



**SECOND
GENERATION
DISTRICT PLAN**

**Urban Land Supply
Decision of Hearings Panel**

**Proposed Second Generation Dunedin City
District Plan (2GP)**

7 November 2018



User guide to the decision reports and the marked-up decisions version of the 2GP

The decisions of the 2GP Hearings Panel are presented in 29 decision reports (one report per hearing topic).

The reports include the Panel's decisions and reasons and incorporate the requirements under s32AA.

At the end of each report a table has been included summarising all the decisions on provisions (Plan text) in that decision report.

Marked-up version of the Notified 2GP (2015)

The decisions include a marked-up version of the notified 2GP, which shows the amendments made to the notified plan in ~~strike-through~~ and underline. Each amendment has a submission point reference(s) or a reference to 'cl.16' if the amendment has been made in accordance with Schedule 1, clause 16(2) of the Resource Management Act. Schedule 1, clause 16(2), allows minor and inconsequential amendments to be made to the Plan.

Amendments to the Schedules below are not marked up as in other sections of the plan as they are drawn from a different source. Any changes to Schedules are detailed in the decision report for the relevant section.

Some very minor clause 16 changes such as typographical errors or missing punctuation have not been marked up with underline or strikethrough. More significant cl. 16 changes (such as where provisions have been moved) are explained using footnotes, and in some cases are also discussed in the decision.

Hearing codes and submission point references

As part of the requirement of the DCC to summarise all original submissions, all submission points were given a submission point reference, these references started with 'OS'. Further submissions were also summarised and given a submission point that started with 'FS'.

The submission points are made up of two numbers the first is the submitter number, which is followed by a full stop, the second part is the submission point number for that submitter.

For example, OS360.01 is submitter 360 and their first submission point.

The 2GP Hearings Panel has used these same submission point references to show which submission points different amendments were attributed to. However, to enable these changes to be linked to different decision reports, the reference code was changed to start with a decision report code, e.g. Her 308.244.

A list of hearing codes can be found on the following page.

It should be noted that in some cases where several submitters sought a similar change, the submission point reference may not include all of these submission points but rather include only one or say, for instance, "PO 908.3 and others".

Master summary table of all decisions

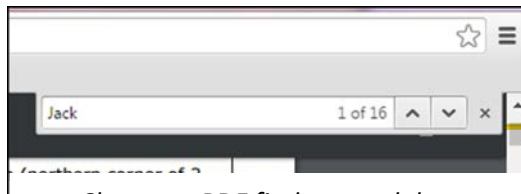
In addition to the summary table at the end of each decision report there is a master summary table that lists all decisions on provisions (Plan text), across all hearing topics, including details of the section(s) of the decision report in which that decision is discussed, and the relevant section(s) of the s42A reports. The s42A report sections will be helpful for appellants needing to identify which other parties have submitted on that provision, as notices of the appeal must be served on every person who made a submission on the provision or matter to which the appeal relates. The master summary table of decisions can be found on the decisions webpage of the 2GP website (2gp.dunedin.govt.nz).

List of hearing codes

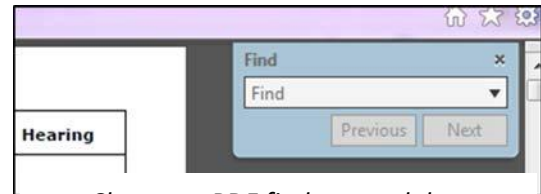
Hearing topic	Code
Commercial Advertising (cross plan hearing topic)	CP
Commercial and Mixed Use Zones	CMU
Community Correction Facilities (cross plan hearing topic)	CP
Defence Facilities and Emergency Services (cross plan hearing topic)	CP
Designations	Des
Earthworks	EW
Heritage	Her
Industrial Zones	Ind
Major Facilities (without Port and Mercy Hospital)	MF
Manawhenua	MW
Mercy Hospital	Mer
Natural Environment	NatEnv
Natural Hazards	NatHaz
Natural Hazard Mitigation	HazMit
Network Utilities	NU
Plan Overview and Structure	PO
Port Zone	Port
Public Amenities	PA
Public Health and Safety (PHS)	PHS
Quarries and Mining Activities (cross plan hearing topic)	CP
Recreation Zone	Rec
Residential Zones	Res
Rural Zones	RU
Rural Residential Zones	RR
Scheduled Trees	ST
Service Stations (cross plan hearing topic)	CP
Temporary Activities	TA
Transportation	Trans
Urban Land Supply	ULS

How to search the document for a submitter number or name

1. If you want to search for particular submitter name, submission point or Plan provision in any of the reports (decision report, marked-up version of the Plan, or s42A report) the easiest way to do this is to use the 'Find' function.
2. When you have the document open, press the keys CTRL and F (Windows) or CMND and F (Mac) to bring up the 'PDF Finder'.



Chrome – PDF finder search box



Chrome – PDF finder search box

3. Once the PDF search box appears (in the top left or right corner of your browser) type in the submission number or submitter name and press enter on your keyboard.
4. The PDF finder will search for all instances of this term. Depending on the size of the document and your internet connection it may take a minute or so.
5. Press on the up or down arrows (Chrome) or 'next' (Internet Explorer) in the search box to view the different instances of the term until you find the one you are looking for.
6. An 'advanced search' function is available under the Edit tab in some PDF viewers, this allows you to search 'whole words' only to look for exact strings of letters or numbers

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1.0 Introduction

1. This document details the decision of the Proposed Dunedin City District Plan Hearings Panel/Te Paepae Kaiwawao Motuhake O Te 2GP with regard to the submissions and evidence considered at the Urban Land Supply Hearings.
2. The Urban Land Supply Part 1 Hearing was held on the 22nd, 24th and 29th of March 2017 at the 2GP Hearings Centre.
3. The Urban Land Supply Part 2 Hearing was held on the 24th- 26th and 31st of May, and 1st, 2nd, 7th, 8th, and 9th of June 2017 at the 2GP Hearings Centre.
4. A reconvened hearing for the Urban Land Supply topic was held on 29 November 2017 at the 2GP Hearings Centre.

1.1 Scope of Decision

5. This Decision Report addresses the 286 original submissions and 291 further submissions addressed in the Urban Land Supply s42A Reports, except:
 - a. The *University of Otago's* submission OS308.484 related to Policy 2.2.4.2, which we address in the Commercial and Mixed Use decision report;
 - b. *Radio New Zealand Limited's* submission OS918.65, related to Policy 2.2.4.2, which we address in the Commercial and Mixed Use decision report; and
 - c. Carl Rundgren's submission OS1077.1 related to rezoning at Honeystone Street, which we address in the Rural Residential decision report.
6. In addition, it also addresses the following points:
 - a. *Robert Wyber's* submission OS394.24, which relates to a compact city and was heard at the Plan Overview hearing.

1.1.1 Section 42A Report

7. The Urban Land Supply s42A reports dealt generally with the policy framework for determining new residential zoning (Part 1), and submissions seeking rezoning of specific parcels of land primarily for residential use (Part 2).

1.1.2 Structure of Report

8. The decision report is structured by topic. The report does not necessarily discuss every individual submitter or submission point; instead it discusses the matters raised in submissions and records our decisions and reasons on the provisions relevant to each topic¹. Appendix 3 at the end of the report summarises our decision on each provision where there was a request for an amendment. The table in Appendix 3 includes provisions changed as a consequence of other decisions.
9. Schedule 1 to the RMA outlines key aspects of the process that must be used to prepare and make decisions on a plan change (including the submission and hearing process).
10. Clause 16(2) of that schedule allows a local authority to make an amendment where the alteration "is of minor effect", and to correct any minor errors, without needing to go through the submission and hearing process.

¹ In accordance with Schedule 1, section 10 of the RMA

11. This Decision includes some minor amendments and corrections that were identified by the DCC Reporting Officers and/or by us through the deliberations process. These amendments are referenced in this report as being attributed to "cl.16". These amendments are summarised in Section 4.0.

1.2 Section 32AA Evaluation

12. Section 32 of the Resource Management Act 1991 (RMA) establishes the framework for assessing proposed objectives, policies and rules. Section 32AA of the RMA requires a further evaluation to be released with decisions, outlining the costs and benefits of any amendments made after the Proposed Plan was notified.
13. The evaluation must examine the extent to which each objective is the most appropriate way to achieve the purpose of the RMA and whether, having had regard to their efficiency and effectiveness, the policies and rules proposed are the most appropriate for achieving the objectives. The benefits and costs of the policies and rules, and the risk of acting or not acting must also be considered.
14. A section 32AA evaluation has been undertaken for all amendments to the notified plan. The evaluation is incorporated within the decision reasons in section 3.0 of this decision.

1.3 Statutory Considerations

15. The matters that must be considered when deciding on submissions on a district plan review are set out in Part 2 (sections 5-8, purpose and principles) and sections 31, 32 and 72-75 of the RMA. District plans must achieve the purpose of the RMA and must assist the council to carry out its functions under the RMA.
16. The s42A Report provided a broad overview of the statutory considerations relevant to this topic. These include:
 - Section 75(3) of the RMA, which requires us to ensure the 2GP gives effect to any National Policy Statement (NPS) or National Environmental Standard (NES) that affects a natural or physical resource that the Plan manages. The NPS on Urban Development Capacity (NPS-UDC) is directly relevant to this particular topic
 - Section 74(2)(a) of the RMA, which requires us to have regard to the proposed Otago Regional Policy Statement (pRPS) and section 75(3)(c) of the RMA, which requires us to ensure the 2GP gives effect to the operative Otago Regional Policy Statement (oRPS). We note that the proposed RPS was notified on 23 May 2015, and decisions released on 1 October 2016. At the time of making these decisions on 2GP submissions some of the proposed RPS decisions are still subject to appeal, and therefore it is not operative
 - Section 74(2)(b)(i), which requires us to have specific regard to any other key strategies prepared under the Local Government Act. The s42A Report highlighted the Dunedin Spatial Plan 2012 as needing to be considered as this DCC strategic document sets the strategic directions for Dunedin's growth and development for the next 30 plus years.
17. These statutory requirements have provided the foundation for our consideration of submissions. We note:
 - where submissions have been received seeking an amendment of a provision and that provision has not been amended, we accept the advice in the original s42A Report that the provision as notified complies with the relevant statutory considerations

- where a submitter has sought an amendment in order to better meet the statutory considerations, we have discussed and responded to these concerns in the decision reasons
- in some cases, while not specifically raised, we have made amendments to the Plan as the evidence indicated this would more appropriately achieve these statutory considerations, in these cases we have explained this in our decision reasons
- where we have amended the Plan in response to submissions and no parties have raised concerns about the provisions in terms of any statutory considerations, and we have not discussed statutory considerations in our decision, this should be understood to mean that the amendment does not materially affect the Plan's achievement of these statutory considerations.

2.0 Hearing Appearances and Evidence Presented

18. The hearing was held in three stages: Part 1, which dealt with policy and overview matters; Part 2, which considered specific zoning requests, and the Reconvened hearing, which dealt primarily with structure plans in relation to a small number of sites. Submitters who appeared, and the topics to which their evidence relates, are listed in Table 1 below.
19. All evidence can be found on the 2GP Hearing Schedule webpage under the relevant Hearing Topic <https://2gp.dunedin.govt.nz/2gp/hearings-schedule/index.html>

Table 1: Submitters who appeared or tabled evidence, and topic covered

Submitter (submitter Number)	Represented by / experts called	Topic
Save The Otago Peninsula Inc (OS900)	Lala Frazer	Land supply, GRITZ
Harbourside & Peninsula Preservation Coalition Inc (OS447)	Craig Werner, representative	Land supply generally
Carl Rudgren (OS1077)		Honeystone Road
Christopher Medicott (OS21)		Kaikorai Valley
Robert Wyber (OS394)		Land supply generally
Federated Farmers (OS919)	David Cooper (Senior Policy Advisor)	Effects on farming
William Morrison (OS57)	Don Anderson (planner)	307 Wakari Rd
Grant Motion (OS59)	Don Anderson (planner) Grant Motion	312 Wakari Rd
R and M Duffy (OS696)	Nigel Pitts, surveyor Rob Duffy Stephen Johnston (real estate agent)	100 Connell St
Francis Edmonds	Don Anderson (planner)	54 Scroggs Hill Rd

(OS94)		
Bob and Rose Cunningham (OS1006)	Emma Peters (resource management consultant)	210 Signal Hill Rd Opoho
Daniel, Kirsten & Matthew Parkinson, Terry & Rain Crowley and Richard Carlson (OS1050)	Dan Parkinson Emma Peters (resource management consultant)	Portobello
Jensen Trust (OS1923)	Marie Jensen-Chave, Don Anderson (planner) Phil Page (counsel)	48 Raynbird St, Company Bay
Philip & Shakuntala Cunningham (OS965) (FS2245)	Don Anderson (planner) Philip Cunningham	457 Highcliff Rd
Raymond & June McDowell (OS78)	Don Anderson, planner	204 Portobello Road
Gerald Fitzgerald (OS233)		Opeke, Blueskin Bay
Waitati Beach Society Inc (OS1041)	Gerald Fitzgerald Dr Marc Schallenberg (scientist) David Redshaw (Manager of Southern Clams Ltd)	Opeke, Blueskin Bay. Dr Schallenberg and Mr Redshaw discussed water quality issues
Gladstone Family Trust (OS249)	Craig Horne (surveyor)	77 Chain Hills Rd
B A Building Ltd (OS989)	Emma Peters (resource management consultant)	41 Soper St & 20/21 Henderson's Rd, Mosgiel
Harboursides and Peninsula Preservation Coalition Inc (OS447)	Craig Werner, representative	Zoning around Otago Harbour
Daisy Link Garden Centres Ltd (OS1047)	Clive Wallis, director and representative, Leon Hallett (surveyor) Phil Page (counsel) Joe Chapman (valuer)	South-west side of Mosgiel zoning
Geraldine Tait		Chelivode St, Waitati

(OS101,102)		
Balmoral Developments (Outram) Ltd (OS741)	Phil Page (counsel) Hugh Forsyth (landscape architect) Kurt Bowen, surveyor	Outram
Janefields Re-Zone Group (OS1005)	Karen Trebilcock Janice Botting Miles Rapley (real estate salesperson) Hugh Forsyth (landscape architect) Emma Peters (resource management consultant)	North-east side of Mosgiel zoning
Christopher Medlicott (OS21)		30 Mercer St, Kaikorai Valley
Anthony Parata (OS248)		135-145 Doctors Point Rd & 3 Chelivode St
John Kaiser (OS165)		Opeke, Blueskin Bay
Dale Benson (OS280)		14 Centre Rd, Tomahawk
See Keong Tang (OS77)		19 & 19A Brick Hill Rd, Sawyers Bay
James Lin Ltd (OS776)	Emma Peters (resource management consultant) Peter White	Hagart-Alexander Rd, Mosgiel
James Lin Ltd & Wayne Henley (OS1021)	Emma Peters, resource management consultant, Peter White	Hagart-Alexander Rd, Mosgiel
AgResearch (OS924) (FS2398)	Nick Daniels (National Manager Farms & Facilities)	Opposing Janefields and Kipad Construction rezoning
Ken & Pam Close (OS875)	Geoff Bates, surveyor	Blackhead Rd
John Menzies (OS878)	Geoff Bates, surveyor	Blackhead Rd
Michael & Louise Lawrence	Michael Lawrence	Abbotsford

(OS1043)	Kurt Bowen (surveyor)	
John Sebelin, Diane Sebdu, David Ehlers & Evan Taylor (OS674)	Kurt Bowen (surveyor)	Kaikorai Valley Rd
Owhiro Park Ltd (OS845)	Kurt Bowen (surveyor)	76 Hagart-Alexander Drive
Kurt Bowen (OS297)	Kurt Bowen	Land supply generally
NZ Institute of Surveyors- Coastal Otago Branch (OS490)	Kurt Bowen (surveyor)	General
Saddle Views Estate Ltd (OS458)	Kelvin Fisher Chris Horne Allan Cubitt (planner)	Saddle Hill
Anthony Reid & Hillary Evans (OS940)	Paul Haddon (surveyor) Allan Cubitt (planner)	Mosgiel
Blue Grass Ltd (OS693)	Allan Cubitt (planner)	Saddle Hill
Chris Kelliher (OS666)	Allan Cubitt (planner)	Saddle Hill
John Buchan (OS610)	Allan Cubitt (planner)	Saddle Hill
Kimberly Taylor (OS660)	Allan Cubitt (planner)	Saddle Hill
Mainland Property (2004) Ltd (OS816)	Allan Cubitt (planner)	Saddle Hill
Blueskin Bay Watch Inc. (OS240)	Sue Hensley (Chairperson) Anna Marsitch (Secretary)	Opeke and Doctors Point
R B & S O Chin (OS888) (FS2418)	John Willems (project manager)	66 Haggart-Alexander Dr, Mosgiel
John Scott (OS1084)	John Willems (project manager)	63 Wakari Rd
Jennifer Stadnyk (OS2454)		Soper Rd
Doug Hall (OS1068)	Ciaran Keogh (resource management consultant)	North Rd, North-East Valley
Chris Linsell		Opeke & Chelivode St, Blueskin Bay

(OS141)		
Fletcher Glass Ltd (OS824)	Conrad Anderson (planner)	317 North Rd
Willowridge Developments Ltd (OS593) (FS2153)	Allan Dippie (director) Alison Devlin	Opeke, Blueskin Bay
Gillian Charters (OS128)		Opeke and 3 Chelivode St
Prof Juergen Gnoth (OS527)		Opeke and 3 Chelivode St
Paul & Bronwyn Bennington (FS2025)		673 Kaikorai Valley Rd
Laura Hayes (nee Dawson) (OS400)		Opeke
RPR Properties Ltd (OS688)	Tom Richardson (director) Loretta Richardson Kurt Bowen (surveyor)	33-51 Dalziel Rd
Angela Ruske (OS1012)		38-42 Dalziel Rd
Alice Wouters & Chris Rietveld (OS628, OS38)		31 Dalziel Rd
Valerie Dempster (FS2419)		49 Taieri Rd
Edmund Higbee (OS719)	Elliot Higbee	Opeke & Chelivode St
Michael de Lange & others (OS210) (FS2182)		48 Raynbird St, Company Bay
Graeme & Marie Bennett (OS298)		Chelivode St
Sally Stewart (OS484)		11 Centre Rd, Ocean Grove

Jason Hewett (OS109)		32 Salisbury Rd, Bradford
Jen Rodgers (OS262) (FS2413)		Opeke & 3 Chelivode St
Barbara Barrett & Zenda Badger (FS2113)		100 Wingatui Rd
Andrew Kirkwood (FS2132)		39 Torquay St
Dene McBride (FS2141)		Sawyers Bay
Ron & Rowena Park (OS281)	Leon Hallett (surveyor)	Warrington
Stewart Campbell (OS317)	Leon Hallett (surveyor)	Ocean View
Michael Ovens (OS740)		28 Patmos Ave & surrounds
RECONVENED HEARING, 29 NOVEMBER 2017		
Steven Johnston (OS1030)		Patmos Ave
Michael Ovens (OS740)		Patmos Ave
G & K Wynn Williams (OS920)	Nigel Pitts (surveyor)	15 Dunedin-Waitati Road
Doug Hall (OS1068)	Ciaran Keogh (resource management consultant)	636 North Rd
Ron and Rowena Park (OS281)	Leon Hallett (surveyor)	6 Park Rd Warrington.
Christopher Medlicott (OS21)	Derrick Railton of Fluent Solutions	30 Mercer St, Kaikorai Valley. Effluent disposal.
Stewart Campbell (OS317)	Leon Hallett (surveyor)	Ocean View

RPR Properties Ltd (OS688)	Kurt Bowen (surveyor)	49 Dalziel Road
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20. Appearances for the Dunedin City Council were:

Part 1 Hearing

- Ms Emma Christmas, Reporting Officer
- Mr Walter Clarke, Infrastructure advisor

Part 2 Hearing

- Ms Emma Christmas, Reporting Officer
- Mr Jared Oliver, DCC Asset Planning Team Leader
- Ms Louisa Sinclair, DCC Hydraulic Modeller
- Mr Grant Fisher, DCC Transport Planner / Engineer
- Mr Barry Knox, DCC Senior Landscape Architect
- Mr Michael Moore, Landscape Architect (consultant)
- Ms Marion Read, Landscape Architect (consultant)
- Mr Kelvin Collins, Harcourts Real Estate
- Mr Bill Frewen, Policy analyst

Reconvened hearing

- Ms Emma Christmas, Reporting Officer
- Ms Louisa Sinclair, DCC Hydraulic Modeller
- Mr Tom Dyer, Group Manager Three Waters
- Mr Barry Knox, DCC Senior Landscape Architect
- Mr Angus Robertson, Parks and Recreation planner

21. Evidence provided by Ms Christmas included:

- Section 42 Reports, organised primarily under topic headings responding to each submission point
- opening statements (tabled and verbal)
- revised recommendations (tabled and verbal) responding to each submitter who provided evidence
- Memo: High Class soils, Capacity Data, Large lot sites

22. Planning assistance to the hearings was provided by:

- Dr Anna Johnson (City Development Manager)

3.0 Decisions on submissions by topic

3.1 Introduction

23. This decision report on Urban Land Supply is structured in the following way. Firstly, we provide context, at a broad level, for decisions on submissions on all aspects of urban land supply. We describe the approach taken in the 2GP to providing for and managing urban land supply, through its Strategic Directions objectives and policies and through the application of zoning for new urban development. We then discuss evidence we received on the demand for and capacity of urban land.
24. We then outline our decisions with respect to submissions on those higher level matters, drawing on evidence in the Section 42A Report, matters raised in submissions, and from evidence heard presented at the hearing.
25. The next part of the decision report addresses submissions on other objectives, policies and rules associated with the provision of new urban development capacity.
26. In the final part of this decision report we discuss and give decisions with respect to those specific submissions concerning the rezoning of individual parcels of land.

3.2 The National Policy Statement on Urban Land supply

27. The National Policy Statement on Urban Development Capacity 2016 (NPS-UDC) was released in October 2016 and came into effect from 1 December 2016, after submissions on the Plan process had ended. Nonetheless, the NPS-UDC was discussed in the s42A Report and by several submitters who spoke at the hearing. All agreed that the NPS-UDC needed to be given effect.
28. Below is a summary of what we consider to be some of the more important aspects of the NPS-UDC.
29. The purpose of the NPS-UDC is explained on page 4 of the preamble:

"This national policy statement requires councils to provide in their plans enough development capacity to ensure that demand can be met. This includes both the total aggregate demand for housing and business land, and also the demand for different types, sizes and locations. This development capacity must also be commercially feasible to develop, and plentiful enough to recognise that not all feasible development opportunities will be taken up. This will provide communities with more choice, at lower prices. ...

Another key theme running through the national policy statement is for planning to occur with a better understanding of land and development markets, and in particular the impact that planning has on these. This national policy statement requires local authorities to prepare a housing and business development capacity assessment and to regularly monitor market indicators, including price signals, to ensure there is sufficient development capacity to meet demand. Local authorities must respond to this information. If it shows that more development capacity needs to be provided to meet demand, local authorities must then do so. Providing a greater number of opportunities for development that are commercially feasible will lead to more competition among developers and landowners to meet demand."

30. These requirements are outlined in the various objectives and policies. All objectives apply to all decision-makers when making planning decisions that affect the urban

environment. The objectives outline the high-level outcomes that the NPS policies aim to achieve. The most relevant objectives to our decisions are:

OA1: Effective and efficient urban environments that enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing.

OA2: Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.

OA3: Urban environments that, over time, develop and change in response to the changing needs of people and communities and future generations.

OC1: Planning decisions, practices and methods that enable urban development which provides for the social, economic, cultural and environmental wellbeing of people and communities and future generations in the short, medium and long-term.

OD1: Urban environments where land use, development, development infrastructure and other infrastructure are integrated together.

31. Other objectives are concerned with the provision of an appropriate evidence base to inform decisions into the future (leading on to various data analysis requirements), making timely responses to information, and cross-boundary coordination. No cross-boundary issues were raised during the hearing.
32. On 1 June 2017, Dunedin was classified as a 'medium-growth urban area' by Statistics New Zealand, having a projected population growth rate of 6.7% between 2013 and 2023. An implication of this NPS-UDC classification is to require the DCC to collect and analyse data for the purposes of monitoring demand and capacity on a regular basis. While the NPS-UDC came into effect on 1 December 2016, the date required to do the analysis as described above is the end of December 2018. As described below, the capacity analysis that we were presented with was not done to the level that will be required in the report that will come out later this year. While in the future the analysis will be available to inform decision making, we must make our decisions with the information that we have available to us at the present time.
33. A number of important concepts from the NPS-UDC are now also referred to in the RMA, as a result of amendments made following the enactment of the Resource Legislation Amendment Act 2017. While the transitional provisions set out in the RMA at Schedule 12, Part 2, Clause 13, require us to determine the 2GP process "as if the amendments made by the [Resource Legislation Amendment Act 2017] had not been enacted", we are nevertheless required to give effect to the NPS-UDC immediately, as far as the scope of submissions allow.
34. The obligations of the DCC in relation to housing land are set out in Policies PA1 – PA4 and PC1 – PC2.

3.2.1 Policies PA1- PA4 - Outcomes for planning decisions

35. Policies PA1, PA3 to PA4 apply to any urban environment that is expected to experience growth.

PA1: Local authorities shall ensure that at any one time there is sufficient housing and business land development capacity according to the table below:

Short term [next 3 years]	Development capacity must be feasible, zoned and serviced with development infrastructure
Medium term [3 – 10 years]	Development capacity must be feasible, zoned and either: • serviced with development infrastructure, or • the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act 2002.
Long-term [10 – 30 years]	Development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.

PA2: Local authorities shall satisfy themselves that other infrastructure required to support urban development are likely to be available.

PA3: When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:

- a) Providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses;*
- b) Promoting the efficient use of urban land and development infrastructure and other infrastructure; and*
- c) Limiting as much as possible adverse impacts on the competitive operation of land and development markets.*

PA4: When considering the effects of urban development, decision-makers shall take into account:

- a) The benefits that urban development will provide with respect to the ability for people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing; and*
- b) The benefits and costs of urban development at a national, inter-regional, regional and district scale, as well as the local effects.*

3.2.2 Responsive planning

36. Policies PC1 to PC4 apply to all local authorities that have part, or all, of either a medium-growth urban area or high-growth urban area within their district or region. The application of these policies is not restricted to the boundaries of the urban area (NPS-UDS, explanation to policies PC1 - PC4).

PC1: To factor in the proportion of feasible development capacity that may not be developed, in addition to the requirement to ensure sufficient, feasible development capacity as outlined in policy PA1, local authorities shall also provide an additional margin of feasible development capacity over and above projected demand of at least:

- 20% in the short and medium term, and*
- 15% in the long term.*

PC2: If evidence from the assessment under policy PB1, including information about the rate of take-up of development capacity, indicates a higher margin is more appropriate, this higher margin should be used.

37. The terms 'demand', 'development capacity', 'sufficient', and 'feasible' are all defined in the NPS-UDC (see Appendix 2).

3.3 The need for additional land: assessment of demand and capacity

38. The Reporting Officer presented estimates of demand and feasible development capacity, which were revised on several occasions during the course of the hearing.
39. We note that Ms Christmas stressed the approximate nature of the estimates, particularly the estimate of feasible capacity, noting shortcomings in the data used and the myriad of assumptions that needed to be made to determine whether capacity was feasible. She noted that the figures were the best available at the present time, with the assessment being undertaken while MBIE and MfE were still developing guidance on how assessments should be undertaken. The data would be improved as a result of the regular assessment and monitoring required under the NPS-UDC (the first housing and business development capacity assessment must be completed by 31 December 2018).
40. We now discuss the evidence on methods used to estimate demand and capacity, and the results obtained.

3.3.1 Demand

41. Demand is defined in the NPS-UDC as follows:

In relation to housing, the demand for dwellings in an urban environment in the short, medium and long-term, including:

- a) the total number of dwellings required to meet projected household growth and projected visitor accommodation growth;*
- b) demand for different types of dwellings;*
- c) the demand for different locations within the urban environment; and*
- d) the demand for different price points*

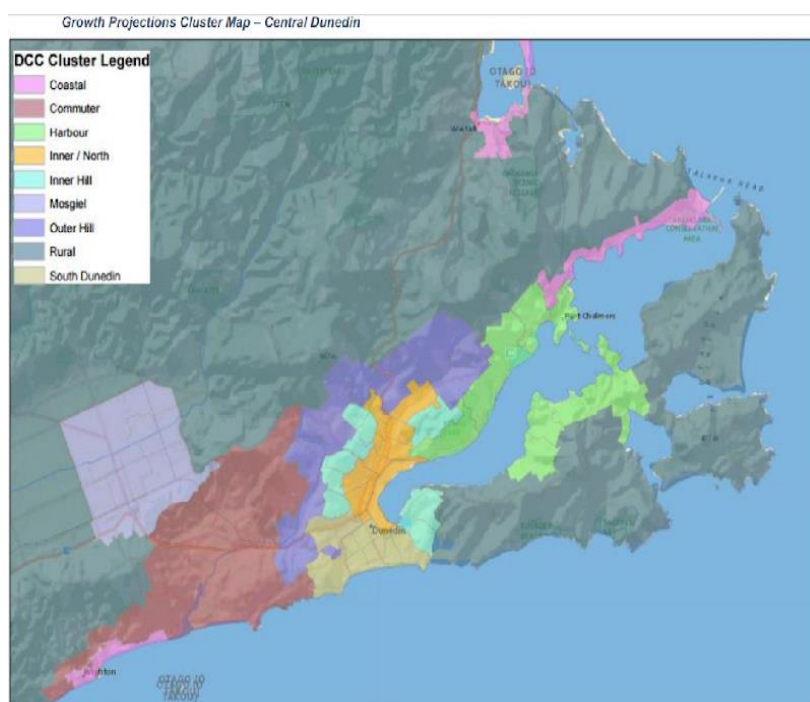
recognising that people will trade off (b), (c) and (d) to meet their own needs and preferences.

42. The Reporting Officer's assessment of demand considered total demand, without distinguishing this into different dwelling types, locations, or price points. It relied on the evidence of Walter Clarke (infrastructure advisor), who has provided the DCC with growth projections since 2009, on a three-yearly basis. These projections are used in the drafting of the DCC's Long Term Plan. For his Statement of Evidence, he relied upon his most recent analysis: *DCC Growth Projections 2018 to 2068 - Resident Population, Residential Dwellings, Peak Day Visitors, Rating Units, April 2016*.
43. Mr Clarke's estimates used Statistics NZ growth projections of resident population (by age group), residential dwellings (occupied and unoccupied), peak day visitors (including those staying in commercial accommodation and private dwellings), and rating units. The estimates (apart from visitor data) were presented by census area units.
44. Mr Clarke produced low, medium and high growth estimates, based on Statistics NZ growth series. He also produced a fourth growth model, referred to as the 'modified growth scenario', which incorporated local growth trends. This scenario sits between the low and medium growth projections. His view was that this growth model was the most appropriate for Dunedin as it is "conservatively optimistic", appropriate for long term

planning, includes localised projections, and best reflects historical trends and the current economic climate (Statement of Evidence, paras 3.11 – 3.12).

45. Mr Clarke noted that household size has been decreasing due to an ageing population and smaller family size. This trend is projected to continue, resulting in a greater number of dwellings/residential units being required to house the same number of people (Statement of Evidence, paras 3.9 – 3.10, 3.18 – 3.22).
46. Mr Clarke estimated that the population will increase by 1,600 individuals from 2018 to 2028, and the number of households would increase by 1,955 over the same period. Over the 30 years from 2018 to 2048 he estimated a population increase of 3,275 and a household increase of 5,605. These figures highlight that growth is projected to slow in the long term (Statement of Evidence, para. 3.19; and s42A Urban Land Supply Part 1, section 5.2.3, p. 96–97).
47. For the purposes of showing growth in different parts of the city, Mr Clarke divided the City into nine geographic 'clusters' (Figure 1). The analysis showed that if current spatial trends are projected out most dwelling growth would occur in the Mosgiel, 'commuter' (Green Island/Fairfield/Abbotsford) and 'rural' clusters (Statement of Evidence, para 3.24 and appendices).

Figure 1: Geographic clusters used in Walter Clarke's evidence



48. The Reporting Officer emphasised in her evidence that these assessments rely on historical trends; that is, higher than average historical growth in one area will result in projections of higher than average growth in that area in the future (Opening Statement for ULS part 1, para 20). Consequently, she cautioned us in placing too much weight on the results for Mosgiel, stating: "for example, despite Mosgiel having high growth in recent years, it may not be the most appropriate place for future growth" (ibid).

3.3.2 Development Capacity

3.3.2.1 Development potential of existing residential capacity

49. The NPS defines development capacity as:

"the capacity of land intended for urban development based on the zoning and other relevant plan provisions, and the provision of adequate infrastructure to support the development of the land".

50. Policy PA1 requires that development capacity for the short term (three years) is feasible, zoned and serviced with development infrastructure.
51. The Reporting Officer first assessed the theoretical capacity of residential-zoned sites, then considered the feasibility (commercial viability) and take-up (likelihood that a site will be developed) of the sites.
52. The theoretical capacity of residential-zoned sites was determined, using the methodology provided in Appendix 6 to the ULS Part 2 s42A Report. This methodology was similar to that used by the DCC for previous assessments of capacity. It included all sites zoned residential in the 2GP, excluding land such as road reserves, designated sites, Crown land and reserves, etc. In brief, infill potential was assessed for all sites that were at least twice the minimum site size (MSS), and had sufficient space for an additional dwelling and road access. Vacant sites were also identified. The theoretical capacity of each site was calculated as the area of the site divided by the MSS. If the site was sufficiently large to allow for the creation of at least four new sites, either 100m² or 200m² was added to the minimum site size, to allow for the infrastructure necessary in a large subdivision (primarily roading). For example, the capacity of sites zoned General Residential 1 was calculated as the site size divided by 700m² (500m² + 200m²).
53. Sites with major constraints affecting more than 30% of the area were excluded from the analysis. Major constraints were national grid transmission lines, natural hazard category 1, slope greater than 30° and significant trees (based on a circle 7.5m diameter from the trunk).
54. A similar method was used to assess the infill potential in the medium density zones.
55. The feasibility and take-up of the sites was then assessed. Three alternative methods were used, as explained in the s42a Report (section 5.2.3, pp. 95 - 96). The methods were: Appendix 12B of the 2GP, an alternative desktop method developed by Mr Clarke, and a method based on actual development between 2009 and 2017 ('the 2009 - 2017 method').

3.3.2.1.1 Appendix 12B of the 2GP

56. This method was used in the initial assessment that was done for the notified Plan. It assesses the likely development potential of residential-zoned land based on the type of lot (vacant or infill (a developed lot that can be subdivided to produce a new vacant lot)), the size of the lot (smaller or larger than 1,000 m²), and the 'age' of the site since subdivision. The method assumes that only a small percentage (2%) of infill sites, and vacant sites older than 5 years old (10%) will be developed.
57. Mr Clarke criticised the method as being overly simple as it excluded potentially relevant factors such as known constraints, the maximum capacity of a site and the location of the sites.

3.3.2.1.2 Walter Clarke alternative desktop study

58. Mr Clarke assessed the likelihood of development based on site capacity (from 2 to more than 30 lots per site), the type of lot and the degree of site constraint (none, minor or major). Capacity was identified under a "conservative", "medium" or "optimistic" scenario.
59. Mr Clarke also noted the need to consider sites with a large development potential more closely, as these have the potential to add the most capacity. He reviewed similar studies

undertaken elsewhere and noted that a range of factors could be assessed for larger sites, including:

- major constraints
- economic viability
- marketability / desirability
- an allowance of roads and reserves, typically 20 -30%; and
- the likelihood of market participation (i.e. owners' willingness to sell).

60. We note that these are likely factors that will need to be assessed as part of future, more detailed, feasibility assessments required under the NPS.

3.3.2.1.3 Assessment based on actual development between 2009 and 2017

61. This method, described in Appendix 1 of the s42A Report, considered the actual development that had occurred on infill and vacant sites between 2009 and 2017.

62. No additional consideration was given to constraints, as the impact of these was considered to be included within the analysis. From the results, the annual likelihood of development of infill of vacant sites of different sizes was calculated.

63. To compare each assessment method, the estimated capacity of residential land in close proximity to the central city was calculated using each method. The results were provided in the s42A report at section 5.2.3, p. 96 and showed that the Appendix 12B method and the '2009 – 2017 method' gave similar results, and within the range of results calculated using Mr Clarke's method.

64. The Reporting Officer used 'the 2009 – 2017 method' in subsequent analyses of capacity.

3.3.3 Is there sufficient residential capacity?

65. The Reporting Officer's assessment of residential capacity over the short, medium and long term was provided in Appendix 5 (Assessment of Residential Capacity) and Appendix 7 (Assessment of Residential Capacity in the Inner City Residential Zone) of the s42A Report. The Reporting Officer later noted a mistake in the Outram data in Appendix 5 (the capacity did not include that provided by two recent plan changes), and corrected this in subsequent data.

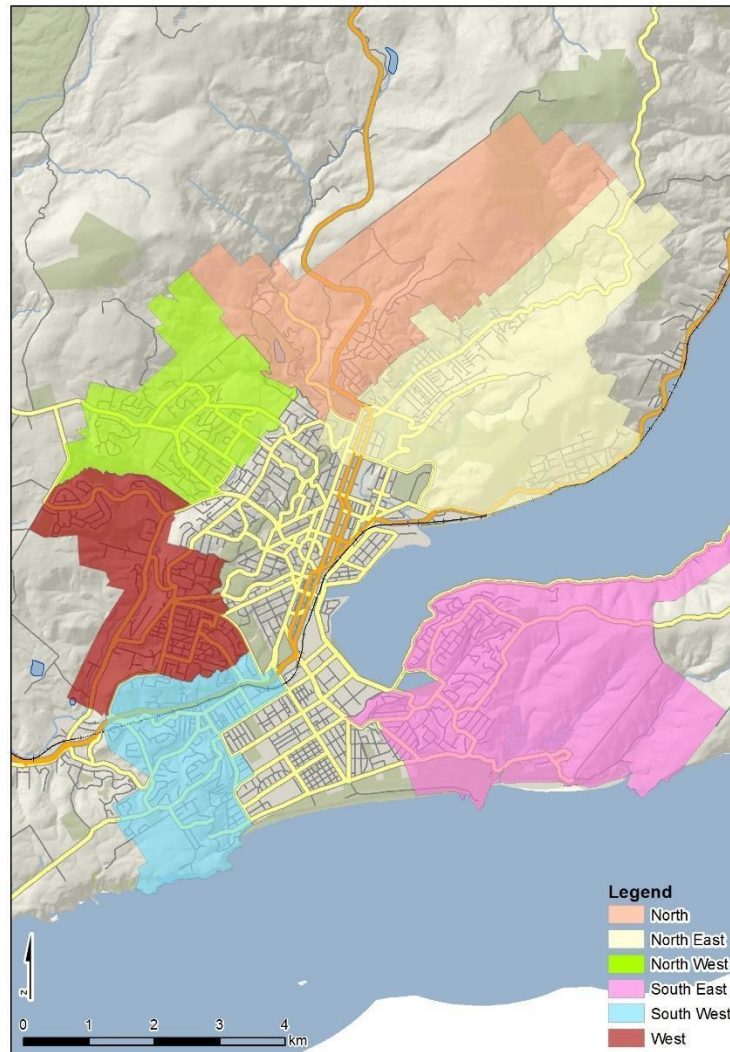
66. Combining the data from Appendices 5 and 7, and correcting the Outram data, the surplus / shortfall (-) across the city over 5, 10 (medium term) and 30 years (long term), was as shown in Table 2. The data is divided into the same 'catchments' used in Appendix 5 of the s42A Report (based on Appendix 12A of the 2GP, as shown in Figure 2 below).

Table 2: Surplus (+ number) or shortfall (- number) in residential capacity (number of dwellings) by catchment and township

Catchment / area	2018	2023	2028 (medium term)	2048 (long term)
North	88	46	4	-147
North-east	102	11	-78	-279
North-west	-33	-114	-187	-482

South-east	130	59	1	-187
South-west	299	232	168	22
West	113	87	76	196
Inner city residential zone	16	-52	-134	-455
Green Island and surrounds	-92	-361	-598	-1436
Mosgiel	278	16	-239	-1296
Port Chalmers	26	26	26	26
Portobello	62	57	53	49
Waikouaiti	60	60	60	60
Waitati	28	28	28	28
Warrington	30	20	2	-55
Karitane	36	36	36	36
Brighton	29	29	29	29
Outram	45	26	12	-66
Middlemarch	47	47	47	47
Total	1,264	253	-694	-3,910

Figure 2: Appendix 12A from the 2GP showing the location of the GR1TZ overlay catchments



67. We note that the data in Appendices 5 and 7 includes the 20% demand buffer required by Policy PC1. We note that the assessment in the s42A report was done initially in five year tranches, however, under the NPS-UDC 'short term' is three years, medium term is 3-10 years and long term is 10-30 years. This has meant that some of the timeframes did not match for comparison with the NPS criteria.

3.3.4 Submitter's criticisms of capacity assessment

68. We heard little evidence from submitters regarding Mr Clarke's demand analyses. The only criticism was from Mr Page, counsel for *Daisy Link*, regarding the use of the 'modified growth' data set, rather than the medium growth population projections from Statistics Dunedin.
69. A number of submitters were critical of the way capacity had been estimated by the Reporting Officer or would be estimated in the future using the Appendix 12B methodology. These criticisms fell into two broad groups – concern that the minimum site sizes assumed were unrealistic, and concern that some sites included in the analysis were not able to be developed.
70. In the first group, Ciaran Keogh, a resource management consultant called by *Douglas Hall* (OS1068), argued that larger houses on larger sites was what the market wanted, with sections of 700m² to 900m² being in demand (oral evidence, 7 June 2017). He said this meant that this was what developers would provide, rather than the 500m² site size

assumed. Mr Keogh also considered that the market yield and the constraints of many of the General Residential 1 Transition Overlay Zone (GR1TZ) sites around Dunedin would mean that the actual capacity would be less than suggested by the Council.

71. Leon Hallett, a surveyor called by *Daisy Link*, highlighted the use of a 700m² allotment size for General Residential 1 Zone (GR1) (500m² MSS plus 200m² allowance for infrastructure), compared to the average yield in a recent Mosgiel development (variation 15 or 'East A'), which is one site per 1050m² (Statement of Evidence, p. 3).
72. He also used the East A site size to compare the likely yield of residential allotments from *Daisy Link's* land (the subject of a rezoning request) to that assumed in the s42A Report capacity analysis. In their concept plan, *Daisy Link* had planned 361 allotments. If a retirement village and/or community centre was included, this would reduce the yield to around 322 allotments. The DCC's methodology assumed a capacity of 528 allotments. Mr Hallett considered that this grossly overestimated the capacity of the site.
73. In terms of the feasibility of existing residential-zoned sites, and land identified as future residential land through a GR1TZ, Mr Hallett assessed the likelihood of development of 16 areas throughout the city, given various constraints such as undesirable aspect, topography, climate or geology, unavailability due to a pre-existing activity, inaccessibility, land stability, transmission lines, reserve and recreation land. He concluded that a large number of the theoretical sites identified would not be developed.
74. He was also critical of the DCC's report: Identification of Land for Future Residential Zoning (September 2015), which outlines the method by which the GR1TZ sites were identified. He described it as essentially a desk top exercise, which did not consider whether any of the sites were commercially viable or had 'servicing constraints'.
75. This point was similarly made by Allan Cubitt, a resource management consultant called by *Craig Horne*, when he criticised the location of the transitional overlays as predominantly being in places people were not interested in living (Statement of Evidence of Mr Cubitt, para 35).
76. Mr Keogh was also critical of the locations for future expansion of the city's residential area. Other than in Mosgiel, Mr Keogh considered that very few sites in the residential zones were ready to be developed. What bare land was available, was rough, difficult to develop and unattractive (Statement of Evidence, pp. 8-9). In his view poor access and excessively steep terrain meant that a large proportion of GR1TZ land identified is undevelopable, at least at the density permitted by GR1 provisions. He also noted that two of the GR1TZ areas are located within existing golf courses (Balmacewen and St Clair).
77. He considered that the 2GP leaves Dunedin with a very small amount of appropriately zoned land, while creating a false impression through the GR1TZ as to the status of future developable land supply available within the city (Statement of Evidence, pp. 8-9).
78. Mr Keogh commented that the 2GP is heavily reliant on intensification of existing residential areas to accommodate an increase in population. However, decisions regarding the redevelopment of residential sites are made by the landowners not by the DCC. The DCC may have an expectation regarding land supply which differs considerably from that of the landowners, creating discord which could "severely distort the reality of land supply". His view was that the Plan provisions relating to future urban expansion must be as accommodating and flexible as possible (Statement of Evidence, p. 13).
79. *Robert Wyber* (OS394) also criticised the DCC's methodology for determining residential capacity and the identification of suitable residential sites. He remarked that the land in older, built-up areas identified as potentially available for development was not realistic. His view was that if the land merited development, then it would have been developed

decades ago. He said that residential land that has not yet been developed is steep, shady, unstable, and land-locked (Statement of Evidence, p. 19).

80. Similarly, *Chris Medicott* (OS21.2) discussed the difficulty in developing land in Kaikorai Valley due to its steepness and southerly aspect, and how this would impact upon the assessment of capacity.
81. Geoff Bates, a consultant surveyor called by *Ken and Pam Close* (OS875) was of the opinion that the potential for infill development was limited, due to either a lack of willingness on the part of the owner to subdivide, a lack of desirability to the market, on-site issues which prevent subdivision, or a lack of viability. He considered that minimal weight should be given to infill capacity. Likewise, golf courses should not be considered developable sites. Vacant land remains vacant for the reason that it is not attractive to the market (Statement of Evidence of Mr Bates, para 52).
82. The *New Zealand Institute of Surveyors Coastal Otago Branch* (OS490.12), provided data in their submission showing the rate at which infill has occurred in existing residential areas. It noted that between November 2014 and September 2015 only 52 new sites were approved through subdivision consent, out of a potential 1960 unconstrained vacant and infill sites. The submission made similar comments as those expressed by Mr Bates, and concluded that "infill capacity should be given minimal weight in the context of available capacity within the immediate surrounds of Dunedin CBD".
83. We were also cautioned by submitters on the lead-in time between zoning and the development of additional houses. Phil Page and Leon Hallett, both on behalf of *Daisy Link*, made submissions along these lines. Mr Hallett suggested that progressing development of a large subdivision can take three years, and then staged developments are limited to 40-80 sections per year (oral evidence on 31 May 2017). Mr Page argued that we have to look out longer than five years, given the recent rapid development on the Taieri in terms of providing development capacity.
84. In the same vein, Emma Peters, a resource management consultant for several submitters, suggested that the time it takes to develop land, and the intent of various landowners, was such that rezoning land did not necessarily mean that the land would be made available for supply in the short or medium term (oral submissions, 1 June 2017).
85. Phil Page, in legal submissions for *Daisy Link*, concluded that the capacity assessments had been 'overcooked' (oral submissions on 31 May 2017).

3.3.5 Broad submissions on the need for additional land

86. We received considerable evidence and submissions on the perceived need for additional greenfield land for housing development, the need to provide an oversupply of land so that there is choice and prices remain low, and the need to provide for additional land to allow movement away from hazard prone areas in the future. Some of this evidence responded to the capacity data presented by the Reporting Officer and has been addressed above.
87. Before we summarise the rest of this evidence and submissions, we outline the evidence of Mr Kelvin Collins, Managing Director of the Harcourts Highland Real Estate Group and former registered valuer, who was called by the DCC. He gave evidence of an increase in housing demand over the last 18 months (mid 2015 to February 2017). In his opinion this was due to investors, often from out of the city, seeking good quality rental units, and first home owners driven by changes in Kiwisaver eligibility. This demand had resulted in an increase in the median house price in the 12 months from February 2016 to February 2017, from \$310,000 to \$350,000.

88. Mr Collins considered that one of main reasons that there is a shortage of available properties for these two groups is that there is a lack of suitable homes for those who already own a similar type of property to upgrade into. Mr Collins noted that owners who are looking to 'upgrade' generally fall into two groups:
- ageing owners from hill suburbs, who are seeking easy in-town living, for example low maintenance, modern, terraced style developments and low rise apartments. In his experience, these properties are sold very rapidly; and
 - middle class owners with families, who wish to upgrade to desirable school zones or modern single storey homes in new subdivisions.
89. He noted that the Dunedin market has limited choice, particularly for apartments and lifestyle options. To make apartments affordable, he suggested that they need to be high quality, and built at scale, rather than individual back yard developments. There is a demand for units to include car parking and an outdoor area, meaning that current inner-city developments, such as those in the Warehouse Precinct, may not provide what is sought. In his opinion, quality apartments would fill the gap between the suburban 3-bedroom family house and the retirement village, and this development sector had not been done well in Dunedin. Proximity to a 'hub', for example a centre with a bar / restaurant, is also important, as well as proximity to the CBD.
90. He further considered that there is unmet demand for lifestyle sized sections (2,000 – 4,000m²), and that such sections would be well received, providing an alternative to apartment-style living.
91. Mr Collins commented that flat land is preferable for development, due to the additional building costs on sloping land, with the price of new houses largely dependent on the cost of building. He agreed, in response to a question about Mosgiel, that if flat sections were available elsewhere in the city there would be demand for them. He said the demand in Mosgiel was not entirely due to the sections being located there.
92. Geoff Bates, a consultant surveyor called by *Ken and Pam Close* (OS875), gave evidence on the issue of market reality versus the Council's 'desk-top assessment' of available capacity. He considered that the supply-demand cycle is being artificially influenced by the Council being reluctant to release greenfield land for housing development, based on the theoretical capacity of existing residential land. This was demonstrated by the rapid development of greenfield land near Mosgiel. In his view, the shortage of greenfield land is contrary to the NPS-UDC and is not in the best interests of residents or the economic development of Dunedin, having a number of undesirable effects, including:
- price and rental increases on available land;
 - narrowing the population cross-section in these areas to the more affluent; and
 - a reduction in the ability to provide affordable housing.
93. He noted that Dunedin has an aging housing stock, and that redevelopment is required to a higher density. He said that redevelopment, however, must be market driven. It cannot be forced on people by withholding land. His view was that redevelopment occurs when the viability of property reduces to a point where there is no longer demand for the housing, rental returns are unviable, and substandard houses become vacant. As long as the supply of new land is limited, substandard housing stocks will remain viable, with consequences for the health and wellbeing of the population (Statement of Evidence, paras 36 and 37).
94. Mr Bates criticised the Council's approach of limiting supply on the basis that this reduces risk for developers. His view was that the Council should not control developers' risk; rather, the market should be the driver of this. He further noted that a broader ratepayer base was desirable and the constrained supply was pricing out residential units in favour of retirement village development. In his view, provision of real choice for people of all

ages was another reason to provide an oversupply of housing (Statement of Evidence, paras 46 to 49).

95. Emma Peters, a resource management consultant speaking on behalf of a number of submitters, noted that the lack of residential capacity has increased the median value of property. In her view, while the Council has no control over property values directly, it does have the ability to free up more greenfield land for residential development. This would help to ease increases in property values, as more houses and land enter the market (Statement of Evidence for *James Lin Ltd*, para 36 to 37).
96. Ms Peters' view was that the Plan, based on assumptions of low growth, an aging population and a trend of declining average household size, had adopted a planning framework requiring a 'hard edge' to urban areas. That is, urban development was required to intensify by going 'up' rather than 'out'. She questioned the appropriateness of this approach.
97. Ms Peters said Mr Clarke's evidence showed that additional residential capacity will be required in Mosgiel to meet demand, both in the immediate future and over the life of the Plan. In her opinion, providing for this demand was required under the NPS-UDC and the RPS. She expressed surprise that the Plan had not provided for any greenfield development around Mosgiel (Statement of Evidence for *BA Building*, pp. 11 - 13).
98. *Robert Wyber* (OS394) criticised the 2GP's implementation of the NPS-UDC. He considered that the Plan was only providing 'balanced supply', not 'oversupply' as required by the NPS-UDC. Geoff Bates, for *Ken and Pam Close* (OS875) made a similar point, that the NPS-UDC is not about balanced supply, it is about choice and oversupply.
99. *Mr Wyber* (OS394.5) sought to provide for an increase in the areas of greenfield and rural residential land to be zoned as residential, including rezoning General Residential 1 Transition Overlay Zones (GR1TZ) areas to General Residential 1. He contended that more flat land needs to be made available that is suited to the older demographic. He submitted that not enough land was being made available to give people choice. While he agreed, on questioning, that elderly people might wish to be nearer facilities such as hospitals, he believed that there was insufficient greenfield land being made available to encourage intensive development (oral evidence, 24 March 2017). *Mr Wyber* requested that a map is produced, showing where the capacity was, so that it could be discussed at a finer level.
100. *Mr Wyber's* concern was that if we accepted the conservative demand figures provided by the Council and they proved to be incorrect, then we will have priced people out of the market as land values increased, which would impact on the poorer demographic the most. He could not see a downside to providing for greater capacity, arguing that the 20% margin built into the NPS-UDC was to ensure that the Council did not underestimate capacity (Statement of Evidence, p. 10 and oral evidence given at the hearing, 24 March 2017).
101. *Mr Wyber* believed that a survey-based exercise was required to identify the drivers of demand, for example asking people in Mosgiel why they had decided to move there, and then providing choice based on the results (Statement of Evidence, p. 23 and oral evidence, 24 March 2017).
102. The *NZ Institute of Surveyors – Coastal Otago Branch (NZIS)* (OS490.12) supported by *Robert Wyber* (FS2059.20), sought to remove the GR1TZ sites in favour of an immediate rezoning of the small areas of land already within the perceived city limits, and those areas of rural and rural residential zones adjoining the current residential zones. It considered that the land would be better utilised for residential purposes.

103. This submission was opposed by the *Harboursides and Peninsula Preservation Coalition (HPPC)* (FS2267.35), as they considered it did not reflect their preferred priority of urban land development (in which rezoning GR1TZ was the lowest priority (see Section 3.4.1).
104. It was also opposed by the *Otago Regional Council* (FS2381.11) as Objective 3.8² of the proposed Regional Policy Statement requires that urban growth is well designed and integrates effectively with adjoining urban and rural environments. It also sought to avoid fragmentation of rural land. In its view, any increase in residential land needs to be based on well considered and understood needs.
105. The need for additional greenfield land at Mosgiel was raised by several submitters. Emma Peters noted that the Plan does not provide for any new residential zoned areas in and around Mosgiel, despite being an area people clearly want to live in (Statement of Evidence for Wayne Hanley, Peter White and James Lin Limited, para 39). She considered that the preferable form of zoning for the Mosgiel area would be to rezone all of the submitters' requested areas as residential and remove the GR1TZ overlay.
106. Joseph Chapman, registered valuer called by *Daisy Link Garden Centres Limited* (OS1047.1), was also of the opinion that there is currently not enough land zoned to accommodate the demand for residential sections on the Taieri. He suggested that if demand continues at the same rate, within two years there will be no vacant residential sections in the Taieri (Statement of Evidence, pp. 2-3).
107. Allan Cubitt, consultant planner called by *Mr Reid and Ms Evans* (OS940.1), addressed the s42A Report capacity assessment, highlighting the projected increase in demand in Mosgiel and the north Taieri area. He remarked that unless capacity is addressed, prices will continue to rise, rather than become cheaper (Statement of Evidence, para 26). He was surprised that no new land in or around Mosgiel had been recommended for new residential and rural residential type zoning, especially considering the NPS on Urban Development "appears to direct the Council to address this shortfall" (Statement of evidence, para 23).
108. Miles Rapley (Real Estate Agent called by the *Janefield Re-Zone Group*) described how Dunedin has reached a stage in which the baby boomer population is downsizing or seeking newer, warmer, lower maintenance homes. For many, this translated to moving from the city to the Taieri, in particular, Mosgiel. In his view, Mosgiel provides all necessary services and infrastructure, while also having an attractive microclimate. The opportunity to own a new home and have choice in its design has contributed to the huge growth that Mosgiel has experienced in the last 10 years (Statement of Evidence, pp. 4-5).
109. Similar points were also made by Paul Haddon (Director of Terramark) representing *Anthony Reid and Hilary Evans* (OS940.1), who described in some detail the 'unprecedented' growth in the Mosgiel area (Statement of Evidence, para 16 and 17). He also said that the rapid growth, coupled with the selling of a substantial portion of land in the East Taieri Structure Plan Area to a retirement village company, means that the "provision for future growth has already been consumed and developed, even before the 2GP has become operative". He reflected that there does not appear to be any provision in the 2GP for any growth in Mosgiel (Statement of Evidence, p. 2).
110. Also appearing for *Daisy Link* (OS1047.1), legal counsel, Phil Page argued that in the context of the NPS-UDC, development capacity should be provided on a *pro rata* basis, and that if Mosgiel is growing the fastest, then it should receive the highest capacity (Legal Submissions, para 24). He also argued that prioritising redevelopment of existing residential areas over greenfield expansion is unlawful, as it is not the Council's job to influence demand by controlling supply. In his submission this stifles choice, which would not give effect to the NPS-UDC (Legal Submissions, para 32). He argued that while the

² We note that this is now Objective 4.5 in the decisions version of the RPS

objective for a compact and accessible city (Objective 2.2.4) can be described as over-arching, it must be read to give effect to the NPS-UDC. It cannot be followed in ignorance of actual demand data (para 28).

111. Geoff Bates, for *Ken and Pam Close* (OS875), had a slightly different view, commenting that the drivers behind people moving to Mosgiel were people upgrading their standard of living while interest rates are low and the housing market was relatively affordable, rather than being a direct result of population growth rates. He noted, however, that “not everyone wants to live in Mosgiel”, and there also needed to be other greenfield choices close to Dunedin city.
112. Another issue raised by submitters was the need to zone additional land to relocate residents from hazard-prone areas. *Mr Wyber* stated that about 20% of households had a hazard overlay over them in the 2GP maps, and while it would take time to resolve how to manage hazards issues in South Dunedin, relocation of people from hazard prone areas may be required earlier if costs (such as insurance) rise in the shorter term (Statement of Evidence, p 17 and oral evidence given at hearing on 24 March 2017).
113. *Kurt Bowen* (OS297.2) sought to increase the supply of residential land in Dunedin. He was concerned about the management of natural hazards, particularly sea level rise and South Dunedin’s low-lying residential area. *Mr Bowen’s* view was that without significant new residential land being made available to people who wish to retreat from the affected areas, there will be only limited movement away from the hazard until matters become urgent. This submission was supported by *Robert Wyber* (FS2059.15)
114. The same issue was raised in the *NZ Institute of Surveyors - Coastal Otago Branch* submission (OS490.12) and by Geoff Bates, for *Ken and Pam Close* (OS875), and the *Property Council New Zealand* (OS317.64), supported by *Robert Wyber* (FS2059.18). The *Property Council* considered that there should be a staged development process by releasing greenfield land through zoning, as infrastructure is available.
115. Contrary to much of the evidence and submissions summarised above, Craig Werner, for the *Harboursides and Peninsula Preservation Coalition* (OS447), argued that “Dunedin’s growth rate does not support the need to develop swaths of rural land in a GR1TZ Zone scheme”. We note, however, that Mr Werner also strongly advocated for the development of satellite towns to provide for growth. This is discussed in Section 3.4.1.
116. *Peter Wilson* (OS954.3), the director of a real estate company for nearly 30 years, requested expansion of the amount of land zoned Large Lot Residential 1 Zone. He believed that the Council should provide “what the people want”. As a specialist in the lifestyle and rural market, he stated that he has seen first-hand the difficulty people have encountered with what he regards as incorrectly zoned properties.
117. In response to questions about whether the market would be flooded if too much land were rezoned, Joseph Chapman, registered valuer, noted on behalf of *Daisy Link* the unexpected speed with which developments of vacant lots had been taken up in Mosgiel (Statement of Evidence, p 1). This point was also reiterated by others.
118. *Kurt Bowen* (OS297) also addressed us on possible methods to ensure that the larger quantity of residential land he was advocating be released did not adversely flood the market.
119. In response to requests for increased amounts of land zoned for residential development, the Reporting Officer noted rezoning is only appropriate if there is a shortfall of capacity and the individual sites meet the criteria of the strategic directions policies. She agreed that it was likely that further locations would need to be zoned residential in the future to provide hazard free areas. However, this would require a considered planning approach, involving input from multiple experts and full consultation, and could not be resolved through this hearing process. She said that the regular assessment of demand

required under the NPS-UDC should ensure that planning for this is carried out in a timely fashion (s42A Report Urban Land Supply Part 1, section 5.1.4, p. 39).

120. The Reporting Officer also commented on the submissions highlighting a predicted shortage of land in the Mosgiel township. She noted that given this predicted demand was based upon historical data and the large amount of greenfield development that had occurred in Mosgiel in the recent past, it was difficult to assess whether or not this demand was for Mosgiel itself, or for affordable, flat sections. In other words, if affordable flat sections were available in other parts of the city, these may be as attractive to similar sections in Mosgiel (Opening Statement ULS Part 2, p. 5).
121. In response to *Mr Wilson's* submission (OS954.3) seeking more Large Lot zoned land, the Reporting Officer noted that Large Lot zoning is less efficient than General Residential zoning. The approach in the 2GP Strategic Direction policies is that General Residential zoning is preferred unless there are site constraints that prevent this (s42A Report ULS Part 2, section 5.1.3, p. 39).

3.3.6 Our Conclusions on Residential Capacity

122. We accept the projected demand figures provided by the Reporting Officer and Mr Clarke. There was little challenge to these by submitters. We are cautious, however, about breaking down these projections into smaller geographic areas. We note the evidence that the projections rely on previous growth figures, which for some areas, such as Mosgiel, are driven by a number of large recent subdivisions which arose from plan changes. We heard evidence that sites at Mosgiel have made up the bulk of greenfield sites in recent years, so it is not surprising that there has been good take up. We also heard evidence that "not everyone wants to live in Mosgiel".
123. In terms of existing capacity, we accept that the figures provided by the Reporting Officer are the best available at present, given the constraints of the data and the many assumptions required. We note that more detailed and (presumably) more accurate data will be available when the DCC completes the demand and capacity assessment required under the NPS in December 2018. At that point, the DCC must act if there is any predicted shortfall in capacity.
124. With respect to concerns that not all sites can be feasibly developed, or that landowners will not wish to develop, this was addressed - in relation to land already zoned residential - through the methodology used by the Reporting Officer to assess the development potential of existing residential land. This used actual development rates over the previous nine years which, although somewhat crude, takes account of low rates of development due to site constraints or owner unwillingness. It assumes, of course, that historical rates of development will continue in the future.
125. However, the assessment did not take account of the likelihood of development of the GR1TZ sites. We accept that many of these are unlikely to be fully developed (or even partially developed in some cases). It is therefore likely that this will contribute to an over-estimation of actual capacity.
126. We also agree with the concerns raised by submitters in terms of inaccurate assumptions about minimum site size, and accept the submitters' evidence that many sites are already subdivided into lots larger than the minimum allowed. This will also have led to an overestimation of capacity.
127. However, no consideration appears to have been given to residential development within the CBD and centres (that is, commercially zoned land), which is a permitted activity with no density restrictions. Furthermore, the analysis of medium density areas was limited to consideration of additional units on sites, with no allowance for increasing the size of a building to incorporate several residential units (e.g. apartments) or subdivision of an

existing large house into apartments, both of which are provided for under the habitable room rules. This will also provide extra residential capacity.

128. We questioned developers and their agents about any risks of providing an over-abundance of additional greenfield capacity, thereby reducing the feasibility of redevelopment of existing brownfield sites. While we acknowledge Mr Bates' evidence that brownfields development only becomes viable when there is competition (and therefore reduced demand for lower quality existing housing), and others' evidence that developers employ mechanisms to prevent flooding of the market, overall we were persuaded by the evidence of the Reporting Officer that rezoning is only appropriate if there is a shortfall of capacity and the individual sites meet the criteria of the strategic directions policies.
129. Overall, we agree that there may well be an over-estimation of capacity of residential land, but this is offset by the potential for residential development in CMU zones, and increased development potential in the new General Residential 2 Zone. We accept that there is sufficient capacity in the short term, and short-medium term, but that there may be a lack of capacity in the 10-20 year timeframe. The final capacity figures as a result of our decisions on site-by-site rezoning proposals (as discussed in Section 3.8.1) do not change our view on this point.
130. We therefore accept the broad submissions - *NZ Institute of Surveyors – Coastal Otago Branch (NZIS)* (OS490.12, 17), *Kurt Bowen* (OS297.2), *Robert Wyber* (OS394.5) and the *Property Council New Zealand* (OS317.64) - seeking an increase in the amount of land that is zoned residential, bearing in mind that the decisions on each site are made on a case-by-case basis in Section 3.8 of this decision. We reject the submission of *Harboursides and Peninsula Preservation Coalition* (OS447) to the extent that it opposed further greenfield residential development. In our view, the Plan provides new capacity for residential development in three ways: residential development in large areas of the CMU zones; more intensive developments in the new Inner City Residential and GR2 zones; and additional new greenfield residential development.
131. In response to submissions highlighting the predicted shortage of land in the Mosgiel township, we accept the evidence of the Reporting Officer that because this *predicted* demand was based upon historical data, any modelling projecting proportionately higher demand in this area needs to be treated with caution. We do not accept Mr Page's submission that capacity should be provided on a pro rata basis, so that if Mosgiel is the fastest growing area, it should then receive the highest additional or future residential capacity. There has been a large amount of greenfield development in Mosgiel in the recent past; however, it is questionable whether this demand was for Mosgiel itself, or rather for affordable, flat sections. We consider it very likely that if affordable, readily developable sections were to be made available in other parts of the city, they would also satisfy the market.
132. Not only do historical growth rates not necessarily reflect future growth rates, they *also* are not a predictor of the availability of infrastructure capacity or alignment with other Plan objectives. Our priority is to provide an efficient and effective urban environment, in accordance with the NPS-UDC and the Plan's objectives.
133. We agree with the Reporting Officer's assessment that the appropriateness of rezoning any site or area must be made in consideration with the strategic direction policies, including Objective 2.2.4 and Policy 2.6.3.1. These assessments are made in Section 3.8 of this decision. However, we note here that the NPS-UDC, while requiring us to provide choice, states that: "it is up to local authorities to make decisions about what sort of urban form to pursue" (NPS-UDC, p. 3). We do not find the use of the word 'compact' in Objective 2.2.4 and other strategic direction provisions to be inconsistent with the outcomes sought in the NPS-UDC. The NPS-UDC is fundamentally about providing direction to local authorities for the planning of well-functioning urban environments, and we consider that outcome is consistent with the Plan's strategic directions. The DCC is

able to determine the appropriate locations for intensification and expansion, within the Strategic Directions framework.

134. We do not accept Emma Peters' submission that the Plan requires new urban development to intensify existing residential areas, rather than expand outwards. Both intensification of existing residential areas and new greenfield sites are provided for, as long as development in any given area can meet the relevant strategic directions policies.
135. We note Mr Collins' evidence that there is a shortage of high quality residential apartments in Dunedin. Unfortunately, this is not a matter we can resolve through these decisions, although the 2GP does facilitate medium density development in large parts of Dunedin, and residential development is provided for in most commercial and mixed use zones. If the Council wants to see more of this type of housing, it may need to work with the development sector to initiate and respond to this market demand, as well as ensuring it proactively responds to any modelled shortages of medium density capacity, in line with its responsibilities under the NPS-UDC.
136. In respect of Mr Collins' and *Peter Wilson's* evidence that there is a shortage of large lot sites, we agree with the Reporting Officer's assessment that large lot development is an inefficient use of land, and in our view this is contrary to both the NPS-UDC requirement for efficiency, and the 2GP Strategic Directions, unless infrastructure, site constraints or other factors mean a standard or medium density is not appropriate. However, it must be noted that subdivision standards in all zones are minimums, not required sizes, and the market will decide whether this demand is so strong that subdivision into larger lots provides a greater return. The alternative for people seeking a large lot property is existing developed properties.
137. We note we had a number of submissions from owners of existing LLR land wanting to subdivide to smaller sites to allow them to stay in their home, but without the need to care for a larger property. We would be more comfortable providing for additional large lot density land if there was a requirement that it was developed in such a way that more intensive development (General Residential 1) was possible in the future. This would require subdivision design and location of housing that enabled further subdivision in future, and provision of infrastructure on site that provided for future higher density. An example was given to us of a development in Christchurch (Kennedys Bush) that met these criteria by Loretta Richardson, during the Part 2 hearing. There is no provision in the 2GP to require this type of development approach, and we recommend that a plan change is undertaken in the future to amend the subdivision assessment rules to require consideration of such a scenario. In the meantime, however, we accept the submission of *Mr Wilson* (OS954.3) in part, to the extent that we have provided for a small amount of additional large lot development, where it meets appropriate Strategic Directions policy criteria (Policy 2.2.4.1) - see for example at Patmos Avenue and Dalziel Road, discussed in Section 3.8.

3.4 How and where should the city grow: Strategic directions policies on urban form

138. We turn now to the framework for determining how and where new capacity should be created, including where new greenfield land should be provided. As noted in the previous section, the NPS does not provide policy direction on this. Rather, it leaves this up to the determination of local authorities.
139. The Strategic Directions section of the Plan outlines the objectives in response to the key resource management issues for the city, and introduces the methods used in the plan to achieve those objectives. Several policies include zoning as part of the methods identified. Collectively, these provide the policy guidance for determining the appropriateness of zoning under the 2GP (see s42A Report ULS Part 1, section 5.1.1, p. 22).

140. The strategic directions provisions that are most relevant to the application of zoning in terms of urban (residential) growth, are as shown in Table 3 below:

Table 3: Relevant strategic directions objectives and policies

Objective	Policies
Objective 2.2.2: Energy Resilience	Policy 2.2.2.4
	Policy 2.2.4.1
Objective 2.2.4: Compact and accessible city	Policy 2.2.4.3
	Policy 2.2.4.5
Objective 2.4.1: Form and structure of the urban environment	Policy 2.4.1.7
Objective 2.6.1: Housing choices	Policy 2.6.1.1
	Policy 2.6.1.3
Objective 2.6.3: Adequate urban land supply	Policy 2.6.3.1
Objective 2.7.1: Efficient public infrastructure	Policy 2.7.1.1
	Policy 2.7.1.3

141. Submissions on these provisions (to the extent that they are concerned with the zoning to provide for residential growth) are discussed below. We also received two broad submissions that relate to the structure and drafting of these policies, which we discuss in Section 3.4.1.1, below.
142. First, though, we discuss a number of high level submissions on the way in which Dunedin's urban form should develop and where land should or should not be zoned for residential development, which, if accepted, impact on the strategic directions policies as they relate to residential zoning. Submissions and evidence on these topics were heard in both Part 1 and Part 2 of the hearing, but we discuss them together here for clarity.
143. For completeness and context, we note:
- Policy 2.6.3.1 sets the criteria by which the zoning of new areas of residential land should be assessed;
 - the availability of infrastructure is also a very significant factor in determining how and where the city expands, and we address this issue in Section 3.5; and
 - that several submissions both supported and opposed medium density development, which is part of the Plan's approach to providing for an increase in residential capacity across the city. These submissions are discussed in the Residential decision, and we highlight here that we have supported the intensification of several residential suburbs as part of the package for providing for increased housing demand.

