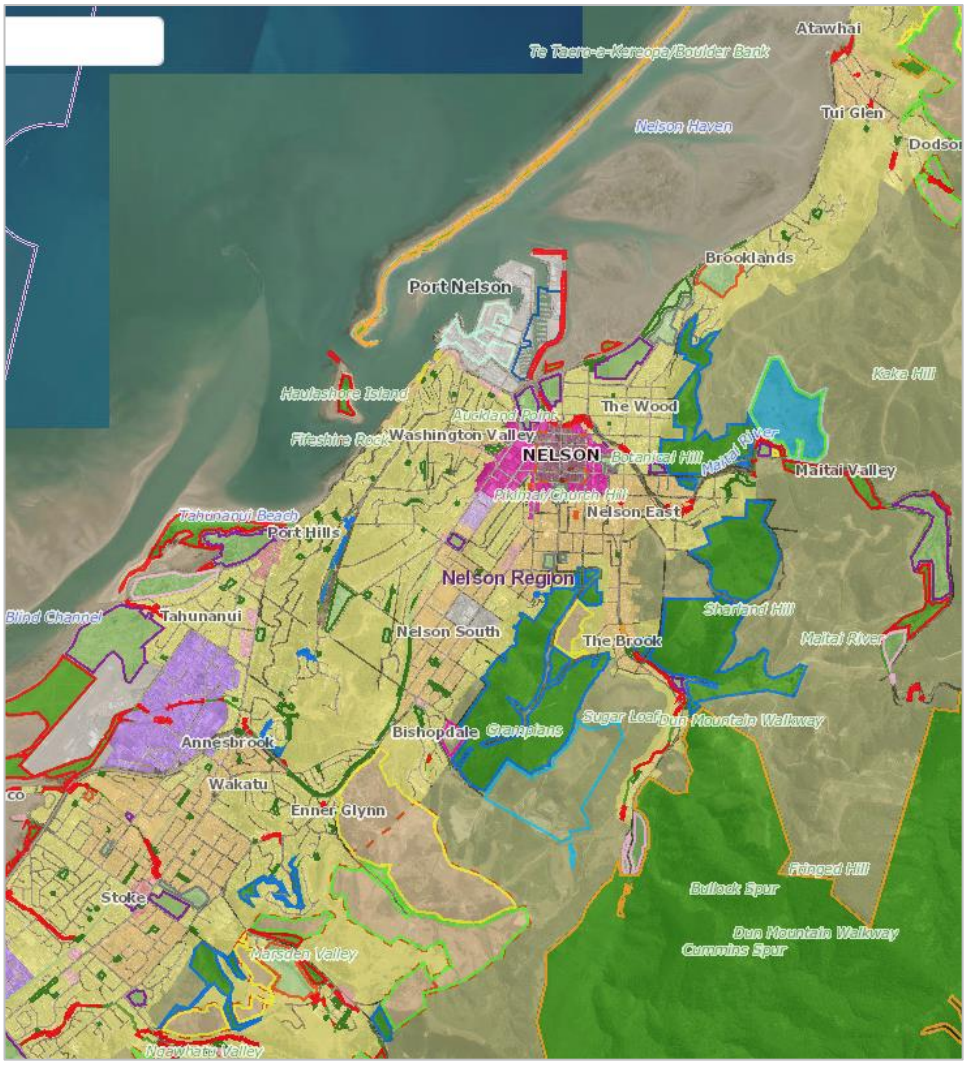


Figure 4: Showing the zoning proposed in the DNP (MDRZ is shown in orange).

129. Regarding the zoning aligning with public transport routes, I agree that there is merit in this approach, particularly given that NPSUD Policy 5(a) specifically references accessibility by public transport. The main public transport routes through Nelson are shown in the draft Regional Public Transport Plan 2024-2034[18]. The most frequent public transport routes (30 minute service daily) are Routes1-4 via Waimea Road, Main Road Stoke, Brook Street, Haven Road/Rocks Road, State Highway 6, Princes Drive and Murphy Street. Where multiple routes service the same stop along these routes, higher service frequencies at approximately 15-minute intervals are provided.

