

**Proposed Plan Change I: Increasing
housing supply and choice**

Section 32 Evaluation Report



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Contents

Executive Summary	1
PART I: OVERVIEW	1
1 Introduction	1
1.1 Purpose and structure of Section 32 Evaluation Report	1
1.2 Scope of PC:I	2
1.3 Spatial extent of PC:I.....	3
1.4 Application of Residential Zone rules to the MRZ	5
2 Overview of Plan Change I	7
PART II: SECTION 32 EVALUATION	8
3 Consultation and Engagement	8
3.1 Tanenuiarangi Manawatū Incorporated	8
3.1.1 Clause 4A feedback.....	8
3.2 Key Stakeholders	8
3.3 Community consultation	14
3.4 Development sector	15
4 Regulatory and Policy Context	18
4.1 Resource Management Act 1991	18
4.1.1 Part 2 (sections 5, 6, 7 and 8)	18
4.1.2 Sections 73 and 74	20
4.2 National direction.....	23
4.2.1 National Policy Statements	23
4.2.2 National Planning Standards	25
4.2.3 National Environmental Standards	25
4.3 Regional Policy Context	26
4.3.1 Manawatū-Whanganui One Plan.....	26
4.3.2 Regional Land Transport Plan	26
4.4 Relevant PNCC strategies & plans	27
4.5 Rangitāne o Manawatū Environmental Management Plan	31
5 Resource management context and issues	35
5.1 Meeting demand for housing.....	35
5.1.1 Operative District Plan provisions	36
5.1.2 Effectiveness of operative MUH provisions.....	39
5.1.3 Providing for non-residential activities to support intensification	40
5.2 Issues of relevance for Rangitāne o Manawatū	40
5.3 Stormwater management - quality and quantity	42

5.3.1	Managing stormwater quality	42
5.3.2	Managing stormwater quantity	42
5.4	Responding to climate change	43
5.5	Relevant resource management issues	45
6	Overview of proposals	48
6.1	Overview	48
6.2	Proposed provisions.....	48
6.2.1	Objectives	48
6.2.2	Policies	48
6.2.3	Rules	49
6.2.4	Standards	50
7	Scale and significance	52
7.1	Scale and Significance.....	52
8	Evaluation of proposed objectives	55
9	Evaluation of options to achieve objectives.....	66
9.1	Section 10A – Medium Density Residential Zone	66
9.2	Section 7 – Subdivision	66
9.3	Activity status for development in the Stormwater Overlay	67
10	Conclusion	83
Appendix A.	Medium Density Residential Zone extent.....	85
Appendix B.	Response to feedback from Tanenuiarangi Manawatū Incorporated	86
Appendix C.	National direction - relevant objectives and policies.....	92
Appendix D.	Horizons One Plan – relevant RPS objectives and policies	97

Figures

Figure 1: Medium Density Residential zone spatial extent.....	4
Figure 2: Three sites proposed for rezoning.....	4
Figure 3: Extent of Stormwater Overlay	5
Figure 4: Properties within the MRZ to which the Air Noise rules apply.....	6
Figure 5: Properties within the MRZ to which the Awatea Stream and Jensen Street Ponding Area rules apply	6

Tables

Table 1: Overview of Plan Change I - summary of proposed amendments	7
Table 2: Planning issues and responses	9

Table 3: Additional feedback	12
Table 4: Feedback from Transpower, Powerco and	13
Table 5: Relevant ss 6 and 7 matters	18
Table 6: Relevant PNCC strategies and plans	27
Table 7: Relevant provisions from the Rangitāne o Manawatū EMP	31
Table 8: Predicted demand for housing	35
Table 9: Approach to MUH in the ODP	36
Table 10: Rangitāne o Manawatū aspirations for future urban development	40
Table 11: Projected changes in climatic variables between 1986–2005 (1995), 2031–2050 (2040) and 2081–2100 (2090) for the Manawatū-Whanganui (Whanganui) region	43
Table 12: Resource management issues	45
Table 13: Assessment of scale and significance	52
Table 14: Evaluation of objectives MRZ-O1, MRZ-O2, MRZ-O3, MRZ-O4, MRZ-O5 and MRZ-O6	56
Table 15: Evaluation of Section 7B - Subdivision in the MRZ.....	61
Table 16: Analysis of options – Medium Density Residential Zone.....	68
Table 17: Analysis of options - Subdivision in the MRZ.....	80

Executive Summary

Palmerston North's strong population growth in recent times is projected to continue for many years. PNCC needs to take steps to ensure sufficient housing capacity is available to meet the growth needs of the community.

The ODP provisions are not achieving an increase in housing supply and choice in Palmerston North, using land efficiently, or providing for the City's ongoing high rate of population growth. A different approach is required to enable the mix of attached and detached dwellings and low-rise apartments at higher densities. The built form, appearance and amenity of the MRZ will change over time as housing supply and choice increases and those living within the MRZ are able to provide for their social, economic and cultural wellbeing. This gives effect to the higher order direction in the NPS-UD and the One Plan.

The plan change was developed in partnership with Rangitāne o Manawatū, and the provisions will support the physical and spiritual health of Māori whānau, enabling them to practice their culture and provide for their tikanga. This includes providing safe access to the landscapes and urban waterways valued by their tīpuna, enabling the development of papakāinga and recognising and celebrating cultural connections with te taiao and Rangitāne whakapapa through urban design.

The extent of the MRZ is informed by connectivity to the city's public transport, walking and cycling networks. This facilitates mode shift from private vehicles to public or active modes of transport and supports access to a range of housing, jobs, community services, natural spaces and public open space.

PC:I will support meeting the Council's strategic objective of a compact and connected urban form. Development within the MRZ is expected to incorporate the principles of good urban design, manage the potential effects of intensification and contribute to streetscape character, public safety and visual amenity.

The MRZ will provide for a range of compatible non-residential uses that support the needs of local communities, where these do not undermine the city's existing business zone hierarchy.

Development within the Medium Density Residential Zone must manage the effects of residential intensification on the health, well-being and mauri of water bodies and freshwater, including by reducing contaminants from building materials, managing stormwater, reducing flood risk and incorporating *water sensitive design* methods into development design.

Palmerston North's climate is changing – in the future the city will be warmer and drier, and rainfall events will be more intense. Denser residential development, which is connected to active and public transport, and energy efficient housing, which optimises solar access, provides shade, manages on-site stormwater and incorporates appropriate landscaping, will help reduce greenhouse gas emissions and create resilient housing and communities.

PC:I has been evaluated under the requirements of Section 32 of the RMA and it is considered to be the best available means to achieve the objectives and the sustainable management purpose of the RMA.

PART I: OVERVIEW

1 Introduction

1.1 Purpose and structure of Section 32 Evaluation Report

Palmerston North City Council (PNCC or the Council) has prepared Proposed Plan Change I – Increasing housing supply and choice (PC:I) - to the Operative District Plan (ODP) for notification under the Resource Management Act 1991 (RMA or the Act).

For any plan change to the District Plan, PNCC is required to prepare an evaluation in accordance with section 32 of the RMA. A section 32 evaluation must:

- evaluate whether objectives of a proposal are the most appropriate way to achieve the purpose of the Act (sustainable management of natural and physical resources),
- examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by identifying other reasonably practicable options for achieving the objectives and assessing the efficiency and effectiveness of policies, rules, and other methods in considering whether they are the most appropriate means of achieving these objectives,
- summarise the reasons for deciding on the provisions,
- contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal, and
- consider the benefits and costs associated with each policy, rule, or method and the risk of acting or not acting if there is uncertain or insufficient information on the subject matter.

This section 32 (s32) evaluation report has been prepared to accompany PC:I. It summarises the evaluation of alternatives, costs and benefits undertaken by the Council with respect to the proposed District Plan provisions. This report contains a level of detail which corresponds to the scale and significance of the environmental, social, economic and cultural effects anticipated from implementation of PC:I.

It is not possible to quantify many of the costs and benefits associated with the PC:I provisions. Much of the evaluation, therefore, is qualitative, informed by the statutory context, resource management issues and technical advice.

1.2 Scope of PC:I

Palmerston North is experiencing strong population growth. The most recent population growth estimates in the 2024 Future Development Strategy (FDS)¹ predict that the population increase from ~94,500 people (2023) to ~117,700 people by 2054 – a change of nearly 25%. More people living in Palmerston North means a need for more housing. Over the next 30 years, an additional 9,884 homes are required to support the growing population².

PC:I responds to the Council's obligations under the NPS-UD to enable greater density, housing choice, and supply, make planning decisions that contribute to well-functioning urban environments and take into account the urban development values and aspirations of Rangitāne o Manawatū (Rangitāne or RoM) as articulated in FDS³.

The primary purpose of PC:I is to enable medium density housing by rezoning part of the Residential zone to create a Medium Density Residential zone in those parts of the city which

- Have good accessibility between housing, jobs, education, neighbourhood centres, community services, natural spaces, open spaces, public transport and active transport;
- Support a range of densities and forms in the plan change area with a good level of both onsite and offsite amenity and safety outcomes;
- Support reductions in greenhouse gas emissions and are resilient to the likely current and future effects of climate change;
- Mitigate increased stormwater discharges as a result of intensification;
- Mitigate the effects of medium density residential development on adjoining properties and sites of significance;
- Respond to the surrounding environment's land uses and site constraints, in particular those areas that abut significant infrastructure or have infrastructure and natural hazard constraints that need to be addressed.

Enabling medium density housing means enabling the construction of different types of houses (stand-alone, terraced housing and apartments) to provide a wider variety of housing sizes (1, 2 and 3-bed+) and tenures across a broader range of property sizes. This is consistent with Council's projections for infill development identified as part of the HBA completed in 2023 (and updated in March 2024⁴).

PC:I is not a full plan review. The plan change will enable medium density housing across those parts of the city which are not impacted by existing stormwater constraints and

¹ pncc.govt.nz/files/assets/public/v/4/documents/council/plans/future-development-strategy-2024-resized.pdf

² 2023 Housing and Business Needs Assessment

³ [future-development-strategy-2024.pdf \(pncc.govt.nz\)](https://pncc.govt.nz/files/assets/public/v/2/documents/council/research/urban-development-capacity/housing-and-business-development-capacity/housing-and-business-development-capacity-2023-amended-2024.pdf)

⁴ pncc.govt.nz/files/assets/public/v/2/documents/council/research/urban-development-capacity/housing-and-business-development-capacity/housing-and-business-development-capacity-2023-amended-2024.pdf

provide for medium density housing across those parts of the city where site-specific mitigation for flooding and stormwater is likely to be required.

The scope of the plan change excludes:

- Zoning new greenfield growth areas outside the existing Residential zone.
- Enabling as a permitted activity residential intensification in those parts of the existing Residential zone which are currently impacted by flooding, stormwater capacity and management constraints.
- A review of engineering standards applicable to new development (Engineering Standards for Land Development).
- Amendments to give effect to the National Policy Statement for Indigenous Biodiversity Part 3, subpart 2 and Clause 3.24 (in relation to Significant Natural Areas).

1.3 Spatial extent of PC:I

PC:I will result in the rezoning of approximately 815m² of land in the Palmerston North city urban area to enable additional housing capacity and choice through the development of medium density housing through infill. Infill occurs through either adding one or more homes to an existing property or removing an existing home and redeveloping the site with a greater number of homes. PC:I provides a feasible development capacity of 1,512 residential dwellings⁵. The MRZ spatial extent is shown in Figure 1 and a larger version of the MRZ extent is depicted in the map within **Appendix A**.

The proposed zone extent largely contains existing residential dwellings and accessory buildings or vacant residential zoned sites. There are three non-residential sites which are also included in the MRZ as shown in Figure 2 (the Rezoning report provided as part of the evidence base for this s32 evaluation includes an assessment of each site):

- 17 Summerhays Street – zoned part recreation and part residential in the District Plan
- Huia Street reserve – corner of Fitzherbert Avenue and Park Road – zoned recreation in the District Plan
- 216-218 Ferguson Street – zoned Local Business in the District Plan

PC:I would result in the introduction of a Stormwater Overlay to the District Plan. This overlay, which covers approximately 75% of the MRZ, would trigger a requirement for a resource consent, to enable a site-specific assessment of the potential effects of flooding. The extent of the Stormwater Overlay is shown on Figure 3.

⁵ As set out in the Development Capacity Assessment, October 2024.

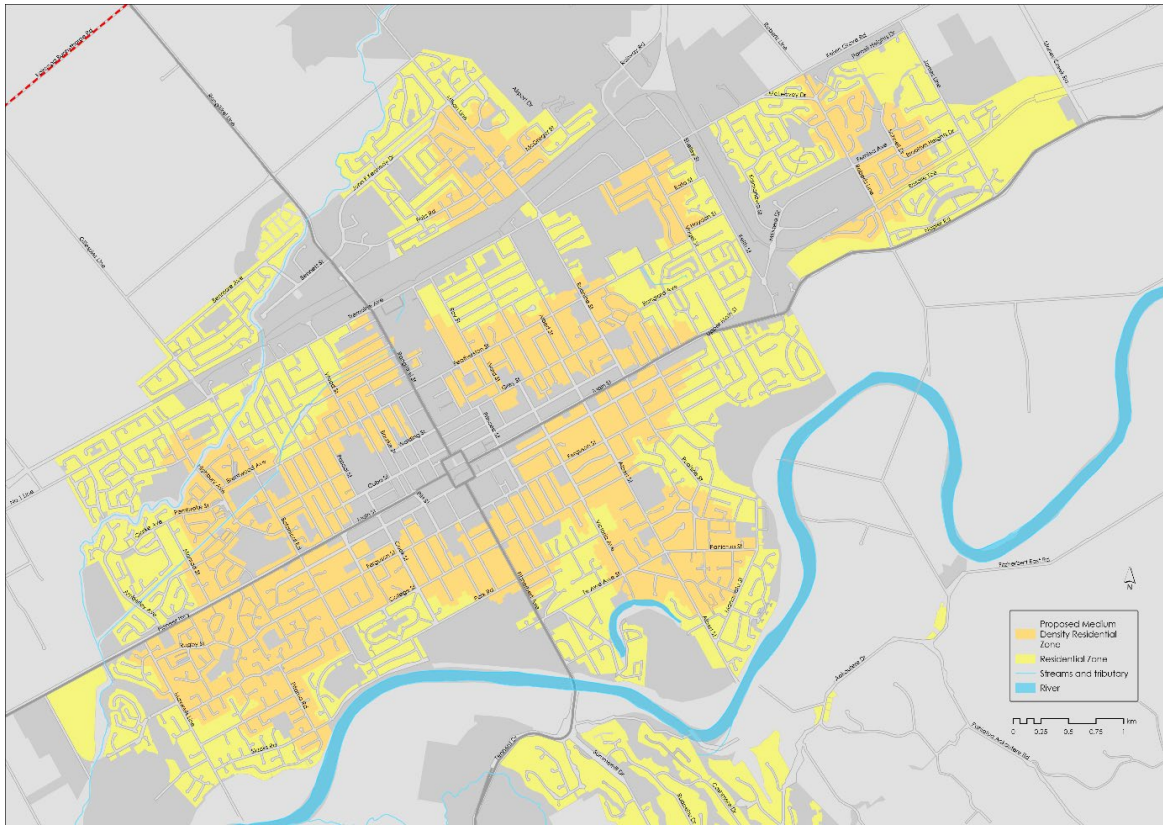


Figure 1: Medium Density Residential zone spatial extent

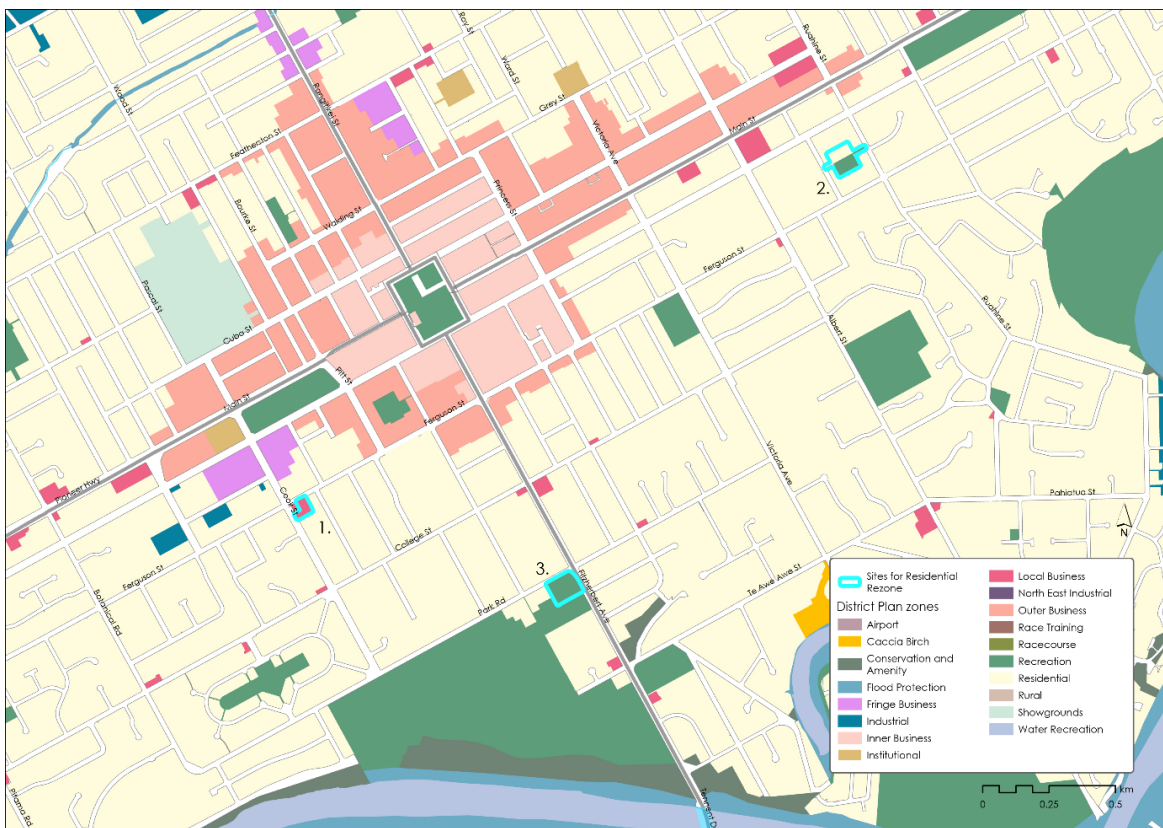


Figure 2: Three sites proposed for rezoning

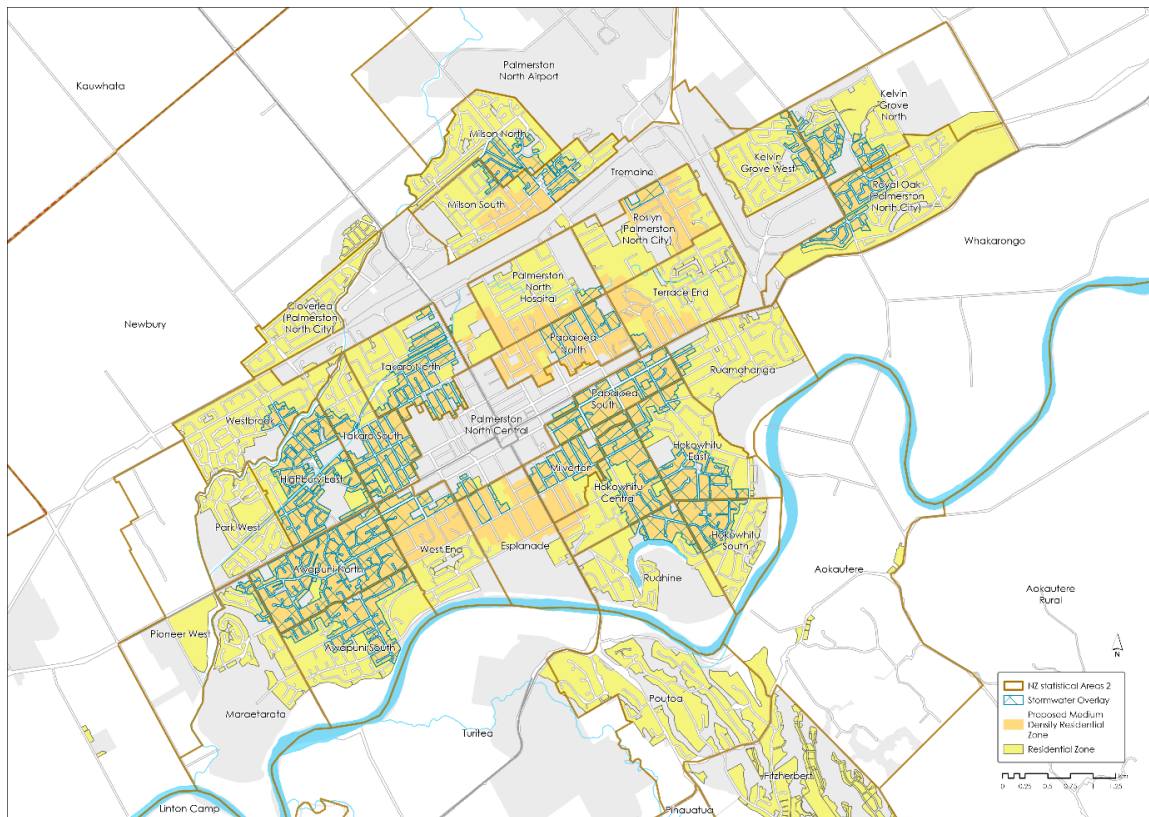


Figure 3: Extent of Stormwater Overlay

1.4 Application of Residential Zone rules to the MRZ

A number of rules in the Residential Zone of the District Plan will also apply in the MRZ. This is to ensure a consistent approach to managing the issues to which these rules apply:

- Development within the Air Noise, Inner Noise and Outer Noise Zone – these rules would apply to the properties identified in Figure 4.
- Development within the Awatea Stream and Jensen Street Ponding Areas – these rules would apply to the properties identified in Figure 5.
- Construction, development, maintenance or replacement of flood protection works by Manawatū Whanganui Regional Council.
- Temporary Military Training Activities.

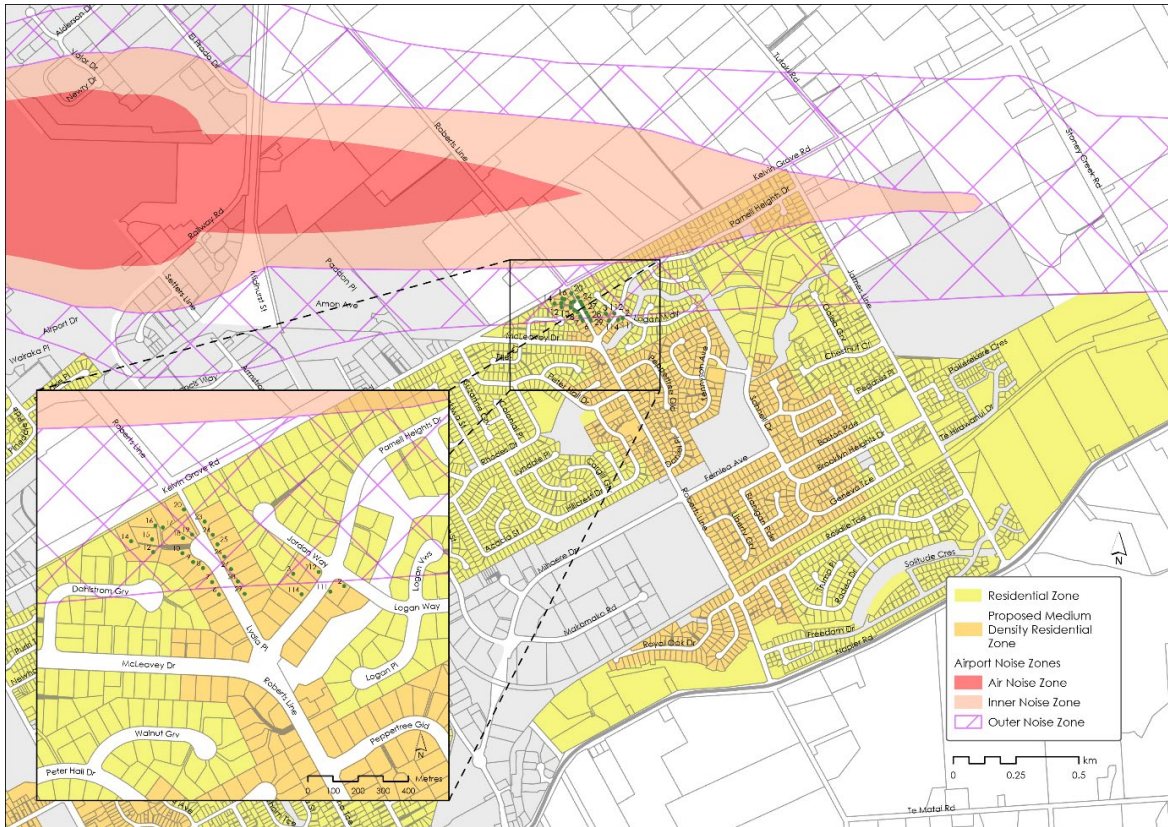


Figure 4: Properties within the MRZ to which the Air Noise rules apply

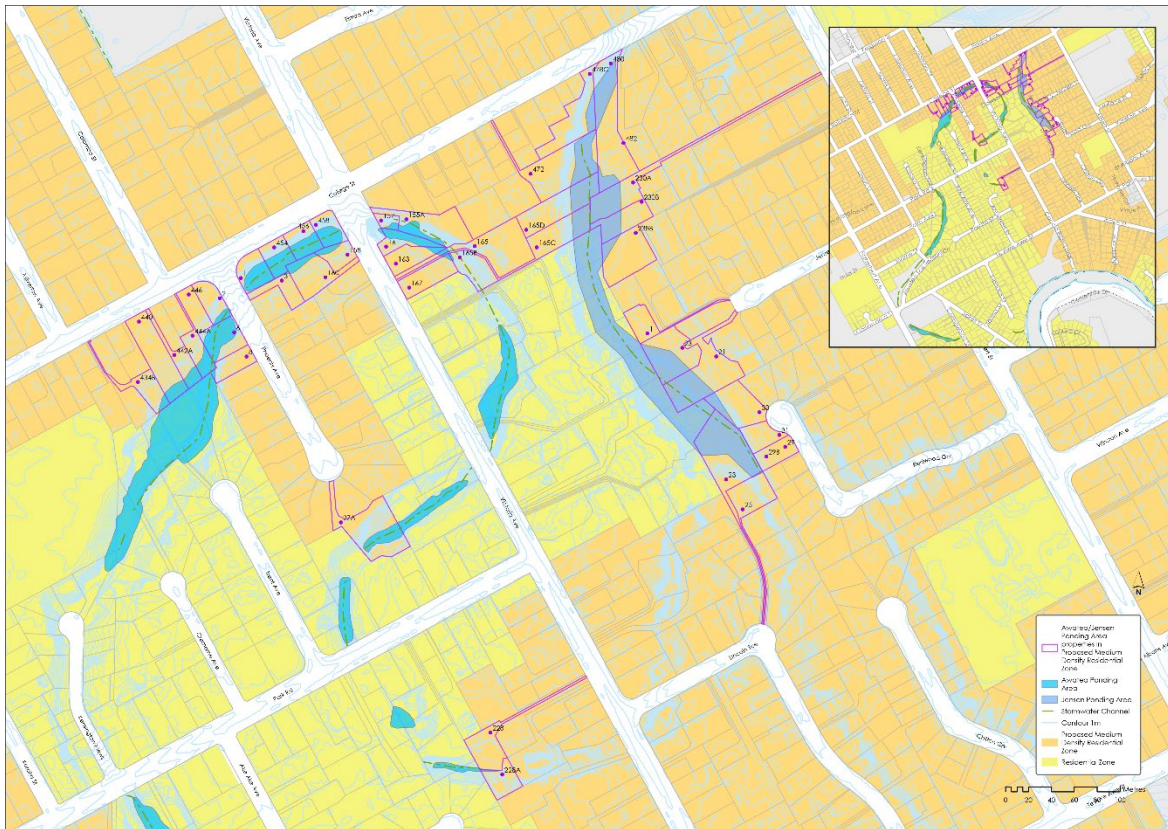


Figure 5: Properties within the MRZ to which the Awatea Stream and Jensen Street Ponding Area rules apply

2 Overview of Plan Change I

Table 1 provides an overview of PC:I and a summary of proposed amendments to the Palmerston North City District Plan (District Plan). The detailed amendments are included in a suite of supporting documents to this evaluation report:

- Proposed new Section 10A – Medium Density Residential Zone
- Proposed new Section 7B – Subdivision in the Medium Density Residential Zone
- Proposed new Section 4A – Definitions applying to the Medium Density Residential Zone
- Consequential changes report

Table 1: Overview of Plan Change I - summary of proposed amendments

Topic and District Plan chapter	Summary of Amendments
Section 4A - Definitions	Introduce definitions required by the National Planning Standards, which apply to the Medium Density Residential Zone.
Section 7B – Subdivision in the Medium Density Residential Zone	Provide for subdivision of sites for medium density housing including attached housing, apartments and semi-detached housing.
Section 10A – Medium Density Residential Zone	New chapter with objectives, policies and methods to enable medium density housing and objectives, policies and methods to provide for compatible non-residential activity within the MRZ.
Maps	Amend zoning maps to reflect the changes to zoning. The changes see land currently zoned Residential in the existing Palmerston North urban area rezoned to Medium Density Residential. One property currently zoned Local Business Zone and two properties currently zoned Recreation are also proposed for rezoning to MRZ ⁶ .
Consequential amendments	A variety of amendments to the ODP provisions to support introduction of the MRZ, including amendments to Chapter 10 to delete maps 10.6.3.3(a) – (d), amendments to definitions, and changes to provisions across the ODP to include appropriate references to the MRZ.