3.4.1 Broad submissions and evidence

144. *Anthony Parata* (OS248.6) submitted that the zoning of additional residential and rural residential areas should only be undertaken with regard to the Strategic Directions policies, in particular 2.6.1.3, 2.6.3.2, 2.7.1.1, 2.7.1.2 and 2.2.2.4.
145. *Robert Wyber* (OS394.24) sought to remove references in the 2GP to Dunedin being a compact city. *Mr Wyber* recommended replacing these references with a longer

description of Dunedin's urban form, because in his view Dunedin is not a compact city due to its commuter suburbs. This submission was considered in the Plan Overview s42A Report, but we consider it here, as it was part of *Mr Wyber's* broader argument for the 2GP to enable more urban expansion.

146. *Robert Wyber* (OS394.3) also sought to provide for residential expansion and intensification in and around all commuter suburbs along both sides of the harbour, to Careys Bay and Portobello. He also sought that the Plan allows 'infill' at the suburban level (in the sense of filling the gaps between existing suburbs). He particularly identified an area centred on Mount Grand Road, to the west of Kaikorai Valley (see Appendix 1 of his Statement of Evidence) as appropriate for development. *Mr Wyber* considered that most people would rather live in a suburban environment rather than a medium density one, and that this necessitated additional greenfield sites (Statement of Evidence, pp. 12 and 15).
147. We also note that we received a submission from *Robert Wyber* (OS394) to permit residential development at General Residential 2 density on all new General Residential 1 sites.
148. The ULS Reporting Officer, Ms Emma Christmas, agreed with *Mr Parata* (OS248.6) that rezoning should only be undertaken in accordance with the relevant Strategic Directions policies (s42A Report for ULS Part 2 at section 5.1.3, p. 38).
149. The Plan Overview Reporting Officer, Dr Anna Johnson, recommended rejecting *Mr Wyber's* submission (OS394.24). In her opinion the term compact city is appropriate as a descriptor for Dunedin. She argued that all cities of any size have commuter suburbs, many of which have been (or in some cases still are) separate townships/municipalities. Dunedin is no different. Many of the townships described by *Mr Wyber* were once independent towns, and over time have become more dependent on and integrated with the main urban area of Dunedin, through economic shifts and the increase in the relative affordability of private motor vehicle travel. This is a pattern typical of most parts of the western world. The most important characteristics of what makes a "compact city", in her opinion, is a city being amenable for supporting public transportation and walking, due to its density, diversity, and distribution of land use and the design of its built form. She concluded that Dunedin shares many more characteristics of a compact city than that of a city characterised by urban sprawl (Plan Overview s42A Report, section 6.3.9, p. 88).
150. In her opening statement for the ULS Part 2 Hearing, the ULS Reporting Officer, Ms Emma Christmas, raised concerns about the broad areas suggested for rezoning by *Mr Wyber*, as affected parties may not have been alerted to the rezoning possibilities that *Mr Wyber's* submission could lead to. She recommended that we focus on the specific areas identified by submitters (Opening Statement Part 2 Hearing, para 36). She said, at the conclusion of the hearing, if we consider further development capacity is required, then we could indicate priority areas for the DCC to pursue through a plan change process.
151. Mr Craig Werner, on behalf of the *Harbourside & Peninsula Preservation Coalition* (OS447.11), considered that development on the urban boundary disrupts existing residents' amenity. He preferred the development of 'satellite townships', which would allow for localised but separate smaller urban centres to accommodate residential growth, without compromising the amenity of residents on the fringes of the urban area. He considered that the GR1TZ approach 'kicked the can down the road' and that the 'hard choices' about where new satellite townships should be had to be made now because of the time it would take for them to develop. His concern was that the amenity of land adjoining the Otago harbour would be compromised through urban sprawl and negative visual impacts from reducing the amount of rural space. While he considered that expansion from current urban areas is fine for absorbing very small population increases in a few areas, in the harbour and Cove areas, the effects are different due to the likely ribbon development and proximity of the harbour.

152. Mr Werner's view was that the Plan should provide for additional urban land in the following order: infill of the urban core, re-zoning of GR1 to 'multi-family' (this was not explained), new satellite towns, and lastly, development of specific GR1TZ sites. He also tabled evidence opposing all large GR1TZ areas, requesting that GR1TZ are confined to small, true infill areas.
153. Lala Frazer, appearing for *STOP* (OS900), expressed concern that the GR1TZ will allow urban sprawl. She considered GR1TZ should be removed from the Rural Hill Slopes zone.
154. *Mr Wyber* appeared at both the Plan Overview and ULS Hearings and spoke to his submission. At the Urban Land Supply Hearing, he suggested that the concept of a compact city was not supported in mainstream literature, citing paragraphs from an Auckland University paper (*Compact Cities, Everyday Life, Governance and the Built Environment, School of Architecture and Planning, 2009*). *Mr Wyber* was of the view that Dunedin was a suburban city containing areas of concentrated housing.
155. *Mr Wyber* contended that the justification given for a compact city in the Spatial Plan was flawed, and not in keeping with the NPS-UDC. He considered that if compact meant that the city is reasonably constrained in its outer boundary, with expansion internally focused on the central area, then the term did not reflect reality. *Mr Wyber's* evidence was that Dunedin had not been a compact city for the past 90 years; however it did have 'extensive areas of crammed-together housing'. *Mr Wyber* requested that provision be made for urban expansion in the rural areas between the existing suburbs (Statement of Evidence, p. 12).
156. Further, *Mr Wyber* spoke of the unintended consequences that he perceived would be a direct result of the city adopting a model that tried to limit expansion, while providing for townships and settlements to be self-sustaining. *Mr Wyber's* concern was that the Plan's focus on a compact development model would reduce the range of houses and sections on the market and increase house prices (Statement of Evidence, p. 2).
157. In relation to *Mr Wyber's* submission seeking to permit residential development at General Residential 2 density on all new General Residential 1 sites, we did not receive further evidence on this matter from *Mr Wyber* but did discuss the concept broadly with a number of residential developers during the hearings, and found general support for the concept. Some submitters sought an averaging approach to density on new greenfields residential sites (for example Mr Keogh, appearing for *Doug Hall*, in relation to a GR1TZ at 636 North Road, Dunedin).

3.4.1.1 Decision and reasons

158. We accept the submission of *Anthony Parata* (OS248.6) insofar as it sought that the zoning of additional residential areas should only be undertaken with regard to the Strategic Directions policies. This was supported by the evidence of the Reporting Officer and we see it as fundamental to apply these policies to our decisions on rezoning. As discussed in Section 3.4.1.4, below, we have made a number of amendments to Strategic Directions policies guiding assessment of areas proposed for residential rezoning to link to the Plan's strategic objectives. As discussed in the Rural Residential Decision Report, a similar approach has been taken for Strategic Directions policies relating to rural residential zoning.
159. We reject *Mr Wyber's* submission OS394.24. We consider use of the term "compact city" has value in the partly aspirational context it is used in the 2GP, even though, as *Mr Wyber* pointed out, it is a comparative term and it is arguable as to whether Dunedin is 'compact' compared to most cities of this population overseas. The RMA requires us (under s74) to prepare the 2GP in accordance with the NPS-UDC, as well as have regard to the Spatial Plan as a relevant management plan or strategy prepared under the Local Government Act 2002. As discussed above, while requiring us to provide choice, the NPS-UDC states that: "it is up to local authorities to make decisions about what sort of urban

form to pursue" (NPS-UDC, p. 3). We note that the aspiration for Dunedin to remain comparatively 'compact' is a strong theme in the Spatial Plan, and that Objective 2.2.4 (which is the strategic direction that most strongly reflects the Plan's preferred form of a compact city with resilient townships, discussed in Section 3.4.6) was not singled out for criticism by many submitters. Furthermore, we do not find the use of the word 'compact' in Objective 2.2.4 and other strategic direction provisions to be inconsistent with the outcomes sought in the NPS-UDC, which is fundamentally about the planning of well-functioning urban environments. Particularly in the context of the evidence we heard on infrastructure capacity (discussed in Section 3.5), we consider Objective 2.2.4 and related strategic objectives consistent with this higher order policy direction, insofar as they provide for a range of residential development opportunities (including greenfields development) within a framework including other strategic considerations.

160. *Mr Wyber* (OS394.3) suggested 'infill' re-zoning at the suburban level to fill the gaps between existing suburbs, in particular an area to the west of Kaikorai Valley. We note there was no evidence or detail to support rezoning of this large area as part of this process. We agree with the Reporting Officer that as affected parties will not have been alerted to the rezoning possibilities, and therefore not had adequate opportunity to participate in the process, this could lead to injustice. We consider this is a matter that DCC will be able to monitor, and review the need to develop any new residential zoning based on demand and other strategic factors.
161. *Mr Wyber* also requested the 2GP provide for residential expansion and intensification in and around all commuter suburbs along both sides of the harbour, to Careys Bay and Portobello. We do not consider wholesale rezoning of large areas of these parts of the city appropriate through this process for the same reasons as outlined for the area west of Kaikorai Valley. We did however receive submissions seeking rezoning of individual parcels of land in these areas. As discussed in the evidence of the Reporting Officer, Water and Waste services staff, Michael Moore and statements from Mr Werner, these locations are constrained to some extent by infrastructure capacity; they include areas of significant landscape values; and there is merit in maintaining green breaks between settlements. As such, we have generally rejected these areas as being suitable for residential zoning as they did not meet the criteria in Policy 2.6.3.1.
162. We consider there is considerable merit exploring the concept of provision for medium density development on new greenfield residential sites. As discussed in the Residential Decision Report, we agree that high quality medium density outcomes can be better achieved on larger sites. While we do not consider it will always be the case that new greenfields residential areas are a good fit with the medium density criteria as set out in new Policy 2.6.3.4 (new greenfields residential sites may be substantially more distant from centres, public transport and services), in other instances it may be very well aligned with the Plan's objectives, and the provisions of the NPS-UDC. Given the complexities of the amendments required to assess which sites it might be appropriate on, the potential impact on infrastructure, and taking into account the issues of natural justice, we recommend that this approach be more thoroughly investigated through a future Plan review.
163. However, our site-by-site decisions that provide for additional residential development, discussed in Section 3.8, do provide some relief to the outcomes sought by *Mr Wyber*, so we accept in part this submission (OS394.3).
164. We reject *STOP's* submission as represented by Ms Frazer opposing GR1TZ that cause urban sprawl. We note that we have amended the criteria in Policy 2.6.3.1 in response to submissions (see Section 3.4.12), and to link assessments of land being considered for residential rezoning more closely to strategic objectives as discussed above. However, as amended, we consider the criteria in Policy 2.6.3.1 appropriate, and that, consistent with the NPS-UDC, the strategic directions policies balance the provision of greenfields potential with other opportunities for residential development, including infill and urban redevelopment.

165. We reject the part of *Harbourside & Peninsula Preservation Coalition's* submission (OS447.11) and the request presented by Mr Craig Werner on its behalf, that provision should be made in the 2GP for the development of 'satellite townships'. The reason for our decision is that there has been no work done, or evidence presented, to enable us to identify locations and forms of new settlements, that would enable us to make a meaningful decision on this. We also note that Dunedin already has a number of satellite townships. Should a later capacity assessment identify the need for more residential zoning, staff will be able to consider all options then for increasing capacity, with these assessed against the Plan's strategic directions.

3.4.2 Overlap with Significant Natural Landscapes and coastal character overlays

166. *Harboursides and Peninsula Preservation Coalition* (OS447.68, 69) sought to amend the transitional provisions (the introduction to Section 12, and the GR1TZ release rule (Rule 12.3.1)), to ensure that GR1TZ did not contain land identified in the 2GP as having special non-residential values and characteristics of zones or overlays, and that GR1TZ containing such land would not be released. The submitter stated that the values and characteristics of Dunedin's special places should not be sacrificed simply to accommodate population growth, when there are other growth options available.
167. That submission was opposed by *Federated Farmers of New Zealand* (FS2449.281), who believed that the proposal was unnecessary and went beyond the intent of the 2GP.
168. A number of GR1TZ overlay areas contain Significant Natural Landscapes (SNLs), and we received submissions to rezone land in SNLs to Residential from *Douglas Hall* (OS1068.2), *Fletcher Glass* (OS824.1), *Philip and Shakuntala Cunningham* (OS965.2) and (OS965.3), and *AM and JD Jensen (on behalf of M A E Jensen-Chave and Marks and Worth Trustee No2 Ltd)* (OS1023.1).
169. Mr Michael Moore, landscape architect called by the Dunedin City Council, provided expert evidence addressing submissions on rezoning land with SNL and Outstanding Natural Landscape (ONL) overlays to residential. He assessed nine properties, all of which were characterised by a SNL, ONL or NCC overlay zone. The specific sites are addressed in detail in Section 3.8.
170. It was Mr Moore's opinion that there is a clear discord in the proposed Plan provisions where GR1TZ and SNL/ONL overlays overlap. He considered that a key attribute of SNL/ONL overlays is 'naturalness', and said that urban land use is clearly incompatible with this, in particular the density of built development provided for in urban zones (Statement of Evidence, p. 20). He also stated that the NCC overlay is not compatible with zoning for urban development (Statement of Evidence, p.19).
171. He elaborated on the incompatibility of landscape overlays and urban zoning in the Revised Recommendations (Part 2 Hearing), stating:
- "This is because natural character, or natural character based rural amenity values, are key attributes of the [landscape] overlays and because the built density provided for in urban zones (including Large Lot Residential) is too high to provide for natural elements to be dominant. The scale of residential zones and rural zones (including RR zones) is totally different"* (Revised Recommendations Part 2 Hearing, p. 8)
172. Dr Read gave similar evidence in relation to the Saddle Hill SNL.
173. The Reporting Officer noted that the criteria for assessing the suitability of land for residential zoning (Policy 2.6.3.1) include consideration of landscape and coastal character overlays (s42A Report ULS Part 1, section 5.2.1, p. 85). She also noted that allowing residential development in an SNL is not consistent with Objective 10.2.5, which reads (s42A Report ULS Part 2, section 5.1.7, p. 71):

"...Significant Natural Landscapes (SNLs) are protected from inappropriate development and their values, as identified in Appendix A3, are maintained or enhanced."

174. Her recommendation was not to amend the GR1TZ rules, but to remove GR1TZ areas from sites subject to an SNL (Revised Recommendations Part 2 Hearing, p. 15).
175. Philip Page, legal counsel for the *Jensen Trust* (OS1023), criticised Mr Moore's evidence, arguing that his acknowledgement that more houses could be successfully integrated into his client's site, if carefully sited and designed, did not lead to the conclusion that residential development should not be allowed. He stated that the use of controls to manage residential development in an SNL was the most optimal solution (Statement of Evidence, p.4).
176. Emma Peters, a resource management consultant called by *Bob and Rose Cunninghame* (OS1006.1), interpreted the wording of Objective 10.2.5 to suggest that appropriate development which maintains or enhances the values of SNLs can occur. She described how conditions in the plan could be assigned to the property in question, to alter the zone rules. These conditions could be used to enable appropriate development of land in such a way that it maintains or enhances the features and characteristics of the site, and essentially achieve what is sought in Objective 10.2.5 (Statement of Evidence, p. 13-15).
177. Ms Peters also challenged the scope to remove the GR1TZ overlay from land with an SNL. Her view was that the *HPPC* submission (OS447) was too general to provide scope for this (Statement of Evidence, paras 27 to 30).
178. An alternative approach to maintaining landscape values where an SNL overlays residential land was outlined by Conrad Anderson, consultant planner called by *Fletcher Glass* (OS824). He noted that resource consent to subdivide is required under Rule 10.5.2.13. To ensure landscape values are maintained, conditions could be imposed on the subdivision consent that relate to any future dwellings on the site (consent notices on titles under s 221 of the RMA). He concluded by remarking that the matter of importance is not the additional dwellings resulting from the rezoning of land to residential use, but rather ensuring that visual effects of any future development are no more than minor. He expressed his belief that the SNL provisions can provide that confidence (Statement of Evidence, p. 6).
179. Mr Donald Anderson, consultant planner, was called by *Philip and Shakuntala Cunningham* (965) and the *Jensen Trust* (1023) tabled a proposed new rule for Residential Zones, which provides for an SNL overlay (Evidence of Don Anderson, p. 1), as follows:

15.6.4A SNL Overlays Zone Development Standards

- New buildings greater than 60m² on a landscape building platform is a Controlled Activity, with matters of control being the size, design, and appearance of the building (Guidance on the assessment of resource consent applications). See Rule 10.3.a.
- New buildings or structures greater than 60m² additions and alterations that result in a building or structure that is greater than 60m², or all other buildings and structures activities are a Restricted Discretionary Activity, with the matters of discretion being the effects on landscape values including the maximum height, reflectivity and minimum building separation. See Rule 10.4
- Earthworks – large scale is a Restricted Discretionary Activity, with the Assessment Matters as per 10.5.2.16.

- Subdivision is a Restricted Discretionary Activity with the matters of discretion being the effects on landscape values. See Rule 10.5.2.13.

3.4.2.1 Decision and reasons

180. We accept in part the submission of *Harboursides and Peninsula Preservation Coalition* (OS447.68, 69).
181. We accept Mr Moore's expert evidence that a key attribute of landscape and coastal character overlays is 'naturalness', and urban land use is in essence incompatible with this, in particular the density of built development provided for in urban zones. We note this conclusion is supported by the notified strategic directions - Policy 2.6.3.1 stated that "identified protected landscape or natural coastal character areas" should be avoided for future residential development. We do not think it inconsistent to hold that landscape or coastal character overlays may be able to absorb some residential activity, while also concluding that the density of development anticipated in urban zones is incompatible with the values of these overlay zones.
182. We do not support the contention that it is appropriate or efficient to determine conditions to manage development in these areas on a case-by-case basis, either through site specific rules in the Plan or through a subdivision consent. Furthermore, we do not agree that the visual effects of built urban development can adequately be determined at the time of subdivision. Nor is it appropriate or even practical to impose conditions addressing the myriad of aspects that need consideration in an urban style subdivision in advance. There is also the very real prospect that there will be adverse visual cumulative effects arising from development of several adjacent blocks of land and this can impact on the integrity of a landscape area. In our view, these are also problematic to assess in advance of development.
183. We agree with the submitter's point that the values and characteristics of Dunedin's special places should not be sacrificed simply to accommodate population growth, when there are other growth options available. We therefore reject *Federated Farmers* opposing submission (FS2449.281).
184. We therefore do not agree that it is appropriate to encourage or allow development at residential densities in these areas, and consider that residential zoning would undermine the significance and purpose of these areas, and generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to.
185. However, rather than adopting the approach promoted by the submitter, we prefer to adjust the boundaries of the residential areas (or SNLs if appropriate) so they do not overlap.
186. Consequently, in relation to our site-specific decisions in the second part of this decision, we have either refused residential zoning or (on the basis of tabled evidence) removed the landscape overlay in areas where they overlap. We disagree with Ms Peters in relation to scope to do this and consider that the submissions of *Harboursides and Peninsula Preservation Coalition* (OS447.68, OS447.69) provide scope.
187. As a consequential change, we have amended the activity status for rural activities in a RTZ that is also a landscape overlay to 'N/A'.
188. As part of decisions outlined in Section 3.4.12, we have also clarified the relevant strategic directions policies to note that achieving Objective 2.4.4 means "generally avoiding the application of new residential zoning in ONF, ONL and SNL Overlay Zones".

3.4.3 Should rural residential zoned land transition to residential land?

189. Another issue raised was whether Rural Residential land should be retained as rural residential or should be able to transition to residential. The *NZ Institute of Surveyors - Coastal Otago Branch* (OS490.12) specifically submitted on this matter, seeking the rezoning of areas of rural residential land adjoining residential zones. Several GR1TZ are located on rural residential land, and submissions were received seeking to rezone rural residential land to residential.
190. Evidence presented at the hearing on this matter included that from *Alice Wouters* (OS628) who highlighted the attraction of rural residential land (space, privacy, land for animals, rural outlook, closeness to nature and neighbours with similar interests). A change to a denser zoning could restrict the number and type of animals kept, result in an increase in rates, dogs worrying stock, plants in neighbouring gardens harmful to stock, loss of rural vistas and a change from country to urban environment.
191. *Laura Dawson* (OS400) made the point that rural residential blocks on the outskirts of the city are hard to come by and are highly valued for peace, quiet and space, and should be protected. She considered that people should be able to enjoy the things they brought a property for, without feeling threatened that the neighbourhood will change (Statement of Evidence, pp. 1-3).
192. In the opening statement for the Part 2 Hearing, Mr Michael Bathgate, Reporting Officer for the Rural Residential Hearing, addressed the issue of transitioning Rural Residential land to Residential. His view was that Rural Residential zoning is intended to be permanent, and not a holding pattern for future residential development. He noted that these zones often develop in a way that is not optimal for future intensification.

3.4.3.1 Decision and reasons

193. We reject the part of the *NZ Institute of Surveyors - Coastal Otago Branch* (OS490.12) broad submission seeking to rezone areas of Rural Residential land to Residential.
194. We are not opposed in principle to the concept of rezoning rural residential land to residential use, where there is an identified need for additional residential capacity and a rural residential zoned area is identified as most closely meeting the criteria in Policy 2.6.3.1. That being said, we note that there are areas of existing rural residential zoning abutting residential areas in a number of locations. We consider that, when future capacity assessments shows that additional residential capacity is required, the suitability of all land should be considered in assessments of how best to meet demand, including rural residential land on the urban periphery. Certainly, applying a transition overlay zone to rural residential land would address some of the issues raised by Ms Wouters and Ms Dawson, giving notice to residents in the area and allowing time for owners to consider their options.
195. However, we accept the evidence of Mr Bathgate and the submissions of Ms Wouters and Ms Dawson, insofar as we consider that setting this up in the plan as an anticipated transition for all rural residential areas would create a number of issues. In particular, we note that there are a number of rural residential areas that are not adjacent to areas of urban zoning, and would quite clearly not meet the criteria in Policy 2.6.3.1. In addition, as highlighted by the submitters, the loss of rural residential in one area would be likely to create pressure for expansion of new rural residential areas. We therefore accept Mr Bathgate's evidence that Rural Residential zoning should not be considered as a stage towards future residential development.
196. Given the complexities, we consider any such zoning change should be progressed by way of a plan change on a site-by-site basis, if rezoning a rural residential area to residential is identified as the most appropriate way of meeting demand, following an assessment against the strategic directions.

197. These considerations have influenced our approach on submissions seeking to rezone rural residential land in Section 3.8 of this decision.

3.4.4 Structure and drafting of Strategic Directions policies

198. In addition to the broad submission of *Anthony Parata* (OS248.6), discussed in Section 3.4.1, which has implications for the structure of strategic directions policies relating to rezoning, we received two other broad submissions on the structure and drafting of the strategic directions provisions. The first was made by *Robert Wyber* (OS394.2) who expressed concern about “major contradictions and conflicts in and between objectives, policies and proposed methods” in the Strategic Directions section (Section 2), and “as they relate to the main body of the 2GP”. *Mr Wyber* described Section 2 as one dimensional approach to “exceedingly complex, multifaceted and interlinked RMA and local issues”.
199. *Mr Wyber* described the relief he sought as being ‘relatively open ended’, given that he saw the resolution of the ‘internal contradictions’ to be of significant magnitude and complexity. Overall, *Mr Wyber’s* submissions on the Strategic Directions were part of his wider criticism of the 2GP’s approach to Dunedin’s resource management issues.
200. Similarly, *Colin Weatherall* (OS194.9) raised general concerns about the quality of the ‘assessment values’ used to determine zoning, including the ‘future residential expanded zone’. Although he specifically identified issues in Brighton, Ocean View, and the Strath Taieri, *Mr Weatherall’s* submission was broadly critical of the practical application of the principles underpinning zoning decisions.
201. The Reporting Officer acknowledged there was scope to improve the consistency of the Strategic Direction provisions with the rest of the plan and improve their general workability, with clear assessment matters for determining zoning. Consequently, she made the following recommendations (s42A Report ULS Part 1, section 5.1.1, pp. 23 - 25):
- make the introductory words to the policies about zoning consistent and phrased as either:
 - ‘apply new X zoning only where...’ or
 - ‘identify areas for new X zoning based on the following criteria’ (preferred)
 - delete Policy 2.6.1.3 (use of large lot zoning) and rely on expanded guidance in Policy 2.2.4.1 (efficient use of urban land) which covers where large lot residential vs standard density vs bespoke (structure plan) residential zoning is most appropriate, with a much clearer explanation
 - move the part of Policy 2.2.4.1 that deals with medium density housing to a new, separate policy sitting under Objective 2.6.3 (new Policy 2.6.3.4)
 - amend the wording of the zoning criteria in policies 2.6.1.4, 2.6.3.1 and new 2.6.3.4 to better align them with the objectives and other policies of the Plan in order to clarify the key assessment criteria and not reinterpret those policies and to make them easier to apply to a range of scenarios

- focus Policy 2.2.4.3 on the application of transitional provisions only, by removing some references to Rural Residential land (moved to Policy 2.6.1.4³)
 - include more information in Policy 2.2.4.3 about the triggers for release of transition land
202. She further noted that in respect of policies 2.6.1.4, 2.6.3.1 and 2.2.4.1, the wording reflected the methodology used for the plan review, which was 'coarse-grained' and heavily reliant upon GIS analysis, where sites with particular attributes were 'avoided' or 'prioritised' for residential zoning. The Reporting Officer's view was that for future plan changes these policies needed to be more 'fine-grained', with a greater reliance on local site assessment and context, and specific effects-based evaluation (s42A Report ULS Part 1, section 5.1.1, p. 24).
203. Further wording changes were recommended by the Reporting Officer as part of her Revised Recommendations at the Part 1 Hearing (Revised Recommendations - Policy Wording), in the Opening Statement of the Part 2 Hearing (Opening Statement Part 2 hearing, p. 6) and in a memorandum tabled at the end of the Part 2 Hearing (ULS Part 2 – memo from Reporting Officer to Hearing Panel, pp. 2-3). These included:
- adding a reference in Policy 2.6.3.1 to the Plan objectives on infrastructure operation, and removal of earlier recommended provisions relating to zoning areas based on the existing pattern of development. She considered these clauses were less relevant for future plan changes than originally considered and their removal simplified the policy
 - changes to new Policy 2.6.3.4 to improve wording consistency with Policy 2.6.3.1
204. The structural changes recommended to the policies can be summarised as shown in Table 4 below:

Table 4: Summary of structural changes to strategic directions policies recommended by Reporting Officer

Objective	Policy	Recommendation	Proposed amendment
Objective 2.2.4: Compact and accessible city	Policy 2.2.4.1	Move the part of Policy 2.2.4.1 that outlines criteria for medium density housing to a new Policy 2.6.3.4 Expand the guidance on the criteria for different residential zones, including large lot zoning (previously in Policy 2.6.1.3)	See below for amendments to Policy 2.2.4.1
	Policy 2.2.4.3	Focus Policy 2.2.4.3 on the application of the transition provisions.	See Section 3.4.7 for amendments to Policy 2.2.4.3 See Rural Residential

³ Further changes to the Rural Residential strategic directions policies are discussed in the Rural Residential Decision Report

		Move some Rural Residential provisions to 2.6.1.4. Include more information about where the overlay zones are used and more detail on the triggers for release transition land. Minor amendments for clarification	decision for further amendments to Rural Residential policies
Objective 2.6.1: Housing choices	Policy 2.6.1.3	Delete Policy 2.6.1.3 (use of large lot zoning) and rely on expanded guidance in Policy 2.2.4.1. (This policy number is now used for a new Rural Residential policy – see Rural Residential decision)	See Rural Residential decision for new Policy 2.6.1.3 and further changes to Rural Residential policies
Objective 2.6.3: Adequate urban land supply	Policy 2.6.3.1	Ensure criteria for zoning reflect the wording in objectives and policies elsewhere in the Plan	See Section 3.4.12 for amendments to Policy 2.6.3.1
	Policy 2.6.3.4 (new)	Create a new Policy 2.6.3.4 that deals with medium density housing (previously included in Policy 2.2.4.1). Ensure criteria for zoning reflect the wording in objectives and policies elsewhere in the Plan	See below for wording of Policy 2.6.3.4.

3.4.4.1 Decision and reasons

205. We generally agree with the outcomes sought by *Mr Wyber* (OS394) and *Mr Weatherall* (OS194.9) and the recommendations made by the Reporting Officer, which will help to achieve them. Specifically, we consider that there is a need for greater consistency in the form of these policies, and (as also discussed in relation to the submission of *Anthony Parata* in Section 3.4.1), consider that criteria in policies relating to rezoning should explicitly list and link to the Plan's relevant strategic objectives. We therefore accept those submissions in part.
206. To further clarify the framework, we have rearranged the policies as outlined in Table 3 above.
207. We have made additional changes to the policies under the same submissions, as follows:

- minor changes to Policy 2.2.4.1 to remove superfluous references to Policy 2.6.3.1, and to ability to be serviced by infrastructure (as this is also covered by Policy 2.6.3.1)
- move all aspects of Policy 2.2.4.3 that relate to Rural Residential land to policies under Objective 2.6.1, to focus this policy on urban land transition provisions, recognising that rural residential land use is not an urban activity, and does not have transition provisions per se.
- more accurately paraphrase the relevant objectives in policies 2.6.3.1 and 2.6.3.4.

208. Amendments to policies 2.2.4.3 and 2.6.3.1 are shown in sections 3.4.4 and 3.4.9 as additional submissions were received on these policies. The amended wording of Policy 2.2.4.1 and new Policy 2.6.3.4 are shown here:

Policy 2.2.4.1

"Prioritise the efficient use of existing urban land over urban expansion by:

a. identifying existing areas of urban land that could be used more efficiently in a range of locations that could be used more efficiently to provide for medium density housing in accordance with Policy 2.6.3.4; while minimising any effects on neighbourhood amenity, based on having all or a majority of the following characteristics:

b. ensuring that land is used efficiently and zoned at a standard density (for example General Residential 1, Low Density, or Township and Settlement), except if: hazards; slope; the need for on-site waste disposal or stormwater storage; the need to protect important biodiversity values, water bodies, landscape or natural character values; or other factors make a standard density of residential development unachievable; in which case, a large lot zoning or structure plan should be used as appropriate.

a. — locations with good transportation choices (proximity to frequent bus services);

b. — good access to services and facilities (proximity to CBD and centres and other community facilities);

c. — locations with older or cheaper housing stock more likely to be able to be redeveloped;

d. — compatibility of medium density housing with existing neighbourhood character;

e. — ability for medium density housing to be developed without significant effects on streetscape amenity;

f. — locations with a topography that is not too steep;

g. — locations that will receive reasonable levels of sunlight;

h. — locations that are not subject to significant hazards, including from rising sea level; and

i. — market desirability particularly for one and two person households."

Policy 2.6.3.4 (including amendments made in response to submissions in the Residential decision):

"Identify areas for new medium density zoning based on the following criteria:

a. alignment with Policy 2.6.3.1; and

b. rezoning is unlikely to lead to pressure for unfunded public infrastructure upgrades, unless either an agreement between the infrastructure provider and the developer on the method, timing, and funding of any necessary infrastructure provision is in place, or an infrastructure constraint mapped area is applied; and

c. considering the zoning, rules, and potential level of development provided for, the zoning is the most appropriate in terms of the objectives of the Plan, in particular:

- i. there is a range of housing choices in Dunedin that provides for the community's needs and supports social well-being (Objective 2.6.1);*
- ii. Dunedin reduces its reliance on non-renewable energy sources and is well equipped to manage and adapt to changing or disrupted energy supply by having reduced reliance on private motor cars for transportation (Objective 2.2.2), including through one or more of the following:*
 - 1. being currently serviced, or likely to be easily serviced, by frequent public transport services;*
 - 2. being close (good walking access) to existing centres, community facilities such as schools, public green spaces recreational facilities, health services, and libraries or other community centres; and*
- iii. the elements of the environment that contribute to residents' and visitors' aesthetic appreciation for and enjoyment of the city are protected or enhanced. These include:*
 - 1. important green and other open spaces, including green breaks between coastal settlements;*
 - 2. trees that make a significant contribution to the visual landscape and history of neighbourhoods;*
 - 3. built heritage, including nationally recognised built heritage;*
 - 4. important visual landscapes and vistas;*
 - 5. the amenity and aesthetic coherence of different environments; and*
 - 6. the compact and accessible form of Dunedin (Objective 2.4.1); and*
- iv. the potential risk from natural hazards, including climate change, is no more than low, in the short to long term (Objective 11.2.1); and*
- d. the area is suitable for medium density housing by having all or a majority of the following characteristics:*
 - i. lower quality housing stock more likely to be able to be redeveloped;*
 - ii. locations with a topography that is not too steep;*
 - iii. locations that will receive reasonable levels of sunlight; and*
 - iv. market desirability, particularly for one and two person households."*

209. We now outline the balance of submissions and evidence we received on these strategic provisions, and our decision on each.

3.4.5 Policy 2.2.2.4

210. Objective 2.2.2 is:

Dunedin is well equipped to manage and adapt to any changes that may result from volatile energy markets or diminishing energy sources by having:

- a. increased local electricity generation;*
- b. reduced reliance on private motor cars for transportation; and*
- c. increased capacity for local food production.*

211. Policy 2.2.2.4 reads:

'Support transport mode choices and reduced car dependency through rules that: ...

- c. require most new housing to locate in areas that are currently serviced or likely to be easily serviced by frequent bus services; and ...'*

212. The University of Otago (OS308.481) sought to amend clause 'c' of Policy 2.2.2.4 by replacing 'require' with 'encourage' or 'enable'. The submitter believed that in many cases, transport mode choices in the vicinity of a development will be outside a

developer's control, and improvements may occur at a similar time to, or as a consequence of, development, rather than being available beforehand.

213. *Robert Wyber* (OS394.7) sought to remove clause 'c' of Policy 2.2.2.4. He considered that this policy as written, together with other provisions in the 2GP will drastically curtail the opportunity for new residential development.
214. We also received a submission from the *Bus Users Support Group Otepoti-Dunedin* (OS1080.2), which supported the Plan "to the extent that it encourages integration of development with the public transport network". The submitter requested that the plan requires new developments to be integrated with the public transport network, either by being close to the network or by allowing an extension of the network.
215. The Reporting Officer recommended that the *University's* submission be accepted by replacing the word 'require' with 'encourage'. She also referred to her proposed amendments to Policy 2.6.3.1.a.ii (now recommended to be Policy 2.6.3.1.d.iii, shown below), which would mean it was no longer essential to be within a certain distance of public transport, although areas easily serviced would gain a higher priority. She recommended rejecting *Mr Wyber's* submission as this criterion (as recommended to be amended) is an important part of achieving Objective 2.2 (s42A Report for ULS Part 1, section 5.1.2, p. 32).

"d. the area is suitable for residential development by having all or a majority of the following characteristics: ...

iii. the area is not isolated and has good accessibility to critical services and facilities (centres), with priority for rezoning based on meeting one or more of the following:

1. proximity to frequent public transport services (or logical and easy extensions to those routes);
2. ..."

3.4.5.1 Decision and reasons

216. We accept the submission of *Bus Users Support Group Otepoti-Dunedin* (OS1080.2) to encourage new developments to be integrated with the public transport network, either by being close to the network or by allowing an extension of the network to new developments.
217. We consider that this intent is partly met by Policy 2.2.2.4.c (now d); however, we consider it needs to be amended to avoid the uncertainty that comes with the references to "easily serviced" and "frequent bus services", as follows:

~~"c d. require most new housing to locate in areas that are currently serviced or likely to be easily serviced by frequent bus services; use existing access to public transport, or ability to be serviced in the future, as a criterion for determining appropriate locations for new residential and medium density zones; and ..."~~

218. We reject the submission of *Robert Wyber* (OS394.7) to delete clause c, as we agree with the *Bus Users Support Group Otepoti-Dunedin* and the Reporting Officer that this is critical for achieving the objective.
219. We acknowledge the *University's* point that transport choices in the vicinity of a development will be outside a developer's control (OS308.481), but consider that inclusion of the words 'ability to be serviced in the future' in this policy provides for the situation where public transport services develop in association with new housing

development – the critical factor being that servicing is practical. We therefore accept the *University's* submission (OS308.481) in part.

3.4.6 Objective 2.2.4: Compact and accessible city

220. Objective 2.2.4 states:

"Dunedin stays a compact and accessible city with resilient townships based on sustainably managed urban expansion. Urban expansion only occurs if required and in the most appropriate form and locations."

221. We received submissions supporting Objective 2.2.4 from the *University of Otago* (OS308.46), *Margaret Davidson* (OS417.2) *Carol Devine* (OS252.18) (which was further supported by *Elizabeth Kerr* (FS2429.136)), *Urban Cohousing Otepoti limited* (OS818.3), *New Zealand Transport Agency* (OS881.26), *Radio New Zealand Limited* (OS918.19) and *Kāiti Huirapa Rūnaka ki Puketeraki and Te Rūnanga o Ōtākou* (OS1071.134). The reasons behind the submitters' support were effects on the roading network, benefits for accessibility, minimisation of reverse sensitivities and environmental benefits.

222. *Dianne Reid* (OS592.4) and *Robyn and Stephan Smith, Rick and Jill Clarke, Alan Brown, Carrowmore Properties Ltd on behalf of the Pigeon Flat Rd Group* (OS717.5) opposed the objective, suggesting amendments to alter the second sentence to read:

"Urban Expansion only occurs if required and in the most appropriate form and locations or where subdivision enables other objectives within this Plan to be promoted or achieved."

223. The *Pigeon Flat Rd Group* (OS717.6) and *Dianne Reid* (OS592.5) also sought the addition of a new Policy 2.2.4.5 providing for subdivision that is inconsistent with Policy 2.2.4.4.

224. *Ms Reid's* submissions were opposed by *Harboursides and Peninsula Preservation Coalition* (FS2267.36, 37) and *David & Kerry Hiom* (FS2473.4, 5); while *Federated Farmers of NZ* (FS2449.276) supported the *Pigeon Flat Rd Group's* submission.

225. The Reporting Officer highlighted that the subject of rural subdivision was discussed at length in the Rural Section 42A Report, including in relation to a similar request by the same submitters, to add a new policy to "recognise that small scale subdivision or enabling residential development may allow productive capacity to be enhanced or for alternative objectives (such as 2.2.3 or 2.4.2) to be achieved". The reporting planner, Michael Bathgate, recommended rejecting this submission, stating on p. 125:

"I do not recommend that the new policy proposed by Dianne Reid and Pigeon Flat Road Group is accepted. I concur with the further submissions of AgResearch Limited and Rural Contractors New Zealand that the policy would encourage residential and rural residential subdivision within rural zones, resulting in potential adverse environmental effects on rural activities. I note that the resource management issues associated with fragmentation of rural land and the management of residential activity in rural zones were discussed in sections 2.2.3 and 2.2.4 above. While I recognise that in some circumstances enhanced productivity or other strategic outcomes may be achieved at a smaller scale, I consider that, on balance, including this policy is likely to detract from the achievement of Objective 16.2.1 and strategic objectives 2.2.2 and 2.3.1 concerned with rural productivity."

226. The Reporting Officer did not agree that Objective 2.2.4 should be amended, or a new Policy added to 'soften' Policy 2.2.4.4, for the same reasons as outlined in the Rural Hearing. She did discuss removing Policy 2.2.4.4, as she considered that the matters it covers are included in other policies elsewhere (s42A Report for ULS Part 1, section 5.1.4, p. 38). However, we note that this change is beyond the scope of submissions.

227. We also received a submission from *Robert Wyber* (OS394.24) seeking to delete all the references to Dunedin being a 'compact city' in the Plan. This is discussed in Section 3.4.1.1, and in Section 3.4.6 in relation to Policy 2.4.1.7.
228. Evidence from *Federated Farmers* (FS2449) was tabled at the hearing by Mr David Cooper, Senior Policy Advisor, setting out the submitter's primary concern in respect of the strategic directions and urban land supply, being the interaction of urban development with the resource management issues of the Rural Zones.
229. Mr Cooper specifically addressed us on Objective 2.2.4 (compact and accessible city), noting *Federated Farmers'* support of the objective's intentions. The submitter did note that their further submission (FS2449.276) in support of greater flexibility to the subdivision rules to provide for growth was "in line with [their] overall view in support of the Strategic Objectives of the plan while ensuring there is provision for a case by case assessment for specific development proposals, if other relevant objectives and policies are achieved."

3.4.6.1 Decision and reasons:

230. We reject the submissions of *Dianne Reid* (OS592.4) and *Robyn and Stephan Smith, Rick and Jill Clarke, Alan Brown, Carrowmore Properties Ltd on behalf of the Pigeon Flat Rd Group* (OS717.5) seeking to amend Objective 2.2.4. Consistent with our decision on the related submission in the Rural Decision Report, we consider that both Objective 2.2.4 and Policy 2.2.4.4 are appropriately worded, and provide an appropriately high bar to subdivision for residential use in non-residential zones. All objectives must be considered, with appropriate weighting given to those that are most relevant. This provides the flexibility that *Federated Farmers* is seeking, by ensuring that activities that are supported by the objectives and policies are facilitated.
231. Consequently, we also reject the submission to add a new policy. Every policy has an objective that it is trying to achieve - without an amended objective it would be inconsistent to have a policy that does not flow from an objective.

3.4.7 Policy 2.2.4.3

232. Policy 2.2.4.3 reads:

"Ensure expansion of urban and rural residential areas occurs in the appropriate locations and only when required by:

a. use of transitional overlay zones and appropriate triggers for release of land, including, for residential transitional overlay zones, when existing capacity in the catchment has reduced to a specified level;

b. avoiding the creation of any new rural residential subdivisions and instead enable the use of existing undersized rural sites for rural residential activity through rezoning as Rural Residential 2 sites, and consider conversion of these areas into Rural Residential 1 zoning when there is a demonstrated shortage of rural residential capacity.

c. encouraging applications for any subdivision that fundamentally changes rural land to rural residential land or residential land to be processed as a plan change; and

d. requiring alternative development areas suggested via a plan change process to demonstrate that they are able to achieve the objectives and policies contained within these strategic directions, and for residential zoning meet the criteria contained in Policy 2.6.3.1."

233. We note that the Reporting Officer recommended a number of changes to this policy in response to the broad submission of *Mr Wyber* (OS394), as discussed in Section 3.4.4 above.

234. Additional submissions were received on this policy, as follows.

Clause a:

235. The *University of Otago* (OS308.485) sought to retain Policy 2.2.4.3.a, noting that the campus and associated student residential areas are compact and accessible, provided environmental benefits, have a special character.

236. The *New Zealand Transport Agency (NZTA)* (OS881.29) sought to retain Policy 2.2.4.3.a as it enables and encourages the Council to take a longer term view of infrastructure expansion, to ensure that it occurs in a sustainable manner (particularly in respect of the provision of roading).

237. *Radio New Zealand Limited* (OS918.62) sought to retain Policy 2.2.4.3.a because it believed the main risk to its operations is new sensitive activities (typically residential) becoming established near *RNZ* facilities and then seeking to restrain its operations. Focussing development on existing urban areas helps mitigate this risk.

238. *Federated Farmers of New Zealand* (OS919.101) sought to retain Policy 2.2.4.3.a as it places restrictions upon land use where activities are deemed to be incompatible with the primary purpose of the zone. It considered that Council should control expansion of urban and rural residential areas so that growth occurs in the most appropriate locations and only when required.

Clause d:

239. Policy 2.2.4.3.d was supported by the *University of Otago* (OS308.494), *NZTA* (OS881.176), *Radio NZ* (OS918.68) and *Federated Farmers* (OS919.175) on the basis that it provides environmental benefits, sustainable infrastructure investment, and reduces the risk of conflicting uses.

240. *Dianne Reid* (OS592.31) and the *Pigeon Flat Rd Group* (OS717.29) sought to delete clause (d) of Policy 2.2.4.3, as any plan change would need to consider these matters as part of the s32 analysis. *Ms Reid's* submission was opposed by *D & K Hiom* (FS2473.29), as they opposed more intensive zoning or use in their vicinity of Saddle Hill Road.

241. The Reporting Officer noted the support of the submitters in respect of sub-clause (a). However, based on the broader submissions discussed earlier seeking to improve the clarity and consistency of the strategic provisions wording, she recommended amending the policy to include more information about where transitional overlay zones are used, and reflect some of the detail about the transitional 'release' triggers that are included in rules 12.3.1 to 12.3.3. She advised that these changes would clarify, rather than fundamentally change, the meaning of part (a) of the policy, as follows (s42A Report for ULS Part 1, section 5.1.5, p. 40):

"Ensure expansion of urban and rural residential areas occurs in the most appropriate locations and only when required by:

a. use of transitional overlay zones to identify areas to provide for future residential, commercial, and industrial land needs and appropriate triggers for the release of land based on infrastructure provision and, where necessary, need for land (shortage of capacity), including, for residential transitional overlay zones, when existing capacity in the catchment has reduced to a specified level; ..."

242. In respect of clause (d), the Reporting Officer highlighted the need for rezoning applications to show they are the most appropriate way to meet the plan's objectives. She agreed that the reference to specific policies was not strictly necessary, but it provided useful guidance. She recommended that the clause be retained, albeit with some minor amendments for clarification, as discussed in Section 3.4.4 above.

3.4.7.1 Decision and reasons:

243. We accept the submissions from *University of Otago* (OS308.494), *NZTA* (OS881.176), *Radio NZ* (OS918.68) and *Federated Farmers* (OS919.175) in support of clauses a and d. We reject the submissions of *Dianne Reid* (OS592.31) and the *Pigeon Flat Rd Group* (OS717.29) seeking to delete clause d. We agree with the Reporting Officer that this clause provides clarity and is useful to include as guidance to anyone contemplating a plan change and the nature of the matters that will need to be addressed. While it is not absolutely necessary, it is not unhelpful and as we have done elsewhere we have retained guidance in the Plan to give certainty as to our intent.
244. We have made other changes to Policy 2.2.43 under the broad submissions of *Mr Wyber* (OS394), as discussed in Section 3.4.4. The amended wording is:

"Ensure expansion of urban ~~and rural residential~~ areas occurs in the most appropriate locations and only when required by:

- a. use of ~~transitional~~ overlay zones ~~and appropriate triggers for release of land based on including, for residential transitional overlay zones, when existing capacity in the catchment has reduced to a specified level: to identify areas to provide for future residential, commercial, and industrial needs and appropriate criteria for the release of land based on:~~*
 - i. infrastructure provision; and*
 - ii. for residential and commercial and mixed use zoned land, a shortage of capacity;*
- b. ~~in the case of rural residential land, when there is a demonstrated shortage of rural residential capacity (to meet a 5 year demand), considering rezoning of Rural Residential 2 land or land already subdivided to a rural residential site (2-10ha) to Rural Residential 1 land before any consideration of rezoning larger rural properties that are not subdivided to a rural residential subdivisions and instead enable the use of existing undersized rural sites for rural residential activity through rezoning as Rural Residential 2 sites, and consider conversion of these areas into Rural Residential 1 zoning when there is a demonstrated shortage of rural residential capacity.~~*
- c. encouraging applications for any subdivision that fundamentally changes rural land to ~~rural residential land or residential land~~ to be processed as a plan change; and*
- d. requiring any alternative development areas suggested via a plan change process to demonstrate that ~~they are able to achieve~~ the proposed zoning is the most appropriate in terms of the objectives and policies contained within these strategic directions, and including for residential zoning meet the proposal is appropriate in terms of the criteria contained in Policy 2.6.3.1.*

3.4.8 Policy 2.2.4.5

245. Policy 2.2.4.5 is to:

"Limit areas where water supply, wastewater and/or stormwater network connections are allowed to zones where network connections are anticipated (including residential and other urban zones) in order to avoid future pressure for changes to the type or density of development provided for in rural or rural residential zones adjacent to areas where water supply, wastewater and/or stormwater infrastructure may pass through."

246. The University of Otago (OS308.487) and Radio NZ (OS918.64) supported the policy.
247. NZTA (OS881.30) sought to replace the policy, given that it was unclear, and appears to suggest that the only infrastructure requiring expansion is the three waters infrastructure (potable water, wastewater and stormwater). Alternative wording was provided, as follows:
- "Urban development is integrated with existing public infrastructure, and is designed and located in a manner consistent with the capacity of existing networks."*
248. The Reporting Officer noted that Policy 2.2.4.5 is specific to three waters infrastructure, rather than transportation, and reflected the DCC bylaws around aligning water infrastructure with urban planning. She considered it is important to retain the policy for this reason. Her view was that Strategic Direction 2.7 addresses NZTA's concern in a more specific way and further changes that are recommended to policies sitting under that objective would address the submitter's concerns.
249. NZTA did not appear but tabled a statement which did not object to this recommendation.

3.4.8.1 Decision and reasons:

250. We reject the submission of NZTA (OS881.30) and make no amendments to Policy 2.2.4.5. We agree with the reasons outlined by the Reporting Officer, in particular that Policy 2.2.4.5 is not intended to apply to transportation, which is covered by Strategic Direction Objective 2.7.

3.4.9 Policy 2.4.1.7

251. Policy 2.4.1.7 states:

"Maintain a compact city with a high degree of legibility based on clear centres, edges and connections through rules that:

- a. manage the expansion of urban areas; and*
- b. require new large subdivisions to provide a concept or structure plan that demonstrates how the subdivision will provide for good connectivity to existing or potential future urban areas for pedestrians, cyclists and motor vehicles."*

252. NZTA (OS881.34) supported the policy.
253. Robert Wyber (OS394.8) sought to delete the word 'compact' from the policy because he did not think the city was compact, and that the outcome did not represent good planning. Mr Wyber also sought the removal of all the plan's references to Dunedin being a 'compact city' (OS394.24). This wider submission point is dealt with in Section 3.4.1.
254. The Harboursides and Peninsula Preservation Coalition (OS447.6) and Save the Otago Peninsula (OS900.17) both sought the addition of a further clause, requiring that new subdivisions provide a plan demonstrating how the subdivision, when developed, would add to the amenity and liveability of current residents. These amendments were opposed by Federated Farmers (FS2449.278 and FS2449.277) as being unnecessary. Federated Farmers noted that there are a range of factors that will need to be considered for any new subdivision.
255. The Reporting Officer recommended rejecting Mr Wyber's submission to delete the word 'compact' from the policy, as this approach reflected the Spatial Plan. She also considered that 'compact' was an accurate description of Dunedin, as outlined in the Plan Overview s42A Report (s42A Report, Urban Land Supply Part 1, section 5.1.8, p. 46).

256. In respect to the *HPPC* and *STOP* submissions, the Reporting Officer noted that there are already other policies that relate to liveability, including rules and standards relating to amenity. As such she did not think it necessary to amend this policy, and recommended rejecting these submissions (s42A Report for ULS Part 1, section 5.1.8, p. 47).
257. *Mr Wyber* appeared at both the ULS and Plan Overview Hearings and tabled a statement. This has been discussed earlier.
258. Federated *Farmers* (FS2449.278 and .277) tabled evidence supporting the Reporting Officer's recommendation in respect of Policy 2.4.1.7.
259. Craig Werner appeared on behalf of *HPPC*. He was concerned that other parts of the Plan only dealt with discrete parts of amenity and liveability, rather than the broader issue *HPPC* sought to protect. Additionally, Mr Werner considered that the repetition of these high level values in the Strategic Directions policies was in itself an important addition to the plan (Statement of Evidence, p. 1 and 2).

3.4.9.1 Decision and reasons:

260. We reject *Mr Wyber's* submission (OS394.8). As discussed in Section 3.5.1, we consider use of the term "compact city" appropriate in the context in which it is used.
261. We also reject the submissions by *Harboursides and Peninsula Preservation Coalition* (OS447.6) and *Save the Otago Peninsula* (OS900.17), for the reasons outlined by the Reporting Officer, as there are already other policies that relate to liveability, including rules and standards relating to amenity elsewhere in the Plan. This means we have accepted the submission of *NZTA* (OS881.34) supporting Policy 2.4.1.7, as well as *Federated Farmers'* further submissions (FS2449.278 and .277) that opposed submissions OS447.6 and OS900.17
262. For completeness, we note that *HPPC* (OS447.11) and *Save the Otago Peninsula* (OS900.23) also sought to amend Policy 2.6.3.1 to avoid new residential development in areas that form rural or green space between townships, providing open space amenity. This is discussed in Section 3.4.12. We note that our decision is that this amendment is more appropriately included within Objective 2.4.1, which is itself referenced in Policy 2.6.3.1. We have therefore amended clause (a) of that objective to state "important green and other open spaces, including green breaks between coastal settlements." See Appendix 1, submission reference ULS 447.11.

3.4.10 Policy 2.6.1.1

263. Policy 2.6.1.1 states:

"Provide for housing development necessary to meet the future housing needs of Dunedin, through zones and rules that provide for an appropriate mix of development opportunities, including: infill development, redevelopment, and greenfield development; and that support Objective 2.2.4. Identify housing needs based on population projections and analysis of housing types required."

264. *John Campbell* (OS495.1) expressed support, in principle, with the 2GP's provisions for medium density housing in order to prevent the spread of the city and keep it compact (Original Submission, para 5). Although this submission was fairly general in nature, we note it was summarised as a submission supporting Policy 2.6.1.1.
265. *Robert Wyber* (OS394.9, 10) sought to amend Policy 2.6.1.1 by removing the requirement for zoning to support Objective 2.2.4 (a compact and accessible city). He also considered it is necessary to identify the demand for different types of housing through surveys and interactive questionnaires of people actively looking for housing.

266. The Reporting Officer noted that the methodology used to determine housing capacity requires further consideration and possible revision; however, she did not consider that the level of detail sought by *Mr Wyber* was appropriate for inclusion in a policy.
267. *Mr Wyber* tabled evidence in which he agreed with the bulk of Policy 2.6.1.1, but argued that it would be better to identify housing needs by 'asking the people who know and the people who want to rehouse themselves' rather than referring to Objective 2.2.4.

3.4.10.1 Decision and reasons:

268. As discussed in Section 3.4.6 we have not amended Objective 2.2.4, and we consider that Policy 2.6.1.1 should be consistent with that objective for plan clarity and legibility. We consider Policy 2.6.1.1 to be appropriate and therefore reject *Mr Wyber's* submission.
269. We understand *Mr Wyber's* point (OS394.9, 10) to be that the Plan's provisions stifle choice. However, we consider that the appropriate balance has been struck given the practical and statutory constraints within which the Plan is required to operate. The DCC will be able to undertake far more detailed analysis of demand for different housing types and locations as part of the 3-yearly assessment process required under the NPS-UDC and using a range of the best practice methods available as all territorial authorities undertake their assessments. We consider that the identification of appropriate areas for additional housing development will be a more iterative, Council-led process, with more regular Plan updates, than before the NPS-UDC came into force.
270. We accept *Mr Campbell's* submission (OS495.1) in support of the medium density provisions in the Plan as they contribute to reducing the spread of the city, noting that we have retained these with amendments as described in this report and the Residential Decision Report.

3.4.11 Objective 2.6.3 Adequate Urban Land Supply

271. Objective 2.6.3 states:

"Dunedin has adequate urban land supply identified in the most appropriate locations and sustainably manages urban expansion in a way that maintains a compact city with resilient townships as outlined in Objective 2.2.4 and Policies 2.2.4.1 to 2.2.4.3."

272. One submission was received in support of this policy from the NZTA (OS881.37).
273. Mr Medlicott gave oral evidence in relation to his submission to change the GR1TZ release test (OS21.2), that the Strategic Directions should reflect the NPS-UDC. The Reporting Officer noted that it was not possible to include all matters from the NPS-UDC in the strategic directions; however, she accepted that the provisions should include the main themes (Reporting Officer's Revised Recommendations ULS hearing Pt 1, p. 1).
274. She recommended the following:

"Dunedin has sufficient, feasible, zoned ~~adequate~~ urban land supply identified in the most appropriate locations to meet the demand over the medium term (up to 10 years), provide housing choices and sustainably manages urban expansion in a way that maintains a compact city with resilient townships as outlined in Objective 2.2.4 and Policies 2.2.4.1 to 2.2.4.3."

3.4.11.1 Decision and decision reasons

275. We have considered Objective 2.6.3 in light of our requirement to give effect to the NPS-UDC. The objective states Dunedin's intention in respect to having an adequate urban

land supply. The NPS-UDC requires the provision of sufficient development opportunities to meet demand. We have therefore rephrased the objective as follows:

"Dunedin ~~has~~ provides sufficient, feasible development capacity (as intensification opportunities and zoned adequate urban land) ~~supply identified~~ in the most appropriate locations to meet the demand over the medium term (up to 10 years), and while sustainably ~~manages~~ managing urban expansion in a way that maintains a compact city with resilient townships as outlined in Objective 2.2.4 and Policies 2.2.4.1 to 2.2.4.3."

276. We believe that there is scope to make these amendments under the broad submission of Robert Wyber (OS394) discussed earlier, as this change gives relief to his concerns around the Strategic Directions not giving enough emphasis to providing adequate supply to avoid housing price increases. Consequently, we accept only in part NZTA (OS881.37) submission to retain the Objective, as the intent of the objective remains the same despite it being rephrased.

3.4.12 Policy 2.6.3.1

277. Policy 2.6.3.1 reads:

"Identify areas for future residential development based on the following criteria:

a. prioritising areas that:

- i. are close to the main urban area or townships that have a shortage of capacity*
- ii. are able to be serviced by high frequency public transportation;*
- iii. are close to existing community facilities such as schools, recreational facilities, health services, and libraries or other community centres;*
- iv. are close to existing centres; and*
- v. can be serviced by existing infrastructure capacity and/or will require the least long-term overall infrastructure cost; and*

b. avoiding areas that:

- i. are productive rural land;*
- ii. may create conflict with rural water resource requirements;*
- iii. have a potential short or longer term risk from natural hazards, including flooding, land instability, inundation from the sea or other coastal hazards, or liquefaction;*
- iv. are identified protected landscape or natural coastal character areas; and*
- v. may create reverse sensitivity effects for existing industrial or other incompatible activities."*

278. Two submissions were received in support. NZTA (OS881.38) supported the policy's prioritisation of areas for future residential development that can be serviced by existing infrastructure. RNZ (OS918.20) were supportive of the direction to avoid areas which may create reverse sensitivity.

279. We note that the Reporting Officer recommended significant changes to this policy in response to the broad submissions of Mr Wyber (OS394) and Mr Weatherall (OS194.9), as discussed in Section 3.4.1. Additional submissions were received as follows.

3.4.12.1 Request to replace the phrase 'shortage of capacity'

280. Anthony Parata (OS248.7) sought to replace the phrase 'shortage of capacity' in Policy 2.6.3.1.a.i 'prioritising areas that are close to the main urban area or townships that have

a shortage of capacity' with a clearer phrase, as it is not clear what capacity is being referred to.

281. The Reporting Officer noted that the phrase sits within the context of the Plan's and Spatial Plan's approach to a compact city and resilient townships. However, she recommended amending the term to clarify the timeframe for 'shortage of capacity' in a new clause, in line with the transitional provisions (s42A Report for ULS Part 1, section 5.1.4, p. 59).

3.4.12.2 Request by Robert Wyber in relation to criteria prioritising areas for residential development and productive rural land

282. Robert Wyber (OS394.13) sought to remove the following criteria from clause (a):

- i. close to the main urban area or townships that have a shortage of capacity*
- ii. able to be serviced by high frequency public transportation;*
- iii. close to existing community facilities such as schools, recreational facilities, health services, and libraries or other community centres;*
- iv. close to existing centres.*

283. Mr Wyber also sought (OS394.14) to amend Policy 2.6.3.1.b.i to read 'are highly productive rural land'.

284. The Reporting Officer noted that the clauses in part (a) of the policy assist in identifying and prioritising areas that could be considered for future residential development. She noted support from other submitters in relation to proximity to the public transport network, and general support for the centres hierarchy policies.

285. In respect of clause (i), she considered that assessing existing capacity was sufficient; and for clause (ii), that the term 'high frequency' public transport was assessed in respect of having a bus service every 30 minutes. In respect of (iii) and (iv), 'closeness' was measured by distance (Neighbourhood: 500m; Destination: 2km; Rural Centre: 2km; Principal Suburban: 1.5km; Suburban: 1km; and Central City: 1km). She further noted that the criteria (i), (ii), and (iv) are used to prioritise areas rather than exclude areas.

286. Mr Wyber appeared and tabled evidence. He considered that the criteria are anti-affordable housing, and "appear to have been specifically designed to make it impossible for applicants to meet". In respect of clause (i), he criticised the criteria's reference to capacity shortage, without having asked people where they want to live. In relation to clause (ii), his view was the only area with high frequency public transport is George and Princes Streets. He considered clause (iii) to be redundant as it needs to be addressed by Policy 2.6.1.5, which deals with the criteria for new suburbs. He considered that clause (iv) would not be possible to achieve as the areas surrounding existing centres are already developed. With respect to clause (v), Mr Wyber considered that until 'full public engagement on the options for South Dunedin' this would be unknown (Statement of Evidence, pp. 26 to 27).

287. The Reporting Officer maintained the view that the criteria were relevant and should remain, but recommended several wording changes to the clause through the course of the hearing in response to evidence received, with the final recommendation as follows:

- c. the area is suitable for residential development by having all or a majority of the following characteristics:*

i. ...

ii. being close to the main urban area or townships that have a shortage of capacity

iii. the area is not isolated and has good accessibility to critical services and facilities, with a priority for rezoning given to areas that are:

- 1. currently serviced, or likely to be easily serviced, by frequent public transport services*
- 2. close to other existing community facilities such as schools, public green space and recreational facilities, health services, and libraries or other community centres;*

288. She also agreed that adding 'highly' to 2.6.3.1.b.i better reflected the assessment methodology for productive rural land (s42A Report for ULS Part 1, section 5.1.14, p. 60).

3.4.12.3 Request by the Harboursides and Peninsula Preservation Coalition and Save The Otago Peninsula to add or amend several criteria

289. *The Harboursides and Peninsula Preservation Coalition* (OS447.11) and *Save The Otago Peninsula (STOP) Inc Soc* (OS900.23) requested a number of amendments to Policy 2.6.3.1. Their reasons were to protect the lifestyle of residents in the proposed rezoning areas, for clarity and alignment with other 2GP statements, and to ensure good proximity to commercial services. These submissions were opposed by *Howard Saunders* (FS2373.8), (FS2373.46) and *Federated Farmers of New Zealand* (FS2449.279), (FS2449.280) due to the proposed amendments' prescriptive or complex nature.

290. The amendments requested, and the Reporting Officer's response to each, are set out below (s42A Report for ULS Part 1, section 5.1.14, pp. 61 - 65):

- First line of policy: "*Identify areas for allowing future residential development, including the addition of single large lot and rural residential houses based on the following criteria ...*"
 - Not recommended as 'allowing' adds no value and may be confusing. However, replacing 'development' with 'zoning' could assist in achieving the outcome sought.
 - The 2GP does not have a 'single large lot' zone and the policy only applies to residential zones, not rural residential zones.
- "a. *prioritising areas that:*
 - i. are close to the main urban area or townships that have a ~~shortage of~~ surplus of infrastructure and commercial services capacity:*
 - Not recommended as adds a new (and unclear) concept of 'commercial services capacity'.
 - "ii. are able to be serviced by high frequency public transportation not within the area, but to the main urban area CBD and to other townships."*
 - Not recommended, as unnecessary. All 'high frequency public transportation' connects to the CBD.
 - "iii. are close, as within 2 km maximum walking/mobility scooter distance to existing centres, and"*
 - Not recommended as 2km distance implies an absolute requirement, whereas residential zones beyond 2kms may still be appropriate.

- (new) "vi. can grow to a sustainable size with basic commercial services (supermarket, etc.) in the near term."
 - Noted that the intention was for townships to grow to retain and attract services. She accepted this could be clarified, and recommended an amendment to clause d.iii.2, as follows: "proximity to existing community facilities such as schools, recreational facilities, health services, and libraries or other community centres, particularly where development would help retain these services". She did not agree with the suggested wording, as it could be interpreted as support for new large, greenfield subdivisions.
- (new) "vii. are adjacent to present or planned commercial destination spots and could be targeted for re-zoning to multi-family residential development"
 - Not recommended, as it is unclear what is covered by 'present or planned commercial destination spots' that is not already covered by 'existing centres'. Further, medium density zoning is dealt with under a different policy.
- (new) "viii. are, given Dunedin's extremely large land mass resource, potential greenfield new townships that are positioned well for public-private partnerships for roading, infrastructure and commercial services."
 - Not recommended, as the Plan does not anticipate new greenfield 'townships', and infrastructure of this scale is generally dealt with through designations.
- (new) "ix. are adjacent to the fewest number of existing residents, avoiding disruption to the home environment context that contributes to defining the residents' identity."
 - Not recommended as fundamentally contrary to the Plan's objectives of a compact city with resilient townships; as well as encouraging non-contiguous sprawl development.
- "b. avoiding areas that:
 - i. are productive ~~rural land~~ rural and productive in producing commodities/natural wild goods or are key in supporting the rural, natural and eco-tourism economic contribution."
 - Not recommended, as does not reflect the relevant objectives of the plan related to landscape and productive rural land. However, a recommendation was made to add criteria related to biodiversity, set out below (see viii).
- "iii. have a potential short or longer term personal safety or infrastructure durability risk from natural hazards, including flooding, land instability, inundation from the sea or other coastal hazards, or liquefaction;"
 - Not recommended as reduces clarity and alignment with strategic objectives and policies related to natural hazards.
- (new) "vi. have main service roads which cannot be widened and straightened at a reasonable cost to provide for a mix of car, large vehicle, bicycle, pedestrian and future mobility scooter traffic safe travel and over-taking."

- Not recommended as too prescriptive to be included in a strategic policy.
- (new) "vii. constitutes ribbon development strung along roads and streets beyond the township central envelope"
 - Not recommended as too prescriptive to be included in a strategic policy.
- (new) "viii. form rural or green space between townships providing the open space amenity of urban congestion relief, and separate township identity."
 - The Reporting Officer accepted that the notified Policy 2.6.3.1 does not have any criteria related to green spaces or breaks between urban areas, which she agreed to be a relevant consideration for new residential zoning. An amendment was recommended; however, the Reporting Officer noted that this should use wording that aligns with that used elsewhere in the plan. The amendment was recommended to be made to Objective 2.4.1, which deals with green and open spaces' aesthetic contribution. She noted Objective 2.4.1 is referred to in the amended Policy 2.6.3.1.
- (new) "ix. are near iconic or productive bodies of water"
 - Not recommended due to the extent of impact such a change would have. However, the Reporting Officer noted that the broader amendments recommended, which include adding a reference to Objective 10.2.4 (access to coast and water bodies) may address the submitter's concerns.
- (new) "x. encompass concentrated pockets of wildlife habitat or wildlife sanctuary surrounds,"
 - The Reporting Officer noted that Policy 2.6.3.1 did not have any criteria related to biodiversity areas, despite an original consideration for identifying GR1TZ areas. She agreed that the potential positive and adverse effects on biodiversity values from residential zoning is a relevant consideration for the application of zoning. She noted that the broader amendments recommended, which include adding a reference to Objective 10.2.1 address the request in part.
- (new) "xi. are important destinations for local recreation and sight-seeing"
 - The Reporting Officer noted that the broader changes recommended to better align the policy with the Plan objectives, including adding a reference to Objective 10.2.4 (access to water bodies) and to Objective 2.4.1 (protect aesthetic elements of the environment) may address the submitters request in part.

291. Mr Craig Werner appeared on behalf of the *HPPC* and was critical of the Reporting Officer's recommendations. Mr Werner considered that the amended policy was too vague and had not addressed many of the matters raised by the submission. He said he also preferred retaining the words 'prioritise' and 'avoid', and that all new residential land should be prioritised with reference to a stated distance from a centre.

292. In response, the Reporting Officer revised her recommendations, including retaining the word 'priority' in clause d.iii. She said that, in conjunction with clause a. and d.iv, all the priority matters from the notified Policy 2.6.3.1.a are addressed.

3.4.12.4 Request to add a new clause about heritage areas

293. *Elizabeth Kerr* (OS743.13) sought to amend Policy 2.6.3.1.b to add a new clause:

"avoiding areas that...are scheduled residential heritage precincts or areas with significant numbers of scheduled Heritage Buildings or Character-Contributing Buildings".

294. She believed that residential heritage values will be eroded by adherence to 2GP zoning, and provisions supporting and promoting medium density housing, infill development and redevelopment. This included provisions for family flats.

295. The Reporting Officer noted that this policy deals with the application of new areas of residential zoning, not areas for medium density zoning, which is the subject of her newly recommended Policy 2.6.3.4. Therefore, the changes requested by *Ms Kerr* are not necessary or relevant. However, she recommended a change to the wording to clarify that the policy relates to new residential zoning (s42A Report for ULS Part 1, section 5.1.14, p. 66).

3.4.12.5 Consideration of slope

296. *Alastair Logan* (OS425.1) sought (as an alternative relief to removing the General Residential 2 (GR2) Zone) to remap the zone based on a number of criteria, including suitable topography and access to sunlight. Similarly, *Robert Wyber* (OS394.94) sought to restrict GR2 areas on streets that are too steep. These submissions were considered in the Residential hearing; however, the Reporting Officer considered that it was appropriate to amend Policy 2.6.3.1 to include slope as a relevant consideration for rezoning areas residential.

3.4.12.6 Decision and reasons

297. With regard to the request to replace the phrase 'shortage of capacity', we accept the submission by *Anthony Parata* (OS248.7) in part and amend the clause to identify that rezoning should provide capacity for the short term (5 years), unless a Residential Transition overlay zone is applied 'shortage of capacity', and for the medium term (10 years) through use of a transition overlay zone. Using a term of five years rather than the three years required by the NPS-UDC provides an additional safeguard that land will be available in the short-term, given the time required to develop greenfield land.

298. We reject *Mr Wyber's* submission (OS394.13) to remove the criteria listed above from Policy 2.6.3.1. We consider that they are relevant matters when determining new residential zoning. However, we have made minor amendments to the wording, under the broad submissions of *Mr Wyber* and *Mr Weatherall*.