130. These public transport routes have been factored into the more detailed accessibility analysis undertaken by Mr Walace. Where the routes intersect with good accessibility to other services, including employment, centres, schools and open space they have been captured by the extent of the MDRZ and High Accessibility Overlay discussed in the section above. A number of these routes however traverse more challenging topography and/or are otherwise distant from other

[18] https://shape.nelson.govt.nz/connecting-nelson.

services that Policy 5 directs consideration of. I therefore do not support upzoning on the basis of public transport accessibility alone.

131. I also do not support a site specific/more fine grained approach to zoning to account for site conditions, topography, impacts on residents, aesthetics and sunlight access. Developing a zoning framework that caters for every possible eventuality or site-specific constraints would be overly complex. I support a broad-based approach to zoning consistent with the National Planning Standards. Assessment of site context, constraints, orientation and the like are more appropriately and efficiently addressed on a qualitative basis through a resource consent process for four or more dwellings on a site. This targets the assessment to larger scale development and ensures that smaller scale development can be subject to a simple and efficient permitted rule framework.

12.1.7 Character Areas

132. Several submission points requested changes to create a broader level of protection for neighbourhoods beyond heritage buildings and precincts, removing the HDRZ from the heritage precincts and undertake and apply the findings of a special character assessment for Nelson. Of these, several submitters conflated the issue of character with heritage. Heritage matters are addressed in the S42A Report - Heritage and Landscape and I address character matters below.

133. The operative NRMP does not contain specific 'character' or 'special character areas', however, it does apply the Lower Density overlay to several residential areas as indicated on Figure 5 below. Of the areas shown, only those in Stoke, Marsden Valley, and to the south of the Inner City zone at the northern foot of Grampians are subject to rezoning through PC29. The operative NRMP seeks to protect the open spacious and low density character of these areas (see Policy RE1.4 and explanation) through density standards (1 lot per 600m^2) and lower site coverage standards (30% maximum).

134. In the case of the area to the south of the Inner City zone, as set out in the section above, this area performs strongly in terms of accessibility, being located close to a wide range of services and amenities within and close to the City Centre. The area generally has topography favourable to walking and cycling, which also supports more efficient development, and is less constrained by natural hazards than other accessible parts of Nelson. In this context, in my view, greater weight should be given to enabling greater housing variety and choice in this accessible location (NPSUD Policy 1) as a means to promoting the long-term social well-being of the community and the efficient use of land (s7(b)), whilst still protecting historic heritage (s6(f)) rather than the maintenance and enhancement of existing amenity values (s7(c)).

135. Similarly, while the Lower Density areas in Stoke do not perform strongly in terms of accessibility, these areas have generally been more recently developed, including the area on Main Road Stoke, which is specifically recognised in the explanation at RE1.4.i. The Lower Density area in Marsden Valley is a greenfield area that could accommodate greater development subject to a structure plan and comprehensive subdivision design[19]. These areas

[19] See Schedule V Marsden Hills.

are proposed to be zoned GRZ, which generally enables 1-2 storey development. Development of this scale is likely to visually integrate well with the surrounding area.

136. For these reasons I support the notified approach of limiting intensification where it provides for the protection of specific buildings and areas with historic heritage values (s6(f)) rather than character (s7(c)) generally. With that said, I would consider any evidence put forward by submitters through the hearings process on this issue.