⁶ See Rezoning Report, October 2024

PART II: SECTION 32 EVALUATION

3 Consultation and Engagement

The Council consulted throughout development of the plan change with Rangitāne o Manawatū (RoM) (and Tanenuiarangi Manawatū Incorporated (TMI) as Rangitāne's mandated iwi authority), Kāinga Ora, residential developers in the private and community housing sector, the wider community, and key agencies/stakeholders.

3.1 Tanenuiarangi Manawatū Incorporated

Section 32(4A) requires evaluation reports prepared in relation to a proposed plan to include a summary of:

- All advice received from iwi authorities concerning the proposal; and
- The response to that advice, including any proposed provisions intended to give effect to the advice.

3.1.1 Clause 4A feedback

Under Clause 4A of Schedule 1 of the RMA, PNCC is required to:

- Prior to notification of PC:I, provide a copy of the draft plan change to Tanenuiarangi Manawatū Incorporated (TMI), as an iwi authority previously consulted under Clause 3 of Schedule 1,
- Allow adequate time and opportunity for TMI to consider the draft and provide advice, and
- Have particular regard to any advice received before notifying PC:I.

PC:I has been developed in partnership with Rangitāne and their feedback influenced and has been reflected in the proposed provisions. TMI's feedback is included in the suite of supporting documents to this evaluation report, whilst the Council's response is provided in **Appendix B**.

3.2 Key Stakeholders

The Council consulted with the following Schedule 1, Clause 3 stakeholders during preparation of PC:I. Table 2 summarises the responses.

- Ministry for the Environment
- Ministry of Education
- Department of Internal Affairs – Three waters
- Kāinga Ora – Homes and Communities

- New Zealand Transport Agency Waka Kotahi
- Horizons Regional Council
- Tararua, Manawatū, Horowhenua and Rangitikei district councils
- KiwiRail Holdings Limited
- Fire and Emergency New Zealand
- Transpower Limited
- Powerco Limited
- Higgins Energy/Gas
- Retirement Villages Association of New Zealand

Table 2: Planning issues and responses

Clause 3 party	Feedback	Response
Ministry of Education	<p>Considers that rezoning has the potential to increase development and the size and demographic of residents within the region.</p> <p>Seeks that the objectives and policies of the zone specifically provide for education facilities.</p>	<p>Proposed Objective MRZ-O1 supports the establishment of compatible non-residential activities in the MRZ.</p> <p>Policy MRZ-P5 provides for non-residential activities which support the needs of local communities and which are compatible with the purpose of the zone.</p> <p>Proposed Rule MRZ-R12 provides for education facilities as a permitted activity, provided they meet specific standards.</p> <p>As a requiring authority, MOE is also able to designate sites for new educational facilities.</p>
Kāinga Ora – Homes and Communities	<p>Kāinga Ora was generally supportive of the plan change and considered that greater consistency with the objectives and policies in the Housing Supply Act and the NPS-UD is required, that PNCC should introduce the MDRS without amendments and that the MRZ area was extended.</p>	<p>The proposed objectives, policies, rules and standards in PC:I largely reflect Kāinga Ora's feedback with the exception that PC:I does not adopt the MDRS as included in Schedule 3A of the RMA. As a Tier 2 local authority, PNCC does not have to adopt these standards and instead has taken the</p>

Clause 3 party	Feedback	Response
	<p>Kāinga Ora made a number of suggested amendments to the draft objectives, policies and rules.</p>	<p>opportunity to determine a context-appropriate set of standards. This includes a mix of MDRS and more restrictive standards to achieve the planned built form for Palmerston North city.</p>
<p>KiwiRail Holdings Limited</p>	<p>KiwiRail's focus is on areas proposed for intensification which are located adjacent to the North Island Main Truck and the Palmerston North Gisborne railway lines and that the potential for reverse sensitivity effects is appropriately managed.</p> <p>KiwiRail's wants to see PC:I incorporate measures to project amenity and safety, including noise and vibration and physical setbacks from the railway corridor:</p> <p>5m setback for all buildings</p> <p>Acoustic insulation and ventilation standards for all new and altered noise sensitive activities within 100m of the railway corridor</p> <p>Vibration standard applied to all new and altered noise sensitive activities within 60m of the rail corridor.</p> <p>Subsequent to receiving the 2022 feedback, KiwiRail has confirmed they no longer seek the inclusion of vibration standards in favour of inclusion of a 'rail vibration alert layer'.</p>	<p>Proposed Objective MRZ-O5 recognises the potential adverse effects, including reverse sensitivity, from adjoining landuses and activities on infrastructure.</p> <p>Policy MRZ-P11 requires management of reverse sensitivity effects through building setbacks and design controls.</p> <p>Proposed Rule MRZ-R21 requires a 5m setback from the designated rail corridor for all buildings in order to be a permitted activity.</p> <p>Proposed rule MRZ-R22 requires the installation of acoustic treatment and ventilation for new habitable spaces within a specific setback from the railway corridor.</p>
<p>Horizons Regional Council</p>	<p>Horizon provided a range of feedback, including:</p> <p>PC:I should align with Horizon's then upcoming plan change to the One Plan to give effect to the</p>	<p>PC:I gives effect to Plan Change 3 to the Horizon's One Plan.</p> <p>Objective MRZ-O2 references the integration of infrastructure</p>

Clause 3 party	Feedback	Response
	<p>NPS-UD (Plan Change 3) (NB at the time of notifying PC:I Plan Change 3 was subject to appeal)).</p> <p>PC:I should include requirements for onsite stormwater mitigation controls, including for an appropriate permeable surface areas to minimise the effects of stormwater flooding</p> <p>Recognise and promote benefits of integrating transport infrastructure and land use planning,</p> <p>PNCC's decisions and controls on subdivision and housing, including layout of the site and layout of the lots must encourage energy-efficient house design and access to solar energy.</p> <p>A pre-cautionary approach is required to intensifying in areas potentially subject to natural hazards</p>	<p>(including land transport) and development and a resilience and energy efficient built environment for the zone.</p> <p>Objective MRZ-O4 seeks to avoid residential intensification unless the on and off-site effects of flooding (including from stormwater) are mitigated. whilst policies MRZ-P6 and MRZ-P7 require the incorporation of on-site mitigation measures for managing stormwater.</p> <p>Policies MRZ-P10 and SUB-MRZ-P1 encourage energy efficient development and orientation for solar gain.</p> <p>Objective SUB-MRZ-O1 and policy SUB-MRZ-P3 are focused on taking a risk-based approach to subdivision in areas potentially subject to natural hazards.</p> <p>The purpose of rules MRZ-R10 and SUB-MRZ-R1.2 is to trigger a requirement to assess the potential effects of flooding within the Stormwater Overlay, to determine the required mitigation.</p> <p>Standards MRZ-S9-S11 set requirements for minimum permeable areas, installation of stormwater attenuation devices and minimum floor levels.</p>

Although not specifically identified as a Clause 3 party, PNCC also received feedback from the following key stakeholders:

Table 3: Additional feedback

Stakeholder	Feedback	Response
<p>New Zealand Defence Force</p>	<p>Linton Army Camp is part of the 50 year forward looking plan out to 2070. The scope is to develop within their own boundary.</p> <p>There is an internal defence programme where for the first 6 years NZDF personnel can stay on housing on the Linton Army base. Beyond that timeframe, personnel are required to move to the private market and find their own housing.</p> <p>There is extreme demand for housing and army personnel are looking to start families. Three bedroom dwellings are the highest demand.</p> <p>There are poor transportation links to the city.</p> <p>Personnel looking for housing are struggling with the prices and lack of supply in the Palmerston North market and more are looking further afield such as in Levin and Foxton.</p> <p>The Camp does not want to miss out on growing and be affected by reverse sensitivity complaints due to some of the noisier activities that are undertaken at the Camp, such as the rifle range.</p>	<p>PC:I is focused on enabling residential intensification, which will assist in increasing the housing supply in Palmerston North.</p> <p>PC:I does not involve the rezoning of greenfield land, which means that this plan change will not result in additional housing being built closer to Linton Camp.</p>
<p>Te Tihi o Ruahine Whānau Ora Alliance Charitable Trust</p>	<p>Te Tihi is an alliance of nine iwi, hapū and Māori organisations who work collectively to deliver whanau centred services based on the Te Ara Whanau Ora process in Palmerston North,</p>	<p>PC:I enables residential intensification near areas within 800m of a primary or intermediate school (unless the area is identified as being within a Stormwater Overlay, in which</p>

Stakeholder	Feedback	Response
	<p>Manawatū, Tararua, Horowhenua and parts of the Rangitikei District.</p> <p>One of the roles of Te Tihi is to look for housing opportunities for Māori.</p> <p>In relation to this plan change, Mataroa Mar, the CEO of Te Tihi, identified areas that could benefit from having multi-unit housing in close proximity to them. These areas were primary schools, kaupapa Māori schools (in Kelvin Grove and on Grey Street) and food gathering areas and opportunities for local planting such as the Mangaone and Kawau streams.</p>	<p>case a resource consent is required).</p> <p>The area to east of Te Kura Kaupapa Māori o Manawatū is included in the MRZ. The area to the west is excluded because it is not within an 800m walkable catchment of a neighbourhood centre or the city centre.</p> <p>Those parts of Grey Street which are not part of the existing city centre are also included in the MRZ as they fall within the walkable catchment. Some of the houses adjacent to Grey Street are identified as being within the Stormwater Overlay and so a resource consent would be required to intensify, the purpose of which is to assess potential effects from flooding and determine appropriate mitigation.</p>

PNCC did not receive any feedback from Transpower Limited, Powerco Limited or the New Zealand Transport Agency Waka Kotahi (NZTA) as part of the 2022 feedback process. However, the Council met with these organisations in August 2024 to confirm that feedback they provided as part of the 2024 FDS process is applicable to PC:I and to confirm any other specific requirements.

Table 4: Feedback from Transpower, Powerco and

Stakeholder	Feedback	Response in PC:I
Transpower	<p>There are no National Grid assets within the MRZ extent and as a result, there is no need for any specific recognition as part of PC:I. There are relevant provisions in Section 23 of the ODP and this would apply if the extent of the zone changed and it moved closer to National Grid assets.</p> <p>There are no capacity constraints.</p>	No change required.
Powerco	Powerco's assets within Palmerston North city include 11kV and 33kV	Objective MRZ-O5 recognises the potential adverse effects,

Stakeholder	Feedback	Response in PC:I
	<p>strategic overhead lines and a network of lower voltage lines spread throughout the city.</p> <p>Powerco's key issue of concern is the potential proximity of buildings at the front of sites to distribution lines, because of the proposed reduction in front yard setback to 1.5m. Powerco is seeking a reference to the NZ Electrical Code of Practice for Safe Distances in the plan change, which was also referenced in Powerco's FDS feedback.</p> <p>There are no capacity issues. Powerco will review electricity distribution capacity as development occurs and consider upgrades in response.</p> <p>Powerco does not seek the inclusion of specific rules requiring offsets from gas distribution pipes.</p>	<p>including reverse sensitivity, from adjoining landuses and activities on infrastructure.</p> <p>Proposed Policy MRZ-P11 requires management of reverse sensitivity effects through building setbacks and design controls.</p> <p>Proposed rule MRZ-R19 requires that any building meets the safe electrical clearance distances in the New Zealand Electrical Code of Practice for electrical safe distances NZECP 34:2001 in order to be a permitted activity.</p>
NZTA	<p>NZTA has identified there may be some noise impact on properties fronting Main Street (SH3), between Victoria Avenue and Upham Terrace. Residential intensification would increase the number of properties in proximity to the highway.</p>	<p>Objective MRZ-O5 recognises the potential adverse effects, including reverse sensitivity, from adjoining land uses and activities on infrastructure.</p> <p>Proposed Policy MRZ-P11 requires management of reverse sensitivity effects through building setbacks and design controls.</p> <p>Proposed rule MRZ-R20 requires installation of acoustic treatment and ventilation for new habitable spaces within a specific setback from the state highway corridor.</p>

3.3 Community consultation

PNCC undertook community consultation on the proposed scope and content for PC:I in two phases. In addition, consultation for the FDS also involved seeking feedback on the proposed approach to meet the demand for housing across the district:

- Phase one – pre-engagement (28th September 2022 – 19th October 2022) – invited the community to provide feedback on whether they agreed with the approach for identifying the zone extent, what places and spaces were important to them and outline any concerns they may have with medium density housing in the city. The Council received 291 feedback forms and approximately 435 comments on PNCC Facebook posts were made.
- Phase two – formal pre-consultation (9th November – 7th December 2022) - the draft District Plan section and zone extent were published and feedback sought from the community on the extent, proposed standards and any other relevant matters. PNCC received 388 feedback forms and 18 emails/letters, and 890 Facebook comments. The Council ran two drop-in sessions which were attended by approximately 200 people.
- FDS (26 March – 5 May 2024) – as part of preparing the FDS, the Council sought feedback on several options for meeting the demand for housing business and industrial growth over the next 30 years, including an option focused on intensification. PNCC received 138 submissions. The housing growth locations identified in the FDS include the Huia Street and Summerhays recreation reserves.

This engagement informed the preparation of PC:I.

3.4 Development sector

As part of developing PC:I, PNCC sought feedback from the development sector, including private developers and their resource management planners/designers, Kāinga Ora and community housing providers. This addresses the requirement in Policy 10 of the NPS-UD to engage with the development sector to identify significant opportunities for urban development.

Whilst higher density housing is being delivered under the ODP (via the MUH provisions) feedback from the development sector suggests that:

- All developers, whether public or private, find the application of the existing provisions to be inconsistent and at times costly. The urban design focus of the existing provisions is a contentious area and subjective and there are sometimes too many opinions. The process to achieve a resource consent can take months, with multiple requests for further information on matters which weren't identified at the pre-application stage. The private sector developers are seeking more certainty and clarity about which design outcomes are important.
- Examples of concerns with the existing requirements include:
 - Being asked to change a gable design because it was "too simple" to then see another site with the same gable design get accepted.
 - Minimum floor level requirements provided too late, and the design then needed to be amended to ensure height recession plan compliance.

- Basic landscaping plans are provided then a condition is imposed which requires detailed landscape plans to be provided. This can be confusing as to what is approved/required and this adds cost and can cause delays.
 - What is meant by “good sun” in the assessment criteria – this is very subjective. This is being interpreted as 3 hours sun in mid-winter onto the outdoor amenity areas – effectively a de facto performance standard.
 - Unexpected interpretations are impacting development, for example a condition requiring units to be built in a certain order to avoid the frontage looking like a construction site.
 - Requirement to relocate a toilet because of its location by the front door [this is understood to be an issue with having vent pipes on the front façade].
 - Notification of resource consents where the building envelope is breached leads developers to design dwellings to fit within the permitted activity performance standards.
 - Engineering details being sought at the resource consent stage which, in the opinion of the developer, should be left to the building consent stage.
 - Using timeframe extensions under s37 of the RMA on the basis that medium-density housing is complex (s37A(4)(b)(i)).
 - Requirement for landscape requirements being maintained in perpetuity, and planting being asked for places such as rear, south-facing, boundaries.
 - The existing access width requirements are driven by the number of units, not by the number of vehicle movements. This is favouring fewer, larger, units, rather than more, smaller units, even though the traffic impacts may be the same or very similar.
- The operative definition of MUH is for development to occur on the same allotment. Some developers secure the MUH consent and then subdivide afterwards. However, this can result in non-compliances because of the subsequent subdivision, which is frustrating.
 - Some developers advise they have chosen not to develop MUH under the operative framework because the process has been too difficult and the costs for consenting and building MUH is too expensive in some instances. Examples include the costs of design changes to meet Council requirements and increased debt servicing costs because of long processing times (12 months on one site versus four months on another).
 - The current urban design criteria [in the operative MUH provisions] are too complicated and unclear. It is not clear what best practice urban design is, what's an important urban design outcome and how it needs to be applied onsite.

- Sunlight and shading are the most difficult challenges to overcome, in part because of the different variables which impact, such as fencing, neighbouring properties (including permitted activity development), trees and landscaping.
- Developers would like more certainty on what is required in design to meet Council's requirements for urban design, traffic and parking outcomes.
- Car parking and on-street parking could become an issue with intensification as a permitted activity.
- Kāinga Ora was the only developer delivering 3+ storeys⁷. Private developers only build up to 2 storeys. The private developers suggest this is because of the cost of an additional storey. Going forward though feedback suggests that 3 stories may be a possibility with permitted activity options in the District Plan, although the demand for 3 stories will be determined by the market.
- Many private developments are providing 2-3 bed dwellings. Attempts to provide a mix of bedrooms have, in some cases, failed due to requirements to amend the bulk and location of the proposed development to address daylight/sunlight access.
- The time taken to process applications is impacting the ability to deliver more housing. As an example, an eight-month processing time for a single unit development negatively impacted the delivery of fifteen units over that timeframe.

⁷ Note that Kāinga Ora's future development strategy is set by central government direction. As of July 2024, Kāinga Ora's feedback is that they will be focusing on their existing portfolio rather than developing new social housing.

4 Regulatory and Policy Context

This section identifies the legislative and national, regional, and local policy framework that provides the context for PC:I.

4.1 Resource Management Act 1991

4.1.1 Part 2 (sections 5, 6, 7 and 8)

In carrying out a s32 analysis, PNCC is required to evaluate how PC:I achieves the purpose and principles of the RMA – contained in Part 2 of that Act.

The purpose of the RMA is to promote the sustainable management of natural and physical resources (s5). Sustainable management means:

“Managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while [emphasis added] –

(a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and

(b) safeguarding the life-supporting capacity of air, water, soil and ecosystems; and

(c) avoiding, remedying, or mitigating any adverse effects of activities on the environment.”

In achieving this purpose, the Council needs to:

- Recognise and provide for the matters of national importance identified in section 6
- Have particular regard to the range of other matters in section 7
- Take into account the principles of the Treaty of Waitangi/Te Tiriti o Waitangi in section 8.
- The ss 6 and 7 matters considered relevant to PC:I are:

Table 5: Relevant ss 6 and 7 matters

Section	Response
S6(f) - The protection of historic heritage from inappropriate subdivision, use and development	<p>The MRZ includes a number of buildings identified in the ODP as having heritage values, including five which are also identified as Category 2 buildings on Heritage New Zealand/Pouhere Taonga's Heritage List. There are a further three Category 2 buildings on the Heritage New Zealand/Pouhere Taonga List which are not in the ODP.</p> <p>PC:I includes provisions which manage the potential bulk and dominance of residential buildings and structures on</p>

Section	Response
	adjacent residential sites, which includes on adjacent heritage buildings and structures.
S6(e) - The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga	<p>Rangitāne's feedback on PC:I identifies a variety of issues and opportunities related to RoM's relationship with their ancestral lands, water, sites, wāhi tapu and other taonga.</p> <p>PC:I responds to this in a number of ways:</p> <ul style="list-style-type: none"> - Enabling residential intensification to increase housing supply and choice - Provisions focused on improving water quality from the effects of urban development - D <p>The ODP includes very few sites of significance to RoM, and none of these sites are located within the MRZ. However, this doesn't mean there are no sites within the proposed zone. Further, RoM considers the operative provisions for sites of significance, in Section 17 of the ODP are not fit-for-purpose. PNCC acknowledges that further work in partnership with RoM is required to understand the location of additional sites of significance and how the district plan responds. This could include a future plan change which reviews Sections 3 and 17.</p>
S6(h) - The management of significant risks from natural hazards	<p>Land within the MRZ extent is subject to natural hazard risk from flooding and liquefaction. PC:I includes provisions which manage significant risk from flooding.</p> <p>The area proposed for intensification is either at low or moderate risk from liquefaction⁸. In response to an assessment of liquefaction risk following the Canterbury earthquakes, the Council included a statement on LIMs that indicates there is the potential for liquefaction to occur in the area the property is located within. The risks associated with liquefaction are managed through the building consent process, the use of Land Information Memoranda (LIMs) and section 106 of the RMA in relation to subdivision on land where there is a significant risk from natural hazards.</p>
S7(b) - The efficient use and development of natural and physical resources	Enabling intensification within the MRZ is an efficient use of land, which assists in meeting Palmerston North city's housing needs.

⁸ Palmerston North Operative District Plan = Map 22.6.2.

Section	Response
S7(c) - Maintenance and enhancement of amenity values and s7(f) - Maintenance and enhancement of the quality of the environment	The existing residential areas proposed to be up-zoned to MRZ contain amenity values and environmental qualities that are valued by the existing community. The maintenance and enhancement of these values and qualities needs to be managed via PC:I alongside the need for the efficient use of land to increasing housing supply and choice and the recognition in the NPS-UD that increasing housing supply may result in changes to those existing amenity values, and this of itself is not an adverse effect.
S7(i) - The effects of climate change	PC:I includes provisions which support increasing the resilience of urban development to the effects of climate change.

Section 8 requires the Council to take into account the principles of the Treaty of Waitangi in managing the use, development, and protection of natural and physical resources. The Council working with Rangitāne to develop PC:I and Rangitāne's feedback actively informed drafting and how PC:I responded to issues of importance.

4.1.2 Sections 73 and 74

In preparing or changing its district plan the Council is required, under s74(2) of the RMA, to have regard to:

- (a) any –
 - (i) *proposed regional policy statement; or*
 - (ii) *proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and*
- (b) any –
 - (i) *management plans and strategies prepared under other Acts; and*
 - (ii) *relevant entry on the New Zealand Heritage List/Rārangi Kōrero required by the Heritage New Zealand Pouhere Taonga Act 2014; and*
 - (iii) *regulations relating to ensuring sustainability, or the conservation, management, or sustainability of fisheries resources (including regulations or bylaws relating to taiapure, mahinga mataitai, or other non-commercial Maori customary fishing); and*

to the extent that their content has a bearing on resource management issues of the district; and

- (c) the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.*
- (d) any emissions reduction plan made in accordance with section 5Z1 of the Climate Change Response Act 2002;*
- (e) any national adaptation plan made in accordance with section 5Z1 of the Climate Change Response Act 2002.*

PNCC needs to ensure that the plan change gives effect to the following matters set out in s75(3):

- (a) any national policy statement; and*
- (b) any New Zealand coastal policy statement; and*
- (ba) a national planning standard; and*
- (c) any regional policy statement;*

and is consistent with "a regional plan for any matter specified in section 30(1)" under s75(4).

Under 74(2A) the Council must also "take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of a region", while trade competition or the effects of trade competition are to be disregarded under s74(3).