299. The final version of this section of the policy is below:

c. the area is suitable for residential development by having all or a majority of the following characteristics:

- i. ...
- ii. being close to the main urban area or townships that have a shortage of capacity;
- iii. currently serviced, or likely to be easily serviced, by frequent public transport services;
- iv. close to centres; and
- v. close to other existing community facilities such as schools, public green space and recreational facilities, health services, and libraries or other community centres;

300. We accept *Mr Wyber's* submission (OS394.14) to add 'highly' to 'productive rural land' to clarify this aspect of the policy. Arguably all rural land can be productive; the policy is about rural land that is relatively highly productive. This change is in line with the change we have made to Objective 2.3.1, as outlined in the Rural Decision Report. As discussed in Section 3.4.1, the broad changes that we have made in response to the submissions of *Mr Parata*, *Mr Wyber* and *Mr Weatherall* have amended the policy to make stronger links with relevant Plan objectives. Under this change, reference to highly productive land has been included in clause 2.6.3.1.d.ii, linked to Objective 2.3.1.
301. We accept the submissions of *Harboursides and Peninsula Preservation Coalition* (OS447.11) and *Save The Otago Peninsula (STOP) Inc Soc* (OS900.23) in part. We have not included the word 'prioritises' as recommended by the submitter and the Reporting Officer, as we think it is no longer necessary, given that under the amendments discussed in Section 3.4.1 the policy is phrased such that sites must have all or a majority of the stated characteristics. We consider this achieves the outcome sought by the submitter but provides greater clarity for Plan users.
302. We have also not added the phrase 'can grow to a sustainable size with basic commercial services in the near term', or the Reporting Officer's suggested alternative, as we note that more people in commuter areas, for example, does not necessarily lead to retention or expansion of commercial services, and we received no evidence that alignment with this criterion would be easily demonstrated or assessed.
303. We have also:
- amended Objective 2.4.1.a to add "including green breaks between coastal settlements" (ULS 447.11) (see Section 3.4.9), and as part of changes discussed in Section 3.4.1 in relation to the submissions of *Mr Parata*, *Mr Wyber* and *Mr Weatherall*, we have added a reference in Policy 2.6.3.1 to Objective 2.4.1, with the implication that green breaks between coastal settlements will be considered as part of assessments against Policy 2.6.3.1.
 - added references to objectives 2.2.3 (indigenous biodiversity) and 10.2.4 (access to coastlines and waterbodies for the purposes for food gathering) to this policy, in response to *HPPC's* submission and as a result of our changes in response to the broad submissions of *Mr Parata*, *Mr Wyber* and *Mr Weatherall*, which partly addresses the submitters' concerns.
304. Otherwise, we have generally accepted the relief recommended by the Reporting Officer and the reasons outlined by the Reporting Officer in relation to rejecting the remainder of the changes sought.
305. We accept *Ms Kerr's* submission (OS743.13) in part. In our decision on the Heritage topic, we amended Objective 2.4.1 to include 'built heritage, including nationally recognised built heritage'. As part of changes in response to the submissions of *Mr Parata*, *Mr Wyber* and *Mr Weatherall* (see Section 3.4.1), we have added a reference in Policy 2.6.3.1 to Objective 2.4.1. There is therefore consideration of built heritage in Policy 2.6.3.1.
306. We have also amended Policy 2.6.3.1 to refer to 'new residential zoning' as a minor amendment under cl. 16, as recommended by the Reporting Officer.
307. We accept the submissions of *Alastair Logan* (OS425.1) and *Robert Wyber* (OS394.94) to the extent that they seek consideration of slope in areas of new zoning. We agree this is a relevant consideration and have included slope as one of the criteria in Policy 2.6.3.1 (clause c.i).
308. We accept in part the submission of *NZTA* (OS881.38), noting that under the amendments made to the policy under the submissions of *Mr Parata*, *Mr Weatherall* and *Mr Wyber* (discussed in Section 3.4.1), the prioritisation of areas for future residential development that can be serviced by existing infrastructure is captured by clause

2.6.3.1.b, and by clause 2.6.3.1.d.ix (which links to Objective 2.7.1 Efficient public infrastructure).

309. We also accept in part the submission of RNZ (OS918.20), noting that under the new structure of the rule issues relating to reverse sensitivity are captured by clause 2.6.3.1.d.ii (which links to Objective 2.3.1, which in turn is subject to amendments described in the Network Utilities and Plan Overview Decision Reports).

310. The final wording of Policy 2.6.3.1 is as follows:

"Identify areas for new ~~future residential development~~ zoning based on the following criteria:

- a. rezoning is necessary to meet a shortage of residential capacity (including capacity available through releasing a Residential Transition overlay zone), either:
 - i. in the short term (up to 5 years), or
 - ii. in the medium term (up to 10 years), in which case a Residential Transition overlay zone is applied to the rezoned area; and
- b. rezoning is unlikely to lead to pressure for unfunded public infrastructure upgrades, unless either an agreement between the infrastructure provider and the developer on the method, timing, and funding of any necessary public infrastructure provision is in place, or a Residential Transition overlay zone is applied and a future agreement is considered feasible; and
- c. the area is suitable for residential development by having all or a majority of the following characteristics:
 - . a topography that is not too steep;
 - i. being close to the main urban area or townships that have a shortage of capacity;
 - ii. currently serviced, or likely to be easily serviced, by frequent public transport services;
 - iii. close to centres; and
 - iv. close to other existing community facilities such as schools, public green space and recreational facilities, health services, and libraries or other community centres;
- d. considering the zoning, rules, and potential level of development provided for, the zoning is the most appropriate in terms of the objectives of the Plan, in particular:
 - i. the character and visual amenity of Dunedin's rural environment is maintained or enhanced (Objective 2.4.6);
 - ii. land and facilities that are important for economic productivity and social well-being, which include industrial areas, major facilities, key transportation routes, network utilities and productive rural land are:
 1. protected from less productive competing uses or incompatible uses, including activities that may give rise to reverse sensitivity; and
 2. in the case of facilities, able to operate efficiently and effectively (Objective 2.3.1). Achieving this includes generally avoiding areas that are highly productive land or may create conflict with rural water resource requirements;
 - iii. Dunedin's significant indigenous biodiversity is protected or enhanced, and restored; and other indigenous biodiversity is maintained or enhanced, and restored; with all indigenous biodiversity having improved connections and improved resilience (Objective 2.2.3). Achieving this includes generally avoiding the application of new residential zoning in ASBV and UBMA;
 - iv. Dunedin's outstanding and significant natural landscapes and natural features are protected (Objective 2.4.4). Achieving this includes generally avoiding the application of new residential zoning in ONF, ONL and SNL overlay zones;
 - v. the natural character of the coastal environment is, preserved or enhanced (Objective 2.4.5). Achieving this includes generally avoiding the application of new residential zoning in ONCC, HNCC and NCC overlay zones;

- vi. subdivision and development activities maintain and enhance access to coastlines, water bodies and other parts of the natural environment, including for the purposes of gathering of food and mahika kai (Objective 10.2.4);
- vii. the elements of the environment that contribute to residents' and visitors' aesthetic appreciation for and enjoyment of the city are protected or enhanced. These include:
 - 1. important green and other open spaces, including green breaks between coastal settlements;
 - 2. trees that make a significant contribution to the visual landscape and history of neighbourhoods;
 - 3. built heritage, including nationally recognised built heritage;
 - 4. important visual landscapes and vistas;
 - 5. the amenity and aesthetic coherence of different environments; and
 - 6. the compact and accessible form of Dunedin (Objective 2.4.1);
- viii. the potential risk from natural hazards, including climate change, is no more than low, in the short to long term (Objective 11.2.1);
- ix. public infrastructure networks operate efficiently and effectively and have the least possible long term cost burden on ratepayers (Objective 2.7.1);
- x. the multi-modal land transport network, including connections between land air and sea transport networks, operates safely and efficiently for all road users (Objective 2.7.2); and
- xi. Dunedin stays a compact and accessible city with resilient townships based on sustainably managed urban expansion. Urban expansion only occurs if required and in the most appropriate form and locations (Objective 2.2.4)"

3.4.13 Policy 2.7.1.1

311. Policy 2.7.1.1 is to:

Manage the location of new housing to ensure efficient use of infrastructure through:

- a. *rules that restrict development density in line with current or planned infrastructure capacity;*
- b. *consideration of infrastructure capacity as part of zoning and rules that enable intensification of housing;*
- c. *consideration of infrastructure capacity as part of the identification of transitional overlay zones;*
- d. *assessment rules that require consideration of whether any discretionary or non-complying activities would consume transportation or water, wastewater, or stormwater infrastructure capacity provided for another activity intended in the zone and prevent it from occurring; and*
- e. *rules that control the area of impermeable surfaces in urban areas to enable stormwater to be absorbed on-site, and reduce the quantity of stormwater run-off.*

312. Policy 2.7.1.1 was supported by the NZTA (OS881.42). Robert Wyber (OS394.16) sought to amend the policy to provide for greenfield areas for new housing and infrastructure extensions to be considered as a package.

313. The Reporting Officer noted that the policies 2.7.1.1 and 2.7.1.2 dealt with the efficient provision of infrastructure to new urban areas, and she was of the opinion that they achieved the outcome the submitter sought. No amendment was recommended in response to Mr Wyber's submission.

3.4.13.1 Decision and reasons

314. We agree with Mr Wyber that the policy needs to consider infrastructure capacity when considering rezoning or subdivision of new greenfield areas. We have made this explicit

by amending clause (c) as shown below. We therefore accept his submission (OS394.16) in part.

315. We note for completeness that we have accepted in part the submission of NZTA (OS881.42) in support of the policy.

“c. consideration of public infrastructure capacity as part of the identification of transitional overlay zones, assessment of changes to zoning, or assessment of any greenfield subdivision proposals;”

316. We have considered the availability of infrastructure as part of our decisions on specific zoning requests in Section 3.8 of this decision.

3.4.14 Policy 2.7.1.3

317. Policy 2.7.1.3 is to:

"Avoid future pressure for unplanned expansion of public infrastructure through rules that restrict the density of activity outside of areas reticulated for wastewater, water supply, or stormwater to ensure these are able to be self-sufficient where public infrastructure is not provided."

318. The New Zealand Fire Service Commission (NZFS) (OS945.12) sought to amend Policy 2.7.1.3 to add an explicit reference to water supply for fire-fighting purposes. Where a reticulated water supply is not available, the NZFS is dependent on water being provided on site to fight fires in an emergency situation. *The Otago Regional Council* (FS2381.12) supported the submission as it is consistent with the policies of Objective 3.8⁴ of the proposed Regional Policy Statement.

319. The Reporting Officer noted that the Plan has requirements around provision of water for fire-fighting purposes in areas that are not reticulated (Rule 9.3.3), as well as this being covered in Policy 9.2.2.9 (in the Public Health and Safety Section). However, she was not opposed to the policy including a further reference to this.

3.4.14.1 Decision and reasons

320. We reject the submission by NZFS (OS945.12) and ORC's further submission (FS2381.12).
321. The focus of the objective is about public infrastructure, which as a result of our decisions relates to publicly funded transport, water supply, wastewater and stormwater networks.
322. We understand the submitter's primary concern to be about the Plan including requirements for water storage and access in areas not serviced by fire hydrants. This matter has been addressed by amendments discussed in the Public Health and Safety Decision Report.

3.5 How should infrastructure constraints be managed?

3.5.1 Submitters' evidence on infrastructure issues

323. We received considerable evidence and submissions on the relevance of, and the appropriate responses to, infrastructure constraints in respect of rezoning requests, as well as the operation of transition overlay zones. Many submitters and their advisors

⁴ We note that this is now Objective 4.5 in the decisions version of the RPS

expressed the view that infrastructure constraints were best dealt with through the subdivision consent process.

324. For example, we heard from Ms Emma Peters for *Peter White & James Lin Limited* (OS776) that: *"infrastructure agreements are unnecessary at the stage of re-zoning. Engineered solutions to infrastructure constraints are to be assessed at the time of application for resource consent to subdivide"*. She referred to the Plan's subdivision performance standards (Section 15.7 and Rule 9.3.7), highlighting Rule 9.3.7's requirement that 'subdivision activities must provide' various infrastructure connections in order to obtain resource consent.

325. She concluded (Statement of Evidence for *Peter White & James Lin Limited*, para 49 – 50):

"... The developer will have to come to agreement with Council for any relevant infrastructure upgrades required, in order to comply with Rule 9.3.7, which are not already, or are to be, covered by development contributions."

"This process is widely used and has been accepted in the context of recent, residential development in, and around, Mosgiel. It is the correct process to use as it recognises that there can be changes in constraints during the time lag between rezoning and actual development."

326. Mr Allan Cubitt (planning and resource management consultant) on behalf of *Anthony Reid and Hillary Evans* (OS940.1) made similar comments in his evidence:

"It would appear that the main reason for not providing for growth in the areas that people wish to live, for example Mosgiel, is infrastructure constraints. However, that is not a valid reason to avoid the clear responsibilities placed on the Council by the NPS and the RPS. These documents require that capacity be made available and that infrastructure development occur in conjunction with that. As the planners report notes, there are currently existing constraints in Mosgiel but as the evidence of Mr Haddon indicates, this is dealt with by way of financial agreements/contributions (recently introduced by Council to deal with such issues) and other engineered solutions. ..."

"This agreement does not need to be put in place prior to rezoning. Council has a development contribution process in place for this very thing and as the evidence of Mr Haddon indicates, the current constraints are overcome by utilising this process along with private development agreements. Sheet 42 of the Rezoning Assessment indicates that this particular area could generate 607 sections (42.5ha at 700m² per lot). At the cost of upgrade indicated by Council, say \$250,000, this only equates to just over \$400 a section. Developers would expect to pay significantly more than this per section for an upgrade. Stormwater in the area is currently addressed through conditions that require post-development flow not to exceed pre-development flows. Nothing need change in that regard."

327. Similar arguments were made by Kurt Bowen, Leon Hallett, Craig Horne and Don Anderson, for various submitters; and by Phil Page for *Daisy Link* who stated (OS1047) (Legal Submissions, para 37 and 38):

"There now seems to be general agreement that insufficient residential land has been zoned in the 2GP. The difficulty for the Council officers seems to be how to service candidates for rezoning when there are significant council infrastructure capacity constraints."

It is submitted the Council staff need not be concerned for the following reasons:

- (a) *It has been Council policy for many years to provide services only to residential zoned land. Council even has bylaws to manage access. It is therefore hardly surprising that rural zoned land does not have existing service connections or, if they do, there is no immediately available capacity to serve development. Infrastructure extension and upgrades is the inevitable consequence of rezoning, not a reason to decline rezoning."*

328. Mr Page went on to argue that infrastructure can only be connected with Council approval, and so agreement must always be reached with the Council with regards to servicing. The precise cost of servicing is not known until (complex and expensive) engineering design work is completed, which is undertaken after a subdivision consent is obtained. At that time, a private development agreement can be entered into.

3.5.2 Infrastructure Capacity

329. To determine the appropriate response to the submitters' contention that that infrastructure constraints are best dealt with through the subdivision consent process, we first consider the evidence received in relation to constraints in Dunedin's infrastructure networks.

330. There are four different types of development infrastructure defined in the NPS-UDC: water supply, wastewater, stormwater, and land transport as defined in the Land Transport Management Act 2003 to the extent that it is controlled by local authorities. We received evidence in the Urban Land Supply Part 2 Hearing on three waters infrastructure on behalf of DCC from Water and Waste Services staff Louisa Sinclair (Hydraulic modeller) and Jared Oliver (Asset Planning Team Leader)⁵, and evidence on transport matters on behalf of the DCC from DCC Transportation Group staff member Grant Fisher.

331. The Water and Waste Services evidence gave an overview of water, wastewater and stormwater services in Dunedin and the various constraints in the networks. This was supplemented by site specific information for each site subject to rezoning submissions, summarising whether services are located nearby, available capacity in those networks and an indication of the cost of providing additional water and wastewater infrastructure. The cost of connection to existing three waters services was estimated from the boundary of each rezoning site, together with an estimate of the costs of a pipe upgrade where the site did not have access to DCC three waters services. This estimate was described as a 'simple costing exercise'. The costs of point features (such as manholes, fire hydrants and valves) were not included given the complexity in their inclusion, and three waters infrastructure internal to the development was not included (WWS – Request for Technical Assessment, p. 6).

332. Additionally, if the site included more than 40 lots, and any of the existing three waters networks was under capacity, it was assumed that a single pipe upsized from the existing size would be required for service requirements. The cost assessment was only for the cost of the pipe, not the capital costs of installation. For example, in some cases, the Water and Waste Services evidence noted that it was "hard to establish an actual length of renewal required downstream as the entire network to the Waste Water Treatment Plant is currently surcharged⁶."

333. Finally, it was noted that the costs of stormwater infrastructure had not been taken into account, as the variety of downstream networks means that an estimate of capacity

⁵ Water and Waste Services – Assessing submissions to 2GP which seek rezoning of land and have been classed as Urban Land Supply – Request for Technical Assessment ('WWS – Request for technical assessment')

⁶ Surcharged means full to capacity

upgrades costs is not possible without significant further work (WWS – Request for technical assessment, pp. 6-7).

334. We heard oral evidence from Ms Sinclair that, given these assumptions, the costs for remedying the infrastructure constraints identified in Table 1 of the WWS – Request for technical assessment evidence were significantly underestimated. For example, the wider infrastructure impact of upgrading West Mosgiel for increased development capacity would exceed \$20 million for new piping. New development at Wingatui would require a new pumping station to pump to the Green Island Treatment Plant, as well as pipe upgrades. She said that the impact of further residential development on the city's wider infrastructure network far exceeded what could be legitimately recouped through the development contributions policy. This point was further reinforced in the Reconvened Urban Land Supply hearing, where we heard evidence from Ms Sinclair and Mr Tom Dyer, Group Manager Three Waters, confirming that the constraints in Mosgiel could take 15 to 20 years to resolve (Urban Land Supply Assessment Overview Memorandum, Table 1).
335. Ms Sinclair elaborated on DCC Water and Waste Service's work plans, including upgrades to the Tahuna and Green Island wastewater treatment plants. She noted that no further upgrades are planned to the water and wastewater networks in Mosgiel.
336. Ms Sinclair also provided evidence to the Reconvened Urban Land Supply hearing outlining the estimated time to resolve the capacity deficiency for each water and wastewater catchment within the city where constraints currently exist, and clarifying which water and wastewater infrastructure catchments that the various sites subject to residential rezoning requests were associated with (Louisa Sinclair Reconvened Hearing Evidence).

3.5.2.1 Water Supply

337. Most residential zones in the operative District Plan are fully serviced for water, and the extent of servicing is generally in accordance with the Council's Water Bylaw (WWS Request for Technical Assessment, pp. 2, 7).
338. Constraints in the water network exist in Waitati and Warrington, and the area is characterised by poor fire flows. This area is serviced by the Northern Pipeline, which is supplied from the Mount Grand Water Treatment Plant and is pumped from Leith Valley to provide water to residentially zoned properties in Waitati, Warrington and Seacliff. We were advised that the scheme does not have extra capacity for urban expansion (WWS Request for Technical Assessment, p. 13). The issue of poor water pressure was also highlighted by a number of submitters in relation to rezoning requests in Waitati and Warrington.
339. In addition, there is no capacity currently available within the water network at Karitane. Poor fire flows are an issue, and capital renewals are planned within the next 5 years (WWS Request for Technical Assessment, p. 45).
340. The Mosgiel water supply also has no additional capacity available. Further water abstraction would increase non-compliance of the resource consents to take water from the Mosgiel bore (WWS Request for Technical Assessment, p. 25). We note that since the hearing, the Mosgiel bore has been decommissioned and water is now taken from the Mount Grand reservoir, but we have not received any evidence suggesting that the water supply constraints have changed in any way.
341. It is our understanding that the capacity issues outlined above are not simple pipe fixes from mains to property boundaries. The provision of water to greater areas of land or to more houses than already zoned for, would require upgrading of substantial lengths of network pipes and potentially larger or more pumps.

3.5.2.2 Wastewater

342. Wastewater services are supplied to all residential zones except some Township and Settlement and Large Lot Residential areas. These areas have on-site wastewater treatment. Areas for which we received rezoning submissions that are not serviced include Outram, Aramoana, Doctors Point, Waitati and Ōtākou (WWS Request for Technical Assessment, pp. 2-3).
343. The evidence of Water and Waste Services staff outlined areas where there is infiltration and inflow (I&I) into older wastewater pipes, causing overflow spills during rainfall. Discharges are made to the Kaikorai Stream, and to the stormwater system in South Dunedin (and then to the harbour), to avoid flooding of roads and private property. In Mosgiel, wastewater flooding of roads and properties occurs at several locations. Development of land already zoned residential (which has a right to be serviced) and rezoning and development of new land, will exacerbate these existing issues (WWS Request for Technical Assessment, p. 4).
344. Work is currently underway in the Kaikorai Valley catchment (which feeds into the South Dunedin network) to fix problems with inflow and infiltration, and is estimated to take 10 years to complete. Initial capital works are due to begin in the North East Valley catchment in 2017/18 and are expected to take 15 – 20 years to complete. Some capital works to resolve localised stormwater issues have been undertaken in the Mosgiel catchment.
345. In addition, Ms Sinclair advised that significant network infrastructure upgrades were required to enable further residential development in Mosgiel. This included a new pumping station to deliver wastewater from Wingatui to the Green Island wastewater treatment plant, upgrade of the wastewater treatment plant at Green Island, as well as pipe upgrades from Mosgiel to Green Island and upgrades to the Mosgiel treatment plant. No upgrades were planned or budgeted at the time of the hearing (Ms Sinclair oral evidence).
346. There are known capacity constraints in the following areas that relate to requests for rezoning, or are identified as GR1TZ in the Plan (WWS Request for Technical Assessment and Urban Land Supply Assessment Overview Memorandum):
- Karitane (constraints at pump stations during wet weather) - estimated 5 years to resolve
 - Warrington - potential capacity issues in the pump station and treatment plant; however, Water and Waste Services consider that the low number of sites requested to be rezoned (4) can be accommodated
 - Otago Peninsula (serviced areas) – estimated 15 years to resolve
 - Ocean Grove - constraints at downstream pump station and network – estimated 5 years to resolve
 - West Harbour - no capacity in network, however Water and Waste Services consider that the low number of sites requested to be rezoned (less than 20) can be accommodated
 - Patmos Avenue area - existing wastewater constraints in the downstream network – estimated 15 – 20 years to resolve
 - North-East Valley - existing wastewater constraints in the downstream network including a new wastewater overflow - estimated 15 – 20 years to resolve
 - Wakari - existing wastewater constraints in the downstream network – estimated 15 – 20 years to resolve
 - Dalziel Road / Taieri Road - existing wastewater constraints in the downstream network – estimated 15 – 20 years to resolve
 - Kaikorai Valley north of approx. no. 687 – as above, estimated 10 years to resolve
 - Balmacewen golf course – feeds into the Kaikorai Valley network - estimated 10 years to resolve

- St Clair golf course - feeds into the South Dunedin network - estimated 10 years to resolve
- Mosgiel - estimated 15 – 20 years to resolve
- Brighton – estimated 5 – 10 years to resolve.

347. The Water and Waste Services evidence stated the following: (Request for Technical Assessment, pp 5 – 6):

"If the hearings panel change the zoning to that which includes servicing where previously there was none, or where existing pipes require upgrade to accommodate new development, the Council will have to budget for provision of infrastructure to the existing property boundary. Costs could be substantial and not otherwise provided for in the Long Term Plan. For the majority of rezoning requests where the current District Plan zoning is rural, there is no existing water, wastewater or stormwater infrastructure at or near the boundary, but this may require upgrading."

348. At the Reconvened Urban Land Supply Hearing Mr Tom Dyer stated, in response to our questioning, that urban land supply capacity was more efficiently and effectively delivered to Dunedin by allowing new development within the existing serviced areas. This would provide Council staff time to concentrate on delivering the City's much needed and substantial renewals projects. He also noted that the renewal programme in itself will create substantial capacity within the city for some greenfield development and some intensification of land-use. This should happen in the medium term but would not be available immediately. He said, to give an idea of the scale of the work required, the budget for the Kaikorai Valley upgrades alone is \$46 million.
349. He noted that if the Panel zoned sites in areas that are not programmed for upgrades, priorities could change, but as the work required is significant in all areas, flexibility to re-prioritise was limited. Prioritising one area would change the priority for other areas. It was not possible to work on too many areas at the same time. It would be most efficient to prioritise whole catchments, rather than zone a number of sites in different catchments.
350. We heard from several developers, including *Chris Medlicott* (OS21), who suggested that they should be able to develop their own wastewater infrastructure on their sites to provide for growth in the city. Another example of this approach was set out by Ms Emma Peters for *Dan Parkinson & Others* (OS1050), where on-site treatment and disposal of sewage and greywater was suggested (Statement of Evidence, para 17). On-site wastewater treatment is generally associated with a large lot type development. We also raised the option of connecting to the network once capacity is available, with additional infill development at that stage.
351. Neil McLeod, DCC Principal Advisor Building Solutions, attended the hearing to answer questions on the use of on-site sewage systems. He made the point that modern septic tank systems were significantly different from older ones, and could treat effluent to a high quality, provided there is sufficient land for disposal. However, he said the ongoing performance depends on maintenance and that in terms of the DCC, the monitoring of existing systems is dependent up complaints being made. We also note that we also received evidence from other submitters about leakage from existing, old septic tank systems in the Blueskin Bay area.
352. Mr Dyer also noted that there are challenges with on-site disposal, including sloping sites, lack of maintenance, and a potential nuisance for neighbours. He also commented on the option of on-site storage, with pumping into the wastewater network at times of lower flow. He 'preferred not to' facilitate this but was open to the idea of further discussion if there was a clear need for development. He noted that any increase in wastewater flows in the parts of the network that are at capacity at times of rainfall will increase overflows from the system.

3.5.2.3 Stormwater

353. Stormwater services are generally provided where there is an existing stormwater network (Request for Technical Assessment, p. 1). Stormwater is often disposed of to watercourses. These are not generally part of the DCC stormwater network. Development inevitably changes the concentration and velocity of stormwater runoff, with downstream effects, including scouring and flooding (Request for Technical Assessment, pp. 4-5).
354. Existing constraints include South Dunedin where flooding occurs and the stormwater network can cope with just over a 1 in 2 year rainfall event. Mosgiel is also a very sensitive catchment, as it overlies the Taieri aquifer, which is responsive to river levels. Discharges occur into the Taieri River and tributaries, but when those streams are high, discharge is impeded. Mosgiel frequently experiences catchment-wide nuisance flooding in small rainfall events (1 in 2 year average return period) (Request for Technical Assessment, p. 5).
355. As with wastewater, development of areas currently zoned Residential, as well as new greenfield development, will exacerbate stormwater flooding issues. Existing residents and the receiving water bodies will continue to experience network flooding, potentially more frequently and for longer periods (Request for Technical Assessment, p. 5).
356. Ms Sinclair also helpfully provided additional advice on stormwater management (WWS Stormwater Advice). She said landowners are responsible for stormwater on their property and must manage any run-off to avoid causing problems. If a landowner discharges stormwater to water or land, they must meet ORC requirements. If they discharge to a DCC stormwater system, they must meet DCC's conditions.
357. Not all developed areas are serviced by DCC for stormwater. When considering building, subdivision and resource consents, Water and Waste Services provides comment on stormwater management. In areas where network capacity is an issue, on-site retention may be required.

3.5.2.4 Assessment of three waters infrastructure capacity

358. We also received from Ms Sinclair, in response to a minute, a description of how Water and Waste Services determines if there is additional capacity in the water, wastewater and stormwater networks (Three Waters Response to Minute from Hearing Panel Chairperson). This described measures, determined through modelling, such as meeting water pressure requirements and a lack of surcharge or flooding in the wastewater and stormwater networks under a design rainfall event.

3.5.2.5 Rooding

359. Internal rooding for developments is generally provided by the developer; however, there also needs to be capacity available in the wider rooding network. Evidence was provided by Mr Grant Fisher, DCC Transport Planner / Engineer, who assessed the transport impact arising from the various rezoning requests. The evidence was based on a desktop analysis and drew upon a variety of information from the DCC's Transport Group. Mr Fisher's assessment included consistency with the DCC's Integrated Transport Strategy (ITS), which sets five key 'Areas of Focus'. These are safety, travel choices, strengthening connections between centres, supporting safe and efficient freight movements and ensuring that the transport system is resilient.
360. Mr Fisher considered the sites by area, noting network constraints in the following areas:
- SH1 at the north end of the city, with an expected reduction in level of service in 10 -15 years. Development feeding into the SH1 network at the north end

of the city is likely to exacerbate these issues and the efficiency of SH1. NZTA have a planned project for improvements at the Pine Hill intersection.

- George Street/Duke Street intersection during the morning peak flow
- SH87/Gladstone Road North intersection. Cumulative effects of development on the Taieri pose significant risks across the Mosgiel transport network

361. He also estimated costs for site-specific roading upgrades such as widening roads and provision of footpaths.
362. He raised concerns about development being proposed for areas serviced by narrow roads, with increased traffic movements exacerbating safety issues. Similarly, areas where access is limited to a single road have reduced resilience, when for example the community need to be evacuated.
363. Mr Fisher was supportive of higher density development to support investment in transport network infrastructure in the vicinity of the site, including provision of public transport and facilities for non-motorised road users.
364. Mr Fisher spoke to the Panel specifically about the transport issues in and around Mosgiel. There is a major difficulty with the funnelling of all traffic across the railway crossing, given that the only other link out of Mosgiel is over Three Mile Hill. Mr Fisher raised a specific matter in respect of the development of land surrounding the existing Mosgiel township, and how further development is 'likely to exacerbate existing network capacity problems at the Gordon Road (State Highway 87) / Gladstone Road North & South / Hagart Alexander Drive intersection, and along Gordon Road' (Statement of Evidence at para 13).
365. Mr Fisher's evidence was that the rezoning request sites around Mosgiel were logical areas to expand residential activity from the perspective of the Integrated Transport Strategy, as they were extensions to an existing urban area with community facilities. This should decrease private trips, encourage travel by active modes, and support public transport. However, Mosgiel was also 'badly constrained' in terms of roading capacity.

3.5.3 Funding of infrastructure upgrades necessary for development

366. We requested information from the DCC about the mechanisms for funding infrastructure upgrades necessary for development. This was provided at the reconvened hearing by Mr Bill Frewen from the Dunedin City Council Corporate Policy team, who explained the Council's Development Contribution Policy. We understand from this evidence that the Policy will be reviewed in light of Dunedin being classified as a medium growth urban environment, and once the Plan is finalised. Therefore, we have kept our analysis of his evidence brief. We have where appropriate referred to the Policy itself, and the statutory framework provided by the Local Government Act.
367. Mr Frewen explained that the Development Contribution Policy sets out the basis for developers to cover the capital expenditure incurred as a result of a new development's infrastructure needs. These costs are referred to as the 'growth costs'. Development contributions are not used to fund the cost of maintaining or improving/changing levels of service for existing users. These costs are referred to as 'renewal and level of service' costs (Development Contributions Policy 2015/16, p 265).
368. The DCC's policy is that development contributions are required 'if the effects or cumulative effects of developments will create a requirement for the Council to provide or to have provided new or additional assets or assets of increased capacity' (Development Contributions Policy 2015/16, p 259).
369. Mr Frewen noted that the Policy sets out the city's capital expenditure for infrastructure (growth costs, and renewal and level of service costs). When the District Plan identifies areas for growth, for example by rezoning areas, the DCC budgets the growth costs to

provide infrastructure. These growth costs are then added to the policy as a new line item, even if blended with existing renewal and level of service costs for the area. The policy then sets out the proportion of that line item that is allocated to fund the growth costs of the area's infrastructure, as well as the expected standard development contribution, per unit of demand. This unit of demand is referenced to the impact of a typical residential dwelling, referred to as an EHU (Equivalent Household Unit) (Development Contributions Policy 2015/16, p. 265).

370. What this means is that if an area is re-zoned to enable residential development in an area that needs new infrastructure to provide for that development, the DCC sets the cost of the infrastructure, and a developer can then determine, with reference to the table, the growth costs that will be recovered from them through a development contribution at the time a subdivision consent is obtained. We note that there are other triggers for development contributions becoming payable, however the subdivision process creating the allotments by and large determines the contributions payable.
371. Mr Frewen also said that contributions may be required from developments that require new or additional infrastructure capacity, and as a result the Council incurs capital expenditure. This however does not prevent the Council from requiring development contributions to pay in full or in part for capital expenditure already incurred by the Council in anticipation of development (s 199 Local Government Act 2002).
372. Alternatively, a developer could enter into a private development agreement with the Council to allow for a bespoke alternative arrangement to be entered into. This replaces the need for development contributions, and has to be agreed to by both developer and Council.
373. When the infrastructure constraint is not immediately associated with the site, for instance a need for increased downstream pumping or treatment capacity, the development contribution will include the growth proportion of this capital expenditure. In this situation, given that the development contribution will not fund 100% of the solution to that infrastructure constraint, a development will have to wait until the Council's capital programme otherwise addresses this shortfall.
374. Another issue can arise when land with multiple landowners is rezoned from rural to allow for residential development. In these situations it is possible that only a proportion of the rezoned area will be subdivided, and therefore only a proportion of the infrastructure costs recovered via development contributions.

3.5.4 Our conclusions based on the evidence above

375. There are clearly a number of areas within the city subject to infrastructure constraints, and it is our view that these are a vital consideration when making decisions on zoning and new transitional areas. Objective 2.7.1 requires that public infrastructure networks operate efficiently and effectively and have the least possible long-term cost burden on ratepayers.
376. The NPS-UDC's first objective is for planning decisions to lead to effective and efficient urban environments that enable people, communities and future generations to provide for their wellbeing (OA1). It is appropriate to consider rezoning requests in areas with infrastructure constraints; however, the extent and nature of the constraint, the available solutions and any wider impacts stemming from the solutions, are also, in our assessment, relevant factors to consider.
377. In our view there are situations in which the interconnected nature of the infrastructure and/or magnitude of the upgrade required means that it is impracticable for local site-specific investment to resolve the limitation. This includes the need for catchment-wide upgrades, for example to resolve inflow and infiltration issues, upgrade pumping stations, lay significant lengths of larger capacity pipework and upgrade treatment stations. To

immediately zone sites where constraints exist that can only feasibly be resolved by long-term catchment-wide DCC-led work would be inappropriate, as there will be no ability to develop those areas in the short, medium or even long term. We consider the evidence suggests this would complicate capacity assessments, and render infrastructure planning very difficult.

378. The Water and Waste Services evidence (Request for Technical Assessment, pp. 3-7 and Urban Land Supply Assessment Overview Memorandum, Table 1) explained the process required to upgrade various parts of the network and the time this will take to achieve. Mr Dyer noted in his oral evidence that DCC can change its priorities and develop different areas, depending on our 2GP zoning decisions, but that it would be most efficient to restrict the spread of new zoned areas to allow this work to be focussed in a small number of areas or wastewater catchments. We accept this is logical. We note a number of submissions raised issues in South Dunedin as reasons to rezone more land elsewhere to residential. In contrast, we heard from Mr Dyer that some of the limited resources Water and Waste Services have available, are allocated to work on solutions for South Dunedin. We understand this work will at least provide time for further consideration of options for South Dunedin.
379. We note that extra residential development capacity in the city will become available as some of this work is undertaken, providing for both greenfield and infill development (especially in areas zoned for medium density development, where development is currently held at standard density by an Infrastructure Constraint Mapped Area). We accept the evidence of Mr Dyer that development which utilises existing networks is more efficient in public infrastructure terms, and conclude that development within the city boundary is more consistent with section 7(b) of the Act ("efficient use and development of resources"), the objectives and principles of the Plan, and the NPS-UDC, as an efficient use of the built resource of existing infrastructure.
380. We therefore consider that the most efficient outcome in terms of identifying additional residential areas is to allow DCC to focus its efforts on a limited number of areas where work is already underway, or is programmed to begin this year. As a result, of the highly infrastructure-constrained water and wastewater catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment (servicing areas including North East Valley/Pine Hill/Wakari/Patmos Avenue/Taieri Road), and the Kaikorai Valley/South Dunedin Tahuna catchment. These catchments were identified following evaluation of all evidence and submission requests, relating to all sites, on the basis of:
- the presence of notified GR1TZ with the catchments;
 - the presence of notified Infrastructure Constraint Mapped Areas over areas of medium density zoning within the catchments;
 - the generally better alignment of additional sites with the criteria set out in Policy 2.6.3.1 (comparative to other highly infrastructure constrained catchments); and
 - in the case of the Kaikorai Valley/South Dunedin Tahuna catchment, the slightly shorter lead times for infrastructure capacity improvements in this catchment.
381. However, we note that work within these areas is predicted to take a number of years and as we understand it, the required capacity will not be available until the work is complete. Immediate zoning is therefore not appropriate. Instead, use of transition provisions - to identify the land for future residential use and allow it to be developed once constraints are resolved - is appropriate. We consider this approach is consistent with the NPS-UDC.
382. In doing taking this approach, we have been careful to ensure housing choice is available (in line with the NPS-UDC and 2GP Objective 2.6.1), by providing for different residential zoning types in different locations within these catchments, and by providing for

residential capacity in other infrastructure network catchments where capacity is available.

383. Wherever it is possible that a localised solution (e.g. a local pipe upgrade) is achievable by a developer, we agree that this should be taken into account in our zoning decisions (subject, of course, to our assessment of the suitability of zoning each site against the relevant strategic directions). However, we expect any local solutions to be logical, safe and practical before we give any significant weight to them.
384. Having considered the evidence, we were also persuaded that within or adjacent to reticulated urban areas, all sites should be connected to the wastewater system and stand-alone wastewater treatment systems are not an appropriate solution. Reticulation is the most efficient approach, as separate stand-alone systems require additional land, reducing the density of development. Individual systems also inhibit the possibility of extending or upgrading a network to provide extra capacity, as some owners will understandably not wish to contribute to the cost of the upgrades. While the evidence suggests newer systems are an improvement on older wastewater systems, we accept the evidence we received that even modern individual systems are not always adequately maintained and can fail, with consequent effects on the environment and the amenity for neighbouring properties. This can result in pressure for Council to take over these schemes. Our conclusion is that within urban areas, reticulation is better aligned with the NPS-UDC, Objective 2.7.1 (Efficient public infrastructure), Objective 2.2.4 (Compact and accessible city) and other strategic directions relating to environmental performance. These conclusions are relevant in our site-specific decisions in Section 3.8.

3.6 Methods for long term growth planning: urban land transition provisions

385. As explained in the Introduction to Section 12 of the Plan (Transitional Provisions), over the timeframe of the 2GP further urban land may be required to respond to population and business growth. The 2GP provides for this through 'transitional provisions' which identify areas for future urban development through transition overlay zones. Policies and rules within Section 12 outline the criteria for 'release' of identified land for urban development.
386. The Plan provides for three zone-specific transitional overlays:
- a. Future General Residential 1 land is identified in a General Residential 1 Transition Overlay Zone (GR1TZ);
 - b. Future industrial land is identified under an Industrial Transition Overlay Zone (IndTZ); and
 - c. Future Harbourside Edge zoning is identified under a Harbourside Edge Transition Overlay Zone (HETZ)
387. The Strategic Direction that sets up the GR1TZ method is Policy 2.6.3.2. This is:
- "Manage the release of new urban land by requiring a Council resolution to allow transition from rural zoned land to the new urban zone only when:*
- a. for residential zoning, there is a demonstrated need for new land; and*
 - b. the Council is satisfied that the amount and location of land reflects both:*
 - i. for residential zoning, an appropriate amount of land based on projected land needs for a 5 year period; and*
 - ii. an appropriate location based on a logical staging of development from the point of infrastructure provision; and*

- c. *there is sufficient existing, or planned and approved transport, wastewater and stormwater infrastructure capacity to accommodate industrial development; and*
 - d. *the Council is satisfied that the design of the proposed development, as outlined in a development plan appropriate for the scale of development, will meet the relevant objectives and policies of this Plan."*
388. Our discussion below predominantly deals with issues surrounding the GR1TZ provisions, given the extent and nature of submissions received on them. Few submissions were received in relation to the HETZ and IndTZ zones or related provisions.
389. Objective 12.2.1 is:
- "Land within the General Residential 1 Transition Overlay Zone is able to be released and developed in a coordinated way as General Residential 1 land, when there is a need for additional residential land to accommodate growth."*
390. Policy 12.2.1.1 and Rule 12.3.1 detail the release criteria for GR1TZ. In summary, these are that:
- the Council is satisfied that the amount and location of land to be released is appropriate;
 - a structure or development plan is provided and assessed by the Council as appropriate;
 - the average market values of properties has not decreased city wide; and
 - the residential capacity in the relevant GR1TZ catchment is less than 50 sites or there is other evidence of a significant land shortage.
391. The method for calculating capacity is outlined in Appendix 12B, with GR1TZ catchments identified in Appendix 12A.

3.6.1 Submissions received

3.6.1.1 Submissions in support of GR1TZ

392. The *Property Council New Zealand* (OS317.41) supported the Plan's Strategic Direction 2.6, which is that 'Dunedin has quality housing choices and adequate urban land supply'. The submitter noted that it was crucial there was a wide range of housing choices to meet demand and that land was not withheld to artificially inflate the prices of greenfield land. Specifically, the submitter stated that there should be a staged development process, whereby greenfield land is released through a zoning process that matches infrastructure availability (Original Submission, p. 7). This submission was summarised as supporting the GR1TZ provisions.
393. *The Otago Chamber of Commerce Incorporated* (OS1028.11) supported the transitional provisions, provided release of GR1TZ was managed by way of a resolution of Council. The submitter wanted the resolution to consider demand and capacity, land values, infrastructure, and design and staging of development.
394. The *NZTA* (OS881.39, 106 and 107) supported Policy 2.6.3.2, which details the criteria for the release of transitional areas, the introduction at 12.1 and the objectives and policies of Section 12.

3.6.1.2 Submissions on criteria to release GR1TZ – residential demand and capacity

395. *Robert Wyber* (OS394.15) sought to amend Policy 2.6.3.2 to refer to the projected need for residential land over a 10 year period, rather than 5 years, to trigger the release of land, noting the need to align these provisions with the Proposed Otago Regional Policy

Statement (pORPS). He also sought to amend the introduction at 12.1 to remove references to the release triggers (OS394.17).

396. *Mr Wyber* (OS394.18) also sought to amend Objective 12.2.1 so that the release of land occurred 'in advance of' the need for additional residential land to accommodate growth.
397. In addition, *Mr Wyber* (OS394.19 and 20) sought the removal of Policy 12.2.1.1 and Rule 12.3.1.2, which detail the criteria for the release of the residential overlay zones, as he considered them to be 'anti-affordable housing'. This would allow the GR1TZ sites to be developed immediately.
398. The *Glenelg Gospel Trust* (OS350.6) sought to amend Policy 12.2.1.1 by removing all the existing triggers, so that land is released when the applicant illustrates demand for it. This would ensure that it is the market, not the Council, which determines when it is the appropriate time to release the land. The submitter argued that the current policy is overly complex and uncertain in how it determines that the trigger for release is met.
399. *R & M Duffy* (OS696.1), supported by *Robert Wyber* (FS2059.12), sought to amend the GR1TZ release Rule 12.3.1, to remove provisions related to the demand for land, and completely remove the consideration of demand from the release of areas with a capacity of fewer than 12 household sites.
400. The *Harboursides and Peninsula Preservation Coalition* (FS2267.38) opposed *R & M Duffy* (OS696.1). It believed that the amendments fail to convey when the release of land is not appropriate, and fail to incorporate supply or demand factors, or the priority of the GR1TZ, all of which are key considerations in the 'sensitive matter' of expansion of urban boundaries.
401. *Christopher Medlicott* (OS21.2), sought to change the GR1TZ release threshold test in Appendix 12B (a calculated shortfall in capacity or evidence of significant land shortage) to focus on section demand, identified through building and subdivision consents and the current market. He was concerned that the notified threshold was difficult to determine and failed to reflect the reality of supply.
402. He submitted (para 40) that:

"A more realistic approach therefore is to assess not what might be available according to the formula but to ask 'what is the demand for sections within the city as evidenced by building consents' and look at what is currently on offer via the real estate market, live subdivision consents and subdivision consent applications that have a realistic prospect of success in determining the level of supply."

3.6.1.3 Submissions on GR1TZ catchments and Priority 1 and 2 approach

403. Appendix 12A maps the GR1TZ overlay catchments. The catchments are referred to in the release rule (Rule 12.3.1) in relation to residential capacity, with particular criteria relating specifically to the catchment in which the individual GR1TZ site is located.
404. The GR1TZ release rule (Rule 12.3.1) also distinguishes between Priority 1 and Priority 2 GR1TZ areas. Priority 2 areas can only be released when a minimum of 70% of Priority 1 GR1TZ has been released, and any adjoining Priority 1 GR1TZ sites have been subdivided. Priority 1 and 2 sites are mapped.
405. *Robert Wyber* (OS394.21) and (OS394.22) sought the removal of Appendix 12A from the 2GP, as part of his submission that the transitional provisions are anti-affordable housing and anti-residential choice.
406. The *NZ Institute of Surveyors – Coastal Otago Branch (NZIS)* (OS490.17) sought to remove the distinction between Priority 1 and 2 GR1TZ sites. In its opinion, withholding

land until existing capacity had been developed was not in the best interests of Dunedin's residents or the city's economic development. A similar request was made by *Christopher Medlicott* (OS21.2).

- 407. In response to these submissions, the Reporting Officer recommended amending the test to release Priority 2 sites, so that this was possible if it was demonstrated that the Priority 1 sites could not be released within a 12 month timeframe due to landowner unwillingness to develop the land, an inability to reach an agreement on infrastructure provision, or other reasons that make the release not possible.
- 408. Mr Medlicott argued at the hearing that the locations of the Priority 1 and 2 sites do not make sense. It was not possible to prove 'landowner willingness', which is a subjective test. Not all sites might be profitable, and so wouldn't be developed.

3.6.1.4 Submissions on lawfulness of release criteria

- 409. The lawfulness of the release rules was raised during the Commercial and Mixed Use Zones (CMU) hearing, by legal counsel Len Andersen and planning expert Ms Mary O'Callahan, called by *Chalmers Properties Ltd* (OS749.14). Their submissions and evidence were in relation to *Chalmers Properties Ltd's* submission seeking that the Harbourside Edge Transition Overlay Zone be removed. At that hearing, Ms O'Callahan, stated the following:

"If a resource management reason is identified for requiring a staged approach to investment in the Harbourside area, then the staging rule in the Operative District Plan is significantly more certain in its drafting. The 2GP staging provision in "Rule 12.3.2 Release of Harbourside Edge Transition Overlay Zone" land does not have sufficient certainty to provide investors or the community with an understanding of when or how land use might change in the Transition Area. It requires a Council resolution process to prove that development in the zoned Harbourside Edge area is either 70% complete or that there is "other compelling evidence that there is significant shortage of Harbourside Edge zoned land". Plus, the 2GP now has an additional test that the amount of land sought to be released is an appropriate amount (i.e. this is not a set trigger). The process envisaged for this is unclear and uncertain" (Statement of Evidence, para 41).

- 410. Mr Andersen argued that the transition provisions are ultra vires as they permit the DCC to effect a plan change by Council resolution. He also noted that the rule creates uncertainty because the Council does not have to pass a resolution even if the 70% threshold in Rule 12.3.2 is met.
- 411. *Glenelg Gospel Trust* (OS350.6) stated, in relation to its submission to remove the release triggers from Policy 12.2.1.1, that the policy is uncertain in how it determines that the trigger for release is met.

3.6.2 Reporting Officer recommendations

- 412. The Reporting Officer recommended retaining the GR1TZ approach, on the grounds that it was the most appropriate method for meeting the objectives of the Plan and give effect to the NPS on Urban Development Capacity. She noted that while the approach is not commonly used it allows land for future development to be clearly identified, as required by the NPS, but to become available only when demand reaches an appropriate level. Zoning too much land too soon could lead to pressure on infrastructure provision and risks inefficient development patterns, where residential areas are not contiguous. She identified that the critical matters are to ensure that sufficient land is immediately available for residential development to meet short term demand, that there is sufficient land zoned as GR1TZ to meet medium term demand, and that the capacity trigger (how

much capacity is available in relation to demand before GR1TZ are released) is appropriate. (s42A Report for ULS Part 1, section 5.2.1, p. 81).

413. However, having sought her own legal advice on the lawfulness of the transitional provisions, she agreed that the legislative framework does not allow for the release mechanism for transitional zones to rely on any subjective decisions. She therefore recommended that the subjective aspects are removed from the provisions and any necessary assessment components such as Structure Plans are considered instead at the time of subdivision after the land is transferred to its new zoning. As a consequence of that advice, she recommended amending the subdivision provisions of the residential, commercial and industrial sections to incorporate the requirements for a structure or development plan (where these previously existed in the transitional zone rules) as a special information requirement, and amending the subdivision assessment rules to refer to the structure or development plan.
414. She agreed with *Mr Wyber* that the provisions implementing the transitional overlays needed to align with the higher order statutory documents. She also recommended accepting *Mr Wyber's* proposed amendment to include 'in advance of' in Objective 12.2.1, noting that the intention was for the land to be provided in advance of need (s42A Report for ULS Part 1, section 5.2.1, p. 81).
415. In terms of the various release triggers, she believed that the approach of only releasing new land when certain demand and capacity triggers are reached was appropriate. She also recommended retaining the requirement that infrastructure provision is considered.
416. The Reporting Officer recommended rejecting *Mr Wyber's* submission to remove Appendix 12A (map of the GR1TZ overlay catchments) as it referred to in the release rule (Rule 12.3.1). However, she did note that at least one GR1TZ site (Emerson Street) fell outside the GR1TZ catchments and therefore some revision was required to ensure all GR1TZ sites were included (s42A Report for ULS Part 1, section 5.2.3, p. 97).
417. In addition, she noted that some residential parts of the city were not included within any catchment, as it was initially considered that there was unlikely to be any further development within them. For completeness, and in the event that there is additional development capacity available, she considered that the catchments should be expanded to cover these areas.
418. She also raised concerns that a number of smaller catchments might lead to the release of land in an area that might not be the most appropriate place for new growth, given the feasibility of servicing different parts of the city (Opening Statement Part 2, p. 3). She recommended completely revising the catchments, with the main Dunedin urban area being one catchment, a 'commuter' catchment comprising Mosgiel and Green Island, and a third catchment comprising outlying townships.
419. We also heard oral evidence from Mr Walter Clarke, infrastructure advisor called by the DCC, on this matter. In response to our questions, he expressed the view that one catchment for Dunedin would not be appropriate, but that it should be no more than four or five. He identified rural land, coastal sites and 'hubs' where people live and work as driving the identification of these catchments. He saw benefits in identifying catchments where people want to live.
420. The Reporting Officer noted that as notified, Appendix 12B (GR1TZ Capacity Methodology) was a 'best guess' approach, based on the assumed likelihood of a site being developed. She agreed that Appendix 12B should be reviewed and revised (s42A Report, p. 97). In her revised recommendations, the Reporting Officer provided a new Appendix 12B, which replaced the method for calculating capacity with a requirement to use demand and capacity figures calculated by the DCC (as required by the NPS-UDC). This would be published on the DCC website and updated annually for capacity, and three yearly for demand (Revised Recommendations Part 1 Policy Wording, p. 4).

421. In relation to Priority 1 and 2 GR1TZ sites, having considered the evidence presented, she agreed that there is little benefit to having a distinction between them, as there are few areas where Priority 1 and 2 sites are adjacent. She therefore recommended that the rules relating to priority are removed from Rule 12.3.1 (Revised Recommendations Part 1, p. 1).
422. Given the above conclusions, the Reporting Officer recommended a number of amendments be made to the provisions (s42A Report for ULS Part 1, section 5.2.1, pp. 84–84, and Revised Recommendations Part 1). These were:
- i) removing the release requirement that the market value of residential properties is not decreasing, as she accepted that there could be a scenario where house prices are decreasing while there is still a shortage of housing capacity (for example a market correction after over-inflation of prices);
 - ii) removing the rules relating to Priority 1 and 2 areas;
 - iii) removing aspects of the policies/rules that are potentially subjective, including:
 - references to an ‘appropriate’ amount of land, instead (for GR1TZ areas) making reference to the methodology in Appendix 12B to calculate capacity and demand;
 - the references to an ‘appropriate location’, which relate to an assessment of ‘a logical staging of development from the point of view of infrastructure provision’, and instead referring to an agreement on infrastructure provision being in place between the developer and the DCC. This would provide flexibility for developers and certainty for the DCC;
 - the requirement for an approved structure plan or development plan;
 - the reference to “other evidence that there is a significant land shortage”;
 - iv) in relation to the Harbourside Edge Transitional Overlay Zone, clarifying how much land must be developed before transitional land can be released;
 - v) amending the subdivision provisions of the residential, commercial and industrial sections to incorporate the requirements for a structure or development plan (where these previously existed in the transitional zone rules) as a special information requirement; and
 - vi) associated amendments to the subdivision assessment rules to reference the structure or development plan, and any subjective assessment matters related to design and staging of development (s42A Report for ULS Part 1, section 5.2.1, p. 84).

3.6.3 Submitters’ response

423. Phil Page, legal counsel for *Daisy Link* (OS1047), argued that requiring a development agreement to be in place prior to releasing land was problematic, as the work required to identify the design and costs of necessary infrastructure took place after a subdivision permit was issued. Developers needed security of zoning before undertaking the costly and extensive design work required. His view was that release of land should occur before a private development agreement is entered into.
424. He also considered that the amended GR1TZ release rule (Rule 12.3.1) still retains some discretion, in that requires ‘an agreement between the DCC and the developer on the method, timing, and funding of any necessary infrastructure’ is in place (Legal submissions, pp. 7-9).

3.6.4 New GR1TZ methods proposed

425. Towards the end of the hearing, Dr Johnson, the planner assisting the Panel for the ULS hearing, tabled an outline of possible amendments to the GR1TZ method to respond to several issues raised in the course of the Part 2 Hearing. These were: more flexible options for zoning of the released land, rules to address efficient use of greenfield sites, and more effective methods for dealing with infrastructure constraints (Plan Drafting Advice – New Transition Zones Methods).

426. She noted that the GR1TZ method currently performs three functions:

- a. it is a mechanism to hold areas until the land is needed to meet a short term (5 year) demand, with a release trigger based on capacity;
- b. it was intended as a method to require a structure plan to ensure a good development outcome; however, this was recommended to be removed due to concerns around it being ultra vires; and
- c. it allows land to be held as a way of managing/addressing infrastructure constraints (with a release trigger related to an infrastructure agreement being in place).

427. She proposed splitting these functions into separate methods, to allow them to be used on any site in a more targeted way, as well as to address the issues raised above.

428. The new methods were:

Future residential overlay zone (FROZ)

- This would incorporate the housing capacity trigger in the existing GR1TZ method, with land being released once additional capacity is needed. If the land is in an infrastructure constraint mapped area (see below), the release rule would also require that an infrastructure agreement is in place before land could be released.

Structure Plan Zone

- This would replace the part of the GR1TZ method that required a structure plan to be developed and approved prior to release. Areas where a structure plan would be beneficial would be zoned 'Structure Plan Zone'. This would allow different densities of development, including medium density development. Structure plans could be developed as part of our decisions on rezoning and incorporated into the residential section of the Plan (Section 15). It could also be used where areas cover more than one site and several owners, providing for more efficient development (albeit possibly in stages).

Infrastructure constraints mapped area

- This would be applied to a FROZ or Structure Plan Zone where infrastructure constraints exist. This would require an agreement to be reached between the developer and Council regarding timing and funding of infrastructure provision, prior to development.

429. Dr Johnson considered that scope to apply these amendments was available wherever a site is currently subject to, or requested to have, the existing GR1TZ methods; as well as any sites that are currently non-residential and there are submissions to rezone to residential. She also considered that scope was provided through the broad submissions of *Robert Wyber* (OS349.5), to promote planning for additional greenfield areas to meet housing needs.

430. We circulated this advice to submitters to allow an opportunity for a response, and received a joint memorandum from Phil Page, Emma Peters, Kurt Bowen, Leon Hallett, Don and Conrad Anderson, Allan Cubitt, Alison Devlin and Geoff Bates ('the advisors') on behalf of their clients. The memorandum set out that the submitters' preference was to

rezone the land as sought. However, in respect of the issues addressed by Dr Johnson's further material, the advisors considered that the issues were 'mundane land development matters' regularly dealt with through the Council's consents processes.

431. The advisors identified a "strong preference for the Structure Plan Zone, if one of them must be selected". They noted that such structure plans could include roading connections, geotechnical issues, hazards, vegetative and public utility (designations, waterways etc.) constraints, development density, and possibly public reserves. However, they noted that care needed to be taken to recognise that at the preliminary stage of development, better alternatives might be identified, and that recognition of these would need to be built into the process (Memorandum, p. 2).
432. They considered the FROZ method to be unsatisfactory because it is too uncertain for developers to secure funding. This appeared to stem from unease with the fact that release would be determined by the Council's estimates of urban land supply, as well as uncertainty stemming from the lead-in time for developers (Memorandum of Advisors, pp. 1-2).
433. The advisors also expressed little enthusiasm for the infrastructure constraint mapped areas, noting that infrastructure requirements are a common issue with rural-zoned sites undergoing urban development, and vary from site to site. The advisors argued that development agreements with the Council would be required, as they are now, and that this is best addressed through the subdivision consent process. Additionally, these are matters more properly addressed through the exercise of the Council's Local Government Act functions (Memorandum of Advisors, p. 3).
434. Finally, in respect of the 'machinery provisions' implementing these overlays, the advisors noted the additional impact this would have to the consents process, and sought the addition of rules precluding public and limited notification of resource consents.
435. Each advisor also responded on the appropriate methods for their client's individual sites (Further Notes to Memorandum of Advisors). These comments are discussed in relation to each site in Section 3.8 of this decision.
436. We also received a separate response from Ciaran Keogh, for *Douglas Hall*, which expressed the view that Council should not be rationing land, and that decisions on lot sizes and the best use of land should be left to the developer. Mr Keogh supported the structure plans as an essential planning tool. Infrastructure constraints should be identified directly, without the ambiguity of a 'planning filter'.
437. After initial deliberations on individual sites, we requested draft structure or concept plans for a number of sites in order to assist our decision-making. We considered these at the reconvened ULS hearing, and our decision on the necessity and appropriateness of each is considered in the assessment of individual sites in Section 3.8 of this decision.
438. At the reconvened hearing, the Reporting Officer noted that the Structure Plan provisions are currently included in separate appendices. An alternative layout, which is more consistent with the way the 2GP is drafted generally, is to locate these provisions within the appropriate 'land-use', 'development' and 'subdivision' performance standards. This could be achieved under cl. 16 as it involved no changes to content.

3.6.5 Decision and decision reasons

439. Overall, we consider it is appropriate to retain the transition provisions in some form, as these provide a useful method for managing the release of land as additional residential capacity is required and the removal of infrastructure constraints allows. We accept the Reporting Officer's evidence (and the evidence of Mr Tom Dyer, discussed in Section 3.5.2) that zoning too much land too soon could lead to pressure on infrastructure provision, and risks inefficient development patterns. Identifying transition land also

provides a clear indication to developers, neighbours, prospective buyers, the public and infrastructure providers about which areas of land are next in line to be developed, so that appropriate planning can be undertaken. We consider this approach consistent with the NPS-UDC as it will better enable Council to provide land in accordance with PA1, which closely links provision of land and infrastructure. We therefore accept in part the submissions supporting the GR1TZ method (*Property Council's* (OS317.41), *NZTA's* (OS881.39, 106 and 107) and the *Otago Chamber of Commerce Incorporated* (OS1028.11), noting that we have changed these provisions as outlined below.

440. We agree that the provisions as notified, particularly those that required approval by the Council, are subjective and uncertain and therefore *ultra vires*, and that changes to remove the subjective and discretionary elements must be made. We have replaced them with objective triggers in the release rule, as outlined below. We have also replaced the requirement for an approved structure plan with new Structure Plan mapped areas where we consider these are necessary, as discussed in Section 3.6.6 below and in relation to the individual sites in Section 3.8.
441. For these changes, we rely on the submission of *Glenelg Gospel Trust* (OS350.6) which was to remove the existing triggers on the grounds that they are complex and uncertain, and we accept this submission in part. We do not agree with *Glenelg Gospel Trust* that land should be released when developers indicate that there is demand for it, as this is too uncertain, there is no accountability, and as discussed below, we consider there is a need to consider issues relating to infrastructure and capacity, in line with the NPS-UDC.
442. We agree in part with Dr Johnson's recommendation to split the transition methods for residential land into separate methods to provide a more tailored solution for individual sites. In particular, the requirements around structure plans should be applied separately. This is a logical consequence of removing the subjective elements from the release rule. However, we do not see a need for a separate Structure Plan Zone. In terms of the submissions before us, almost all are to rezone to GR1 or a lower density. There is no scope to allow these areas to develop to a higher density, and we find the method complex. The plan contains an existing Structure Plan mapped area method, and this method is appropriate where a site would benefit from a structure plan to identify matters such as roading connections or areas that should be protected. We discuss this further in Section 3.6.6.
443. However, we consider that housing capacity and infrastructure constraints issues can both be dealt with in an amended GR1TZ rule. For consistency with the other transitional zones, we have renamed the GR1TZ method the Residential Transition Overlay Zone (RTZ) as a cl. 16 change.
444. Given this decision, for completeness we note that we reject the submission of *Robert Wyber* (OS394.17) seeking the deletion of 12.1. We do not consider that all land should be immediately zoned without any transition or constraint matters highlighted, for the reasons outlined above.

3.6.5.1 Method to address housing capacity

445. We acknowledge the views of submitters that there is no need for a housing capacity trigger for the release of GR1TZ sites. While we agree that current projections and analysis show that there is a shortage of capacity in the medium term, this may change in the future, and having the release trigger in the Plan (even if it is not required at present) will future-proof the method. As discussed above, we consider that managing the release of land when there is an over-supply (as measured by the capacity assessment) is an approach consistent with the NPS-UDC, and also provides for better planning and infrastructure investment, while giving clear direction to the general public of changes that might happen in areas that they may choose to invest in.

446. We agree with the Reporting Officer's approach to rely on the demand and capacity figures calculated by the DCC, as required by the NPS-UDC, rather than expect individual developers to undertake complex calculations themselves. This data will be published on the DCC website and, particularly as the approach will be informed by a nationally-mandated methodology, will provide certainty for all parties. There is no Council resolution required and the Chief Executive Officer's role is a certifying one, rather than a role with any discretion.
447. The amended wording for the release rule (12.3.1) is:
- "2. The Chief Executive Officer or their delegate must certify to release land in a Residential Transition Overlay Zone (RTZ) following receipt of an application demonstrating that: a. the estimated total residential capacity is less than 120% of the projected total residential demand in the RTZ residential capacity assessment mapped area over the next 5 years, as indicated by analysis undertaken by the DCC in accordance with the NPS for Urban Development Capacity and published on the DCC website;"*
448. We therefore reject the submission by *R & M Duffy* (OS696.1), and the supporting submission of *Robert Wyber* (FS2059.12), to remove the housing capacity triggers. In relation to *Mr Duffy's* request to have no release trigger for sites of 12 or fewer houses, we think that all residential sites should meet the same test, regardless of site size. For completeness we note that we accept the opposing submission of *Harboursides and Peninsula Preservation Coalition* (FS2267.38). We, therefore, also reject *Mr Wyber's* submission (OS397.17) to amend the Introduction to remove reference to the release triggers.
449. We agree with *Robert Wyber's* submission (OS394.15) that the objectives and policies need to align with the RPS and NPS-UDC. In relation to his specific request to refer in Policy 2.6.3.2 (the Strategic Direction policy that sets the framework for the transition zones) we note that this policy duplicates the matters in Section 12 and we think it is unnecessary. A timeframe of up to 10 years is specified in Objective 2.6.3.
450. We also accept *Robert Wyber's* submission (OS394.18) to add 'in advance' to Objective 12.2.1, to clarify the intent of the objective.
451. We reject *Mr Wyber's* submissions (OS394.19 and 20) to remove policies 12.2.1.1 and Rule 12.3.1.2, although we have amended these as discussed below. We consider these policies form an integral part of the overall framework relating to transitional provisions.
452. We accept in part *Robert Wyber's* submission (OS394.21) to remove Appendix 12B. While we have removed it, we have replaced it with an alternative method of assessing residential capacity, which is contained within Rule 12.3.1. This relies on demand and capacity analyses undertaken by the DCC under the NPS-UDC, as recommended by the Reporting Officer. This data will be published on the DCC's website. This method will provide certainty for developers and avoid argument as to which figures to use, as well as avoiding the need for developers to repeat complex assessments.
453. Consequently, we reject the aspect of *Christopher Medlicott's* submission (OS21.2) seeking to amend the release trigger to focus on the need for sections identified through building and subdivision consents. However, we note that this information will feed into the capacity assessment that the DCC undertakes under the NPS-UDC.
454. We accept the submissions of the *NZ Institute of Surveyors* (OS490.17) and accept in part *Chris Medlicott's* submission (OS21.2) to remove the Priority 1 and 2 areas, as we agree that there is little benefit to having a distinction between the sites. Sites will be released as the various triggers are met, and will be dealt with on a first-come first-served basis. Some landowners will not wish to develop, and this should not hold up development of other sites where landowners are willing.

455. In relation to Appendix 12A, in our view the catchments shown are problematic. Having a number of smaller catchments will not, in our view, achieve the Plan's objectives. A shortfall in capacity in one catchment will lead to capacity being provided in that catchment, most likely through greenfield development. Perversely this could occur when capacity already exists in a different part of the city for very similar land. We prefer that capacity is assessed citywide, as one catchment.
456. While Mr Clarke suggested that the city should be broken up into four to five geographic catchments and the Reporting Officer considered three catchments, having heard all the evidence, we determined that Dunedin is a relatively small city, with all suburbs and townships effectively part of a single urban area. That includes the area from Mosgiel in the west, through the city, to Portobello and Port Chalmers in the east. We consider this area should be identified as a single urban area for the purpose of determining whether additional residential capacity is required. We have also included Waitati as this is within an easily commutable distance from Dunedin city. We have not included outlying townships in this urban area as their drivers of growth are likely to be different from the main urban area, and we do not think their capacity is particularly relevant when determining whether RTZ, all of which are located adjacent to the main urban area, should be released.
457. Consequently, we have identified a single 'RTZ residential capacity assessment mapped area' on the planning maps. We have deleted Appendix 12A as there is no longer a need for it, and Rule 12.3.1 has been amended to refer to the mapped area. The 'RTZ residential capacity assessment mapped area' is based on the Statistics New Zealand 'SA2' area classification. As a result, the mapped area is broader than the urban area outlined above, and includes some rural areas; however, basing it on the Statistics NZ boundaries means that Statistics NZ data can be easily used in the assessment of residential demand and capacity. It also provides a buffer around the existing urban area to allow for newly zoned areas and RTZ that will be developed in the future. The analysis of residential capacity is limited to residential areas, so inclusion of some rural land will not affect the results obtained.
458. By mapping the broader area, we are not indicating that all areas should be zoned residential; instead we are ensuring that the capacity of the entire urban area of Dunedin, including adjoining commutable areas, should be considered as a whole when determining if additional residential capacity is needed.
459. We consider that this approach addresses in part the concerns of *Robert Wyber* that the transitional provisions stifle choice, and his submission to remove the map from Appendix 12A (OS394.22), and so accept that submission in part.

3.6.5.2 Method to address infrastructure constraints

460. We agree that a change is required to Rule 12.3.1 in respect of consideration of infrastructure capacity prior to the release of GR1TZ. The amended wording recommended by the Reporting Officer was:

"where an infrastructure agreement mapped area applies to the site, an agreement between the DCC and the developer on the method, timing, and funding of any necessary infrastructure is in place"

461. We consider this gives the wrong impression that all constraints can simply be resolved by negotiating an agreement when it suits the developer. As discussed in Section 3.5.4, in many parts of the city, addressing water and wastewater constraints requires multi-million dollar projects that can only feasibly be resolved by catchment-wide DCC-led work. In these situations, the developer will need to wait until these constraints are resolved, or at least certain to be resolved within two to three years.

462. We have therefore amended this part of the release rule to add an objective test of water and wastewater capacity within the system. This test is based on the information received from Ms Sinclair on the methods used to determine if a network is at full capacity (Three Waters Response to Minute from Hearing Panel Chairperson). The land can only be released when DCC confirm that the constraints in the relevant part of the network have been resolved. This information will be published on the DCC website. In this way, there will be no false expectation as to the ability to develop until upgrades are complete. We have allowed for release of RTZ three years prior to network capacity becoming available, in response to expert evidence from Mr Hallett on the time it takes to develop a subdivision following rezoning.
463. The wording is:
- "2. The Chief Executive Officer or their delegate must certify to release land in a Residential Transition Overlay Zone (RTZ) following receipt of an application demonstrating that: ...*
- b. the DCC has published a statement on its website that:*
- i. further development within the Residential Transition Overlay Zone will meet the following criteria, demonstrated by modelling using accepted industry practice:*
- 1. fire flows within the piped treated water network servicing the Residential Transition Overlay Zone meet the New Zealand Fire Service Firefighting Water Supplies Code of Practice (SNZ 4509:2008);*
- 2. water pressure within the piped treated water network servicing the Residential Transition Overlay Zone is maintained between 300-900 kpa;*
- 3. surcharge of pipes and flooding out of manholes will not occur during a design rainfall event (10% AEP) within the wastewater network necessary for the servicing of potential development that is being released; and*
- ii. a contract has been awarded that will ensure any necessary infrastructure upgrades required to meet the tests in Rule 12.3.1.b.i are completed within three years; and ..."*
464. Subject to site specific considerations as to the suitability of zoning, this transition method will apply to sites within the catchments identified earlier that are already programmed for upgrades, but with a long-term expected completion date, which are the Kaikorai Valley/South Dunedin Tahuna network, and the North East Valley/Wakari/Taieri Road (North Tahuna) network.
465. We agree with submitters that where localised three waters constraints are the only issue, then a private development agreement is an established and appropriate method to determine funding of necessary works at the time of subdivision, as an alternative to, or in addition to, the Development Contributions policy. This means that our decisions on which land should be zoned immediately, and which are held in a transition overlay, will be subject in part, to whether there is evidence that three waters constraints are localised and feasible to resolve through a private development agreement, or whether they relate to a larger part of the network and will require significant, Council-led work to resolve.
466. We do not consider that areas where there is no work planned or programmed and the constraint is substantial and relates to the larger network, are suitable for rezoning at all. The reason is that to rezone would lead to unrealistic expectations that infrastructure development will happen within the life of this plan and put pressure on Council to divert resources away from providing new capacity through its programmed works.
467. The requirement for an agreement in relation to roading infrastructure will still apply, but will not refer to infrastructure mapped areas, as such issues may apply to any site.
468. Changes to the plan in order to implement the decisions above are shown in Appendix 1 and comprise:

- Replacing all references to General Residential 1 Transition Overlay Zone (GR1TZ) with Residential Transition Overlay Zone (RTZ) (cl. 16)
- Amending Objective 2.6.3 to align with that used in the NPS-UDC (ULS 394)
- Deleting Strategic Direction Policy 2.6.3.2 as duplicated by provisions in Section 12 (ULS 394)
- Amending the introduction to Section 12 to align with the changes to the release rules (see below), and explain that the name of each TRZ indicates which zone it will release to (ULS 350.6)
- Adding 'in advance of the need for additional residential land...' to Objective 12.2.1 (ULS 394.18)
- Amending Objective 12.2.1 to use terminology consistent with changes to Rule 12.3.1 and Policy 12.2.1.1 (~~land~~ capacity) (ULS 350.6)
- Amending Policy 12.2.1.1 to remove subjective elements and align with the changes to the release rule (ULS 350.6)
- Amending Policy 12.2.1.4 (subdivision in GR1TZ sites) to align with the changes to the release rule (ULS 350.6)
- Amending policies 12.2.2.1, 12.2.2.2, 12.2.3.1 and 12.2.3.2 to remove subjective elements and align with the changes to the release rules (ULS 350.6)
- Amending Rule 12.3.1 to remove subjective elements, include an objective residential capacity test, include an objective three waters infrastructure capacity release test and add a trigger in relation to funding and provision of roading infrastructure (ULS 350.6)
- Amending Rule 12.3.1 to remove reference to Priority 1 and 2 areas (ULS 490.17)
- Amending Rule 12.3.2 to remove subjective elements and clarify what is meant by 'sites have been redeveloped' (ULS 350.6)
- Amending Rule 12.3.3 to remove subjective elements (ULS 350.6)
- Adding a Note to Plan User to explain that upon release of a Transition Overlay Zone, as Private Development Agreement may be required in relation to provision of infrastructure (cl. 16)
- Deleting Appendix 12A and identifying a single RTZ residential capacity assessment mapped area on the planning maps (OS394.22)
- Deleting Appendix 12B, and referring in Rule 12.3.1 to the demand and capacity figures provided on the DCC website (ULS 350.6)
- Consequential changes to the planning maps to amend notations and remove the distinction between Priority 1 and 2.