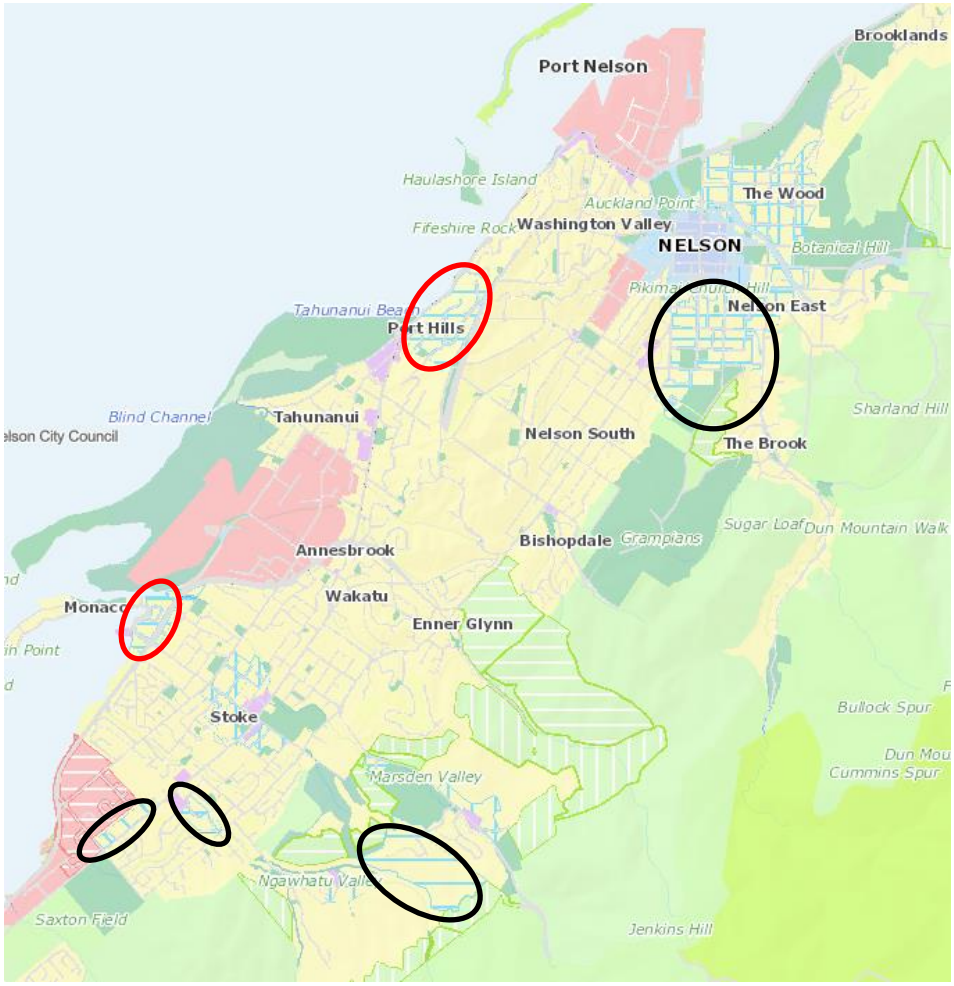


Figure 4: Showing the location of Lower Density Residential Zone areas under the operative NRMP (black areas show those proposed to be upzoned by PC29 and red areas show those proposed to retain their operative NRMP zoning).

12.1.8 Recommendations

137. In response to the matters raised in submissions and the further analysis undertaken, I recommend:

a) Deleting the notified HDRZ and replacing it with the MDRZ, and introducing a High Accessibility Overlay in the MDRZ within which high density development would be enabled on large sites;

b) Various amendments to the extent of the MDRZ, consistent with the additional zoning option described in the paragraphs above.

138. The spatial location of the zones associated with the additional zoning option are included at Appendix 2 of the S42A report - Residential and Subdivision, together with an analysis of the associated activities and development standards and recommended amendments.

139. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

12.1.9 Section 32AA evaluation

140. A section 32AA evaluation for the recommendations below is provided in the table at **Appendix 3**.

13.0 Other

13.1 General Climate Change Considerations

141. Various submitters sought greater recognition for climate change and climate change adaptation/responses in PC29. This includes:

a) Greater provision for 'sponge city' principles, including increased green space and pervious areas within development, rainwater reuse etc, urban forests and green roof initiatives;

b) Implementation of provisions that allow for decarbonisation of the building stock, including embodied and operational carbon in existing and proposed buildings;

c) Consideration of climate change effects on identified natural hazards and the potential need for retreat from flooding, land stability issues and sea level rise effects; review options for improvement/upgrading of hazard prone areas.