Comment

As it relates to PC:I and s74(2):

- There are no proposed regional policy statements or regional plans – the Horizons One Plan (a combined RPS, Regional Plan and Coastal Plan) is operative. Plan Change 3 to the One Plan, to give effect to the NPS-UD is in the appeal stage, with three appeals.
- PNCC had regard to the Regional Land Transport Plan as a relevant management plan prepared under the Land Transport Management Act 2002 when preparing PC:I (see section 4.3.2).
- PNCC had regard to the Government Policy Statement for Housing and Urban Development – a relevant strategy required by the Kāinga Ora – Homes and Communities Act 2019 - when preparing PC:I.
- There are eight relevant listings on the New Zealand Heritage List/Rārangi Kōrero within the MRZ extent (all of which are Category 2):
 - Rangī Marie, at 3 Rangiora Avenue;

- 17 Guy Avenue;
 - 170 Russell Street;
 - 239 and 241 Ruahine Street; and
 - 40, 42 and 44 Ranfurly Street.
- PNCC had regard to the emissions reduction plan 'Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy' is relevant, as is the national adaptation plan 'Urutau, ka taurikura: Kia tū pakari a Aotearoa I ngā huringa āhuaranga Adapt the thrive: Building a climate-resilient New Zealand' when preparing PC:I. PC:I will contribute to achieving:
 - Urban areas which are liveable, resilient, supported by high quality urban design with good access to community amenities and active and public transport,
 - More choice about where people live and how they travel to due to enabling medium density development,
 - Easy access to walking, cycling, scootering and public transport routes due to the location of the MRZ,
 - Use of nature-based solutions to support biodiversity and managing the effects of a changing climate,
 - Climate resilient urban environments, including supporting mitigating the effects of urban heat islands, and
 - Management of natural hazard risk.
 - The Transportation Assessment modelling predicts a reduction in transport-related greenhouse gas emissions due to a reduction in vehicle kilometres travelled because intensification is occurring in areas which have good accessibility to public and/or active transport⁹.
 - The Rangitāne o Manawatū Environmental Management Plan, which is lodged with PNCC as an iwi management plan, has been taken into account in preparing PC:I, to the extent relevant (see Section 4.5).

Section 4.2 of this report sets out the relevant national policy statements and relevant National Planning Standards to which the Council must give effect for the purpose of complying with s75(3).

PC:I gives effect to the RPS section of the Horizons One Plan as required by s75(3), as described in section 4.3.1. There are no relevant provisions in the Regional Plan section of the One Plan

⁹ PC:I Transportation Assessment – Section 6.2

4.2 National direction

4.2.1 National Policy Statements

There are six national policy statements that the Council is required to give effect in preparing PC:I:

- NPS for Electricity Transmission 2008
- New Zealand Coastal Policy Statement 2010
- NPS for Renewable Electricity Generation 2011
- NPS for Freshwater Management 2020
- NPS for Urban Development 2020
- NPS for Indigenous Biodiversity 2023

The relevant objective and policy provisions from each NPS are summarised in the tables in **Appendix C**. A short overview of each NPS and its relevance to PC:I is provided in the following sections. The relevant objectives and policies in each NPS are addressed throughout this s32 evaluation report.

National Policy Statement on Electricity Transmission 2008

The NPS-ET took effect in March 2008. Whilst the primary focus of this NPS is recognising and enabling maintenance and operation of the national grid, it also requires local authorities, when preparing plans, to consult with Transpower (as the national grid operator) and to manage activities, to the extent reasonably possible, to avoid reverse sensitivity effects. Section 3.2 of this report describes the outcome of this consultation.

National Policy Statement for Freshwater Management 2022

The NPS-FM took effect in September 2020, replacing its 1994 predecessor. It was subsequently amended in January 2023 and January 2024. Along with the companion National Environmental Standards for Freshwater it establishes a framework of objectives, policies and standards to:

- Stop further degradation of New Zealand's freshwater resources and improve water quality within five years and
- Reverse past damage and bring New Zealand's freshwater resources, waterways, and ecosystems to a healthy state within a generation.

The primary focus for the NPS-FM is regional councils, which are directed to set objectives for the state of freshwater bodies in their regions and set limits on resource use to meet these objectives. However, the NPS-FM is also relevant for PC:I with regard to a requirement for territorial authorities to adopt an integrated management of land use and freshwater (Clause 3.5(4)). This includes promoting positive effects, and avoiding, remedying or

mitigating adverse effects, of urban development on the health and wellbeing of water bodies, freshwater ecosystems and receiving environments.

National Policy Statement on Urban Development 2020

The NPS-UD came into effect 20 August 2020. As a tier 2 council, the following NPS-UD outcomes are relevant:

- Well-functioning urban environments that enable people to provide for their social, economic, and cultural well-being, and for their health and safety, now and into the future;
- Planning decisions that improve housing affordability;
- Enable more people to live in areas of an urban environment that are near centres, employment, well served by public transport or there is a high demand for housing;
- Recognition that urban environments and amenity values change overtime;
- Planning decisions take into account the principles of the Treaty of Waitangi;
- Decisions on urban development are responsive, integrated with infrastructure and planning decisions, and are strategic over the medium and long term;
- Local authorities have robust and up to date information about their urban environments and use it to inform planning decisions; and
- Urban environments support reductions in greenhouse gases and are resilient to the effects of climate change.

PC:I gives effect to the NPS-UD as the policy direction within the NPS-UD is largely the basis for the plan change. PC:I will assist in providing development capacity to meet expected housing demand. Where the zone is proposed along with the proposed provisions have been based on delivering a well-functioning urban environment that is well served by active and public transport, employment, neighbourhood centres and parks and open spaces.

Clause 3.17 of the NPS-UD directs the Council to have regard to the FDS when preparing or changing RMA documents. PC:I is consistent with the 'Balanced' approach to meeting housing demand – the plan change is part of 'growing up' – meeting demand by providing for growth in existing urban environments.

The FDS identifies a number of constraints which impact on the ability to intensification, of which management of stormwater is one of the most significant. The FDS identified that upgrades to water supply, wastewater and stormwater infrastructure are required to support intensification. The water, wastewater and stormwater technical assessments which accompany this s32 report address these issues in more detail. The recommendations to manage the effects of increased stormwater are reflected in the relevant PC:I provisions.

The outcome of engagement with Rangitāne o Manawatū is discussed in Section 3.1. As a result of this engagement, papākainga have been enabled in the MRZ as a permitted activity and marae have been provided for as a restricted discretionary activity. Continued

efforts will occur through other urban growth plan changes and the Future Development Strategy to ensure principles of the Treaty of Waitangi are taken into account.

National Policy Statement for Indigenous Biodiversity 2023

The NPS IB came into effect on 7 July 2023. Many of the provisions relate to specific directions in relation to identifying and managing activities within Significant Natural Areas. As it relates to PC:I however, there are several more general requirements which must be given effect to including managing indigenous biodiversity in a way that gives effect to the principles of Te Tiriti o Waitangi and that increased indigenous biodiversity cover is promoted in urban environments.

PC:I gives effect to these more general requirements by taking a pre-cautionary approach to activities enabled and provided for in Palmerston North's urban environment. The technical assessments have not identified any specific areas of indigenous biodiversity within the MRZ.

4.2.2 National Planning Standards

Section 75(3) requires a district plan to give effect to a national planning standard. The first set of national planning standards came into force on 3 May 2019. They provide direction on the structure and form of plans, including definitions, and aim for district and regional plans to be more consistent and easier to use across the motu.

- **Standard 8 – Zone Framework** provides for five residential zone options. PC:I utilises the Medium Density Residential Zone, which is described as “*areas used predominantly for residential activities with moderate concentration and bulk of buildings, such as detached, semi-detached and terraced housing, low-rise apartments, and other compatible activities.*”
- **Standard 14 – Definitions** provides a list of definitions which must be used where relevant. In parallel with PC:I the Council is reviewing definitions in the ODP to give effect to this standard.
- **Standard 17 – Implementation** requires that PNCC must comply with the Zone Framework standard for any district plan amendments made by five years after the planning standards come into effect, i.e. by 2024. PNCC must comply with the Definitions standard by 2026, i.e. seven years after the planning standards come into effect.

4.2.3 National Environmental Standards

In addition to the NPSs outlined above there are also nine National Environmental Standards (NES) currently in force that prescribe technical and non-technical standards, methods or other requirements that district plans need to accord with to ensure a consistent standard for an activity or resource use. These include:

- NES for Air Quality 2004
- NES for Sources of Human Drinking Water 2007

- NES for Electricity Transmission Activities 2009
- NES for Assessing and Managing Contaminants in Soil to Protect Human Health 2011
- NES for Telecommunication Facilities 2016
- NES for Plantation Forestry 2017
- NES for Freshwater 2020
- NES for Marine Aquaculture 2020
- NES for Storing Tyres Outdoors 2021

Unless otherwise specified, the requirements set out in these regulations prevail over any provisions contained in a district plan.

The only NES of relevance to PC:I is the NES for Assessment and Managing Contaminants in Soil to Protect Human Health as some of the sites proposed for inclusion in the MRZ are HAIL¹⁰ sites. Consistent with s44A of the RMA, PC:I does not include any rules that duplicate or conflict with this NES. Where relevant, the NES requirements will be addressed at the site development stage.

4.3 Regional Policy Context

4.3.1 Manawatū-Whanganui One Plan

The One Plan is a consolidated plan containing both the Regional Policy Statement and the Regional Plan which contains objectives and policies relating to te ao Māori, land, water, urban development, and natural hazards. The relevant objectives and policies are provided in **Appendix D**, along with a description of how PC:I is consistent with them.

Plan Change 3 (2024) introduced amended and new provisions related to urban development, to give effect to the NPS-UD. There are three appeals to this plan change in relation to Issue UFD-I3, Objective UFD-O3 and Policy UFD-P4.

4.3.2 Regional Land Transport Plan

The RLTP is a relevant strategy under s74(2) of the RMA. The RLTP is prepared by the Manawatū-Whanganui Regional Council and it sets the direction for the region's land transport system for the next 30 years. It is a statutory requirement of the Land Transport Management Act 2003.

The relevant provisions of the RLTP are described in sections 4 and 11 of the Transportation Assessment accompanying this evaluation report. Key objectives include:

¹⁰ The Hazardous Activities and Industries List (HAIL) is a compilation of activities and industries that are considered likely to cause land contamination resulting from hazardous substance use, storage or disposal.

- **Objective 1:** Travel Choice - Transport users in the region have access to affordable transport choices that are attractive, viable, and encourage multi-modal travel.
- **Objective 2:** Connectivity and Efficiency - The regional transport network connects central New Zealand and is efficient, reliable, and resilient.
- **Objective 3:** Safety - The transport network is safe for all users.
- **Objective 4:** Environment - The impact of transport on the environment and the transport system's vulnerability to climate change is minimised.
- **Objective 5:** Land Use Integration - Transport and land use are integrated to support well connected communities that promote a strong regional economy and liveable region.

The extent of the MRZ has been identified because of access to public and/or active transport. Given the proximity of the areas to employment, reserves, public transport, schools, and neighbourhood centres, a range of transport options are viable in the plan change areas. PC:I has been designed to provide opportunities for better utilisation of existing transport corridors and greater uptake of public transport.

The creation of walkable catchments around community infrastructure, employment and recreational opportunities supports increasing usage of non-car modes of transportation, such as walking and cycling, as does the proposed required for on-site bicycle parking.

Overall, PC:I aligns well with the objectives of the RLTP, as confirmed in the Transportation Assessment.

4.4 Relevant PNCC strategies & plans

There are a number of relevant Council documents and strategies, particularly those prepared under the Local Government Act 2002, that have informed PC:I or will be relevant to its implementation. A general outline of each document is provided in Table 6.

Table 6: Relevant PNCC strategies and plans

Strategy	Summary
Future Development Strategy 2024 (FDS)	Required by the NPS-UD, the FDS sets out the Council's plan for meeting the demand for housing and business land across the district, whilst taking in account existing environmental constraints and planning for appropriate levels of infrastructure servicing. The FDS sets out the growth needs for the district, based on the 2023 HBA. Updated short and medium-term estimates for housing growth in the FDS highlighted a 110-dwelling shortage in the short term from greenfield sites. This is likely to place greater pressure on housing supply being met by infill. The FDS acknowledges the need for a plan change (PC:I) to enable residential intensification to assist with meeting the demand for housing.

Strategy	Summary
Palmerston North Integrated Transport Initiative 2019 (PNITI)	<p>PNITI is a series of transport and land use initiatives intended to optimise the transport network in Palmerston North over the short, medium and long term. PC: I is set to be a significant beneficiary of this programme of works through the reduction of heavy traffic in residential areas and freeing up capacity in the existing urban network for enhanced walking and cycling facilities.</p> <p>Enabling medium density aligns with PNITI programme activity 4H Actions to comply with the NPS-UD.</p>
Oranga Papaioea City Strategy 2024	<p>The Oranga Papaioea City Strategy is the strategic foundation that informs Council's Long Term Plan and FDS. The City Strategy outlines the Council's four key goals for delivering on the Local Government Act's community wellbeing outcomes:</p> <ul style="list-style-type: none"> - An innovative and growing city - A creative and exciting city - A connected and safe community - A sustainable and resilient city <p>These goals are achieved through the alignment of PC: I with the following strategic plans below.</p>
Housing Plan 2024	<p>PC: I contributes to the following outcomes in the Housing Plan:</p> <ul style="list-style-type: none"> - Provide social housing and support community-led housing initiatives – PC:I proposes to give greater choice and density for Council-owned sites intended for social housing, as well as locations that other community housing providers own or may be attractive to develop for social housing. - Rezone enough land and provide infrastructure to accommodate residential growth – PC:I proposes to increase the possible housing supply in areas with existing infrastructure, which are likely to enable housing supply to be developed more quickly relative to greenfield sites with no existing infrastructure capacity. - Provide a regulatory framework that enables more housing choice, inner city living, and less housing on productive soils or in flood-prone areas – PC:I provides greater choice to the market to respond to housing need in locations less at risk to productive soils loss or flooding. Careful case by case assessment of increased density in locations with anticipated surface flooding will ensure that development is appropriately managed in more sensitive areas. - Facilitate new housing development and provide incentives to encourage other housing providers – PC:I responds to an evaluation of the ODP MUH provisions by simplifying the

Strategy	Summary
	<p>pathway for residential intensification to give the market greater incentives to develop alternatives to standalone dwellings on 350m² sites.</p>
<p>Urban Design Plan 2024</p>	<p>PC:I contributes to the following outcomes in the Urban Design Plan:</p> <ul style="list-style-type: none"> - Maintain and promote a connected and well-designed urban environment – PC:I seeks to encourage medium density development in locations with greater walkability to everyday amenities. - Provide and promote connected, sustainable, accessible, safe, interesting and playful public spaces – PC:I seeks to build a greater neighbourhood catchment surrounding Council's public spaces, providing spillover benefits to Council's aims for co-creating improvements to these spaces with local residents.
<p>Transport Plan 2024 , Urban Cycle Network Masterplan 2019, and Strategic Networks 2022</p>	<p>PC:I contributes to the following outcomes in the Transport Plan:</p> <ul style="list-style-type: none"> - Provide a safe, low-carbon, integrated, and multi-modal transport network – PC:I proposes to increase our city's population where our active and public transport network can be used more effectively for daily trips. - Include active and public transport needs in all transport network planning – Provision of the zone is centred around accessibility to active and public transport opportunities. - Encourage communities to make active and public transport choices – Greater density centred around employment opportunities and community infrastructure which is accessible via walking and public transport will support the shift to a greater proportion of trips to be taken by alternative modes of transport. - The Urban Cycle Network Masterplan and Strategic Networks seeks to prioritise investment in walking and cycling networks around place-based areas such as schools and local business areas. These investment priorities align with the rationale for co-locating the MRZ and the Council's anticipates that the zone will aid in maximising this investment.
<p>As stated in Recreation and Play Plan 2024</p>	<p>PC:I supports investment into the Council's existing recreation spaces by centring greater density around them and reduces the need to provide new facilities further away.</p>

Strategy	Summary
Community Support Plan 2024 and City Library Plan 2024	Many of the Council's community centres and libraries are located within the Business Zones. PC:I proposes to enable increased density in locations close to these areas to make the most use of existing community facilities.
Climate Change and Sustainability Plan 2024	<p>PC:I contributes to the following outcomes in the Climate Change and Sustainability Plan:</p> <ul style="list-style-type: none"> - Encourage and promote sustainable best-practices in Council activities and the wider community - Promote activities that support low-carbon city outcomes, including those that compensate for activities that produce greenhouse gases - Strengthen our city's adaptive capacity to Palmerston North's climate-related risks - PC:I intends to support these outcomes through supporting nature-based stormwater responses where practicable, providing density options for sites with the greatest opportunity for carbon-neutral modes of transport, and promoting a more efficient use of land (compared to greenfield) to service housing growth.
Biodiversity and Manawatū River Plan 2024 and Manawatū River Framework 2016	<p>PC:I contributes to the following outcomes in the Biodiversity and Manawatū River Plan:</p> <ul style="list-style-type: none"> - Encourage and enable the community's connection with the Manawatū River (also relates to the Manawatū River Framework Key Direction of: Better connect the river with the wider city) – Where practicable, PC:I enable residential intensification at locations within walking distance of the Manawatū River Park, dependant on achievement of other accessibility metrics.
Water Plan 2024	<p>PC:I contributes to the following outcomes in the Water Plan:</p> <ul style="list-style-type: none"> - Protect buildings and communities from flooding – PC:I proposes a stepped approach for assessing the appropriateness of development according to the potential for on or off-site effects from flooding and stormwater ponding and overland flows. Development within the Stormwater Overlay would require site-specific assessments to determine the appropriate mitigation. - Provide safe and readily-available water – The Water technical assessment identifies the required upgrades to the Council's water supply network to support residential intensification.

Strategy	Summary
	<ul style="list-style-type: none"> - Manage city wastewater – The Wastewater technical report identifies the required upgrades to the Council's wastewater network to support residential intensification.
Heritage Plan 2024	<p>PC:I contributes to the following outcomes in the Heritage Plan:</p> <ul style="list-style-type: none"> - Support Rangitāne o Manawatū in its role as kaitiaki of their historic heritage places – PC:I does not amend the ODP cultural and heritage provisions, which Rangitāne consider are not fit for purpose with regard to wāhi tapu. The Council will work in partnership with Rangitāne to address this issue in a future plan change.

4.5 Rangitāne o Manawatū Environmental Management Plan

Under section 74(2A) of the RMA PNCC, when changing a district plan, must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority. The Rangitāne o Manawatū Environmental Management Plan (EMP)¹¹ is an iwi management plan for the purpose of section 74(2A). Table 7 sets out the relevant provisions and how they have been taken into account in PC:I.

Table 7: Relevant provisions from the Rangitāne o Manawatū EMP

Provisions	Response
Part B – Te Mana o Te Wai	
<p>Page 35 – “Land and freshwater within the Manawatū will be managed in a way that gives effect to Te Mana o Te Wai by:</p> <p>Protecting and restoring the mauri of the Manawatū Awa and costal [sic] lagoons, their tributaries and connections so they can physically, traditionally and spiritually sustain Rangitāne by ensuring:</p> <p>The quality and quantity of water is sufficient to support all species that would be expected to be present in that place, including plants, birds, aquatic insects, molluscs, kōrua and fish</p> <p>Rivers and streams have sufficient room on their flood plains to express their natural character, including changing course and connecting to wetlands</p>	<p>PC:I includes provisions which seek to protect water bodies and freshwater ecosystems, primarily by managing the discharge of copper and zinc into stormwater and requiring stormwater treatment for larger areas of impermeable surfaces, such as carparking and turning areas.</p> <p>The incorporation of water sensitive design methods is also required, which will contribute to improving stormwater quality.</p>

¹¹ [Rangitāne o Manawatū Iwi Environmental Management Plan | Palmerston North City Council \(pncc.govt.nz\)](https://pncc.govt.nz)

Provisions	Response
...	
Part C – Whānau Ora Outcomes Framework	
Rangitiratanga – Plan Changes by design are responsive to RoM priorities	PC:I has been developed with input from RoM and the provisions have been amended in response to RoM priorities. This includes amending definitions, enabling papakāinga and marae and reflecting RoM aspirations and priorities in objectives, policies and rules.
Rangitiratanga – Rangitāne tikanga is understood and incorporated into Council practice and plan changes	The Council worked with Rangitāne to development the plan change and to respond to RoM's issues through the drafting. The exception is for sites of significant to Rangitāne. This will be addressed through on-going partnership and kōrero with RoM about how impacts on RoM wāhi tapu are reduced, mitigated and offset, including through a future plan change.
Rangitiratanga – Impacts on RoM wāhi tapu are reduced, mitigated and offset as decided by RoM. Policy is developed to support this concept.	PC:I does not amend the ODP Section 17 provisions regarding sites of significance to Rangitāne o Manawatū, which would continue to apply in the MRZ. The Council recognises RoM's concerns about these provisions, including that they are not fit for purpose. These concerns will be addressed through on-going partnership and kōrero with RoM about how impacts on RoM wāhi tapu are reduced, mitigated and offset, including through a future plan change.
Rangitiratanga – all notification preclusion clauses relating to RoM are removed from Council plans	PC:I includes public notification preclusions. This is required to support the direction in the NPS-UD to enable residential intensification. There are some circumstances where limited notification is provided for, where bulk and form standards are infringed.
Hauoranga – shared use pathways, bus routes, schools, employment hubs and natural spaces link in a safe and integrated manner	The MRZ extent is based on walkable catchments to existing and planned walking, cycle routes and bus services. Provisions in PC:I seek the creation of

Provisions	Response
	connected, safe and accessible communities.
Kotahitanga – Councils work with RoM to identify the level of housing demand for Māori in Palmerston North and how they can support Māori into safe, health affordable housing	<p>There is no specific information currently available about the level of housing demand for Māori. This is a future action for the next version of the HBA and the FDS. As it relates to PC:I, the RoM FDS submission sets out relevant baseline statistics (see Section 5.2), which have been taken into account in developing the plan change.</p> <p>The intent of PC:I is to increase housing supply and choice – this would include for RoM whānau. The removal of minimum lot sizes encourages a wider range of development types. The Council acknowledges that the inclusion of a Stormwater Overlay across much of RoM's community of interest means that residential intensification of 1-3 units would not be a permitted activity. A resource consent application is required with a site-specific stormwater management plan to assess potential flooding effects and determine the required level of mitigation. This approach has been taken to balance the potential effects of on and off-site flooding (including from stormwater) with the need for more housing.</p>
Kotahitanga – Council supports the creation of affordable housing for communities and whānau by requiring reduced and mixed section sizes and allowance of subsidiary buildings	The purpose of PC:I is to enable more housing and more housing typologies. There is no minimum lot size, which promotes the creation of more affordable housing options.
Kotahitanga – Housing is developed in appropriate areas that are safe from natural hazards, avoiding areas within 100 m of the Manawatū Awa, 20 m of streams, and avoiding areas adjacent to the coastal area	<p>Land within the MRZ extent is subject to natural hazard risk from flooding and liquefaction. PC:I includes provisions which manage risk from flooding.</p> <p>The area proposed for intensification is either at low or moderate risk from liquefaction¹². In response to an assessment of liquefaction risk following the Canterbury earthquakes, the Council included a</p>

¹² Palmerston North Operative District Plan = Map 22.6.2

Provisions	Response
	statement on LIMs that indicates there is the potential for liquefaction to occur within the area the property is located. The risks associated with liquefaction are managed through the building consent process and the use of Land Information Memoranda (LIMs) and section 106 of the RMA in relation to subdivision on land where there is a significant risk from natural hazards.
Kotahitanga – Papakāinga housing is included in the district and regional plan as a permitted activity provided all standards are met.	PC:I includes provisions which enable papakāinga housing as a permitted activity subject to meeting relevant standards.
Pāporitanga – emergency response and natural disaster resiliency	Land within the MRZ extent is subject to natural hazard risk from flooding, which can occur during natural disasters. PC:I includes provisions which manage risk from flooding to support the future resilience of communities and whānau.
Tiaki Taiao – effects on the mauri of the environment	PC:I includes provisions which are focused on protecting and enhancing the mauri of the Manawatū awa and its lagoons and tributaries.
Tiaki Taiao – Ki uta ki tai	PC:I includes provisions which are focused on protecting and enhancing the mauri of the Manawatū Awa and its lagoons and tributaries, including in relation to protecting water bodies and freshwater ecosystems, incorporating water sensitive design, controls on building materials, and stormwater treatment to improve water quality.

5 Resource management context and issues

5.1 Meeting demand for housing

Over the next 30 years the population of Palmerston North district is projected to increase by 24.7%, from ~94,000 residents (2023) to ~117,695 (2054)¹³. The majority of this growth is predicted to be in Palmerston North city, consistent with the existing location of most of the district's residents (over 90%).

To meet the demand for housing resulting from the projected population growth, the 2023 Housing and Business Development Capacity Assessment (HBA)¹⁴ predicts that an additional ~9,900 homes will be required in the district by 2054. This equates to approximately 330 new dwellings per year across a mix of greenfield, infill and rural/rural residential housing:

- Short term – 983 dwellings (~10%) – approximately 330 per year of which infill is predicted to be approximately 55%
- Medium term – 3,010 dwellings (~30%) – approximately 430 per year of which infill is predicted to be approximately 45%
- Long term – 5,891 dwellings (~60%) – approximately 300 per year of which infill is predicted to be approximately 40%

Table 8: Predicted demand for housing

	Short term Within the next 3 years	Medium term Between 3-10 years	Long term Between 10-30 years	30 year total
Housing location				
Greenfield	393	1,505	3,240	5,138
Infill	541	1,354	2,357	4,251
Rural/rural-residential	49	150	295	494
Housing Type				
Standalone dwelling	865	2,588	4,595	8,048
Attached dwelling	118	421	1,296	1,835

¹³ Appendix 2 - [future-development-strategy-2024-resized.pdf \(pncc.govt.nz\)](#)

¹⁴ [HBA Appendix 1 \(pncc.govt.nz\)](#)

A more detailed assessment of housing demand in relation to PC:I is provided in the Accessibility and Demand Assessment which accompanies this s32 evaluation. An assessment of the theoretical and feasible development capacity (i.e. supply) in the MRZ is provided in the Development Capacity Assessment report which accompanies this evaluation report.