469. We have also amended the name of Section 12 from 'Transitional provisions' which implies it is to do with a change from the operative plan to the new plan, to 'Urban land transition provisions'. In addition, we have corrected all incidences of 'transitional overlay zones' to 'transition overlay zones'. Both these changes are made under cl. 16.

3.6.5.3 Structure plans

470. We accept that the existing Structure Plan mapped area method is useful for sites where there is a benefit to specify particular restrictions or limitations. Within the timeframe that this hearing provides, and the limitations of the evidence and submission provided, we cannot develop full structure or development plans for all sites. However, we have used this method to include plans or specific conditions in relation to a number of sites, as outlined in Section 3.8 of this decision.

471. We note that we have made amendments to the structure and location of the existing Structure Plan provisions, generally as recommended by the Reporting Officer, and have added these as a new type of performance standard in Section 15 'Structure Plan performance standards', as they include development, land use and subdivision standards. This ensures that the rules are appropriately located under a performance standard heading rather than being located within the appendices. We have not amended the residential, commercial and industrial sections to incorporate the requirements for a

structure or development plan as a special information requirement, as initially recommended by the Reporting Officer, as this is no longer required.

472. We have made the following amendments to the Plan under cl. 16:

- create a new Performance Standard heading 'Structure Plan mapped area performance standards' (Rule 15.x), and move the content from Structure Plan appendices 15A to 15D to sit under this heading as a separate rule for each Structure Plan mapped area
- move the density rule for East Taieri (Rule 15.5.2.1.b) to a new heading 'Density' in the East Taieri Structure Plan mapped area performance standard 15.x.1
- move the height rule (Rule 15.5.2.1.b) for Formby Street to the Formby Street Structure Plan mapped area performance standard 15.x.2
- move the setbacks rule (Rule 15.6.14.1) for Formby Street to the Formby Street Structure Plan mapped area performance standard 15.x.2
- at end of each performance standard, add: "In the case of conflict with performance standards 15.5 to 15.7, the rules in this performance standard apply" and "Activities that contravene this performance standard are a non-complying activity"
- amend activity status tables 15.3.3 to 15.3.4 to add an additional performance standard that applies to all activities: 'Structure Plan mapped area performance standards (where relevant)'
- amend activity status table 15.3.5 to add an additional performance standard to General subdivision: 'Structure Plan mapped area performance standards (where relevant)', and delete the separate row 'Subdivision activities in structure plan areas'
- consequently delete the existing Structure Plan performance standards Rule 15.6.15 and Rule 15.7.7
- amend notification Rule 15.4.1.3 to refer to the new Rule 15.7A.4 Holyhead Street structure plan mapped area performance standards
- make consequential amendments to assessment rules 15.9.5.6 and 15.12.5.6 and Policy 2.4.1.8 to amend 'structure plan area' to 'structure plan mapped area', and 'structure plan' to 'Structure Plan mapped area performance standards'
- change 'structure plan area' to 'structure plan mapped area' in assessment rules 16.9.5.4, 18.9.5.5, 19.9.5.5, 20.9.5.5.
- amend maps to refer to Structure Plan Mapped Area

473. We have added new Structure Plans for individual sites, where appropriate, in Section 3.8 of this decision. As discussed in Section 3.6.6, these rely on the scope of the *Glenelg Gospel Trust* (OS350.6), and are a consequence of removing the subjective structure plan requirement from notified Rule 12.3.1 and replacing it, where appropriate, with site specific structure plans.

474. We have included a standard condition in these plans, that 'construction of dwellings must not take place until all roading infrastructure is in place for that stage of the development, and connections to future stages, and adjoining sites, are provided for'. This will ensure that Structure Plan areas are developed in a co-ordinated fashion.

3.6.6 Submission on use of land with GR1TZ overlay

475. Waste Management (NZ) Limited (OS796.22) sought to amend Policy 12.2.1.2 as follows:

"Avoid land use activities that may inhibit future use of General Residential 1 Transition Overlay Zone (GR1TZ) land for residential activity, including mining and landfill activity, or other rural activities that might create contaminated land should be encouraged to locate outside of the overlay zone."

476. The submitter considered that 'avoid' implied a prohibition, and that policies should not include the word 'avoid', but rather have robust consenting requirements that determine whether a land use activity is appropriate for a particular area.
477. The Reporting Officer noted that the policy is tied to rules in the Rural Zone that make landfills and mining a non-complying activity in GR1TZ. The use of the words "Avoid...unless" is used in the drafting protocol in association with non-complying activities to set out a clear test for the consideration of true exceptions. She recommended that the policy is amended to specify the land use activities that are non-complying, and adding the following after 'contaminated land' to clarify that there is no absolute prohibition on any activities:

"... unless the activities will be designed or located to have no more than minor potential adverse effects on the future use of the land for residential activities."

3.6.6.1 Decision and decision reasons

478. We accept the submission of *Waste Management (NZ) Limited* (OS796.22) in part and amend Policy 12.2.1.2 as suggested by the Reporting Officer. As the amended policy is consistent with the 2GP drafting protocol, we have made a consequential amendment to assessment rule for non-complying activities in a transition overlay zone (Rule 12.3.6.3).

3.7 Submissions to amend Strategic Directions policies not related to growth

3.7.1 Objective 2.6.2 and Policy 2.6.2.1

479. Objective 2.6.2 states:

"New housing in Dunedin is durably-constructed and energy efficient to operate, and located to minimise transportation costs and car dependency."

480. Policy 2.6.2.1 states:

"Manage the design of subdivision to promote connectivity and legibility and maximise accessibility by transportation modes other than private motor cars."

481. The objective and policy were supported either wholly or in part by *Urban Cohousing Otepoti Ltd* (OS818.8), *Otago Regional Council* (908.69), the *University of Otago* (OS308.92) (whose submission was supported by *Otago Polytechnic* (FS2448.6)), and *Bus Users Support Group Otepoti-Dunedin* (OS1080.2) (whose submission was supported by *Otago Regional Council* (FS2381.502)).
482. The submitters' reasons for support included the importance of good quality and affordable housing for students and staff at the University, the need for improvement in housing quality and reduction of waste in current housing models, its consistency with the proposed RPS, and the importance of planning development around an integrated transport network (s42A Report for ULS Part 1, section 5.1.12, pp. 52–53).
483. *Blueskin Resilient Communities Trust* (OS1070.10) sought an amendment to the objective, to add *"Ensure that this range of housing choices is insulated to standards higher than that recommended in the Building Code"*. It also submitted (OS1070.11) that there should be a new policy under Objective 2.6.2 to promote the development of residential dwellings with provision for solar electricity development. This submission was supported by *Robert Wyber* (FS2059.23).

484. *Elizabeth Kerr* (OS743.11) sought to amend Policy 2.6.2.1 to remove any negatives in the Plan associated with reducing use or dependence on private car use. Her belief was that new car technology and better management of traffic flows and parking in the city at peak times should enhance the driving environment and convenience for residents and visitors.
485. The Reporting Officer noted a number of policies in the Plan that support solar generation, in particular Policy 5.2.1.1, which enables the use and development of solar energy generation. She further noted that insulation is a Building Code matter and the rules in the District Plan cannot be stricter than the Building Act apart from very limited circumstances (s42A Report for ULS Part 1, section 5.1.12, pp. 53-54).
486. In reference to perceived policies being negative towards cars, the Reporting Officer advised that that was not the intention, but that developments should not require access by car (s42A Report for ULS Part 1, section 5.1.12, p. 54). No changes were recommended to the policy.

3.7.1.1 Decision and reasons

487. We reject the submissions by *Blueskin Resilient Communities Trust* and *Elizabeth Kerr* for the reasons outlined by the Reporting Officer above.
488. We note that this objective and policy have been combined in the Residential decision and now form Policy 2.2.2.5.

3.7.2 Request to add a new clause about prioritising use of reserve land

489. *Urban Cohousing Otepoti Ltd* (OS818.14) sought to amend Policy 2.6.3.1 to allow for Dunedin's reserve land to be used more productively, for example for playgrounds, community gardens, native trees or high end residential development. The submitter believed some reserve areas are presently wasted space and could be turned into beautiful sites.
490. The Reporting Officer accepted that there may be some reserve land that is no longer required that could be appropriately developed for residential activity. However, no amendments to the policy were necessary to facilitate their rezoning (s42A Report ULS Part 1, section 5.1.15, p. 66).

3.7.2.1 Decision and reasons

491. We reject the submission by *Urban Cohousing Otepoti Ltd* (OS818.14) to amend Policy 2.6.3.1. We consider that Policy 2.6.3.1, as already amended, is sufficient to determine the appropriateness of rezoning areas of unused reserve land.

3.8 Residential zoning requests

3.8.1 Background

492. This part of the Decision Report addresses submissions to change the zoning of specific sites. We respond to these submissions by grouping them into similar geographical locations.

3.8.2 Assessment of zoning requests

3.8.2.1 Strategic directions policy relating to new residential zoning

493. Policy 2.6.3.1 lays out the relevant criteria for identifying areas for new residential zoning. As discussed in Section 3.4.12, we have amended this policy in response to submissions. Changes include amendments to improve its workability and consistency with other strategic zoning policies, and to better set out the range of criteria that have been used to apply residential zoning and that will be used for determining new areas for residential zoning.

494. Incorporating all the amendments, Policy 2.6.3.1 now reads as follows:

"Identify areas for new-residential zoning based on the following criteria:

- a. rezoning is necessary to meet a shortage of residential capacity (including capacity available through releasing a Residential Transition overlay zone), either:
 - i. in the short term (up to 5 years), or*
 - ii. in the medium term (up to 10 years), in which case a Residential Transition overlay zone is applied to the rezoned area; and**
- b. rezoning is unlikely to lead to pressure for unfunded public infrastructure upgrades, unless either an agreement between the infrastructure provider and the developer on the method, timing, and funding of any necessary public infrastructure provision is in place, or a Residential Transition overlay zone is applied and a future agreement is considered feasible; and*
- c. the area is suitable for residential development by having all or a majority of the following characteristics:
 - i. a topography that is not too steep;*
 - ii. being close to the main urban area or townships that have a shortage of capacity;*
 - iii. currently serviced, or likely to be easily serviced, by frequent public transport services;*
 - iv. close to centres; and*
 - v. close to other existing community facilities such as schools, public green space and recreational facilities, health services, and libraries or other community centres;**
- d. considering the zoning, rules, and potential level of development provided for, the zoning is the most appropriate in terms of the objectives of the Plan, in particular:
 - i. the character and visual amenity of Dunedin's rural environment is maintained or enhanced (Objective 2.4.6):*
 - ii. land and facilities that are important for economic productivity and social well-being, which include industrial areas, major facilities, key transportation routes, network utilities and productive rural land are:
 - 1. protected from less productive competing uses or incompatible uses, including activities that may give rise to reverse sensitivity; and*
 - 2. in the case of facilities, able to operate efficiently and effectively (Objective 2.3.1). Achieving this includes generally avoiding areas that are highly productive land or may create conflict with rural water resource requirements;**
 - iii. Dunedin's significant indigenous biodiversity is protected or enhanced, and restored; and other indigenous biodiversity is maintained or enhanced, and restored; with all indigenous biodiversity having improved connections and improved resilience (Objective 2.2.3). Achieving this includes generally avoiding the application of new residential zoning in ASBV and UBMA;**

- iv. *Dunedin's outstanding and significant natural landscapes and natural features are protected (Objective 2.4.4). Achieving this includes generally avoiding the application of new residential zoning in ONF, ONL and SNL overlay zones;*
- v. *the natural character of the coastal environment is, preserved or enhanced (Objective 2.4.5). Achieving this includes generally avoiding the application of new residential zoning in ONCC, HNCC and NCC overlay zones;*
- vi. *subdivision and development activities maintain and enhance access to coastlines, water bodies and other parts of the natural environment, including for the purposes of gathering of food and mahika kai (Objective 10.2.4);*
- vii. *the elements of the environment that contribute to residents' and visitors' aesthetic appreciation for and enjoyment of the city are protected or enhanced. These include:*
 - 1 *important green and other open spaces, including green breaks between coastal settlements;*
 - 2 *trees that make a significant contribution to the visual landscape and history of neighbourhoods;*
 - 3 *built heritage, including nationally recognised built heritage;*
 - 4 *important visual landscapes and vistas;*
 - 5 *the amenity and aesthetic coherence of different environments; and*
 - 6 *the compact and accessible form of Dunedin (Objective 2.4.1);*
- viii. *the potential risk from natural hazards, including climate change, is no more than low, in the short to long term (Objective 11.2.1);*
- ix. *public infrastructure networks operate efficiently and effectively and have the least possible long term cost burden on ratepayers (Objective 2.7.1);*
- x. *the multi-modal land transport network, including connections between land air and sea transport networks, operates safely and efficiently for all road users (Objective 2.7.2); and*
- xi. *Dunedin stays a compact and accessible city with resilient townships based on sustainably managed urban expansion. Urban expansion only occurs if required and in the most appropriate form and locations (Objective 2.2.4)"*

495. We have endeavoured to assess rezoning requests in this section against the criteria listed in Policy 2.6.3.1, noting that there were in many instances significant gaps in the evidence or a complete absence of evidence on these criteria.

3.8.2.1.1 Approach to landscape and coastal character

496. As recorded earlier in this decision, based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones.

497. Policy 2.6.3.1.d.iv and v require a consideration against these objectives. We were generally presented with landscape evidence where an SNL or NCC overlay zone coincides with an area requested for rezoning. The evidence presented is discussed site-by-site in the assessments below.

3.8.2.1.2 Approach to rural productivity and highly productive land

498. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider this particularly important in the context of the evidence (discussed in both the Rural and Rural Residential Decision Reports) about the large number of existing undersized rural sites in Dunedin, the substantial reduction in highly productive land available for food production and the need to retain land not only for production now but

for the future. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly - but not limited to - flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it is being put now.

499. In particular, we have generally not been persuaded by arguments, in the absence of other strong reasons, that a particular parcel of land is not able to be farmed in an economically viable manner and therefore should be rezoned residential. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.
500. It should be clear to any submitter, or reader of this Decision Report, that we consider there are a large number of strategic considerations that are more important when considering the subdivision and conversion of rural land to rural residential use, certainly in terms of city-wide ramifications, than whether a site is able to be, or has been, farmed as a stand-alone economic unit.
501. Consistent with our decisions as outlined in the Rural Decision Report, we have considered both the High Class Soils mapped area (as set out in the 2GP Zoning Map) and the Land Use Capacity 1-3 layer (as set out in the 2GP Data Map) as areas of highly productive land in our assessments of effects on rural productivity under Policy 2.6.3.1.d.ii.

3.8.2.1.3 *Approach to hazards*

502. As a result of decisions outlined in the Natural Hazards Decision Report, under Policy 11.2.1.13 subdivision in hazard overlay zones (and in swale mapped areas, dune system mapped areas, or in any other area that the DCC has information to suspect there may be risk from a natural hazard) must demonstrate that there is a reasonable level of certainty that any future land use or development will meet all policies under Objective 11.2.1 (relating to achieving a risk from natural hazards that is no more than low). Consistent with this, we consider that there is a high bar for any residential rezoning applications in these areas, and we have not rezoned the areas unless there is clear evidence that this is achieved.
503. With respect to flooding risk, we note a Hazard 2 (flood) overlay zone coincides with several of the sites that are subject to rezoning requests. As outlined in the Natural Hazards s42A Report, a Hazard 2 (Flood) overlay zone is applied to areas with a moderate risk from flood events. As set out in the Natural Hazards Decision Report, we have amended Policy 11.2.1.5 to only allow natural hazard sensitive activities (including residential activities), where the activity has a critical operational need to locate within the Hazard 2 overlay zone and the risk is minimised as far as practicable, or the scale, location and design of the activity means risk is avoided or is no more than low. Aligned with these decisions on the Natural Hazards topic, we do not consider that residential zoning is compatible with a Hazard 2 (Flood) risk classification.
504. In terms of other hazard overlay zones, Policy 2.6.3.1.d.viii requires a consideration against Objective 11.2.1, and where a site coincides with one of these zones, we have addressed that in the assessments below.

3.8.2.2 *Guthrie case – consideration of most appropriate zoning*

505. In evidence, both Mr Phil Page, legal counsel for *Balmoral Developments (Outram) Limited* (OS741), and Don Anderson, consultant planner for *Philip and Shakuntala Cunningham* (OS965), *William Morrison* (OS57) and others, referred us to the Environment Court decision, *B E Guthrie v Dunedin City Council C174/2001*.

506. The Guthrie decision was in relation to rezoning land on the Otago Peninsula from Rural to Residential, under the operative Dunedin City District Plan.
507. Both Mr Page and Mr Anderson summarised the Court's approach as being that where the relevant objectives and policies are settled, there is no presumption in favour of one zoning or another. The question of what zoning is appropriate does not raise questions of high principle, but is instead a practical question of appropriately zoning the land with the most liberal provisions while avoiding, remedying or mitigating adverse effects.
508. As discussed above, we have assessed rezoning requests against Policy 2.6.3.1. As part of that exercise, we have also been mindful of the need under the Resource Management Act to provide for the appropriate use of land, using appropriate methods based on the hierarchy of statutory documents. To that extent we see the '*Guthrie* test' being achieved by ensuring that the methods and zoning are appropriate. It is not controversial, nor a stand-alone 'test', but affirmation of a principle. Since that decision there have been many other decisions and legislative changes (including, most recently, the NPC-UDC) that have been incorporated into how plans are written and drafted, and we do not consider that that case sets up matters that we need to consider over and above the tests that are incorporated in the rezoning policies.
509. We consider this approach, that is, considering requests against the strategic directions policies, encapsulates the principles of, and be generally in line with, the *Guthrie* Environment Court decision and other more recent cases.

3.8.2.3 Residential capacity

510. Our detailed assessment of the submissions and evidence relating to residential capacity is in Section 3.3, but we summarise the key points here for easy reference.
511. We accept the overall city-wide capacity figures provided by the Reporting Officer (supported by the evidence of Mr Clark) as the best available at present, given the limitations of the data and the many assumptions required. While aspects of the assumptions may lead to overestimation of capacity in some areas, we also consider there are aspects of the calculations and assumptions that will have been underestimated capacity in other areas. Based on these figures, then, we accept that there is sufficient capacity in the short term, and short-medium term, but that there may be a lack of capacity in the 10-20 year timeframe. We note regular reporting of more detailed demand and capacity assessments are required under the NPS-UDC, starting in December 2018. We consider that the regular reporting of demand and capacity will provide ample opportunity to address any medium-long term shortfalls in capacity.
512. As noted earlier, the capacity figures above do not take into account residential development that is available and anticipated in the commercial and mixed use zones.
513. Our acceptance of the overall city-wide capacity figures does not extend to accepting the capacity projections associated with smaller geographic units, nor acceptance that there is a need to provide additional capacity in specific areas that are showing a modelled shortfall. We were convinced by the evidence that historic growth rates do not necessarily reflect future growth rates. Further, we note that historic growth rates are also not a predictor of the availability of infrastructure capacity or alignment with other Plan objectives.
514. Our priority is to provide an efficient and effective urban environment in accordance with the NPS-UDC and the Plan's objectives. The NPS-UDC, while requiring us to provide choice, states that: "it is up to local authorities to make decisions about what sort of urban form to pursue" (NPS-UDC, p. 3).
515. Having heard all the evidence, we determined that Dunedin is a relatively small city, with all suburbs and townships effectively part of a single urban area. Consequently, we have

identified a single 'RTZ Residential Capacity Assessment Mapped Area' on the planning maps. That includes the area from Mosgiel in the west, through the city, to Portobello and Port Chalmers in the east and Waitati to the north. We consider this area should be identified as a single urban area for the purpose of determining whether additional residential capacity is required. We have not included outlying townships in this urban area as their drivers of growth are likely to be different from the main urban area, and we do not think their capacity is particularly relevant when determining whether Residential Transition Overlay Zones, all of which are located adjacent to the main urban area, should be released.

3.8.2.4 Infrastructure

516. Our detailed assessment of the submissions and evidence relating to infrastructure is in Section 3.5, but we summarise the key points here for easy reference.
517. We were not persuaded by suggestions that any consideration of the feasibility or cost effectiveness of infrastructure provision should be left until the subdivision stage. The NPS-UDC's first objective relates to effective and efficient urban environments that enable people, communities and future generations to provide for their wellbeing (OA1). Objective 2.7.1 requires that public infrastructure networks operate efficiently and effectively and have the least possible long-term cost burden on ratepayers. To immediately zone sites where constraints exist that can only feasibly be resolved by long-term catchment-wide DCC-led work would in our view be inconsistent with both the NPS-UDC and Objective 2.7.1, as it would:
- create an expectation of development where this was not readily able to be facilitated, leading to pressure for unplanned and unfunded infrastructure development; and
 - complicate residential capacity assessments and infrastructure planning.
518. We therefore conclude that, when weighing the merits of different options for the provision of residential capacity, it is not only appropriate but indeed necessary to consider the extent and nature of any wider infrastructure network constraints, any identified available solutions and any wider impacts stemming from these possible solutions. Wherever it is possible that a local solution (e.g. a local pipe upgrade) is achievable by a developer, we agree that this should be taken into account in our decisions on site-specific rezoning requests - however any such solutions must be logical, safe and practical before we give them any significant weight.
519. Consistent with amended Policy 2.6.3.1.a, we have therefore moved to rezone land to residential only where evidence suggests that infrastructure network capacity will be available within the next five years. In areas in which the evidence suggests a longer time horizon for the provision of infrastructure network capacity, we have considered the application of a Residential Transition Overlay Zone (RTZ).
520. As a related matter, we observe that given the significant number of infrastructure constraints in Dunedin, there is a very close relationship between the capacity (or not) in infrastructure network catchments, and the provision of residential capacity (both at standard and medium density).
521. As discussed in Section 3.5, our understanding of the evidence of Mr Dyer at the Reconvened Urban Land Supply Hearing was that should additional residential capacity be required, limiting the infrastructure network catchments over which this capacity is provided would increase the chance of infrastructure constraints being addressed in these areas in a timely manner. In evaluating this approach, we concluded it is consistent with both the NPS-UDC, as it will better align infrastructure provision with residential capacity and will maximise the changes of serviced residential capacity being available in a timely manner, and with a range of other Plan objectives including Objective 2.7.1 (Efficient

public infrastructure), Objective 2.7.2 (Efficient Transportation), Objective 2.2.4 (Compact and accessible city), and Objective 2.2.2 (Energy resilience). We have therefore applied a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions on site-specific rezoning requests.

522. As a result, we have provided additional residential development capacity in only two of the highly infrastructure-constrained water and wastewater infrastructure network catchments – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. These catchments were identified following evaluation of all evidence and submission requests relating to all sites, on the basis of:
- the presence of both notified GR1TZ and the presence of notified Infrastructure Constraint Mapped Areas over areas of medium density zoning within the catchments (suggesting a range of housing choice in the residential capacity);
 - the generally better alignment of additional sites with the criteria set out in Policy 2.6.3.1 (comparative to other highly infrastructure-constrained catchments); and
 - in the case of the Kaikorai Valley/South Dunedin Tahuna catchment, the slightly shorter lead times for infrastructure capacity improvements in this catchment (suggesting residential capacity could be made available more efficiently in this area).
523. In taking this approach, we have been careful to ensure housing choice is available (in line with the NPS-UDC and 2GP Objective 2.6.1), by providing for different residential zoning types in different locations within these catchments, and by providing for residential capacity in other infrastructure network catchments where capacity is available.
524. This approach has meant avoiding the creation of additional capacity in other, highly infrastructure-constrained catchments (including townships on the northern water scheme, West Harbour, the Peninsula and Mosgiel), unless we have evidence that creation of a small amount of additional capacity can be accommodated within existing network constraints. We consider that the creation of additional capacity in these areas, even as Residential Transition Overlay Zones, would inevitably lead to pressure for public infrastructure upgrades to occur faster than they are currently planned. This in turn would distract from the delivery of work programmes in the Northern Tahuna and Kaikorai/South Dunedin Tahuna catchments, and therefore delay the timely, efficient provision of residential capacity and housing choice in these areas in line with the NPS-UDC.
525. Finally, in line with the NPS-UDC OA1, Objective 2.7.1 and other Plan objectives relating to environmental performance, our conclusion, having considered all evidence received, is that within or adjacent to reticulated urban areas our strong preference is that sites should be connected to the reticulated wastewater system.

3.8.2.5 Conclusion on residential capacity created as a result of our decisions

526. Overall, as a result of our decisions in the rest of this report, and relying on information we received about the timeframe over which infrastructure will be provided, we estimate that additional capacity in residential zones has been created over the notified version of the plan as follows: approximately 270 additional sites in the short term (5 years), and approximately 300 in the medium to long term (10 to 30 years). The updated capacity in the residential zones (based on the figures presented earlier) is therefore:

- a surplus of 524 in 2023 (short-term⁷)

⁷ 'Short-term' in this context is 5 years, as provided for in the 2GP's policies, rather than the 3 years specified in the NPS-UDC, and is therefore more conservative than required by the NPS-UDC.

- a shortfall of 370 in 2028 (medium term); and
- a shortfall of 3,605 in 2048 (long term)

527. This does not change our view that there is sufficient capacity in the short term and short-medium term, but that there may be a lack of capacity in the 10-20 year timeframe. For these reasons, overall, we consider we have responded appropriately to the direction encouraged by the NPS.

3.8.3 Mosgiel

528. We heard evidence on infrastructure in relation to several rezoning submissions in the Mosgiel area. Some of this evidence applied broadly to Mosgiel as a whole, and is summarised here, rather than in relation to specific sites.

529. The Reporting Officer provided some general comments on Mosgiel. She noted that the area had undergone considerable residential development recently, particularly when compared to the rest of Dunedin. Additionally, the area had significant water and waste infrastructure constraints (s42A Report for ULS Part 2, section 5.1.12, p. 121).

3.8.3.1 Hearing evidence

530. The evidence from Ms Sinclair (hydraulic modeller for DCC Waste and Water Service) was that there was 'no available capacity in the Mosgiel wastewater, water or stormwater networks', and that 'no upgrades are currently planned'. Wastewater flooding and overflow occur during large rainfall events, and this affects properties in the area. Wastewater could potentially be taken from new developments in the east of the township directly to the Green Island wastewater treatment plant; however, the feasibility would need to be confirmed as flows are restricted by current pipe size, pumping stations' capacity and treatment plant capacity. Additional water supply requirements would increase non-compliance with the resource consents associated with taking water from the Mosgiel bore. Large rainfall events overload the stormwater network and cause surface flooding (WWS Request for technical assessment, p. 31). While some work may have been planned or undertaken since evidence was tabled, we understand that the work is to alleviate site-specific issues rather than creating additional capacity. Significant long-term investment would be required to provide water infrastructure capacity improvements of any significance.

531. Additionally, development of as-yet-undeveloped areas that are already residentially zoned in the operative District Plan will exacerbate the current issues. Rezoning more rural land for residential purposes will compound this, and existing residents and the wider environment will continue to be impacted from network flooding (WWS Request for technical assessment, p. 4).

532. It was noted that additional water supply could be obtained from the Mount Grand water treatment plant. However, a water main installed in Gladstone Road in 2013, sized for known future development at the time, may not have additional capacity for further subdivisions of any significant size (s42A Report for ULS Part 2, section 5.1.12, p. 121).

533. Mosgiel is a very sensitive stormwater catchment, being on the flood plain for the Taieri River and Silverstream, and underlain by the extensive Taieri Aquifer, which in turn is responsive to river levels. The DCC stormwater network discharges into local waterways, and when these are high, stormwater discharge is impeded. Mosgiel frequently experiences catchment-wide nuisance flooding in small rainfall events (1 in 2 years). Deep flooding and also property flooding is experienced at Gordon Road/Lanark Street, Kinmont Crescent, Gow Street/McGlashan Street, Woodland Avenue and around the Reid Avenue Swale (WWS Stormwater advice, p. 6).

534. Mr Fisher (DCC Transport Planner/Engineer) gave evidence that the development of land surrounding Mosgiel "is likely to exacerbate existing network capacity problems at the

Gordon Road (State Highway 87)/Gladstone Road North & South/Hagart Alexander Drive intersection, and along Gordon Road" (Statement of Evidence, p 4).

535. Mr Fisher further noted that although the areas surrounding Mosgiel might be logical areas for residential activity from a transport perspective due to their proximity to existing urban areas, the NZTA were the controlling authority for the congested intersections, and they had not provided any submissions on these (Statement of Evidence, p. 5).
536. Given these constraints, and issues in the Mosgiel area the Reporting Officer recommended that future development that requiring servicing in the Mosgiel area, and areas of the Taieri that feed into the Mosgiel networks, should be 'considered very carefully' (s42A Report for ULS Part 2, section 5.1.12, p. 121).
537. Considerable evidence from various submitters and their advisors in relation to the perceived need for additional residential development capacity on greenfield land in Mosgiel was summarised in Section 3.3.5 of this decision, and evidence in relation to approaches to infrastructure in Section 3.5.1 of this decision.

3.8.3.2 Decision and reasons

538. Infrastructure is a key consideration in assessing areas suggested for residential zoning under Policy 2.6.3.1.b, which states "rezoning is unlikely to lead to pressure for unfunded public infrastructure upgrades including road sealing, unless either an agreement between the infrastructure provider and the developer on the method, timing, and funding of any necessary public infrastructure provision is in place, or a Residential Transition Overlay Zone is applied and a future agreement is considered feasible". In addition, Objective 2.7.1 ("Public infrastructure networks operate efficiently and effectively and have the least possible long-term cost burden on ratepayers") is one of the objectives identified under Policy 2.6.3.1.d.
539. At the Urban Land Supply (Part 2) Hearing, the evidence of the DCC Transportation Group assessments, while generally seeming able to support individual rezoning requests, signalled that there were concerns about wider cumulative effects on the network of continued residential development in the Mosgiel Taieri area. Our understanding from the hearing that these are significant transport constraints that need to be worked through with the NZTA, and without addressing these constraints, development around the Mosgiel township is likely to exacerbate existing network capacity issues and lead to pressure for upgrades. This raises questions of alignment with Policy 2.6.3.1.b.
540. In addition, we received evidence from DCC Water and Waste Services staff, which discussed both the cost of connections from boundary of proposed sites to the infrastructure networks and made clear that there is no capacity in these networks. Many submitters focussed on the suggested costs to connect, and considered they were reasonable and anticipated for developments of scale and may be able to be funded in part through the application of private development agreements, development contributions or other such mechanisms. However, from a planning perspective, in deciding whether any given site is the most appropriate way to provide for additional residential capacity, whether connection at the boundary is feasible is not the primary matter of concern.
541. The expansion of Mosgiel raises wider strategic questions about the relationship between provision of infrastructure capacity and residential capacity. In line with the NPS-UDC OA1 and Objective 2.7.1, as discussed above, we consider it not only appropriate but indeed necessary to consider the extent and nature of any wider network infrastructure constraints, any identified available solutions and any wider impacts stemming from these possible solutions, as part of our assessments against Policy 2.6.3.1.

542. Later in the hearing, and in a memorandum following the hearing, and again at the Reconvened Urban Land Supply hearing, we heard clearer evidence about the lack of capacity in many of the water and wastewater networks, including Mosgiel. The Council's evidence was that the new capacity developed early this century in Mosgiel has now been taken up, and the Council is concentrating on major renewal programmes in other areas of urban Dunedin that will provide capacity elsewhere. The evidence was that the network capacity constraints in Mosgiel are extensive and network-wide, relating to water, wastewater and stormwater capacity in some areas, and that provision of additional capacity requires major upgrade of pumping stations and treatment plants. We further understand that, with the exception of some localised site work needed to alleviate unacceptable levels of service, the upgrades are neither planned nor funded at this stage, and additional capacity cannot be anticipated in this network for the next 15-20 years.
543. We are also aware that water supply is no longer taken from bores in Mosgiel following the Havelock North health scare, but is piped from the Mt Grand reservoir in Dunedin.
544. Having heard evidence from Council staff and by and on behalf of submitters, we concluded that creation of additional residential capacity in or around Mosgiel (even with the application of Residential Transition Overlay Zones) is certain to lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitters, nor in the timeframes which Policy 2.6.3.1.a.ii suggests RTZ should seek to provide for. Based on the evidence presented, we therefore conclude that requests for additional residential zoning in this area are poorly aligned with Policy 2.6.3.1.b.
545. Finally, as discussed above, we have taken a city-wide perspective of the relationship between infrastructure capacity and residential capacity when considering rezoning requests. In summary, we have prioritised residential areas in the Northern Tahuna and the Kakorai Valley/South Dunedin Tahuna catchments for additional residential capacity.
546. We consider that providing for additional residential capacity in other highly-constrained infrastructure catchments, including Mosgiel, would be inconsistent with the NPS-UDC, as it would risk detracting limited DCC resource from the delivery of infrastructure upgrades (and therefore the provision of residential capacity and housing choice) elsewhere.

3.8.3.3 Part of 77 Chain Hills Road, Mosgiel (sheet 41)

547. The *Gladstone Family Trust* (OS249.4) sought to change the zoning of a small part of 77 Chain Hills Road, Mosgiel, from Rural Hill Slopes Zone to Low Density Residential Zone, to achieve better land utilisation while keeping development away from steeper higher elevated areas.
548. The Reporting Officer noted that the submitter had previously gained consent to subdivide 60 Irwin Logan Drive, which is immediately to the north of 77 Chain Hills Road, into 68 lots. In January 2014, the submitter lodged a re-zoning request to the Council to rezone an additional 1.3 ha area of adjoining land on 77 Chain Hills Road from Rural to Residential, and in exchange, rezone an equivalent area of land from the approved subdivision area from Residential to Rural. This area was unsuitable for residential use due to the slope.
549. The 2GP rezoned the two sites to rural, and zoned an equivalent area to low density residential, as requested. This appears as a spur of residentially zoned land on the planning maps. The submission stated that the original request also included rezoning a second area, which is now the subject of this submission.
550. The Reporting Officer referred to assessment sheet 41, which noted that the development of the land will 'likely be highly visible from the Mosgiel area due to its elevated nature.'

She found it almost impossible to assess how far up the slope the houses would extend, and what visual impact they would have in the context of consented development.

551. Despite this, she recommended on balance that the submission be accepted as the area is very small, comprising only 10 proposed lots (although up to 15 lots could be created under the requested low density residential zoning) and the proposal is generally consistent with Policy 2.6.3.1, provided agreement can be reached on three waters servicing (s42A Report for ULS Part 2, section 5.1.12, p. 122).

3.8.3.3.1 *Hearing evidence*

552. Ms Emma Peters, consultant planner, and Craig Horne, consultant surveyor, were called by the *Gladstone Family Trust*. Ms Peters gave evidence on the history of resource consents of the area and the layout of the land.
553. Ms Peters noted that 77 Chain Hills Road did not have an infrastructure constraint mapped area on it and that any infrastructure issues could be resolved at a later date as part of subdivision consent. She noted that the Natural Hazards s42A Report was recommending that a hazards overlay on the site be removed. She addressed the issue of height and visibility of the proposed extra 10 lots, saying that they were below or equal to the height of the Kinmont development to the south of SH1. The balance of the steeper land would in time be planted in trees and bush, which would soften the built elements on the site. She offered to provide a landscape assessment from Mr Forsyth for the 10 lots.
554. At the Rural Hearing, we heard again from Ms Peters, who read a statement from Mr Rennie Logan, a beneficiary of the *Gladstone Family Trust*. The statement focused on the possibility of a road linkage being developed through the site, which would link Chain Hills Road to Gladstone Road. Currently development along Chain Hills Road is dependent upon 'a long circuitous route'. The possible link was also noted for its potential to house utilities, which would assist in any future intensification of the area (Statement of Evidence, p. 2).
555. Ms Peters also tabled additional information outlining the area of land which had changed zone in the 2GP (compared to the operative Plan), in the 'land swap'. 13.315ha of land had been changed from Residential to Rural in the 2GP. 12.664 ha had been changed from Rural to Residential. The submitter sought an additional 12.826ha be zoned Residential.

3.8.3.3.2 *Decision and reasons*

556. We reject the submission of the *Gladstone Family Trust* (OS249.4).
557. We do not consider matters relating to the land swap and history of the site are particularly germane to our considerations of the appropriateness of the site for residential zoning, except to confirm that the area generally has some topographical challenges, and that if a land 'swap' were intended, there in terms of land quantum, this has indeed approximately occurred.
558. Rather, we have assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
559. In relation to the question of capacity, prompted by Policy 2.6.3.1.a, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
560. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We observe that the site-specific evidence relating to water and wastewater connections suggests these are feasible and the costs acceptable. However, having heard evidence

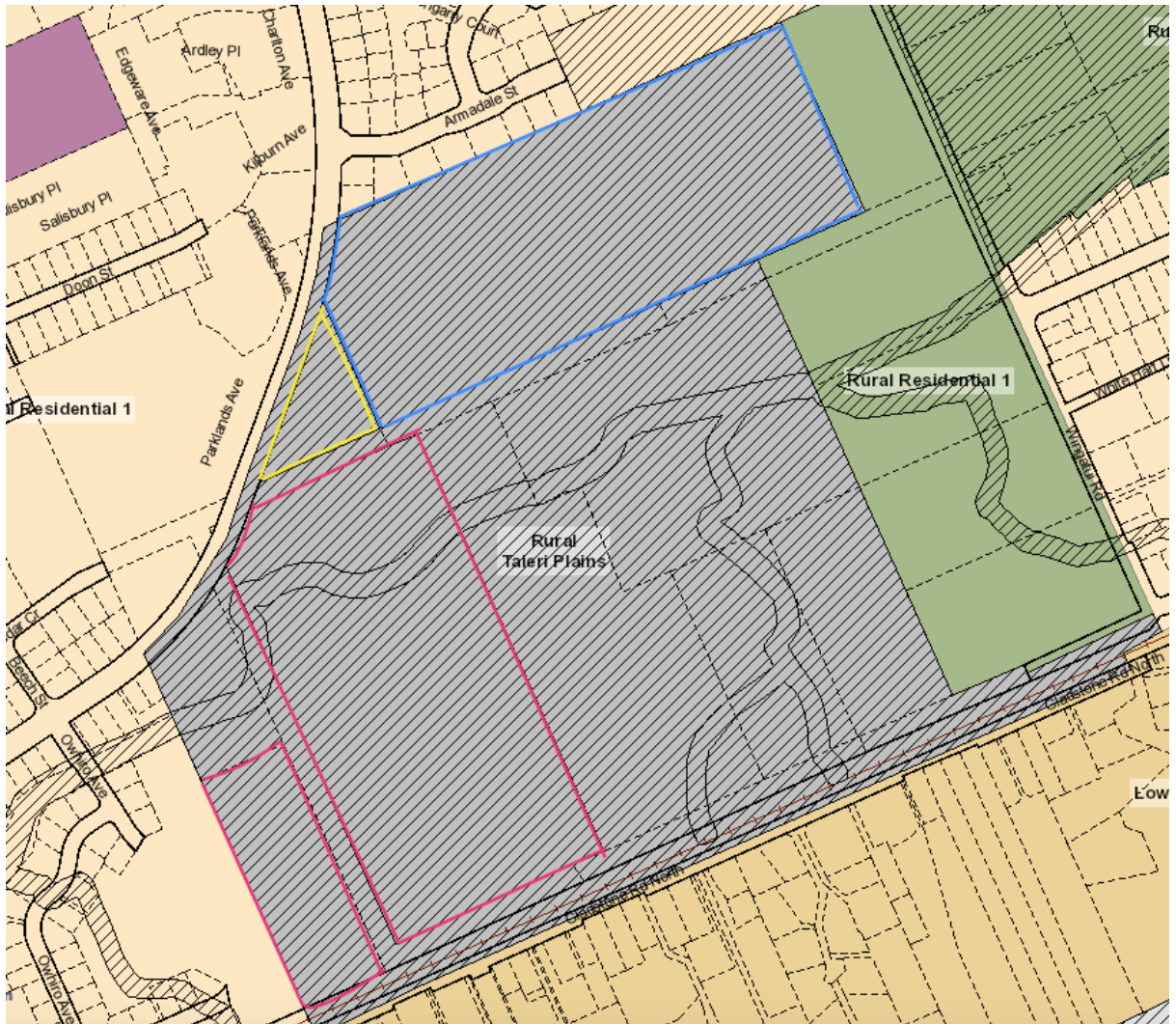
about the wider water and wastewater networks from DCC Water and Waste Services staff (along with evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel would undoubtedly lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitter. We also note the part of 77 Chain Hills Rd proposed for rezoning is outside the water supply network. While the Reporting Officer considered the effects of 10 or potentially 15 houses might be able to be managed, we were mindful of the cumulative effects of such ad hoc planning on existing residents, and that the substantial infrastructure capacity constraints in the Mosgiel network are already providing poor outcomes for some existing residents.

561. Based on the evidence presented, we conclude that requests for additional residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when considered from a city-wide perspective.
562. We heard little detail relating to the matters in Policy 2.6.3.1.c, but did note on our site visit and based on the evidence provided in assessment sheet, that this site is not as close to services and facilities as many others that we considered.
563. In terms of an assessment against Policy 2.6.3.1.d, we note the Reporting Officer's primary concern related to the amenity effects of development in this area. The area does not coincide with landscape overlays so there is no question of conflict with clause 2.6.3.1.d.iii, but we consider there are some questions of alignment with clauses 2.6.3.1.d.i and vi, relating to rural character and other aesthetic considerations, particularly as viewed from Mosgiel. With the exception of the owner's intentions to plant out the balance of the site (we do not understand this to be a consent condition), these matters were barely touched on in evidence and we were therefore not convinced that the site could be considered aligned with these criteria.
564. At the proposed Low Density Residential density, we also question whether the proposed development aligns well with clause 2.6.3.1.d.xi insofar as it seeks to maintain a compact urban form.
565. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.b, in our view the proposed rezoning of part of 77 Chain Hills Road to Low Density Residential Zone does not align well with Policy 2.6.3.1, and we therefore do not agree to the rezoning.

3.8.3.4 Land bounded by Hagart-Alexander Drive, Gladstone Road North and land zoned General Residential 1 to the east and Rural Residential 1 to the west, Mosgiel (sheet 42)

566. This area includes a number of properties and zoning requests with the potential for 121 to 607 lots to be created, depending on the zoning applied. The area is shown in Figure 3.
567. We first outline the various submissions for each site/sub-area, then the s42A response, then hearing evidence for each site/sub-area, and finally our decisions on the sites.

Figure 3: Area of rezoning requests between Hagart-Alexander Drive and Gladstone Road North



3.8.3.4.1 Submissions

66 Hagart-Alexander Drive, from Rural Taieri Plains Zone to Rural Residential 1 or 2 (outlined blue on Figure 3)

568. *RB and SO Chin* (OS888.1), and (FS2418.1) sought to change the zoning of the Rural zoned part of 66 Hagart-Alexander Drive (10.2 ha), to either Rural Residential 1 or Rural Residential 2 zone.
569. The submitter's reasons were that the northern boundary of the site is zoned Residential, and Rural Residential zoning would create an 'interim' zone area between the residential and rural zones.
570. Two submitters, *Cranbrook Properties Ltd* (FS2037.1) and *Terence & Deborah Kennedy* (FS2085.1), supported the submission as they considered it good planning to have a transition Rural Residential zoning.

76 Hagart-Alexander Drive from Rural Taieri Plains Zone to General Residential 1 Zone (outlined yellow on Figure 3)

571. *Richard Oliver* (OS480.3) and *James Lin Ltd* (OS776.1) sought to change the zoning of 76 Hagart-Alexander Drive (0.84 ha), from Rural Taieri Plains Zone to General Residential 1 Zone. They noted that it is a very small triangular remnant of rural zoned land which is unsuitable for rural purposes and is surrounded by residential land.

51 Wingatui Road and 67 Gladstone Road North from Rural Taieri Plains Zone to General Residential 1 Zone (outlined red on Figure 3)

572. *Anthony Reid and Hillary Evans* (OS940.1) sought to change the zoning of 51 Wingatui Road and 67 Gladstone Road North from Rural Taieri Plains Zone to General Residential 1 Zone. The reasons given were that the two land parcels are a 'rural island' too small to function as rural land, and with adjacent residential land to the west and north. The submitters considered that there is a need to upgrade housing stock and there is a trend towards fewer people per dwelling.
573. The submission was supported by *P & IM Evans* (FS2356.1), part owner of 51 Wingatui Rd (9.7 ha) and owner of 67 Gladstone Rd (2.1 ha), who believed it impossible to make a sustainable living from this rural zoned land.

Land surrounded by Hagart-Alexander Drive, Gladstone Road North and land zoned General Residential 1 and Rural Residential 1 (total area that is grey on Figure 3)

574. *James Lin Ltd & Wayne Hanley* (OS1021.1) sought that all rural zoned land adjacent to Hagart-Alexander Drive be zoned either GR1, LDR1, LLR1, LLR2 or any combination of these.
575. This submission was opposed by *Athol Parks* (FS2003.1) on the basis that there was sufficient land already available for residential development, it was important to keep rural land in the area as an ecological corridor, and that the submission was based on development rights, not good planning reasons. It was also opposed by *Judith Justice* (FS2083.1) on the basis that the land provided high amenity values and there was a lack of detail with the application to justify a rezoning. *Owhiro Park Ltd* (FS2296.1) also opposed the submission, raising concerns about the lack of detail and the breadth of the submission beyond the boundaries of the submitter's own land.

3.8.3.4.2 S42A recommendation

576. The Reporting Officer noted that the sites detailed above form a rural block adjoined on three sides by residential land, and with Rural Residential zoned land on the fourth. The total area of the block is 42 ha. It is used for farming, with some rural residential type development (s42A Report for ULS Part 2, section 5.1.12, p. 123).
577. She considered that the relevant issues were high class soils (which cover over half the area), significant three waters infrastructure constraints and flooding risk over half the site, although the latter could be mitigated through minimum floor levels. The southern half of the site (closer to Gladstone Road) had fewer constraints than the northern half.
578. Given the area's location between existing Residential-zoned land, the absence of hazards and high class soils over part of the area, and the lack of a groundwater protection zone (which applies around the north and east boundary of Mosgiel), she identified it as an area that is likely to have priority for future residential zoning in the long term in Mosgiel, if additional capacity is required and existing infrastructure constraint issues can be resolved.
579. In the meantime, rural zoning over the area acts as a 'placeholder' to preserve the site for future residential development. RR2 zoning is also an option, as it would allow only minimal further development, allowing future residential use at a higher density. RR1 zoning would reduce or at least limit the potential for future higher density zoning.
580. She recommended that the area either remain rural, or is zoned RR2 to recognise the existing development pattern (s42A Report ULS Part 2, section 5.1.12, p. 124).

3.8.3.4.3 Hearing evidence section

66 Hagart Alexander Drive

581. *RB and SO Chin* (OS888.1) and (FS2418.1) was represented by John Willems, planning and project management consultant, who outlined the history of the site and use and the issues of split zoning of a property. He proposed a Rural Residential 1 type subdivision with lots sizes averaging 2ha, providing 5 new sites for that part of the land zoned Rural. Mr Willems noted that the submitters "are not considering subdividing at this stage", but they wish to "future proof their land for their family" (Statement of Evidence, p. 1).

76 Hagart-Alexander Drive

582. *James Lin Ltd* (OS776.1) and *James Lin Ltd & Wayne Hanley* (OS1021.1) were represented by Emma Peters, resource management consultant, and Peter White (owner), who outlined the history of the site stemming from the creation of Hagart-Alexander Drive. They discussed the features of the site, the lack of land available to meet demand in Mosgiel and the benefits of providing greenfield land for development. They suggested that the yield for the 76 Hagart-Alexander Drive site would be 11 lots and provided a concept of the subdivision layout (Statement of Evidence, p. 17).
583. *Owhiro Park Limited* (FS2296.1) called Mr Kurt Bowen, consultant surveyor. He outlined that *Owhiro Park's* submission was neutral on the proposal for 76 Hagart-Alexander Drive. Mr Bowen noted infrastructure issues, and the benefits of a masterplan for the site. *Owhiro Park* had some reservations about the level of detail accompanying the proposal, but despite this, had no objection to residential zoning.

51 Wingatui Road/67 Gladstone Road North

584. *Anthony Reid and Hillary Evans* (OS940.1) were represented by Allan Cubitt, consultant planner, and Paul Haddon (Director of Terramark Ltd, consultant surveyors), who both tabled expert evidence.
585. Mr Cubitt challenged the use of rural zoning in the general area and considered it deficient and unsustainable, especially given the high demand for residential development that he saw occurring over the life of the plan. He noted that the land was already connected to adjacent land due to the connections in adjoining subdivisions. He contended that future residential use was accepted in the s42A Report, where reference was made to rural zoning being 'a placeholder' (Statement of Evidence at p. 5).
586. Mr Haddon's evidence analysed the strong demand for property for residential use in Mosgiel and that growth was greater than envisaged with the nearby Highland Park development of 221 lots being developed in 12 stages over 6 years instead of the intended 20 stages over 10 years. He suggested that this success was because of people exercising their choice to reside in Mosgiel and that demand was outstripping supply in Mosgiel generally (Statement of Evidence, p. 2).
587. Mr Haddon advised that the identified infrastructure issues were able to be dealt with at the subdivision phase, rather than at the zoning stage. Furthermore, he noted that the costs of overcoming the constraints estimated by DCC were not substantial, and funding could be considered through a Private Development Agreement (Statement of Evidence, p. 3).

3.8.3.4.4 Revised recommendations

588. The Reporting Officer's revised recommendations were as follows:
589. In relation to 66 Hagart-Alexander Drive, she agreed that Rural Residential zoning was acceptable. She recommended considering a Structure Plan to allow Rural Residential development in the short-term but ensuring that there is a development pattern capable of higher density development in the future.

590. In relation to 76 Hagart-Alexander Drive, 51 Wingatui Road and 67 Gladstone Rd, she recommended that future residential overlay zone and infrastructure constraint layer be applied, as the sites are a logical option for future expansion of Mosgiel, should this be required.

3.8.3.4.5 *Decision and reasons*

591. We reject the submissions of *Richard Oliver* (OS480.3) and *James Lin Ltd* (OS776.1), *Anthony Reid and Hillary Evans* (OS940.1) and *James Lin Ltd & Wayne Hanley* (OS1021.1) to rezone this area residential.
592. Firstly, in terms of 76 Hagart-Alexander Drive, we were not convinced that the history of the size of the site was relevant to planning decisions for the future. Matters of inconvenience would have been addressed at the time of the road development, and, if deemed appropriate at the time, compensation received.
593. We have assessed the sites for residential zoning against Policy 2.6.3.1.
594. In relation to the question of capacity, prompted by Policy 2.6.3.1.a, in terms of the evidence of Mr Haddon and Mr Cubitt, we accept that rates of residential development have been high in Mosgiel in recent years. However, while historic rates of growth may to a degree have reflected a demand for housing in Mosgiel, we were more compelled by the evidence of Mr Collins, Mr Bates, the Reporting Officer and others, who suggested the market dynamics are more complex. On the evidence presented, we consider a more likely explanation for that the high rates of development in and around Mosgiel in recent years to be that they reflected the location of available supply.
595. As set out earlier, we do not consider that there is any requirement under the NPS-UDC to fulfil a shortage of capacity in a given area by providing more capacity in that same area. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPC-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first.
596. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
597. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water and wastewater connections suggesting these are feasible and the costs acceptable. However, having heard evidence about the wider water, wastewater and stormwater networks from DCC Water and Waste Services staff (along evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel is certain to lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitter.
598. Based on the evidence presented, we conclude that requests for additional residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when considered from a city-wide perspective.
599. We heard little detail relating to the matters in Policy 2.6.3.1.c, but based on the evidence provided in assessment sheet, we consider this area has reasonable proximity to services

and facilities, however poorer connectivity than the *Daisy Link* site (27 Inglis Street and part of 58 Ayr Street, Mosgiel) to the south of Mosgiel.

600. In terms of an assessment against Policy 2.6.3.1.d, we do not consider rezoning of the area consistent with clause 2.6.1.4.d.ii, relating to rural productivity. The area is completely covered by soils classified as LUC 1 and 3, and half covered by the high class soils mapped area. The properties, taken together, therefore constitute 42ha of highly productive rural land and the area also has relatively flat topography, which enhances its productive values, although we acknowledge the values are highest to the north of the area and are lower closer to Gladstone Road.
601. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which has been, or is currently being, put to.
602. We do not accept the submissions of *Anthony Reid and Hillary Evans, Richard Oliver and James Lin Ltd* insofar as they suggested properties should be rezoned because they are too small to be productively farmed. In evidence at the Rural and Rural Residential hearings we heard that Dunedin has a large number of undersized rural sites. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.
603. While the area does not coincide with landscape overlays so there is no question of conflict with clause 2.6.3.1.d.iii, as raised by some further submitters we consider there are some questions of alignment with clauses 2.6.3.1.d.i, vi and vii (relating to rural character, access to the Owhiro Stream and other aesthetic considerations) for local residents and for those using the walking track between Hagart-Alexander Drive and Wingatui Road. There was little evidence on these issues and we were therefore not convinced that the rezoning of the area could be considered to be aligned with these criteria.
604. While the evidence of the DCC Transportation Group suggested that development could be supported, they did raise concerns about the impact of the Gladstone Road North/SH87 intersection, and the impact of cumulative effects of development on the Taieri on the Mosgiel transport network, which we consider raises some questions of alignment with clause 2.6.3.1.d.x. There is also a Hazard 3 (Flood) overlay zone over the area, which calls into question alignment with clause 2.6.3.1.d.viii, especially when considered alongside its location upstream of urban development, and Water and Waste Services' evidence that potential stormwater flooding downstream may be exacerbated from change in surface run off.
605. The submissions of *James Lin Ltd & Wayne Hanley* (OS1021.1) requested a range of different residential zoning types, and we considered the appropriateness of all of these in our assessment of the properties against Policy 2.6.3.1. As discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), where residential zoning is considered appropriate we have generally zoned at standard or medium density unless we are limited by scope, or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider this approach is aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure). In this particular location we have also considered the adjacent urban development, the Hazard 3 (Flood) overlay zone and the presence of the Owhiro Stream, to also be factors against a Large Lot Residential zoning and on-site servicing.

606. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.b, our conclusion is that the area of land surrounded by Hagart–Alexander Drive, Gladstone Road North and land zoned General Residential 1 and Rural Residential 1, and the sites at 51 and 67 Gladstone Road North or 76 Hagart-Alexander Drive, are poorly aligned with the criteria in Policy 2.6.3.1, and are therefore not appropriate for residential zoning.

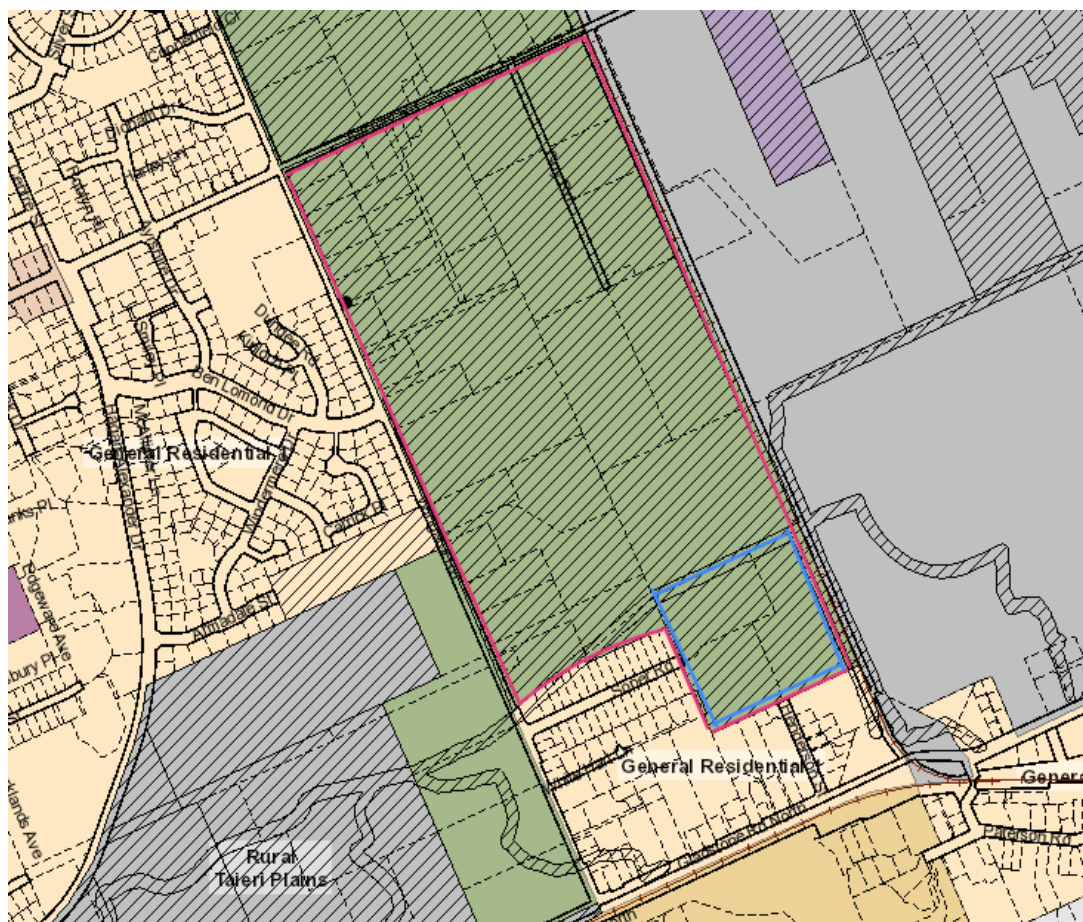
66 Hagart Alexander Drive

607. We note the submission of *RB and SO Chin* (OS888.1) was a request for rezoning as Rural Residential 1 or 2, and so in addition to the assessment above, we have assessed the request against strategic directions policies relating to rural residential rezoning. Overall, we reject the submission of *RB and SO Chin* (OS888.1).
608. While the site is an undersized rural site abutting an area of Rural Residential 1 zoning, we consider that there is poor alignment with the criteria set out in Policy 2.6.1.Y.a, as the rural zoned part of 66 Hagart-Alexander Drive is substantially larger than the adjacent fully developed Rural Residential 1 sites. We acknowledge it could be considered to form part of a mostly-developed cluster of properties at Rural Residential 2 scale, under Policy 2.6.1.Y.b. However, this would not provide any additional development potential.
609. In terms of the criteria in Policy 2.6.1.4, we do not consider rezoning of the area consistent with clause 2.6.1.4.c.ii, relating to rural productivity. The property is completely covered by soils classified as LUC 1, and mostly covered by the high class soils mapped area. We note the area also has relatively flat topography, which enhances the productive values of the property. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider this particularly important in the context of the evidence about the large number of existing undersized rural sites in Dunedin. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
610. We note the Reporting Officer recommended rezoning the property to rural residential, with a Structure Plan applied to ensure a development pattern capable of higher density development in the future. We accept the evidence of the Reporting Officer on the Rural Residential section, Mr Michael Bathgate, that Rural Residential zoning is intended to be permanent, and not a holding pattern for future residential development.
611. While the evidence of the DCC Transportation Group did not raise any issues relating to public infrastructure under clause 2.6.1.4.b, and there are no landscape or natural character overlays associated with the property, we consider there may be questions of alignment with clauses 2.6.1.4.c.i, vi and viii, relating to rural character and amenity, access to the Owhiro Stream, and other aesthetic considerations. There is also a Hazard 3 (Flood) overlay zone extending over the site (a relevant consideration under clause 2.6.1.4.c.ix).
612. As a cluster of undersized rural sites, the area is better aligned with Policy 2.6.1.3.d than other larger rural sites.
613. Overall, we consider it is more appropriate that this site and other adjoining rural sites remain part of the rural zone at this time.

3.8.3.5 Area bounded by Wingatui Road, Factory Road, the railway line and Soper Road

614. We received several submissions to rezone the area outlined in Figure 4 below. We first outline the various submissions for each site / sub-area, then the s42A response, then hearing evidence for each site / sub-area, and finally our decisions on the sites.

Figure 4: Area of rezoning requests between Wingatui Road, Factory Road and the railway line



3.8.3.5.1 Submissions

100 Wingatui Road and wider area (red area in Figure 4)

615. *Kipad Construction Limited* (OS921.3) sought to change the zoning of the wider area bounded by Wingatui Road, Factory Road, the railway line and Soper Road, including 100 Wingatui Road. The change sought was from a Rural Residential 1 Zone to either Large Lot Residential 1 Zone, or a modified version of Rural Residential 2 Zone, which allowed subdivision down to a minimum site size of 1ha. This area encompasses 63.1ha of land.
616. The submitter's reason was that many of the sites are under the 2ha minimum site size, and directly adjoin land zoned General Residential 1 to the west and south. The submitter considered that the area is ideally suited for Large Lot Residential development, or at least Rural Residential at a 1 hectare minimum site size. The submitter further noted that the site can be easily accessed and serviced.
617. *David Shepherd* (FS2151.1) supported the submission, believing it would make an appropriate transition zone from residential to rural, and that expansion to the north is logical given Mosgiel's flooding and drainage issues
618. *Hector Anderton* opposed rezoning to a modified Rural Residential 2 Zone (FS2077.3), but supported GR1 zoning (FS2077.4).

619. *AgResearch Ltd* (FS2398.50) opposed the rezoning request because of reverse sensitivity issues arising from development close to their operations. *Barbara Barratt and Zenda Badger* (FS2113.1) and *Robert Hamlin* (FS2399.3) opposed *Kipad's* submission. There reasons included questioning the need to increase the density of residential development on the eastern side of Wingatui Road, the belief that very little land zoned Rural Residential 1 remains within the Mosgiel catchment area, flooding risk, amenity and traffic concerns, concerns about the impacts on productive land, concerns about the impact on the horse racing industry, and the belief that the proposal is driven by a desire to make capital gain.

41 Soper Road, and 20 - 21 Henderson Street and (7.05ha): assessment sheet 43 (blue area in Figure 4)

620. *BA Building Limited* (OS989.1) sought the rezoning of 41 Soper Road and 20 - 21 Henderson St (a subset of the land in *Kipad's* submission) to GR1. The reasons given were that it already adjoins GR1 zoned land, is constrained to the west by the railway, and lends itself to residential development.
621. The submission was opposed by *Benjamin Baxter* (FS2055.1), *Jenni Topliss* (FS2164.1) and *Jennifer Stadnyk (on behalf of the residents of Soper Rd)* (FS2454.1). Opposition was due to the flood prone nature of the land, infrastructure issues (water pressure and traffic safety), lack of demand, protecting the railway from reverse sensitivity, and that a quiet rural amenity was most appropriate.

3.8.3.5.2 *s42A recommendations*

622. The Reporting Officer noted that the area is currently zoned Rural Residential, and has a rural residential character. The area is large, with a potential for 900 houses at a general residential density, 315 at LLR1 density, or 63 1ha lots. The smaller Henderson Road area could provide a maximum of 100 homes at GR1 density (*s42A Report for ULS Part 2*, section 5.1.12, p. 125).
623. The Reporting Officer recommended the zoning remain Rural Residential, and deferred to the planner for the Rural Residential hearing in respect of the appropriate density. She also noted the area's high class soils, significant three waters infrastructure constraints, and flooding risk, although she noted this could be mitigated through minimum floor levels.
624. The Reporting Officer also noted that the Rural Residential 1 zoning recognises the existing use of the site, and would provide for the subdivision of two additional parcels down to 2ha lots (*Report ULS Part 2*, p. 125).

3.8.3.5.3 *Hearing evidence*

100 Wingatui Road and wider area

625. *Kipad Construction Limited* (OS921.3) did not file further information or appear at the hearing.
626. *AgResearch Limited* (FS2398.50) was represented at the hearing by Nick Daniels (National manager farms and facilities) who gave a PowerPoint presentation. He highlighted the small size of the research farm and the lack of flexibility to accommodate field studies away from adjoining sites. He emphasised the need for surrounding land to remain rural in nature, and that more intensive development reduced the research farm's flexibility. On questioning, Mr Daniels said that while they may be able to do many things as of right, keeping on good terms with neighbours was important, and anything that increased the number of neighbours and amenity expectations made that harder.

627. *Dr Barbara Barratt & Zenda Badger* (FS2113.1) opposed any change from the RR1 zoning. *Dr Barratt* emphasised the substantial number of lots already available or consented in the area and how comparatively little RR1 land remained. She believed there was already enough land available for intensive development and opposed the land to the east of Wingatui Road being intensified, as it was not the most appropriate land for intensification, could be better used to provide for small scale rural land use, and was flood prone. She also suggested that stormwater retention ponds could not cope when land became saturated, and that the issues already existing in the area showed that intensification was not appropriate.

41 Soper Road, and 20 - 21 Henderson Street (7.05ha)

628. Emma Peters, resource management consultant, provided evidence on behalf of *BA Building Limited* (OS989.1), which included a concept plan showing 48 lots for part of the site (41 Soper Road and 20 Henderson Street). A similar lot layout could be applied to 21 Henderson Street, providing a further 25 lots. This would provide 73 lots, rather than 100. This included an allowance for a retention pond which deals with stormwater infrastructure constraints associated with the site (Statement of Evidence, p. 6).

629. The submitter further noted that minimum floor levels would be imposed under the Building Act. In respect of high class soils, this appear to be the result of past overflows of the Owhiro Stream. The land was not considered to be productive rural land. She argued that given the various land holdings involved, it is 'very unlikely' that the site will be used for productive rural uses. Therefore, it would be more efficient to use the land for residential development (Statement of Evidence, p. 8).

630. In respect of infrastructure constraints, Ms Peters submitted that it was unnecessary to address these at the time of rezoning. Engineered solutions can be assessed at the time resource consents are applied for. It was submitted that this was common in Mosgiel, and the 'correct process', as it recognises possible changes in constraints during the lag between rezoning and development.

631. Ms Peters also provided an analysis of the NPC-UDC and the evidence of Mr Collins, as presented at the Urban Land Supply (Part 1) hearing, and suggested that there is there is a clear, evidenced demand for increased capacity in Mosgiel.

632. We also heard from *Ms Stadnyk* and Mr Bruce McCrorie on behalf of the *Residents of Soper Road* (FS2454.1), who spoke about transport and flooding issues. Their submission was that these issues would get worse if *BA Building Ltd* was able to develop the land at GR1 density. We heard detailed evidence of previous flooding events, and that this was caused by 'a bottle neck situation at Wingatui Road', and that this appeared to stem from insufficiently sized infrastructure downstream.

3.8.3.5.4 Decision and reasons

633. We reject the submissions of *Kipad Construction Limited* (OS921.3) and *BA Building Limited* (OS989.1). We agree with the Reporting Officer that Rural Residential 1 zoning is the most appropriate zoning for 100 Wingatui Road and surrounding area, including 41 Soper Road, and 20 - 21 Henderson Street.