142. I address these matters in turn below.

143. Regarding requests for greater provision of 'sponge city' concepts in PC29, the proposed residential zones include requirements for a minimum permeable landscape area. Other provisions of PC29 are aimed at enabling and encouraging sustainable design outcomes, including provision for rainwater reuse tanks and green roofs. This matter is also addressed in the Evidence in Chief of Damian Valluppillai[20]. He outlines the various ways in which PC29 implements 'sponge city' concepts or water sensitive design including those I have just outlined. He also notes that the overall objective of PC29 to enable well designed intensification with green spaces is consistent with 'sponge city' concepts. He also notes that the Nelson Tasman Land Development Manual 2020 reflects water sensitive design principles as does the Council's stormwater strategies. For these reasons, I do not recommend further amendments to PC29 to implement 'sponge city' concepts.

144. Various submitters raised concerns about the need to decarbonise construction and building activities and the impact that intensification is likely to have on Nelson's carbon footprint. The Emissions Reduction Plan discussed in Section 8 of the report above, provides guidance on the ways in which PC29 can support reductions in greenhouse gas emissions. Chapter 7 outlines a range of actions and initiatives for planning and infrastructure. The Emissions Reduction Plan supports higher density buildings as means of lowering construction and operational emissions compared to stand alone dwellings. It also supports a low emissions urban form through more mixed use, medium and high density development close to urban centres[21]. PC29 supports these outcomes at a strategic level.

145. The Emissions Reduction Plan is relatively silent on methods to lower the emissions profile of new buildings, other than to note a key initiative under Action 7.4 to improve the evidence base for what can reduce urban greenhouse gas emissions in Aotearoa. Further evidence and

[20] Refer to paragraphs 29-34 of Mr Valluppillai's Evidence in Chief.
[21] Refer to the discussion on page 129 of the Emissions Reduction Plan.

guidance from central Government on this matter would assist in formulating any District Plan level response at the local level. However, with respect to specifications for the use of specific low-carbon building materials, in my view, this would be better addressed through the Building Act 2004, which sets building performance standards, noting that promoting sustainable development is part of its purpose (refer s3(a)(iv)). For these reasons, I do not recommend further amendments to PC29 to address decarbonisation issues.

146. Several submitters sought greater consideration of climate change effects on identified natural hazards and the potential need for retreat from flooding. As outlined in section 4 above, best practice climate change scenarios have been embedded in the natural hazards modelling and analysis undertaken to inform PC29. On the basis of this information, PC29 has excluded land at Tāhunanui (to the west of Tāhunanui Drive) and the Wood from upzoning given that these areas are subject to coastal inundation due to sea level rise. Climate change adaptation planning for these areas is being progressed by the Council separately and Plan Changes to the NRMP will be progressed subsequently if relevant and necessary. For these reasons, I do not recommend further amendments to PC29 to address these matters.

13.1.1 Section 32AA evaluation

147. No change to the provisions is recommended at this stage to address the above issues. On this basis, no evaluation under Section 32AA is required.

13.1.2 Recommendations

148. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

13.2 Plan Change Process & Neighbourhood Plans

13.2.1 Plan Change Process

149. Various submitters raised concerns and sought changes to the process for notifying and progressing PC29. This included requests to amend the submission period, make the information more digestible and amend the make-up of the Hearings Panel. The Council responded to these matters at the time by extending the primary and further submission period, providing more information and events, and expanding the Hearings Panel to include an additional independent commissioner.

150. Submitters also sought that the Council withdraw PC29 and renotify an amended version. This related to requests to undertake detailed Neighbourhood Plans prior to upzoning occurring discussed at 13.4.2 below.

151. Section 5 of the report above outlines the process for PC29, including the extended submission period and the parties consulted. This illustrates that the process for PC29 meets the requirements of the RMA.

13.2.2 Neighbourhood Plans

152. Various submitters sought that the Council take a more spatial and local approach to developing PC29, through the development of Neighbourhood Plans or a similar planning mechanism. Submitters requested that this exercise be carried out first on a neighbourhood-by-neighbourhood basis in consultation / collaboration with the local community, with rezoning through a plan change following after.