The HBA's estimated demand for attached dwellings (the typology considered the most likely to be medium density housing) is considered to be conservative. This is because it is based on the growth rate of multi-unit housing building consents issued to date and it does not include any analysis of other factors that may drive demand for medium density housing, such as:

- changes in demographics, including projected growth in household types that need smaller homes;
- housing affordability; and
- need for social housing.

Further, the HBA does not analyse whether there are differences in demand for various housing typologies in different locations in the urban environment, or the relative demand for different typologies (e.g. duplexes, townhouses, apartments, etc) beyond historical trends in for the delivery of standalone versus attached dwellings.

5.1.1 Operative District Plan provisions

Table 9 describes the approach to Multi-unit housing (MUH)¹⁵ in the ODP across the relevant zones. Overall, the operative objectives and policies for MUH across the city are focused on achieving high levels of amenity and maintaining and enhancing existing character.

Table 9: Approach to MUH in the ODP

Zone	Approach
Residential – land use activities	<p>Activity Status : Restricted Discretionary Activity (Rule 10.6.3.3) in selected areas of the Residential zone (identified in Maps 10.6.3.3(a)-(h)).</p> <p>Council's discretion is restricted to:</p> <ul style="list-style-type: none"> ▪ Effects on the surrounding residential environment and streetscape ▪ Height ▪ Design, scale and appearance ▪ Site density and layout

¹⁵ Defined as three or more self-contained dwelling units that are located on one site. A multi-unit residential development includes but is not limited to apartment buildings, and terrace housing

Zone	Approach
	<ul style="list-style-type: none"> ▪ On-site landscaping ▪ Privacy across boundary and within the development ▪ The safe and efficient operation of the roading network, and internal circulation and manoeuvring areas ▪ Natural hazards ▪ For developments within the Hokowhitu Lagoon Residential Area, the effects on the Manawatu Golf Club ▪ Matters addressed in the design principles in Policy 2.8 of Section 7A for housing within the Mātangi Residential Area ▪ For developments within the Aokautere Residential area, the impact on achieving the design elements and outcomes of the Aokautere Structure Plan, the effects on the natural gully network, stormwater management, available intersection capacity and earthworks. <p>Excluding the Hokowhitu Lagoon, Mātangi and Aokautere residential areas, there are seven performance standards and 31 assessment criteria addressing character, site planning, building design, open space design, infrastructure and servicing and natural hazards.</p> <p>MUH in the Residential Zone which are outside the identified MUH areas are a discretionary activity under Rule 10.6.4.3.</p>
Residential - subdivision	<p>Activity status: Controlled Activity (Rule 7.6.1.1) provided there is a minimum lot size of 350m² and performance standards for earthworks, street trees, shape factor and access are met. Consent required for a restricted discretionary activity where standards are met.</p> <p>Council's discretion is restricted to:</p> <ul style="list-style-type: none"> ▪ Subdivision design and layout; the size, shape and arrangement of lots, cross lease and company lease areas, units and access. ▪ Effects on the surrounding residential environment and streetscape. ▪ Location and design of access, connectivity, and the safe and efficient operation of the land transport network.

Zone	Approach
	<ul style="list-style-type: none"> ▪ Natural hazards. ▪ Matters described in sections 108 and 220 of the RMA ▪ Earthworks <p>There are 18 assessment criteria.</p> <p>Activity status: Non-complying Activity in the Air Noise Contour except to accommodate any network utility and boundary adjustments.</p>
Fringe Business Zone	<p>Activity Status: Restricted Discretionary Activity (Rule 11.11.6.2).</p> <p>Council's discretion is limited to the City View objectives, the Fringe Business Zone objectives and policies and:</p> <ul style="list-style-type: none"> ▪ The extent to which the activity is necessary to mitigate the environmental effects of activities situated in the Fringe Business Zone. ▪ The extent to which the development of residential activity does not adversely affect the availability of land for large format retail purposes. ▪ That sufficient parking and on-site manoeuvring is provided to service the needs of residents and visitors. ▪ The extent to which buildings for residential use are insulated from noise generated by other activities to ensure that an acceptable level of residential amenity will be achieved. <p>There are seven performance standards and no assessment criteria.</p>
Inner Business Zone	<p>Activity Status: Restricted Discretionary Activity (Rule 11.6.2.4).</p> <p>Council's discretion is restricted to:</p> <ul style="list-style-type: none"> ▪ Street edge amenity ▪ Internal amenity ▪ Private open space ▪ Storage ▪ Visual and acoustic privacy.

Zone	Approach
	There are four performance standards and 10 assessment criteria.

5.1.2 Effectiveness of operative MUH provisions

The ODP provisions for MUH were introduced as Plan Change 20A (PC20A) in 2015, the purpose of which was:

- to enable greater housing choice in existing residential areas through the introduction of rules for MUH and minor dwellings;
- improve the quality of residential amenity and character; and
- increase the sustainability and resilience of residential development.

The Accessibility and Demand Assessment shows that MUH development is occurring across the city. The analysis of building consent data within that report shows the following:

- 19% of the dwellings granted building consents in 2023 and 2024 were for MUH.
- The MUH provided consists primarily of 2-3 bedroom.
- The average site size for building consents granted in 2019 to private developers for MUH was 235m², which is smaller than the 'standard' single dwelling lot size of 350m².

As such, while the ODP has enabled some MUH development and intensification, further work is needed to meet the City's housing needs over time. For example, the 2023 HBA found that smaller houses will need to make up a larger proportion of newer houses being built (i.e., greater than 19%) to meet future housing demand. Significantly higher intensification, where lot sizes might be expected to be 150m² or less, will also be required.

Outcome of consultation about plan effectiveness

The outcome of consultation with the public and private development sectors, as summarised in Section 3.4 of this report, identified some concerns with the existing provisions. Whilst a significant number of concerns related to implementation of the existing provisions, there were also concerns about:

- The structure of the MUH provisions, including content of the assessment criteria and the wide scope being applied to considering MUH applications.
- Inconsistency between provisions in different DP sections which apply to MUH, for example subdivision and fencing.
- The significant focus on protection of existing amenity, character and appearance, which is perceived as generating requirements for excessive design changes and uncertainty for applicants.

Generally, the development sector's opinion was that there is a desire to deliver more intensive housing, but the operative planning framework does not sufficiently enable the supply of multi-unit dwellings.

5.1.3 Providing for non-residential activities to support intensification

The ODP enables, as permitted activities, a range of non-residential activities in the Residential zone which are required to support residential land uses (Section 10.7 of the ODP). This includes community facilities, visitor accommodation, educational and health facilities and home occupations. Structural maintenance of flood protection works for or by Horizons Regional Council and temporary training activities are also provided for as permitted activities, subject to meeting relevant performance standards.

Appropriate provision for non-residential activities is required in the MRZ and the approach should mirror that of Section 10, to ensure there is no difference in activity status. Making non-residential activities either more or less enabled in the MRZ than the Residential zone could result in unintended consequences such as creating a preference for one residential zone over the other.

5.2 Issues of relevance for Rangitāne o Manawatū

The Rangitāne o Manawatū statutory area of interest extends from south of Shannon to Mangaweka in the north. Through the FDS, RoM expressed seven aspirations for future urban development in Te Papaioea, sought that decisions on future growth and housing development continue to be made in partnership with RoM from the start and that future growth and development in Te Papaioea will achieve the outcomes identified in the Whanau Ora framework [which is part of the RoM EMP].

Table 10: Rangitāne o Manawatū aspirations for future urban development

Aspiration	Description
A city with minimal environmental impact	Recognition that as human communities, our health relies on the health of te taiao and we must strive to make as little negative impact as possible and strive to improve our environment.
A city with a strong identity based on its own story	Rangitānenuirawa (Rangitāne practices and Mātauranga knowledge) and the stories and landscapes are a seamless part of the city's identity.
A city that embodies Te Tiriti partnership	Recognition that Rangitāne o Manawatū, Horizons Regional Council (HRC) and PNCC are Te Tiriti partners. We should write the rules together and, where appropriate, iwi lead for iwi Māori, noting that tangata whenua has a role to awhi those who choose to make Te Papaioea their home.

Aspiration	Description
A city that prioritises the mauri and health of waterbodies and connections to them	The mauri and health of the Manawatū Awa, its tributaries, lagoons and connections are protected and restored to secure the wellbeing of people interacting with them. Where appropriate, lost waterbodies are identified and restored.
Affordable, healthy and accessible housing options	Whānau live in homes that are affordable and that support their wellbeing. Mixed and holistic pathways to home ownership are available.
Māori development (including papakāinga, cultural hubs and new marae) is a readily available option	Homes are oriented towards communal spaces and a connection with wai, rongoa, maara, and marae with a collective kawa and tikanga that protects these shared spaces.
Te Mana o te Wai in the Manawatū – statement:	As tangata whenua of Te Papaioea, Rangitāne o Manawatū have a significant and deep connection to the land and waters of the Manawatū, and obligation to protect, enhance and restore the mauri for future generations.

The specific issues of interest to Rangitāne are described Section 5 of TMI's feedback on PC:I. In summary, the key issues are:

1. **Provision of housing** – PC:I provides an opportunity to provide housing stock to reduce housing inequalities for Māori communities. Rangitāne is concerned that PC:I is not underpinned by an assessment or statistically analysis of the current state of housing stock and whether this is meeting the needs of Māori communities.
2. **Management of stormwater** – urban intensification will result in less green space and more hardstand areas, which will exacerbate flood risk and stormwater contamination. Rangitāne is seeking a sub-catchment or whole of catchment approach. PC:I should be supported by the identification of new stormwater reserves, sub-catchment level treatment interventions, actions to improve degraded urban waterways and upgrades to the development contributions policy.
3. **Natural hazard risk** – Rangitāne considers the response in PC:I is insufficient to respond to natural hazard risk from climate change and for liquefaction.
4. **Green space and vegetation** – PC:I does not go far enough to recognise and retain the multiple ecosystem services provided by vegetation and green space. Rangitāne considers the Council's reserves criteria and development contributions policies should be updated to recognise and address the need for public open space performing

multiple functions. Existing reserves, such as the Huia Street reserve, should not be rezoned until it's known whether they are required for stormwater attenuation.

5. **Urban design, public space and built form reflect our associations with wai and whenua** – as tangata whenua of Palmerston North City, Rangitāne wishes to see the design of the built environment reflect and celebrate the stories and identity of Rangitāne and these opportunities should be identified and promoted through the plan change provisions.
6. **Active and public transport provision** – Rangitāne wants to see whānau staying active to support healthy lifestyles.
7. **Sites of significance and our connection with wai** – Section 17 of the ODP is not currently fit for purpose for managing effects on Rangitāne associations with te taiao. There hasn't been sufficient time or resourcing to provide an updated schedule of sites of significance and how they should be best protected.

5.3 Stormwater management - quality and quantity

5.3.1 Managing stormwater quality

As stated in Section 4.2.1 of this report, the NPS-FM requires PNCC to adopt “an integrated management of land use and freshwater”. The NPS-FM is yet to be given effect to in the ODP. As a result, PC:I must include provisions which address, to the extent relevant, the NPS-FM direction.

Feedback from Horizons Regional Council in December 2022, as part of the Council's consultation on the draft plan change, noted the contribution that urban stormwater makes to decreasing water quality. Urban stormwater collects a variety of contaminants as rainwater runs over impermeable surfaces. Whilst the types of contaminants vary according to land uses, in the urban areas this can include sediment (particularly during construction), trace metals such as copper, lead and zinc and hydrocarbons from petrol and oil.

Whilst the Council's own stormwater system is one of the primary tools to managing stormwater quality, there are actions that can be taken on private property which contribute towards improving stormwater quality.

Whilst the RoM EMP includes limited specific reference to stormwater, the overall Te Mana o Te Wai outcome is to protect and restore the mauri of the Manawatū Awa and its lagoons and tributaries. The RoM iwi and hapū aspirations in the PNCC FDS are for a city with minimum environmental impact, which priorities the mauri and health of waterbodies and connections to them. Managing and improving stormwater quality is part of achieving this.

5.3.2 Managing stormwater quantity

Heavy rainfall events result in increased surface flooding and stormwater ponding. With climate change increasing the amount of rainfall, this is likely to worsen. The impact of intensification on the existing urban environment and the way stormwater is managed has implications for how residential intensification is enabled.

Stormwater can increase soil erosion and damage homes, businesses and infrastructure. The Stormwater Technical Report quantifies the extent of areas at risk of flooding and the implications this may have for residential intensification. This informs the locations within the MRZ where residential development can occur without the need for a resource consent and where site-specific assessment via a resource consent is required in order to determine the extent of effects from flooding and identify appropriate mitigation.

With the predicted increases in frequency, duration and intensity of rain events as a result of climate change, stormwater ponding conditions are likely to worsen over time. In addition, increased areas of paving and buildings over permeable surfaces (which occur as a result of intensification) will increase runoff and ponding/flooding in the city.

The areas with depths that require minimum floor levels and mitigation cover large areas of the existing urban environment in Palmerston North. The areas with depths where development is not recommended also cover nominal areas of the city. In most cases, minimum floor levels and stormwater management methods such as stormwater ponds or below ground attenuation systems can address this constraint.

5.4 Responding to climate change

The following text is drawn from the Climate Change Memo prepared to support PC:1. Currently available data indicates that Palmerston North will get warmer and drier on average, but with increased rainfall intensity as a result of climate change, as shown in Table 11.

Table 11: Projected changes in climatic variables between 1986–2005 (1995), 2031–2050 (2040) and 2081–2100 (2090) for the Manawatū-Whanganui (Whanganui) region¹⁶

Climate Variable from SSP2-4.5 ¹⁷	2005	2030	2050	2090
Average Temperature	13.4°C	+0.6°C	+1.1°C	+2.0°C
Average number of days per year over 25°C	20 days	+7.1 days (2.5 to 8.9)	+16.7 days (7.5 to 20.2)	+30.7 days (14.2 to 36.4)
Annual precipitation (in %)	962.3mm	+0.3% (-0.1 to +1)	-0.1% (-0.8 to +0.5)	-0.8% (-1.7 to +0.3)
Expected rainfall intensity for a 1 in 10 year event lasting 1 hour (mm/m ²)	22.4mm (-2.4 to +2.4)	n/a	24.4	27.2

¹⁶ As derived from statistical downscaling, at SSP2-4.5. Values in brackets indicate the range of possible results from different models. Expected rainfall intensity derived from HIRDS data (*High Intensity Rainfall Design System V4, NIWA, 2018 (based on Palmerston North centre data)*) based on Representative Concentration Pathway (RCP) 6.0

¹⁷ [Climate projections summary dashboard | Ministry for the Environment](#)

Average number of days per year with over 25mm of rain	4 days	+0.5 days (+0.2 to +0.9)	+0.6 days (+0.4 to +0.7)	+0.9 days (+0.7 to +1.1)
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Urban areas are particularly affected by increased heat and rainfall due to large areas of impermeable surfaces with high heat retention. Palmerston North is also affected by catchment-scale rainfall through its rivers and streams.

The projected increase in 'Hot Days' includes increases in the duration of periods of hot weather and greater variability between seasons. During extended heatwaves or droughts buildings and hard surfaces retain more heat and cool down more slowly than vegetation leading to the 'Urban Heat Island Effect' with implications for public health, energy use and infrastructure maintenance.

Infrastructure will need increased capacity and resilience:

- Projected increases in the intensity of rainstorms may require additional short-term detention capacity to avoid public health issues, environmental damage and property damage from flooding. This is particularly true of catchment scale events where even short-duration rainstorms may accumulate as they move downstream,
- Increased intrusion of stormwater into wastewater processing may result in damage to infrastructure or a greater risk of environmental damage from emergency discharges into the river,
- Infrequent seasonal decreases in the intensity of rainfall may affect potable water supplies or increase reliance on bore water,
- Road surfacing may need to be designed to withstand more intense rainfall, ideally with reduced heat retention, and
- Transport infrastructure (e.g. bridges) may need to be able to withstand more variable flow rates in rivers and streams, potentially including increased floating debris or bank shrinkage.

Buildings and open spaces will need to be designed to cope with future climate-related risks:

- Buildings may need to reduce heat retention, take advantage of passive cooling and minimise accumulation of heat during extended periods,
- Landscaping may need to account for infrequent, high-intensity rainfall events to prevent overburdening the surface water system,
- Parks and green infrastructure could see changes in long-lived plants and trees requiring improved water retention, increased water use and active maintenance. Open spaces may also need to act as stormwater detention basins to reduce the impact of more intense rainstorms.

5.5 Relevant resource management issues

Sections 5.1–5.4 above detail the Council's analysis of the main feedback points on the proposed plan change received from key stakeholders. Taking into account this analysis, the other results of its clause 3, 4, and 4A consultation, and the research informing the plan change, six key resource management issues for PC:I to address can be identified (Table 12).

Table 12: Resource management issues

Issue	Comment	Response
Issue 1: Need to Implement the requirements of the NPS-UD.	<p>Policy 5 of the NPS-UD requires that PNCC (as a Tier 2 Council) must provide sufficient housing development capacity to meet community needs. This includes enabling higher densities in identified locations.</p> <p>The Operative District Plan does not currently give effect to these requirements.</p>	<p>The new MRZ includes enabling standards to provide for intensification and increased housing opportunities in accordance with the requirements of the NPS-UD.</p> <p>As required by Policy 5 of the NPS-UD, PC:I enables building heights and density of urban form commensurate with the greater of the level of accessibility by existing or planned active or public transport or relative demand for housing in that location.</p>
Issue 2: Supporting Māori and communities in RoM's community of interest	<p>Residential intensification is an opportunity to address historical housing disparities for Māori . This includes providing a range of housing choices and densities.</p> <p>It is also an opportunity to better enable papakāinga and marae, to support Rangitāne o Manawatū's aspirations for multi-generational living with a strong sense of place in a connected and cohesive community.</p> <p>There are, however, also existing problems relating to flooding risk and stormwater system capacity.</p>	<p>PC:I will support a range of housing densities and typologies in the MRZ without a requirement for minimum lot sizes. This includes enabling papakāinga housing.</p> <p>The Council acknowledges that the areas of highest flooding potential include the RoM community of interest area. The extent of this is unknown at a site-specific level – there are sites within the RoM's community of interest where flooding may not be a concern and there are others where the opposite will be true. Residential intensification within the Stormwater Overlay will require a resource consent application to enable a site-specific assessment of the potential effects of flooding and to determine the appropriate</p>

Issue	Comment	Response
		<p>level of mitigation. This will incur a cost to prepare the consent application and there may be additional costs associated with implementing mitigation.</p> <p>In parallel with PC:I the Council is developing a Stormwater Management Strategy for a city-wide response to managing stormwater capacity and risk from overland flows.</p>
<p>Issue 3: Effects of development on wāhi tapu, wāhi tūpuna and other sites of significance</p>	<p>The ODP does not include all relevant sites of significance and there is a risk that residential intensification adversely impacts these.</p> <p>Conversely, there are opportunities with residential intensification, particularly on larger sites, to recognise sites of significance through design and planting.</p>	<p>PC:I does not amend the ODP Section 17 provisions regarding sites of significance to Rangitāne o Manawatū. The Council recognises there is a gap, which will be addressed through on-going partnership and kōrero with RoM and a future plan change.</p>
<p>Issue 4: Protecting the MRZ from inappropriate non-residential use and development</p>	<p>Some non-residential activities support the needs of local communities and can contribute to well-functioning urban environments. Many are necessary for well-functioning urban environments.</p> <p>However, incompatible activities can adversely affect the wellbeing of people and communities and can also undermine the key purpose of the residential zones to provide for housing.</p>	<p>Maintain a similar approach to the operative District Plan by providing policy support for those activities that are of an appropriate scale and intensity and support the health and wellbeing of the community.</p> <p>Include rules which enable and provide for appropriate non-residential activities.</p> <p>Manage inappropriate non-residential activities through the resource consent process.</p>
<p>Issue 5: Managing stormwater quality and quantity</p>	<p>The impact of intensification on the urban environment and stormwater management has implications for how that residential intensification is enabled.</p>	<p>Set minimum stormwater management requirements for all development, such as minimum areas of permeable surface, rainwater attenuation, minimum floor levels and minimum</p>

Issue	Comment	Response
	<p>Inadequate management of stormwater, alongside the increase in impermeable surfaces which inevitably arises from intensification, risks straining or overloading the urban stormwater network.</p> <p>Water quality issues also arise from urban intensification. Some of these (e.g., increased contamination by petroleum hydrocarbons) are systemic, which will mostly fall to the Council to mitigate outside this plan change process. Other types of effects (e.g., stormwater contamination arising from the use of certain building materials) can be managed by imposing appropriate controls on development.</p>	<p>landscape areas for all intensification.</p> <p>Application of a Stormwater Overlay across approximately 75% of the MRZ, where the extent of potential flooding is unknown at a site-specific level – there are sites within the overlay where flooding may not be a concern and there are others where the opposite will be true. Residential intensification within the Stormwater Overlay will require a resource consent application to enable a site-specific assessment of the potential effects of flooding and to determine the appropriate level of mitigation. This would include incorporation of water sensitive urban design.</p> <p>Restrict the use of untreated copper and zinc roofing materials.</p>
<p>Issue 6: Increasing resilience to likely current and future effects of climate change and reducing greenhouse gas emissions</p>	<p>Currently available data predicts that, as a result of climate change, Palmerston North will become warmer and drier on average but with increased rainfall intensity. Urban areas are likely to experience increased heat and rainfall, the management of which is impacted by increased areas of impermeable surfaces and reductions in vegetation.</p>	<p>Zone extent determined by access to public and active transport, and by walkability to public open space, employment and community services and primary/intermediate schools.</p> <p>Set minimum areas for permeable surfaces and landscaping</p> <p>Require hydraulic neutrality.</p> <p>Encourage retention of vegetation and replanting where it is removed as part of development</p> <p>Require on-site bicycle parking for all residential units.</p>

6 Overview of proposals

PC:I seeks to enable medium density housing on land within Palmerston North city considered appropriate for intensification. It would rezone relevant areas of the Residential Zone as Medium Density Residential and introduce new objectives, policies and rules that apply specifically to the zone.

6.1 Overview

PC:I consists of:

- a. A proposed new Medium Density Residential zone in a new Section 10A in the District Plan, to give effect to the NPS-UD;
- b. A proposed new Section 7B in the District Plan for subdivision in the Medium Density Residential zone;
- c. A proposed new Section 4A which introduces definitions as required by the National Planning Standards;
- d. Consequential changes to the District Plan as necessary to give effect to PC:I;
- e. Amendments to the maps to remove the MUHA and show the MRZ extent; and
- f. Rezoning of the Summerhays Reserve, Huia Street Reserve and 216-218 Ferguson Street.

6.2 Proposed provisions

6.2.1 Objectives

Six new objectives are proposed for inclusion in Section 10A of the District Plan as part of PC:I. The first of these sets out the zone purpose, two relate to the use of land within the zone, and the remaining three focus on management of effects. These objectives state that the purpose of the zone to provide for predominantly residential activities and housing, and that quality living environments are the outcome sought.

One objective is proposed for Section 7B, which seeks to guide subdivision in the MRZ in accordance with the zone's purpose, while controlling the effects of those subdivisions on development infrastructure.

6.2.2 Policies

Thirteen policies are proposed for Section 10A, which seek to give effect to the relevant new objectives by:

- Providing direction on the range of appropriate activities for the MRZ, and restricting inappropriate non-residential activities and buildings.
- Providing for developments not meeting permitted activity status.

- Describing the planned built form for the MRZ.
- Managing the effects of intensification on the land transport network and supporting mode shift.
- Managing the interface between the MRZ and adjoining zones.
- Mitigating the effects of flooding and stormwater on and as a result of intensification.
- Mitigating effects on water quality from urban development in the zone.
- Encouraging energy efficient design which optimises solar access and manages solar gain.
- Encouraging the retention and / or replacement of vegetation and landscaping in new development.
- Managing effects of existing infrastructure on new development.
- Enabling Rangitāne o Manawatū to provide for their cultural, social and economic well-being.

An additional five policies are proposed for Section 7B, which set out the development patterns and outcomes which are intended to arise from subdivision within the MRZ.

Together, these two sets of policies implement the direction indicated by the objectives introduced by PC:I by setting out:

- The range of acceptable activities for this zone.
- The scale of development anticipated and provided for in the zone.
- Requirements for permeable surfaces, vegetation and landscaping in association with new development.
- Considerations for when it may be appropriate to allow non-residential activities and buildings in the zone.

6.2.3 Rules

A comprehensive rules framework for managing land use activities is proposed for the MRZ. The rules are intended to be enabling, with a broad range of land uses being permitted activities within the zone, subject to meeting specified conditions. These include:

- Residential activities (up to three units on a site);
- Papakāinga;
- Home businesses, including home-based childcare;
- Education facilities (including kohanga reo and kura Kaupapa);

- Community houses; and
- Health facilities.

Other land use activities that may be appropriate in the zones are subject to a restricted discretionary resource consent process. These include residential developments with more than four units, commercial activities, retirement villages, residential centres, visitor accommodation, community and leisure facilities, places of workshop, health centres and hospitals, training facilities, early childhood centres and marae. Any other activity is subject to a discretionary activity status.

The rules framework managing buildings and structures is designed to align with the rules for land uses, with a similar range of buildings and structures being permitted within the zone, subject to meeting specified conditions. Permitted activities include:

- Maintenance, repair and demolition;
- Construction of up to three residential units on a site (including papakāinga);
- Additions and alterations;
- Relocatable and prefabricated residential units;
- Minor dwelling units;
- Construction, addition and alteration of accessory buildings;
- Fences and standalone structures;
- Construction of buildings used or intended to be used for non-residential activities;
- Buildings adjacent to a railway corridor; and
- Use of treated copper and zinc building materials.

Construction of four or more residential units is a restricted discretionary activity subject to compliance with standards. Other building/construction activities are to be assessed as discretionary.

The focus of proposed subdivision rules is on ensuring that allotments have suitable access, connections to essential services and limit effects on street trees. Subdivision is generally provided for a controlled activity, other than in the proposed Stormwater Overlay or where road construction is involved (restricted discretionary activity). Subdivision not otherwise listed is a discretionary activity.