634. The submission of *Kipad Construction Limited* requested either a modified version of Rural Residential 2 zoning, with provision for subdivision down to 1ha, or Large Lot Residential zoning. In relation to the former, as discussed in the Rural Residential Decision Report, we have not provided for this amendment to the Rural Residential 2 rule framework. In relation to the latter, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), if we have assessed an area as appropriate for residential zoning under Policy 2.6.3.1 we have generally zoned at standard or medium density unless we are limited by scope, or there is another very clear reason why standard density

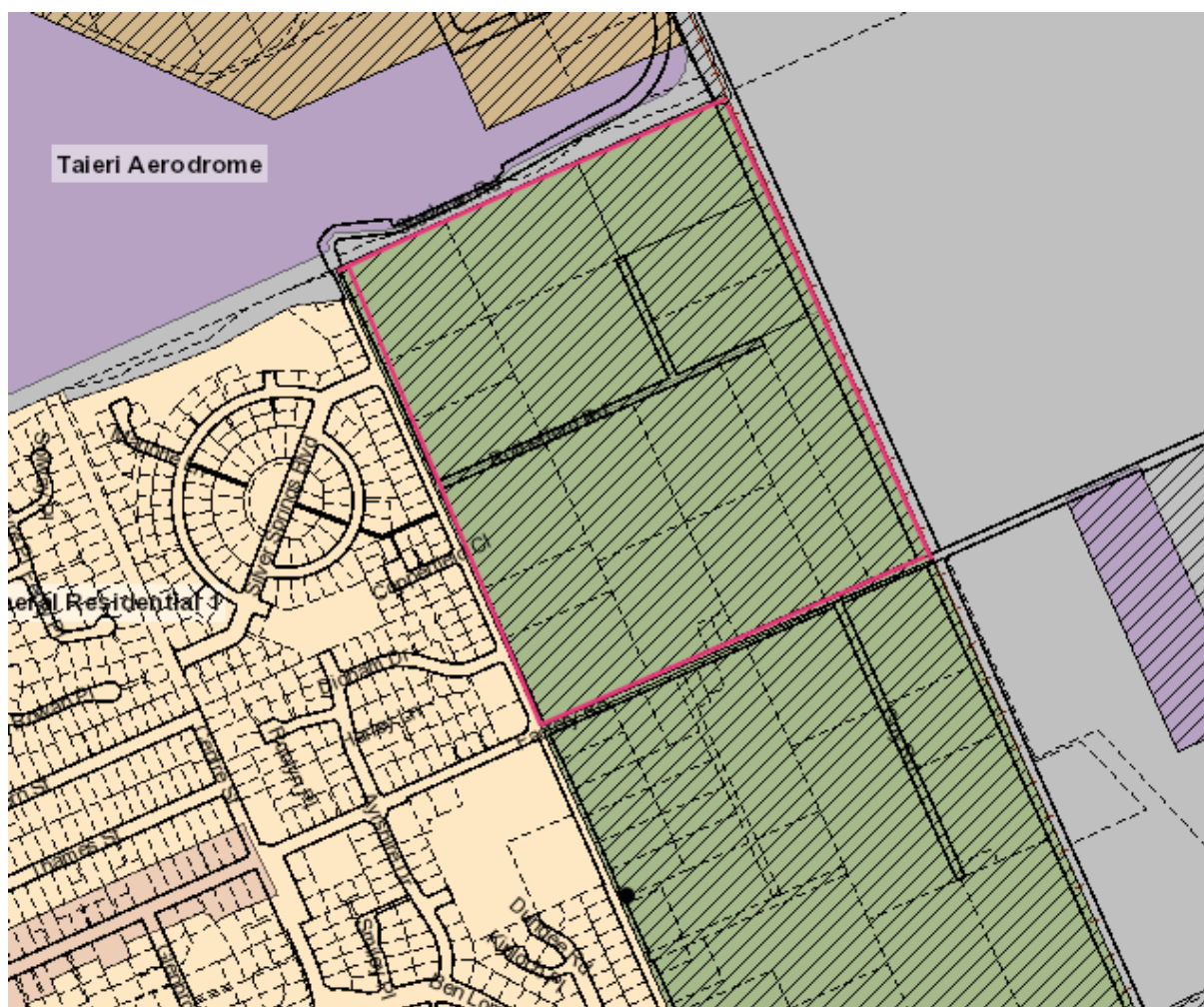
is inappropriate (consistent with Policy 2.2.4.1.b). We consider areas that could be developed at standard or medium residential density to be inconsistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure). We consider the evidence of Ms Peters supports this general approach and note that as *BA Building Limited* (OS989.1) requested General Residential 1, there is scope to consider this in relation to 41 Soper Road, and 20 - 21 Henderson Street.

635. We assessed the areas against the criteria set out in Policy 2.6.3.1.
636. In relation to the question of capacity (clause 2.6.3.1.a), we accept that Ms Peters' evidence that rates of residential development have been high in Mosgiel in recent years. However, while historic rates of growth may to a degree have reflected a demand for housing in Mosgiel, we were more compelled by the evidence of Mr Collins, Mr Bates, the Reporting Officer and others, who suggested the market dynamics are more complex than that. On the evidence presented, we consider a more likely explanation for that the high rates of development in and around Mosgiel in recent years to be that they reflected the location of available supply.
637. We do not consider that there is any requirement under the NPS-UDC to fulfil a shortage of capacity in a given area by providing more capacity in that same area. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPC-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first.
638. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
639. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water and wastewater connections suggesting these are feasible and the costs acceptable. However, having heard evidence about the wider water, wastewater and stormwater networks from DCC Water and Waste Services staff (along evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel would undoubtedly lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitter.
640. Based on the evidence presented, we conclude that requests for additional residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
641. We heard little detail relating to the matters in Policy 2.6.3.1.c, but based on the evidence provided in assessment sheet and our site visit, we consider this site has poorer proximity to services and facilities than a number of other sites, including some others in the Mosgiel area.
642. In terms of an assessment against Policy 2.6.3.1.d, we do not consider rezoning of the area consistent with clause 2.6.1.4.d.ii, insofar as it relates to reverse sensitivity and rural productivity.

643. The area is completely covered by soils classified as LUC 1 and 3, and substantially covered by the high class soils mapped area. The properties, taken together, therefore constitute 63ha of highly productive rural land and the area also has relatively flat topography, which enhances its productive values, although we acknowledge the values are higher to the north of the area and are lower to the south. We note concern about effects on rural protectivity was raised by a number of submitters. While we accept that the area's productive potential may be compromised to a degree by its development at rural residential density, we note that highly productive land is better able to sustain intensive production at small scales than other types of rural land. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
644. In addition, we accept the evidence of Mr Daniels in relation to the potential for reverse sensitivity effects if urban development was allowed in this area.
645. The area is coincides with a Hazard 3 (Flood) overlay zone, with the south eastern corner subject to a Hazard 3 (Alluvial fan) overlay zone. While the Hazard 3 (Flood) overlay indicates only low risk, and does not in and of itself rule out residential zoning, evidence of lack of capacity in stormwater networks coupled with existing flooding issues highlighted by further submitters (particularly on the properties closest to the Owhiro Stream), convinced us that there are clear questions of alignment with clause 2.6.3.1.d.viii, relating to potential risk from natural hazards.
646. While the evidence of the DCC Transportation Group suggested that development could be supported, they did raise concerns about the impact of the Gladstone Road North/SH87 intersection, and the impact of cumulative effects of development on the Taieri on the Mosgiel transport network (relevant in terms of clause 2.6.3.1.d.x).
647. As raised by some further submitters we consider there may be some questions of alignment with clauses 2.6.3.1.d.i, vi and vii (relating to rural character, access to the Owhiro Stream and other aesthetic considerations). A lack of evidence on these points made further assessment challenging.
648. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.b, our conclusion is that both the land subject to the *Kipad* submission, and the sites at 41 Soper Road and 20-21 Henderson Street, are poorly aligned with the criteria in Policy 2.6.3.1, and therefore inappropriate for residential zoning.

3.8.3.6 Area bounded by Stedman Road, Wingatui Road, the railway line and Factory Road, Mosgiel

Figure 5: Area of rezoning requests between Stedman Road, Wingatui Road, Factory Road and the railway line



3.8.3.6.1 Submissions

649. *Janefields Re-Zone Group* (OS1005.1) sought to change the zoning of the 39.95ha of land bounded by Stedman Road, Wingatui Road, Factory Road (red area in plan above) and the railway line from Rural Residential 1 to either GR1, LLR1, LDR or GR1TZ, or a combination of these. It adjoins General Residential 1 land across Wingatui Road.

650. *Janefields'* submission was supported by several further submitters, many of which reside in the area: *Andrew & Karen Treblicock* (FS2023.1) of 8 Rutherford Rd (2.1428ha), *Peter & Christine Dyer* (FS2071.1) of 229 Factory Rd (2.4281ha), *Allan & Susan McLean* (FS2156.1) of 148 Wingatui Rd (2.1204ha), *Robert & Ellen Stone* (FS2250.1) of 158 Wingatui Rd (1.2141ha), *Keryn Grice* (FS2291.1) of 219 Factory Rd (2.3742ha), *The Roseberry Trust* (FS2490.1) of 55 Rutherford Rd (2.9947ha), *Roger Sorokla* (FS2180.1) *Hector Anderton* (FS2077.1). The reasons given included:

- the area borders a high density residential area;
- it does not conflict with the rural aspect;
- it would allow Mosgiel to expand to its natural boundaries of the Silverstream and the railway line; and
- it reflects the existing nature of the area.

651. *Janefields'* submission was opposed by *Leon Hallett* (FS2241.3), *Carolyn Wade* (FS2289.1), *Andrew Botting* (FS2295.1), *Fonterra Limited* (FS2317.1) and *AgResearch* (FS2398.45)) due to:

- flooding risks;
 - servicing constraints;
 - adverse effects on the existing lifestyle environment; and
 - reverse sensitivity issues.
652. *Fonterra Limited* (OS807.58) sought to change the zoning of 31, 40, 50, 54, 55 Rutherford Rd, and 174, 186, 200 Wingatui Rd, Mosgiel (the area bounded by Stedman Road, Wingatui Road, Rutherford Road and the railway line), from Rural Residential 1 to Rural, as it considered it could affect its plant's operations and result in reverse sensitivity issues.
653. *Fonterra's* submission was opposed by *Leon Hallett* (FS2241.2), as the area contains lifestyle blocks which he considered are more aligned with the Rural Residential zone provisions than the previous or current rural minimum areas of 40ha or 15ha respectively.
654. *Fonterra's* submission was supported by *AgResearch Limited* (FS2398.47), as rural zoning reflects the zoning in the operative plan, reducing the potential for reverse sensitivity effects on the Invermay Agricultural Research Centre farm.
655. The Reporting Officer recommended that the zoning remain as Rural Residential 1 for the following reasons:
- high class soils over the majority of the area, significant three waters infrastructure constraints and flooding risk make the land less suitable for residential use, although the latter can be mitigated through minimum floor levels.
 - reverse sensitivity effects (if rezoned to Residential) on both *Fonterra* and *AgResearch Limited* (Invermay Farm)
 - Rural Residential 1 zoning recognises the existing use of the area and provides for no further development opportunity (s42A Report ULS for Part 2, section 5.1.12, p. 126).

3.8.3.6.2 *Hearing evidence*

656. *Janefields* pre-circulated evidence from Emma Peters (resource management consultant), Janice Botting (local resident), *Karen Trebilcock* (local resident), Miles Rapley (real estate agent), and Hugh Forsyth (consultant landscape architect).
657. Ms Peters' statement discussed the NPS-UDC, the Regional Policy Statement and the ramifications for Dunedin, particular for providing development potential in Mosgiel.
658. Mr Rapley remarked that *Janefields'* lots are currently zoned Rural Residential (most are approximately 2 ha in area). Development would 'complement the release of sections in existing subdivisions' if they were to be rezoned General Residential 1 (Statement of Evidence, p. 4).
659. Ms Peters invited the Panel to consider where the hard edges of Mosgiel should be. She suggested that the Otago Central Railway line was an obvious choice, along with the Silverstream (Statement of Evidence, p. 13).
660. She suggested that transition provisions were not needed as the Environment Court had given a precedent in recent plan change processes that large areas should simply be rezoned, and that the market would determine development's order and demand (Statement of Evidence, p. 14).

661. Ms Peters' evidence covered the contemporary area, with a detailed history of the area being provided by resident, *Ms Karen Treblicock* (FS2023.1), who submitted in support of *Janefields'* submission. *Ms Treblicock's* view was that 'more families should be able to share and love *Janefields* just as its current residents do' (Statement of Evidence, p. 9).
662. Ms Peters advised that under the submitter's concept plan, the land would provide 274 lots, down from a potential 570. With respect to flooding risks, she identified that the Hazard 3 overlay that covers the site, indicates a low level of risk. She also noted minimum floor level could address any risk and would be assessed under the building consent process (Statement of Evidence, p. 17).
663. Ms Peters also accepted that most of the area contains high class soils. While residential development may mean losing productive potential afforded under rural residential zoning, Ms Peters noted that in reality, the most common activity is pastoral grazing at low stocking rates, and rural uses are less economically viable than imagined (Statement of Evidence, p. 18).
664. In regard to infrastructure constraints, Ms Peters argued that these should be assessed by Council at the time of the application for subdivision consent, as this recognises that these constraints can change in the time lag between zoning and actual development (Statement of Evidence, p. 19).
665. Ms Peters noted that the setback effect of the railway line between Invermay Farm and *Janefields* would address issues of reverse sensitivity. In respect of the Fonterra Plant, Ms Peters noted that other existing residential areas are closer and the *Janefields* proposal includes an esplanade reserve requirement which would provide further separation (Statement of Evidence, p. 20).
666. In terms of landscape effects, Ms Peters submitted with reference to Mr Forsyth's evidence, that such effects would be 'very much of the lower order in terms of a statutory context' (Statement of Evidence, p. 21)
667. Ms Janice Botting, a nearby resident, provided a statement in support of the *Janefields* submission. She commented that she could "never remember the Silverstream overflowing its banks at, or near, the *Janefields* area". She had only encountered minor surface flooding on paddocks and had never witnessed surface flooding on roads (Statement of Evidence, p. 2).
668. Ms Peters noted that the concept design for the *Janefields* development (prepared by Hugh Forsyth) provided a slow, gradual development of the site, acknowledging the number of different landowners.
669. Mr Forsyth's evidence was that while the site currently has high levels of amenity for its residents, these values are not transferred to the wider public apart from some limited views from adjacent roads. The site is essentially rural in all aspects but does not have high values in an RMA context. He described how the proposal offers a range of residential lot sizes, boundary and site planting, and a walking and cycling network, with design guidelines leading to planted streets, shelter and public safety (*Janefields'* Landscape and Urban Design Report, p. 12).
670. Mr Forsyth expressed his view that rural residential development at *Janefields* would not guarantee a continuation of the present rural character or its values. The attractiveness of close transport connections to Dunedin, flat ground, a low threat of liquefaction and a low threat of flooding is more likely to "encourage development of large homes on large suburban sites".
671. He reiterated his support for the *Janefields* proposal, subject to incorporation of the concept plan and design principles within the 2GP (Statement of Evidence, p. 6-7).

672. *Fonterra* (OS807.58) and (FS2317.10) tabled evidence suggesting that if there was a demand for residential land in the area, there was better land available for us to consider than the *Janefields* land, and that they continued to oppose more intensive development in the area (Statement of Evidence, p. 2-3).
673. *AgResearch Limited* (FS2398.45) was represented by Mr Nick Daniels (national manager farms and facilities), who identified that a key concern is the resultant increase in reverse sensitivity on *AgResearch's* activities, noting that *Janefields'* submission had failed to address this. Residential development would result in "a significant change in character" which could consequently result in a large number of complaints regarding *AgResearch's* activities, and/or opposition to *AgResearch's* resource consent applications (Statement of Evidence, pp. 5-10).

3.8.3.6.3 *Decision and reasons*

674. We reject the submission of *Janefields Re-Zone Group* (OS1005.1). We agree with the Reporting Officer that Rural Residential 1 zoning is the most appropriate zoning for the area bounded by Stedman Road, Wingatui Road, the railway line and Factory Road.
675. The submission requested the application of one of a number of different residential zones, including large lot residential zoning. The concept plan produced at the hearing suggested lots ranging between 700m² and 2000m². As discussed in Section 3.3.6, while acknowledging that there is a need to provide some large lot residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC Objective OA2 and Objective 2.6.1 of the 2GP), if we have assessed an area as appropriate for residential zoning under Policy 2.6.3.1, we have generally zoned at standard or medium density unless we are limited by scope, or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider it would be generally inconsistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to rezone to areas capable of being developed at standard or medium residential density as large lot residential.
676. We assessed the area against the criteria set out in Policy 2.6.3.1.
677. In relation to the question of capacity (clause 2.6.3.1.a), in terms of the evidence of Ms Peters, we accept that rates of residential development have been high in Mosgiel in recent years. However, while historic rates of growth may to a degree have reflected a demand for housing in Mosgiel, we were more compelled by the evidence of Mr Collins, Mr Bates, the Reporting Officer and others, who suggested the market dynamics are more complex than that. On the evidence presented, we consider a more likely explanation for that the high rates of development in and around Mosgiel in recent years to be that they reflected the location of available supply.
678. We do not consider that there is any requirement under the NPS-UDC to fulfil a shortage of capacity in a given area by providing more capacity in that same area. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPC-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first.
679. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

680. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water and wastewater connections suggesting these are feasible and the costs acceptable. However, having heard evidence about the wider water, wastewater and stormwater networks from DCC Water and Waste Services staff (along evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel would undoubtedly lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitter. This is reflected in part by the presence an infrastructure constraint mapped area across the area subject to the *Janefields Re-Zone Group* submission.
681. Based on the evidence presented, we conclude that requests for additional residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
682. We heard little detail relating to the matters in Policy 2.6.3.1.c, but based on the evidence provided in assessment sheet and our site visit, we consider this site has poorer proximity to services and facilities than a number of other sites, including some others in the Mosgiel area.
683. In terms of an assessment against Policy 2.6.3.1.d, we do not consider rezoning of the area consistent with clause 2.6.1.4.d.ii, insofar as it relates to reverse sensitivity and rural productivity.
684. The area is completely covered by soils classified as LUC 1, and almost completely covered by the high class soils mapped area. The area therefore constitutes almost 40ha of highly productive rural land and the area also has relatively flat topography, which enhances its productive values. While we accept that the area's productive potential may be compromised to a degree by its development at rural residential density, we note that highly productive land is better able to sustain intensive production at small scales than other types of rural land. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
685. In addition, we accept the evidence of *Fonterra* and Mr Daniels in relation to the potential for reverse sensitivity effects if residential development is enabled in this area.
686. The area is completely covered with a Hazard 3 (Flood) overlay zone, which is a consideration under clause 2.6.3.1.d.viii, relating to potential risk from natural hazards. We acknowledge Ms Peters' point that the Hazard 3 (Flood) overlay indicates only low risk and does not in and of itself rule out residential zoning. However, when considered alongside its location upstream of urban development, and Water and Waste Services' evidence that potential stormwater flooding downstream may be exacerbated from change in surface run off, we consider it suggests the area may not be the best suited to residential development.
687. While the evidence of the DCC Transportation Group suggested that development could be supported, they did raise concerns about the impact of the Gladstone Road North/SH87 intersection, and the impact of cumulative effects of development on the Taieri on the Mosgiel transport network (relevant in terms of clause 2.6.3.1.d.x).
688. As raised by some further submitters and as canvassed in the evidence of Mr Forsyth there are some considerations under clauses 2.6.3.1.d.i, vi and vii (relating to rural character, access to Silverstream and other aesthetic considerations). We accept that

public access to Silverstream could be maintained by way of the public walkway proposed in the concept plan. We note Mr Forsyth's assessment that present landscape character and amenity values are high for the present residents and though we accept his assessment that these may not be widely experienced outside the site due to the perimeter hedging, a change to residential zoning would bring with it a significant alteration to the amenity of the area and the experience of those passing through and by the site.

689. As discussed above, while the concept plan assisted us to understand how amenity issues, access and staging might be managed, the proposed development densities seemed poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.
690. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.b, our conclusion is that the area bounded by Stedman Road, Wingatui Road, the railway line and Factory Road is poorly aligned with the criteria in Policy 2.6.3.1, and therefore residential zoning is not appropriate.

3.8.3.7 27 Inglis Street and part of 58 Ayr Street, Mosgiel (Sheet 45)

691. *Daisy Link Garden Centres Limited* (OS1047.1) sought to change the zoning of 27 Inglis Street and part of 58 Ayr Street, Mosgiel, from Rural Taieri Plains to General Residential 1. This would provide for a maximum capacity of 523 new sites on 36ha. It considered that rezoning would ensure there is adequate land available for urban growth, provide a logical extension of Mosgiel's current urban area, provide for future urban development largely free from high class soils, and ensure future development is infill rather than sprawl. The submission noted that methods to overcome infrastructure constraints would be resolved on land owned by the company.
692. The submission was opposed by *Phillip Lyall* (FS2038.1), *Raymond Cook* (FS2104.1), *Catherine Thompson* (FS2157.1), *Wilhelmus Rosloot* (FS2341.1), *Ian Stephenson* (FS2388.1), *Brian Miller* (FS2386.1) and *Alan Withers* (FS2466.1). *Alison Rutherford* opposed but conceded RR1 zoning might be appropriate. Their reasons included concerns about impacts on the rural outlook of the area; urban sprawl; traffic; flooding and lack of stormwater infrastructure; infrastructure pressure; roading upgrade needs; and location on productive soils and the groundwater protection zone.
693. The Reporting Officer recommended that the zoning remain rural because the site has a number of constraints for residential development, including significant three waters infrastructure constraints, high class soils and an underlying groundwater protection zone (s42A Report for ULS Part 2, section 5.1.12, p. 127).

3.8.3.7.1 Hearing evidence

694. *Daisy Link Garden Centres Limited* (OS1047.1) was represented by Phil Page (Legal Counsel), who called Leon Hallett (consultant surveyor), Clive Wallis (director of *Daisy Link*), and Joe Chapman (valuer) as witnesses.
695. Mr Wallis gave evidence that he had engaged a soil scientist, Dr Phil Greenwood, to conduct an assessment of the property's soils. Mr Wallis noted that while the soil is characterised as 'High Class Soil', the lower areas are poorly drained, resulting in a much lower productivity. He disputed the high class soils mapping, and tabled aerial photos showing different parts of the site. Mr Wallis believed that some parts of the land would be better used to provide housing than be used for production. He also responded to the flooding issue, remarking that flooding has never been an issue on his land since he has been the owner (Statement of Evidence, pp. 3 and 5).
696. Mr Page explained that the proposal was to provide 330 houses, a community centre and an aged care centre. He emphasised the connectivity that the development would provide

with the four streets leading into the area. He submitted that this proposal was the best site to provide for the demand for Mosgiel land because it is close to the Mosgiel town centre and would meet the Plan's objectives on centres based expansion. While there might be good soils on site, Mr Page submitted (with reference to Mr Wallis' evidence) that they were hard to use productively (Legal Submissions, p. 2).

- 697. Mr Page then set out the legal context for determining the most appropriate zoning of land and discussed the implications of the NPS-UDC. He referred to the evidence of Leon Hallett that indicated that this area of land was some of the best land for development in Mosgiel and in Dunedin (Legal Submissions p. 3).
- 698. Leon Hallett presented a concept plan illustrating potential development options for the land, identifying likely capacity, connectivity with existing area and servicing options (Statement of Evidence, pp. 4-10).
- 699. Mr Hallett further noted that stormwater flows away from the existing residential area and 'with some additional investigation into water supply options, this land provides the best short-term solution to Council's residential capacity problem identified in the s42A Report' (Statement of Evidence, p. 10).
- 700. Mr Chapman agreed on this point with Mr Hallett, as the site is close to major services and has flat terrain (Statement of Evidence, p. 3).
- 701. Mr Page challenged the need for a GR1TZ overlay on the site, describing them as 'problematic', and detailed issues that he considered such an imposition would impose (Legal Submissions, pp. 9-10).

3.8.3.7.2 Revised recommendation

- 702. In her revised recommendations, the Reporting Officer recommended that a transition overlay zone could be applied to the site (Revised Recommendations, p. 13).

3.8.3.7.3 Reconvened s42A

- 703. *Daisy Link's* concept plan was reviewed by Mr Fisher (DCC Transport), who commented that the plan is generally sound in terms of its layout and integration with existing transport networks. However, he did note that additional western and southern connections may be warranted in the future to improve connectivity (Memorandum to Hearings Panel, 11 November 2017, p. 1).
- 704. The Reporting Officer recommended that should we decide to rezone this area residential, or apply a transition overlay zone, an amended version of the submitter's plan should be provided, showing potential additional southern and western connections, as suggested by Mr Fisher (s42A Report for Reconvened ULS, section 3.6.2, p. 15).

3.8.3.7.4 Decision and reasons

- 705. We reject the submission of *Daisy Link Garden Centres Limited* (OS1047.1) relating to 27 Inglis Street and part of 58 Ayr Street.
- 706. The submission requested General Residential 1 zoning for this area. The concept plan produced at the hearing suggested a larger average lot size. As discussed in Section 3.3.6, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), if we have assessed an area as appropriate for residential zoning under Policy 2.6.3.1, we have generally zoned at standard or medium density unless we are limited by scope, or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider it would be generally inconsistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure),

to rezone to areas capable of being developed at standard or medium residential density as large lot residential.

707. We assessed the area against the criteria set out in Policy 2.6.3.1.
708. In relation to the question of capacity (clause 2.6.3.1.a), in terms of the evidence of Mr Hallett, Mr Chapman and the submissions of Mr Page, we accept that rates of residential development have been high in Mosgiel in recent years. However, while historic rates of growth may to a degree have reflected a demand for housing in Mosgiel, we were more compelled by the evidence of Mr Collins, Mr Bates, the Reporting Officer and others, who suggested the market dynamics are more complex than that. On the evidence presented, we consider a more likely explanation for that the high rates of development in and around Mosgiel in recent years to be that they reflected the location of available supply.
709. We do not consider that there is any requirement under the NPS-UDC to fulfil a shortage of capacity in a given area by providing more capacity in that same area. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPC-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first.
710. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
711. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water and wastewater connections, including the evidence of Mr Hallett, suggesting these are feasible and the costs acceptable. However, having heard evidence about the wider water, wastewater and stormwater networks from DCC Water and Waste Services staff (along evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel would undoubtedly lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitter.
712. We also considered whether the application of a Residential Transition Overlay Zone (recommended by the Reporting Officer) would achieve alignment with Policy 2.6.3.1.b. However, given the long timeframes involved in the provision of additional infrastructure capacity in Mosgiel, we conclude that applying a Transition Overlay Zone would set expectations of medium-term resolution of these issues (consistent with Policy 2.6.3.1.a.ii), leading to pressure for unplanned and unfunded public infrastructure upgrades, when the evidence of Water and Waste Services suggests additional capacity will not be available in the network for the next 15-20 years. We consider this may in turn compromise the provision of infrastructure capacity and associated residential capacity elsewhere in the city, causing overall challenges for achievement of the objectives in the NPS-UDC.
713. Based on the evidence presented, we conclude that requests for additional residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.

714. In terms of Policy 2.6.3.1.c, of all the sites in the Mosgiel area, we consider this most closely met these criteria, being in closer proximity to services and facilities than all other sites in the area. In addition, we consider there may be benefits for connectivity of Mosgiel's roading network if this site were developed for residential use.
715. Turning now to an assessment against Policy 2.6.3.1.d. In terms of alignment with clause 2.6.3.1.d.ii, the area is almost completely covered by soils classified as LUC 1, and approximately half covered by the high class soils mapped area, and therefore constitutes 36.6ha of highly productive land. We received more evidence on these soils than we did on any other highly productive land subject to submissions, through the evidence of Mr Wallis. His evidence suggested that undulating topography of the area renders the areas with high class soils poorly drained, and that the area is of limited use for production. Given Mr Wallis' long history with the site, and his experience as a nurseryman, we were able to afford this evidence some weight, although in the absence of any expert soil science evidence, we found it difficult to discount the high value of the soils as mapped. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
716. We do, however, accept Mr Wallis' evidence that reverse sensitivity is not an issue on this site, given the nature of the adjacent nursery business, which does indeed provide a buffer between the proposed residential zoning and the rural zoned land in the vicinity.
717. The area is completely covered with a Hazard 3 (Flood) overlay zone, which is a consideration under clause 2.6.3.1.d.viii, relating to potential risk from natural hazards. We accept that the Hazard 3 (Flood) overlay indicates only low risk and does not in and of itself rule out residential zoning. We also accept the evidence of Mr Hallett that as the site lies immediately downstream of Mosgiel, and the Owhiro Stream is well clear of the site, the risk of stormwater flows entering urban areas as a result of development of this area is substantially lower than the risk associated with development on other areas suggested for rezoning to the north and the east of Mosgiel.
718. While the evidence of the DCC Transportation Group suggested that development could be supported, they did raise concerns about the impact of the Gladstone Road North/SH87 intersection, and the impact of cumulative effects of development on the Taieri on the Mosgiel transport network (relevant in terms of clause 2.6.3.1.d.x).
719. As raised by some further submitters there are some considerations under clauses 2.6.3.1.d.i and vii (relating to rural character and other aesthetic considerations). We consider a change to residential zoning would bring with it a significant alteration to the character and amenity of the two sites, but note we did not have evidence relating to public walkways through or adjacent to the site, and there are no roads passing through or by the site, so generally agree with the Reporting Officer's assessment that the effects will be limited to those living immediately adjacent to the site.
720. As discussed above, while the concept plan assisted us to understand how stormwater and access might be managed, the proposed development densities seemed poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.
721. We agree with the evidence of Mr Hallett that of all the areas on the Taieri subject to residential rezoning requests, 27 Inglis Street and the part of 58 Ayr Street subject to this submission achieve the closest alignment with the criteria in 2.6.3.1, and as such are the most suitable for residential development. However, given lack of alignment with Policy 2.6.1.3b, and unresolved concerns about conflict with clause 2.6.3.1.d.ii, we

considered the site inappropriate for residential zoning, or for a Residential Transition Overlay Zone, as suggested by the Reporting Officer.

722. In considering this issue, we also had regard to the monitoring and reporting required under the NPS-UDC raised by Mr Page (first due in December 2018), which will provide regular opportunities in the coming 15-20 years (the period over which it is anticipated that Mosgiel's infrastructure capacity issues will be resolved) to identify and rezone the most appropriate location for additional residential development.

3.8.3.8 Areas adjoining and between Riccarton Road East, Main South Road-SH1 and Hollands Drive, Mosgiel

723. A number of submitters sought to change the zoning of the areas adjoining and contained between Riccarton Road East, Main South Road-SH1 and Hollands Drive, from Rural Coastal to variously Large Lot Residential 1 Zone, Rural Residential 1 Zone and Rural Residential 2 Zone, as shown below in Figure 6, taken from the submissions, and Figure 7, showing the properties owned by submitters.

Figure 6: Area of requested rezoning with proposed zones shown

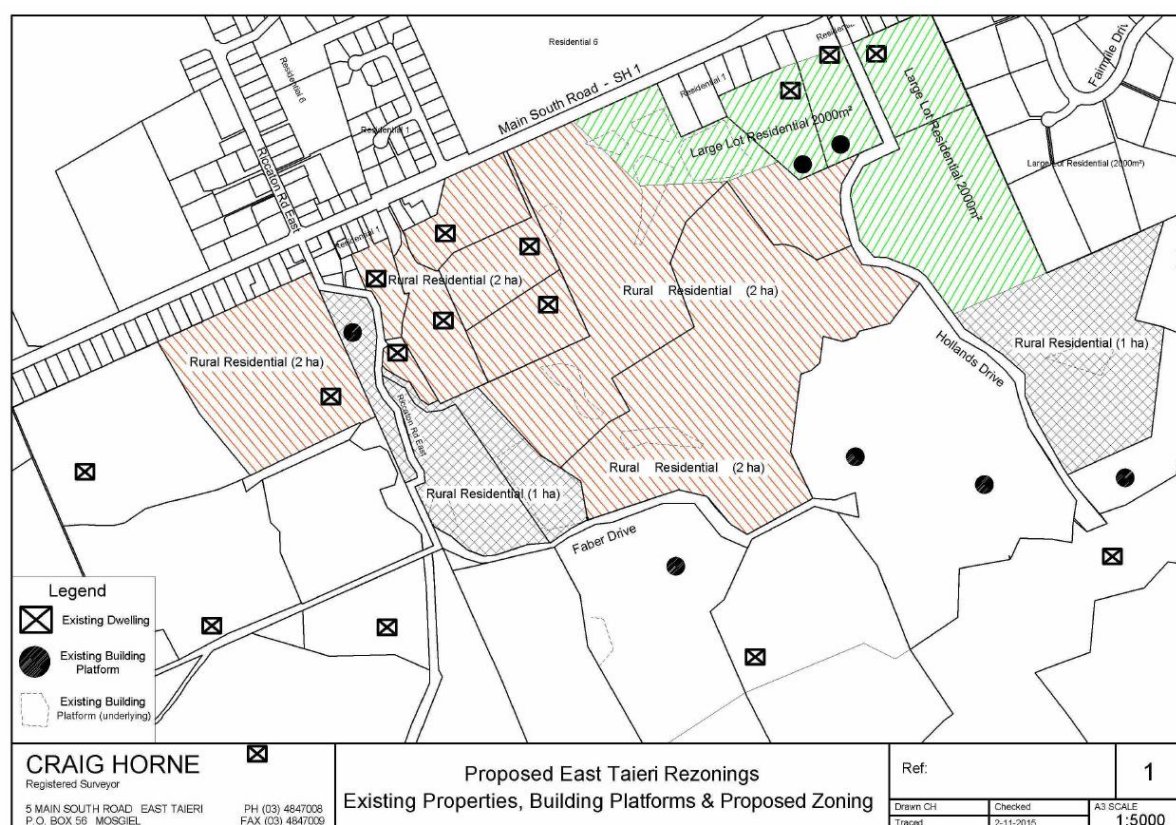
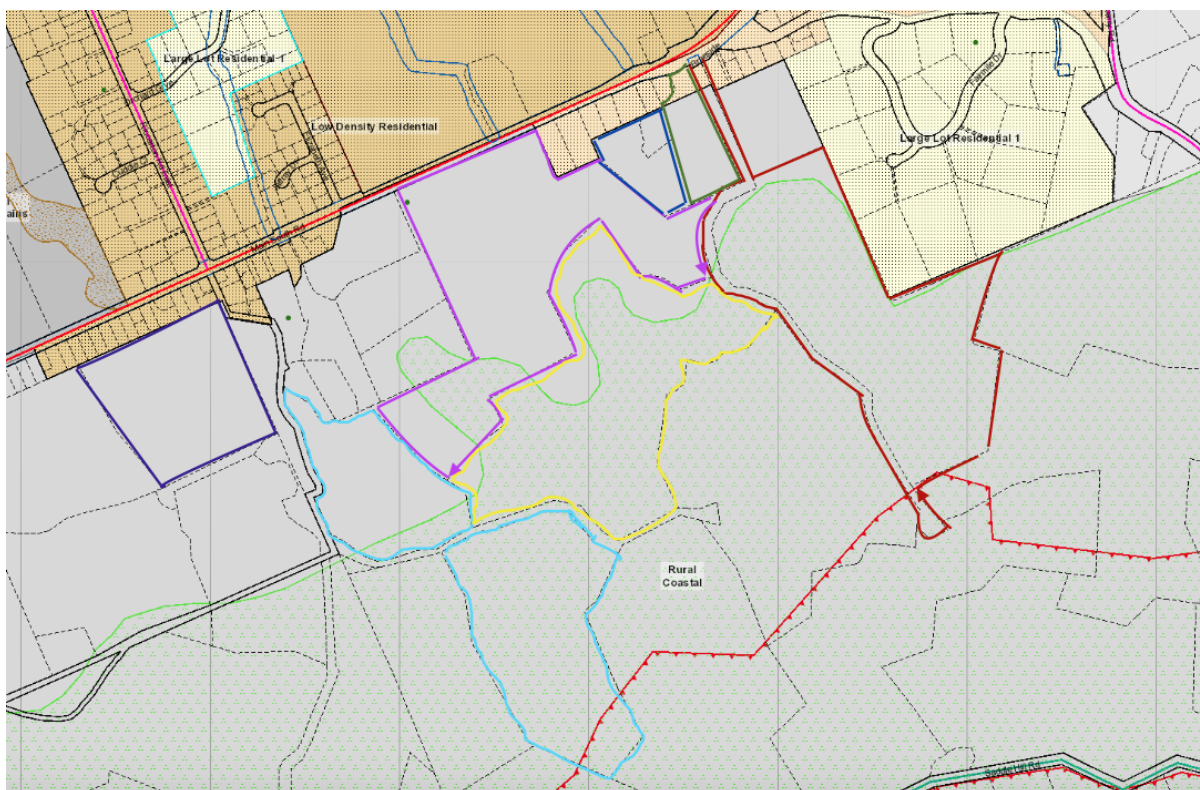


Figure 7: Area of requested rezoning showing location of submitters' properties: Red: 4A Braeside, Saddlevue Estate Limited; Green: 2 Braeside, John Buchan; Magenta: 31 Main South Rd, Blue Grass Limited; Dark purple: 82 Riccarton Rd East, Chris Kelliher and Mainland Property Ltd; Light blue: 103 Riccarton Rd East, Kim Taylor; Yellow: 101 Riccarton Rd East, Blue grass Limited.



724. The submitters were: *Craig Horne* (OS368.7), owner of 5 Main South Road (2.03ha), *John Buchan* (OS610.6), owner of 2 Braeside (1.82ha), *Kim Taylor* (OS660.6) owner of 103 Riccarton Rd East (15.23ha), *Chris Kelliher* (OS666.6 and .9) and *Mainland Property Limited (2004)* (OS816.6) as director and owner respectively of 82 Riccarton Rd East (6.69ha), *Saddleview Estate Limited* (OS813.6), landowner of 4A Braeside (16.0ha), and *Blue Grass Limited* (OS693.6), owner of 31 Main South Road (15.0ha) and 101 Riccarton Rd East (15.0ha).
725. The submitters also sought to remove the SNL overlay from parts of this area (OS368.2), (OS610.1), (OS660.1), (OS666.1), (OS813.1), and (OS693.1).
726. The submissions referred to an Environment Court case *Saddle Views Estate and KJ Taylor v DCC* [ENV-2013-CHC-93]. This related to a subdivision proposal for a large part of the submission area, noting that the Court had refused part of the proposal, mainly on the basis of the operative Plan's Rural Zone policy provisions. The submission further said that
727. The Court noted that any rezoning for the site would need to carefully balance the various issues, with the key matters being landscape, housing demand and geotechnical constraints.
728. The submission referred to a landscape assessment that concluded that "in general and in principle, the lower slopes of Saddle Hill are an appropriate location for residential development". It also noted geotechnical assessments had been undertaken of the land and flooding had not been experienced in this location.
729. *David & Trudi Stewart* (FS2082.2), who own one of the sites (61A Main South Road) opposed the submissions and refuted many of the statements made in support of the rezoning, stating that the submission 'contains a large number of incorrect statements which are unjustified and unsupported.' They noted that the majority of the land was

withdrawn from the appeal prior to it being heard. The *Stewarts* believed the quotations from the Environment Court were misleading because the Environment Court considered only a small part of the site, being the land to the north east of Holland Drive. Accordingly, the *Stewarts* considered that the Environment Court's comments did not in any way apply to the land to the west of Hollands Drive. They noted that the land is stocked and seems to be as productive as any in the vicinity. They did not believe that any comprehensive geotechnical investigations had been carried out.

730. The submission stated that the land proposed to be rezoned included several sites not owned by the submitters.
731. In total the land would provide for 71 dwellings on LLR1 zoned land, 22 dwellings on the suggested RR1 land and up to 10 on the suggested RR2 zone. 10 houses already exist on the land so up to 99 new sites were envisaged.

3.8.3.8.1 s42A recommendation

732. The Reporting Officer noted the consent history of this site, including a number of appeals, which were summarised in the assessment sheet. She noted that previous subdivision consents have resulted in a variety of site sizes, ranging from slightly less than 1 ha to 15 hectares. Some of the proposed subdivisions had been refused on the grounds of inconsistency with the rural and/or landscape provisions of the operative Plan; however, as raised by the submitters, the Environment Court commented in relation to an application to subdivide 4A Braeside, that development on the lower slopes of the north-west face of Saddle Hill might be appropriate for denser development under a rural residential or even urban zoning.
733. The Reporting Officer noted however that the Court made no finding on this issue, and any rezoning would need careful weighing of various factors (including landscape, geotechnical and housing demand) (s42A Report for ULS Part 2, section 5.1.12, p. 128).
734. Dr Marian Read, consultant landscape architect called by DCC, had assessed the impacts of the proposed development on the landscape values of the site, and concluded that 'existing density of development consented on the land within the SNL boundaries is the maximum which the landscape can absorb without significant adverse effects on landscape character and quality'. She did note however, that much of the "less steep and less elevated land to the north of the SNL could absorb subdivision of the types proposed by the submitters" (Statement of Evidence, p. 5).
735. Dr Read considered that the proposed landscape overlay boundary was appropriate and that no cogent evidence had been provided to support moving it. Relocating it would 'diminish the coherence and quality of the SNL overall' (Statement of Evidence, p. 4).
736. Mr Fisher, DCC Transport Engineer / Planner, did not support the rezoning to residential, due to the need to widen and upgrade Riccarton Road East and a section of Braeside Road at an estimated cost of approximately \$500,000. He also noted that the proposed rezoning is likely to adversely impact roads controlled by the New Zealand Transportation Agency (NZTA).
737. In relation to water and waste servicing, the Reporting Officer advised that there are constraints for all three water services. Rural Residential density zoning is not serviced, and these issues do not apply to that zone. It may also be possible to dispose of wastewater on-site on large lot residential sites.
738. The Reporting Officer considered that due to the infrastructure constraints and the SNL overlay on 4a Braeside, rezoning these areas to LLR is not consistent with Policy 2.6.3.1. Rezoning the sites (except 4a Braeside) should only be considered if there is additional need for further LLR zoning, and infrastructure constraints can be resolved (for example on-site wastewater disposal and roading upgrades).

739. Alternatively, the Reporting Officer recommended that a transition overlay could be applied to these sites. For sites which have been requested to be zoned Rural Residential, all except 101 Riccarton Road and 31 Main South Road are consistent with Policy 2.6.1.4. She concluded that assuming there was a need for additional rural residential zoned land, she would recommend that these sites are rezoned (s42A for Report ULS Part 2, section 5.1.12, p. 128).

3.8.3.8.2 *Hearing evidence*

740. The submitters seeking rezoning were represented at the hearing by Allan Cubitt, consultant planner, Calvin Fisher, Craig Horne, and Kim Taylor. Mr Cubitt provided a history of the site ownership and development to date. He conceded that the Environment Court only dealt with 103 Riccarton Road East and 4A Braeside, but suggested that precisely which sites were included in the appeal was not important as they all shared a similar landscape context and proximity to Mosgiel (Statement of Evidence, p. 3).
741. Mr Cubitt said there "... was good evidence of the potential benefits of a greater housing density in the area. The Court noted that any rezoning for the site would need to carefully balance the various issues, with the key matters being landscape, housing demand and geotechnical constraints" (Statement of Evidence, p. 6).
742. Mr Cubitt addressed the issues raised in the s42A Report, remarking that the presence of infrastructure constraints should not preclude rezoning, as development could not proceed until those matters were overcome, and that is a matter to address at the time of subdivision. He also queried how the cost of the roading upgrade was arrived at (Statement of Evidence, p. 12).
743. With respect to landscape effects, Mr Cubitt challenged the weight being given to the area's significant natural landscape overlay. Mr Cubitt noted that the area was not an outstanding natural landscape (ONL). He suggested that while 'amenity landscapes' must be considered, they are 'not afforded any particular status' under the RMA. He submitted that the present SNL simply required that 'particular regard' to be given to the 'maintenance and enhancement of [its] amenity values' under s 7(f). This was compared to the higher protection afforded an ONL, which required the decision maker to 'recognise and provide for' the relevant values (s6(b)). He argued that given the sites' proximity to the urban boundary of Mosgiel, the sought after residential and lifestyle amenity, unproductive rural qualities, as well as surrounding uses making rural activities incompatible, maintaining the status quo for landscape reasons was not necessarily appropriate. (Statement of Evidence, pp. 12-13).
744. Mr Cubitt concluded that 'all the evidence' pointed towards new greenfield development being required in Mosgiel, and that the site's location and attributes support the request for rezoning to meet this demand. Further, the NPS-UDC, and proposed RPS similarly support such a rezoning (Statement of Evidence, p. 14).
745. The submitters argued that the landscape overlay lower boundary should be raised above the current and proposed development (Mr Cubitt's Statement of Evidence, p. 6 and Mr Moore's tabled Statement of Evidence from the Environment Court, p. 32).
746. *Kim Taylor* (OS660.6) and *Saddleview Estate Limited* (OS813.6), landowners of 103 Riccarton Rd East and 4A Braeside tabled evidence prepared by Mike Moore for the Environment Court case referred to earlier. The evidence noted that 4A Braeside proposal is sited next to an area zoned Residential 6 and considered that residential development would "integrate readily with the landscape pattern in this setting". With regards to 103 Riccarton Road East, the evidence stated that the small scale residential development proposed will have minimal effects, given the "recessive" location of the sites (Statement of Evidence, pp. 33-34).

3.8.3.8.3 *Revised recommendation*

747. The Reporting Officer recommended that if the site was rezoned a Structure Plan would be appropriate to detail sites, access, roading connections.

3.8.3.8.4 *Reconvened hearing*

748. Following the Part 2 Hearing, we requested further information on possible content of Structure Plans for a number of sites, including the part of this area that is below the notified Significant Natural Landscape Overlay, although we indicated that a plan for the wider area would also be considered.
749. Mr Cubitt provided a plan on the submitters' behalf showing the proposed road layout, including an access to Braeside for sites at the eastern part of the area (primarily large lot development) and access to Riccarton Road East for sites at the eastern end of the area (s42A Report for ULS Part 2, section 5.1.12, p. 127)
750. Mr Fisher considered the roading layout proposed by Mr Cubitt was acceptable and noted that future connectivity to Saddle Hill Road via Hollands Drive is preferred. This would require upgrading Hollands Drive to a full public road standard and vesting this road in Council (Memorandum to Hearings Panel, 11 November 2017, p. 2).
751. The Reporting Officer recommended that if the Panel decided to zone some, or all, of the area covered by the plan that it is included in the 2GP to show the road layout. She considered that the roads, at least as far as approved development sites, should be required to be upgraded and vested in the DCC. The reasonableness of upgrading Hollands Road for its full length would depend on how much of the area is ultimately rezoned for residential development (Reconvened s42A Report, section 3.7.2, p. 15).

3.8.3.8.5 *Decision and reasons*

752. We reject the submissions of *Craig Horne* (OS368.7) and *John Buchan* (OS610.6), *Blue Grass Limited* (OS693.6), and *Saddleview Estate Limited* (OS813.6), *Kim Taylor* (OS660.6), *Chris Kelliher* (OS666.6 and .9) and *Mainland Property Limited (2004)* (OS816.6) to rezone this area residential or rural residential.
753. For all of those submissions seeking Large Lot Residential zoning, we first assessed the areas against the criteria set out in Policy 2.6.3.1.
754. In relation to the question of capacity (clause 2.6.3.1.a), in terms of the evidence of Mr Cubitt, we accept that rates of residential development have been high in Mosgiel in recent years. However, while historic rates of growth may to a degree have reflected a demand for housing in Mosgiel, we were more compelled by the evidence of Mr Collins, Mr Bates, the Reporting Officer and others, who suggested the market dynamics are more complex than that. On the evidence presented, we consider a more likely explanation for the high rates of development in and around Mosgiel in recent years to be that they reflected the location of available supply.
755. We do not consider that there is any requirement under the NPS-UDC to fulfil a shortage of capacity in a given area by providing more capacity in that same area. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPS-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first.

756. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
757. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of staff was that there are constraints for all three water services in this area. While we note that on-site solutions for disposal of waste water may be possible for large lot residential zones, as discussed in earlier, having heard evidence about the wider water, wastewater and stormwater networks from DCC Water and Waste Services staff (along with evidence presented by and on behalf of submitters) we conclude that creation of additional residential capacity in or around Mosgiel would undoubtedly lead to pressure for unplanned and unfunded public infrastructure upgrades of significant magnitude, that cannot be resolved through the mechanisms suggested by the submitters. In addition, having heard the evidence of Mr McLeod regarding issues with on-site systems, and having regard to the NPS-UDC, Objective 2.7.1 and other objectives relating to environmental performance, we question the appropriateness of large lot residential with on-site wastewater servicing immediately adjacent residential development at standard density.
758. In addition, the evidence of the DCC Transportation Group was that they did not support the rezoning to residential, due to the need to widen and upgrade Riccarton Road East and a section of Braeside Road, and the likely adverse effect on roads controlled by NZTA.
759. Based on the evidence presented, we conclude that provision of additional large lot residential zoning in this area would not only fail to meet the criteria in Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), but would arguably be contrary to the NPS-UDC when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
760. We heard little detail relating to the matters in Policy 2.6.3.1.c, but based on the evidence provided in assessment sheet and our site visit, we consider this location does not strongly align with these criteria. It does not have reasonable proximity to services, noting it is approximately 1.8km from the City to Mosgiel bus route, approximately 2km to East Taieri School (Primary), approximately 4km to Taieri College, approximately 3.7km to Seddon Park, and some 3km from the Mosgiel Centre.
761. In terms of an assessment against Policy 2.6.3.1.d, we do not consider rezoning of the area to be inconsistent with clause 2.6.1.4.d.ii, however we have generally not been persuaded by arguments, in the absence of other strong reasons, that a particular parcel of land is not able to be farmed in an economically viable manner and therefore should be rezoned residential. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.
762. The area coincides with areas of Hazard 3 Flood (Jaffray Stream Alluvial Fan) on 95, 101, 103 Riccarton Road East, 63 and 69 Main South. While the Hazard 3 overlay indicates only low risk and does not in and of itself rule out residential zoning, evidence of there being no available stormwater networks convinced us that there are questions of alignment with clause 2.6.3.1.d.viii, relating to potential risk from natural hazards.
763. The submitters requested large lot residential zoning for parts of this area. As discussed in Section 3.3.6, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b). While we acknowledge in this case the lack of three waters services is a reason for large lot, this does not detract from the fact that

the proposed development densities poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.

764. Given all of the above, and in particular in relation to Policy 2.6.3.1.b, our overall conclusion is that the land subject to the submissions seeking Large Lot Residential Zoning are overall poorly aligned with the criteria in Policy 2.6.3.1, and therefore inappropriate for residential zoning.
765. In relation to requests for rural residential zoning, we first assessed the requests against the criteria in Policy 2.6.1.Y. We do not consider that the properties at 4A Braeside, 11 Main South Road, 82, 101 and 103 Riccarton Road East meet the criteria set out in Policy 2.6.1.Y, as they do not constitute a mostly-developed cluster of sites in separate ownership at the densities required by that policy.
766. Given this, we then assessed the sites against Policy 2.6.1.3, in accordance with the policy framework for rural residential zoning, as outlined in the Rural Residential Decision Report.
767. We accepted the evidence of the Reporting Officer at the Rural Residential hearing that the 2GP makes ample provision for rural residential zoned land and so these rezoning requests do not meet Policy 2.6.1.3.a. In light of this, we consider rezoning would not be consistent with Policy 2.6.1.3.b regarding maintaining the balance between provision of land for lifestyle farming, with the overall Plan objectives around maintaining a compact city and having efficient and effective public infrastructure networks, and a compact city.
768. In terms of the criteria in Policy 2.6.1.4, we do not consider there is strong alignment with these criteria. While the evidence of the DCC Transportation Group focussed more on residential development of the area rather than rural residential zoning, Mr Fisher did point to the need to widen and upgrade Riccarton Road East and a section of Braeside Road and he noted that the proposed rezoning is likely to adversely impact roads controlled by the New Zealand Transportation Agency (NZTA). These issues are relevant considerations under Policy 2.6.1.4.b.
769. In relation to clause 2.6.3.1.c.ii, we note there are no high class soils mapped areas over the land. However, 103 Riccarton Road East and 31 Main South Road are held in the same ownership and comprise a total area of 30 hectares, and there was little evidence to convince us that this land cannot be used for some rural purpose in accordance with its zoning. Particularly in light of the evidence about the large number of undersized rural sites in Dunedin, in the absence of other strong reasons we have generally not been persuaded by arguments that a particular parcel of land is not able to be farmed in an economically viable manner and therefore should be rezoned residential. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.
770. We note the presence of Areas of Hazard 3 Flood (Jaffray Stream Alluvial Fan) on 95, 101, 103 Riccarton Road East, 63 and 69 Main South (relevant considerations under clause 2.6.1.4.c.ix). Whilst those overlays were not a major factor in our deliberations, we do consider that rezoning of these sites to rural residential may raise issues relating to landscape, rural character and amenity and other aesthetic considerations (which are relevant considerations under Policy 2.6.1.4.c.i, iii and viii), noting in particular the presence of a Significant Natural Landscape Overlay Zone on the periphery and through parts of this area. We note that Mr Cubitt challenged the importance attached to landscape values, and that Dr Read did comment that some additional development could be considered in those areas outside the SNL line. However, in applying that evidence to the affected parcels of land we considered that rezoning those parts of the properties would significantly compromise the ability of some of these properties to be developed,

would result in a pattern of irregular zoning in this area, and would be in conflict with other objectives relating to the maintenance of rural productivity.

771. Based on this assessment, we consider the properties are not well aligned with the strategic policies for rural residential zoning, and in addition, would be creating a new area of rural residential zoning in an area of rural zoning, separated from other areas.

3.8.4 Outram

772. The Reporting Officer noted that Outram has a number of services, including a primary school (with a growing roll), dairy, doctor and library, and so can be considered to be relatively resilient. The nearest high school, supermarket and public transport is at Mosgiel, 11km away. The township is surrounded by high class soils and parts are at risk of flooding, with Hazard 2 and 3 flood overlays. She considered that any new development in the area is likely to be subject to these constraints (s42A Report for ULS Part 2, section 5.1.12, p. 129).
773. She noted that the area had two areas of recent development. One at Formby Street, which provided for 9 sites at LLR2 density, and Plan Change 14, which provided for 22 new residential lots at Township and Settlement (un-serviced) density at Holyhead Street. There is capacity in the water network, due to recent upgrades. Outram is not currently serviced for wastewater and on-site disposal is required. Although Outram is not currently serviced for wastewater, and on-site disposal is required (s 42A Report for ULS Part 2, section 5.1.13, p. 129).
774. In her Revised Recommendations following the Urban Land Supply (Part 2) Hearing, Ms Christmas corrected the original capacity calculations for Outram, as they had originally excluded two recent resource consent decisions that provides capacity for an additional 50 dwellings.

3.8.4.1 6 Formby Street, Outram (sheet 47)

775. *Jane Malthus* (OS413.1) sought to change the zoning of 6 Formby Street, Outram, from Rural Taieri Plains to Large Lot Residential 2 Zone. The submitter stated that the site is bounded by a Large Lot Residential Zone, General Residential Zone, and a road, which has made it awkward to use the site for farming, as activities that can be carried out without causing issues for neighbours have become severely limited. *Ms Malthus* believed that the site could provide for future housing for the Outram Township.
776. The Reporting Officer noted that the block of farmland is located on the western edge of Outram, between the area developed to Large Lot Residential 2 density through an appeal to the current District Plan, and SH87. It is a flat paddock, with a minor depression running through it. It is currently used for horse jumping, but is part of a larger farm. She noted that the submitter considers it difficult to farm since the recent residential development in Formby St.
777. The Reporting Officer further noted that if the site is rezoned, discretionary consent would still be required to develop housing on the site. Without further information about the extent of the flooding issues it is difficult to recommend whether it is suitable for residential development. Apart from this issue, she considered that rezoning is generally consistent with Policy 2.6.3.1, assuming there is the need for additional residential development in Outram (sites elsewhere in the city are more suitable). Development at a township and settlement scale would be preferable (more efficient) than Large Lot Residential 2 zoning, provided sufficient area is available for wastewater disposal (s42A Report for ULS Part 2, section 5.1.13, p. 130).
778. No one appeared at the hearing in support of the application and no evidence was tabled.

779. The Reporting Officer noted the site's connection to an existing farm made it more likely that it would be used for rural production than the Holyhead site. Therefore, she recommended that it should have a lower priority for rezoning than the Holyhead Site.

3.8.4.1.1 Decisions and reasons

780. We reject the submission by *Jane Malthus* (OS413.1) to change the zoning of 6 Formby Street, Outram, from Taieri Plain Rural to Large Lot Residential 2 Zone.
781. We assessed the area against the criteria set out in Policy 2.6.3.1.
782. In relation to the question of capacity (clause 2.6.3.1.a), we note that Outram sits outside of the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Outram to provide additional residential capacity for urban Dunedin, but rather whether there is a shortage of residential capacity in Outram itself. Based on the updated capacity data provided by the Reporting Officer at the conclusion of the Urban Land Supply (Part 2) hearing, we consider there is sufficient residential capacity for Outram in the short- and medium term, and therefore there is poor alignment with Policy 2.6.3.1.a.
783. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water connections suggesting these are feasible and the costs acceptable. However, the evidence of DCC Water and Waste Services staff highlights the lack of wastewater servicing in Outram. We have particular concerns about providing further residential capacity within Outram, even at Large Lot Residential scale, as it seems likely that additional residential capacity will lead to pressure for as-yet unplanned and unfunded provision of wastewater infrastructure (noting the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age). We consider this especially the case given the significant flooding hazards in the area (refer to discussion below). We therefore consider there is poor alignment with Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), and it would arguably be contrary to the NPS-UDC, when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
784. In terms of Policy 2.6.3.1.c, while we acknowledge the site's flat topography and proximity to the Outram Rural Centre, Outram township does not have a shortage of residential capacity. The site is also relatively distant from other key services, including public transport.
785. Turning now to an assessment against Policy 2.6.3.1.d. The area is completely covered with a Hazard 2 (Flood) overlay zone, which is a consideration under clause 2.6.3.1.d.viii, relating to potential risk from natural hazards, which is applied to areas with a moderate risk from flood events. As outlined in the Natural Hazards Decision Report, we have amended Policy 11.2.1.5 to only allow natural hazard sensitive activities (including residential activities), where the activity has a critical operational need to locate within the Hazard 2 overlay zone and the risk is minimised as far as practicable, or the scale, location and design of the activity means risk is avoided or is no more than low. Aligned with these decisions on the Natural Hazards topic, we do not consider that residential zoning is compatible with a Hazard 2 (Flood) risk classification.
786. In addition we do not consider rezoning of the area aligns clause 2.6.1.4.d.ii. The majority of the site is covered by the high class soils mapped area. While we accept that the area's productive potential may be compromised to a degree by the small site size and sympathise with the submitter about the impact of the adjacent Large Lot Residential subdivision, we note that highly productive land is better able to sustain intensive production at small scales than other types of rural land, and the site is contiguous with other rurally zoned land. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider that the sustainable management of natural and physical

resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to. In evidence at the Rural and Rural Residential hearings we heard that Dunedin has a large number of undersized rural sites. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.

787. The submitter requested large lot residential zoning for this area. As discussed earlier, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b). We note the Reporting Officer concluded similarly, when assessing the two Outram rezoning submissions. While we acknowledge in this case the lack of wastewater services is a reason for large lot, this does not detract from the fact that the proposed development densities poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.
788. While there are some minor considerations relevant to clause 2.6.3.1.d.i and viii (relating to rural character and amenity, and other aesthetic considerations), these were not substantive in our decision-making.
789. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.a, b and 2.6.3.1.d.viii, our conclusion is that 6 Formby Street is poorly aligned with the criteria in Policy 2.6.3.1, and therefore residential zoning is not appropriate.

3.8.4.2 Part 94 Holyhead Street, Outram

790. *Balmoral Developments (Outram) Limited* (OS741.1) sought to change the zoning of 2.16 ha of land at 94 Holyhead Street, Outram, from Hill Slopes Rural to Township and Settlement Zone, so that the whole property is zoned Township and Settlement. The submitter believed the land serves no useful purpose as a productive area of rural land due to its small size and as it is not contiguous with any other rural site. It considered that it is more suited to residential development, in accordance with adjacent zones.
791. The Reporting Officer noted that the submitter had previously sought to rezone this site to a low density residential area (2000+m² site size) as part of Plan Change 14. That plan change was settled on appeal, with approximately half the total area being rezoned to Residential, with the ability to develop 22 sites of 1000 - 1500m² in size.
792. Part of the area to which this submission relates was intended to be the wastewater disposal field for that development, as there was evidence at the Plan Change 14 hearing that given the particular soil and groundwater conditions in the area, standard lot sizes of 1000m² would be too small for appropriate disposal.
793. The Reporting Officer considered that if the area is rezoned, presumably part of the area will continue to be required for wastewater disposal (possibly a larger area than indicated in PC14), and the development potential will be less than the theoretical 19. Other issues with this area (as with elsewhere in Outram) are the Flood 2 hazard overlay and high class soils, which cover the full site. She considered that it was difficult to conclude that rezoning the site is consistent with Strategic Policy 2.6.3.1.
794. The Reporting Officer went on to conclude that if it was considered desirable to allow additional expansion in Outram to meet predicted demand, both sites are similarly suitable. Development at a general residential scale is more efficient than LLR2, provided suitable land area is allowed for wastewater disposal, particularly at Holyhead St where

there is a groundwater protection zone in place. The two proposals together give a maximum development capacity of 52 (likely to be less given wastewater disposal constraints) (s42A Report for ULS Part 2, section 5.1.13, pp. 130–131).

795. We note that Cllr Wilson and Ms MacTavish excused themselves from the hearing and decision-making process in relation to these submissions, due to their previous involvement with this site.

3.8.4.2.1 *Hearing evidence*

796. *Balmoral Developments (Outram) Limited* (OS741.1) was represented by legal counsel Phil Page, who called consultant surveyor Kurt Bowen and landscape architect Hugh Forsyth to present evidence. Pre-circulated evidence and legal submissions had been filed.
797. Mr Page outlined the details of PC14, which was to rezone 94 Holyhead Street to Residential 5. The decision rezoned part of the site as Residential 5, with the remainder (the subject of this submission) being retained as Rural Zone and identified for wastewater disposal and open space under the Holyhead Structure Plan.
798. He noted that subdivision of the Residential 5 area had now been consented, with an alternative solution for the disposal of wastewater (individual on-site disposal). He argued that the land would now be used more efficiently for residential purposes to meet the Council's NPS-UDC obligations, which did not exist at the time of PC14 (Legal Submission, pp. 2-4).
799. In relation to high class soil, Mr Page suggested that although maintaining the Rural zoning would preserve its productive potential, the size limits its capacity to be support an economically viable activity, making the productive potential "insignificant". Other attributes of the land that contributed positively to the 2GP, were that the land can be serviced for water supply and storm water, and is self-sufficient in terms of wastewater; and the good connectivity to the centre of Outram (Legal Submission, pp. 2-5).
800. Mr Bowen explained the benefits of installing individual wastewater systems for each lot and compared them against centralised systems. He described how centralised systems can be economically challenging because they need to be fully constructed before the first section is sold, despite the fact that treatment capacity may not be taken up for years. On the contrary, individual on site systems are established on a "pay as you go" basis, the cost of which is absorbed into the development cost of each lot. Centralised schemes are also more vulnerable to "catastrophic failure", whereas individual systems are good spreading risk in this respect (Statement of Evidence, pp. 2 - 3).
801. Mr Bowen also explained various options for stormwater retention on site, and noted that there was capacity for connection to the reticulated water system. He also covered issues of traffic, which would be served by a combination of extending lot 29, and the existing entrance onto the State Highway (statement of Evidence, pp. 3-4).
802. Mr Bowen concluded by expressing his view that the land is now surplus to the requirements for wastewater treatment and disposal, remarking that it could readily be serviced on the same basis as the rest of the land covered by the Structure Plan (Statement of Evidence, pp. 4-5).
803. Mr Bowen's oral evidence was that the owners would prefer to adopt an integrated approach to both pieces of land, and that this would probably require a variation to the consent.
804. Mr Forsyth tabled, and gave oral evidence in relation to landscape and amenity issues. He described the site as 'semi-rural/residential' and assessed its landscape value as 'low-

medium'. In respect to amenity, he assessed this as being of 'medium' value, reflecting the setting of the Balmoral Farmhouse. (Statement of Evidence, and Tabled Evidence).

805. Mr Forsyth stated that the site has historical and cultural value, with the Balmoral Farmhouse, a scheduled heritage building on the site, a major contributing factor. Mr Forsyth's view was that the site does not reflect the purpose of Taieri Rural Zone, in regard to providing for "productive rural activities and ecosystem services". This is due to a number of key differences, including:

- scale;
- location and connectivity (no direct connection with other rural land); and
- it does not contain rural activity.

806. Mr Forsyth concluded by stating that he does not consider the site to represent strong rural character, nor does it contain landscape and amenity values high enough to stymie residential development. However, he considered that the visual amenity value of Balmoral Farmhouse can be retained in part for road users, as it is a key focal point for offsite road views and is dominant within the site. Its preservation as a building sits with its listing by Heritage NZ. This would be achieved through the provision of a view shaft preserving views of the farmhouse from the road (Statement of Evidence, pp. 5 and 7).

807. Mr Page concluded by expressing his opinion that the most appropriate way to achieve the objectives of the 2GP in relation to the Balmoral land is to rezone it Township and Settlement (Legal Submissions, p. 4).

3.8.4.2.2 Revised recommendations

808. Mr Knox, as part of the Reporting Officer's Revised Recommendations, was noted as agreeing with the landscape assessment and view shaft proposal for the Balmoral Farmhouse.

809. The Reporting Officer acknowledged the limited productive potential of the Balmoral land, despite the high class soil classification. She stated that if we considered it desirable to allow additional expansion in Outram, then both this site, and 6 Formby Street are similarly suitable and could be rezoned Township and Settlement. Any rezoning should be accompanied by a Structure Plan to identify connections with the adjoining sites and viewshaft/amenity areas (Revised Recommendations, p. 2).

3.8.4.2.3 Decision and reasons

810. We reject the submission of *Balmoral Developments Limited* (OS741.1) to rezone part of 94 Holyhead Street to Township and Settlement Zone.

811. We assessed the area against the criteria set out in Policy 2.6.3.1.

812. In relation to the question of capacity (clause 2.6.3.1.a), we note that Outram sits outside of the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Outram to provide additional residential capacity for urban Dunedin (for which we consider there is sufficient short term capacity anyway, as discussed in Section 3.6.6), but rather whether there is a shortage of residential capacity in Outram itself. Based on the updated capacity data provided by the Reporting Officer at the conclusion of the Urban Land Supply (Part 2) Hearing, we consider there is sufficient residential capacity for Outram in the short- and medium term, and therefore there is poor alignment with Policy 2.6.3.1.a.

813. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure. We note the site-specific evidence relating to water connections suggesting these are feasible and the costs acceptable, and the evidence of Mr Bowen that wastewater disposal can be appropriately managed on sites of 1000m² in this location (which we note has been

accepted as a solution by way of resource consent on the other half of the site). However, we have some particular concerns about providing further residential capacity within Outram, even where on-site solutions are provided, as it seems likely that additional residential capacity will in time lead to pressure for as-yet unplanned and unfunded provision of wastewater infrastructure (noting the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age). We consider this especially the case given the significant flooding hazards in the area (refer to discussion below). We therefore consider there is poor alignment with Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), it would arguably be contrary to the NPS-UDC, when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.

814. In terms of Policy 2.6.3.1.c, while we acknowledge the site's flat topography and proximity to the Outram Rural Centre, Outram township does not have a shortage of residential capacity. The site is also relatively distant from other key services, including public transport.
815. Turning now to an assessment against Policy 2.6.3.1.d. We note the area is immediately adjacent to the Taieri River and its western floodbank. The area is completely covered with a Hazard 2 (Flood) overlay zone, which is a consideration under clause 2.6.3.1.d.viii relating to potential risk from natural hazards, and is applied to areas with a moderate risk from flood events. As outlined in the Natural Hazards Decision Report, we have amended Policy 11.2.1.5 to only allow natural hazard sensitive activities (including residential activities), where the activity has a critical operational need to locate within the Hazard 2 overlay zone and the risk is minimised as far as practicable, or the scale, location and design of the activity means risk is avoided or is no more than low. Aligned with these decisions on the Natural Hazards topic, we do not consider that residential zoning is compatible with a Hazard 2 (Flood) risk classification.
816. In addition we were not convinced by the evidence suggesting there is no cause of concern about conflicts with clause 2.6.1.4.d.ii. While we acknowledge Mr Page's point that the area's productive potential may be compromised to a degree by the small site size, the site is completely covered by the high class soils mapped area, and we note that highly productive land is better able to sustain intensive production at small scales than other types of rural land. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to. In evidence at the Rural and Rural Residential hearings we heard that Dunedin has a large number of undersized rural sites. As the rural land resource becomes more and more fragmented, it can no longer be an expectation that all smaller blocks of rural land will be able to be farmed as fully economic units individually, and so we consider this cannot be viewed as the main catalyst for rezoning rural land to residential.
817. We note the landscape experts were generally in agreement regarding considerations relevant to clause 2.6.3.1.d.i and viii (relating to rural character and amenity, and other aesthetic considerations), so these were not substantive to our decision-making.
818. Given all of the above, and in particular our conclusions in relation to Policy 2.6.3.1.a, b and 2.6.3.1.d.viii, our conclusion is that the part of 94 Holyhead Street subject to the *Balmoral* submission is not well aligned with the criteria in Policy 2.6.3.1, and therefore residential zoning is not appropriate.

3.8.5 Green Island and surrounding area

819. The s42A Report noted that the following sites have easy access to the city centre via the motorway, and are close to Green Island, which is well serviced. There are currently

no wastewater network constraints in this area and so the area can support increased development capacity. It also has relatively little high class soil. Both instability and flooding hazards are present in some areas (s42A Report for ULS Part 2, section 5.1.14, p. 132).

3.8.5.1 45 Torquay Street, Abbotsford

820. *Michael and Louise Lawrence* (OS1043.1) sought to rezone 45 Torquay Street, Abbotsford, from Rural Residential 1 Zone to General Residential 1 Zone or Large Lot Residential 1 Zone. Their reasons included that the property is used to support a modest lifestyle, town services are available to the property, identified hazards can be suitably mitigated or avoided, and there are views from the property. They also offered to gift part of the property as conservation land.
821. The submission was opposed by *AA Kirkwood and GM Kirkwood* (FS2132.1) and *Alan Hughes* (FS2428.1), as the land is shown as unstable on the DCC planning maps and further development could exacerbate subsidence in the area, loss of privacy and loss of direct sunlight.
822. The Reporting Officer noted that the site is well located in terms of its proximity to services, but highlighted the need to upgrade water mains in the area and the unstable nature of the land (s42A Report for ULS Part 2, section 5.1.14, p. 134).
823. However, she did recommend that we consider applying a GR1TZ overlay, to allow future development as and when the water network issues can be resolved and capacity is required, also noting that:
- geotechnical investigations required at the subdivision stage could determine the extent to which this part of the site is developable
 - the upper part of the site is flat and would appear to have few constraints
 - the site adjoins residential, large lot residential and rural residential zoned land
 - it may not be possible to develop the full site to general residential density; however, this is the most efficient use of the land and any future zoning should provide for this. (Assessment Sheet 50).
824. *Michael and Louise Lawrence* (OS1043) were assisted at the hearing by Kurt Bowen (consultant surveyor). *Mr Lawrence* explained the challenges of managing the site as rural or rural residential, given the close proximity of neighbours. He also clarified that the concept of a walkway to connect Shipka, Shulma and Mitchell Streets, which all have dead-ends at the boundary of 45 Torquay Street.
825. Mr Bowen considered that residential zoning was more appropriate than Rural Residential, to achieve a better consistency with the adjoining land pattern, regularise the rural-urban boundary and reduce the opportunity for incompatible activities across the rural/residential boundary.
826. He tabled a geotechnical report, which confirmed that the northern half of the site is suitable for residential development. The southern half is unstable and not suitable for residential use. Between these two areas is a 'buffer corridor' which would be suitable for infrastructure to support development. The property is already connected to the DCC water and wastewater networks.
827. Access is readily available from Torquay and Mitchell streets. An indicative layout plan was tabled, showing 43 new sites on the north and west of the site, and an indicative road layout.