153. The concept of Neighbourhood Plans is set out in the FDS, which describes the potential process and scope as follows:

> *Within intensification areas, neighbourhood planning is primarily a tool for refining the land use and density patterns and determining the infrastructure needed to support the increased housing and commercial densities proposed. It will explore whether existing open spaces, transport connections, amenities and other infrastructure are fit for purpose, and evaluate whether improvements are needed. Because intensification within existing urban areas occurs slowly over time, neighbourhood planning can happen at the same time, or after, land is zoned for intensification.*

154. I agree with the submitters that undertaking Neighbourhood Plans prior to rezoning is an ideal planning approach as it provides the opportunity to work alongside communities to properly integrate land use and infrastructure solutions at the local level. However, the NPSUD sets specific timeframes for when the Council was required to notify its housing Plan Change to implement Policy 5, which limited the ability to follow this approach, and I consider there are benefits in taking a city-wide approach to rezoning to ensure a consistent and integrated planning response. Neighbourhood Plans can be effectively prepared and implemented following rezoning occurring and there are many examples of this occurring throughout New Zealand. I note that the FDS Implementation Plan states that the Council will undertake neighbourhood plans for priority intensification areas commencing from 2024[22].

155. For these reasons, I do not recommend any changes to the PC29 process to require Neighbourhood Plans to be undertaken ahead of PC29 progressing.

13.2.3 Section 32AA evaluation

156. No change to the provisions is recommended at this stage to address the above issues. On this basis, no evaluation under Section 32AA is required.

13.2.4 Recommendations

157. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

[22] Refer to the actions listed on Page 4 of the FDS Implementation Plan 2023.

13.3 Social housing

158. Various submitters raised issues with social housing and Kāinga Ora. This included requests for the Council to work closely with Kāinga Ora to provide a transparent way of creating new social housing developments that fit with the long-term design vision of Nelson. Other submitters expressed support for the pepper potting approach to social housing provision, while others requested that social housing be mandated to provide a mix of one, two and three bedrooms apartments within their developments.

159. Kāinga Ora operates under the Kāinga Ora – Homes and Communities Act 2019 and part of its purpose is to provide rental housing, principally for those who need it most and to provide appropriate accommodation, including housing, for community organisations (s13). The Nelson Tasman Housing Trust is also a local community housing provider with a large portfolio of affordable rental accommodation.

160. In my view, it is not efficient or effective to regulate the location, form and density of social/affordable housing through the district plan. Enabling a variety of homes at different price points is a key NPSUD directive (Policy 1) that PC29 seeks to give effect to. In the event that social/behavioural issues arise, as with any form of housing, these are managed through other methods and legislation, including the Residential Tenancies Act 1986 for example (see s55A).

161. I do not recommend any changes to PC29 in response to submission points on social housing.

13.3.1 Recommendations

162. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

13.3.2 Section 32AA evaluation

163. No change to the provisions is recommended at this stage to address the above issues. On this basis, no evaluation under Section 32AA is required

13.4 General urban design

164. Various submitters requested amendments to PC29 to improve the quality of urban design. Requests included:

a) Greater use of Design Guides;

b) Use of an Urban Design Panel and more input from architects and designers in general through the resource consent process;

c) Establish an Urban Development Agency.

165. I briefly address these matters below.

166. I support the use of non-statutory Design Guides as one way of improving design outcomes. Design Guidelines are typically detailed documents that provide worked examples of quality design outcomes. Due to their typical length and detail, it is more efficient in my view to use this

as a tool to inform applicants and developers about expected outcomes. In my experience, this works effectively when there are clear and obvious links between the matters of discretion for multi-unit development and the matters canvassed in any Design Guides. This matter is addressed in more detail in the Residential and Subdivision S42A report.