6.2.4 Standards

A set of permitted activity standards for residential buildings in the MRZ are proposed, to ensure that construction that can occur as of right is appropriate for the zone. These standards are designed to achieve a balance between enabling MUH development, and ensuring that those types of developments progress in a manner that the Council can be

confident ensures that the MUH developed is of suitable quality, and that adverse effects from developments are adequately managed.

The standards proposed cover:

- Maximum height;
- Height in relation to boundary;
- Setbacks;
- Building and landscaping coverage;
- Outdoor living space and outlook space;
- Permeable surface, stormwater attenuation and minimum floor levels,
- Glazing and front door orientation requirements;
- Garages, vehicle crossings, on-site manoeuvring, servicing and cycle parking; and
- Fencing and standalone walls.

7 Scale and significance

7.1 Scale and Significance

Section 32(1)(c) of the RMA requires that this report contains a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.

The assessment in Table 13 considers the scale and significance of anticipated effects of implementing the MRZ, which is considered to be medium based on:

- The area and number of people potentially affected;
- There is clear evidence to support the need for change;
- There is clear higher order direction of how, when, and where this change needs to be provided for through this plan change;
- Effects will be ongoing rather than immediate given the large number of factors that influence the type of development that takes place across the city, and as well as when this will occur; and
- There has been extensive public consultation and awareness of the issues for residential intensification over the last three years of engagement leading up to notification of the PDP, including as part of developing the FDS.

Table 13: Assessment of scale and significance

Criteria	Scale/significance			Comment
	Low	Med.	High	
Basis for change		✓		The ODP does not implement the requirements of the NPS-UD to give effect to Policy 5 or Clause 3.5(4) of the NPS-FM
Addressing a resource management issue		✓		The operative DP does not implement the requirements of the NPS-UD to give effect to Policy 5 or Clause 3.5(4) of the NPS-FM. There are extensive potential flooding and stormwater management issues across the city which impact how intensification is enabled and provided for.
Degree of shift from the status quo		✓		The proposed provisions are a change from the ODP as they are generally more enabling of residential intensification, including for subdivision with the removal of minimum lot sizes.

Criteria	Scale/significance			Comment
	Low	Med.	High	
Who and how many will be affected /geographical scale of effects		✓		The MRZ extent would cover approximately 19% of the existing urban environment in Palmerston North city (excluding the Airport, the North East Industrial Zone and the water and recreation zones. The Stormwater Overlay where intensification would require a resource consent as a restricted discretionary activity covers 75% of the MRZ.
Degree of impact on or interest from iwi/Māori			✓	<p>Rangitāne o Manawatū has a high level of interest in the plan change. The Council and RoM have worked together to recognise and provide for issues of relevance. However, Rangitāne considers they haven't had sufficient time or resources to undertake an assessment of whether there are sites of significance within the MRZ – the ODP records five sites of significance and these are all outside the MRZ.</p> <p>Those parts of the MRZ at higher risk of flooding and overland stormwater flows are primarily located in the west of the site, which is RoM's community of interest. There is a concern from RoM and Te Tihi Housing Trust that the cost of meeting the requirement for site-specific stormwater and flooding mitigation will disincentivise development in an area which is in need of new and more housing.</p>
Type of effect/s		✓		<p>There will be a positive impact on the social and economic wellbeing of the community by enabling housing supply and choice.</p> <p>The potential change in urban character is substantial, although this will be a gradual, long-term change.</p> <p>The requirement for site-specific stormwater assessments and potential flooding mitigation in the Stormwater Overlay could dis-incentivise intensification in areas which are in need of new and more housing.</p> <p>There will also be a range of permanent effects because of changes to the built form and</p>

Criteria	Scale/significance			Comment
	Low	Med.	High	
				<p>existing character of the residential areas within the MRZ, which will alter the urban environment in these areas over the medium to long term.</p> <p>As is evident from the 2023 feedback received on the draft provisions and the FDS in 2024, the issues of housing supply and residential character and amenity effects have a high level of public interest.</p>
Degree of risk and uncertainty	✓			<p>This is a high level of information to inform decision-making for land use and subdivision and hence a low risk associated with the proposed provisions.</p> <p>There is a level of uncertainty associated with the degree of intensification that may occur in the Stormwater Overlay, as this relies on a site-by-site assessment of the potential for flooding and any required mitigation.</p>

8 Evaluation of proposed objectives

Section 32(1)(a) of the RMA requires that an evaluation report must examine the extent to which the objectives of the proposal are the most appropriate way to promote the sustainable management of natural and physical resources.

In this report, 'most appropriate' has been interpreted to mean 'suitable, but not necessarily superior'¹⁸. This means that the most appropriate option does not need to be the most optimal or best option, but it must demonstrate that it will meet the objectives in an efficient and effective way.

An examination of the proposed objectives for the MRZ is included in Table 14, with the relative extent of their appropriateness based on an assessment against the following criteria¹⁹:

- **Relevance** - is the objective related to addressing resource management issues, will it achieve one or more aspects of the purpose and principles of the RMA and assist the Council to carry out its decision-making functions?
- **Feasibility** – is the level of uncertainty and risk associated with the objective acceptable and can it be achieved with the tools and resources available, or likely to be available, to the Council?
- **Acceptability** - is it consistent with outcomes identified by Rangitāne o Manawatū and the community and are the costs to the community or part of the community justifiable?

An examination of the proposed objective for Section 7 of the ODP is included in Table 15, using the same criteria.

Whilst not required by s32, the status quo has also been compared to the proposed objectives in PC:I, to ensure that the proposed objectives are the most appropriate to achieve the purpose of the RMA.

¹⁸ *Rational Transport Soc Inc v New Zealand Transport Agency* [2012] NZRMA 298 (HC).

¹⁹ From 'A guide to section 32 of the Resource Management Act 1991: incorporating changes as a result of the Resource Legislation Amendment Act 2017' (2017) MfE

Table 14: Evaluation of objectives MRZ-O1, MRZ-O2, MRZ-O3, MRZ-O4, MRZ-O5 and MRZ-O6

Objectives
<p><u>Proposed objectives – purpose</u></p> <ul style="list-style-type: none"> - MRZ-O1 - Purpose of the Medium Density Residential Zone <p><u>Proposed objectives – use of land</u></p> <ul style="list-style-type: none"> - MRZ-O2 - Built development in the Medium Density Residential Zone - MRZ-O6 – Whenua Māori <p><u>Proposed objectives – managing effects</u></p> <ul style="list-style-type: none"> - MRZ-O3 - Protecting water bodies and freshwater ecosystems - MRZ-O4 - Effects of flooding in the Medium Density Residential Zone - MRZ-O5 – Mitigate effects of development adjacent to infrastructure <p>1.</p>
General Intent
<p>The intent of these objectives is to clearly identify the primary purpose of the MRZ to provide a variety of housing, including papakāinga, with enablement of appropriate non-residential activities and to enable Rangitāne o Manawatū to protect, development and use whenua Māori.</p> <p>The objectives seek that built development positively contributes to achieving a predominantly residential urban environment.</p> <p>Subdivision and development in the zone should improve water quality, manage flooding and mitigate reverse sensitivity effects.</p>

Status quo: objectives from the ODP

Section 10.3

- **OBJECTIVE 1:** To enable the sustainable use and development of the Residential Zone to provide for the City's current and future housing needs.
- **OBJECTIVE 2:** To secure and enhance the amenity and character of the Residential Zone as a safe, attractive, social and healthy environment in which to live.
- **OBJECTIVE 3:** Housing development is energy efficient, resilient and environmentally sustainable.
- **OBJECTIVE 4:** The predominant character of the Residential Zone is not compromised by incompatible land use and development.

	Proposed objective	Status quo
Relevance		
Addresses a relevant resource management issue	<p>Achieves: there is clear evidence that the operative District Plan does not:</p> <ul style="list-style-type: none"> • provide sufficient housing capacity to meet population increases. • Support Rangitāne and its communities of interest to the extent sought. • Address the effects of development on wāhi tapu, wāhi tūpuna and other sites of significance • Manage stormwater quality and quantity to the extent required, and • Support increased resilience to current and future effects of climate change. <p>Engagement with the development industry and a review of the operative MUH provisions has identified issues with plan effectiveness and implementation. Whilst MUH housing is being development, it is with limited</p>	<p>Partially achieves: whilst the ODP objectives recognise the need to provide for the future housing needs of the city, including by providing a range of housing types and densities, they also seek the retention and enhancement of existing amenity and character.</p> <p>There is a lack of direction about management the effects of urban development on freshwater and about managing the effects of natural hazards, including flooding and stormwater overland flows. This means that relevant resource management issues are not be addressed by the ODP.</p>

	<p>housing typologies and a lack of consistency in application of the plan provisions.</p> <p>The proposed objectives address these issues by providing clear direction that intensification and change will need to occur within the residential zones to increase housing supply and provide for different types of housing. All development will need to improve on-site management of stormwater quality and quantity and manage the effects of flooding.</p> <p>The proposed objectives achieve the purpose of the Act by supporting people and communities to meet their housing needs, which is directly related to supporting the social, economic, cultural wellbeing and health and safety of communities, as well as helping to meet the reasonably foreseeable needs of future generations.</p>	
Assists the Council to undertake its functions under s31 RMA	<p>Achieves: the proposed objective will assist the Council to undertake its functions under s31 of the RMA, especially in relation to s31(1)(aa) to ensure there is sufficient development capacity for housing to meet the expected demands for Palmerston North and s31(1)(a) which requires Council to control the effects of use, development or protection of land.</p>	<p>Fails to achieve: the objectives in Section 10 of the ODP were made operative before the RMA was amended to include s31(1)(aa) and as a result they do not provide the direction necessary to enable the Council to undertake this function.</p>
Gives effect to higher level documents	<p>Achieves: the proposed objectives give effect to the relevant requirements of the NPS-UD and the NPS-FW.</p> <p>The proposed objectives will assist the Council with meeting it's requirements under Section 6(3) of the RMA. Rangitāne o Manawatū has aspirations for future urban</p>	<p>Fails to achieve: the ODP objectives in Section 10 were made operative before the NPS-UD was introduced in 2020 and therefore they do not give effect to the requirement to enable greater housing density to provide more development capacity and to have regard to the district's FDS.</p>

	<p>development in Palmerston North and a series of relevant outcomes in their EMP.</p> <p>The proposed objectives also give effect to Objectives UFD-O1, UFD-O3, UFD-O4, and UFD-O5 of the Horizons One Plan.</p> <p>The proposed objectives have regard to the Council's 2024 FDS as required by Clause 3.17 of the NPS-UD.</p>	<p>The ODP objectives in Section 10 were also made operative before the requirement in Clause 3.5 of the NPS-FW came into effect and as a result they do not provide sufficient direction to manage the effects of urban development on freshwater.</p>
Guides decision making	<p>Achieves: The proposed objectives are clear in the desired outcomes and applicability.</p>	<p>Partially achieves: the ODP objectives are used to guide decision-making. However, as identified in the resource management issues for this topic, they do not sufficiently address relevant matters such as stormwater quality and quantity management, there isn't a strong line of sight to the rules, performance standards and assessment criteria, and they are not supporting the delivery of housing.</p>
Meets best practice for objectives	<p>Achieves: the proposed objectives use plain English and clearly state the purpose and outcomes sought for the MRZ, which aligns with current best practice.</p>	<p>Fails to achieve: several of the ODP objectives are written as policies – they are drafted as 'how' statements rather than outcomes, which is not best practice. They do not provide for increased housing supply as an outcome.</p>
Feasibility		
Acceptable level of uncertainty and risk	<p>Achieves: the proposed objectives provide greater clarity about the intent for the MRZ and certainty about development outcomes.</p>	<p>Fails to achieve: there is currently considerable uncertainty and a lack of clarity associated with the existing objectives, including a lack of line of sight between the objectives the related policies and methods, and a lack of consistent in application. Applicants currently have considerable uncertainty about how the Council will apply the operative provisions and whether this will be done consistently.</p>

<p>Realistically able to be achieved within the Council's powers, skills and resources</p>	<p>Achieves: the proposed objectives are realistically able to be achieved within the Council's powers, skills and resources. Some applications are already being assessed with requirements for hydraulic neutrality, permeable surfaces, and limits on the use of copper and zinc.</p>	<p>Achieves: the status quo objectives are currently being implemented within the Council's powers, skills and resources.</p>
<p>Acceptability</p>		
<p>Consistent with identified Rangitāne o Manawatū and community outcomes</p>	<p>Achieves: the proposed objectives are consistent with RoM outcomes as identified in the RoM EMP and the FDS, with the exception of sites of significance. PC:I does not amend the ODP Section 17 provisions regarding sites of significance to Rangitāne o Manawatū. The Council recognises there is a gap, which will be addressed through on-going partnership and kōrero with RoM and a future plan change.</p> <p>There are no specific community outcomes which have been identified.</p>	<p>Fails to achieve: no specific tāngata whenua or community outcomes have been identified.</p>
<p>Will not impose unjustifiably high costs on the community/parts of the community</p>	<p>Achieves: the proposed objectives are clear and enabling of change. There will be compliance costs to achieve the outcomes sought by the MRZ but these are considered to be justifiable.</p> <p>Most development in Palmerston North city is already required to install stormwater attenuation and landscaping. As such, many of the costs that may be incurred by the objectives are already being realised by the development community.</p>	<p>Fails to achieve: feedback from developers suggest there are sometimes significant compliance costs associated with the ODP objectives, particularly in relation to the lack of clarity for housing outcomes, the missing line of sight between objectives, and policies and rules, and inconsistent application of the ODP provisions.</p>

Summary

There is clear evidence that the MUH provisions in the ODP do not sufficiently enable sufficient housing capacity to meet the demand for housing. The operative objectives lack direction on the need to increase housing supply and they do not give effect to the requirements of the NPS-UD to provide for higher density housing in appropriate locations. The ODP objectives do not give effect to higher order direction in the NPS-FW. Maintaining the status quo is therefore not considered to be a viable option.

The proposed objectives for the MRZ provide a consistent and clear direction for the outcomes sought in the new residential zones.

The analysis in this table demonstrates that the proposed objectives will achieve the purpose of the Act and the Council's functions under s31 of RMA - they give effect to the higher-level planning instruments, provide greater certainty for decision-makers and plan users, align with best practice guidance, and they are not expected to result in significant additional administrative or compliance costs.

The status quo does not achieve the same consistency with higher order direction as the proposed objectives. As such, the status quo is not the most appropriate option to achieve the purpose of the Act.

Table 15: Evaluation of Section 7B - Subdivision in the MRZ

Objective SUB-MRZ-O1

Subdivision in the Medium Density Residential Zone creates allotments and patterns of land development that:

1. Enable medium density residential development* which is compatible with the purpose and planned form for the zone;
2. Maintain the safe and efficient functioning of the transport network;
3. Are serviced by water, wastewater and stormwater infrastructure that has sufficient capacity to accommodate the proposed development*; and
4. Avoid the subdivision of land where there is significant risk from natural hazards.

General Intent

The intent of this objective is to support residential intensification to provide a variety of housing, including papakāinga, provided it achieves the desired outcomes relating to the planned built form, the transport network, infrastructure servicing and management of the significant natural hazard risk.

Status quo: objectives from the ODP

Section 7

- **OBJECTIVE 1:** To ensure that subdivision of land and buildings in urban areas is consistent with integrated management of the use, development and protection of land and other natural and physical resources.
- **OBJECTIVE 2:** To ensure that subdivision is carried out in a manner which recognises and gives due regard to the natural and physical characteristics of the land and its future use and development, and avoids, remedies or mitigates any adverse effects on the environment.

	Proposed objective	Status quo
Relevance		
Addresses a relevant resource management issue	Achieves: The proposed objective provides clear direction about the key outcomes for subdivision in the Medium Density Residential Zone, including to give effect to the NPS-UD, to manage significant risk from natural hazards and to integrated infrastructure and development.	Fails to achieve: the ODP objectives seek to maintain existing land use patterns and maintain amenity values, which does not address the need to increase housing supply through residential intensification. The ODP objectives are silent on the management of natural hazard risk.
Assists the Council to undertake its functions under s31 RMA	Achieves: the proposed objective will assist the Council to undertake its functions under s31 of the RMA, especially in relation to s31(1)(a) which requires Council to control the effects of use, development or protection of land and s31(1)(b)(i) to control the effects of use and development of land to avoid or mitigate natural hazards.	Fails to achieve: the ODP objectives do not assist Council to undertake its functions under s31(1)(aa) of the RMA, to ensure there is sufficient housing development capacity to meet the expected demands of the district or s31(1)(b)(i) to control the effects of use and development of land to avoid or mitigate natural hazards.
Gives effect to higher level documents	Achieves: the proposed objective gives effect to the relevant requirements of the NPS-UD for urban environments which are resilient to the effects of climate change and the One Plan with regard to avoiding or mitigating the effects of natural hazards on people, property and infrastructure.	Fails: the ODP objectives seek to maintain existing land use patterns and maintain amenity values which does not give effect to the NPS-UD or to the One Plan with regard to increasing the capacity and choice available within the urban environment (UFD-O3).
Guides decision making	Achieves: The proposed objective is clear in the desired outcomes and applicability.	Partially achieves: the ODP objectives are used to guide decision-making. However, the outcomes are not consistent with the current national direction.
Meets best practice for objectives	Achieves: the proposed objectives use plain English and clearly states the outcomes sought for the subdivision in the MRZ, which aligns with current best practice.	Fails: the ODP objectives do not meet current best practice drafting principles.

Feasibility		
Acceptable level of uncertainty and risk	Achieves: the proposed objective provides greater clarity about the intent for development outcomes in the MRZ, and hence provides greater development certainty.	Partially achieves: the ODP objectives are certain given they have been operative for a number of years. However, they do not manage risk to an acceptable level as they do not support increasing housing supply.
Realistically able to be achieved within the Council's powers, skills and resources	Achieves: the proposed objective are realistically able to be achieved within Council's powers, skills and resources. The Council already imposes conditions on subdivision consents requiring maximum areas of impervious surfaces and minimum floor levels, to mitigate natural hazard risk.	Achieves: the status quo objectives are currently being implemented within the Council's powers, skills and resources.
Acceptability		
Consistent with identified Rangitāne o Manawatū and community outcomes	Achieves: the proposed objective are consistent with RoM outcomes as identified in the RoM EMP and the FDS. There are no specific community outcomes which have been identified.	Fails to achieve: no specific tāngata whenua or community outcomes have been identified.
Will not impose unjustifiably high costs on the community/parts of the community	Achieves: the costs associated with implementing the proposed objective are justifiable. The proposed objective will enable an overall increase in density.	Achieves: There is no evidence to suggest that the status quo has imposed unjustifiably high costs over the life of the Operative Plan.
Summary		
<ul style="list-style-type: none"> ▪ The proposed objective for subdivision in the MRZ provides a clear direction to plan users about the outcomes sought by the Council. Whilst the ODP objectives partially achieve some of the evaluation criteria, the proposed objective is more successful. ▪ The analysis in this table demonstrates that the proposed objectives will achieve the purpose of the Act and the Council's functions under s31 of RMA - they give effect to the higher-level planning instruments, provide greater certainty for decision-makers and plan 		

users, align with best practice guidance, and they are not expected to result in significant additional administrative or compliance costs.

- The status quo does not achieve the same consistency with higher order direction as the proposed objectives. As such, the status quo is not the most appropriate option to achieve the purpose of the Act and maintaining it is not considered to be a viable option.

9 Evaluation of options to achieve objectives

This section of the s32 report evaluates the proposed policies, rules and standards as they relate to the proposed objectives. The evaluation is informed by the technical assessments prepared to support PC:I and the Rangitāne Cultural Impact Assessment.

9.1 Section 10A – Medium Density Residential Zone

For the purpose of this evaluation, the Council considered the following options:

1. **Upzone part of the Residential Zone to create a Medium Density Residential Zone** - Identify areas appropriate for medium density housing, which include the existing MUHA, and introduce specific provisions enabling and providing for residential intensification in this new zone. This is the proposed approach.
2. **Maintain the status quo** – retain the ODP multi-unit housing areas and provisions. MUH would continue to require a Restricted Discretionary Activity consent within the specified MUHA in the Residential Zone. MUH outside these areas in the Residential Zone would continue to be a Discretionary Activity.
3. **Retain the status quo provisions and expand the area to which they apply** - retain the ODP MUHA and expand the areas identified as MUHAs. The activity status would remain as per Option 2, with no change to the objectives, policies and methods.
4. **Replace the Residential Zone with a Medium Density Residential Zone** - enable intensification across the entire existing Residential Zone in Palmerston North city.

The evaluation in Table 16 considers the costs and benefits, in order to determine the effectiveness and efficiency of the options and whether the proposed approach is most appropriate way to achieve the objectives.

9.2 Section 7 – Subdivision

For the purpose of this evaluation, the Council considered two options:

1. **New subdivision chapter for the MRZ** – create a new subdivision chapter with objectives, policies and methods which apply only to subdivision in the MRZ. This is the proposed approach.
2. **Retain the Status Quo** – retain the ODP subdivision policies and methods, which are focused on minimum lot sizes and retaining the existing character and approach to lots.

The evaluation in Table 17 considers the costs and benefits, in order to determine the effectiveness and efficiency of the options and whether the proposed approach is most appropriate way to achieve the objectives.

9.3 Activity status for development in the Stormwater Overlay

As part of developing PC:I, the Council considered the appropriate activity status – either Restricted Discretionary, Discretionary or Non-complying - for development in the Stormwater Overlay:

- **Option 1 – Restricted Discretionary Activity status (preferred option)** – this is considered the most efficient and effective option for an activity status. The Council's flood modelling operates at a city-wide level – it does not evaluate risk as a site by site level and sites within the Stormwater Overlay may be impacted to a greater or lesser extent by flooding (including from stormwater). The requirement for a resource consent for development in the Stormwater Overlay is a trigger to require a site-specific stormwater assessment to determine the extent of any flooding and to identify appropriate mitigation. The nature of this discrete issue means that it is possible to identify the limits of Council's consideration and to articulate this through matters of discretion. Further, the NPS-UD definition of 'plan-enabled' in the NPS-UD includes a restricted-discretionary activity status.

The activity status is the same as for MUH in the ODP and the costs of preparing and processing an application will be limited to identifying and assessing flooding effects and determining appropriate mitigation.

- **Option 2 – Discretionary Activity status** – this was discounted as this would mean that residential intensification was not 'plan-enabled' by the NPS-UD, it would open up the consideration of all effects of residential intensification even though the issue relates to flooding, and it would potentially significantly reduce the potential for the zone to contribute to meeting housing demand. It would result in increased costs for the applicants and Council, and it would not support Rangitāne's aspirations for development. The nature of the issue does not require consideration of all effects of residential intensification which is where a discretionary activity consent status would be appropriate.
- **Option 3 – Non-complying Activity status** – this was discounted as this would mean that residential intensification was not 'plan-enabled' as required by the NPS-UD, it would suggest that residential intensification should not occur across approximately 75% of the MRZ unless the s104D 'gateway test' is met because of the scale of effects, and it would significantly reduce the potential for the zone to contribute to meeting housing demand. It would result in increased costs for the applicants and Council, and it would not support Rangitāne's aspirations for development. The nature of the issue does not require an assumption of 'no development unless' which is where a non-complying activity consent status would be appropriate.