828. The non-residential part of the site could be developed as a community facility or conservation area. He also highlighted that the owner is willing to develop, which is not the case with all landowners of land zoned residential.
829. Mr Bowen considered that the water infrastructure issue could be easily resolved by replacing a section of water main, which could be done by the developer, or as part of DCC's routine maintenance programme. He estimated the costs at \$95,000, which, when divided between 43 new sites, is a cost of \$2,200, which he considered to be affordable. He also considered that stormwater could be managed in accordance with the council's stormwater policies.
830. He also considered that the rezoning would be consistent with the relevant provisions of the Plan, and the NPS-UDC in terms of providing extra development capacity.
831. Mr Bowen considered that the submitters issue would be addressed by allowing residential development on only the northern part of the site, as outlined above.
832. *Andrew Kirkwood* (FS2132) spoke to his concerns about the land stability in the area, the need to upgrade water and wastewater services, which he considered would be a cost to ratepayers. He highlighted the shading caused by existing trees on the site, and considered that development would compound such issues. He also noted the narrowness of the streets, and considered that additional cars would be a problem.
833. In her revised recommendations, the Reporting Officer agreed that the water issues could be resolved at the time of subdivision. She did not consider that housing limited to the north of the site would be such an issue for shading or loss of privacy.
834. She recommended that the site be rezoned for residential, with a structure plan identifying proposed roading connections and taking into account the site constraints.

3.8.5.1.1 Reconvened hearing

835. Following the hearing, we requested that the Reporting Officer prepare a draft structure plan, and we considered this at the reconvened hearing on [date].
836. At that hearing, Mr Robertson DCC Parks and Recreation Planner, noted that the proposed walkway could become a valued track for residents, in light of limited existing walkways nearby.
837. The Reporting Officer recommended attaching the submitters' plan, with a requirement that the walking track is constructed prior to development of the area. Ownership and maintenance of the track can be resolved at the time of subdivision consent.
838. She also addressed concerns we had raised during the initial hearing in relation to management of the undeveloped part of the site, by noting that the proposed site layout shows this area included with the existing dwelling as a single site. If we had concerns that the layout may change, a condition could be imposed such that "Lot 100' on Plan X must not be subdivided from the residential dwelling marked 'existing dwelling'".

3.8.5.1.2 Decision and decision reasons

839. We accept the submission of *Michael and Louise Lawrence* (OS1043.1) to rezone 45 Torquay Street, Abbotsford to General Residential 1, and the Reporting Officer's recommendation that a structure plan identifying the development area and roading connections be included in the Plan.
840. The submission requested either General Residential 1 or Large Lot Residential 1 zoning for this area. As discussed earlier, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally

consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density.

841. We assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
842. In relation to the question of capacity, prompted by Policy 2.6.3.1.a, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1. In this case, we consider there is clear alignment.
843. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the site-specific evidence relating to water and wastewater connections suggests these are feasible and the costs of required upgrades should be able to be managed by way of a Private Development Agreement. No wider water or wastewater network issues were identified. While stormwater issues had not been assessed, we consider the alignment with Policy 2.6.3.1.b was better than for almost all sites proposed for residential zoning.
844. Given its location on the edge of the urban Dunedin, we consider there is reasonable alignment with Policy 2.6.3.1.c.
845. In terms of an assessment against Policy 2.6.3.1.d, we consider there is general alignment with this.
846. In terms of issues of land instability, which are relevant considerations under clause 2.6.3.1.d.viii, we note the Hazard 2 (Land Instability) overlay in proposed the 2GP has been removed as a result of decisions outlined in the Natural Hazards Decision Report. We accept the evidence provided by Mr Bowen that a geotechnical report has confirmed the northern half of the site is suitable for residential development, with the southern half being unstable and unsuitable for residential use. We consider some of the issues raised by further submitter Mr Kirkwood are addressed to some extent through the provision of a reserve on the area of instability. We consider this should be included in a Structure Plan.
847. We note that a further submitter raised questions of effects on amenity, which is a relevant consideration under clauses 2.6.3.1.d.i and vi, relating to rural character and other aesthetic considerations. However, we agree with the Reporting Officer's assessment that while residential development will change the character of the area substantially, the area does not have particularly special character, and the effects will be minor when considered from a city perspective. We also consider the proposed walkway and associated reserve area would be an asset (not only in terms of amenity, but also in relation to clause 2.6.3.1.d.x), and consider it important that it is established prior to subdivision. Ownership and maintenance will need to be determined between the developer and DCC at the time of development.
848. In summary, we consider the 45 Torquay Street aligns well with the criteria outlined in Policy 2.6.3.1. We have therefore included a Torquay Street Structure plan in Section 15.7A.8 of the Plan, with the conditions below with areas A and B referring to the areas of instability identified by the submitter:
1. *'Lot 100' as shown in the Torquay Street Structure Plan may not be subdivided from the residential dwelling marked 'existing dwelling'*
 2. *No dwelling may be constructed in Areas A or B as shown on the Torquay Street Structure Plan (Figure 15.7A.8).*
 3. *Construction of dwellings must not take place until:*

- a. *all roading, stormwater, wastewater and water supply infrastructure is in place for that stage of the development, and connections to future stages, and adjoining sites, are provided for; and*
- b. *the public pathway shown in the Torquay Street Structure Plan is constructed.*

3.8.5.2 23 and 27 Friendship Drive, Waldronville

- 849. *IA and HM Gunion* (OS934.1) and *Tony and Sharon Shaw* (OS937.1) sought to amend the zoning of 27 and 23 Friendship Drive, Waldronville, from Rural Residential 1 to Large Lot Residential 1 Zone.
- 850. The Gunions believe the site is ideally suited for large lot residential development as it sits on the boundary of the existing residential zone and can be accessed and serviced from Friendship Drive. They state that the other rural residential sites, with the exception of 27 and 23 Friendship Drive, cannot be serviced from Friendship Drive.
- 851. *Julie Harliwich* (FS2039.1, 2), an adjoining neighbour, opposes the submissions as they bought their property with the knowledge that it would be rural. She values the dark skies, sea views and green space, and is concerned about possible property value reductions and the possible consequential future zoning of her property.
- 852. *Barbara Mason* (FS2105.1 and .2) also opposes the submission, and notes that the area was rezoned rural residential in 1993, for lifestyle purposes, and that higher density development would adversely affect the character of the area.
- 853. The Reporting Officer referred to assessment sheet 49. These sites are part of a rural residential block between Waldronville and Blackhead Road. The land is flat, there are no infrastructure constraints, and the sites are reasonably close to Green Island centre and access to the southern motorway.
- 854. The Reporting Officer considered that the primary issue is whether existing rural residential land should be redeveloped for residential use, against the wishes of neighbours who have an expectation that the rural residential character of the area will be maintained.
- 855. As discussed at the ULS Part 1 hearing, Rural Residential areas are not intended to be transitional areas for more dense residential development; however there may be situations where an increase in density is possible, and even desirable, if landowners agree. This rural residential land would otherwise be well suited to residential development, and would be a more efficient use of land close to the city.
- 856. The Reporting Officer recommend that consideration is given to rezoning this site should additional land be required that cannot be met by other sites with a similar lack of constraints. Ideally, she considered that any rezoning should be to a general residential density. She identified scope for this through submission (OS394.5), which sought an increase in residentially zoned land (s42A Report for ULS Part 2, section 5.1.14, p. 133).
- 857. *Barbara Mason* pre-circulated evidence opposing both (OS934.1) and (OS937.1). The evidence advised that she was unable to attend the hearing, but noting that she was the original holder of the title at 471 Blackhead that she subdivided into 'five lifestyle rural residential blocks'. She went on to describe the landscape value of the 'lifestyle area' as 'outstanding', and part of the scenic coastline. Additionally, she noted that there was higher demand for lifestyle sections than high density sections and that in her view the NPS-UDC was 'directing towards affordable cheap homes' rather than intensifying 'small lifestyle units'. She also provided a copy of a 'geotechnical report' that detailed land instability issues for the property at issue.

858. The Reporting Officer noted in her revised recommendations that land instability was something that could be dealt with through the subdivision and building consent process, and that the main issue was the change from rural residential land to residential.

3.8.5.2.1 *Decision and reasons*

859. We reject the submissions of *IA and HM Gunion* (OS934.1) and *Tony and Sharon Shaw* (OS937.1) seeking to amend the zoning of 27 and 23 Friendship Drive, Waldronville, from Rural Residential 1 to Large Lot Residential 1 Zone.
860. We assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
861. In relation to the question of capacity (Policy 2.6.3.1.a), as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
862. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the site-specific evidence relating to water and wastewater connections suggests these are feasible and the costs of required upgrades should be able to be managed by way of a Private Development Agreement. No wider water or wastewater network issues were identified. While stormwater issues had not been assessed, we consider the alignment with Policy 2.6.3.1.b was better than for almost all sites proposed for residential zoning.
863. We considered there was particularly poor alignment with Policy 2.6.3.1.c. Although close to a bus route and reserve, the distance to the closest school, centre and other services is significant. In terms of topography, the evidence of the DCC Transportation Group staff raised questions relating to access to the sites, and our site visit raised further concerns in this regard. While the advice was that this could be considered at subdivision stage, we had no evidence to give us confidence that the site access was suitable for this density of development.
864. In terms of an assessment against Policy 2.6.3.1.d, we note that further submitters raised questions of effects on rural character and amenity and other aesthetic considerations, which are relevant under clauses 2.6.3.1.d.i and vi. As discussed in Section 3.4.3, while we are not opposed to the rezoning of rural residential land to residential where there is clear alignment with relevant criteria, accepting these submissions would create two sites of large lot zoning in an area of rural residential zoning, which we do not consider good planning practice. One of the purposes of zoning is to ensure that landowners can have a clear expectation about the type of character and amenity in a given area. It may be that the whole area of rural residential zoning could be considered holistically for rezoning in the future, but we were constrained in our considerations by scope.
865. The submissions requested large lot residential zoning for these sites. While acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless there is a clear reason why this is inappropriate on a site that meets the criteria for residential zoning (consistent with Policy 2.2.4.1.b). We therefore consider the proposed development densities poorly aligned with clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.
866. In summary, when these sites are considered in isolation and at the residential density suggested, our conclusion is rezoning them would result in an *ad hoc* large lot incremental development in a rural residential area remote from most services. They do not demonstrate strong alignment with the criteria in Policy 2.6.3.1 (particularly Policy

2.6.3.1.c and Policy 2.6.3.1.d.ix and xi), and we therefore do not support the suggested rezoning.

3.8.6 Corstorphine and Concord

867. The Reporting Officer noted that there are no wastewater constraints in this area as wastewater feeds into the Tahuna Wastewater Treatment Plant. Water upgrades are currently underway in Corstorphine and are likely to be completed in the next few years (s42A Report for ULS Part 2, section 5.1.15, p. 135).

3.8.6.1 31 and 39 Blackhead Road, 120 and 122 Emerson Street, Concord

868. *Ken and Pam Close* (OS875.1) and *John Menzies* (OS878.1) sought to re-zone 31 and 39 Blackhead Road and 120 Emerson Street, Concord, from Rural Coastal to General Residential 1 Zone. A GR1TZ is provided over 31 Blackhead Road. The submitters argued in support of their proposal, that there is a need for affordable housing and a lack of greenfield development sites in Dunedin. In respect of the site, they noted that it is close to the city, and could provide land for managed retreat from South Dunedin. They also noted that the site had previously been identified for development by the Ministry of Housing, and plans were drawn up to develop part of the area.

869. The Reporting Officer referred to assessment sheet 51. She noted that the area is on the corner of Blackhead Road and Emerson Street. It is developed at a rural residential density, but zoned rural. She was of the view that the site is a logical extension of Concord and 31 Blackhead Road has a GR1TZ overlay, which provides for future development.

870. The Reporting Officer noted that the primary constraint is the water network, which is currently being upgraded. It was noted that it was understood that this is scheduled to be completed within the next few years. By retaining the GR1TZ the Reporting Officer noted that this would ensure that water network capacity was available, and additional residential capacity required, prior to development. She also recommended that consideration is given to extending the GR1TZ to cover the rest of the submission area. This is a logical expansion area and will have no infrastructure constraints in the medium term. It would allow development to be undertaken in a co-ordinated manner and avoid leaving three small rural residential sized sites between the cemetery and the Concord urban area (s42A Report for ULS Part 2, section 5.1.15, p. 135).

3.8.6.1.1 *Hearing evidence*

871. Both submitters were represented by Geoff Bates, consultant surveyor who pre-circulated evidence in support.

872. Mr Bates agreed with the Reporting Officer that the site represents a logical extension of the Concord urban area. However, he argued that the immediate release of this land for residential development would provide greater benefit to the residents of Dunedin (Statement of Evidence, pp. 7-8).

873. Mr Bates identified no impediments to the rezoning of the site other than a water network constraint. He was of the opinion that infrastructure constraints should not be a valid reason to withhold land, as these could be dealt with through conditions in the consent process.

874. Mr Bates advised us that there is scope to also rezone 122 Emerson Street, which was subdivided from 120 Emerson Street after the original submission was lodged (oral comments). We agree that this newly issued title is within the scope of the original submission.

3.8.6.1.2 Revised recommendations

875. The Reporting Officer's revised recommendation was for a structure plan to be prepared for the site to identify site constraints, density, reserves/walkway and connections to adjoining sites.
876. At the revised recommendation session for the ULS Part 2 Hearing, the Panel requested various pieces of information. This included a response from the new owner of 122 Emerson Street, Concord, on the potential rezoning of that site.
877. In the resulting memorandum which was received on the 6 July 2017, Mr Mark Clearwater explained that he was comfortable with the future development of the site for residential purposes; however, has no plans to subdivide for the next 10-15 years. His only concern with rezoning at present was a likely increase in rates (Memorandum of additional information on high class soils, capacity data and large lot sites, p. 2).
878. For these reasons, the Reporting Officer recommended an alternative approach was adopted for this site: to retain rural zoning but apply a Future Residential Overlay Zone.

3.8.6.1.3 Reconvened s42A

879. Following the ULS Part 2 hearing, we requested a draft structure plan be prepared for 31 and 39 Blackhead Road, and 120 and 122 Emerson Street.
880. Mr Bates submitted two alternative concept plans for development of the sites, with alternative roading layouts. Both plans included a 4.5ha reserve on the steeper, northern part of the site, and roading connections to both Emerson Street and Blackhead Road (Statement of Evidence and annexures).
881. Mr Fisher, DCC Transport Planner, considered both of the concept plans to be appropriate, but noted if intensive development was to occur at the adjoining site at 18 Roy Crescent, road access would be required from 120 Emerson Street (s42A Report Reconvened ULS, p. 17).
882. Mr Angus Robertson, DCC Parks and Recreation Planner, noted that the part of the site identified as potential reserve land has the potential for direct connection to existing DCC reserve land at Mulford Park. The land appears to be vegetated with mature trees, which could provide an opportunity for mountain biking tracks. Further discussions would be required at the time of subdivision to determine whether the land is vested in DCC and ensuring access to Mulford Park (s42A Report Reconvened ULS, section 3.9.1.2, p. 17).
883. The Reporting Officer recommended that one of the two concept plans be incorporated into the 2GP as a Structure Plan, and proposed that the following performance standard is included (s42A Report Reconvened ULS, section 3.10.1, p. 18):
- a. the layout of any subdivision must:
 - i. include provision for vehicle access to Mulford Park recreation reserve for maintenance purposes.

3.8.6.1.4 Reconvened hearing evidence

884. In evidence tabled at the hearing, Mr Bates presented an amended concept plan, which provided for vehicle access to the proposed reserve area that will link with DCC's Mulford Park.
885. He agreed with the Reporting Officer's comments that the committee's requirement for roading infrastructure to be in place prior to subdivision is not economically viable when

larger subdivisions are likely to be staged. He noted that any rulings need to allow roading to be provided in stages (Statement of Evidence, p. 1).

886. In relation to water constraints, Ms Sinclair and Mr Oliver for DCC Water and Waste Services advised that capital works for pipe renewals have been completed; pressure reduction is now required; and constraints could be resolved in the short term (5 year) time frame (WWS Urban Land Supply Assessment overview, p. 4).

3.8.6.1.5 Decision and reasons

887. We accept the submissions by *Ken and Pam Close* (OS875.1) and *John Menzies* (OS878.1), to rezone 31 and 39 Blackhead Road, and 120 and 122 Emerson Street as General Residential 1, with removal of the GR1TZ from 31 Blackhead Road.
888. We assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
889. In relation to the question of capacity (Policy 2.6.3.1.a), as discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1. In this case, on balance we consider there is good alignment.
890. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the site-specific evidence relating to wastewater connections suggests these are feasible and that there are no network-wide constraints. In relation to water, it is advised that constraints should be resolved in the short term. While stormwater issues have not been assessed, we consider the alignment with Policy 2.6.3.1.b was reasonable relative to other sites subject to rezoning requests.
891. Given its location on the edge of the urban Dunedin, we consider there is reasonable alignment with Policy 2.6.3.1.c. We do note that some of the site is steep but that land has been agreed to be reserve land in the proposal (refer discussion below).
892. In terms of alignment with Policy 2.6.3.1.d, assessment against these raised only minor issues.
893. The evidence of the DCC Transportation Group staff raised the issue of poor provision for non-motorised users, which is a relevant consideration under clause 2.6.3.1.d.x, but the advice was that this could be considered at subdivision stage. We considered the linkage between the proposed reserve area and the DCC reserve land at Mulford Park beneficial in terms of providing connectivity.
894. In terms of effects on rural character and amenity and other aesthetic considerations, which are relevant under clauses 2.6.3.1.d.i and vi, we agree with the Reporting Officer's assessment that effects on these will be minor and we accept Mr Robertson's evidence that the proposed reserve area is supported from a Parks and Recreation perspective, in particular as it provides connectivity to Mulford Park.
895. In summary, we consider that there is good alignment with the criteria in Policy 2.6.3.1, and we therefore support rezoning to General Residential 1. We have applied a Structure Plan mapped area to the area and included Mr Bate's concept plan within Rule 15.7A.9. This includes additional performance standards requiring that vehicle access must be provided to Mulford Park for maintenance purposes, and to 18 Roy Crescent, to allow for development of that site in future.

3.8.6.2 30 Stevenson Road, Concord

896. *Custom Investments Ltd* (OS944.2) sought to change the zoning of 30 Stevenson Road, Concord, from Rural Hill Slopes to General Residential 1 Zone, and remove the GR1TZ overlay. The submitter believed that the property is in an ideal location for residential development.
897. The Reporting Officer recommended that the submission be rejected. She noted that there are constraints in the water network which are programmed to be resolved within 5 to 10 years, and that a GR1TZ overlay was appropriate to allow these constraints to be removed and ensure that additional development capacity is required before the land is developed (s42A Report for ULS Part 2, section 5.1.15, p. 136).

3.8.6.2.1 *Hearing evidence*

898. *Custom Investments Ltd* (OS944) was represented by John Willems, planning and project management consultant, who tabled evidence. He described how the property is characterised by a distinctive terrace located alongside the Stevenson Road carriageway, which lends itself well to residential development and would be ideal for this land use.
899. Mr Willems agreed with the Reporting Officer that the site is a 'logical' area for further development. However, he submitted that the company would like to work with the council to overcome the water network capacity shortfall and reiterated the submitter's request for immediate rezoning to GR1 (Statement of Evidence, p. 3-4).

3.8.6.2.2 *Revised recommendations*

900. The Reporting Officer's revised recommendation was that the land is rezoned to General Residential 1.

3.8.6.2.3 *Reconvened Urban Land Supply Hearing*

901. In evidence, in relation to water constraints, Ms Sinclair and Mr Oliver for DCC Water and Waste Services advised that there were no water or wastewater network constraints associated with this site.

3.8.6.2.4 *Decision and reasons*

902. We accept the submission by *Custom Investments Ltd* (OS944.2), to change the zoning of 30 Stevenson Road, Concord, from Rural Hill Slopes to General Residential 1 Zone, and remove the GR1TZ overlay to ensure that subdivision planning can be processed in association with the adjoining site.
903. The key matters of relevance to this submission relate to provision of infrastructure. The site-specific evidence relating to wastewater connections suggests these are feasible and that there are no network-wide constraints. In relation to water, it was initially advised that capacity was not available, but later evidence suggested there were no issues with network capacity in this area. The evidence of the DCC Transportation Group staff raised the issue of poor provision for non-motorised users, which is a relevant consideration under clause 2.6.3.1.d.x, but the advice was that this could be considered at subdivision stage. While stormwater issues have not been assessed, we consider these too can be assessed at time of subdivision.
904. In summary, we consider that there is no particular reason to delay development; and we therefore have zoned the site General Residential 1 and removed the GR1TZ.

3.8.7 Patmos Avenue area

905. Submissions were received relating to adjoining areas: 15 Dunedin-Waitati Road and sites on Patmos Avenue. We outline the submissions and evidence for each first, then present a joint decision for both areas, as they are inter-related.

3.8.7.1 15 Dunedin-Waitati Rd, Pine Hill

906. *G and K Wynn-Williams* (OS920.1) submitted that the part of 15 Dunedin-Waitati Road that was proposed to be zoned LLR1 should instead be zoned Low Density Residential with minimum site sizes of 1,000m².

907. *Stephen Johnston* (OS1030.10) submitted that this site should retain LLR1 status.

908. The Reporting Officer referred to assessment sheet 19. She noted that the site is an area zoned R6 in the operative plan (resolved by consent order in 2001). The R6 rules limit development to 34 sites, with a minimum area of 2000m² each. The submission (OS920.1) seeks to increase the density to a minimum site size of 1000m², and notes in support that 'a balance is needed between minimum site size and economically viable site numbers, given the particular landscape attributes of the site'. The Reporting Officer noted that smaller sites would be a more efficient use of the site, if the character of the site, including areas of bush, could be retained. She agreed with the submitter that the site is not highly visible from the northern motorway, as it is elevated above the road, nor from the Pine Hill/Liberton area.

909. The Reporting Officer considered that a development plan showing how a higher density might be achieved while retaining the character and amenity of the area which was intended to be protected by the R6 zoning would be useful. She noted that this could be provided by the submitter at the hearing. She also noted that capacity is not available in the wastewater network and therefore wastewater would need to be managed on-site through septic tanks or a proprietary wastewater management system. If deemed to be appropriate, small sites sizes as requested could be included in the 2GP through a structure plan (s42A Report for ULS Part 2, section 5.1.7, p. 69).

3.8.7.1.1 *Revised recommendation*

910. Neither of the above submitters appeared at the hearing or tabled evidence.

911. In her revised recommendations, the Reporting Officer recommended rezoning 15 Dunedin-Waitati Road to a Structure Plan Zone, to allow an increase in density in flatter areas, protection of bush areas, and a maximum limit on number of dwellings.

912. On the 29 November the Urban Land Supply Part 2 Hearing reconvened, following a request by the Panel for further evidence after the Panel had visited the area, in relation to a number of sites, including 15 Dunedin-Waitati Road.

3.8.7.1.2 *Reconvened s42A Report*

913. We requested that a concept plan be developed, preferably in association with the Patmos Avenue sites (see Section 3.8.7.2), showing any bush areas to be protected and areas allowed for house sites. The plan would ideally show a landscape amenity planting strip along the motorway to screen houses and look at opportunities for public access.

914. Mr Pitts submitted a plan showing the site and roading locations. The plan illustrated 15 sites, accessed via a right of way from SH1, with alternative access through the adjoining property. The plan also showed the two watercourse areas which would be covenanted, and a 5m planted strip on the property boundary, as well as possible alterations to the

road reserve as noted above (s42a Report ULS Reconvened Hearing, section 3.3, pp. 10 -11).

915. Mr Knox assessed the concept plan and was generally in support of the proposed site density and dwelling locations (Memorandum to Panel, 1 November 2017).
916. The Reporting Officer noted that if the Panel decided to accept the submission and allow a minimum site size of 1000m², she recommended that a Structure Plan is included, specifying the maximum development potential, minimum site size, and areas to be protected (s42A Report ULS Reconvened Hearing, section 3.3.2, p. 12).
917. Nigel Pitts appeared on behalf of *Mr and Mrs Wynn-Williams* (OS920.1) and suggested that more intensive development was suitable on this site.

3.8.7.1.3 *Decisions and reasons*

918. Our decision regarding the request to rezone 15 Dunedin-Waitati Road is discussed in association with the Patmos Avenue sites below.

3.8.7.2 14, 16, 18, 28, 48 Patmos Avenue, Woodhaugh

919. *Stephen Gregory Johnston* (OS1030.9), supported by *Michael Ovens* (FS2198.7), sought to change the zoning of 14, 16, 18, 28, 48 Patmos Avenue from Rural Residential 2 Zone to Large Lot Residential 1 Zone, to achieve a coherent land use pattern and avoid 'artificial land use blocks' imposed on the landscape. Mr Ovens considered the change sought reflects the existing nature of the area and will result in better management of the area's natural assets.
920. *Michael Ovens* (OS740.6) also sought to change the zoning of 28 Patmos Avenue, to LLR or to provide for smaller section sizes in the RR2 zone down to 1000m²- 2000m² as he noted there is no rural activity near the site, the character and amenity of the area will be enhanced by additional houses, infrastructure is in place and the soil is poor.
921. *Paul Nelson* (FS2028.1) opposed *Mr Johnston's* request as he considers the area is rural in nature, with existing lifestyle blocks, and any further intensive development would not be appropriate. He was also concerned about road safety issues.
922. *John & Jan Satterthwaite* (FS2319.1) also opposed *Mr Johnston's* submission in part, with respect to 28 Patmos Avenue which they sought be rezoned at no more than Rural Residential 1 Zone. They noted that Patmos Avenue is inadequate for increased traffic and believed that subdivision would destroy parts of the nearby native bush. If any more development was provided for the other sites in Mr Johnston's submission there should be a requirement for the road to be upgraded.
923. The Reporting Officer referred to assessment sheet 18. She noted that this area is located between Patmos Avenue and the northern motorway. It has a small number of houses, with sites being rural residential in scale. The area is zoned Rural Residential 2 in the 2GP. Most of the area is covered with native bush, the exceptions being 48 Patmos Avenue, which is adjacent to the Patmos Avenue bridge over SH1, and a relatively small part of 28 Patmos Avenue. The area has both flat plateaus, and gullies with some steeply sloping areas. There is a scheduled heritage building on 16 Patmos Avenue. The large area of native bush is highly visible from the Pine Hill/Liberton area, and from SH1.
924. The Reporting Officer considered that there is no capacity in the wastewater network and no programmed upgrades. Extending the network to the site would also require significant expenditure by the developer. A second major issue with this area is the potentially significant impact of development on the large area of native bush and the visual amenity, and potentially biodiversity values that this provides. This particularly applies to 28 Patmos Avenue.

925. Consequently, the Reporting Officer considered that the rezoning would not be consistent with Policy 2.6.3.1. Rezoning 28 Patmos Avenue to RR1 is not consistent with Policy 2.6.1.4 unless it is found that there is a shortage of rural residential capacity. For these reasons she recommended that the RR2 zoning remain over the whole area (s42A Report for ULS Part 2, section 5.1.7, p. 68).

3.8.7.2.1 Hearing evidence

926. *Michael Ovens* spoke to his submission and provided photos and the history of his family's site. He noted the issues with productivity of the site for rural purposes and his brother's attempts to diversify into nuts. While the family valued the bush he contended that the Council was requiring them to retain a private reserve for the betterment of others. He also noted that there were parts of the property that did not have high indigenous bush values. He contended that the site was more urban than rural and produced photos of houses that would suit the site and not affect the amenity of the area.
927. In her revised recommendations on 23 June 2017, the Reporting Officer suggested that there should be no changes to the zoning of all of the sites due to amenity and constraint reasons, with the exception being 28 Patmos Avenue. She recommended rezoning 28 Patmos Avenue as a Structure Plan Zone to allow a 2ha average density, with sites identified to minimise impacts on native bush.

3.8.7.2.2 Reconvened hearing s42A Report

928. On the 29 November the Urban Land Supply Part 2 Hearing reconvened, following a request we made for further evidence in relation to sites in the area after we had visited them. Our interim view was these sites were potentially appropriate for some residential development and were interested in how the bush areas could be protected, how good public access could be ensured, and the potential need for a landscape amenity planting strip along motorway.
929. In response, Mr Ovens provided a concept plan, showing.
- an area in the centre of the site on the steepest slopes identified as 'bush'
 - an area close to the stream marked 'picnic'
 - five residential sites to the north of the bush area
 - two residential sites to the south of the bush area
 - indicative location of access roads through the site
 - potential residential sites of approximately 1 ha in area, on 14, 16 and 18 Patmos Avenue and 15 Dunedin-Waitati Road
930. The plan was assessed by Mr Knox, whose view was that the existing bush is a key feature of 28 Patmos Avenue and retaining significant bush cover is critical if additional residential development is considered. The residential sites to the south of the site are more open, and retention of bush cover on these sites is not critical (Reconvened hearing evidence, p. 2). He highlighted the importance of the bush when viewed from the Pine Hill/Liberton area, and from SH1; and that the landscape character is moderate to high. He recommended that buildings within the bush comply with height and colour restrictions to natural character values are maintained.
931. In her reconvened s42A Report, the Reporting Officer recommended that 28 and 16 Patmos Avenue are zoned Rural Residential 1, with a structure plan included in the 2GP showing development similar to that proposed by Mr Ovens. She further recommended that 16 Patmos be allowed to subdivide into 2 sites, as per the normal RR1 minimum site size, with 28 Patmos Avenue to be subdivided into 7 residential sites, and the bush/picnic area to be maintained as a reserve or protected area (s42A ULS Reconvened Report, section 3.2.2, p. 9).

932. The Reporting Officer also noted that she anticipated that sites of this size would be serviced by DCC for water and waste (the existing houses in the area are un-serviced). This approach would therefore require Structure Plan type provisions to be included in the Rural Residential section, similar to those in the Residential section (s42A ULS Reconvened Report, section 3.2.2, p. 9).
933. She noted that an alternative to this recommendation would be to rezone the area Large Lot Residential 2, with the Structure Plan specifying a larger site size; however, she remarked that this could give mixed messages about the development anticipated here and the need for servicing. Furthermore, she suggested 14 and 18 Patmos Avenue could also be rezoned Rural Residential 1 to provide consistent zoning over the wider area, however noted that this would not provide any additional development potential (s42A ULS Reconvened Report, section 3.2.2, p. 10).
934. With regards to the vegetation on site, the Reporting Officer noted that non-compliance with the Vegetation Clearance performance standard (Rule 10.3.2.2) is a restricted discretionary activity. She considered this sufficient to ensure a significant majority of the vegetation remains on site. A higher level of protection could be achieved through the Structure Plan. She also suggested further protection of the 'bush' area could be provided through an ASCV, covenant, assigning the area as a Dunedin City Council reserve (s42A ULS Reconvened Report, section 3.2.2, p. 10).
935. The Reporting Officer noted that the only practical ways of ensuring colour is managed is to either require a restricted discretionary consent for development activities on the site, or to develop an appropriate colour palette for the site. In respect of height for development, a 6m maximum height limit was recommended (s42A ULS Reconvened Report, section 3.2.2, p. 10).

3.8.7.2.3 *Reconvened hearing evidence*

936. At the hearing *Mr Johnston* spoke to his submission (OS1030), outlining the reasons he sought to amend the proposed 2GP zoning of 18 Patmos Avenue to Large Lot Residential 1. These included:
- further development on this site is restricted by the Density land use performance standard (Rule 17.5.2.1.c)
 - the site is part of a "special residential amenity area", creating opportunities for this to be shared with others
 - the property shares a common boundary with land owned by submitters *Mr and Mrs Wynn-Williams* (O920), which is zoned Large Lot Residential under the 2GP
 - the property also shared a common boundary with land owned by submitter *Mr Owens* (OS740), who supplied a concept plan for the land adjoining his site.
937. *Mr Johnston* concluded that opportunities at 18 Patmos can be achieved, without the use of a structure plan requirement that was recommend for the adjoining land (Statement of Evidence, p. 1).
938. *Mr Owens* (OS740) agreed that it was appropriate to protect the bush on the site. However, he disagreed with controls proposed on height and colour, deeming these unnecessary. He considered it unlikely that dwellings would dominate the landscape and provided Bishops Mansion as an example of this. He expressed that he is content to be zoned Rural Residential 1 or Large Lot Residential 2, with accompanying protection of bush (Statement of Evidence, pp. 1-2).
939. *Mr Owens* commented that he is open to methods of ownership, and maintenance of the bush and picnic areas, and while he agreed with the concept of public access, he indicated that he would like clarification on the legal implications of this.

940. Following the reconvening of the ULS Part 2 Hearing, the Panel requested further information to assist them in their decision concerning the vegetation present at 28 Patmos Avenue. An ecological assessment was conducted by Mr Steve Rate, to identify the significance of the vegetation present on the site, prior to decisions being made concerning the level of development that is appropriate.

941. Mr Rate assessed the ecological significance of the site against the criteria in the proposed 2GP, and his overall conclusion was that:

'The relatively large area of indigenous forest on the north-western side of the property would be significant in terms of Proposed District Plan criteria'

'The site contains a moderately large area of indigenous forest that buffers streams and provides useful habitat for indigenous forest birds. Indigenous plant species are dominant, but pest plants threaten ecological values at the site. Part of the indigenous vegetation is located on Acutely Threatened land environments.'

(Ecological Assessment of Patmos Avenue, Dunedin, p. 16).

942. Mr Rate concluded that the site at 28 Patmos Avenue contains 'moderately representative examples of indigenous forest' which are threatened by a variety of pest plant species. He outlined that opportunities to protect or enhance ecological values included weed control, avoiding or minimising vegetation clearance, legal protection, prohibitions on planting invasive species and reinstating a fish passage at stream crossings.

943. With regard to the clearance of indigenous vegetation, he recommended that residential development on the property should be preferentially located in exotic habitats and not fragment the area of indigenous forest on the north-western side of the property (Ecological Assessment of Patmos Avenue, Dunedin, p. 17).

3.8.7.2.4 *Decision and reasons*

944. Having considered the recommendations of the Reporting Officer and expert evidence, we accept in part the submissions of *G and K Wynn-Williams* (OS920.1), *Stephen Gregory Johnston* (OS1030.9), (OS1030.10) and *Michael Ovens* (OS740.6).

945. We agree that it is appropriate to provide for development of 15 Dunedin-Waitati Road and the part of 28 Patmos Avenue that is close to the Northern Motorway for residential use to a minimum lot size of 1,000m², by way of a Structure Plan. We also agree that 18 Patmos Avenue and 14 Patmos Avenue are suitable for some additional residential development, which we have similarly provided for by way of a Structure Plan with a minimum lot size of 2,000m² (consistent with the scope to rezone them Large Lot Residential 1 Zone).

946. As discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), where residential zoning is considered appropriate we have generally zoned at standard or medium density, unless we are limited by scope or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider this approach is aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure).

947. In this case of 15 Dunedin-Waitati Road, we note the area is already zoned for large lot development, and so the question for the Panel was not whether residential zoning is appropriate, but rather, whether a slightly denser form of development would better align with Policy 2.6.3.1. We consider the approach described above better achieves alignment with Policy 2.6.3.1.a by providing additional residential capacity, and with clauses 2.6.3.1.d.ix (relating to efficient public infrastructure) and xi (relating to a compact and accessible city) by providing this increased capacity within the existing urban footprint.

We consider it achieves better alignment with clauses 2.6.3.1.c and 2.6.3.1.d.x by increasing the opportunities for 15 Dunedin-Waitati Road to achieve an alternative to access via the State Highway. We believe the rezoning is not inconsistent with Policy 2.6.3.1.b, as the area is already zoned for large lot residential zoning and 1000m² will provide for on-site wastewater disposal.

948. We consider there is clear room for further improvement to the Structure Plan, particularly as it relates to access. We encourage the Council to work with the parties to ascertain the best approach to ensure access to schools and other community facilities.
949. In the case of the part of 28 Patmos Avenue that is close to the Northern Motorway, and 14 and 18 Patmos Avenue, we consider that providing for residential development at 1000m² and 2000m² density respectively is appropriate under the terms of Policy 2.2.4.1, as these sites are contiguous with the existing large lot residential zoning at 15 Dunedin-Waitati Road but there are a number of reasons why standard zoning is not appropriate, including access issues, wastewater network capacity constraints, and the presence of waterways and high ecological and heritage values in close proximity to the sites. While alignment with Policy 2.6.3.1 is not strong for any one site, in the context of 15 Dunedin-Waitati Road already being zoned for residential development, we consider it is the most appropriate use of the land, given the location of these sites adjacent to existing large lot zoning on the urban fringe, and the evidence that 15 Dunedin-Waitati Road must secure better alternative access. Importantly we do not consider providing for residential development in this area causes conflict with clause 2.6.3.1.d.iii, as the ecological report shows that there are no areas of particular ecological significance on this part of 28 Patmos Avenue.
950. In relation to the balance of 28 Patmos Ave, 16 Patmos Ave and 48 Patmos Ave, we consider that these should remain zoned Rural Residential 2. We consider the area of bush that extends over the balance of 16 and 28 Patmos Avenue (and the water course in this location) forms a natural urban boundary. We accept the ecological assessment of Mr Rate, which indicated that most of the balance of 28 Patmos Avenue has significant ecological values, and our assessment is that it is therefore inappropriate for residential development under clause 2.6.3.4.d.iii, which seeks to protect or enhance significant indigenous biodiversity. We also accept the expert evidence of DCC landscape architect Mr Knox, that the bush area is highly visible from the Pine Hill/Liberton area, and from SH1; that the landscape character is moderate to high; and that the bulk of the area should be retained. We consider this suggests the balance of 28 Patmos Avenue also demonstrates a lack of alignment with clauses 2.6.3.1.d.i and vii.
951. While we would ideally introduce rules to protect the area identified as being of significance ecological values, there is no scope to do so, and leaving this area as Rural Residential 2 will serve to protect it to some extent, given the rules around vegetation clearance in this zone. Should a landowner wish to pursue alternative forms of protection for the site, we note there are a range of options, including some that sit outside of the Plan. We also consider that it is inappropriate to use this area for road access to the new residential area provided for in the Structure Plan as set out above. The Structure Plan therefore specifies that alternative access must be found through one of the adjoining sites.
952. 48 Patmos Avenue is on the northern side of this area of bush and given this, there is a clear lack of alignment with the criteria set out in Policy 2.6.3.1.
953. We have therefore made the following amendments to the Plan:
- rezone part of 28 Patmos Avenue, 18 Patmos Avenue and 14 Patmos Avenue to Large Lot Residential 1 Zone
 - apply a Structure Plan mapped area across the above sites and the part of 15 Dunedin-Waitati Road currently zoned Large Lot Residential 1

- include Structure Plan mapped area performance standards (Rule 15.7A.7) such that:
 - vehicle access must not be provided through the part of 28 Patmos Avenue that is outside the Structure Plan mapped area; and
 - 28 Patmos Avenue and 15 Dunedin-Waitati Road can be developed a minimum site size of 1,000m².

3.8.8 North-East Valley

954. There are both wastewater and water capacity issues associated with the infrastructure catchments serving North-East Valley (NEV), and network upgrades, including water pressure management, are currently programmed. Initial capital works are due to start in the 2017/18 financial year. This work, including the downstream network for wastewater, is likely to take 15 or more years to complete.

3.8.8.1 636 North Road, North East Valley

955. *Douglas Hall* (OS1068.14) sought to add a GR1TZ overlay to that part of Pt Lot 2 DP 21174, 636 North Road, which is not currently in the GR1TZ, and to replace the GR1TZ overlay zone over the remainder of the site with General Residential 1 Zone (OS1068.2). *Mr Hall* stated that the area was proposed for housing in the 1950s but the decision was reversed in the 1995 District Plan.
956. The submissions were opposed by *Katherine Lilly and Jevon Longdell* (FS2409.1, 2), *Bronwyn and James Hegarty* (FS2474.2, 4) and *Tim Buscall* (FS2097.1, 2), for reasons including environmental impacts, a change in the buffering rural land provides for existing properties, high class soils and loss of natural environment and rural amenity.
957. The Reporting Officer noted that the submission relates to two adjoining sites at the top end of North East Valley. Lot 2 DP 305589 adjoins residential development along Norwood St, and Forrester Park and is a gently sloping north-facing paddock, with a GR1TZ overlay. Pt Lot 2 DP 21174 adjoins Lot 2 DP 305589 and extends around Forrester Park. It is partly overlain with a GR1TZ overlay and an SNL overlay (s42A Report for ULS Part 2, section 5.1.7, p. 71).
958. Mike Moore, consultant landscape architect called by DCC, assessed the landscape values of the site and stated that in terms of landscape character, the SNL boundary line in this area could be adjusted to align with North Road, and allow for urban development within the GR1TZ overlay. His reasons were that the land has a lower valley location and is well contained by higher rural slopes. It does not generally have high levels of visual prominence and is linked with existing urban land use on the adjacent valley floor and lower slope areas (Norwood St).
959. Mr Fisher, DCC transport planner, commented that the proposed zoning is considered to generally support the community and network resilience goals of the Integrated Transport Strategy. He described how residential development in this location will be close to the main urban area and community facilities which should decrease private trips, encourage travel by active modes and support increased high frequency public transportation. He did note however, that network capacity issues have been identified as being relevant to the proposed rezoning. The proposed development is likely to exacerbate existing network capacity issues. He concluded by commenting that development of the site would benefit from a comprehensive land use and infrastructure plan to ensure integration with existing transport networks. The proposed zone can generally be supported by existing road infrastructure and services (Statement of Evidence, p. 10).
960. The Reporting Officer considered that rezoning the GR1TZ area is not consistent with Policy 2.6.3.1 at present as there are wastewater infrastructure capacity issues and

potential transport infrastructure issues that need to be resolved. However, the site is otherwise suitable for residential development.

961. *Douglas Hall* (OS1068) attended the hearing and was represented by Ciaran Keogh, consultant planner. Mr Keogh described how the land excluded from the GR1TZ zoning contains some of the land best suited to residential development on *Mr Hall's* property. This exclusion would result in the creation of a small block of rural land that does not meet minimum lot size requirements and is isolated from other rural land. It would be uneconomic and difficult to use for rural activities (Statement of Evidence, p. 6). He presented a concept plan of the proposed development of the site.
962. He compared the land at 636 North Road with other land identified as GR1TZ, both city-wide and with particular reference to North East Valley, describing most of the land identified by Council as "undevelopable". Mr Keogh remarked that the land at 636 North Road is clearly the "only area of land within the Transitional Overlay that is immediately suited to conversion to residential use".
963. He requested that the western part of the landholding be zoned General Residential 1 and the eastern part Large Lot Residential 1. His reasons for the removal of the GR1TZ and subsequent rezoning as GR1 or LLR1 of the entire block, rather than in parts, would allow optimal site design to be established. He specifically referred to earthworks and roading, stating that the options for achieving a balanced cut to fill development are greatly improved by being able to develop the entire land holding (Statement of Evidence, p. 7).
964. In her revised recommendations, the Reporting Officer noted that the primary issue for development of the site was lack of wastewater capacity. She recommended that the site would benefit from a Structure Plan, to specify density, general site layout, constraints, and reserves.

3.8.8.1.1 Reconvened s42A

965. Following the ULS Part 2 Hearing, and a site visit to the area, we requested that a draft structure plan be prepared for further consideration. This was discussed at the reconvened hearing on 29 November 2017.
966. The site is located between Norwood Street and North Road and adjoins Forrester Park. To the south it adjoins 553 North Road, also owned by Mr Hall, which has recently been approved for subdivision. The concept plan provided by the submitter at the Part 2 hearing shows two roading connections to Norwood Street (including through 553 North Road), three connections to North Road, and areas set aside for native plantings (s42A Report ULS Reconvened Hearing, section 3.4, p. 13).
967. Mr Fisher, DCC Transport Planner, expressed his view that the concept plan prepared by Mr Keogh had merit in terms of its layout and integration with existing transport networks; however, he was concerned that the steep topography may prove difficult in terms of layout if vertical road geometry had not been sufficiently assessed.
968. The Reporting Officer recommended that if the site is rezoned, a GR1 zoning should be applied. This would enable the most efficient use of land but would still allow the developer flexibility to develop larger lots on parts of the site where slope or other constraints encourage this.
969. She also recommended that the submitter's concept plan is included in the 2GP, with the location of internal roads and accesses to North Road marked as indicative only, to allow the final location to be determined at the detailed design and subdivision stage. She also recommended that a performance standard requiring at least one vehicle connection through the site to North Road be included.

970. Mr Keogh stated at the reconvened hearing that the submitter supported the Reporting Officer's recommendation that GR1 zoning be applied to the entire property at 636 North Road. He did, however, suggest that this zoning be applied as an average across the site rather, than as a minimum lot size, so that higher density development would be permitted on the lower-lying land, offset by larger lot development on the more elevated land (Statement of Evidence, p. 1).
971. Mr Keogh disagreed with the recommendation that the subdivision concept plan should be included in the district plan, stating that inclusion of the plan in its current state would cause "unnecessary complexity in the consenting process" due to differences between the concept and future development (Statement of Evidence, p. 3).

3.8.8.1.2 *Decision and reasons*

972. We reject the submission by *Douglas Hall* (OS1068.14) to add a GR1TZ overlay to that part of Pt Lot 2 DP 21174 which is not currently in the GR1TZ and reject the submission (OS1068.2) to rezone the GR1TZ area to GR1.
973. We note a GR1TZ overlay zone was notified over a substantial proportion of the 636 North Road. The question for the Panel was not whether this was appropriate, but whether the GR1TZ area should be rezoned to General Residential 1 immediately, and whether an additional area of the site should be added.
974. In relation to the first point, the evidence of Water and Waste Services staff is that there are both wastewater and water capacity issues in the infrastructure network catchments that service North-East Valley, and while network upgrades are due to start in the 2017/18 financial year, this work is likely to take 15 or more years to complete. In evidence at the Reconvened Urban Land Supply hearing, we received advice that the Patmos Avenue/Pine Hill/Wakari and Dalziel Road areas all feed into the same network ('the Northern Tahuna catchment') and are therefore constrained by the same infrastructure issues.
975. As discussed in Section 3.5.4, our understanding of the evidence of Mr Dyer at the Reconvened Urban Land Supply Hearing was that should additional residential capacity be required, limiting the infrastructure network catchments over which this capacity is provided would increase the chance of infrastructure constraints being addressed in these areas in a timely manner.
976. We have indeed taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions. In some areas with such a long lead time for the provision of water and wastewater infrastructure capacity we have not provided for future residential development, even by way of Residential Transition Overlay Zones. Due to the presence of notified GR1TZ, Infrastructure Constraint Mapped Areas over areas of medium density zoning, and other sites that generally align with the criteria set out in Policy 2.6.3.1, the Northern Tahuna catchment is one of the two major infrastructure network catchments in which we have provided additional residential capacity, and therefore one of the areas in which the provision of infrastructure capacity is likely to be prioritised. However, while we accept that the timeframe to complete works may change as a result of future funding decisions, in the meantime residential development is not possible as a result of capacity constraints. We therefore consider retention of the GR1TZ (now RTZ) overlay on 636 North Road rather than immediate rezoning to GR1 is appropriate in line with Policy 2.6.3.1.a.ii.
977. In relation to whether an additional area of RTZ should be added in this location, the first consideration is Policy 2.6.3.1.a, relating to capacity. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

978. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, as noted above, there is poor alignment with this criterion.
979. Looking to Policy 2.6.3.1.c, we consider there is relatively weak alignment with this criterion. Despite being on the edge of the main urban area, the site is relatively distant from existing public transport, centres, schools and other services.
980. In terms of alignment with Policy 2.6.3.1.d, starting first with clause 2.6.3.1.d.ii, the area is almost completely covered a high class soils mapped area ('highly productive land'), and we heard no evidence to the contrary. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long-term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly, but not limited to, flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
981. We note there is no conflict with Policy 2.6.3.1.d.iv. Elsewhere we have moved to remove areas of notified GR1TZ where they overlap with areas of SNLs, based on our decision (outlined in Section 3.4.2) that generally these are incompatible. However, as discussed in the Natural Environment Decision Report, based on the evidence of Mr Moore, we have amended the boundary of the SNL to align with North Road. We acknowledge the further submitters' concerns relating to effects on rural character and amenity (which are relevant considerations under clause 2.6.3.1.d.i and vi). While we agree that residential development will undoubtedly change the character of the area, we accept Mr Moore's evidence that urban land use will integrate acceptably with the existing landscape pattern. However, it is unclear from Mr Moore's evidence whether his remark in this regard related to the notified area of GR1TZ zoning, or the submitter's proposed extension.
982. The evidence of the DCC Transportation Group staff suggests that while development in this location may exacerbate existing pressure at George Street/Duke Street intersection, its proximity to the main urban centre and facilities should decrease private trips, encourage travel by active modes and support increased high frequency public transportation. We note in evidence across a range of hearings the Normanby-St Clair route was mentioned as one of the best public transport routes in town. On balance, we consider this achieves reasonable alignment with Policy 2.6.3.1.d.x.
983. In summary, we do not consider the expansion of the RTZ area to follow the property boundary along the north edge of Pt Lot 2 DP 21174 is appropriate in terms of Policy 2.6.3.1.
984. As part of the change to an RTZ, we have included the area in the 2GP as a Structure Plan mapped area and included a rule in Section 15.7A.10 (Structure Plan mapped area performance standards) specifically to require that vehicle access is provided between Norwood Street and North Road, once development is possible.
985. Given the timeframes before development is likely to happen, we do not think we need to make a determination on the question of averaging of lot sizes in the structure plan. That matter will be better considered nearer the time of development when more up-to-date residential capacity and housing typology demand is known.

3.8.8.2 210 and 236 Signal Hill Road, Opoho

986. *Bob and Rose Cunninghame* (OS1006.1) own 210 Signal Hill Road, which is substantially zoned Rural Hill Slopes, although the part immediately adjacent to Signal Hill Road is zoned GR1. Part of the rural zoned land has a Priority 1 GR1TZ overlay in the notified plan. Their submission related to that part of the site zoned Rural Hill Slopes, and sought:

- inclusion of all the land in the GR1TZ overlay; or

- General Residential 1 zoning; or
 - Low Density Residential over the entire property; or
 - a mixture of General Residential 1 and Low Density Residential; or
 - enable the undersized Rural zoned part of the site to be built on.
987. The submitters' considered that rural zoning results in undesirable rural sites and that the land lends itself to future development.
988. *Theresa Elizabeth Molteno* (OS887.1) sought to change the zoning of 236 Signal Hill Road, Opoho, from Rural Hill Slopes to Large Lot Residential 2, or apply a GR1TZ overlay zone. *Ms Molteno* noted that the adjoining properties on two sides have GR1TZ overlays. She considered that the site would offer high quality housing, would not slip or flood, did not have high quality soil, and is close to public transport and water reticulation.
989. The above submissions were opposed by *Nicola Holman* (FS2318.2 and FS2318.3), as she considered that residential zoning would detract from the rural views enjoyed by those using Signal Hill Road for recreational purposes, would potentially create a precedent for further subdivision in the area, add to traffic hazards and create reverse sensitivity issues. *Ms Holman*, however, supported allowing the undersized rural zoned part of 210 Signal Hill Road to be built on, which was outlined in one of her further submissions (FS2318.4).
990. The Reporting Officer noted that 210 and 236 Signal Hill Road are adjoining and are located on the slopes of Signal Hill. They have a combined area of 42ha and have large areas of native bush and exotic trees. Both are fully covered by a Significant Natural Landscape (SNL) overlay (s42A Report for ULS Part 2, section 5.1.7, p. 70).
991. *Mike Moore*, a consultant landscape architect called by the DCC, assessed the sites and shared his concern that further urban development in this area would reduce the rural hill setting to Opoho as viewed from distant viewpoints. Development would also be seen from higher parts of Signal Hill Road and significantly reduce rural amenity. Extending the GR1TZ overlay on 210 Signal Hill Rd would encroach into a gully with native trees and at least moderate natural landscape character values (Statement of Evidence, p. 15).
992. The property at 236 Signal Hill Road falls into two parts, either side of Signal Hill Road. The area to the west (and adjacent to 210 Signal Hill Road) has significant native bush cover and contributes considerably to the amenity of the area. *Mr Moore* considered the effects of development on this site would be even greater, due to its greater height. The block on the eastern side of Signal Hill Road is currently under both pasture (with some bush) and exotic woodlot cover. This site extends almost to the top of Signal Hill, and urban development would drastically reduce the SNL values by interrupting the flow of rural land near the skyline (Statement of Evidence, p. 15).
993. The Reporting Officer considered that rezoning the sites would not be consistent with Policy 2.6.3.1 as there are wastewater capacity issues and transport constraints as well as significant effects on landscape values and visual amenity. She considered that the most appropriate zoning would be rural and recommended that the submissions to rezone the sites are rejected.

3.8.8.2.1 *Hearing evidence*

994. *Bob and Rose Cunninghame* (OS1006) appeared and spoke at the hearing, together with consultant planner *Emma Peters*.
995. *Ms Peters* stated that the submitters would like other families to have the opportunity to live in this location. She considered that this was recognised by the Council's identification of the site as a GR1TZ. She suggested a number of conditions could be attached to the

sites to ensure good design and sympathetic development, to mitigate the potential for adverse amenity effects. These included:

- buildings and associated structures must be located on an established building platform
- a minimum site size of 700m² and an average of 1,500m²;
- maximum height of 5m above existing ground level;
- buildings shall be located and designed in accordance with design guidelines (A3.3.2.4)
- buildings shall be finished in either:
 - i. naturally finished timber; or
 - ii. locally appropriate stone; or
 - iii. colours that have a low level of contrast with surrounding landscape; and
 - iv. painted surfaces will have a reflectivity rating of no more than 25%
- stormwater will be stored in at least one water tank of an appropriate size (e.g. 25,000);
- water tanks will be sited and/or buried and/or screened (by planting) to have minimal visual impact from beyond the property;
- all services are to be located below ground;
- sewage and greywater waste treatment shall be designed by a professionally qualified person experienced in that field, submitted with any building consent;
- driveways are to retain an informal rural character with gravel surface and soft edges (i.e. no kerbs), while monumental gates and driveway lighting is not permitted;
- fencing is to be confined to standard rural post and wire construction. Where boundary definition is required, planting rather than fencing is promoted;
- all areas of indigenous vegetation are to be identified in any development plan for the site and protected during development; and
- naturally occurring rock features within the site are to be identified in any development plan for the site and protected during development.

996. She advised that the owners are of the opinion that there is only one suitable building site on the remainder of their land, located in the top right hand corner. The rest of the property is either in a gully, on steeper slopes, or covered in native bush or stands of exotic trees. They believe they should be able to have one dwelling on the 10ha site, and this could be achieved by extending the GR1TZ over the part of the site which is currently zoned Rural, with no overlay (Statement of Evidence, p. 9).

997. In response to the matter of infrastructure constraints, Ms Peters remarked that extension of the GR1TZ over the entirety of 210 Signal Hill Road would have no effect on the wastewater capacity, as the proposed single dwelling would have onsite treatment. In relation to roading issues raised by Mr Fisher, she considered that that the addition of one house is very unlikely to have an impact on any transport matters. The proposed conditions would act to prevent any adverse effects on landscape and amenity values (Statement of Evidence, p. 15).

998. On questioning, Ms Peters advised that she thought there was no scope to remove the GR1TZ from the site (and retain the rural zoning) as there had been no submissions to do this.

999. In his transport assessment, Grant Fisher, DCC transport planner, considered that further development on Signal Hill Road will increase pressure for upgrades to roading infrastructure, which are currently not planned. The proposed zoning will add significant traffic volumes to the transport network which is already constrained in width in the vicinity of 210 and 236 Signal Hill Road. He stated that it is not viable to widen the road and provide for non-motorised road users on Signal Hill Road, given the steep topography along both sides of the road and high costs of developing such infrastructure. He remarked that Dunedin City Council Transport are therefore not in support of this development (Statement of Evidence, p. 8).
1000. Ms Peters provided further evidence (22 June 2017) in which she referred to a suggestion by Councillor Wilson and DCC staff (Ms Emma Christmas and Dr Anna Johnson), for an alternative solution capable of achieving the same outcome; which was to have one dwelling on the upper corner section of the site. The alternative solution was to instead to zone that part of the property Rural Residential 2 (Statement of Evidence, p. 2).

3.8.8.2.2 Revised recommendations

1001. In her revised recommendations, the Reporting Officer referred to the comments of Mr Moore, in which he responded to the submitters' evidence. He referred to paragraph 7 of his evidence, in which he discussed the compatibility of landscape and coastal overlays with urban zoning and concluded that they should not overlap. He explained that this is because natural character or natural character based rural amenity values, are key attributes of the overlays, and because the built density provided for in urban zones (including Large Lot Residential) is too high to provide for natural elements to be dominant. He explained that the scale of residential zones and rural zones (including rural residential zones) is totally different and noted that Figure 3(b) of his evidence illustrates this. He concluded by stating that he does not believe that residential zoning of any sort is compatible with the SNL overlay values at 210 Signal Hill Road.
1002. The Reporting Officer agreed that there is a fundamental conflict between the SNL and residential use. She recommended that if there is scope to remove the GR1TZ from 210 Signal Hill Road, the site should be rezoned as Rural Residential 1. If the GR1TZ was not removed, she recommended that the submitters' proposal with development conditions was preferable to the notified plan. In this case, she recommended that a Structure Plan was applied to the site, with rules managing the effect on landscape values.

3.8.8.2.3 Decision and reasons

1003. We reject the submissions by *Bob and Rose Cunninghame* (OS1006.1) and *Theresa Elizabeth Molteno* (OS887.1) to rezone the land at 210 and 236 Signal Hill Road, respectively, to permit residential activity (either through rezoning or applying GR1TZ).
1004. We assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
1005. In relation to the question of capacity, as discussed in section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i), and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1006. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of the DCC Transportation Group staff suggests that the transport network is significantly constrained in the vicinity of the site and it would not be feasible to upgrade of the road in this area due to topographical constraints. The evidence of DCC Water and Waste Services staff is there are both wastewater and water capacity issues associated with the infrastructure catchments servicing North-East Valley, and while network upgrades are due to start in the 2017/18 financial year, this work is likely to take 15 or more years to complete. While we have taken a city-wide view of the relationship between

infrastructure capacity and residential capacity in making our decisions, and as a result this residential area is one in which provision of water and wastewater infrastructure capacity is likely to be prioritised (see discussion in Section 3.8.8.1 for further explanation), in the meantime residential development is not possible as a result of capacity constraints. We therefore consider any additional residential capacity would need to demonstrate very clear alignment with the other criteria in Policy 2.6.3.1, and to be in the form of a Residential Transition Overlay Zone, if it is to be considered not in conflict with Policy 2.6.3.1.b.

1007. We consider there is relatively poor alignment with Policy 2.6.3.1.c, with significant distances to the closest bus stop, school, centre and other services, and there are some slope/aspect constraints.

1008. In terms of alignment with Policy 2.6.3.1.d, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which completely covers the sites. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density in these locations would be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to. Specifically, in this location, we accept the evidence of Mr Moore that further urban development in this area would reduce the rural hill setting to Opoho as viewed from distant viewpoints, and would significantly reduce rural amenity on Signal Hill Road itself. As well as raising clear issues of conflict with clause 2.6.3.1.d.iv, relating to the protection of landscape values, we consider this evidence suggests poor alignment with clauses 2.6.3.1.i and vi, relating to rural character and amenity and other aesthetic values.

1009. The evidence of the DCC Transportation Group staff also raised the issue of poor provision for non-motorised users, which is a relevant consideration under clause 2.6.3.1.d.x, and while the values of the indigenous vegetation mentioned in the evidence of Ms Peters and Mr Moore were not the subject of any evidence, we note its presence raises questions of alignment with clause 2.6.3.1.d.iii.

1010. Overall, our assessment is that both sites align poorly with Policy 2.6.3.1, particularly 2.6.3.1.c, and 2.6.3.1.d.iv, relating to landscape values. We agree with Mr Moore that site-specific conditions are not sufficient to resolve this incompatibility. We therefore do not consider it appropriate to zone either 210 or 236 Signal Hill Road any of the residential zoning options promoted by the submitters.

1011. For the same reason, we have removed the GR1TZ from 210 Signal Hill Road, relying on the scope provided by the *Harboursides and Peninsula Preservation Coalition* (OS447.68, 447.69).

1012. Noting that the *Bob and Rose Cunninghame* (OS1006.1) also suggested an option involving rezoning to rural residential, we note that 210 Signal Hill Road also does not meet criteria for rezoning as rural residential under Policy 2.6.1.Y (as it is not part of a cluster of mostly-developed small rural sites at RR1 or RR2 scale), or Policy 2.6.1.3 (for reasons including that there is an ample supply of rural residential land, and there is poor alignment with the criteria outlined in Policy 2.6.1.4 relating to landscape, and rural character and amenity).

3.8.8.3 Part of 303, 309, 317 North Road, North East Valley

1013. *Fletcher Glass* (OS824.1) sought to change the zoning of the Rural Residential 2 zoned part of 303, 309 and 317 North Road to Large Lot Residential 2 Zone. Mr Glass considered that rural residential zoning would inhibit development of the site and also make it unsuitable for rural use. He stated that as a road would need to be developed for any use, development of more than one house is required to make roading costs economic.

1014. The Reporting Officer noted that the site is the northernmost part of the former Palmer's quarry. It was more recently developed as a garden but is currently unused and overgrown. It is located within a Significant Natural Landscape overlay and is zoned Rural Residential.
1015. Mr Moore, a consultant landscape architect called by DCC, assessed the landscape values of the site. He noted the north-western slopes of NEV have a predominantly unbuilt, rural character that contributes to the amenity of the valley landscape generally, and separates the suburban area of NEV from Liberton and Pine Hill. The character of the site blends fairly seamlessly with the rural land above and the wooded areas below, and contributes to the rural landscape setting of the valley. In his view, it is appropriate that the upper parts of 303, 309 and 317 North Road subject to the rezoning request, are included within the SNL overlay. As such, he considered residential development to be inappropriate. He concluded that the Flagstaff – Mount Cargill Significant Natural Landscape overlay should be retained over the upper portions of the sites, and that Large Lot Residential 2 is incompatible with this (Statement of Evidence, p. 12).
1016. Mr Fisher provided transport evidence at the hearing, concluding that development of the site would benefit from a comprehensive land use and infrastructure plan to ensure integration with existing transport networks. The proposed zone can generally be supported by existing road infrastructure and services (Statement of Evidence, p. 10). Mr Fisher assessed three properties located on North Road concurrently and more detail of his assessment is provided earlier (Section 3.8.8).
1017. The Reporting Officer recommended retaining the Rural Residential 2 zoning based on Mr Moore's evidence, and wastewater infrastructure capacity issues and potential transport infrastructure issues (s42A Report for ULS Part 2, section 5.1.7, p. 72).
1018. *Fletcher Glass* (OS824) was represented at the hearing by Conrad Anderson, consultant planner, who noted that there were no submissions opposing the LLR zoning of the land. He cited that the s42A Report identified that when the 2GP was notified, the proposed zoning of Rural Residential 2 would have permitted the establishment of 3 dwellings; due to historic titles (Statement of Evidence, p. 2-4).
1019. Mr Anderson expressed his view that the SNL boundary could remain, with residential development being undertaken that is consistent with that overlay. He remarked that subdivision will require consent and Rule 10.5.2.13 seeks to ensure landscape values are maintained. In addition, he suggested that at the time of granting consent, conditions associated with any building platforms and future dwellings could be imposed (Statement of Evidence, p. 6).
1020. He noted that the key matter of importance is not the additional dwellings that would result from the rezoning, but instead is ensuring that the visual effects of any future development are no more than minor. He suggested that "the SNL overlay provides that confidence".
1021. As part of her revised recommendations, the Reporting Officer noted that a small number of sites were sought (four). She recommended that the site was subject to a Structure Plan, identifying building platforms, and conditions to minimise visual effect. She also recommended the consequential removal of the SNL layer (Revised Recommendations Part 2, p. 9).

3.8.8.3.1 Decision and reasons

1022. We reject the submission by *Fletcher Glass* (OS824.1) to rezone the Rural Residential 2 zoned part of 303, 309 and 317 North Road to Large Lot Residential 2 Zone.
1023. We assessed the site against the criteria in Policy 2.6.3.1.

1024. In relation to the need for residential capacity, as discussed in Section 3.6.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i). The provision of additional capacity has therefore not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1025. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of DCC Water and Waste Services staff is there are both wastewater and water capacity issues in the infrastructure catchments servicing North-East Valley, and while network upgrades are due to start in the 2017/18 financial year, this work is likely to take 15 or more years to complete. While we have taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions, and as a result this residential area is one in which provision of water and wastewater infrastructure capacity is likely to be prioritised (see discussion in Section 3.8.8.1 for further explanation), in the meantime residential development is not possible as a result of capacity constraints. We therefore consider any additional residential capacity would need to demonstrate very clear alignment with the other criteria in Policy 2.6.3.1, and to be in the form of a Residential Transition Overlay Zone, if it is to be considered not in conflict with Policy 2.6.3.1.b.
1026. Looking to Policy 2.6.3.1.c, we consider there is reasonable alignment with this criterion, given its location at the edge of the main urban area.
1027. In terms of alignment with Policy 2.6.3.1.d, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which completely covers the sites. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density within SNLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to. Specifically, in this location, as discussed in the Natural Environment Decision Report we accept the evidence of Mr Moore that the character of the site blends with the rural land above and the wooded areas below, and contributes to the rural landscape setting of the valley, and that the SNL boundary should not therefore be moved. As well as raising clear issues of conflict with clause 2.6.3.1.d.iv, relating to the protection of landscape values, we consider this evidence suggests poor the sites have alignment with clauses 2.6.3.1.i and vi, relating to rural character and amenity and other aesthetic values. We do not agree with Mr Anderson that these issues can be resolved by way of conditions on development.
1028. The evidence of the DCC Transportation Group staff suggests that while development in this location may exacerbate existing pressure at George Street/Duke Street intersection, its proximity to the main urban centre and facilities should decrease private trips, encourage travel by active modes and support increased high frequency public transportation. We note in evidence across a range of hearings the Normanby-St Clair route was mentioned as one of the best public transport routes in town. On balance, we consider this achieves reasonable alignment with Policy 2.6.3.1.d.x.
1029. The submitter requested large lot residential zoning for this area. While acknowledging that there is a need to provide housing choice (in line with and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless the area is clearly appropriate for residential zoning according to the criteria in Policy 2.6.3.1, but there are very good reasons why it cannot be developed at standard or medium density (in line with Policy 2.2.4.1). We consider the proposed development density detracts from alignment with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.

1030. Overall, then, we conclude that the sites are not suitable for large lot residential rezoning, primarily due to poor alignment with Policy 2.6.3.1.d.ix, relating to protection of landscape values.

3.8.9 West Harbour

1031. West Harbour is the western side of Otago Harbour from Port Chalmers south to the Stadium. The Reporting Officer identified wastewater capacity issues along this side of the harbour. Wastewater is pumped back to the Tahuna Wastewater Treatment Plant through a number of pumping stations, which overflow in high rainfall. No upgrades are currently programmed. The problems need further modelling and likely network upgrades before additional capacity is available (s42A Report for ULS Part 2, section 5.1.8, p. 75).

1032. However, evidence presented by Louisa Sinclair at the Reconvened Urban Land Supply hearing stated that a small number of additional dwellings (up to 20) could be provided for within the network (Louisa Sinclair, Reconvened Hearing Evidence, p. 3).

3.8.9.1 50 Fairview Terrace, Sawyers Bay (sheet 23)

1033. *Malcolm McLennan* (OS842.1) sought to change the zoning of his 3.344 ha property at 50 Fairview Terrace, Sawyers Bay, from Rural Residential 2 to Township and Settlement Zone. He noted that there are 20 township and settlement properties along the boundary, which makes the area difficult to manage as a rural unit. The property is on the local water supply and has sewerage, power, phone and road access.

1034. The submission was opposed by nine further submitters: *David Larsen* (FS2013), *Mike Philips* (FS2015), who suggested the land should retain its proposed zoning of RR2, *Shirley Walsh* (FS2033), *Dene McBride* (FS2141), *Graham John & Carol Harkness* (FS2177), *CF & KL Trezise* (FS2154), *Robyn Vivian* (FS2056) who sought the original submission be disallowed and *Jade Watt & Timothy Norton* (FS2048) and *Christina Watt* (FS2041) who sought to have the land rezoned to Rural, as in the operative plan. The issues they raised included: steepness of the slope (with resulting drainage issues); privacy; traffic and other noise; dust; visual impacts; sewerage disposal; increased street lighting / loss of dark skies; and that residential development on the site was previously rejected by Council.

1035. The Reporting Officer advised that zoning all of the land Township & Settlement would provide potential for 47 new houses. No consideration was given to an alternative zoning in terms of capacity in the assessment. She did not recommend rezoning the site, as it would be inconsistent with Policy 2.6.3.1 given the wastewater capacity issues and potentially significant effects on visual amenity, particularly at higher elevations (s42A Report for ULS Part 2, section 5.1.8, p. 76).

1036. The Reporting Officer based her reasoning on the evidence of Mr Knox, DCC Landscape Architect, who considered that the more elevated areas provide valuable visual amenity and a natural character context which links well with the open, unbuilt areas above. However, the lower parts of the site could link well with existing established house providing scope for a limited number of additional dwellings (Statement of Evidence, p. 13).

1037. The Reporting Officer noted that if additional residential capacity is required, rezoning small parts of the lower slopes to general residential (for example the area immediately to the west of 44 Fairview Terrace), or applying a GR1TZ to allow development in this area in the future, should be considered (s42A Report for ULS Part 2, section 5.1.8, p. 76).

1038. Mr Conrad Anderson, planning consultant, tabled evidence on behalf of Joe Connolly. Mr Connolly purchased 50 Fairview Terrace from *Malcolm McLennan*, the original submitter, and lodged evidence as a 'successor' to *Mr McLennan*.