167. Nelson City Council and Tasman District Council have an established Urban Design Panel. This process is available to all developers who have projects with urban design significance, and they are invited and encouraged to contact the relevant Council to seek advice from the Panel well before applying for resource consent or finalising the design[23]. In terms of urban design review/input to resource consent applications, I agree this will be important once PC29 is operative, and this is a resourcing matter that the Council can address in the near-future. I do not support introducing rules to PC29 that require an Urban Design Panel review. In my view this is unnecessary and inefficient, as not all proposals would benefit from this process if the urban design matters can be successfully resolved between the applicant and Council officers.

168. Multiple submitters requested that the Council establish an Urban Development Agency as a means of progressing spatial/neighbourhood plans and implementing the outcomes through the NRMP and other mechanisms. The Joint Committee of Tasman District and Nelson City Council considered this matter at a meeting on 12 March 2024[24]. Council officers investigated the merits of establishing an Urban Development Agency and reported on its findings to the Joint Committee. The report concluded that given the findings of the investigation, no further work is planned by either Council to establish a joint urban development entity. This report was received by the Joint Committee and I am not aware of any work Council is progressing on this matter. This is also a process that sits outside of the NRMP. For these reasons, I do not recommend any amendments to PC29 in response to this matter.

13.4.1 Section 32AA evaluation

169. No change to the provisions is recommended at this stage to address the above issues. On this basis, no evaluation under Section 32AA is required.

13.4.2 Recommendations

170. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

13.5 Other methods for increasing housing density & diversity

171. Multiple submitters put forward a range of other methods/options for supporting an increase in the density and diversity of housing in Nelson. These included:

a) Considering options to mitigate against new build holiday homes and incentivise redevelopment of empty Council and privately owned properties;

[23] http://www.nelson.govt.nz/building-and-property/property-land-use/property-ownership/urban-design/
[24] http://meetings.nelson.govt.nz/

b) More directly require intensification to occur e.g. through ring-fencing, setting minimum density requirements in greenfield areas; prioritising development in greenfield areas over intensification.

172. I briefly address these matters below.

173. Regarding the requests to make more efficient use of empty/ unoccupied homes, I refer to the household dwelling patterns analysis included in the Nelson HBA 2024 (see Table 2-7 on page 131). Based on 2018 census data, this shows that of all dwellings in Nelson approximately 94% are occupied compared with a national average of 89%. I understand that the recently released 2023 census data cover these metrics and future releases will provide insight about any changes in these percentages. This information suggests that the rate of unoccupied dwellings in Nelson is low compared to the national average and does not indicate that there is a significant resource management issue that needs addressing. I also note that holiday homes are a particular type of housing and form part of the housing demand for Nelson, which PC29 seeks to respond to through increasing development capacity. For these reasons, I do not recommend any changes to PC29 to respond to this issue.

174. Multiple submitters sought to amend PC29 to more directly require intensification, including on empty/under-utilised sites or in greenfield areas. The inference is that in doing this, it would reduce the need for broad rezoning as proposed through PC29. Mr McIlrath has addressed this matter in the context of requests to specify minimum heights in greenfield areas[25]. In that instance, Mr McIlrath points out several economic costs, including unintended consequences such as larger dwelling sizes (and higher house prices) rather than density. Regarding redevelopment of vacant or under-utilised sites, there is no mechanism that I am aware of that could compel a landowner to develop if they do not wish to. A decision to re-develop rests with landowners and once this decision is made then the NRMP provides the framework within which that can occur.

175. I do not support amending PC29 to introduce minimum density rules or targets. This approach would limit the ability of landowners and developers to respond to the context of a particular site and meet the needs of the market at any given time. A more efficient approach in my view is to enable and encourage an increase in density though zoning and other methods outside of the NRMP. This provides flexibility for the market to deliver a range of houses that responds to housing needs in a particular area at any given time. Further, requiring minimum densities that are beyond what the market may reasonably deliver may act as a disincentive for development to occur, which may negatively impact housing supply and affordability. Equally, requiring minimum densities at or below what the market may reasonably deliver would be unnecessary and inefficient. Regarding intensification in greenfield locations, in my view, this would be contrary to Objective 1/Policy 1/Policy 5 of the NPSUD which seeks to enable more people to live in areas in or near to centres and employment. For these reasons, I do not recommend any changes to PC29 to more directly require intensification to occur at a certain rate or in specific locations.