Table 16: Analysis of options – Medium Density Residential Zone

<p>This analysis relates to all proposed objectives for the MRZ</p> <p>Purpose objectives MRZ-O1</p> <p>Use of land objectives MRZ-O3 and MRZ-O6</p> <p>Managing effects objectives MRZ-O3, MRZ-O4 and MRZ-O5</p>			
<p>Option 1: Upzone part of the Residential Zone to MRZ (proposed approach)</p>	<p>Costs</p>	<p>Benefits</p>	<p>Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions</p>
<p>Policies</p> <p>Thirteen policies for the MRZ which seek to:</p> <ul style="list-style-type: none"> • Provide direction on the range of appropriate activities for MRZ, and restrict inappropriate non-residential activities and buildings. • Set out the planned built form for the zone. • Manage effects on the land transport network and support mode shift. • Provide for developments not meeting permitted activity status. • Mitigate the effects of flooding and stormwater on and as a result of intensification. • Mitigate effects on water quality from urban development in the zone. • Encourage development which is energy efficient, optimises solar access and manages solar gain and which retains and / or replaces vegetation and landscaping in new development. • Manage effects of existing infrastructure on new development. • Enables Rangitāne o Manawatū to provide for its cultural, social and economic wellbeing. <p>Rules</p> <p>A rules framework for managing land use and building activities across the MRZ:</p>	<p>Environmental costs</p> <ul style="list-style-type: none"> • If higher density development is focused in certain areas there is potential for those areas to become more devoid of vegetation, relative to other urban areas, and subsequently for ecosystem services to be disrupted and biodiversity corridors to be lost. <p>Social costs</p> <ul style="list-style-type: none"> • More enabling approach for new housing development compared to the ODP, even with the requirement for a resource consent for development within the Stormwater Overlay. As a result, this is likely to result in changes to the form and appearance of the residential areas of the city and hence change residential amenity, which may be seen by some existing residents as detrimental. This was the tone of much of the feedback on the draft PC:I provisions. It is worth noting that this change will happen over a number of years and is influenced by a number of factors in addition to the planning framework. The level of change, and hence the cost of that change, is mandated by the NPS-UD, and Policy 6 specifically excludes a change in amenity values from being considered as an adverse effect. • Implementing national direction, and improving the quality and outcomes in the DP for housing, requires a plan change, which has costs for the Council and participants in the plan change process. • Restricting residential intensification within the Stormwater Overlay unless a site-specific assessment determines the effects from flooding are acceptable has the potential to constrain development in areas where the need for more and better housing is potentially the greatest. This raises 	<p>Environmental benefits</p> <ul style="list-style-type: none"> • The policy direction provided in the proposed approach aligns with all higher order direction in the RMA, NPS-UDP, NPS-FW and RPS. • The proposed approach will support climate change resilience, reductions in greenhouse emissions (through mode shift to active and/or public transport) and better management of stormwater quality and quantity through reduced concentrations of contaminants such as suspended solids and metals, including copper and zinc. • Provides residents and visitors access to green space within larger developments, with the incorporation of water sensitive urban design solutions. • Reduced built environment footprint as a result of lower use of hard infrastructure, hard landscaping and minimum requirements for permeable surfaces. • Less environmental damage during storm events due to more resilience in the water system and better management of stormwater peak flows and volumes. • Better integration of infrastructure and landuse. • Concentrating medium density housing within the zone may provide opportunities for the rehabilitation of drainage channels and urban waterways in other areas. <p>Social benefits</p> <ul style="list-style-type: none"> • More intensive housing is enabled as a permitted activity, thereby increasing housing supply and choice to meet existing and future housing demand. Greater flexibility and choice in housing will also better meet people's needs and lifestyle preferences. • Increased range of affordable housing options. 	<p>It is considered that there is certain and sufficient information to support the proposed approach:</p> <ul style="list-style-type: none"> • The technical assessments undertaken to support PC:I show that parts of the MRZ are subject to potential risk of on or off-site flooding, including from stormwater overland flows. • Rangitāne is generally supportive of the preferred approach. • Higher order documents (section 6e) of the Act, the NPS-FW, and the RPS provide direction about managing water in an integrated way, recognising and providing for the relation of mana whenua with water. The proposed provisions are consistent with this higher order direction. • There is compelling evidence regarding the current housing supply and lack of effectiveness for the operative provisions, and in relation to the anticipated population growth which will exacerbate these issues if action is not taken. <p>The risk of not acting, therefore, is greater than the risk of acting for this option.</p>

<ul style="list-style-type: none"> • Enables as permitted activities those land uses which are anticipated in MRZ, subject to meeting specified standards. • Provides for other land use activities that may be appropriate in the MRZ subject to a restricted discretionary resource consent process. • Construction, alterations, additions, repair, maintenance and demolition of buildings and structures are permitted subject to compliance with standards. • Papakāinga and marae are specifically provided for as permitted and restricted discretionary activities respectively, subject to meeting standards. • Buildings and structures adjacent to specifically identified infrastructure are permitted subject to compliance with offsets and with appropriate acoustic treatment. • Controls on building materials and stormwater treatment and attenuation is required to improve water quality and manage stormwater quantities more effectively. • Applies relevant rules from the Residential Zone where a consistent level of control is required across both zones. <p>Standards</p> <p>A consistent set of standards for the MRZ that address maximum height, height in relation to boundary, setbacks, building and landscaping coverage, outdoor living space and outlook space, permeable surface, stormwater attenuation and minimum floor levels, glazing and front door orientation; garages, vehicle crossings, on-site manoeuvring, servicing and cycle parking; and fencing and standalone walls.</p>	<p>issues of development equity and whether there is an inherent bias in PC:l.</p> <ul style="list-style-type: none"> • No change in how residential intensification in the Residential Zone would be considered, i.e the Discretionary activity status would remain. <p>Economic costs</p> <ul style="list-style-type: none"> • MRZ is limited to areas that are accessible to key infrastructure and services, which limits the scale and dispersion of residential intensification. • The technical reports prepared to support PC:l identify a range of infrastructure upgrades which are required to service the increased density. • Potential for increased design and construction costs to develop as a result of the need to provide onsite attenuation and water sensitive design/stormwater management measures. These costs may not be significant in the context of the overall development as the methods to achieve water sensitive design can also achieve some or all of the required stormwater management requirements and the requirement for permeable paving in in the MRZ. The more significant costs may fall on properties within the Stormwater Overlay – this depends on the outcome of site-specific assessments and the extent of required mitigation. • Potential for ongoing maintenance and/or compliance costs to ensure infrastructure remains effective. • Consenting costs where the permitted activity standards are breached and/or a resource consent is required for a restricted discretionary activity. There is no guarantee that resource consents will be granted. • Costs associated with consenting and preparation of a site-specific stormwater management plan for development within the Stormwater Overlay. • May be design, construction and maintenance costs associated with mitigation for development within the Stormwater Overlay. • The requirement for acoustic insulation and mechanical ventilation for properties within 100m from the rail corridor will apply to approximately 345 properties within the MRZ zone. For those properties there may be a limitation on some activities on a site²⁰ and/or a requirement for acoustic insulation to achieve the required internal noise 	<ul style="list-style-type: none"> • Provides for coordinated medium density housing in the city in proximity to amenities, employment opportunities and active and public transport, all of which contributes to a well-functioning environment. • The proposed approach supports positive social outcomes for connected, safe, health and accessible communities and streets, in part because the MRZ is accessible to active and public transport. This will also support mode shift. • The proposed approach does not adopt the MDRS in their entirety – the proposed standards are based on the 2024 study by McIndoe Urban which evaluated the MDRS and recommended which standards should be adopted and which should be amended to achieve a better outcome for residential development in Palmerston North. • The proposed approach to non-residential activities adopts the same activity status' as in the remaining Residential Zone, to ensure that particular activities are not unintentionally directed to either zone at the benefit or detriment of the other. This includes, for example, visitor accommodation, place of worship and retirement villages. • Increased infrastructure resilience, providing for operational reliability in a wider variety of circumstances, including natural hazards and climate change. • Over time reduced discharges to the natural environment, which will enable increased use of freshwater for recreation and food gathering. • Requiring building setbacks from the designated railway corridor and electricity distribution lines will protect the health and well-being of the occupants of properties within the identified setbacks¹⁸ & ¹⁹. The requirement for acoustic insulation for noise sensitive activities will also protect the health and well-being of occupants from excessive noise¹⁹. <p>Economic benefits</p> <ul style="list-style-type: none"> • The technical reports prepared to support PC:l identify a range of infrastructure upgrades which are required to service the increased density. Some of this investment will improve the level of service for existing residential areas as well. • The proposed approach will result in more certainty for developers, with intensification of 1-3 residential units enabled without the requirement for a resource consent. 	
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²⁰ Table 3 - Assessment under Section 32 of the Resource Management Act 1991 – Rail Safety Setback (July 2024). Prepared for KiwiRail Holdings Limited by the Eclipse Ground Limited

	<p>levels²¹, These costs will be borne by the applicant. There will also be compliance costs for the Council.</p> <p>Cultural costs</p> <ul style="list-style-type: none"> • The majority of Rangitāne o Manawatū's community of interest, and hence their focus in terms of development, is in the Stormwater Overlay. The primary focus for Te Tihi Housing Trust is in the same area. There is a significant need for more and improved housing in these areas but PC:I does not provide for residential intensification in this overlay as a permitted activity. This raises concerns about whether an equitable approach is being taken to PC:I and the cultural and social costs associated with requiring mitigation to be provided on a site-by-site basis. • Any residential intensification by Rangitāne or Te Tihi Housing Trust within the Stormwater Overlay will need to assess flooding effects and determine and implement appropriate mitigation if this is required. • PC:I does not address effects of residential intensification on sites of significance to Rangitāne. This will be the subject of on-going kōrero between the Council and Rangitāne and a future plan change which looks at this issue more broadly across the city. 	<p>Where a resource consent is required, a clearer and more consistent framework for evaluating and deciding on application. This should reduce the costs of preparing a consent application and the holding costs associated with consent processing.</p> <ul style="list-style-type: none"> • Potential to minimise transportation costs because of proximity of zone to public transport and active transport networks and employment opportunities and community facilities and services. • Reduction in Council consent processing costs and timeframes. • Increasing housing supply will help to improve housing choice and affordability. • Increased house building activity and supply of housing will support employment activities in construction and associated support services, as well as those engaged in real estate, development finance and other activities associated with the construction, buying and selling of property. • Increased densities in appropriate locations such as around the city centre, neighbourhood centres and the industrial employment areas will also help support business and economic growth. • Reduced damage from flooding, reduced clean -up costs and faster community recovery • Increased property values due to proximity to greenspace associated with incorporation of water sensitive urban design methods into larger developments. • Depending on the WSD design, lower maintenance and operation costs. • Reduction in hard infrastructure costs, i.e. pipes, catchpits and kerbs. • Reduced building material consumption through adoption of efficient designs and limited use of concrete and asphalt. • Potential for areas which are not 'infrastructure-ready' to be less enabled, unless the infrastructure constraints are addressed either at a city-wide level or with site-specific solutions. <p>Cultural benefits</p>	
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²¹ Page 35 – Standard Railway Noise and Vibration Reserve Sensitivity Provisions and Section 32 Report (16 August 2023). Prepared for KiwiRail Holdings Limited by Taylor Planning

		<ul style="list-style-type: none"> • PC:I includes provisions focused on protecting and restoring the mauri of the Manawatū Awa and its lagoons and tributaries, and on climate change resilience and connecting to the natural environment. • The plan change is responsive to Rangitāne's priorities and issues, including in relation to aspirations for urban development. Housing equity will be enhanced by enabling residential intensification in proximity to employment, education, public and active transport and public open space. • Potential for more affordable housing options across the city. • The MRZ extent is based on walkable catchments to existing and planned walking, cycle routes and bus services, which supports the creation of connected, safe and accessible communities and the hauoranga of Rangitāne whānau. • The purpose of PC:I is to enable more housing and more housing typologies. There is no minimum lot size, which promotes the creation of more affordable housing options and smaller units for kaumatua and young whānau. • Effects of flooding on properties within Rangitāne's community of interest would be addressed through requirements to mitigate on and off-site effects. • The cultural and heritage values of specific sites are managed through other sections of the ODP and these are not proposed for change through PC:I. The proposed approach does, however, seek to manage the effects of residential intensification on sites of cultural or heritage significance. • Katahitanga – papakāinga housing and marae are enabled in the MRZ. 	
<p><u>Overall evaluation of effectiveness and efficiency</u></p>	<p>This option would be effective on delivery on Council's strategies, the RPS and the NPS-UD.</p> <p>This option satisfies the requirements of the NPS-UD in that it would enable a variety of housing types and contribute to a well-functioning urban environment and it gives effect to the NPS-FW.</p> <p>It would enable residential intensification to support meeting the demand identified in the 2023 HBA and the more efficient use of land. This option also addresses feedback from the development community that they avoid medium density housing due to complexity and costs. The plan change as proposed would enable medium density housing.</p> <p>This option would create a compact urban form and deliver a well-functioning urban environment given the areas' proximity to key amenities. It would also achieve high-quality housing that is well integrated with the street, neighbourhood and City.</p> <p>This option would not enable residential intensification without a resource consent in Rangitāne's community of interest, in the west of the city, because of the potential for on or off-site effects from flooding, including from stormwater overland flow paths. Residential intensification in the Stormwater Overlay would require a resource consent to trigger a site-specific assessment of the potential for flooding and to identify what, if any, mitigation is required. This will increase costs for development in these areas</p>		

	<p>because of the requirement for a consent, that assessment and potential mitigation. However, Rangitāne supports the approach to introduce the overlay as an appropriate mechanism for managing flood risk.</p> <p>This option is considered the most efficient and effective.</p>		
Option 2 - Maintain the status quo	Costs	Benefits	Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions
<p>Maintain the current MUH provisions and the MUHAs. The objectives, policies and methods that apply are set out in Section 5.1.1 of this report.</p>	<p>Environmental costs</p> <ul style="list-style-type: none"> Ongoing inconsistent environmental outcomes. Does not give effect to the NPS-FW, including by integrating land use and freshwater in a way that prioritises the health and wellbeing of urban waterbodies. There are no existing requirements to address effects of infill housing on the receiving environment. Does not codify existing Council practice for managing building materials and extent of impermeable surfaces. Does not support achievement of more resilient housing with fewer greenhouse gas emissions to the same extent as the preferred approach. Does not support restoration of urban ecosystems, maintenance of ecosystem services or provide connections between people and natural places and processes as there is no existing direction to maintain or restore indigenous biodiversity. The MUHA include areas of the city which are anticipated to be subject to natural hazard risks from stormwater ponding, based on the stormwater modelling results. The current provisions do not prioritise nature based solutions or area-wide measures to address hazards. Does not capitalise on opportunities to improve climate change resilience and reduce greenhouse gas emissions. <p>Social costs</p> <ul style="list-style-type: none"> Would not provide the housing capacity required to address housing demand and meet population growth as identified in the 2023 HBA. There would be limited ability to address housing choice, density, affordability throughout the city. Continues current practice of delivery of a limited range of housing typologies and sizes, with a focus on detached housing and few 1-bed room units and apartments. Urban development would not occur in a particularly strategic manner. 	<p>Environmental benefits</p> <ul style="list-style-type: none"> No direct or indirect environmental benefits <p>Social benefits</p> <ul style="list-style-type: none"> The operative provisions are understood, even if there are concerns with their interpretation and implementation. Maintaining the operative provisions would address some of the community concerns regarding the scale and effects of change associated with the preferred option. Would make a contribution towards achieving accessible open spaces and supporting healthy lifestyles as some development would occur within areas with good accessibility to open space. The existing MUHA are locations which are readily accessible to community services and facilities. <p>Economic benefits</p> <ul style="list-style-type: none"> No plan change costs as the ODP provisions are retained. No costs to developers associated with the treatment of copper or zinc building materials No economic growth or employment opportunities. <p>Cultural benefits</p> <ul style="list-style-type: none"> No direct or indirect cultural benefits. 	<p>The operative MUH provisions have largely been in place since 2018, There is clear information and evidence that confirms that the current provisions:</p> <ul style="list-style-type: none"> are out of date and not fit for purpose in some respects; do not give effect to higher order direction; and do not enable sufficient development capacity. Are unlikely be an appropriate and supportable approach to meeting Council's higher order statutory requirements. <p>The risk of acting, therefore, is greater than the risk of not acting for this option.</p>

	<ul style="list-style-type: none"> Continued reluctance of developers to provide residential intensification because of concerns about ongoing inconsistency for urban design outcomes and plan administration and implementation. Does not meet National Planning Standards requirements including formatting, zone and definition requirements. Does not give effect to the NPS-UD. Does not have regard to the FDS. The existing MUHA are not necessarily located in areas which are readily accessible to employment opportunities and the existing provisions do not require any consideration of proposed development relative to employment opportunities or the strategic transport network. It's hard to establish higher density development outside of the MUHAs because of the Discretionary activity status. <p>Economic costs</p> <ul style="list-style-type: none"> Consenting (related to activity status), implementation and compliance costs would continue for developers, landowners and Council. Ongoing rework costs and costs associated with requests for further information to address perceived issues with MUH. Likely to require significant potentially ad-hoc investment in three water infrastructure to support growth as the operative provisions are inadequate to decline applications where there are significant infrastructure constraints. Will not create additional economic growth or employment opportunities. <p>Cultural costs</p> <ul style="list-style-type: none"> Papakāinga and marae require a resource consent for a discretionary activity. There is no specific recognition of RoM's cultural aspirations. Restoring the mauri of the Manawatū Awa and its lagoons and tributaries, responding to climate change resilience and connecting to the natural environment are not specific outcomes for residential development in the ODP. The ODP is not responsive to Rangitāne's priorities and issues, including in relation to aspirations for urban development. The ODP requires minimum lot sizes and maintenance of existing character, which does not promote the creation 		
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	<p>of more affordable housing options and smaller units for kaumatua and young whānau.</p> <ul style="list-style-type: none"> • Effects of flooding on properties within Rangitāne's community of interest are not addressed through requirements to mitigate on and off-site effects. • The ODP provisions for sites of significance to Rangitāne are not fit for purpose. 		
Overall evaluation of effectiveness and efficiency	<p>It would not be effective at delivering the Council's strategies and the RPS.</p> <p>It does not satisfy the requirements of the NPS-UD in that it would not enable a variety of housing types to be provided or contribute to a well-functioning urban environment.</p> <p>It would result in a lower yield of houses and an inefficient use of land in Palmerston North. It would not be effective in realising the full development potential of other areas in the city that represent a well-functioning urban environment.</p> <p>It would also not address the feedback from the development community that they avoid medium density housing due to complexity and costs.</p> <p>This option would not enable residential intensification without a resource consent in Rangitāne's community of interest, in the west of the city and papakāinga and marae would remain as discretionary activities.</p> <p>This option is considered to be the least efficient or effective.</p>		
Option 3 - Retain the status quo provisions and expand the area to which they apply	Costs	Benefits	Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions
<p>This option involves retaining the ODP MUHA and expanding the areas identified as MUHAs. The activity status would remain as per Option 2, with no change to the objectives, policies and methods.</p>	<p>Environmental costs</p> <ul style="list-style-type: none"> • Ongoing inconsistent environmental outcomes. • Does not give effect to the NPS-FW, including by integrating land use and freshwater in a way that prioritises the health and wellbeing of urban waterbodies. There are no existing requirements to address effects of infill housing on the receiving environment. • Does not codify existing Council practice for managing building materials and extent of impermeable surfaces. • Does not support achievement of more resilient housing with fewer greenhouse gas emissions to the same extent as the preferred approach. • Does not support restoration of urban ecosystems, maintenance of ecosystem services or provide connections between people and natural places and processes as there is no existing direction to maintain or restore indigenous biodiversity. If higher density development is focused in certain areas there is potential for those areas to become much more devoid of vegetation, relative to other urban areas, and 	<p>Environmental benefits</p> <ul style="list-style-type: none"> • No direct or indirect environmental benefits <p>Social benefits</p> <ul style="list-style-type: none"> • The identification of MUHA areas in the plan provides strategic direction. Under this option, the MUHA areas can be expanded or contracted appropriately to integrate what is now known about infrastructure constraints in the existing MUHA. However, this option still allows MUH outside of areas that are being strategically planned for. To manage those effects, the provisions would need to be modified to ensure these matters can be taken into account through the consent process. • The operative provisions are understood, even if there are concerns with their interpretation and implementation. • Maintaining the operative provisions would address some of the community concerns regarding the scale and effects of change associated with the preferred option. • Would make a contribution towards achieving accessible open spaces and supporting healthy lifestyles as some 	<p>The operative MUH provisions have largely been in place since 2018, There is clear information and evidence that confirms that the current provisions:</p> <ul style="list-style-type: none"> • are out of date and not fit for purpose in some respects; • do not give effect to higher order direction; and • do not enable sufficient development capacity. • Are unlikely be an appropriate and supportable approach to meeting Council's higher order statutory requirements. <p>The risk of acting therefore is greater than the risk of not acting for this option.</p>

	<p>subsequently for ecosystem services to be disrupted and biodiversity corridors to be lost.</p> <ul style="list-style-type: none"> • The MUHA include areas of the city which are anticipated to be subject to natural hazard risks from stormwater ponding, based on the stormwater modelling results. • The current provisions do not prioritise nature based solutions or area-wide measures to address hazards • Does not capitalise on opportunities to improve climate change resilience and reduce greenhouse gas emissions. <p>Social costs</p> <ul style="list-style-type: none"> • Would not provide the housing capacity required to address housing demand and meet population growth as identified in the 2023 HBA. There would be limited ability to address housing choice, density, affordability throughout the city. • Likely to continue current practice of delivery of a limited range of housing typologies and sizes, with a focus on detached housing and few 1-bed room units and apartments, albeit over a larger area of the city. Urban development would not occur in a particularly strategic manner. • Continued reluctance of developers to provide residential intensification because of concerns about ongoing inconsistency for urban design outcomes and plan administration and implementation. • Does not meet National Planning Standards requirements including formatting, zone and definition requirements. • Existing issues with the ODP provisions will continue, including • Lack of certainty and precision about the desired outcomes for MUH • A weak connection between the objectives and policies and the matters of discretion. • A weak connection between the matters of discretion, the performance standards and the assessment criteria. • Several performance standards and assessment criteria that don't relate to a matter of discretion. • A significant overlap between assessment criteria and a lack of clarity in some instances about how the assessment criteria should be applied. • Does not give effect to the NPS-UD. Does not have regard to the FDS. The existing MUHA are not necessarily located 	<p>development would occur within areas with good accessibility to open space.</p> <ul style="list-style-type: none"> • The existing MUHA are locations which are readily accessible to community services and facilities. There is an opportunity to consider new MUHAs based on accessibility criteria, including the employment areas and natural hazards resilience. This makes it easier to prioritise funding and delivery of improvements to the public transport, footpaths and urban cycle network, thus increasing the likely uptake of alternative modes of travel. <p>Economic benefits</p> <ul style="list-style-type: none"> • No plan change costs as the ODP provisions are retained. • No costs to developers associated with the treatment of copper or zinc building materials. • No economic growth or employment benefits. <p>Cultural benefits</p> <ul style="list-style-type: none"> • No direct or indirect cultural benefits. 	
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	<p>in areas which are readily accessible to employment opportunities and the existing provisions do not require any consideration of proposed development relative to employment opportunities or the strategic transport network.</p> <p>Economic costs</p> <ul style="list-style-type: none"> • Consenting (related to activity status), implementation and compliance costs would continue for developers, landowners and Council. • Ongoing rework costs and costs associated with requests for further information to address perceived issues with MUH. • Likely to require significant potentially ad-hoc investment in three water infrastructure to support growth as the operative provisions are inadequate to decline applications where there are significant infrastructure constraints. <p>Cultural costs</p> <ul style="list-style-type: none"> • Papakāinga and marae require a resource consent for a discretionary activity. There is no specific recognition of RoM's cultural aspirations. • Restoring the mauri of the Manawatū Awa and its lagoons and tributaries, responding to climate change resilience and connecting to the natural environment are not specific outcomes for residential development in the ODP. • The ODP is not responsive to Rangitāne's priorities and issues, including in relation to aspirations for urban development. • The ODP requires minimum lot sizes and maintenance of existing character, which does not promote the creation of more affordable housing options and smaller units for kaumatua and young whānau. • Effects of flooding on properties within Rangitāne's community of interest would be not addressed through requirements to mitigate on and off-site effects. • The ODP provisions for sites of significance to Rangitāne are not fit for purpose. 		
<p>Overall evaluation of effectiveness and efficiency</p>	<p>This option would be more effective than Option 2 for meeting the requirements of the NPS-UD. It would not address existing issues with the ODP provisions and as a result, is unlikely to unlock more development potential within the city. This includes because the activity status would not change to something more enabling.</p> <p>This option would not give effect to the NPS-FW. It would also not address to the fullest extent the feedback from the development community that they avoid medium density housing due to complexity and costs.</p>		

	<p>This option would not enable residential intensification without a resource consent in Rangitāne's community of interest, in the west of the city and papakāinga and marae would remain as discretionary activities.</p> <p>This option is considered to be less efficient or effective than Option 1.</p>		
Option 4 - Enable medium density housing across the entire residential zone in Palmerston North	Costs	Benefits	Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions
<p>This option involves a more permissive approach to enabling residential intensification by applying the MRZ to the urban extent of Palmerston North city.</p>	<p>Environmental costs</p> <ul style="list-style-type: none"> • If higher density (re)development is more dispersed, the effects of loss of existing, established vegetation could be more distributed, rather than concentrated in certain areas. However these effects would still occur, perhaps to a lesser extent, than with a restricted MRZ. • Enabling urban intensification everywhere is unlikely to result in the rehabilitation of drainage channels and urban waterways. • The potential for adverse effects from urban development on water bodies and freshwater would increase, and this may require additional controls on development. The policy direction in NPS-FW and the RPS may not be given effect to. <p>Social costs</p> <ul style="list-style-type: none"> • More enabling approach compared for new housing development compared to the ODP, even with the requirement for a resource consent for development outside the low risk areas for flooding and overland stormwater flow paths. As a result, this is likely to result in changes to the form and appearance of the residential areas of the city and hence change residential amenity, which may be seen by some existing residents as detrimental. This was the tone of much of the feedback on the draft PC:I provisions. It is worth noting that this change will happen over a number of years and is influenced by a number of factors in addition to the planning framework. The level of change, and hence the cost of that change, is mandated by the NPS-UD, and Policy 6 specifically excludes a change in amenity values from being considered as an adverse effect. • Under this option, medium density housing could be located anywhere in the city, making it difficult to ensure it was located in areas accessible to services, amenities and open space. It would be difficult to manage this through a permissive regulatory framework, including through the permitted activity performance standards. 	<p>Environmental benefits</p> <ul style="list-style-type: none"> • This option aligns with higher order direction in the RMA and NPS-UDP. • This option would support climate change resilience, reductions in greenhouse emissions. It would support better management of stormwater quality and quantity through reduced concentrations of contaminants such as suspended solids and metals, including copper and zinc but possibility not to the same extent. • Provides residents and visitors access to green space within larger developments, with the incorporation of water sensitive urban design solutions. • Reduced built environment footprint as a result of lower use of hard infrastructure, hard landscaping and minimum requirements for permeable surfaces. • Less environmental damage during storm events due to more resilience in the water system and better management of stormwater peak flows and volumes. • Better integration of infrastructure and landuse. <p>Social benefits</p> <ul style="list-style-type: none"> • More intensive housing is enabled as a permitted activity, thereby increasing housing supply and choice to meet existing and future housing demand. Greater flexibility and choice in housing will also better meet people's needs and lifestyle preferences. • The proposed approach does not adopt the MDRS in their entirety – the proposed standards are based on the 2024 study by McIndoe Urban which evaluated the MDRS and recommended which standards should be adopted and which should be amended to achieve a better outcome for residential development in Palmerston North. • Increased infrastructure resilience, providing for operational reliability in a wider variety of circumstances, including natural hazards and climate change. 	<p>It is considered that there is less certain and sufficient information for this option than for Option 1:</p> <ul style="list-style-type: none"> • The technical assessments undertaken to support PC:I show that infrastructure upgrades are required to support residential intensification. Expanding the zone would increase the degree of investment and may result in parts of the zone which would not be 'infrastructure-enabled'. • The direction in higher order documents (section 6e) of the Act, the NPS-FW, and the RPS about managing water in an integrated way, recognising and providing for the relation of mana whenua with water may not be achieved as effectively. <p>The risk of acting therefore is greater than the risk of not acting.</p>