1039. Mr Anderson referenced the *Guthrie* decision, noting that the zoning of the site should be the most appropriate. He argued that the site has limited productive rural use and noted that the visual amenity concerns relate only the upper part of the site. Having assessed the various possible zones, he identified that RR2 is appropriate for most of the site, with township and Settlement Zone on the lower part of the site (3,500m²). This part of the site can connect to the DCC stormwater network (Statement of evidence, p. 6).
1040. Mr Anderson noted that the lower site could accommodate two dwellings if the dwellings were unable to connect to the wastewater system (Statement of Evidence, p. 6).
1041. Ms Watt, a neighbour at 7 Tewsley Street, tabled a statement highlighting her concerns about existing development in the area, and that the issues that have arisen will be exacerbated. These issues were run-off onto her property, increased dust from the access road with additional traffic using it, and lack of privacy, with consequential devaluing of her property.
1042. Ms Watt sought that if the site is rezoned, a proper drainage system is required, the consent notices already on the site must be adhered to, and sewage pipes passing under her drive to be relocated.
1043. Dene McBride (FS2141.1) spoke at the hearing, expressing his concerns that changes to zoning do not provide certainty to people who want to have a rural outlook. He noted that the original submitter had now sold the land. In answers to questions, Mr McBride's opinion was that rural residential land should not be a transitional state for residential zoning. He also expressed concern about the potential opening up of a paper road to access more of the property.
1044. Mike Phillips (FS2015.1) attended the hearing and expressed similar concerns to Mr McBride.
1045. After hearing the evidence, the Reporting Officer revised her recommendation to rezone the lower part of 50 Fairview Terrace (as identified by Mr Anderson), to Township and Settlement Zone, with a wastewater infrastructure constraint layer (Revised Recommendations, p. 14).

3.8.9.1.1 *Decision and reasons*

1046. We accept in part the submission by Malcolm McLennan (OS842.1) to change the zoning of his 3.344ha property at 50 Fairview Terrace, Sawyers Bay, from Rural Residential 2 to Township and Settlement Zone.
1047. We assessed the site against the criteria in Policy 2.6.3.1. As discussed in Section 3.8.2.2, we consider this approach encapsulates the principles of, and is generally in line with, the *Guthrie* decision and other more recent cases. As part of the assessment exercise, we have also been mindful of the need under the Resource Management Act to provide for the appropriate use of land, using appropriate methods based on the hierarchy of statutory documents. To that extent we see the '*Guthrie* test' being achieved by ensuring that the methods and zoning are appropriate.
1048. In relation to capacity, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1049. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of DCC Water and Waste Services staff was that there are wastewater capacity issues in the infrastructure catchments serving West Harbour. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure

and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC, and as such have avoided spreading the provision of residential rezoning across too many infrastructure network catchments where there are existing capacity constraints. However, we accept the advice of Water and Waste Services staff at the Reconvened Urban Land Supply hearing that there is sufficient infrastructure capacity to provide for up to 20 dwellings in the West Harbour area.

1050. We note the concerns of the further submitters relating to stormwater, and that these were accepted as valid by Mr Anderson in his evidence at the hearing insofar as they relate to the upper areas of the site. We accept that the lower area of the site identified by Mr Anderson as being able to connect to DCC stormwater services, given the limited development potential, is unlikely to cause additional downstream issues.
1051. Looking to Policy 2.6.3.1.c, we consider there is reasonable alignment. Although we accept some of the further submitters' concerns that parts of the site have constraints due to slope, we note the steeper areas of the site are no longer being pursued for rezoning by the submitter.
1052. In terms of alignment with Policy 2.6.3.1.d, we consider the lower parts of this site well aligned with these criteria.
1053. None of the site is within a landscape overlay zone, however we note the concerns of further submitters relating to effects on rural character and amenity, and other aesthetic considerations (which are relevant to our deliberations under clause 2.6.3.1.d.i and vi). On these points, we accept the expert landscape evidence of Mr Knox, that the more elevated areas provide valuable visual amenity and a natural character context which links well with the open, unbuilt areas above. Development on the lower parts of the site, however, could link well with existing established houses.
1054. Overall, then, we agree that the lower part of the site, as identified by Mr Anderson, is appropriate for residential use and consistent with Policy 2.6.3.1. We have rezoned this area Township and Settlement, which in theory provides for seven fully serviced sites. However, we accept Mr Anderson's evidence that in practice this is likely to be lower given the slope constraints and need for access. We do not consider application of a Residential Transition Overlay Zone necessary, given the updated evidence of the Water and Waste Services staff. We have retained the remaining part of the site as Rural Residential 2 for reasons of poor alignment with 2.6.3.1.d.i, and poor alignment with Policy 2.6.3.1.b (lack of infrastructure network capacity if large new areas of residential zoning were established in West Harbour). We note this is aligned with the submitter's revised request.
1055. We note that, including these sites, in our decision as a whole we have rezoned sites with a residential capacity for an additional 14 dwellings in West Harbour.

3.8.9.2 5, 7 Brick Hill Road, Sawyers Bay

1056. *Colleen Fox and John Oliver* (OS47.1) sought to change the zoning of 5 and 7 Brick Hill Road, Sawyers Bay, from Rural Hill Slopes to Rural Residential 1, on the grounds that it would be the most appropriate zoning given the current land use.
1057. *Dunedin City Council* (OS360.145) also sought to change the zoning of 5 and 7 Brick Hill Rd, and PT Sec 1037R Brick Hill Road, Sawyers Bay from Rural Hill Slopes zone to Rural Residential 1 Zone. The submission identified an error in the 2GP mapping, as the sites were assessed through the re-zoning request process prior to notification and assessed as suitable for Rural Residential 1. The owners were informed of this outcome.
1058. In the case of PT Sec 1037R Brick Hill Rd, this is a 122m² piece of 'abandoned' land, which if left as rural zone would create a rural 'island'.

1059. The Reporting Officer agreed with the submissions and recommended that they were accepted. She noted that the sites are adjacent to Rural Residential sites (across Brick Hill Road) and a small area zoned Township and Settlement. There is a house on 7 Brick Hill Road, with the remaining area in pasture (s42A Report for ULS Part 2, section 5.1.7, p. 78).

3.8.9.2.1 *Decision and decision reasons*

1060. We accept the submissions of *Colleen Fox and John Oliver* (OS47.1) and the DCC (OS360.145) to rezone 5 and 7 Brick Hill Road and PT Sec 1037R Brick Hill Road from Rural Hill Slopes to Rural Residential 1.

1061. We accept the Reporting Officer's evidence that this amendment will resolve a mapping error and consider there is clear alignment of the sites with the criteria in new Policy 2.6.1.Y.a.

3.8.9.3 19, and 19A Brick Hill Road, Sawyers Bay (sheet 25)

1062. See *Keong Tang* (OS77.1) sought to change the zoning of 19 and 19A Brick Hill Rd (0.2 and 0.4ha) from Rural Hill Slopes to Township and Settlement Zone. The submitter noted that the sites are small and considered that they do not fit the proposed rural zoning. 19 Brick Hill Road has a residential dwelling on it, while 19A Brick Hill Road is currently undeveloped and not used for farming. Land across the road from these sections is zoned Township and Settlement Zone.

1063. *Dunedin City Council* sought to rezone these sites Rural Residential 1 (OS360.145), to reflect the requested rezoning of adjoining sites 5 and 7 Brick Hill Road from Rural to Rural Residential 1 (see above).

1064. The Reporting Officer did not make a specific recommendation, but rather considered that the most appropriate zone depends on decisions on the need for additional development in this area, and over what timeframe this might be required. As such, she provided the following options for these sites (s42A Report for ULS Part 2, section 5.1.7, p. 77):

- rezoning the property to Rural Residential 1 is consistent with Policy 2.6.1.4
- rezoning the area to residential is not consistent with Policy 2.6.3.1 as there are wastewater capacity issues. However, if further residential capacity is required in this area, a GR1TZ could be applied to allow development when infrastructure upgrades allow.
- alternatively, either Township and Settlement (unserved) (6 houses in total) or Large Lot Residential 1 Zone (3 houses in total) would potentially allow further development in the short term with on-site wastewater management. However, this would create a spot zone and increase plan complexity, and be less efficient than future general residential zoning.

1065. *Mr and Mrs See Tang* spoke at the hearing of their use of the sites and how it just seemed sensible to allow more intensive use as the land is too small for rural or rural residential use. Residential zoning would be consistent with the land use across the road. They sought to have eight additional sites.

1066. The Reporting Officer revised her recommendation to rezone the sites Township and Settlement Zone, with a wastewater infrastructure constraint layer (Revised Recommendations, p. 14).

3.8.9.3.1 *Decision and reasons*

1067. We accept *See Keong Tang's* submission to rezone 19 and 19A Brick Hill Road to Township and Settlement. Rezoning is consistent with Policy 2.6.3.1. We therefore reject the submission of the *DCC* (OS360.145) as far as it relates to these sites.
1068. We assessed the site against the criteria in Policy 2.6.3.1.
1069. In relation to capacity, as discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1070. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of *DCC* Transportation Group staff was that the proposed zone could be supported by existing infrastructure, and that existing budgets can fund any off-site infrastructural upgrades required. The evidence of *DCC* Water and Waste Services staff was that there are wastewater capacity issues in the infrastructure catchments serving West Harbour. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the *NPS-UDC*, and as such have avoided spreading the provision of residential rezoning across too many infrastructure network catchments where there are existing capacity constraints. However, we accept the advice of Water and Waste Services staff at the Reconvened Urban Land Supply hearing that there is sufficient infrastructure capacity to provide for up to 20 dwellings in the West Harbour area. While downstream effects on stormwater have not been assessed, we consider the site achieves reasonable alignment with Policy 2.6.3.1.b given the low level of additional residential capacity created.
1071. Looking to Policy 2.6.3.1.c, we consider there is reasonable alignment with these criteria.
1072. In terms of alignment with Policy 2.6.3.1.d, we found only minor issues.
1073. The evidence of the *DCC* Transportation Group suggested that Brick Hill Road provides a poor level of service for non-motorised road users (i.e. no pedestrian or cycling facilities), and network upgrades will be required to support active modes; however also appeared to indicate that this could be covered by forward transportation budgets. Therefore, we consider there is reasonable alignment with Policy 2.6.3.1.d.x.
1074. Overall, then, we consider 19 and 19A Brick Hill Road to be appropriate for residential zoning, consistent with Policy 2.6.3.1. We have rezoned this area Township and Settlement, which in theory provides for seven fully serviced sites. We note that, including these sites, in our decision as a whole we have rezoned sites with a residential capacity for an additional 14 dwellings in West Harbour.

3.8.9.4 23 Rimu Street, Ravensbourne

1075. *Mark & Jodene Goatley* (OS253.1) sought to change the zoning of 23 Rimu Street, Ravensbourne, from Rural Hill Slopes to General Residential 1. They stated that their property is located between two properties that are already rated General Residential 1, and properties across the road are zoned General Residential. The land is well suited to a house, would provide needed housing in the city, and preserve the bush at the back of the property.
1076. The Reporting Officer noted that the site is at the northern edge of Ravensbourne, on steep terrain and covered in native bush. Properties on the uphill side of Rimu Street are zoned Rural, while those on the downhill side are General Residential. There are two dwellings established within the Rural Zone, either side of the subject property (at 15

and 29 Rimu Street). There is a SNL overlay over all these properties (s42A Report for ULS Part 2, section 5.1.8, p. 76).

1077. Mr Knox, DCC Landscape Architect, assessed the site, noting that the continuous bush in this area is a very important feature. It is visible in longer views from the harbour and the western parts of the peninsula, and links well with largely unbuilt natural areas of the slope behind, which extend to Signal Hill. He considered that the 2GP Rural Hill Slopes zoning is appropriate. If there was to be any change to this, retention of all the bush areas above the 136 metre contour (just above the level of the two existing houses in the area) would be important (Statement of Evidence, p. 18).

1078. The Reporting Officer's opinion was that rezoning the site would be inconsistent with Policy 2.6.3.1 as there are wastewater capacity issues, potentially significant effects on landscape values, and slope constraints. A single dwelling may be possible on the lower part of the site; however, this is best achieved through a resource consent process, to ensure the design and location minimises effects on landscape values. She recommended that the site remains Rural Hill Slopes Zone (s42A Report for ULS Part 2, section 5.1.8, p. 77).

3.8.9.4.1 Decisions and reasons

1079. We reject the submission of *Mark & Jodene Goatley* (OS253.1).

1080. We assessed the site against the criteria in Policy 2.6.3.1.

1081. In relation to capacity, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1082. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of the DCC Transportation Group stated that the frontage is unsealed, and that additional residential development in the area may result in additional pressure for extension of this infrastructure. The evidence of DCC Water and Waste Services staff is that at a site level, connections would be possible but would require funding through a Private Development Agreement. In addition, there are wastewater capacity issues in the infrastructure catchments serving West Harbour. We have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC, and as such have avoided spreading the provision of residential rezoning across too many infrastructure network catchments where there are existing capacity constraints. However, we accept the advice of Water and Waste Services staff at the Reconvened Urban Land Supply hearing that there is sufficient infrastructure capacity to provide for up to 20 dwellings in the West Harbour area. Overall, we consider this site is less well aligned with Policy 2.6.3.1.b than many other sites, including those in the West Harbour.

1083. Looking to Policy 2.6.3.1.c, we consider that, for a site on the edge of the main urban area, there is relatively poor alignment with these criteria.

1084. In terms of alignment with Policy 2.6.3.1.d, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which completely covers the site. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape overlay zones. We consider that providing for development at residential density within SNLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to. We note that any rezoning would require the SNL boundary to be reviewed, which has not been undertaken.

1085. Specifically in this location, as discussed in the Natural Environment Decision Report we accept the evidence of Mr Knox that the continuous bush in this area is a very important feature, visible in longer views from the harbour and the western parts of the peninsula, and linking well with largely unbuilt natural areas of the slope behind. As well as raising clear issues of conflict with clause 2.6.3.1.d.iv, relating to the protection of landscape values, we consider this evidence suggests the sites have poor alignment with clauses 2.6.3.1.i and vi, relating to rural character and amenity and other aesthetic values, and while we do not have evidence on the values of the bush, there are questions of alignment with clause 2.6.3.1.d.i, relating to the protection of indigenous biodiversity.

1086. Overall, then, we consider the site poorly aligned with Policy 2.6.3.1, and therefore do not support rezoning it as sought by the submitter. Further, rezoning this property in isolation from others at the western end of Rimu Street would create an awkward zone boundary.

3.8.9.5 74, 76, 78 and 80 Moana Street, Aramoana

1087. *Warren Wilson* (OS535.4), supported by *Brian Wilson* (FS2384.1), sought to change the zoning of 74, 76, 78 and 80 Moana Street, Aramoana, from Rural Coastal to Township and Settlement. His reasoning was that the area was surveyed in about 1989, but not deposited, as management of the area changed.

1088. The *Department of Conservation* (FS2379.7) (*DoC*) and *Forest and Bird NZ* (FS2482.1) opposed the submission on the grounds that this is a sensitive ecological area, administered under the Conservation Act 1987, which recognises the special ecological and conservation values. The further submitters considered that stricter controls associated with the Rural Coastal Zone are more appropriate than the Township and Settlement Zone.

1089. The Reporting Officer noted that the site includes the Aramoana Spit, and adjoins dunes and coastal marshes, although it's exact extent is unclear, due to there being no titles for the sites and no map supplied by the submitter. The site includes four "Pilot Houses", three of which are included in the Heritage Schedule, Appendix A1.1 (s42A Report for ULS Part 2, section 5.1.8, p. 78).

1090. Due to the sensitive nature of the area, high ecological and natural values, unstable land (dune system), lack of infrastructure and distance from Aramoana settlement, she considered that further residential development is inconsistent with policies 2.6.3.1 and 2.7.1.2, and generally inappropriate. For the same reasons, the existing rural zoning is most appropriate. She recommended that the site remains Rural Zone.

1091. *Nardia Yozin* (*DoC* Planner) tabled evidence on behalf of *DoC*. She noted that the properties are on *DoC* land. The spit is highly influenced by coastal processes. She considered that Rural Coastal was the appropriate zoning, given the natural coastal processes at the site, the land ownership and the surrounding coastal environment. This zoning is also consistent with the RPS and New Zealand Coastal Policy Statement 2010 (NZCPS). For the same reasons, residential zoning is inappropriate (Statement of Evidence, p. 4).

3.8.9.5.1 *Decision and decision reasons*

1092. We reject the submission of *Warren Wilson* (OS535.4).

1093. We assessed the site against the criteria in Policy 2.6.3.1.

1094. In relation to capacity, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-

making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1095. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of the DCC Transportation Group was that transport infrastructure is considered unable to sustainably support residential growth in this area. The evidence of DCC Water and Waste Services staff was that there are wastewater capacity issues in the infrastructure catchments serving West Harbour. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC, and as such have avoided spreading the provision of residential rezoning across too many infrastructure network catchments where there are existing capacity constraints. However, we accept the advice of Water and Waste Services staff at the Reconvened Urban Land Supply hearing that there is sufficient infrastructure capacity to provide for up to 20 dwellings in the West Harbour area. Overall we consider this site is poorly aligned with Policy 2.6.3.1.b.

1096. Looking to Policy 2.6.3.1.c, we consider that there is poor alignment with these criteria.

1097. In terms of alignment with Policy 2.6.3.1.d, there is exceptionally poor alignment with these criteria. We note conflicts with every objective listed. The site is highly influenced by coastal processes, part of a fragile ecosystem with high landscape and natural character values, and remote from services.

1098. In summary, residential zoning would very inconsistent with Policy 2.6.3.1.

3.8.10 Kaikorai Valley

1099. The s42A Report noted that Kaikorai Valley has particular infrastructure issues, with wastewater overflow diverted to the Kaikorai Stream during rainfall events. Excess flows in this network also contribute to flooding in South Dunedin. Overflows occur into the stormwater network and then into the Otago Harbour. The wastewater network in Kaikorai Valley is currently being upgraded with an estimated time to completion of 10 years.

1100. In the meantime, there is no capacity for additional development.

1101. However, sites at the southern end of Kaikorai Valley (Burnside) are able to connect to the Green Island Wastewater treatment plant, where there is additional capacity (s42A Report for ULS Part 2, section 5.1.9, p. 81).

3.8.10.1 30 Mercer Street

1102. *Christopher Medlicott* (OS21.3) sought to change the zoning of 30 Mercer Street from Rural to General Residential 1 Zone. He noted that until the transitional provisions release the land for development, the site will be an undersized 4ha Rural block totally surrounded by residential and industrial land. Forestry activities on the site have now been completed and it is impractical to re-plant due to sensitive surrounding land uses. The only sensible zoning for the site now is residential. Since lodging the submission, 30 Mercer Street has been subdivided into a number of sites to enable residential development at the northern edge.

1103. The rural/residential boundary line on the site is arbitrary in terms of considering the site features, such as a creek. Water supply issues have already been addressed as a part of a recent subdivision consent (to create seven residential sites). Wastewater issues could be addressed by connecting the site to the proposed extension of the 250mm sewer currently running between Green Island and Townleys Road to 502 Kaikorai Valley Road. This is scheduled for 2016/17 and is in the draft financial plan.

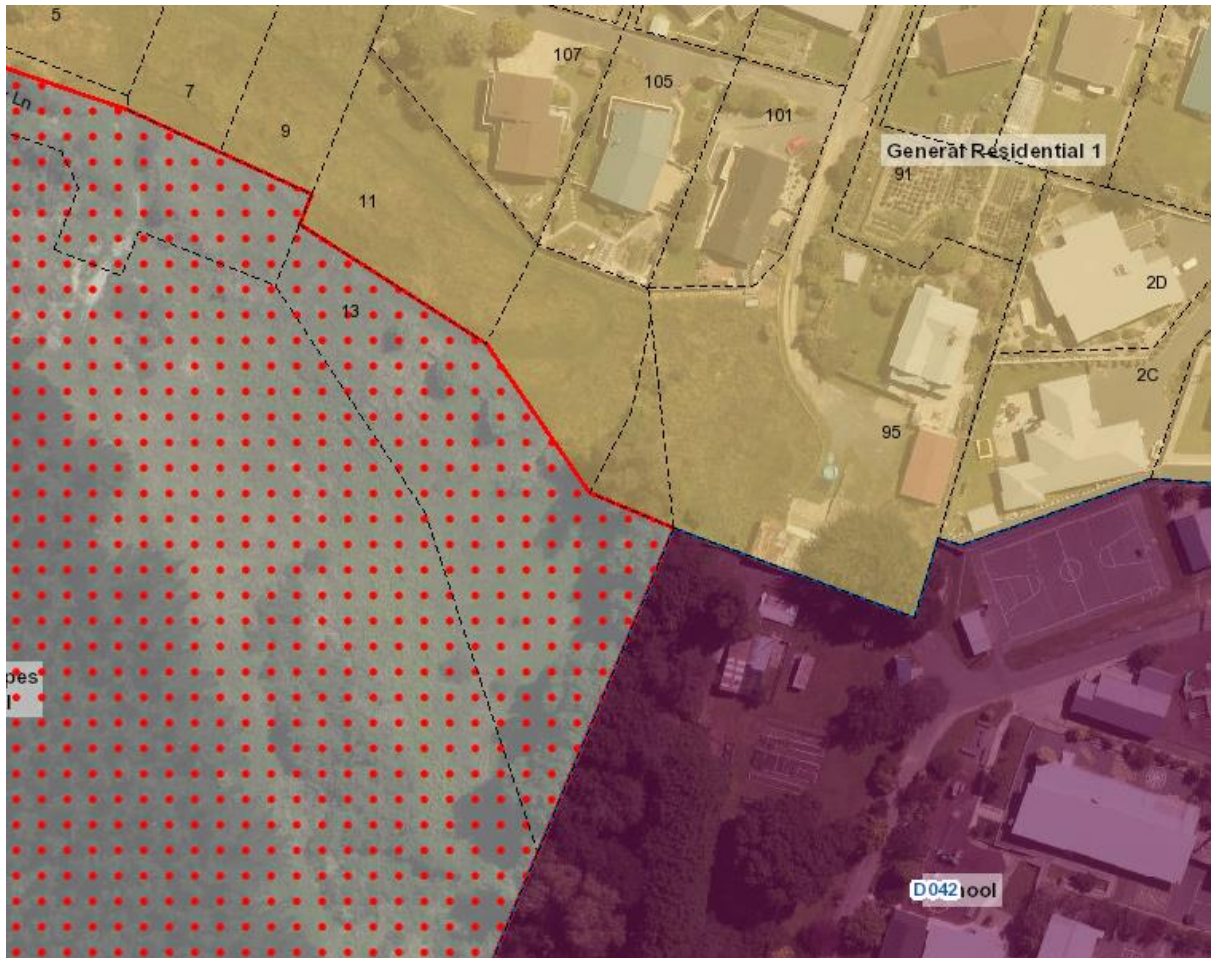
1104. Mr Medlicott also noted that the large former Kenmure School site has been rezoned from Residential to Industrial, dramatically reducing the amount of vacant land for residential development in the area. Mr Medlicott further notes that the 2GP map does not reflect the current land use, as subdivision works on part of the site are nearly complete and hence rural zoning of the site is not appropriate.
1105. The Reporting Officer referred to assessment sheet 28. She noted that the site is within the urban area on Kaikorai Valley, and that it was originally zoned rural due to concerns about land stability. Geotechnical work undertaken by the submitter indicates that the majority of the site is suitable for development.
1106. She noted that the primary remaining constraint is the lack of capacity in the wastewater network. Upgrades are programmed and would be completed in 15 to 20 years (this was later amended to 10 years). It was for this reason that a GR1TZ overlay was applied to the site. At the time that the s42A was prepared, it appeared it would be acceptable that wastewater issues might be resolved on site.
1107. The Reporting Officer recommended that consideration should be given to rezoning this site. At a minimum, she recommended that the sites that are already subdivided but within the rural zone are zoned residential. If rezoning is undertaken, a structure plan requiring on-site wastewater disposal, or an alternative agreed solution, would be required.
1108. Mr Medlicott appeared at the hearing and discussed the concept plan provided with his submission. The work being done by the DCC to address wastewater was discussed. The operation of the development contributions policy was canvassed as was the possibility of localised developer-led solutions to the infrastructure constraints, including an 'on-site system'.
1109. The Reporting Officer's revised recommendation was to rezone the site General Residential 1, with an onsite wastewater solution to be considered.
1110. At the reconvened hearing, *Mr Medlicott* provided a report from Mr Derrick Railton of Fluent Solutions (Fluent Solutions Report, 6 September 2017). The report set out an analysis of proposed subdivision's impact on the wastewater network. Mr Railton's evidence was that with modern construction standards, and care in 'constructional detail' infiltration effects can be minimised. This means that the impact will be less than the standard provided in the DCC Code of Subdivision and Development. Mr Railton provided an estimate 'that actual peak flows are likely to be nearer 2l/s given likely lower per capita water use, lower average house occupancy and construction to modern standards' (Fluent Solutions Report, 6 September 2017, p. 4).
1111. Mr Railton then set out an analysis of the 'maximum overall sewer capacity of the Kaikorai Valley sewer system discharging below Townleys Rd to the Caversham tunnel is of the order of 650l/s'. Based on this, Mr Railton submitted that the added flow of 2l/s would be 'barely detectable' (Fluent Solutions Report, 6 September 2017, p. 5).
1112. We heard evidence from Tom Dyer (DCC Manager of Water and Waste Services) specifically in response to the Fluent Solutions proposal. While acknowledging that the increase from the proposal would be relatively minor, Mr Dyer considered that given the network's lack of capacity, and that overflow events flood South Dunedin, any additional flow would increase the frequency and impact of these events. Mr Dyer considered this may be a situation where on-site storage had real potential to address the issue (oral evidence, reconvened hearing).

3.8.10.1.1 *Decision and reasons*

1113. We accept in part the submission of *Mr Medlicott* (OS21.3).

1114. We note a GR1TZ overlay zone was notified over 30 Mercer Street. The question for the Panel was not whether this was appropriate, but whether the GR1TZ area should be rezoned to General Residential 1 immediately.
1115. The evidence of DCC Water and Waste Services staff is that there are wastewater capacity issues in the infrastructure catchments that service Kaikorai Valley, and that upgrade works (which are underway) are programmed to take 10 years to conclude. In the interim, given the network's lack of capacity and the fact that overflow events flood South Dunedin, any additional flow would increase the frequency and impact of these events.
1116. In evidence at the Reconvened Urban Land Supply hearing, we received advice that there are a number of areas including South Dunedin, Corstorphine and Balmacewen areas that all feed into the same network ('the Kaikorai Valley/South Dunedin Tahuna catchment') and are therefore constrained by the same infrastructure issues.
1117. As discussed in Section 3.5.4, our understanding of the evidence of Mr Dyer at the Reconvened Urban Land Supply Hearing was that should additional residential capacity be required, limiting the infrastructure network catchments over which this capacity is provided would increase the chance of infrastructure constraints being addressed in these areas in a timely manner.
1118. We have indeed taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions. In some other areas with longer lead times for the provision of water and wastewater infrastructure capacity we have not provided for future residential development, even by way of Residential Transition Overlay Zones. Due to the presence of notified GR1TZ, Infrastructure Constraint Mapped Areas over areas of medium density zoning, and additional sites that generally meet the criteria set out in Policy 2.6.3.1, as well as the slightly shorter lead times for infrastructure capacity improvements in this catchment, the Kaikorai Valley/South Dunedin Tahuna catchment is one of the two major infrastructure network catchments in which we have provided additional capacity, and therefore Kaikorai Valley is one of the areas in which the provision of infrastructure capacity is likely to be prioritised. However, while we accept that the timeframe to complete works may change as a result of future funding decisions, in the short-term residential development is not possible as a result of capacity constraints.
1119. We have every sympathy with *Mr Medlicott* that the constraint cannot be resolved more quickly. However, as a viable on-site solution has not been presented to us, and discussions with DCC's Water and Waste Services department do not seem to have reached a conclusion, we consider retention of the GR1TZ overlay on 30 Mercer Street (now a RTZ, see Section 3.6.5) is appropriate in line with Policy 2.6.3.1.a.ii. This is also consistent with our concerns about the appropriateness of on-site treatment and disposal in/adjointing areas developed at standard residential density, given Mr McLeod's advice about the challenges with on-site disposal, including sloping sites, lack of maintenance, and a potential nuisance for neighbours.
1120. However, we consider the appropriate zoning for the recently subdivided sites which are currently zoned part residential and part rural (95 Barr Street and 7, 9 and 11 Wattie Fox Lane) is residential. It serves no purpose to have small parts of these sites zoned rural. In addition, we have rezoned the part of 13 Wattie Fox Lane between 11 Wattie Fox Lane and 95 Barr Street as residential. This is a 650m² area, sufficient for a single residential development. Rezoning the entire 3,000m² site would allow for subdivision and additional residential capacity, for which there is no infrastructure capacity at present (Figure 8).

Figure 8: Rezoning of part of 7, 9, 11 and 13 Mercer Street and 95 Barr Street.



3.8.10.2 118 Brockville Road, and 23 Stretlaw Place Brockville

1121. *Ann Venables* (OS105.1) sought to remove GR1TZ Overlay Zone from 118 Brockville Road and 23 Stretlaw Place, Brockville, and retain the Rural Hill Slopes Zone. She noted that the land is part of a contiguous rural landscape that extends from the existing Glenross residential area to Dalziel Road, offering users of the walking tracks views of a typical rural landscape. She considered that residential development would have a significant impact on the natural character and amenity values of the area. Less than 40% of the property would be suitable for high density use and green spaces are an important part of the city.

1122. The Reporting Officer noted that *Ms Venables* owns 118 Brockville Road but not 23 Stretlaw Place. No submission was received from the owner of that site, and the Reporting Officer noted that she has been unable to contact them. She stated that she had no objection to removing the GR1TZ from 118 Brockville Road, as it is unlikely that it would be developed while it is in *Ms Venables'* ownership (s42A Report for ULS Part 2, section 5.1.9, p. 83).

1123. We did not receive any further information on this issue.

3.8.10.2.1 Decision and reasons

1124. We accept *Ann Venables* (OS105.1) submission to remove the GR1TZ overlay zones from 118 Brockville Road and 23 Stretlaw Place.

1125. We assessed the site against the criteria in Policy 2.6.3.1.

1126. In relation to capacity, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential (or retained the GR1TZ overlay) only where there is clear alignment with other elements of Policy 2.6.3.1.
1127. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of DCC Water and Waste Services staff was that there are wastewater capacity issues in the infrastructure catchments serving these sites. We have taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions, and as a result this residential area is one in which provision of water and wastewater infrastructure capacity is likely to be prioritised (see discussion in Section 3.8.10.1 for further explanation). However, in the meantime residential development is not possible as a result of capacity constraints.
1128. Looking to Policy 2.6.3.1.c, we consider that there is reasonable alignment with these criteria.
1129. In terms of alignment with Policy 2.6.3.1.d, starting first with clause 2.6.3.1.d.iii, we consider there is lack of alignment with this clause as both sites are covered with a Urban Conservation Mapped Area (now a Urban Biodiversity Mapped Area (UBMA), following decisions outlined in the Natural Environment Decision Report). In our view, the presence of the UBMA suggests that residential zoning is not appropriate. Most UBMA areas within the Plan do not overlay residential zones and those that do are generally open space, such as recreation areas, or areas of native bush. We received little evidence on the values of the UBMA in this area, so while the values may not be high, on balance we did not consider it appropriate that the 2GP provide for residential development at standard density on this site without further assessment of these values. With reference to issues relating to amenity, which are relevant considerations under clause 2.6.3.1.d.i and vi, we agree with the Reporting Officer and the that removing the GR1TZ on this site would have minor positive effects for rural character.
1130. Additionally, the majority of 118 Brockville Road, and part of 23 Sretlaw Place, are covered a high class soils mapped area ('highly productive land'), and we heard no evidence to the contrary. As discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly, but not limited to, flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which it has been, or is currently being, put to.
1131. We gave particular weight to the lack of support by the landowner for the GR1TZ. We agree with the Reporting Officer that 118 Brockville Road is unlikely to be developed while in her ownership, and given this, we support the removal of the GR1TZ from 23 Sretlaw as well. We consider the sites would be more likely to achieve alignment with clauses 2.6.3.1.d.ix and 2.6.3.1.d.x (relating to efficient public infrastructure and efficient transportation) if developed as an integrated whole at some point in the future.
1132. In summary, then, our assessment against the criteria in Policy 2.6.3.1 suggested the removal of the GR1TZ overlay zones from 118 Brockville Road and 23 Sretlaw Place is appropriate.

3.8.10.3 81A Glenelg Street, Bradford

1133. *Glenelg Gospel Trust* (OS350.2) sought to change the zoning of most of 81A Glenelg Street (Lot 1 DP 15632) to General Residential 1 Zone and remove the GR1TZ - Priority 2 Overlay Zone.

1134. The site currently has a split of Rural Residential 2 and General Residential 1 zoning, which the submitter considers to be an inefficient approach to resource management and does not sustainably manage the natural and physical resources of the site. The submitter considers the site to be ideally suited for residential development and should be zoned for that purpose now.
1135. The submitter also sought that if the GR1TZ overlay zone is retained, it is changed from Priority 2 to Priority 1, for the same reasons as above (OS350.5).
1136. The Reporting Officer noted that the site has already been identified as suitable for future residential development. The GR1TZ had been applied due to the wastewater infrastructure constraints in the area. She considered that removing the GR1TZ would be inappropriate as there is no agreement or resolution to these infrastructure issues. Should this be resolved, and additional development capacity be required, the land could be released. She also referred to her recommendation in the ULS Part 1 hearing that the distinction between Priority 1 and 2 be removed. Therefore, she recommended that the submission should be accepted in part, and the GR1TZ remain but the Priority 2 status be removed (s42A Report for ULS Part 2, section 5.1.9, p. 83).

3.8.10.3.1 Revised recommendation

1137. The Reporting Officer's revised recommendation was to rezone the site General Residential 1, noting that this would provide for up to 39 new dwellings. A wastewater infrastructure constraint was identified.
1138. No one appeared at the hearing and there were no further submissions in opposition to the residential zoning.
1139. We requested planning staff to provide advice on an appropriate method (a Structure Plan or rule) that requires an approved scheme plan for all sites, showing access and servicing before any subdivision may be approved.

3.8.10.3.2 Reconvened s42A

1140. In our initial deliberations, we considered whether there were options for co-ordinated development of this site and the adjoining sites with a GR1TZ overlay (41 and 89 Glenelg Street, 3 and 5 Ronay Street and 34 Bradford Street). We were also interested in the potential for connectivity to 32 Salisbury Street for which we also received a submission to rezone to residential. We considered this evidence at the reconvened hearing, after some of the Panel had visited the area.
1141. Mr Fisher (DCC Transport Planner / Engineer) advised that development of the area should include vehicle access from Bradford Street to Ronay Street, with an upgrading of Ronay Street to the Glenelg Street intersection.
1142. The Reporting Officer indicated at the reconvened hearing that there is the potential for pedestrian and cycle access to Glenelg Street to be achieved through the church grounds on 81A Glenelg Street. Some of the sites adjoin Bradford School and pedestrian access through from Glenelg Street to the school could also be provided.
1143. The Reporting Officer was contacted by Mr Chris Connor, owner of 34 and 34A Bradford Street. The narrow section zoned GR1, which may be the location of a future road, forms part of 34A Bradford Street and 5 Ronay Street and is used for access by Mr Connor. A vehicle connection between Ronay Street and Bradford Street could only occur when/if these sites are developed.
1144. She noted that if only part of the site (e.g. 81A Glenelg Street) is developed, access would have to be off either Glenelg or Ronay streets, but provision should be made for a future road connection to Bradford Street, when / if 5 Ronay Street and 34A Bradford

Street are developed. The same applied to a pedestrian connection to Bradford School, which would pass through 34A Bradford Street.

1145. In terms of connectivity to 32 Salisbury Road, she noted that the sites between the GR1TZ area and Salisbury Street (15 Ronay Street and 29 Salisbury Street) are zoned Rural Residential 2 and there are no submissions to rezone them to Residential. There is no potential for further residential development under RR2 zoning.
1146. Her recommendation was that if we composed a Structure Plan over the area, it should include a requirement for subdivision layout to include pedestrian access from Glenelg Street through to Bradford School, and vehicle access between Ronay and Bradford streets (s42A Report ULS Reconvened Hearing, section 3.5.2, p. 14).
1147. We note that Mr Cubitt's view, as expressed in the response to Dr Johnson's revised GR1TZ methods (see section 3.6.4), was that 81A Glenelg Street did not need a structure plan, as subdivision matters could be dealt with through the normal subdivision process (Further Notes to Memorandum of Advisors, pp. 5-6)

3.8.10.3.3 *Decision and reasons*

1148. We reject *Glenelg Gospel Trust's* submission to rezone 81A Glenelg Street (OS350.2) but accept in part the submission to change the priority (OS350.5).
1149. We note a GR1TZ overlay zone was notified over the site. The question for the Panel was not whether this was appropriate, but whether the GR1TZ area should be rezoned to General Residential 1 immediately.
1150. The evidence of DCC Water and Waste Services staff is that there are wastewater capacity issues in the infrastructure Kaikorai Valley catchment, and that upgrade works (which are underway) are programmed to take 10 years to conclude. In the interim, given the network's lack of capacity and the fact that overflow events flood South Dunedin, any additional wastewater would increase the frequency and impact of these events.
1151. As discussed in Section 3.5.4, our understanding of the evidence of Mr Dyer at the Reconvened Urban Land Supply Hearing was that should additional residential capacity be required, limiting the infrastructure network catchments over which this capacity is provided would increase the chance of infrastructure constraints being addressed in these areas in a timely manner.
1152. We have indeed taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions. In some other areas with longer lead times for the provision of water and wastewater infrastructure capacity we have not provided for future residential development, even by way of Residential Transition Overlay Zones. Due to the presence of notified GR1TZ, Infrastructure Constraint Mapped Areas over areas of medium density zoning, additional sites that generally meet the criteria set out in Policy 2.6.3.1, and the slightly shorter lead times for infrastructure capacity improvements in this catchment, Kaikorai Valley is one of the areas in which we have provided additional capacity and therefore one of the areas in which the provision of infrastructure capacity is likely to be prioritised. However, while we accept that the timeframe to complete works may change as a result of future funding decisions, in the meantime, residential development is not possible as a result of capacity constraints. Our view is therefore that retention of the GR1TZ (now RTZ, as discussed in Section 3.6.5) is necessary, consistent with Policy 2.6.3.1.a.ii.
1153. However, we note that in our decision at Section 3.6.5 we have removed the priority 1 and 2 classification of the RTZ. We also consider it beneficial to apply a Structure Plan mapped area over this site and the adjoining RTZ sites, as a consequential change to removing the structure plan requirements from the GR1TZ release rule. This will ensure the area, which is in multiple ownership, will be developed in a way that ultimately

provides for connectivity in line with Policy 2.6.3.1.d.x (relating to efficient transportation), noting of course, that this will not be fully achieved until some key sites are developed.

1154. We also note that we have expanded the RTZ area to follow the property boundary on 5 Ronay Street, as there seems to be no clear reason to exclude this area, which is a small part of the site.

1155. We have therefore amended the Plan to add structure plan performance standards under Rule 15.7A.11, which require that the layout of any subdivision must provide for pedestrian access to Bradford School; and vehicle access between Bradford and Ronay streets.

3.8.10.4 32 and 32A Salisbury Road, Bradford

1156. *Jason Hewlett* (OS109.1) sought to change the zoning of 32 Salisbury Road (1.71ha) to General Residential 1 Zone as the land is flat and is well located for the expansion of residential homes with good local community services.

1157. The Reporting Officer referred to assessment sheet 29. She noted that the site zoned RR2 and is adjacent to residential development on the west side of Kaikorai Valley Road. The site is flat and is currently developed at a rural residential scale (s42A Report for ULS Part 2, section 5.1.9, p. 82).

1158. She considered that the primary constraint for residential development is the lack of capacity in the wastewater network, although stormwater management would also need to be resolved. She recommended that this site should be considered for a GR1TZ overlay, to allow development when infrastructure constraints are resolved.

1159. *Mr Hewlett* (OS109.1) provided potential on-site solutions to the wastewater and water constraint issues on the site; however, he suggested that connection to Council services would be preferable and more economic. In all other respects he submitted that the land was ideal for residential development (Statement of Evidence, p. 1).

1160. *Mr Hewlett* also noted that the submission related to all his land as per the plan annexed to Assessment Sheet 29, including the separately titled 32A Salisbury St, which is sandwiched within 32 Salisbury Street. We accept that this property is properly within the scope of the original submission.

1161. The Reporting Officer later revised her recommendation to rezone 32 and 32A Salisbury General Residential 1, with an infrastructure constraints layer.

3.8.10.4.1 *Decision and reasons*

1162. We accept in part the submission of *Jason Hewlett* (OS109.1) and have applied a RTZ overlay to 32 and 32A Salisbury Street.

1163. We assessed the site against the criteria in Policy 2.6.3.1.

1164. In relation to capacity, as discussed in Section 3.3.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1165. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of the DCC Transportation Group was that the road is unsealed, and Council is unlikely to take on new assets in this location unless the road is improved to a public urban road standard. The evidence of DCC Water and Waste Services staff was that there

are some costs associated with connection to services that would need to be recouped by way of a Private Development Agreement. More significant, however, are the wastewater capacity issues in the infrastructure catchment serving these sites. While we have taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions, and as a result this residential area (Kaikorai Valley) is one in which provision of water and wastewater infrastructure capacity is likely to be prioritised. In the meantime, however, residential development is not possible as a result of capacity constraints. Effects associated with stormwater have not been assessed. We therefore consider any additional residential capacity would need to demonstrate very clear alignment with the other criteria in Policy 2.6.3.1, and to be in the form of a Residential Transition Overlay Zone, if it is to be considered not in conflict with Policy 2.6.3.1.b.

1166. Looking to Policy 2.6.3.1.c, we consider that there is acceptable alignment with these criteria, given its location at the edge of the main urban area.

1167. In terms of alignment with Policy 2.6.3.1.d, based on the evidence presented, our assessment was that there was good alignment with these criteria. The only issue of concern related to effects on rural character and amenity (relevant considerations under clauses 2.6.3.1.d.i and vi), but we accept the Reporting Officer's evidence that these are considered minor on a city-wide scale, and we did not consider them a reason not to rezone.

1168. In summary, it is our assessment that 32 and 32A Salisbury Road meets the criteria in Policy 2.6.3.1, subject to infrastructure constraints being overcome. We consider the most appropriate approach is to apply a RTZ overlay to the sites, allowing development at GR1 density once infrastructure constraints are resolved. Based on the evidence of Mr McLeod we do not consider that on-site wastewater disposal systems, the alternative suggested by the submitter, are appropriate in a GR1 environment. As discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), where residential zoning is considered appropriate we have generally zoned at standard or medium density, unless we are limited by scope or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider this approach is aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure).

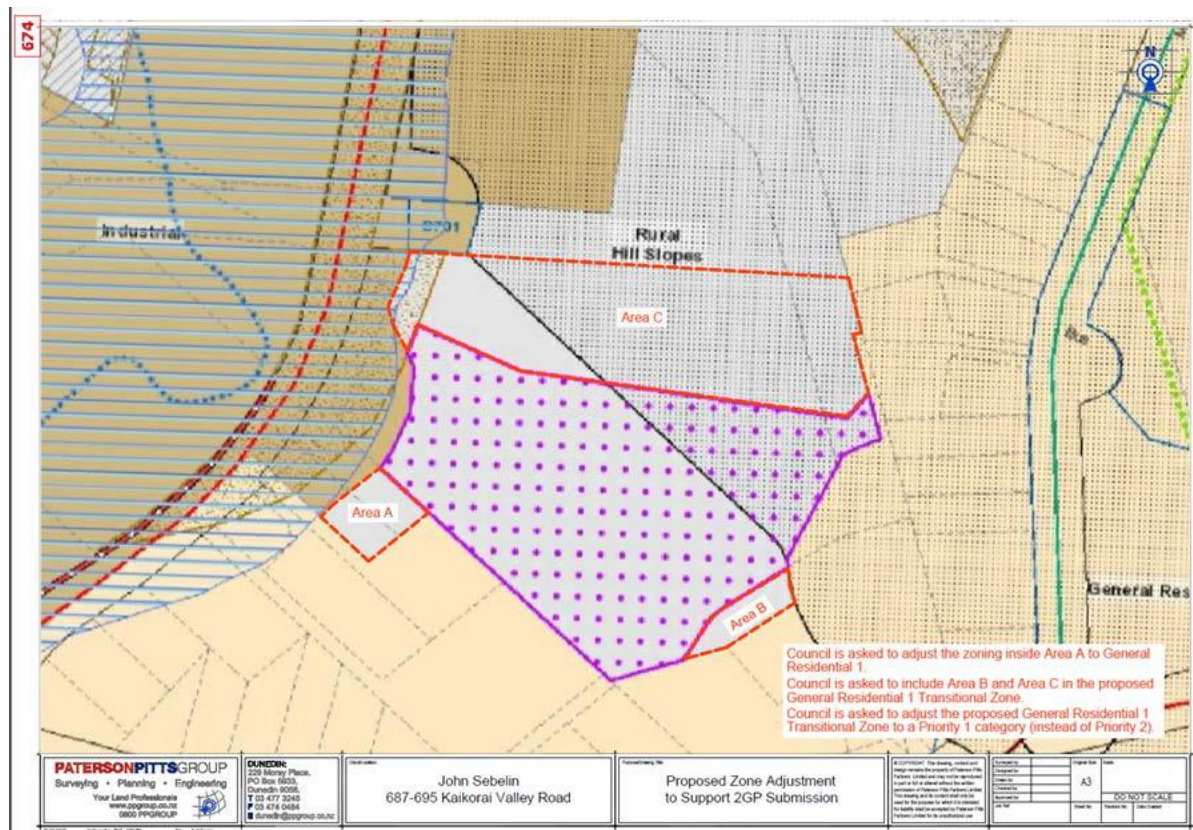
1169. We note that this will ultimately create a narrow island of Rural Residential land between 32 Salisbury Road and the edge of the current General Residential 1 area. This land parcel is Crown land and was not included in *Mr Hewlett's* submission. There is therefore no scope to include it in the RTZ, so we recommend that this is considered in a future plan change.

3.8.10.5 687 and 693 Kaikorai Valley Road, Burnside

1170. *John Sebelin, Dianne Sebelin, David Ehlers and Evan Taylor* (OS674.1) sought to change the GR1TZ that is over part 687 and 693 Kaikorai Valley Road from Priority 2 to Priority 1, to allow greater flexibility in the way that the land is managed, and at what speed land use changes are able to occur.

1171. They also sought (OS674.3) that additional parts of the site be included in the GR1TZ Priority 1 overlay (marked Area B (0.05ha) and Area C (0.83ha) in the map attached to assessment sheet 32 and shown as Figure 9 below), as the land is clear of known hazards and would be well suited for residential activity, providing potential for 12 new houses. They considered that Area B would otherwise become a rural island once the GR1TZ area is developed, and Area C is a sensible progression as it extends the GR1TZ as far as the southern edge of the existing Caversham Tunnel corridor.

Figure 9: Area subject to submission OS674.1



1172. The submission was opposed by *Paul and Bronwyn Bennington* (FS2025.1), who had concerns about land instability in relation to Area B, and the effect on views, sun, privacy and land instability in regard to Area C.
1173. *William and Patricia McLean* (FS2053.1) also opposed the rezoning as they submitted that there is a history of ground movement in the area and concerns that development would affect their lifestyle, privacy and property value. They purchased their property (188 Mornington Road) in the understanding that further development would not occur to the back and sides.
1174. In accordance with her recommendation to remove the Priority 1 and 2 statuses of the GR1TZs, the Reporting Officer recommended removing the Priority 2 status from the GR1TZ over 687 and 693 Kaikorai Valley Rd.
1175. In relation to Areas B and C, the Reporting Officer noted that the site (overall) adjoins residentially zoned areas on two sides, has little productive capacity and is isolated from other rural land (except the quarry adjoining it to the North). Given the slope of the site, and the opposing submitters' location above the site, it is unlikely that there will be any significant impact on sunlight or privacy, although views would be affected. However, protection of individual views is not guaranteed. Issues of land stability and stormwater capacity could be resolved during subdivision consent, and there is existing capacity for wastewater.
1176. She considered that it is logical to include the two small additional areas (B and C), so that when the site is released in the future, development can be carried out in a co-ordinated way without leaving an isolated rural area. She therefore recommended that the GR1TZ be extended to cover areas B and C.

1177. *John Sebelin, Dianne Sebelin, David Ehlers and Evan Taylor* were represented by Kurt Bowen, who advised that the submitter's position was now that all of the subject land should be zoned General Residential 1.

1178. *Bronwyn Bennington* (FS2025.1) appeared and spoke with the support of Ah-Lek Tay. She tabled information about land instability in the area and expressed concern about the risks that building on the land posed to new residences and to themselves. She gave evidence that 'there are evident slips and evidence of slumping'. She was of the view that 'any dwelling and or driveway' on Area B 'would further destabilise the land.' She also annexed an excerpt from a GNS report touching upon rainfall induced landslides in the Dunedin area.

1179. The Reporting Officer's revised recommendation was to rezone the entire area General Residential 1. Scope to do this was available under *Robert Wyber's* submission (OS394.5), which sought to increase the availability of greenfield residential land.

3.8.10.5.1 *Decision and reasons*

1180. We accept in part the submissions of *John Sebelin, Dianne Sebelin, David Ehlers and Evan Taylor* (OS674.1 and .3). As discussed in Section 3.6.5, our decision has removed the Priority 1 and Priority 2 GR1TZ classes and replaced these with an RTZ overlay.

1181. In terms of the submitter's revised position that the area should be rezoned General Residential 1 immediately (rather than retaining / applying a RTZ), we accept the Reporting Officer's advice that there is scope to consider this under the submission of *Robert Wyber* (OS394.5) which sought to provide for an increase in the areas of greenfield and rural residential land to be zoned as residential, including by rezoning GR1TZ to GR1.

1182. In relation to the considerations raised by further submitters, we note a GR1TZ overlay zone was notified over the site, and therefore the question for the Panel was not whether this was appropriate, but whether it is appropriate that the GR1TZ area should be rezoned to General Residential 1 immediately. We note that matters of building platform suitability and geotechnical issues are better traversed at either subdivision or building consent stage.

1183. The key consideration in relation to whether a Residential Transition Overlay Zone is necessary, is infrastructure. While the initial advice was that there are wastewater capacity constraints in this area, the updated evidence of Water and Waste Services staff (presented at the Reconvened Urban Land Supply hearing) was that there are no constraints south of 687 Kaikorai Valley Road, as wastewater flows in this area go straight to the Green Island Wastewater Treatment Plant. Based on this advice, we consider that the GR1TZ can be uplifted from these sites, and the entire submission area zoned as GR1, which we have done, attributed to the submission of *Robert Wyber* (OS394.5).

3.8.10.6 699 Kaikorai Valley Road, Burnside

1184. *John Sebelin, Dianne Sebelin, David Ehlers and Evan Taylor* (OS674.2) sought to change the zoning of the elevated parts of 699 Kaikorai Valley Road (Area A on Assessment Sheet 33, with an area of 0.078ha) from Rural Hill Slopes to General Residential 1 Zone, as it is a small site with residential zoning on two sides.

1185. *Paul and Bronwyn Bennington* (FS2025.2) supported the rezoning as long as suitable geotechnical reports are obtained.

1186. The Reporting Officer recommended that while the site met many of the criteria, because there was no assessed demand in the area the site did not meet the criteria in (the notified) Policy 2.6.3.1; however, as the site would only provide for one house GR1 zoning could be appropriate

3.8.10.6.1 *Decision and reasons*

1187. We therefore accept the submission by *John Sebelin, Dianne Sebelin, David Ehlers and Evan Taylor* (OS674.2) to rezone the rural part of 699 Kaikorai Valley Road to GR1 to ensure that subdivision planning can be processed in association with the adjoining site.
1188. We assessed the proposed rezoning against the criteria in Policy 2.6.3.1.
1189. In relation to the question of capacity, prompted by Policy 2.6.3.1.a, as discussed in Section 3.6.6 we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1. In this case, on balance we consider there is acceptable alignment.
1190. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the evidence of Water and Waste Services is that servicing is expected, and the evidence of Transportation that no effects on the network are anticipated.
1191. While alignment with Policy 2.6.3.1.c is not strong, given its small size, urban location and adjacency to a notified GR1TZ, we consider residential zoning is the most appropriate zoning for the site.
1192. In terms of alignment with Policy 2.6.3.1.d, we consider rezoning will promote alignment with clause 2.6.3.1.d.ix and x (relating to efficient public infrastructure and transport) by allowing it to be developed in conjunction with the adjoining site (which was already notified as a GR1TZ).
1193. In terms of effects on rural character and amenity and other aesthetic considerations (relevant under clauses 2.6.3.1.d.i and vi) we agree with the Reporting Officer's assessment while development in this area will affect a green outlook for some adjacent residential areas, the impact will be minor and acceptable.
1194. In summary, we consider that there is acceptable alignment with the criteria in Policy 2.6.3.1 and that residential zoning is the most appropriate use of the site and we therefore have zoned the site General Residential 1.

3.8.11 Wakari

1195. The Reporting Officer advised that Wakari Road is within the water supply boundary, and capacity is available. However, there are constraints in the wastewater system, which feeds into the same wastewater network as the North-East Valley area. Work was programmed to begin in this catchment in the 2017/ 2018 financial year, however is anticipated to take 15 to 20 years to complete (Urban Land Supply Assessment Overview Memorandum, Table 1).

3.8.11.1 280, 299, 301, 307, and 312 Wakari Road

1196. *John & Jennifer Hurley* (OS61.2) submitted that the front of their 8.39ha property at 299 Wakari Road (this is in fact the front part of 301 Wakari Road) should be zoned LLR1, rather than RR2 with a GR1TZ overlay. They submitted that at most this would provide five new sites, but this would be limited by the need to provide for wastewater disposal. The submission was supported by *NB Meek & HP Lindsay* (FS2483.1), who sought that the rezoning from RR2 to LLR1 should be extended to their property at 280 Wakari Road (1.55ha).
1197. *William Morrison* (OS57.1) sought to rezone his 0.97 ha property at 307 Wakari Road from RR2 to LLR1, with a maximum capacity of four new houses. Reasons given were

that it is within the water service area, LLR1 zoning fits the lot size, and the soil is suitable for wastewater disposal.

1198. *Grant, Linda and Allan Motion* (OS59.1) similarly submitted their 2.65ha at 312 Wakari Road be zoned LLR 1 zoning, as it was within the water service and wastewater service area and would provide flexibility of use.
1199. Mr Barry Knox, DCC Landscape Architect, noted that the area is not densely developed and has strong rural amenity values. In his opinion, changing the zoning to allow more intensive urban development would be anomalous with the open character of the area. A strong consideration in this is the elevation, which links the area closely with the open unbuilt areas above, and which increases visibility. He preferred the existing Rural Residential zoning which recognises the existing strong rural character and relates well to the elevated unbuilt areas further up the hill (Statement of Evidence, pp. 10 - 11).
1200. Mr Grant Fisher, DCC Transport / Engineer, considered that LLR zone could be supported by existing infrastructure, and any necessary improvements to this infrastructure could be dealt with at the time of subdivision consent (Statement of Evidence, p. 25).
1201. With regards to 299 and 301 Wakari Rd, the Reporting Officer advised that Louisa Sinclair had indicated that wastewater network capacity is available for the relatively small number of sites sought in Wakari; however, pipe upgrades would be required (Revised Recommendations Appendix v2, p. 6).
1202. The assessment sheets (36, 37 and 38) show that there are high class soils cover all of 301 and 307 Wakari Road, most of 312 Wakari Road and half of 280 Wakari Road.
1203. The Reporting Officer noted that servicing is expected in the LLR1 Zone, however there is no entitlement for water outside the water supply area. There were significant wastewater constraints in the area, although onsite disposal was possible. National Grid power lines pass through the length of 312 Wakari Road, significantly reducing development potential (s42A Report for ULS Part 2, section 5.1.10, p. 92).
1204. With reference to Mr Knox's evidence, the Reporting Officer considered that rezoning the sites is generally not consistent with Policy 2.6.3.1 due to the visual amenity issues and wastewater constraints. If it was decided that the area is suitable for additional residential development, general residential density would be a more efficient use of the land; however, that this would be likely to significantly worsen the impacts on rural amenity (s42A Report for ULS Part 2, section 5.1.10, p. 92).
1205. The Reporting Officer's recommendation was for the sites to remain zoned Rural Residential 2 unless there is a need for additional large lot residential development. In the case of 301 Wakari Road, which has a GR1TZ overlay, she noted that Large Lot Residential zoning might be preferable than future GR1 zoning, to reduce impacts on rural character and allow some development in the short term with on-site wastewater disposal (s42A Report for ULS Part 2, section 5.1.10, p. 92).
1206. *William John Morrison* (OS57.1) appeared with consultant planner, Mr Don Anderson, in relation to 307 Wakari Road. Mr Anderson considered that rejection of the submitters request on the grounds that the property contains high class soils would be unjustified. Mr Anderson described the Plan's methods for the protection of high class soils as being 'not absolute', and that the Council's approach contains some 'flexibility' (Statement of Evidence, p. 8-12). Ultimately, he submitted that the land area sought for development was a very minor percentage of high class soils (Statement of Evidence at pp. 7-8).
1207. Mr Anderson went on to address matters of stormwater, transport, and amenity issues and how they can be addressed, along with the site-specific solutions for sewage disposal.

1208. *Mr Morrison* (OS57.1) also spoke at the hearing, commenting on the s42A Report scoring matrix. He disagreed with many of the ratings identified for 307 Wakari Road, as well as the relevance of some of the criteria including: access to services, road upgrading, transportation upgrading, rural character, and rural protection (Further Statement of Evidence, pp. 1-2).

1209. *Grant and Linda Motion* (OS59.1) appeared with consultant planner, Mr Don Anderson. He described how rezoning their property 312 Wakari Road as Large Lot Residential 1 would be consistent with the land at 2 and 14 Polwarth Road, which was zoned R6 following an appeal on the operative District Plan (Statement of Evidence, pp. 4-5).

1210. Mr Anderson also described the site's characteristics as being essentially flat land, with an existing water connection which make the land desirable, he described the site as 'easy to sell' (oral evidence at hearing).

1211. *John & Jennifer Hurley* (OS61.1) did not appear at the hearing or provide any evidence.

3.8.11.1.1 *Revised recommendation*

1212. At the reconvened hearing the Reporting Officer identified wastewater constraints within the catchment that are likely to take 15 -20 years to resolve.

1213. In her revised recommendations the Reporting Officer noted that the lower level of development associated with LLR zoning proposed reduces effects on amenity values and impacts on the wastewater network. The areas' character is changing with adjoining development and will change in the future with development of the GR1TZ sites (the GR1TZ overlay was unchallenged). She therefore recommended that less weight is given to the amenity assessment for these sites, and that 299/301, 312 and 307 Wakari Road are rezoned Large Lot Residential 1 (Revised Recommendations, pp. 10-11).

1214. In the case of 280 Wakari Road, the rezoning request was made through a further submission and she considered there was no scope to change the zoning.

3.8.11.1.2 *Decision and reasons*

1215. We reject the submissions by *John & Jennifer Hurley* (OS61.2) *William Morrison* (OS57.1) and *Grant, Linda and Allan Motion* (OS59.1) to rezone 299 and 301 Wakari Road, 307 Wakari Road, 312 Wakari Road and 280 Wakari Road (respectively), to Large Lot Residential 1. We retain Rural Residential 2 zoning at all of the above properties, as notified, and the GR1TZ (now RTZ, following decisions discussed in Section 3.6.5), over the part of 301 Wakari Road adjoining the road.

1216. We assessed the sites against the criteria in Policy 2.6.3.1.

1217. The first consideration is Policy 2.6.3.1.a, relating to capacity. As discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1218. Turning to Policy 2.6.3.1.b, the evidence of Water and Waste Services staff is that there are known wastewater constraints in the downstream network, and while network upgrades are due to start in the 2017/18 financial year, this work is likely to take 15 or more years to complete. In evidence at the Reconvened Urban Land Supply hearing, we received advice that the Patmos Avenue/Pine Hill/North East Valley and Dalziel Road areas all feed into the same network ('the Northern Tahuna catchment') and are therefore constrained by the same infrastructure issues.

1219. Our understanding of the evidence of Mr Dyer at the Reconvened Urban Land Supply Hearing was that should additional residential capacity be required, limiting the infrastructure network catchments over which this capacity is provided would increase the chance of infrastructure constraints being addressed in these areas in a timely manner.
1220. We have indeed taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions. In some other areas with such a long lead time for the provision of water and wastewater infrastructure capacity we have not provided for future residential development, even by way of Residential Transition Overlay Zones. Due to the presence of both notified GR1TZ and Infrastructure Constraint Mapped Areas over areas of medium density zoning, and general alignment with the criteria set out in Policy 2.6.3.1, the Northern Tahuna catchment is one of two major infrastructure catchments in which we have provided additional residential capacity, and therefore Wakari is one of the areas in which the provision of infrastructure capacity is likely to be prioritised. However, while we accept that the timeframe to complete works may change as a result of future funding decisions, in the meantime, residential development at General Residential 1 density is not possible as a result of capacity constraints.
1221. Looking to Policy 2.6.3.1.c, we consider there is reasonable alignment with this criterion. Poor access to public transport is the most significant area of conflict.
1222. In terms of considerations under Policy 2.6.3.1.d.i and vi, relating to rural character and amenity and other aesthetic considerations, this appeared to be the most significant issue for the Reporting Officer. We acknowledge the evidence of Mr Knox, which was that the area has high rural amenity, and that allowing more intensive urban development would be anomalous with the established open character of the area, particularly given the link with the open unbuilt areas above. In terms of the Reporting Officer's suggestion that large lot residential zoning may be more acceptable in terms of effects on rural character and amenity, we did not receive any expert evidence to this effect. We note there is also an SNL overlay zone on most of 299 and the upper areas of 301 Wakari Road, which signals conflict with Policy 2.6.3.1.d.iv, but we did not interpret the submissions to be seeking rezoning of this area.
1223. There is poor alignment with clause 2.6.3.1.d.ii, as the area is almost completely covered a high class soils mapped area ('highly productive land'). While we acknowledge the topography of the land and the its development at rural residential scale reduces the productive potential of the sites, as discussed in the Rural Decision Report, we accept the 2GP's approach to maintaining rural productivity and rural land in rural uses by taking a long term perspective. We consider that the sustainable management of natural and physical resources dictates that rural land (particularly, but not limited to, flat, alluvial land with good soils) should be considered in terms of its future productive potential, rather than solely viewed in terms of the use to which has been, or is currently being, put to. We acknowledge the anecdotal evidence and historical perspectives on productivity offered by submitters at the hearing, we found it difficult to discount the mapped values of the site without the provision of expert soil evidence.
1224. The evidence of the DCC Transportation Group staff suggests that there is poor provision for alternative transport modes, and upgrades may be required, which does raise some questions of alignment with Policy 2.6.3.1.d.x.
1225. The submitters requested large lot residential zoning for this area. As discussed in Section 3.3.6, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC Objective OA2 and Objective 2.6.1 of the 2GP), we generally consider it more it consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b). We agree with the Reporting Officer that GR1

is more efficient use of land. We therefore consider the proposed development densities poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city. We note that our decisions have provided for large lot residential zoning elsewhere.

1226. Overall, we were not convinced that the sites, particularly at large lot residential zoning, were well aligned with the criteria in Policy 2.6.3.1. We could not identify any particular constraints (with the possible exception of the National Grid lines over 312 and 280 Wakari Road) that would make large lot residential a more appropriate zoning in accordance with Policy 2.2.4.1.b. If the area is considered suitable for future residential zoning (which we acknowledge the presence of GR1TZ would indicate is the case), we consider this would be more appropriately facilitated by standard or medium density zoning on these sites (and others in the vicinity), held as an RTZ and released for development only once wastewater network constraints are resolved. We did not have scope to consider this approach, but recommend that this is investigated by the Council as a possible plan change. In the meantime, while there are infrastructure constraints, we consider that Rural Residential 2 zoning is the most appropriate, along with retention of the GR1TZ overlay on 301 Wakari Road (albeit now an RTZ, as a result of decisions outlined in Section 3.6.5) in line with Policy 2.6.3.1.a.ii.

3.8.11.2 63 Wakari Road, Halfway Bush

1227. The *J D Scott Family Trust* (OS339.1) sought to change the zoning of the Rural part of 63 Wakari Road, Halfway Bush, to Rural Residential 2. The site is partly zoned GR1 and partly zoned Rural. The reasons given were that the rural part of the site is well below the minimum size for the rural zone and it could never be a viable farming unit, and it is located adjacent to a mature and relatively dense residential area. The submitter considered that the provisions of the Rural Residential 2 Zone are the most appropriate, allowing for a single dwelling to be erected and creating a logical transition between the residential and rural land-uses. This would create a sustainable, complying lifestyle block, rather than a severed piece of uneconomic rural land.
1228. *John Douglas Scott* (OS891.1 and .2) sought to rezone the same area of land to Large Lot Residential 2, or alternatively apply a General Residential 1 Transition Overlay Zone to it. This would allow for future development. The site includes a formed, private road (Rudd Road) which allows access to the rear of the site. There are lifestyle blocks to the north of the site.
1229. The above submissions were opposed by Jennifer *Coral Burbery* (FS2310.1,.2,.3), who lives at 45 Stephen Street, which adjoins the subject site. Her reasons included the close proximity of her home, noise, increased traffic and the size and height of buildings.
1230. The Reporting Officer noted that the area adjoins an SNL, which is elevated above it. The rear of the site is more visible than residential land at a lower elevation s42A Report for ULS Part 2, section 5.1.10, p. 90). The site was assessed by Mr Knox, whose opinion was that this site defines the distinct transition between domestic development and open grazed land with higher natural values. He considered that the site may be able to accommodate one dwelling without compromising established landscape values to any significant effect, but development beyond this would threaten these values (Statement of Evidence, p. 10).
1231. The Reporting Officer noted that the site does not meet the criteria for future residential development in Policy 2.6.3.1 due to the significant area of the site that is within the setback distance from the national grid, wastewater infrastructure constraints, and effects on rural character and visual amenity due to the elevated nature of the site and its connection to the SNL above it. However, she did note that rezoning to Rural Residential 2 meets the requirements of Policy 2.6.1.4. She therefore recommended that, should further rural residential land be required, this site is considered for rezoning.

1232. The *J D Scott Family Trust* (OS339.1) was represented at the hearing by consultant planner, John Willems, who stated that the submitter's rezoning preference had changed to Rural Residential 1.

1233. Mr Willems addressed concerns by further submitters by *Jennifer Burbery* (FS2310.3, .1 and .2), stating that the proposal is for a single dwelling, placed within the 'rural' part of the property, and located near an existing residential area, with easy access to Rudd Road. The location was indicated on an annexed map.

3.8.11.2.1 *Decisions and reasons*

1234. We reject the submissions by *John Douglas Scott* (OS891.1 and .2) and the *J D Scott Family Trust* (OS339.1) to rezone the western end of 63 Wakari Road as Rural Residential 2, Large Lot Residential 2, or GR1TZ.

1235. We assessed the site against Policy 2.6.1.Y, as we agree the western, rural-zoned part of the site, when considered in tandem with the rural-zoned sites towards Honeystone Street, and the adjacent Rural Residential 2 zone further along Wakari Road, constitute a mostly-developed cluster of small sites at rural residential density. While the submission of *Craig Horne Surveyors Limited* (OS704.22) (discussed in the Rural Residential Decision Report) does provide scope for Rural Residential 1 zoning to be considered, the density of the cluster of sites is consistent with clause 2.6.1.Y.b, consistent with Rural Residential 2 zoning.

1236. In assessing the sites against Policy 2.6.1.4, as discussed in the Rural Residential Decision Report, some of the sites around Honeystone Street have been identified as having high class soils, and though this is not coupled with flat topography as on the Taieri, the presence of these soils nevertheless reduces their alignment with clause 2.6.1.4.c.ii. The evidence of Mr Knox raises questions of alignment with 2.6.1.4.c.i and viii, and a number of the sites also have indigenous vegetation on-site, which is a relevant consideration under clause 2.6.1.3.c.v.

1237. As discussed above, we were convinced in deliberations of other sites in the Wakari area that there was potential to consider some of them for future residential development. While we consider there is no scope to provide for denser and better planned development at this stage as part of our deliberations on submissions, we consider that the Wakari Road area may have attributes that could support future rezoning to General Residential 1 density. This would need to be progressed as a plan change with a proper evaluation of all of the issues, and, if such development proved appropriate, a structure plan to provide for the most efficient development of the land while still protecting the important amenity that the Wakari area affords the greater city. Rural Residential 2 zoning might result in development that is inconsistent with future higher density residential use, and we therefore conclude that Rural Residential 2 zoning would not be well aligned with Policy 2.6.1.4.a. This was a significant factor in our assessment that rural residential zoning is not appropriate in this location.

1238. In addition, noting that the evidence of Mr Willems was that the submitter would like to build one house on the rural part of the land, we heard no compelling evidence to suggest that a lot on the residentially-zoned part of the site could not be combined with the rural-zoned area to equally provide for the outcome sought.

3.8.12 South Coast

1239. Submissions were received in relation to Ocean View and Saddle Hill Road. The Reporting Officer noted that Brighton and Ocean View have relatively few services, although there is a school, convenience store and community centre. There is predicted to be limited population growth in the area into the future (s42A Report for ULS Part 2, section 5.1.16, p. 137).

3.8.12.1 16 Hare Road, Ocean View

1240. *Stewart Mervyn Campbell* (FS2244.2) made a further submission to OS317.64 (a *Property Council New Zealand* submission to provide for development in areas that are not at risk from natural hazards – see Section 3.3.5), to rezone 16 Hare Road, Ocean View, to either Township and Settlement or Low Density Residential.
1241. *Mr Campbell* noted that the property was zoned Residential A under the Silverpeaks District Scheme, and that services appear to have been constructed in Hare Road to support relatively intense residential development. He stated that his property and others in the vicinity were re-zoned to Rural Residential under the operative District Plan and attempts to develop his property have been frustrated in recent years.
1242. The Reporting Officer noted that the site is in a large rural residential area at the end of Hare Road, Ocean View. There are no infrastructure constraints, and although the area is relatively distant from services, rezoning would otherwise be consistent with Policy 2.6.3.1. Given this relative isolation, rezoning would only be appropriate should additional demand be required in the Brighton area.
1243. The Reporting Officer further noted that that this rezoning request is a further submission to a submission which seeks to make provision for development in areas that are not at risk from natural hazards. Adjoining landowners or other interested parties may be unaware of the request and may have not had the opportunity to submit. Enabling more intensive residential zoning on this site through this process should therefore be treated with caution (s42A Report for ULS Part 2, section 5.1.16, p. 138).
1244. *Mr Campbell* (FS2244) was represented at the hearing by Leon Hallett, a consultant surveyor who noted that there are two consented houses on the site already. He explained that the title reflects the natural landform and is a more natural boundary to the residential area than the boundary of the Township and Zone. He also expressed the submitter's frustrations at the s42A analysis of demand in the area: that there is no demand predicted because there have been no development opportunities in the area. He believed that there are no constraints hindering development of 16 Hare Road (oral evidence at hearing, March 2017).
1245. In her revised recommendations, the Reporting Officer advised that there is probably no scope to rezone the site through the 2GP process, as the request originated from a further submission.