[25] Refer to paragraphs 9.36-9.38 of Mr McIlrath's Evidence in Chief.

13.5.1 Section 32AA evaluation

176. No change to the provisions is recommended at this stage to address the above issues. On this basis, no evaluation under Section 32AA is required.

13.5.2 Recommendations

177. The submission points that I recommended are accepted/accepted in part/rejected in relation to this topic are included at **Appendix 1** to this report.

13.6 Social Impact Assessment

178. Several submitters have requested that a Social Impact Assessment (SIA) is undertaken to understand the impact of PC29 on communities. Te Whatu Ora (S709) in particular has requested that a SIA is carried out to understand the implications of six storey development on the health and well-being of current and future generations. I have reviewed the Social Impact Assessment Guidelines referenced in the Te Whatu Ora submission[26]. These guidelines set out a recommended process for preparing SIAs and outline their overall purpose with reference to examples. I understand that SIAs are typically prepared by experts with a broad social science background/training.

179. A SIA has not been prepared for PC29 given the broad ranging nature of the amendments and its intent to implement the requirements of the NPSUD, which are reasonably directive. With that said, the over-arching purpose of the RMA is in part to enable communities to provide for their social well-being. As such, the Section 32 report and the s42A reports address the actual and potential effects on social well-being both at a strategic and detailed level. This includes consideration of social well-being and impacts in the range of options available to achieve the objectives that the officers have examined. In my view, this planning focussed assessment is sufficient and appropriate and I do not consider that a specific Social Impact Assessment for PC29 is required.

13.7 Regional Policy Statement

180. Rob Greenway (S83) has requested a review and update of the Nelson Regional Policy Statement. He states that the RPS is light on providing guidance on urban intensification. He also references the actions contained in the FDS regarding necessary updates to the RPS to reflect the FDS outcomes.

181. PC29 does not propose to amend the RPS.

182. I acknowledge that the FDS sets out as an action the need to align the Nelson and Tasman Regional Policy Statements with the FDS and I consider that this should be progressed through a separate process. However, as PC29 does not propose to amend the RPS, the requirement

[26] https://www.buildingbetter.nz/toolkit/social-impact-assessment-guidelines-for-thriving-regions-and-communities/.

under the RMA (s75(3)) is to ensure that PC29 gives effect to the RPS. For the reasons I set out in section 8.4 of the report above, I consider that it does.

14.0 Conclusion

183. This report has provided an assessment of submissions received on PC29 as they relates to the key strategic matters that the plan change seeks to address, The primary amendments to PC29 that I address in this report relate to the nature and extent of the proposed residential zones.

184. On the basis of the evidence and analysis undertaken in response to submissions I recommend the following changes to the overall zoning strategy for PC29:

a) Delete the HDRZ and generally replace it with:

i) the MDRZ in the areas surrounding the Inner City/City Fringe and Stoke Centre, Nelson South and Washington Valley;

ii) the GRZ in Tāhunanui and the Hampden Terrace block.

b) Introduce a new High Accessibility Overlay and apply it to the most accessible parts of Nelson around the Inner City/City Fringe, Stoke Centre and Nelson South. Within this overlay, enable high density development on larger sites (greater than 1,000m^2 / 24m in width) subject to a restricted discretionary (non-notified) resource consent process provided standards are complied with.

c) Reduce the extent of MDRZ and apply the GRZ in Tāhunanui, Atawhai, the Brook, Mount Street, Washington Valley, and some of the outer areas around Stoke.

185. The recommended amended zoning maps are included at Appendix 2 to the S42A report - Residential and Subdivision, together with an assessment of the recommended amendments to the provisions that seek to implement this revised zoning strategy.

186. I consider that the amended provisions will be efficient and effective in achieving the purpose of the RMA, the relevant objectives of the NRMP and other relevant statutory documents, for the reasons set out in the Section 32AA evaluation undertaken.