	<ul style="list-style-type: none"> • This option allows for more compact development on individual sites, but would not necessarily result in a compact urban form across the city, as development could be more potted, depending on the extent to which the opportunity to develop higher density housing is taken up. <p>Economic costs</p> <ul style="list-style-type: none"> • Implementing national direction, and improving the quality and outcomes in the DP for housing, requires a plan change, which will have costs for the Council and participants in the plan change process. • The technical reports prepared to support PC:I identify a range of infrastructure upgrades which are required to service the increased density. The need for upgrades to support more intensification would expand, and it is possible the full extent would not be 'infrastructure-ready'. • This option makes it very difficult to plan for infrastructure provision, as there is no strategy or prioritisation of areas for development. The permissive regulatory framework may make it more difficult to decline proposals in locations which are not infrastructure-ready. • Potential for increased design and construction costs to development as a result of the need to provide onsite attenuation and water sensitive design/stormwater management measures. These costs may not be significant in the context of the overall development as the methods to achieve water sensitive design can also achieve some or all of the required stormwater management requirements and the requirement for permeable paving in in the MRZ. The more significant costs may fall on properties within the Stormwater Overlay if there is a requirement for on-site mitigation to address potential flooding. • Potential for ongoing maintenance and/or compliance costs to ensure infrastructure remains effective. • Consenting costs where the permitted activity standards for other topics are breached and/or a resource consent is required for a restricted discretionary activity. There is no guarantee that resource consents will be granted. • The number of properties within 100m from the rail corridor, which would be required to install acoustic insulation and mechanical ventilation for properties would increase. There may be a limitation on some activities on a site²² 	<ul style="list-style-type: none"> • Over time reduced discharges to the natural environment, which will enable increased use of freshwater bodies for recreation and food gathering. <p>Economic benefits</p> <ul style="list-style-type: none"> • The technical reports prepared to support PC:I identify a range of infrastructure upgrades which are required to service the increased density. Some of this investment will improve the level of service for existing residential areas as well. • More certainty for developers, with some intensification enabled without the requirement for a resource consent across the residential area of the city, and where a resource consent is required, a clearer and more consistent framework for evaluating and deciding on application. • Increasing housing supply will help to improve housing choice and affordability. • Increased house building activity and supply of housing will support employment activities in construction and associated support services, as well as those engaged in real estate, development finance and other activities associated with the construction, buying and selling of property. • Reduced damage from flooding, reduced clean -up costs and faster community recovery • Increased property values due to proximity to greenspace associated with incorporation of water sensitive urban design methods into larger developments • Depending on the WSD design, lower maintenance and operation costs. • Reduction in hard infrastructure costs, i.e. pipes, catchpits and kerbs. • Reduced building material consumption through adoption of efficient designs and limited use of concrete and asphalt. <p>Cultural benefits</p> <ul style="list-style-type: none"> • The cultural and heritage values of specific sites are managed through other sections of the ODP and these are not proposed for change through PC:I. The proposed approach does, however, seek to manage the effects of 	
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²² Table 3 - Assessment under Section 32 of the Resource Management Act 1991 – Rail Safety Setback (July 2024). Prepared for KiwiRail Holdings Limited by the Eclipse Ground Limited

	<p>and/or a requirement for acoustic insulation to achieve the required internal noise levels²³, These costs will be borne by the applicant. There will also be compliance costs for the Council.</p> <ul style="list-style-type: none"> The number of properties within 50m of the state highway, which would be required to install acoustic insulation and mechanical ventilation for properties would increase. There may be a limitation on some activities on a site²⁴ and/or a requirement for acoustic insulation to achieve the required internal noise levels²⁵, These costs will be borne by the applicant. There will also be compliance costs for the Council. <p>Cultural costs</p> <ul style="list-style-type: none"> The majority of Rangitāne o Manawatū's community of interest, and hence their focus in terms of development, is in the Stormwater Overlay. The primary focus for Te Tihi Housing Trust is in the same area. There is a significant need for more and improved housing in these areas but PC:I does not provide for residential intensification in this overlay as a permitted activity. This raises concerns about whether an equitable approach is being taken to PC:I and the cultural and social costs associated with requiring mitigation to be provided on a site-by-site basis. Any residential intensification by Rangitāne or Te Tihi Housing Trust within the Stormwater Overlay will need to assess flooding effects and determine and implement appropriate mitigation if required. PC:I does not address effects of residential intensification on sites of significance to Rangitāne. This will be the subject of on-going kōrero between the Council and Rangitāne and a future plan change which looks at this issue more broadly across the city. There may be effects on the mauri of the Manawatū Awa and its lagoons and tributaries because of the extent of residential intensification. 	<p>residential intensification on sites of cultural or heritage significance.</p> <ul style="list-style-type: none"> Papakāinga and marae would be enabled across the residential part of the city. The plan change is responsive to Rangitāne's priorities and issues, including in relation to aspirations for urban development. Housing equity will be enhanced by enabling residential intensification in proximity to employment, education, public and active transport and public open space. Potential for more affordable housing options across the city. 	
<p>Overall evaluation of effectiveness and efficiency</p>	<p>This option would be effective on delivery of the intent of the NPS-UD – enabling increased housing supply and a variety of housing types however in some cases would not contribute to a well-functioning urban environment as medium density housing could occur in areas not well served by employment, active and public transport and other amenities.</p>		

²³ Page 35 – Standard Railway Noise and Vibration Reserve Sensitivity Provisions and Section 32 Report (16 August 2023). Prepared for KiwiRail Holdings Limited by Taylor Planning

²⁴ Table 3 - Assessment under Section 32 of the Resource Management Act 1991 – Rail Safety Setback (July 2024). Prepared for KiwiRail Holdings Limited by the Eclipse Ground Limited

²⁵ Page 35 – Standard Railway Noise and Vibration Reserve Sensitivity Provisions and Section 32 Report (16 August 2023). Prepared for KiwiRail Holdings Limited by Taylor Planning

	<p>It would result in a high yield of houses and more efficient use of land. It would enable the full development potential of residential zoned land in the City. It would address the feedback from the development community that they avoid medium density housing due to complexity and costs but it would not address community concerns about changes in character and amenity associated with residential intensification.</p> <p>Provision of infrastructure to serve medium density housing over the entire City would be cost prohibitive and difficult to manage for Council as infrastructure provider. There is the potential that more indigenous vegetation is lost than may occur with Option 1.</p> <p>This option is considered to be less effective and efficient than Option 1.</p>
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Table 17: Analysis of options - Subdivision in the MRZ

This analysis relates to the proposed objective for Section 7B – Subdivision in the Medium Density Zone			
SUB-MRZ-O1 – efficient land development			
Option 1 – Create a new district plan section for subdivision in the MRZ (proposed approach)	Costs	Benefits	Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions
<p><u>Policies</u></p> <p>Five policies for subdivision in the MRZ which seek to:</p> <ul style="list-style-type: none"> • Provide direction on the desired patterns of subdivision and development. • Integrate subdivision and land use. • Take a risk-based approach to natural hazards, including in relation to stormwater and flooding. • Require adequate servicing by essential services. <p><u>Rules</u></p> <p>A rules framework for managing subdivision in the MRZ:</p> <ul style="list-style-type: none"> • Enables subdivision where hazard risk is managed, allotments are accessed appropriately and connected to essential services, and compliance with the relevant Section 10A land use standards achieved. • Triggers a requirement for a site-specific assessment of the effects of flooding for subdivision in the proposed Stormwater overlay, to ensure that the effects of 	<p><i>Environmental costs</i></p> <ul style="list-style-type: none"> • The provisions remove minimum lot sizes to enable a substantial increase in the level of residential intensification. This may result in the loss of vegetation across the zone as a result of earthworks to create building platforms noting that this is already permitted by the ODP. <p><i>Social costs</i></p> <ul style="list-style-type: none"> • More enabling approach compared for new housing development compared to the ODP, even with the requirement for a resource consent for development outside the low risk areas for flooding and overland stormwater flow paths. As a result, this is likely to result in changes to the form and appearance of the residential areas of the city and hence change residential amenity, which may be seen by some existing residents as detrimental. The level of change, and hence the cost of that change, is mandated by the NPS-UD, and Policy 6 specifically excludes a change in amenity values from being considered as an adverse effect. • Restricting development within the Stormwater Overlay unless appropriate on-site mitigation is implemented (if required) has the potential to constrain development in areas where the need for more and better housing is potentially the greatest. This raises issues of development equity and whether there is an inherent bias in PC:1. 	<p><i>Environmental benefits</i></p> <ul style="list-style-type: none"> • The provisions will enable a considerable increase in development capacity for urban activities in support of a well-functioning urban environment. <p><i>Social benefits</i></p> <ul style="list-style-type: none"> • Increasing housing supply and choice. • Requiring that all allotments have a legal access to a public road will prevent the use of spite strips. • Reducing the risk to residents from flooding and stormwater by requiring on-site mitigation for subdivision within the Stormwater Overlay if a site-specific assessment identifies this is required. • Confidence for someone buying an allotment in the MRZ that the effects of flooding have been addressed at the subdivision stage. <p><i>Economic benefits</i></p> <ul style="list-style-type: none"> • The removal of a minimum lot size will support an increased in development capacity in the MRZ and hence increase housing supply and choice. • Increased house building activity and supply of housing will support employment activities in construction and associated support services, as well as those engaged in real estate, development finance and other activities 	<p>It is considered that there is certain and sufficient information to support the proposed approach:</p> <ul style="list-style-type: none"> • The evidence base for acting is comprehensive; • The provisions give effect to higher order documents; and • The risk of not acting is considered greater than the risk of acting, particularly in relation to development within the Stormwater Overlay.

<p>development on stormwater and from flooding are appropriately managed.</p> <ul style="list-style-type: none"> Any vacant allotments have appropriate access and are connected to essential services. Enables boundary adjustments, cross leases, company leases and unit titles around existing buildings or buildings under construction. <p>Standards</p> <p>A set of standards for subdivision in the MRZ that are consistent with the general approach to subdivision in the Residential Zone and recognise the specific outcomes sought for the MRZ. The standards address access, vehicle crossings, connections to essential services and impacts on street trees.</p>	<ul style="list-style-type: none"> Implementing national direction, and improving the quality and outcomes in the DP for housing, requires a plan change, which will have costs for the Council and participants in the plan change process. <p>Economic costs</p> <ul style="list-style-type: none"> Costs associated with consenting and preparation of a site-specific stormwater management plan for development within the Stormwater Overlay. May be design, construction and maintenance costs associated with mitigation for development within the Stormwater Overlay. <p>Cultural costs</p> <ul style="list-style-type: none"> The majority of Rangitāne o Manawatū's community of interest, and hence their focus in terms of development, is in areas which have been included in the Stormwater Overlay. The primary focus for Te Tihi Housing Trust is in the same area. There is a significant need for more and improved housing in these areas but a resource consent would be required to intensify. This raises concerns about whether an equitable approach is being taken to PC:1 and the cultural and social costs associated with requiring mitigation to be provided on a site-by-site basis. 	<p>associated with the construction, buying and selling of property.</p> <ul style="list-style-type: none"> Increased densities in appropriate locations such as around the city centre, neighbourhood centres and the industrial employment areas will also help support business and economic growth. Reduced damage from flooding, reduced clean -up costs and faster community recovery <p>Cultural benefits</p> <ul style="list-style-type: none"> The plan change is responsive to Rangitāne's priorities and issues, including in relation to aspirations for urban development. Housing equity will be enhanced by enabling residential intensification in proximity to employment, education, public and active transport and public open space. Potential for more affordable housing options across the city. 	
<p>Overall evaluation of effectiveness and efficiency</p>	<p>This option would be effective on delivery on Council's strategies, the RPS and the NPS-UD.</p> <p>This option satisfies the requirements of the NPS-UD in that it would enable a variety of housing types and contribute to a well-functioning urban environment and create a compact urban form. It would enable residential intensification to support meeting the demand identified in the 2023 HBA and the more efficient use of land.</p> <p>This option would take a risk-based approach to managing risks from natural hazards, which is consistent with the approach taken in Section 10A. It would require all allotments to have a legal access, preventing creation of spite strips.</p> <p>This option would not enable subdivision for residential intensification without a resource consent in Rangitāne's community of interest, in the west of the city. Residential intensification would require a resource consent and on-site mitigation of flooding and/or stormwater. This will increase costs for development in these areas.</p> <p>Overall, this option is considered the most efficient and effective.</p>		
<p>Option 2 - Maintain the status quo</p>	<p>Costs</p>	<p>Benefits</p>	<p>Risk of acting or not acting if there is uncertain or insufficient information about the subject matter or the provisions</p>
<p>Retain the ODP subdivision policies and methods, which are focused on minimum lot sizes and retaining the existing character and approach to lots.</p>	<p>Environmental costs</p> <ul style="list-style-type: none"> Does not codify existing Council practice to set minimum floor levels or the extent of impermeable surfaces at the subdivision stage. Retains minimum allotment sizes, which does not result in an efficient use of land within the MRZ and removes potential to reduce greenhouse gas emissions. 	<p>Environmental benefits</p> <ul style="list-style-type: none"> No direct or indirect environmental benefits <p>Social benefits</p> <ul style="list-style-type: none"> The operative provisions are well understood, even if there are concerns with their interpretation and implementation. 	<p>The operative MUH provisions have largely been in place since 2018, There is clear information and evidence that confirms that the current provisions:</p> <ul style="list-style-type: none"> are out of date and not fit for purpose in some respects;

	<ul style="list-style-type: none"> Retains a focus on maintaining existing character. <p>Social costs</p> <ul style="list-style-type: none"> Does not contribute to an increase in housing supply and choice and requires the maintenance of existing character. <p>Economic costs</p> <ul style="list-style-type: none"> Does not increase housing supply and choice. <p>Cultural costs</p> <ul style="list-style-type: none"> Does not increase housing supply and choice which does not enable Rangitāne to achieve their aspirations for urban development. 	<ul style="list-style-type: none"> Maintaining the operative provisions would address some of the community concerns regarding the scale and effects of change associated with the preferred option. The existing MUHA are locations which are readily accessible to community services and facilities. <p>Economic benefits</p> <ul style="list-style-type: none"> No plan change costs as the ODP provisions are retained. <p>Cultural benefits</p> <ul style="list-style-type: none"> No direct or indirect cultural benefits. 	<ul style="list-style-type: none"> do not give effect to higher order direction; and do not enable sufficient development capacity. Are unlikely be an appropriate and supportable approach to meeting Council's higher order statutory requirements. <p>The risk of acting, therefore, is greater than the risk of not acting for this option.</p>
<p><u>Overall evaluation of effectiveness and efficiency</u></p>	<p>This option would not be effective on delivery on Council's strategies, the RPS and the NPS-UD.</p> <p>This option does not satisfy the requirements of the NPS-UD because it would not enable a variety of housing types and nor contribute to a well-functioning urban environment and create a compact urban form. It would not enable residential intensification to support meeting the demand identified in the 2023 HBA and the more efficient use of land.</p> <p>This option would still take a risk-based approach to natural hazards and it would not</p> <p>This option would not enable subdivision for residential intensification without a resource consent in Rangitāne's community of interest, in the west of the city. Residential intensification would require a resource consent and on-site mitigation of flooding and/or stormwater. This will increase costs for development in these areas.</p> <p>Overall, this option is considered to be less efficient and effective than Option 1.</p>		

10 Conclusion

Palmerston North's strong population growth in recent times is projected to continue for many years. PNCC needs to take steps to ensure sufficient housing capacity is available to meet the growth needs of the community.

The ODP provisions are not achieving an increase in housing supply and choice in Palmerston North, using land efficiently, or providing for the City's ongoing high rate of population growth. A different approach is required to enable the mix of attached and detached dwellings and low-rise apartments at higher densities. The built form, appearance and amenity of the MRZ will change over time as housing supply and choice increases and those living within the MRZ are able to provide for their social, economic and cultural wellbeing. This gives effect to the higher order direction in the NPS-UD and the One Plan.

The plan change was developed in partnership with Rangitāne o Manawatū, and the provisions will support the physical and spiritual health of Māori whānau, enabling them to practice their culture and provide for their tikanga. This includes providing safe access to the landscapes and urban waterways valued by their tīpuna, enabling the development of papakāinga and recognising and celebrating cultural connections with te taiao and Rangitāne whakapapa through urban design.

The extent of the MRZ is informed by connectivity to the city's public transport, walking and cycling networks. This facilitates mode shift from private vehicles to public or active modes of transport and supports access to a range of housing, jobs, community services, natural spaces and public open space.

PC:I will support meeting the Council's strategic objective of a compact and connected urban form. Development within the MRZ is expected to incorporate the principles of good urban design, manage the potential effects of intensification and contribute to streetscape character, public safety and visual amenity.

The MRZ will provide for a range of compatible non-residential uses that support the needs of local communities, where these do not undermine the city's existing business zone hierarchy.

Development within the Medium Density Residential Zone must manage the effects of residential intensification on the health, well-being and mauri of water bodies and freshwater, including by reducing contaminants from building materials, managing stormwater, reducing flood risk and incorporating *water sensitive design* methods into development design.

Palmerston North's climate is changing – in the future the city will be warmer and drier, and rainfall events will be more intense. Denser residential development, which is connected to active and public transport, and energy efficient housing, which optimises solar access, provides shade, manages on-site stormwater and incorporates appropriate landscaping, will help reduce greenhouse gas emissions and create resilient housing and communities.

PC:I has been evaluated under the requirements of Section 32 of the RMA and it is considered to be the best available means to achieve the objectives and the sustainable management purpose of the RMA.

Appendix B. Response to feedback from Tanenuiarangi Manawatū Incorporated

Issues of concern to Rangitāne	Response
<p>Provision of housing – Rangitāne is concerned there is no assessment or statistical analysis of the current state of housing stock and whether this is meeting the needs of Māori communities in the city.</p>	<p>The Council acknowledges this information is not available to inform PC:I. It is being collected to inform the next version of the HBA.</p>
<p>Papakāinga – Rangitāne supports the proposal to enable papakāinga within the MRZ but don't think the draft proposals will facilitate this in practice. This includes the ODP definition being restricted to multiply-owned Māori land. The relationship between the definition of papakāinga and residential activities should be made clear.</p>	<p>Following Rangitāne's initial feedback regarding papakāinga, the Council clarified the status in PC:I and worked with Rangitāne to develop an amended definition for papakāinga, which removed the reference to ancestral land.</p> <p>Proposed Section 10A has been amended to clarify the relationship between papakāinga and residential activities. i.e. that residential activities include papakāinga.</p> <p>Rangitāne now supports the proposed papakāinga enabling provisions in the MRZ.</p>
<p>Management of stormwater – PC:I should contribute to protecting and improving water quality of urban waterways in line with the NPS-FW 2020. Rangitāne supports the control of copper and zinc building materials but was unclear about the rules structure for this.</p> <p>Ad hoc stormwater assessments and on-site measures are only part of the solution for managing stormwater effects from increased intensification, and RoM has concerns with the use of permeable paving and the requirement for future homeowners to maintain on-site stormwater infrastructure in perpetuity. Stormwater infrastructure solutions should</p>	<p>The Council acknowledges there is a city-wide response required to stormwater management and preparation of a Stormwater Strategy is underway. Whilst this is being developed, the Council is still obligated to promulgate PC:I to increase development capacity within the city. PC:I is part of the response to managing stormwater and the introduction of a Stormwater Overlay will enable a site-specific assessment of the potential effects of flooding within this part of the MRZ, and identification of any required mitigation in response to the proposed development.</p> <p>The connection between site-specific assessments and the Stormwater Strategy is important, and the matters of discretion for MRZ-R10 have been amended to include</p>

Issues of concern to Rangitāne	Response
<p>be at the catchment or sub-catchment level, however until the city-wide Stormwater Strategy is prepared, ROM appreciates site-specific assessments will be required, and these should demonstrate how on-site infrastructure will connect to and align with the future Stormwater Strategy.</p>	<p>reference to the extent to which on-site mitigation measures will support and align with the Stormwater Strategy, which Rangitāne supports. Rangitāne also supports the use of the Stormwater Overlay and the restricted discretionary activity status.</p> <p>Council acknowledges Rangitāne's additional recommendations for actions at a more strategic level. These are outside the scope of PC:l but will be considered as part of the Stormwater Strategy.</p> <p>PC: includes a variety of provisions the purpose of which are to give effect to Clause 3.5(4) of the NPS-FW 2022 and the obligation for PNCC to include objectives, policies and methods in its district plan to promote positive effects and avoid, remedy or mitigate adverse effects of urban development on the health and well-being of water bodies. The proposed provisions are:</p> <ul style="list-style-type: none"> - MRZ-O3 – protecting water bodies and freshwater ecosystems - MRZ-P8 – Water Sensitive Design - MRZ-P9 – Building Materials - MRZ-R23 – Copper and zinc building materials - MRZ-R24 – Stormwater treatment for four or more car parks
<p>Natural hazard risk – Rangitāne questions what alternative short-term detention capacity will be available if stormwater attenuation tanks are already full, to avoid public health issues, environmental damage and property damage from flooding.</p> <p>In their subsequent feedback, Rangitāne questioned the standard for stormwater attenuation and which climate change projection informed this.</p>	<p>MRZ-S6 sets the size of the required stormwater attenuation device for hydraulic neutrality, which is based on mitigating the increase in peak flow runoff and restricting it to pre-development rates. This is based on the currently adopted climate change scenario RCP 6.0. If attenuation tanks are used, these must empty after each storm event – they cannot be used to harvest rainwater.</p> <p>Additional on-site measures for development within the Stormwater Overlay may be required to mitigate the issues identified by Rangitāne. These would be identified and assessed as part of the resource consent required by MRZ-R10.</p>

Issues of concern to Rangitāne	Response
<p>Liquefaction – Rangitāne is concerned that the Council is relying on existing liquefaction mapping and areas with liquefaction-prone soils correlate with the same areas where Māori communities are living. Providing for intensification in these areas potentially disadvantages lower socioeconomic groups.</p>	<p>The Council acknowledges Rangitāne's concern. As a response to liquefaction hazard should be made based on site-specific conditions, the current approach of addressing this through the building consent process is proposed for retention. The alternative is to exclude significant parts of the city from the MRZ zone which would also impact those same communities. There is no city-wide solution to addressing liquefaction because of the nature of soils in Palmerston North.</p>
<p>Green space and vegetation – PC:I does not go far enough to recognise and retain multiple ecosystem services that vegetation and green space provides in an urban context and Rangitāne considers the extent of vegetation and green space cover should not reduce as a result of intensification.</p>	<p>The Council acknowledges Rangitāne concerns about loss of vegetation and green cover. PNCC has limited influence over the retention of vegetation on individual development sites unless it has been specifically protected in the district plan. There is also an ODP provisions for up to 500m² of earthworks as a permitted activity, which is not changing as a result of PC:I.</p> <p>MRZ-P12 seeks the retention and incorporation of vegetation into development and for replacement planting to be of equal or better quality and using locally sourced species.</p> <p>Amendments to Council's reserves criteria and development contributions policies will be a future consideration.</p>
<p>Re-zoning of reserves for housing – Rangitāne's concern is focused on whether these areas are required for stormwater attenuation as part of the Stormwater Strategy and if so, it is premature to rezone them for housing.</p>	<p>With regard to the rezoning of Huia Street, retrofitting new stormwater attenuation into existing urban areas is challenging. In addition, Huia Street is a HAIL site due to its historic use as a bowling green. Whilst HAIL sites can be suitable for residential intensification, utilising this site for stormwater attenuation may not be compatible with historic levels of pesticide use.</p> <p>Rezoning of Huia Street from reserve to residential remains a part of PC:I as this is consistent with the 2024 FDS.</p>

Issues of concern to Rangitāne	Response
<p>Urban design, public space and built form reflect associations with wai and whenua – The design of the built environment should reflect and celebrate the stories and identify of Rangitāne and this can be expressed through street naming, using locally sourced indigenous vegetation, design of public spaces, and site layout.</p> <p>Rangitāne should have the opportunity to influence development at the earliest opportunity and cultural effects should be included as a matter of discretion or control.</p>	<p>Much of the expression of Rangitāne's cultural norms and traditions would occur outside the framework of PC:I or through larger scale greenfield development rather than intensification and infill. Rangitāne advises they support proposed policies MRZ-P3 and MRZ-P12 in response to their initial feedback. A reference to indigenous species hasn't been included as there are circumstances where deciduous trees are preferred to support sunlight access during winter months.</p>
<p>Active and public transport provision - Rangitāne strongly supports provision for active transport in the MRZ. The long term objective should be a fully connected active transport network from housing to nearby community facilities, kura and public green spaces.</p>	<p>Rangitāne's support is acknowledged. A requirement for connected urban development and mode shift has been woven through PC:I, including in Objective MRZ-O2, proposed policies MRZ-P4 and MRZ-P6 and the requirement for bicycle parking.</p> <p>The Transportation Assessment supporting PC:I concludes that, except for Kelvin Grove, all of the MRZ extent has good access to existing or planning cycling facilities. Kelvin Grove has good access to the city's public transport network.</p>
<p>Sites of significant and Rangitāne's connection with wai – Rangitāne considers Section 17 of the ODP – Cultural and natural heritage is not fit for purpose. Not all Rangitāne sites of significance have been identified in the ODP and none which have are in the MRZ. Rangitāne considers this is a priority and has identified a number of options for addressing this gap.</p> <p>Further guidance is also required to give effect to the direction in the NPS-FM to give effect to Te Mana o te Wai. Policy direction in PC:I should address development assisting to protect and restore the mauri of the Manawatū awa</p>	<p>The Council acknowledges Rangitāne's concerns with Section 17 of the ODP. As discussed with Rangitāne, this requires a broader response than PC:I, which is recognised in RoM's subsequent feedback. PC:I includes provisions about Rangitāne o Manawatū cultural aspirations and relationships with their taonga, including the enablement of papakāinga and marae.</p> <p>PC:I does not amend the ODP Section 17 provisions regarding sites of significance to Rangitāne o Manawatū. The Council recognises there is a gap, which will be addressed through on-going partnership and kōrero with RoM and a future plan change.</p>

Issues of concern to Rangitāne	Response
<p>and its lagoons and tributaries, opportunities to daylight or reestablish awa, riparian planting, treatment and storage of stormwater to address water quality effects, planting indigenous species, and providing setbacks from rivers and streams.</p>	<p>With regard to the mauri of the Manawatū Awa and its lagoons and tributaries, there are a number of proposed objectives and policies which are focused on this outcome,</p> <ul style="list-style-type: none"> - MRZ-O3 – protecting water bodies and freshwater ecosystems - MRZ-P8 – Water Sensitive Design - MRZ-P9 – Building Materials - MRZ-R23 – Copper and zinc building materials - MRZ-R24 – Stormwater treatment for four or more carparks <p>In addition, proposed objective MRZ-O3 has been amended to explicitly refer to the mauri of the Manawatū Awa and its lagoons and tributaries.</p>

Feedback on draft provisions

Rangitāne's 21 October 2024 feedback (via TMI) considered an updated version of Section 10A – Medium Density Residential Zone. Much of the feedback is in support of the proposed provisions and further amendments are not required. Specific feedback has been provided in relation to:

1. **Introduction** – this has been amended to include the text requested by Rangitāne.
2. **MRZ-O4 – Mitigating the effects of flooding and MRZ-P6 – Adverse effects of flooding and stormwater** – The greatest opportunity for achieving hydraulic positivity will occur in the Stormwater Overlay. It is considered that the proposed drafting is sufficient to achieve the desired outcome.
3. **MRZ-P9 – Building materials** – this has been amended to remove the reference to treatment of discharges from copper and zinc building materials – they will be required to be treated at source, i.e. the materials themselves.
4. **MRZ-12 – Vegetation and landscaping** – The Council acknowledges Rangitāne's request for amendments to this policy. Amendments have not been made due to the difficulty in setting metrics for achieving stormwater quality and ecosystem services from vegetation. There is also a question of whether is a regional council or territorial authority role and responsibility.
5. **Matters of discretion** – with very few exceptions, where a resource consent is required for activities in the MRZ, the activity status is Restricted Discretionary – as a result, Council

does not have the ability to consider an application 'in the round'. A Discretionary Activity status would be required to enable this. If all policies were referred to as a matter of discretion, or if they are widening in another way, this effectively makes an RD activity discretionary. This is a concern with the ODP drafting. This would then mean that PC:I was not 'plan-enabled' with regard to housing and hence it would conflict with the NPS-UD. PC:I takes a deliberately different approach to the ODP provisions – it reflects up to date planning practice for drafting and it is consistent with the requirements to implement the National Planning Standards and move to an EPlan. No change, therefore, has been made to the matters of discretion.

6. **Rule MRZ-R16 – Marae** – this rule has been amended to reflect Rangitāne's feedback – the discretionary activity status has been removed and a limited notification requirement added if the marae is by or for an iwi other than Rangitāne o Manawatū.
7. **Rule MRZ-R23 – Copper and zinc building materials** – No change is proposed to this rule. It is appropriate to provide a permitted activity standard where treated copper and zinc building materials are used. This can be checked through the building consent process as treated materials are available on the market and can be specified on the building consent plans. It is considered sufficiently precise as it applies to all copper and zinc materials. There is no evidence base to support adoption of a percentage. Consideration has been given to whether this rule could operate as a standard. It has been retained as a rule so that it applies to all activities in the zone, without the need to specifically apply the standard to each rule.
8. **Rule MRZ-R24** – Stormwater treatment for four or more carparks – this rule focuses on contaminants which arise from vehicle movements, i.e. rubber from tires, brake pad material and hydrocarbons from petrol or diesel powered cars. The number of carparks is used as a proxy for vehicle movements. On that basis, the rule is not being amended. Consideration has been given to whether this rule could operate as a standard. It has been retained as a rule so that it applies to all activities in the zone, without the need to specifically apply the standard to each rule.

Appendix C. National direction - relevant objectives and policies

National Policy Statement on Electricity Transmission 2008

NPS-ET relevant provisions
<p>Objective:</p> <p>To recognise the national significance of the electricity transmission network by facilitating the operation, maintenance and upgrade of the existing transmission network and the establishment of new transmission resources to meet the needs of present and future generations, while:</p> <ul style="list-style-type: none">• managing the adverse environmental effects of the network; and• managing the adverse effects of other activities on the network.
<p>Policy 10: In achieving the purpose of the Act, decision-makers must to the extent reasonably possible manage activities to avoid reverse sensitivity effects on the electricity transmission network and to ensure that operation, maintenance, upgrading, and development of the electricity transmission network is not compromised.</p>
<p>Policy 11: Local authorities must consult with the operator of the national grid, to identify an appropriate buffer corridor within which it can be expected that sensitive activities will generally not be provided for in plans and/or given resource consent. To assist local authorities to identify these corridors, they may request the operator of the national grid to provide local authorities with its medium to long-term plans for the alteration or upgrading of each affected section of the national grid (so as to facilitate the long-term strategic planning of the grid).</p>

National Policy Statement for Freshwater Management 2020

NPS-FM relevant provisions
<p>Objective:</p> <p>(1) The objective of this National Policy Statement is to ensure that natural and physical resources are managed in a way that prioritises:</p> <ul style="list-style-type: none">(a) first, the health and well-being of water bodies and freshwater ecosystems(b) second, the health needs of people (such as drinking water)(c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.
<p>Policy 1: Freshwater is managed in a way that gives effect to Te Mana o te Wai.</p>

NPS-FM relevant provisions

Policy 2: Tangata whenua are actively involved in freshwater management (including decision-making processes), and Māori freshwater values are identified and provided for.

Policy 3: Freshwater is managed in an integrated way that considers the effects of the use and development of land on a whole-of-catchment basis, including the effects on receiving environments.

Policy 4: Freshwater is managed as part of New Zealand's integrated response to climate change

Policy 5: Freshwater is managed through a National Objectives Framework to ensure that the health and well-being of degraded water bodies and freshwater ecosystems is improved, and the health and well-being of all other water bodies and freshwater ecosystems is maintained and (if communities choose) improved.

Policy 15: Communities are enabled to provide for their social, economic, and cultural wellbeing in a way that is consistent with this National Policy Statement.

Implementation clauses:

3.4(1) Every local authority must actively involve tangata whenua (to the extent they wish to be involved) in freshwater management (including decision-making processes).

3.5(1)(c) Local authorities must ... manage freshwater, and land use and development, in catchments in an integrated and sustainable way to avoid, remedy, or mitigate adverse effects, including cumulative effects, on the health and well-being of water bodies, freshwater ecosystems, and receiving environments; ...

3.5(4) Every territorial authority must include objectives, policies, and methods in its district plan to promote positive effects, and avoid, remedy, or mitigate adverse effects (including cumulative effects), of urban development on the health and well-being of water bodies, freshwater ecosystems, and receiving environments.

National Policy Statement on Urban Development 2020

NPS-UD relevant provisions

Objective 1: New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

Objective 3: Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which one or more of the following apply:

The area is in or near a centre zone or other area with many employment opportunities

The area is well-served by existing or planned public transport

NPS-UD relevant provisions

There is high demand for housing or for business land in the area, relative to other areas within the urban environment.

Objective 4: New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations.

Objective 5: Planning decisions relating to urban environments, and FDSs, take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

Objective 6: Local authority decisions on urban development that affect urban environments are:

- (a) integrated with infrastructure planning and funding decisions; and
- (b) strategic over the medium term and long term; and
- (c) responsive, particularly in relation to proposals that would supply significant development capacity.

Objective 8: New Zealand's urban environments:

- (a) support reductions in greenhouse gas emissions; and
- (b) are resilient to the current and future effects of climate change.

Policy 1: Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:

- (a) have or enable a variety of homes that:
 - (i) meet the needs, in terms of type, price, and location, of different households; and
 - (ii) enable Māori to express their cultural traditions and norms; and
- (b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
- (c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
- (d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
- (e) support reductions in greenhouse gas emissions; and
- (f) are resilient to the likely current and future effects of climate change.

Policy 2: Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.

Policy 5: Regional policy statements and district plans applying to tier 2 and 3 urban environments enable heights and density of urban form commensurate with the greater of:

NPS-UD relevant provisions

The level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or

Relative demand for housing and business use in that location.

Policy 6: When making planning decisions that affect urban environments, decision-makers have particular regard to the following matters:

(a) the planned urban built form anticipated by those RMA planning documents that have given effect to this National Policy Statement

(b) that the planned urban built form in those RMA planning documents may involve significant changes to an area, and those changes:

(i) may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing densities and types; and

(ii) are not, of themselves, an adverse effect

(c) the benefits of urban development that are consistent with well-functioning urban environments (as described in Policy 1)

(d) any relevant contribution that will be made to meeting the requirements of this National Policy Statement to provide or realise development capacity

(e) the likely current and future effects of climate change.

Policy 9: Local authorities, in taking account of the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in relation to urban environments, must:

(a) involve hapū and iwi in the preparation of RMA planning documents and any FDSs by undertaking effective consultation that is early, meaningful and, as far as practicable, in accordance with tikanga Māori; and

(b) when preparing RMA planning documents and FDSs, take into account the values and aspirations of hapū and iwi for urban development; and

(c) provide opportunities in appropriate circumstances for Māori involvement in decision making on resource consents, designations, heritage orders, and water conservation orders, including in relation to sites of significance to Māori and issues of cultural significance; and

(d) operate in a way that is consistent with iwi participation legislation.

Policy 10: Tier 1, 2, and 3 local authorities:

(a) that share jurisdiction over urban environments work together when implementing this National Policy Statement; and

(b) engage with providers of development infrastructure and additional infrastructure to achieve integrated land use and infrastructure planning; and

(c) engage with the development sector to identify significant opportunities for urban development.

National Policy Statement for Indigenous Biodiversity 2023

Objective

(1) The objective of this National Policy Statement is:

(a) to maintain indigenous biodiversity across Aotearoa New Zealand so that there is at least no overall loss in indigenous biodiversity after the commencement date; and

(b) to achieve this:

(i) through recognising the mana of tangata whenua as kaitiaki of indigenous biodiversity; and

(ii) by recognising people and communities, including landowners, as stewards of indigenous biodiversity; and

(iii) by protecting and restoring indigenous biodiversity as necessary to achieve the overall maintenance of indigenous biodiversity; and

(iv) while providing for the social, economic, and cultural wellbeing of people and communities now and in the future.

Policy 1: Indigenous biodiversity is managed in a way that gives effect to the decision-making principles and takes into account the principles of the Treaty of Waitangi.

Policy 14: Increased indigenous vegetation cover is promoted in both urban and non-urban environments.

Appendix D. Horizons One Plan – relevant RPS objectives and policies

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>RMIA-O1: Resource management</p> <p>RMIA-O1: Te whakahaere rauemi</p> <p>1. To have regard to the mauri* of natural and physical resources*^ to enable hapū* and iwi* to provide for their social, economic and cultural wellbeing.</p> <p><i>Kia aro atu ki te mauri o ngā rauemi māori - ōkiko hoki - hei oranga hapori, ōhanga hoki, tikanga hoki mō ngā hapū me ngā iwi.</i></p> <p>2. Kaitiakitanga^ must be given particular regard and the relationship of hapū* and iwi* with their ancestral lands*, water*, sites*, wāhi tapu* and other taonga* (including wāhi tūpuna*) must be recognised and provided for through resource management processes.</p> <p><i>Ka mate ka tino arohia te kaitiakitanga, ā, ka mate ka whakamanatia te hononga o ngā hapū me ngā iwi ki ō rātou whenua tūpuna, wai, papa, wāhi tapu hoki me ētahi atu taonga (pērā i ngā wāhi tūpuna), ā, ka whakaratongia mā ngā tukanga whakahaere rauemi.</i></p>	<p>The provisions in PC:I contributed to improving the mauri of wai within the MRZ and the wider environment through controls on the use of building materials, requirements for stormwater treatment and incorporation of water sensitive design for developments of more than four residential units.</p> <p>PC:I includes provisions about Rangitāne o Manawatū cultural aspirations and relationships with their taonga, including the enablement of papakāinga and marae.</p> <p>PC:I does not amend the ODP Section 17 provisions regarding sites of significance to Rangitāne o Manawatū. The Council recognises there is a gap, which will be addressed through on-going partnership and kōrero with RoM and a future plan change.</p>
<p>RMIA-P2: Wāhi tapu*, wāhi tūpuna* and other sites* of significance</p> <p>RMIA-P2: Ko ngā wāhi tapu, wāhi tūpuna hoki me ētahi atu papa hirahira</p> <p>1. Wāhi tapu*, wāhi tūpuna* and other sites* of significance to Māori identified:</p> <ul style="list-style-type: none"> a. In the Regional Coastal Plan and district plans^, b. as historic reserves under the Reserves Act 1977, 	<p>There are no currently identified wāhi tapu within the MRZ.</p>

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>c. as Māori reserves under the Te Ture Whenua Māori Act 1993,</p> <p>d. as sites recorded in the New Zealand Archaeological Association's Site Recording Scheme, and</p> <p>e. as registered sites under the Heritage New Zealand Pouhere Taonga Act 2014</p> <p>must be protected from inappropriate subdivision*, use or development that would cause adverse effects* on the qualities and features which contribute to the values of these sites*.</p> <p><i>Kua tautuhia ngā wāhi tapu me ngā wāhi tūpuna me ētahi atu wāhi hirahira ki te Māori:</i></p> <p><i>a. kei roto i te Mahere Takutai ā-Rohe me ngā mahere ā-takiwā,</i></p> <p><i>b. hei Historic Reserves i raro i te Reserves Act 1977,</i></p> <p><i>c. hei Māori Reserves i raro i Te Ture Whenua 1993,</i></p> <p><i>d. hei wāhi kua rēhitatia mā te Site Recording Scheme o te New Zealand Archaeological Association, ā</i></p> <p><i>e. hei wāhi kua rēhitatia i raro i te Heritage New Zealand Pouhere Taonga Act 2014</i></p> <p><i>ka whakamarumarutia i te hē o te wehewehe whenua, te whakamahi whenua, whakaahu whenua rānei e puta ai pea he pānga kino ki ngā painga me ngā āhuetanga ka pā ki te ūara o ēnei wāhi.</i></p>	
<p>EIT-P2: Adverse effects* of other activities on infrastructure^ and other physical resources of regional or national importance</p> <p>The Regional Council and Territorial Authorities* must ensure that adverse effects* on infrastructure^ and other</p>	<p>The spatial extent of the Medium Density Residential Zone has taken into account existing infrastructure and assets. Existing provisions in the ODP relating to airport noise will continue to apply to relevant properties in the MRZ (located in Kelvin Grove). PC:I includes provisions which seek to manage reverse sensitivity effects on the KiwiRail rail</p>

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>physical resources of regional or national importance from other activities are avoided as far as reasonably practicable, including by using the following mechanisms:</p> <ol style="list-style-type: none"> 1. ensuring that current infrastructure[^], infrastructure[^] corridors and other physical resources of regional or national importance, are identified and had regard to in all resource management decision-making, and any development that would adversely affect the operation[*], maintenance[*] or upgrading[*] of those activities is avoided as far as reasonably practicable, 2. ensuring that any new activities that would adversely affect the operation[*], maintenance[*] or upgrading[*] of infrastructure[^] and other physical resources of regional or national importance are not located near existing such resources or such resources allowed by unimplemented resource consents[^] or other RMA authorisations, 3. ensuring that there is no change to existing activities that increases their incompatibility with existing infrastructure[^] and other physical resources of regional or national importance, or such resources allowed by unimplemented resource consents[^] or other RMA authorisations, 4. notifying the owners or managers of infrastructure[^] and other physical resources of regional or national importance of consent applications that may adversely affect the resources that they own or manage, 5. ensuring safe separation distances are maintained when establishing rules[^] and considering applications for buildings, structures[*] and other activities near overhead electric lines and conductors eg., giving effect to the New Zealand Code of Practice for Electrical Safe Distances (NZECP 34:2001), prepared 	<p>network, Powerco's electricity distribution network and NZTA's state highway network. This includes requiring building offsets from the railway corridor and the electricity distribution network, and acoustic and ventilation requirements for properties within a specified distance of the railway and state highway network.</p> <p>The outcome of consultation with the infrastructure providers of national and regional infrastructure is documented in Section 3 of this report.</p>

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>under the Electricity Act 1992, and the Electricity (Hazards from Trees) Regulations 2003 prepared under the Electricity Act 1992,</p> <p>6. ensuring safe separation distances are maintained when establishing rules^ and considering applications for buildings, structures* and other activities near transmission gas pipelines eg, giving effect to the Operating Code Standard for Pipelines - Gas and Liquid Petroleum (NZS/AS 2885) and the Gas Distribution Networks (NZS 5258:2003), the latter promulgated under the Gas Act 1992,</p> <p>7. ensuring that any planting does not interfere with existing infrastructure^, eg., giving effect to the Electricity (Hazards from Trees) Regulations 2003 promulgated under the Electricity Act 1992 and Section 6.4.4 External Interference Prevention of the Operating Code Standard for Pipelines - Gas and Liquid Petroleum (NZS/AS 2885), and</p> <p>8. ensuring effective integration of transport and land* use planning and protecting the function of the strategic road* and rail network as mapped in the Regional Land Transport Strategy.</p>	
<p>EIT-P5: Energy efficiency</p> <p>...</p> <p>2. Territorial Authority* decisions and controls on subdivision* and housing, including layout of the site* and layout of the lots in relation to other houses/subdivisions*, must encourage energy-efficient house design and access to solar energy.</p> <p>3. Territorial Authority* decisions and controls on subdivision* and land* use must ensure that sustainable transport options such as public transport, walking and cycling can be integrated into land* use development.</p>	<p>PC:I is consistent with this policy. The spatial extent of the zone is integrated with sustainable transport options as it is linked to access to public transport and active transport. The zone extent is based on walking access to places and spaces that residents can be expected to use often.</p> <p>PC:I includes objectives and policies which encourage energy-efficient built development including energy efficient house design and layouts, optimisation of solar access and management of solar gain.</p> <p>.</p>

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>HAZ-NH-O2: Effects* of natural hazard events</p> <p>The adverse effects* of natural hazard* events on people, property, infrastructure* and the wellbeing of communities are avoided or mitigated.</p>	<p>PC:I is consistent with this objective. The natural hazard risks of primary concern for the MRZ are flooding (including from stormwater) and liquefaction.</p> <p>The MRZ extent avoids flood prone areas as identified in the ODP. Housing intensification within the MRZ is provided for as permitted activity in areas outside the Stormwater Overlay, whilst a resource consent would be required in areas which are located outside the identified flood prone areas but within the Stormwater Overlay, to enable a site-specific assessment of the effects of flooding and to identify any required mitigation.</p> <p>Liquefaction risk in the urban environment in Palmerston North city is identified on Map 22.6.2 of the ODP as either low or moderate to high risk. This risk is managed through the building consent process and the requirement for appropriate foundation design and section 106 of the RMA.</p>
<p>HAZ-NH-P9: Responsibilities for natural hazard* management</p> <p>In accordance with s62(1)(i) RMA, local authority* responsibilities for natural hazard* management in the Region are as follows:</p> <p>...</p> <p>3. Territorial Authorities* must be responsible for:</p> <ul style="list-style-type: none"> a. developing objectives, policies and methods (including rules[^]) for the control of the use of land* to avoid or mitigate natural hazards* in all areas and for all activities except those areas and activities described in (b)(ii)²⁶ above, and b. identifying floodways* (as shown in RP-SCHED10) and other areas known to be inundated by a 0.5% annual exceedance probability (AEP) flood 	<p>PC:I in consistent with this policy. The ODP objective, policies and methods related to the control of land use to avoid or mitigate natural hazards in the zone will largely remain the same. Within the MRZ, managing the effects of flood risk and stormwater discharges are managed through activity status¹ and new objectives and policies.</p>

²⁶ Erosion protection works that cross or adjoin mean high water springs

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>event1 on planning maps in district plans^, and controlling land* use activities in these areas in accordance with RPS-HAZ-NH-P10 and RPS-HAZ-NH-P11.</p>	
<p>HAZ-NH-P10: Development on land prone to flooding</p> <p>1. The Regional Council and Territorial Authorities* must not allow the establishment of any new structure* or activity, or any increase in the scale of any existing structure* or activity, within a floodway* mapped in RP-SCHED10 unless:</p> <ul style="list-style-type: none"> a. there is a functional need to locate the structure* or activity within such an area, and b. the structure* or activity is designed so that the adverse effects* of a 0.5% annual exceedance probability (AEP) (1 in 200 year) flood event2 on it are avoided or mitigated, and c. the structure* or activity is designed so that adverse effects* on the environment*, including the functioning of the floodway, arising from the structure* or activity during a flood event²⁷ are avoided or mitigated, <p>in which case the structure* or activity may be allowed.</p> <p>2. Outside of a floodway* mapped in RP-SCHED10 the Regional Council and Territorial Authorities* must not allow the establishment of any new structure* or activity, or an increase in the scale of any existing structure* or activity, within an area which would be inundated in a 0.5% AEP (1 in 200 year) flood event unless:</p> <ul style="list-style-type: none"> a. flood hazard avoidance* is achieved or the 0.5% AEP (1 in 200 year) flood hazard is mitigated, or 	<p>PC:I does not apply to any of these identified floodways. The Stormwater Overlay and the objective, policies and methods that implement this address the requirements in (2), (3) and (4) of this policy</p>

²⁷ Flood event does not include the effects of stormwater which are managed by Territorial Authorities under different criteria including engineering, subdivision and design standards/manuals

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>b. the non-habitable structure* or activity is on production land^, or</p> <p>c. there is a functional necessity to locate the structure* or activity within such an area, in any of which cases the structure* or activity may be allowed.</p> <p>3. Flood hazard avoidance* must be preferred to flood hazard mitigation.</p> <p>4. When making decisions under RPS-HAZ-NH-P10(1) and RPS-HAZ-NH-P10(2)(a) regarding the appropriateness of proposed flood hazard mitigation measures, the Regional Council and Territorial Authorities* must:</p> <p>a. ensure that occupied structures* have a finished floor or ground level, which includes reasonable freeboard, above the 0.5% AEP (1 in 200 year) flood level.</p> <p>b. ensure that in a 0.5% AEP (1 in 200 year) flood event1 the inundation of access between occupied structures* and a safe area where evacuation may be carried out (preferably ground that will not be flooded) must be no greater than 0.5 m above finished ground level with a maximum water* velocity of 1.0 m/s, or some other combination of water* depth and velocity that can be shown to result in no greater risk to human life, infrastructure^ or property*,</p> <p>c. ensure that any more than minor adverse effects* on the effectiveness of existing flood hazard avoidance* or mitigation measures, including works and structures* within River and Drainage Schemes, natural landforms that protect against inundation, and overland stormwater flow paths, are avoided,</p> <p>d. ensure that adverse effects* on existing structures* and activities are avoided or mitigated,</p>	

Relevant Objectives & Policies	How PC:I gives effect to the RPS
<p>e. have regard to the likelihood and consequences of the proposed flood hazard mitigation measures failing,</p> <p>f. have regard to the consequential effects* of meeting the requirements of RPS-HAZ-NH-P10-4(b), including but not limited to landscape and natural character, urban design, and the displacement of floodwaters onto adjoining properties*, and</p> <p>g. have regard to the proposed ownership of, and responsibility for maintenance of, the flood hazard mitigation measures including the appropriateness and certainty of the maintenance regime.</p> <p>5. Within that part of the Palmerston North City Council district that is protected by the Lower Manawatū River Flood Control Scheme to a 0.2% AEP (1 in 500 year) standard, including the Mangaone Stream stopbank system, additional flood hazard avoidance* or mitigation measures will generally not be required when establishing any new structure* or activity or increasing the scale of any existing structure* or activity.</p>	
<p>HAZ-NH-P12: Other types of natural hazards[^]</p> <p>The Regional Council and Territorial Authorities* must manage future development and activities in areas susceptible to natural hazard* events (excluding flooding) in a manner which:</p> <ol style="list-style-type: none"> 1. ensures that any increase in risk to human life, property or infrastructure[^] from natural hazard* events is avoided where practicable, or mitigated where the risk cannot be practicably avoided, 2. is unlikely to reduce the effectiveness of existing works, structures*, natural landforms or other measures which serve 	<p>The extent of the MRZ zone is largely unaffected by other types of natural hazards with the exception of liquefaction in areas of the zone, such as Hokowhitu and Awapuni. Liquefaction is addressed through appropriate foundation design, thus the Building Act will be the main tool for addressing this policy. Council can also address significant risk from liquefaction through section 106 of the RMA at the subdivision stage.</p>

Relevant Objectives & Policies	How PC:I gives effect to the RPS	
<p>to mitigate the effects* of natural hazard* events, and</p> <p>3. is unlikely to cause a significant increase in the scale or intensity of natural hazard* events.</p>		
<p>HCV-O1: Historic heritage*</p> <p>Protect historic heritage* from activities that would significantly reduce heritage qualities.</p>	<p>There are 17 heritage buildings listed in the ODP which are located within the MRZ, of which five are identified as Category 2 buildings on the Heritage New Zealand/Pouhere Taonga List. There are a further three buildings which are on this list but not in the ODP. There are no Category 1 heritage buildings within the MRZ.</p> <p>There are no currently identified wāhi tapu within the MRZ.</p> <p>The ODP provisions relating to historic and cultural heritage will continue to apply in the MRZ. There are provisions in PC:I which manage the effects of development on adjoining properties, including sites with cultural or heritage values.</p>	
<p>HCV-P1: Historic heritage*</p> <p>The Regional Coastal Plan^ and district plans^ must, without limiting the responsibilities of local authorities to address historic heritage* under the RMA, include provisions to protect from inappropriate subdivision*, use and development historic heritage* of national significance, which may include places of special or outstanding heritage value registered as Category 1 historic places, wāhi tapu, and wāhi tapu areas under the Historic Places Act 1993 and give due consideration to the implementation of a management framework for other places of historic heritage*.</p>		
<p>UFD-O1: The strategic integration of infrastructure^ with land* use</p> <p>Urban development occurs in a strategically planned manner which allows for the adequate and timely supply of land* and associated infrastructure^.</p> <p>Table 1 Housing bottom lines for Palmerston North, 2021-2051</p> <table border="1" data-bbox="209 1854 762 1960"> <tr> <td data-bbox="209 1854 762 1960">Housing Bottom Lines (number of dwellings)</td> </tr> </table>	Housing Bottom Lines (number of dwellings)	<p>PC:I makes a contribution towards achieving the housing bottom lines for Palmerston North by enabling residential intensification in areas which are infrastructure-ready (as defined by the NPS-UD).</p>
Housing Bottom Lines (number of dwellings)		

Relevant Objectives & Policies		How PC:I gives effect to the RPS
Short- to medium- team July 2021-June 2031 Includes an additional margin of 20%	Long-term July 2031-June 2051 Includes an additional margin of 15%	
5,045	7,925	
<p>UFD-P1: The strategic integration of infrastructure^ with land* use</p> <p>Territorial Authorities* must proactively develop and implement appropriate land* use strategies to manage urban growth, and they should align their infrastructure^ asset management planning with those strategies, to ensure the efficient and effective provision of associated infrastructure^.</p>		