3.8.12.1.1 Decision and reasons

1246. We reject the submission by *Stewart Mervyn Campbell* (FS2244.2) to rezone 16 Hare Road to either Township and Settlement or Low Density Residential, as there is no scope to make such an amendment.
1247. Our cursory assessment against the criteria in Policy 2.6.3.1, however, suggests that should capacity assessments show a need for more residential development capacity in Brighton, this site should be considered as an option in any assessment.

3.8.12.2 505 Saddle Hill Road

1248. *Dianne Reid* (OS592.28) sought to change the zoning of Lot 2 DP 19043 (13.0053ha) at 505 Saddle Hill Road from Rural Coastal Zone to Large Lot Residential 2 Zone. Her reasons were that this would enable a small subdivision to be completed with small lot sizes, which would enable protection of the indigenous vegetation on the balance of the land. It would also allow the overall density to remain low.

1249. *David Hiom and Kerry Hiom* (FS2473.2) opposed the rezoning, as they had concerns about instability, traffic, loss of biodiversity, loss of privacy and storm water run-off, with consequent effects on vegetation and land stability.

1250. The Reporting Officer noted that the site was recently subject to a subdivision application, with consents SUB-2016-90 and LUC-2016-459 granted for the creation of four lots for residential purposes, with lot sizes ranging in area from 0.48 to 1.10ha. The remaining part of the site was to be combined with adjoining lots to create a larger lot (approximately 90ha) with a consent notice over this area preventing further subdivision. Additional consent conditions control the height, design, road access, infrastructure and landscape planting on the residential lots, and a pest and indigenous vegetation management strategy over approximately 56 hectares of the balance title (s42A Report for ULS Part 2, section 5.1.16, p. 138).

1251. The Reporting Officer noted that the area is not serviced, and it is not practical to do so. If zoned residential, there would potentially be demand for servicing in the future.

1252. Given the site specific land use consent conditions that were applied to these sites, she considered that rural zoning should be retained for these sites. If rezoned, there is a risk that the resource consent may be surrendered and the landowner can then rely on the new zoning which is likely to be more permissive than the site-specific consent conditions.

1253. No evidence was provided at the hearing in relation to this matter. However, the Reporting Officer later revised her recommendation to rezone the four smaller subdivided lots to Rural Residential 1, to be consistent with neighbouring lots, and to retain the remainder as Rural Zone.

3.8.12.2.1 Decisions and reasons

1254. We reject the submission of *Dianne Reid* (OS592.28) to zone Lot 2 DP 19043 at 505 Saddle Hill Road to Large Lot Residential 2 Zone (or to rural residential zoning, which we also assessed).

1255. We assessed the site first against Policy 2.6.3.1.

1256. The first consideration is Policy 2.6.3.1.a, relating to capacity. As discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1257. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no servicing available for water, wastewater or stormwater in this rural location. The evidence of the DCC Transportation Group staff is that there is a poor level of service for non-motorised road users in the vicinity of the site, and further development may increase pressure for upgrades to roading infrastructure, and possibly lowering of the existing 100 km/h speed limit. Such infrastructure upgrades could be dealt with at the time of subdivision, but their preference was for a lower density of development, given rezoning to a residential zone implies that urban infrastructure would be expected.

1258. Looking to Policy 2.6.3.1.c, we consider there is extremely poor alignment with this criterion. The site is an isolated rural zoned site very distant from public transport, centres and services,

1259. In terms of alignment with Policy 2.6.3.1.d, we consider there are questions of alignment with these criteria.

1260. We agree with the Reporting Officer's assessment that while rezoning of the 4 residential lots to Large Lot Residential 2 would reflect an authorised development pattern, the

authorised lots are larger than LLR2 in size, and would provide for an additional two dwellings, and would essentially obviate the requirement to comply with consent conditions imposed on the original four. We consider this may well be in conflict with clauses 2.6.3.1.d.i and vi, relating to rural character and amenity and other aesthetic considerations, clause iii, relating to the protection of indigenous biodiversity, and clause 2.6.3.1.d.x relating to efficient transportation (based on the evidence of the DCC Transportation Group).

1261. We also consider introducing an isolated area of large lot residential zoning into a rural environment would be in conflict with clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.

1262. Overall, we consider the site is poorly aligned with the criteria in Policy 2.6.3.1, particularly clauses 2.6.3.1.b, c, and d.ix, x and xi, and therefore do not support the request to amend the zoning to Large Lot Residential 2.

1263. We next assessed the site against Policy 2.6.1.Y, to ascertain its fit with rural residential zoning. We do not consider Lot 2 DP 19043 at 505 Saddle Hill Road to be well aligned with either limb of this policy, as the four new sites and balance lot are held in the same ownership as a large adjacent property, with the total area in the same ownership being 83ha. Therefore, we considered the submissions under Policy 2.6.1.3, in keeping with the policy framework outlined in the Rural Residential Decision Report.

1264. As discussed in the Rural Residential Decision Report, we accept the evidence of the Reporting Officer that the 2GP makes ample provision for rural residential zoned land and so these rezoning requests do not meet the first criterion in Policy 2.6.1.3.a. In light of this, we consider rezoning also would not be consistent with Policy 2.6.1.3.b regarding maintaining the balance between provision of land for lifestyle farming, with the overall Plan objectives around maintaining a compact city and having efficient and effective public infrastructure networks.

1265. In terms of the criteria in Policy 2.6.1.4 (assessment prompted by Policy 2.6.1.3.c), while rezoning the four new lots to rural residential would not create any new development potential, as noted above, rezoning would essentially obviate the requirement to comply with consent conditions imposed on the original four. We understood that that consent was granted after careful consideration of evidence on landscape and protection of indigenous vegetation. We have taken the view that if the conditions were warranted for the subdivision consent then the values must be worth protecting and therefore consider that providing for development beyond that would be contrary to the criteria relating to rural character, amenity and open green space (relevant in terms of clauses 2.6.1.4.c.i and viii) and on the regenerating native bush on the site (relevant under clause 2.6.1.4.c.v).

1266. Given the small site of the lots, we consider they are relatively well aligned with Policy 2.6.1.3.d, but we do not consider this is particularly relevant given its conflict with the other limbs of the policy, as set out above.

1267. Overall our conclusion is that the four new lots at Lot 2 DP 19043, 505 Saddle Hill Road are not well aligned with the 2GP's strategic policies for rezoning additional rural residential land. We conclude the appropriate zoning for the land is rural.

3.8.13 Blueskin Bay area

3.8.13.1 6 Park Road, Warrington

1268. *Ron and Rowena Park* (OS281.2) sought to change the zoning of 6 Park Road, Warrington, from Rural Residential 2 to Township and Settlement Zone because "the proposed Rural Residential 2 zoning will not allow efficient and sustainable use to be made of the property". The submitter stated while there is no intention to develop a large

number of residential allotments, that "there are several potential buildings platforms that could be developed sustainably".

1269. The submission was opposed by *Malgosia Szukiel* (FS2371.1) and *Bronislaw and Eleonora Szukiel* (FS2435.1) because of reasons including effects on rural character, protection of the coastal landscape, loss of amenity and pressure on infrastructure.

1270. The Reporting Officer recommended that the RR2 zoning remain based on the evidence of Mr Knox including that the area has important rural character and amenity values, the site forms a visually important backdrop to Blueskin Bay and that RR2 zoning is more appropriate than LLR zoning, and the infrastructure capacity restraints.

- The area has important rural character and amenity values, including mature vegetation on site, which enhance the entrance to Warrington and provide important balance and natural character contrast between existing residential areas. This appropriately supports the smaller scale of the settlement and helps preserve important amenity values
- the site forms a strategic visual backdrop to Blueskin Bay in views from Warrington Spit and from further south
- RR2 zoning is more appropriate than LLR zoning due to the potential for more than minor adverse effects on natural values, and because this would better support the current scale and attractive setting of the Warrington settlement
- Warrington is subject to water network capacity constraints and could not support a large number of sites
- rezoning the site to residential is not consistent with Policy 2.6.1.3.

3.8.13.1.1 Hearing evidence

1271. *Ron and Rowena Park* spoke to their submission with the assistance of Erica Park and Leon Hallett, consultant surveyor. They noted how the site was a 'missing chunk' between areas of existing residential development.

1272. Mr Hallett advised that the s42A Report had assumed a development potential of 92 sites, which was not possible. A 1.4ha development area on the lower slopes of Park Road adjacent to the existing Township & Settlement Zone was proposed. This had a development potential of 20 sites; however, the submitters wished to construct 10 or fewer. Mr Park later indicated that three to four houses were sought in the 1.4 ha area. Despite the reduced development area, the submitters still sought the entire property to be rezoned residential, as this would 'help maintain the area'. A wastewater pipe passes through the area.

1273. Ms Park considered that dwellings within the 1.4ha area would not be visible from the road, but may be visible from the bay, as the land slopes towards the bay, although noted that pine trees on the foreshore made the site hard to see in to.

1274. Following the submitter's evidence, the Reporting Officer noted that the reduced development potential removes concerns regarding effects on visual amenity. She recommended that the identified 1.4 ha area was rezoned Township and Settlement Zone, noting that there were infrastructure constraints.

1275. We subsequently requested Mr Knox to consider the effect of a four house development in the area, either providing for four smaller sites of around 1000m² adjacent to the existing settlement; or zoning the area large Lot 2 Zone which would provide for four house sites of 3,500m².

1276. Mr Knox provided his evidence to the reconvened hearing. He noted that the amended proposal recognises the importance of clear separation between urban Warrington and surrounding areas of high rural character and visual amenity. He considered both options to be acceptable in terms of maintaining landscape values, although he preferred option 1. Furthermore, he noted the amended proposal would not have a significant adverse impact on the 'sense of arrival' for those traveling into Warrington (s42A Report ULS Reconvened Hearing, section 3.1, p. 7).

1277. Mr Hallett attended the reconvened hearing and noted that while the submitters indicated a smaller number of houses, they seek Township and Settlement zoning, which would provide for a potential 14 houses within the 1.4ha area, and do not any further restrictions on the use of the land. Rural Residential 2 zoning could be appropriate for the part of the site on the north side of Park Road which would allow one house site.

3.8.13.1.2 *Decision and reasons*

1278. We accept in part the submission of *Ron, Rowena and Erica Park* (OS281.2).

1279. We assessed the site against Policy 2.6.3.1.

1280. In relation to the question of capacity (clause 2.6.3.1.a), as discussed in Section 3.3.6, we note that Warrington sits outside the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Warrington to provide additional residential capacity for urban Dunedin (for which we consider there is sufficient short-term capacity anyway, as discussed in Section 3.3.6), but rather whether there is a shortage of residential capacity in Warrington itself. Based on the updated capacity data provided by the Reporting Officer at the conclusion of the Urban Land Supply (Part 2) hearing, we consider there is sufficient residential capacity for Warrington in the short and medium term, and therefore there is poor alignment with Policy 2.6.3.1.a.

1281. Turning to Policy 2.6.3.1.b, which relates to the key question of infrastructure, the initial evidence of DCC Transportation Group staff was that the development of the site at Township and Settlement Zone density would have significant effects on the safety and efficiency of the transport network. Specific issues raised included the SH1/Coast Road intersection, existing pressure on SH1 during morning peak and expected reduction in LOS at the SH/north end of city in 10-15 years, and lack of provision for non-motorised modes. This evidence was not revised based on the revision to four sites, but it is our assumption that concerns would be much alleviated given the much smaller scale. We consider the location of the four additional lots immediately adjacent to the existing Township and Settlement zoning important in terms of ensuring there is not increased demand for infrastructure provision for non-motorised users. We have no confidence that the 14-lot option suggested by Mr Hallett at the reconvened hearing would be supported from a transportation perspective.

1282. The evidence of DCC Water and Waste Services staff is that there are water capacity issues in the infrastructure catchments serving Warrington. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC, and as such have avoided spreading the provision of residential rezoning across too many infrastructure network catchments where there are existing capacity constraints. However, we accept the advice of Water and Waste Services staff at the Reconvened Urban Land Supply hearing that there is sufficient infrastructure capacity to provide for 4 additional dwellings in Warrington area. While downstream effects on stormwater have not been assessed, we consider the four-lot option achieves reasonable alignment with Policy 2.6.3.1.b. We have no confidence that the 14-lot option suggested by Mr Hallett at the reconvened hearing would be supported from a water network perspective.

1283. Looking to Policy 2.6.3.1.c, we consider there is relatively poor alignment with this criterion. Warrington does not have a centre or services to speak of and is not on a public transport route.
1284. In terms of alignment with Policy 2.6.3.1.d, we consider there are questions of alignment with these criteria, most of which can be addressed by providing for only four additional Township and Settlement sites immediately adjacent to the existing residential zoning.
1285. Starting with clause 2.6.3.1.d.i and vi (relating to rural character and amenity and other aesthetic considerations, including open space between coastal settlements), we accept Mr Knox's evidence that the site is an important part of Warrington's rural character and amenity, and provides a strategic visual backdrop to Blueskin Bay in views from Warrington Spit and from further south. We further accept his evidence that the revised four-lot option recognises the importance of clear separation between urban Warrington and surrounding areas of high rural character and visual amenity and is acceptable in landscape terms, and note his preference for these to be Township and Settlement rather than large lot size. We were not able to ascertain what his views were on a 14-lot option from a landscape perspective, although we note neither option encroaches on the NCC overlay zone in this area, and so there are no concerns of alignment with clause 2.6.3.1.d.v, as there would have been with the initial extent of the submission (s42A Report Reconvened Hearing, section 3.1, p. 7).
1286. One option presented to us at the reconvened hearing was large lot residential zoning in this area. While we acknowledge that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), to provide residential capacity at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b). We did not hear any justification for a large lot residential zoning in line with Policy 2.2.4.1.b. Indeed, based on the evidence we received from Dr Marc Schallenberg about the potential effects of residential run-off from on the values on the Bay (and the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age), we consider that reticulated Township and Settlement zoning is preferable in this area.
1287. Given the poor alignment with Policy 2.6.3.1.b and c, we consider there is also relatively poor alignment with clause 2.6.3.1.d.ix, x and xi (relating to efficient public infrastructure and transportation, and the city's compact and accessible city objectives), and that this is exacerbated the larger the number of additional dwellings involved.
1288. We received little evidence regarding the indigenous vegetation on the site, but consider the presence of this and the high ecological values of the adjacent Blueskin Bay (as raised by further submitters and which we heard substantial evidence of in relation to submissions on the zoning of 135 and 145 Doctors Point Road) suggests that there is relatively poor alignment of this site with clause 2.6.3.1.d.iii (relating to the protection of indigenous biodiversity). Again, we consider the larger the number of additional dwellings the poorer the alignment.
1289. Overall, we consider there is relatively poor alignment with the criteria in Policy 2.6.3.1, particularly given that there is no shortage of residential capacity in the area, and lack of alignment with 2.6.3.1.c. However, based on the evidence presented at the reconvened hearing, we were persuaded that four additional lots at Township and Settlement density could be absorbed without undue adverse effects. We had no evidence to convince us that a 14-lot option would be acceptable, especially in terms of Policy 2.6.3.1.b.
1290. We have therefore rezoned part of 6 Park Road to Town and Settlement Zone, sufficient for four house sites at that zone's density, immediately adjacent to the Warrington township.

3.8.13.2 General comment on Waitati / Doctors Point

1291. The s42A Report noted that Waitati has a primary school, community centre, library, convenience store and a bus service into the city. Large parts of Waitati (but not Doctors Point) are subject to a Hazard 2 Flood overlay, meaning that new development requires resource consent.
1292. The township is not serviced for wastewater, and on-site disposal is required, reflected in a 1,000m² minimum site size for township and settlement development. The area is serviced by the Northern Pipeline, which is supplied from Mt Grand Water Treatment Plant and provides water to Waitati and sites further north. The scheme does not have capacity for urban expansion, as demonstrated by water shortages in Warrington in 2016. There are currently poor fire flows (WWS Request for Technical Assessment, pp. 5-6).
1293. Submissions were received in relation to 4 sites within the Waitati / Doctors Point area: 135 / 145 Doctors Point Road, 128D Doctors Point Road, 3 Chelivode Street and 974-1045 Mount Cargill Road. As many of the submitters and issues raised were common for the Doctors Point Road and Chelivode Street sites, the submitters' evidence on these is considered together, after the submissions and s42A Report response are summarised.

3.8.13.3 135 and 145 Doctors Point Road, Waitati (Sheet 58)

1294. 135 and 145 Doctors Point Road (known as Opeke) are together a 19.51ha block of land, both owned by Willowridge Developments Ltd. The sites are zoned Township and Settlement Zone in the 2GP. The zoning is Rural in the operative Plan.
1295. A large number of submitters and further submitters sought to change the zoning of these sites. These are summarised below:

3.8.13.3.1 Submissions to Retain Township and Settlement

1296. *Willowridge Developments Ltd* (OS593.1) submitted in support of the proposed 2GP zoning, noting that the surrounding environment is residential in character, the land is within the township of Waitati with three houses already on the sites and the land is unsuitable for use as a viable farm unit due to its limited size and potential reverse sensitivity issues. Zoning it Township and Settlement would consolidate existing residential areas and would be an efficient and appropriate use of the land.
1297. *Graeme & Marie Bennett* (OS298.1) submitted in support of the rezoning of the land at 135 and 145 Doctors Point Road, as the land adjoins other residential land and lends itself to residential development.
1298. *Ian Scott* (OS1055.1) was neutral on the zoning of the land but wanted to ensure that development did not take place unless necessary infrastructure upgrades were completed first so that others, especially local farmers, do not have lower service delivery. Furthermore, the upgrades should not be at ratepayers' expense.

3.8.13.3.2 Submissions seeking Lower Density Residential Zoning

1299. *Sabina Lobitz* (OS521.1) submitted that the Opeke area should have no more than 11 houses on it, rather than the possible 236 under the Township & Settlement Zone. Her reasoning related to concerns about flooding, the impact of infrastructure services, and the change that would happen to the character of the area and pristine environment with intensive development. Furthermore, she did not believe there was a demand for residential development in Waitati.
1300. *Hagen Bruggemann* (OS536.1) also supported a zoning not allowing more than 11 houses, questioning a need for more housing when there is already plenty of land

available in the nearby Don's Creek subdivision, and raising concerns about flooding issues.

1301. *Simon Ross* (OS174.1), *Jamie Heaps* (OS282.1) and *Jody Heaps* (OS303.1) sought to change the zoning to Rural Coastal or LLR2, reflecting either the operative Plan zoning or the zoning further along the road towards Doctors Point. This would ensure that effects on traffic, character and waste infrastructure were managed, to ensure infrastructure can cope, and to retain the character of the area.
1302. *Stuart Strachan* (OS577.1) submitted that Opeke should be rezoned Rural, or alternatively LLR2, because of the pressure development at Township and Settlement density would put on water, sewage and roading infrastructure.
1303. *David Littleton* (OS971.2) submitted that the Opeke site should be zoned LLR2 as this would be a more accurate reflection of community values and housing density.
1304. *James Ross* (OS221.1) sought a maximum of 15 houses in total, preferring the sparser residential development further along Doctors Point Road that leaves trees and bush being the predominant feature rather than houses.
1305. *Heather Lorraine* (OS472.2) sought lower density residential zoning for the site to protect the "rural village culture" and infrastructure concerns. She would support a density of 12 to 15 houses.
1306. *Kati Huirapa Rūnaka ki Puketeraki and Te Rūnanga o Ōtākou* (OS1071.130) also sought to change the zoning to Large Lot Residential 2.

3.8.13.3.3 *Submissions to Change the Zoning to Rural Residential 1 Zoning*

1307. *Anne & Andrew McLean* (OS352.2) submitted that Opeke should be rezoned RR1 to provide for some development, but not a substantial increase, due to an increase in traffic, effluent run off, demands on the water supply, and effects on the Blueskin Bay ecosystem and the high amenity and coastal character values.
1308. *Laura Dawson* (OS400.7) made a similar submission.
1309. *Michael Borrie* (OS436.1) sought a Rural or Rural Residential 1 zoning highlighting the need for additional wastewater infrastructure. The number of additional dwellings, if zoned Township and Settlement, would also impinge on social support services and their ability to cope.
1310. *Murray Johnston* (OS273.4) submitted that the coastal land of Opeke is not capable of sustaining wastewater and stormwater runoff at the proposed high density of development. Moreover, the permitted density of development would impact on the high amenity values of the area.
1311. *John Kaiser* (OS165.1) submitted that the most suitable zoning, using the criteria in the 2GP, is Rural Residential.

3.8.13.3.4 *Submissions to Change to Rural Zoning or objecting the proposed change of current zoning*

1312. *Lee Paterson* (OS36.1), *Paul Clements* (OS75.1), *Geraldine Tait* (OS101.3), *Phil & Jillian Borrie* (OS129.3), *Christopher Linsell* (OS141.1), *Frances Ross* (OS148.1), *Andrew Borrie* (OS150.1), *Wendy Harrex* (OS170.1), *Liz Abbott* (OS179.1), *Stephen Bourne* (OS193.1), *Hilary Newby* (OS220.1), *Jessica Ross* (OS222.1), *Gerald Fitzgerald* (OS233.1), *Blueskin Bay Watch Society Inc* (OS240.1) supported by *Jen Rodgers* (FS2413.1), *Colin & Leeann Thom* (OS242.1), *Elizabeth Guthrie – Higbee* (OS246.1), *Anthony Parata* (OS248.2), *Rosemary Penwarden* (OS260.1), *Jen Rodgers* (OS262.1), *Campion Read* (OS264.1),

Penelope Margaret Hutchins (OS269.1), *Hank Rebmann* (OS279.2), *Sue Hensley* (OS306.1), *Lynda Peppercorn & Ivan Bassett* (OS327.1), *Nevil Melvin* (OS345.1), *Janene Oliver* (OS353.1), *Elizabeth Sumpter* (OS401.1), *Stephanie McConnon* (OS415.1), *Leonie Rousselot* (OS467.1), *Eric Meder* (OS481.1), *Margaret Meder* (OS486.1), *Jenni McLeod* (OS511.1), *Trisha Geraets* (OS520.1), *Jurgen Gnoth* (OS527.1), *David Borrie* (OS533.1), *Alexander Ross* (OS545.1), *Peter Borrie* (OS548.1), *Bernice Borrie* (OS549.1), *Roger Belton* (OS598.1), *Karen Eve Jacquard* (OS645.1), *Benedict Hugo Fernando Stewart* (OS678.1), *Alasdair Morrison* (OS694.1), *Edmund Higbee* (OS719.1), *Andrew Philip Stewart* (OS728.1), *Diana Margaret Struthers* (OS745.1), *David Redshaw* (OS803.1), *Paul Cardno* (OS808.1), *Cathrin Stewart* (OS831.1), *Jeanette Trotman* (OS963.2), *Clive Trotman* (OS970.2), *Catherine Fitzgerald* (OS983.1), *Anna Marsich* (OS1004.3), *The Waitati Beach Society Inc* (OS1041.1), *Morgan Trotter & Helen Keeting* (OS1069.1), *Lucy Wing* (OS203.1), and *Blueskin Resilient Communities Trust* (OS1070.17) all sought to either change the zoning of 135 and 145 Doctors Point Road to Rural, or they objected to the proposed zoning without specifying a preferred zoning.

1313. *Mr Borrie* opposed any increase in the density in Waitai in general.

1314. The submitters' various reasons included that the Township and Settlement zone will result in: an increase in traffic, with consequent effects on safety of pedestrians, cyclists and horses; safety issues at the rail crossing; parking issues; the unsuitability of the one lane bridge serving the area; visual and amenity impacts; impacts on the estuarine environment, including on commercial shell fishing and customary use of the bay; sewage treatment limitations due to the poor soil; increased flooding; poor water supply; effects on natural character; the distance from the town centre and amenities; limited community facilities within Waitati; the lack of need for high density housing in the area; lack of consultation; ability to use the area for some rural uses; and climate change issues.

1315. *Willowridge Developments Limited* (FS2153) opposed all the submissions not supporting retention of the Township & Settlement zoning, and supported *Graeme and Marie Bennett's* submission (OS298.1).

3.8.13.3.5 s42A Report

1316. The Reporting Officer described the site as an elevated area of open land, adjacent to Blueskin Bay. It currently contains a small number of residential dwellings, boat sheds and storage sheds. A walkway with public access has been established across part of the site and around the coastline, with extensive native planting in some areas.

1317. She considered that there are two primary issues with residential zoning for this area. One is the water infrastructure constraints, and the second is the impact on visual amenity. The water supply network does not have capacity for additional residential development at this scale, and upgrades are not currently planned. Proceeding with a significant residential expansion at Waitati is likely to lead to the need to upgrade the water supply network.

1318. The effects on visual amenity were assessed by Barry Knox, DCC Landscape Architect. He noted that the area provides an important visual backdrop to Blueskin Bay when viewed from key public viewing points, notably from Doctors Point reserve and SH1. The existing open area interspersed with more mature trees and shrubbery presents an attractive complement to the coastal environment and provides some respite from a continuous presence of residential settlement.

1319. Other dwellings further up the hill to the south-east are well surrounded by mature vegetation which integrates them well with the surrounding landscape. If increased domestication closer to the coast was to be approved, in his opinion this intensity should be no greater than around the more elevated existing houses, and there should be good

focus on providing a significant percentage of surrounding green space (Statement of Evidence, para. 26-29).

1320. The Reporting Officer noted that the existing development referred to by Mr Knox, to the south-east of the site (Thornicroft Road), is zoned Township and Settlement, but individual lots range from 1,000 m² to 2,350m², with a reasonable number at approximately 1,700 m², and several undeveloped sites. The average site area per existing dwelling in this street is approximately 2,500 m² (21 dwellings in a 54,000m² area), which is equivalent to Large Lot Residential Zone density.
1321. Louisa Sinclair, DCC Hydraulic Modeller, noted that the site would need to be self-sufficient in terms of water supply, wastewater and stormwater management. If the Township and Settlement zoning was retained, then there should be a Structure Plan with conditions that water would not be supplied from the DCC's reticulated network (WWS Request for Technical Assessment, pp. 6-7).
1322. Grant Fisher, DCC Transport Planner/Engineer, noted that Doctors Point Road currently provides limited infrastructure for non-motorised road users (including pedestrians). However, the DCC is in the process of improving pedestrian infrastructure, to a basic level of service, up to/near the site which can cater to the proposed Township and Settlement Zone. There are no pedestrian facilities connecting the Waitati township to Doctor's Point Road. Development in the Doctors Point area is constrained by a one-way bridge over Orokonui Stream. There are no apparent alternative emergency access routes for the proposed development areas. His conclusion, however, was that the proposed zoning could be supported by the existing infrastructure (Statement of Evidence Combined Comments, pp. 5-6)
1323. In response to the wastewater issue raised by submitters, the Reporting Officer noted that appropriate wastewater disposal systems must be installed. Modern septic tank systems are capable of treating effluent to a high quality and this would minimise any potential contamination.
1324. Her view was that zoning the area at township and settlement density is inconsistent with Policy 2.6.3.1 due to the lack of water supply and effects on visual amenity. Zoning at a lower density would reduce these impacts, but in the case of LLR2, not fully alleviate them.
1325. Rural Residential zoning the area is not strictly consistent with Policy 2.1.6.4 as the sites are not adjacent to any other rural residential zoned land. It is also a less efficient use of the land than LLR but is worthy of consideration if the Panel agreed that the impacts on visual amenity are unacceptable at LLR density.
1326. She therefore recommended that the submissions seeking to retain Township and Settlement zoning are rejected with consideration given to Rural residential zoning, or a transition overlay leading to future Large Lot zoning once infrastructure issues are resolved (s42A Report for ULS Part 2, section 5.1.17, p. 164).

3.8.13.3.6 3 Chelivode Street, Waitati

1327. Part of 3 Chelivode Street, adjacent to Buckingham Street, is zoned Township and Settlement in the 2GP. In the operative plan, this part of the property is zoned Rural. The area is adjacent to other Township and Settlement land, zoned R5 in the operative plan.
1328. A large number of submissions were made in relation to the zoning of this area. The requested changes are as follows:

3.8.13.3.7 Submissions to retain Township and Settlement Zone

1329. *Graeme and Marie Bennett* (OS298.1) sought to retain the notified Township and Settlement Zone. The reasons given were that the land is adjacent to existing housing, amenities and infrastructure, it consolidates existing residential areas, and it is an efficient and appropriate use of the land.

3.8.13.3.8 Submissions to change to rural zoning

1330. *Geraldine Tait* (OS101.4), *David and Gillian Charters* (OS128.1), *Phil and Jillian Borrie* (OS129.4), *Christopher Linsell* (OS141.1), *Chris Baillie* (OS192.1), *Blueskin Bay Watch Society Inc.* (OS240.1), *Elizabeth Guthrie-Higbee* (OS248.2), *Anthony Parata* (OS246.1), *Rosemary Penwarden* (OS260.1), *Jen Rodgers* (OS262.1), *Campion Read* (OS264.1), *Hank Rebman* (OS279.1), *Sue Hensley* (OS306.1), *Janene Oliver* (OS353.1), *Leonie Rousselot* (OS467.1), *Juergen Gnoth* (OS527.2), *Morgan Trotter and Helen Keeling* (OS1069.1) and the *Blueskin Resilient Communities Trust* (OS1070.18) sought to amend the zoning to Rural, as in the operative Plan.

1331. The reasons given included: effects on natural coastal character of the area, effects on estuarine ecology, including the shellfish industry, which is vulnerable to run-off from steep land, pollution from septic tanks and run-off, the impact on waterways, climate change impacts, increased flooding, pressure on infrastructure, including drinking water, lack of wastewater infrastructure, increased traffic volumes, including over the one-way bridge and rail crossing, distance from local and town amenities, the area is rural in nature, adverse impacts on the health and wellbeing of the community, impact on community look and feel, impacts on views, light pollution, the need to retain agricultural land in a changing climate, and that there is plenty of room for expansion in land nearby if needed.

3.8.13.3.9 Submissions to change to Large Lot Residential 2

1332. *Jamie Heaps* (OS282.1) and *Anne and Andrew McLean* (OS352.1) sought to change the zoning to Large Lot Residential 2 Zone. The reasons given were: increased traffic, effects on the character of the area, increased run-off / effluent and lack of sewerage infrastructure

3.8.13.3.10 Submissions seeking a 'Lower density' residential zoning

1333. *Heather Fleming* (OS472.1) sought to rezone to the area to 'a lower density' residential zoning. The reasons given were a wish to maintain rural lifestyle, suggesting higher density is contrary to the rural character of the area; and increased pressure on roads, footpaths and sewerage and water.

3.8.13.3.11 Section 42A Report

1334. The Reporting Officer described the site as a relatively small area, adjacent to existing Township and Settlement zoned land. She noted that while there are water constraint issues, this area would provide for a relatively small number of additional houses (22).

1335. The site was assessed by Barry Knox, DCC Landscape Architect. In his view, a key element of this location is the distinction between the domesticated lower coastal area and the elevated area which currently exhibits high natural character values, and which has very few structures, recognised by 2GP Significant Landscape overlay at approximately the 100m contour. In his opinion, it is very important to preserve this distinction. The current R5 Zone, which extends up to around 40m in elevation, even although there are no dwellings established at this stage. There are existing dwellings close by, below the site towards the coast. The notified Township and Settlement Zone would allow a reasonably dense domesticated area between around 40 metres and 60 metres, but it would not extend as high as the significant landscape area. Consequently,

his view was that the zoning would not lead to more than minor adverse effects on the overall natural rural character or visual amenity values for this location (Statement of Evidence 3 Chelivode Street, pp. 4-5).

1336. Louisa Sinclair and Grant Fisher made similar statements in respect to 3 Chelivode Street as they made about Opeke (Section 3.8.13.3.5).

1337. The Reporting Officer considered that in all respects other than water supply, zoning the area Township and Settlement is consistent with Policy 2.6.3.1. The issues raised by submitters in opposition are the same as those for the larger 135 / 145 Doctors Point Road site; however, the significantly smaller area and its location further from the coast (and so less visually prominent) distinguish this site. She therefore recommended that the Township and Settlement zoning be retained, provided that the water network is able to cope with the additional development and additional capacity is required in Waitati.

3.8.13.3.12 Hearing evidence for all sites above

1338. Alison Devlin spoke on behalf of *Willowridge Developments Ltd* (OS593.1), owner of 135 and 145 Doctors Point Rd (Opeke). She spoke to the original submission, in which the submitter primarily sought the retention of the Township and Settlement Zone proposed under the 2GP.

1339. She described how the site is currently used for grazing alpacas (hobby farming). However, due to its limited size, potential reverse-sensitivity issues, and the potential for intensive rural activity to adversely affect the marine ecology of Blueskin Bay, she considered it unsuitable for use as a viable farming unit.

1340. She considered the recommended Rural Residential zoning to be an “entirely inefficient” use of the site, and a major deviation from the notified 2GP.

1341. In relation to water supply, Ms Devlin maintained that the proposal would not affect water supply to the township, as there is an existing reticulated supply and this can be supplemented through the collection of roof water. This is currently the main supply of water on the site. The council was aware of the water supply when it decided to zone the area Township and Settlement (Statement of Evidence, p. 4).

1342. Ms Devlin explained that it is not *Willowridge’s* intention to create a development that is out of character with its setting, and the submitter’s preferred approach would be to cluster development in the parts of the site with the best ability to absorb it, and to leave the remainder of the site as open reserve areas. She considered the site has the potential to accommodate approximately 48 units without adversely affecting the landscape and visual character of the environment. She proposed that to achieve this, the site is rezoned Large Lot Residential 2, with an additional performance standard which limits the number of sites to 48. This would provide relief to the submitters who requested this rezoning.

1343. *Graeme and Marie Bennett* (OS298.1 and OS298.3), owners of 3 Chelivode Street and 128D Doctors Point Road, Waitati, appeared at the hearing. *Mr Bennett* agreed with the s42A recommendation to rezone 3 Chelivode Street as Town and Settlement Zone, and accepted that the exit on to Doctors Point Road is “less than ideal” (Statement of Evidence, p. 3).

1344. With regards to 128D Doctors Point Road, the land is currently comprised of pines and a mixture of North and South Island native trees. Under his proposal, Mr Bennett stated that this area would be “protected and enhanced” (Statement of Evidence, pp. 4-5).

1345. He remarked that this site is ideally suited to Large Lot Residential 2 Zone, as this would provide sufficient land per lot to lessen the visual impact of houses and maintain the existing natural attributes of Doctors Point. Moreover, he put forward that the subdivision

process would provide an opportunity to maintain the landscape qualities of this land through the use of further controls, to be agreed upon with Council.

1346. A number of the submitters who opposed the 2GP Town and Settlement zoning of 135 and 145 Doctors Point Road and 3 Chelivode Street provided evidence at the hearing. We have summarised this below, based on the topic of concern.

Visual amenity

1347. *Gerald Fitzgerald* (OS233.1) presented evidence on behalf of himself and as the President of the *Waitati Beach Reserve Society* (OS1041.1). He was also supported by *David Redshaw* (OS803.1). He agreed with Mr Knox's landscape advice that Opeke provides an important visual backdrop to Blueskin Bay. He further commented that this is a landscape which "sets the scene" for promoting the Otago coastline, and that maintaining its integrity will help Dunedin to become a premier tourist destination (Statement of Evidence, p. 11). He considered that *Willowridge's* amended proposal to cluster site on Opeke would exacerbate visual impacts, rather than reduce them.
1348. Waitati resident *Edmund Higbee* (OS719.1) also considered that rezoning would negatively impact visual amenity and detract from the natural character of the coastal environment (Statement of Evidence, p. 1-5).
1349. *Laura Dawson* (OS400.7) believed Waitati would be an amazing place for a new property, but the risk to its beauty is far greater than the need for any new property development in the area (Statement of Evidence, p. 3-4).
1350. *Juergen Gnoth* (OS527.1 and .2), a professor in tourism marketing, evaluated the 'place' and landscape values of Waitati, expressing his belief that Waitati has reached capacity, visually, aesthetically and in terms of rural character (Statement of Evidence, p. 5). While *Mr Gnoth* noted he had expertise in assessing landscape values, we took *Mr Gnoth's* evidence as lay evidence rather than expert evidence, as it was not pre-circulated. He also disagreed with the advice of Mr Knox regarding Chelivode Street, that 38 dwellings would not impair the rural amenity values. He pointed out that Mr Knox neglected to address the proposals together, as they can create cumulative effects. Overall, he concluded that the rural, amenity, socio-cultural and recreational values of Waitati would be seriously damaged were the proposed zoning and subsequent developments to go ahead (Statement of Evidence, p. 7-10).
1351. *John Kaiser* (OS165.1) noted that historically the settlement pattern at Doctors Point was small sections for working class people, along the railway line, and was known as Michies Crossing. Further development of Opeke would compromise the natural character and landscape values of the coastal environment (Statement of Evidence, p. 1).

Water supply

1352. In regard to water supply, *Mr Fitzgerald* (OS233.1) considered there is a clear discord between development and the current infrastructure. He agreed with the advice from the DCC Water and Waste Services that Opeke would need to be self-sufficient in terms of water supply, wastewater and stormwater management. However, he disagreed with *Willowridge's* submission that supplementing supply with rainwater from roof collection would be sufficient for the needs of most modern households. Development will inevitably result in pressure on the Council to upgrade water infrastructure (Statement of Evidence, p. 21).
1353. *Ms Charters*, for *David and Gillian Charters* (OS128.1), Waitati residents, also criticised the s42A assessment (assessment sheet 56) which stated both that the proposed zone could be supported by existing infrastructure and that the site would need to be self-sufficient for water supply. They noted that there are houses in the area at the end of the supply line who already struggle to obtain sufficient for their domestic needs and

stressed that serious consideration needed to be given to what might happen in the event of a fire (Statement of Evidence, p. 1).

1354. *Anthony Parata* (OS248.2) also highlighted that not only are the sites outside of the boundary of the northern water scheme, there is no remaining capacity (Statement of Evidence, p. 1-2).

Water quality and ecological impacts

1355. *Gerald Fitzgerald* (OS233.1) called David Redshaw of Southern Clams, who spoke supporting *Mr Fitzgerald's* submission. Mr Redshaw explained how contamination is one of the biggest health risks associated with shellfish, with the number of habitations in the catchment, and the poor existing waste management on predominantly clay soils, the main source of pollution. He concluded by stating that if significant subdivision was to be allowed at Opeke, this would result in a huge increase in pollution (Statement of Evidence, p. 28).
1356. Mr Redshaw also outlined the monitoring that Southern Clams undertakes to meet commercial harvesting requirements. He then spoke about the nature and frequency of situations in which harvesting must stop, due to the level of pollutants reaching a critical threshold.
1357. Mark Schallenberg, an aquatic scientist, was called by *Mr Fitzgerald* and the *Waitati Beach Reserve Society* (OS1041.1). He acknowledged that the cumulative contaminant flows from residential activity would be augmented by future development. He described how proximity of Opeke sites to the bay means that any impacts on the estuary will be direct impacts, unmediated by catchment processes. He agreed with *Mr Fitzgerald's* comments that increased residential development of Opeke will lead to increased levels of nutrients from wastewater, stormwater and general domestic run-off, and increased levels of *E. coli*.
1358. He referred to the s42A Report comment that "modern septic tanks are capable of treating effluent to a high quality..." and remarked that this "oversimplifies the issues" (Statement of Evidence, pp. 4-5). He agreed that modern septic tanks can be effective in removing pathogens and solid wastes, and in some cases can mitigate nutrient leaching, their overall effectiveness in reducing nitrogen leaching is generally minor and their effectiveness in reducing phosphorus leaching is highly variable. Residential development would result in increased water use in the catchment, and therefore increased flows, with associated contamination, into the Bay. Further study of the potential impacts was required. He strongly endorsed the Council develop a catchment wide management plan, based upon comprehensive science, for Blueskin Bay (Statement of Evidence, pp. 4-6).
1359. *Mr Fitzgerald* concluded that the potential 195 residential sites are highly likely to have adverse environmental consequences for Blueskin Bay. These would not be diminished by Large Lot Residential zoning. He discussed *Willowridge's* (OS593.1) amended proposal to develop 48 sites on Opeke. He considered that clustering the sites would concentrate wastewater and stormwater, with consequential ecological impacts (Statement of Evidence, p. 14). A Rural Residential zoning on Opeke would lessen effects; however, it was still a concern that this zoning would not consider a broader catchment-wide assessment of cumulative effects of future development in the estuary (Statement of Evidence, p. 7).
1360. *John Kaiser* (OS165.1) indicated that he changed his submission to supporting a Rural Residential zoning, to seeking a Rural zoning for the land, on the basis of having heard the *Waitati Beach Reserve Society's* evidence. He noted that there is no research on the health of the Bay, sites of 1,000m² are too small to absorb wastewater and so will cause wastewater run-off. Residential chemicals, such as moss remover, would also contaminate the Bay (Statement of Evidence, p. 1).

1361. *Sue Hensley* (OS306.1), on behalf of herself and *Blueskin Bay Watch Society Inc* (OS240.1), agreed with Mr Schallenberg that contaminant flows from existing residential activity would be compounded by future development (Statement of Evidence, pp. 1-2). Drawing on a report by Dr Kirstie Murdoch titled 'Pharmaceutical Pollution in the Environment: Issues for Australia, New Zealand and Pacific Island Countries, May 2015', she explained that pharmaceutical products can have significant adverse effects on aquatic life, and stated that neither septic tanks nor current sewage systems are designed to remove or degrade pharmaceutical residues. *Mr Kaiser* (OS165.1) and *Juergen Gnoth* (OS527.1 and .2) also drew attention to the threat that domestic chemicals can have on aquatic life.
1362. *Jen Rodgers* (OS262.1) shared her concerns at the lack of wastewater infrastructure in Waitati (oral evidence), while *Ms Charters* stated that earlier work in the area had established that properties built on sections of 1700m² and above can adequately deal with their sewage disposal, but that those on less are unlikely to be able to cope (Statement of Evidence, p. 1). In addition, *Mr Higbee* stressed that rezoning to Township and Settlement will adversely impact the ecosystem and quality of environment at Blueskin Bay, due to increased wastewater and domestic overflow, combined with the underlying clay soil type (Statement of Evidence, p. 1-5).
1363. *David and Gillian Charters* (OS128.1) also raised the issue of surface run-off; in which an increased density of houses will have a significant impact on properties downstream. This is exacerbated by an increased area of impermeable surfaces. She acknowledged that on-site stormwater detention ponds, or direction of discharge into a local watercourse were suggested as a solution; but remarked that neither of these solutions were feasible, and an explanation of where the proposed ponds would be located had not been provided (Statement of Evidence, p. 1). *Mr Higbee*, *Ms Hensley* and *John Kaiser* all shared similar concerns regarding surface run-off.
1364. *Mr Higbee* (OS719.1) considered that residential intensification is inappropriate without first addressing Blueskin Bay's environmental issues (Statement of Evidence, p. 1-5); while *Mr Parata* and *Mr Kaiser* stated that more information needed to be provided on the effects on this sensitive coastal area (Statement of Evidence, p. 1-2). *Ms Dawson* considered that further intensifying an area characterised by such a high risk ecosystem would not be in the best interests of the area. She believed that any development would increase this risk, but Township and Settlement more so than Rural Residential (Statement of Evidence, pp. 3-4).

Transport issues

1365. The impacts of development on transport were addressed by *Ms Dawson*, who considered the roads unsuitable to sustain further increases in traffic, due to their narrow and winding nature (Statement of Evidence, p. 3-4). *Ms Charters* expressed concern at the increased traffic density that is likely to result from the introduction of so many new dwellings (Statement of Evidence, p. 3).
1366. *Ms Hensley*, *Mr Higbee* and *Ms Charters* all raised concerns about the current access to Chelivode Street. The only entrance/exit is via Blacks Bridge over the Waitati River, which has flooded numerous times under extreme weather conditions. *Ms Hensley* considered this a significant issue in terms of access for emergency services (Statement of Evidence, p. 3); with *Mr Higbee* remarking that to increase the number of households in the area without addressing this significant natural risk, in addition to incremental sea level rise, is 'irresponsible'. He suggested that the management of this issue is 'inadequately canvassed' in Mr Fisher's transport evidence (Statement of Evidence, p. 1-5). *Mr Gnoth* described Waitati's transport infrastructure to be at a 'tipping point', with a requirement for a new bridge, widened roads and more footpaths (Statement of Evidence, p. 5).

1367. *Ms Hensley* raised concerns about potential reverse-sensitivity effects for rural activity on the road, as Chelivode Street is an important link between farms (Statement of Evidence, p. 1-2).

1368. *John Kaiser* spoke on behalf of *Wendy Harrex* (OS170.1) and noted her concerns with roading not being able to cope with additional traffic.

Need for additional residential capacity

1369. *Ms Charters* considered that the proposed rezoning is inconsistent with the Dunedin City Council's residential research report (2011), which indicated that population increase was unlikely to happen in the Waitati area (Statement of Evidence, p. 1). She suggested that land at 3 Chelivode Street could be used to supply residents displaced as a result of rising sea levels with new properties, rather than 'putting these sections further out of reach' of locals due to the substantial price that the homes will most likely be marketed at (Statement of Evidence, p. 2).

1370. *Geraldine Tait* (OS101) questioned who would benefit from the rezoning; suggesting that the type of development proposed would only benefit people in a wealthy, middle-aged, working demographic. Her view was that Council have a role not in just building and managing social housing, but "ensuring that areas for future development include affordable housing" (Statement of Evidence, p. 2-3). *Ms Tait* requested that the land remains zoned Rural, at least until there is proper engagement with the community about the direction in which growth should take, and the future demand for residential development (Statement of Evidence, p. 2-3).

3.8.13.3.13 Revised recommendations

1371. In her revised recommendations, the Reporting Officer made the following comments:

- there is a risk of a strong demand for a wastewater treatment plant if further development occurs, which is contrary to Policy 2.6.3.1.b;
- there is a need to upgrade the water network or require self-servicing of new sites;
- there is no evidence of demand for sections in the area and growth is not predicted;
- the impacts of additional development through nitrates and stormwater run-off is not known;
- there is strong community opposition; and
- she accepted the evidence of *Juergen Gnoth* on the likely change to community if substantial growth occurs.

1372. However, she noted that if there was a wish to provide for some limited growth in Waitati, and relocation of sites from hazard zone, 3 Chelivode Street is preferable to the others proposed in Waitati.

1373. Alternatively, she suggested allowing a smaller number of dwellings on the 3 Chelivode Street site and the Opeke site, preferably sited to minimise visual impact. She suggested that this could be achieved via a Structure Plan.

3.8.13.3.14 128D Doctors Point Road, Waitati

1374. *Graeme & Marie Bennett* (OS298.3) sought to change the zoning of the northern part of 128D Doctors Point Road from Rural Coastal to Large Lot Residential 2 Zone, because they believe the area is suitable for residential development, has no natural hazards and is generally located outside the proposed landscape overlay zone. They also sought that

the Significant Natural Landscape boundary be moved upslope, so there is no overlap with the proposed Large Lot Residential 2 Zone.

1375. The Reporting Officer described the site as being approximately 6.6 ha and comprising the northern part of a larger block zoned Rural Coastal in the 2GP. It adjoins established housing (zoned Township and Settlement) along the inland side of Doctor's Point Road. It comprises a north-facing slope that was previously a pine plantation. It is partly overlain by the Significant Natural Landscape Overlay (Flagstaff-Mt Cargill) (SNL). The request to move the boundary of the SNL was considered in the Natural Environment hearing and rejected.
1376. Mr Moore assessed the impacts on landscape values and noted that the SNL is intended to maintain and enhance the natural character and rural amenity values of the hill backdrops to the city, which provide the setting and context for urban areas. The land above the existing residential development is steep and quite visually prominent. The SNL boundary in this area reflects the existing landscape pattern to a large extent and promotes retention of a bold rural landscape context to the built development around the southern shore of Blueskin Bay. In his assessment, if the SNL boundary was to be amended, the most appropriate direction would be downward, to incorporate the extent of the steep landform. He considered that there no justification in terms of landscape character to adjust the line upward, and that rezoning the area for residential use is not appropriate.
1377. Ms Sinclair made similar comments in relation to the water and waste infrastructure as are noted above in relation to 135 / 145 Doctors Point Road.
1378. The Reporting Officer recommended that the submission be rejected, noting the constraints in the water network and the effects on landscape values.

3.8.13.3.15 Decisions and reasons for Doctors Point Road and Chelivode Street sites

135 and 145 Doctors Point Road, Waitati

1379. We reject the submissions of *Willowridge Developments Ltd* (OS593.1), *Graeme & Marie Bennett* (OS298.1) and *Graeme & Marie Bennett* (OS298.3)
1380. We accept in part the submissions of *Lee Paterson* (OS36.1), *Paul Clements* (OS75.1), *Geraldine Tait* (OS101.3), *Phil & Jillian Borrie* (OS129.3), *Christopher Linsell* (OS141.1), *Frances Ross* (OS148.1), *Andrew Borrie* (OS150.1), *Wendy Harrex* (OS170.1), *Liz Abbott* (OS179.1), *Stephen Bourne* (OS193.1), *Hilary Newby* (OS220.1), *Jessica Ross* (OS222.1), *Gerald Fitzgerald* (OS233.1), *Blueskin Bay Watch Society Inc* (OS240.1) supported by *Jen Rodgers* (FS2413.1), *Colin & Leeann Thom* (OS242.1), *Elizabeth Guthrie - Higbee* (OS246.1), *Anthony Parata* (OS248.2), *Rosemary Penwarden* (OS260.1), *Jen Rodgers* (OS262.1), *Campion Read* (OS264.1), *Penelope Margaret Hutchins* (OS269.1), *Hank Rebmman* (OS279.2), *Sue Hensley* (OS306.1), *Lynda Peppercorn & Ivan Bassett* (OS327.1), *Nevil Melvin* (OS345.1), *Janene Oliver* (OS353.1), *Elizabeth Sumpter* (OS401.1), *Stephanie McConnon* (OS415.1), *Leonie Rousselot* (OS467.1), *Eric Meder* (OS481.1), *Margaret Meder* (OS486.1), *Jenni McLeod* (OS511.1), *Trisha Geraets* (OS520.1), *Jurgen Gnoth* (OS527.1), *David Borrie* (OS533.1), *Alexander Ross* (OS545.1), *Peter Borrie* (OS548.1), *Bernice Borrie* (OS549.1), *Roger Belton* (OS598.1), *Karen Eve Jacquard* (OS645.1), *Benedict Hugo Fernando Stewart* (OS678.1), *Alasdair Morrison* (OS694.1), *Edmund Higbee* (OS719.1), *Andrew Philip Stewart* (OS728.1), *Diana Margaret Struthers* (OS745.1), *David Redshaw* (OS803.1), *Paul Cardno* (OS808.1), *Cathrin Stewart* (OS831.1), *Jeanette Trotman* (OS963.2), *Clive Trotman* (OS970.2), *Catherine Fitzgerald* (OS983.1), *Anna Marsich* (OS1004.3), *The Waitati Beach Society Inc* (OS1041.1), *Morgan Trotter & Helen Keeting* (OS1069.1), *Lucy Wing* (OS203.1), and *Blueskin Resilient Communities Trust* (OS1070.17), and *Ian Scott* (OS1055.1), *Sabina Lobitz* (OS521.1), *Hagen Bruggemann* (OS536.1), *Simon Ross* (OS174.1), *Jamie Heaps* (OS282.1) and *Jody Heaps* (OS303.1), *Stuart Strachan* (OS577.1), *David Littleton* (OS971.2), *James Ross* (OS221.1), *Heather Lorraine*

(OS472.2), *Kāti Huirapa Rūnaka ki Puketeraki and Te Rūnanga o Ōtākou* (OS1071.130), *Anne & Andrew McLean* (OS352.2), *Laura Dawson* (OS400.7), *Michael Borrie* (OS436.1), *Murray Johnston* (OS273.4), *John Kaiser* (OS165.1).

1381. We accept in part the submissions of *Geraldine Tait* (OS101.4), *David and Gillian Charters* (OS128.1), *Phil and Jillian Borrie* (OS129.4), *Christopher Linsell* (OS141.1), *Chris Baillie* (OS192.1), *Blueskin Bay Watch Society Inc.* (OS240.1), *Elizabeth Guthrie-Higbee* (OS248.2), *Anthony Parata* (OS246.1), *Rosemary Penwarden* (OS260.1), *Jen Rodgers* (OS262.1), *Campion Read* (OS264.1), *Hank Rebman* (OS279.1), *Sue Hensley* (OS306.1), *Janene Oliver* (OS353.1), *Leonie Rousselot* (OS467.1), *Juergen Gnoth* (OS527.2), *Morgan Trotter and Helen Keeling* (OS1069.1), *Blueskin Resilient Communities Trust* (OS1070.18), *Jamie Heaps* (OS282.1), *Anne and Andrew McLean* (OS352.1), and *Heather Fleming* (OS472.1).
1382. We assessed the sites against Policy 2.6.3.1 for appropriateness as residential zoning.
1383. The first consideration is Policy 2.6.3.1.a, relating to capacity. As discussed earlier, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1384. Turning to Policy 2.6.3.1.b, the initial evidence of DCC Transportation Group staff did not appear to assess Township and Settlement Zone density on 135/145 Doctors Point Road, however commented that the recommended zoning (either Large Lot Residential 1 or Rural Residential 1) could be supported. Specific issues raised in relation to all sites included existing pressure on SH1 during morning peak and expected reduction in LOS at the SH/north end of city in 10-15 years, and relatively poor provision for non-motorised modes. It was also noted, in the case of Chelivode Street and 128D Doctors Point Road, that access was off a gravel road, and that upgrades to this would likely be required.
1385. The evidence of DCC Water and Waste Services staff is that there are water capacity issues in the water infrastructure catchments serving Waitati and Doctors Point, that there is no capacity to serve the area, and that additional capacity will not be available for the next 15-20 years. No wastewater service available in this area (i.e. on-site disposal would be required). There is no stormwater network in the area, and effects of additional stormwater have not been assessed.
1386. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including communities on the northern water scheme, would be inconsistent with the NPS-UDC, as it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b.
1387. Looking to Policy 2.6.3.1.c, we consider there is some alignment with this criterion. While Waitati has a range of services, a school and connection to a public transport route, it is 1.4km distant from the 135/145 Doctors Point Road. We consider that Chelivode Street has a stronger alignment with this criterion, it being closer to Waitati itself. We also accept the evidence of *Mr Juergen Gnoth* that the community will likely change in character if development at scale takes place.

1388. In terms of alignment with Policy 2.6.3.1.d, we consider there are questions of alignment with these criteria.
1389. Starting with clause 2.6.3.1.d.i and vi (relating to rural character and amenity and other aesthetic considerations, including open space between coastal settlements), we accept Mr Knox's evidence that the 135/145 Doctors Point Road provides an important visual backdrop to Blueskin Bay when viewed from Doctors Point reserve and SH1, and a break in the residential settlement. We accept that the intensity of development should be no greater than around the more elevated existing houses, and that rural residential would suit the circumstances of this site better. In relation to 3 Chelivode Street, we accept his evidence that residential development in this area would be acceptable in landscape terms. In relation to 218D Doctors Point Road, as outlined in the Natural Environment Decision Report, we have not amended the SNL overlay zone in this location. We accept the evidence of Mr Moore that the land above the existing built development is steep and quite visually prominent, and that residential development is not supported in this area.
1390. Matters relating to effects on indigenous biodiversity, natural character and access to/recreational use of the coastal environment are relevant considerations under clause 2.6.3.1.d.iv, v and vi, and we consider there is clear conflict with these criteria, particularly for 135/145 Doctors Point Road.
1391. As outlined in the Natural Environment Decision Report, we received and accept evidence that some areas of indigenous vegetation around the coastal fringe of 135/145 Doctors Point Road have been assessed as significant, and also that the coastal margin of the site meets the criteria for inclusion as a Natural Coastal Character overlay zone. We note this does not affect the majority of the two sites, but does give some indication of the coastal values of the site. In terms of public access, we note the evidence that a walkway has been provided by *Willowridge* around the coastal margin of the site, which is currently open to the public, but is not in public ownership or (so far as we were advised) in any way guaranteed provision for public access into the future.
1392. We also accept the evidence of Dr Schallenberg that Blueskin Bay itself has important biodiversity values, and associated with these, significant recreational and commercial fisheries. We note this evidence is corroborated by the statement of Mr Redshaw on Southern Clams Ltd's operations, monitoring of water quality, and observations of recreational shellfish harvesting supplied by *Mr Fitzgerald* on behalf of both himself and *The Waitati Beach Society Inc.* We consider the large number of submissions received on proposed urban zoning in the vicinity of Blueskin Bay, many of which raised concerns about potential impacts on the health of the estuary, to be a very good indication of the importance of the health of the Blueskin Bay ecosystem to the local community.
1393. We accept Dr Schallenberg's evidence that run-off from residential activities can have adverse effects on the health of estuarine environments, most notably through the increased nitrogen, phosphorous and *E.coli* loading, and that the efficacy of any measures to attenuate or mitigate this additional loading can vary significantly depending on site-specific conditions. We further accept that those activities closer to the estuary are more likely to have direct effects on water quality and thus ecosystem health. We were persuaded by his evidence that there is inadequate monitoring data available upon which to judge the current state of health of the estuary, although we do consider that the data presented by Southern Clams Ltd evidence that current levels of contaminants entering the estuary are adversely impacting on existing fisheries. Our conclusion from this evidence was that, given the lack of any wastewater or stormwater infrastructure in the area, providing for any significant intensification of residential activity in this area, particularly on sites immediately adjacent to the MHWS, may well pose significant risks for the ecological values of Blueskin Bay.
1394. In terms of clause 2.6.3.1.d.viii (the potential risk from natural hazards, including climate change), we note that while the neither 135/145 Doctors Point Road, nor 3 Chelivode Street is subject to hazard overlays, we received evidence that the access road to the

sites from SH1 floods, and we note that it is covered by a Hazard 2 (Flood) overlay zone reflecting moderate risk. We therefore conclude there are some concerns about alignment with this criterion for all properties.

1395. Considering our assessment of alignment against Policy 2.6.3.1.b, we consider there is also poor alignment with clause 2.6.3.1.d.ix, relating to efficient public infrastructure. We are also not convinced that the sites are among the stronger candidates when considered against clauses 2.6.3.1.d.x and xi, relating to efficient transportation and the compact and accessible city objective.

1396. Overall, we consider that any development at residential density in the Doctors Point/Waitati area has relatively poor alignment with the criteria in Policy 2.6.3.1, particularly Policy 2.6.3.1.b, and d.iii and v (relating to effects on biodiversity). We agree with the Reporting Officer that 3 Chelivode Street has closer alignment with the criteria than 135/145 Doctors Point Road or 128D Doctors Point Road, but we do not consider any of the sites well suited to development at residential density.

1397. Having ascertained 135/145 Doctors Point Road was not appropriate for residential zoning, we also assessed it against Policy 2.6.1.Y (for appropriateness as rural residential zoning).

1398. Both 135 and 145 Doctors Point Road have a dwelling on them. As there are only two sites, and they are at 7.7ha and 11.8ha respectively, they do not strictly meet the criteria under 2.6.1.Y, as they do not constitute a 'cluster' of undersized rural sites in separate ownership. However, they are completely isolated from any other area of rural zoned land, and the use on the ground is certainly more akin to rural residential than rural. There are a issues of alignment with Policy 2.6.1.4 (as set out below). They are more aligned with Rural Residential 2 zoning (under clause 2.6.3.1.a.ii) than Rural Residential 1 zoning (under clause 2.6.3.1.a.i) due to the size of the sites.

1399. Any rezoning to Rural Residential 1 would therefore need to be undertaken under Policy 2.6.1.3, in accordance with the policy framework set out in the Rural Residential Decision Report. As the 2GP makes ample provision for rural residential zoned land and so these rezoning requests do not meet the first criterion in Policy 2.6.1.3.a. In light of this, we consider rezoning would not be consistent with Policy 2.6.1.3.b regarding maintaining the balance between provision of land for lifestyle farming, with the overall Plan objectives around maintaining a compact city and having efficient and effective public infrastructure networks.

1400. While there is reasonable alignment with Policy 2.6.1.3.d, in terms of the criteria in Policy 2.6.1.4 (assessment prompted by Policy 2.6.1.3.c), for the reasons set out in our assessment against 2.6.3.1.d, above, we consider there are conflicts with clauses 2.6.1.4.c.i and iv, v, vi, vii, viii and ix.

1401. Overall our conclusion is the requests for rezoning of these properties do not, on the whole, meet the 2GP's strategic policies for rezoning additional rural residential land. However, given that they Rural Residential 2 zoning would not grant additional development rights, and the area is completely isolated from any form of rural zoning and will not therefore create pressure for expansion of an isolated rural residential zone, we consider Rural Residential 2 is the most acceptable zoning.

1402. We have therefore:

- amended the zoning of 3 Chelivode Street by returning to its operative boundaries;
- amended the zoning of 135 and 145 Doctors Point Road (Opeke), Waitati, from Township and Settlement Zone to Rural Residential 2;

- retained 128D Doctors Point Road as Rural.

974-1045 Mount Cargill Road, Waitati (Sheet 57)

1403. *David Littleton* (OS971.3) sought to change the zoning of 974 - 1045 Mt Cargill Road and 30 - 62 Short Cut Road from Rural Residential 1 Zone to Large Lot Residential 2 Zone. He believed that more land should be provided for housing to provide resilience for the Waitati community, to enable relocation from flood-prone areas, increase the school roll and support the local shop.
1404. The Reporting Officer described the area as being approximately 40ha in area, with the land sloping gently towards the north. The area is sparsely developed with lifestyle farming. It is bounded and intersected to the west by Mt Cargill Road and to the east by Shortcut Road. The northern boundary overlaps slightly with the Hazard 2 Flood – Coast overlay zone.
1405. While the land is adjacent to the Waitati School, the area is clearly outside Waitati village. Although there is some established rural-residential activity, the dwellings are sparsely spread. A change to Large Lot Residential zoning would allow development of approximately 110 lots (s42A Report for ULS Part 2, 5.1.17, p. 167).
1406. Mr Knox assessed the effects on rural character and visual amenity. He noted that the area is reasonably visible from a number of public viewing points around Blueskin Bay. The existing wider area has significant natural character values, especially at higher elevations adjacent to Orokonui Reserve and around Mopanui. In his opinion, rural amenity values have already been compromised in this area by the existing Rural Residential zoning, and any additional urban development intensification would further exacerbate adverse effects on these values. More domestication, especially at higher elevations, would provide unnecessary urban sprawl (Statement of Evidence, p. 9).
1407. The Reporting Officer noted that lack of capacity in the water network. For this reason, and effects on rural amenity values, she considered that zoning the area residential is not consistent with Policy 2.6.3.1. In her view, the existing Rural Residential 1 zoning is most appropriate, reflecting the existing character.
1408. We received no evidence specifically on this site.
1409. We reject the submission by *David Littleton* (OS971.3) to change the zoning of 974 - 1045 Mt Cargill Road and 30 - 62 Short Cut Road from Rural Residential 1 Zone to Large Lot Residential 2 Zone.
1410. We assessed the sites against Policy 2.6.3.1 for appropriateness as residential zoning.
1411. The first consideration is Policy 2.6.3.1.a, relating to capacity. As discussed in section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1412. Turning to Policy 2.6.3.1.b, the evidence of DCC Transportation Group staff did not support the proposed rezoning. Specific issues raised included existing pressure on SH1 during morning peak and expected reduction in LOS at the SH/north end of city in 10-15 years, and relatively poor provision for non-motorised modes, relative distance from services and centres, and the unsealed nature of Shortcut Road.
1413. The evidence of DCC Water and Waste Services staff is that there are water capacity issues in the water infrastructure catchments serving Waitati, that there is no capacity to serve the area, and that additional capacity will not be available for the next 15-20 years. No wastewater service available in this area (i.e. on-site disposal would be

required). There is no stormwater network and effects on stormwater have not been assessed.

1414. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including communities on the northern water scheme, would be inconsistent with the NPS-UDC, as it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b.

1415. Looking to Policy 2.6.3.1.c, we consider there is poor alignment with this criterion. While Waitati has a range of services, a school and connection to a public transport route, it is 2.4km distant.

1416. In terms of alignment with Policy 2.6.3.1.d, we consider there are questions of alignment with these criteria.

1417. Starting with clause 2.6.3.1.d.i and vi (relating to rural character and amenity and other aesthetic considerations, including open space between coastal settlements), we accept Mr Knox's evidence that the site is reasonably visible from a number of public viewing points, and that any additional urban development intensification would further exacerbate adverse effects on rural character values and constitute unnecessary urban sprawl. We therefore consider there is poor alignment with these criteria.

1418. Considering our assessment of alignment against Policy 2.6.3.1.b and 2.6.1.3.c, we consider there is also poor alignment with clause 2.6.3.1.d.ix, x and xi, relating to efficient public infrastructure, efficient transportation and the compact and accessible city objective.

1419. Overall, we consider that any development at residential density on this site has poor alignment with the criteria in Policy 2.6.3.1 and should not be supported.

3.8.13.4 R5 and R6 land in Waitati

1420. *David Littleton* (OS971.4) sought to change the zoning of all land in Waitati zoned in the operative District Plan as R5 and R6 from Township and Settlement Zone to Large Lot Residential 2 Zone. He noted that the majority of houses in Waitati in flood prone areas comprise 2 or 3 sections but with only one dwelling, despite being able to subdivide down to 1,000 m² if they wish, which gives Waitati its own residential character. Mr Littleton considered that Large Lot Residential 2 density would more accurately reflect current community values and housing density, preventing new houses being built on flood prone areas.

1421. The Reporting Officer agreed with Mr Littleton that areas zoned Township and Settlement in Waitati are not all fully developed at Township and Settlement density (one house per 1,000m²), with a number of undeveloped lots. The zoning in the operative plan allows one dwelling per 1,000 m² site in R5 zone (the bulk of the residential area), and one dwelling per 4,000m² lot in the R6 zone at Doctors Point. The R6 area is zoned Large Lot Residential in the 2GP.

1422. The existing R5 development pattern has developed under the same zoning density as is now proposed and she saw no particular need to zone it to a less dense zoning. This

would make sites that are developed on a 1,000m² section non-complying. She recommended that the submission be rejected insofar as it applies to R5 zone areas.

3.8.13.4.1 Decision and reasons

1423. We reject *Mr Littleton's* submission (OS971.4).

1424. In assessing this submission, we balanced the effect of reducing the site size and the effect on those landowners with non-compliant site sizes with the risk of substantial subdivision, creating more sites. We did not receive any evidence on this submission specifically, but did hear evidence in relation to other submissions about leaching and overflow from septic tank overflows discharging into Blueskin Bay, which did concern the Panel.

1425. We agree Mr Littleton's approach would be consistent with the general approach of applying zoning that reflects the current development, but we did not have any evidence of the likelihood of subdivision in the operative Township and Settlement zone that outweighed the inconvenience of being undersized for landowners.

3.8.13.5 Dalziel Road and Three Mile Hill Road (Sheets 39 & 40)

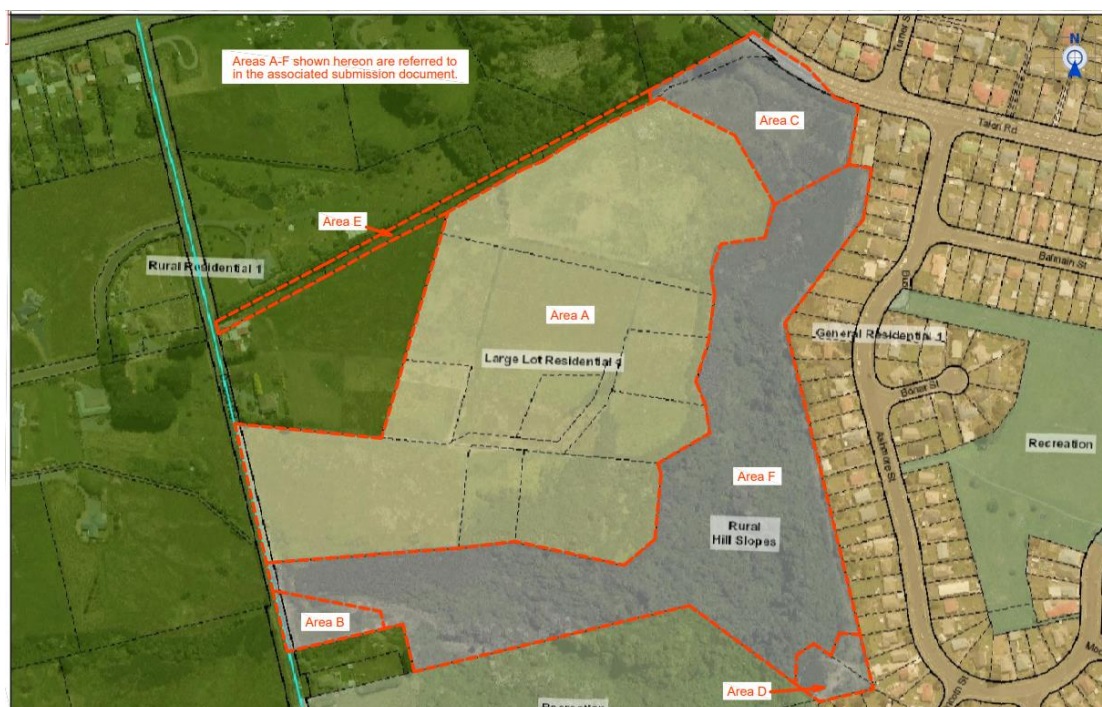
1426. We have adopted the s42A Reporting Officer's bundling of the submissions received in the area of Halfway Bush into two groups, although as the evidence received had general application to both sites we have combined this aspect:

- 33 – 49 Dalziel Road
- Rural Residential properties between Three Mile Hill Road and Dalziel Road

3.8.13.5.1 Submissions

1427. *RPR Properties Ltd* (OS688.4, 5) supported by *Peter Mortimer* (FS2035.7), *Rachel Mortimer* (FS2040.1) and *Steven D McPherson* and *Sonia McPherson* (FS2266.7), sought to retain the notified Large Lot Residential 1 zoning of 33-49 Dalziel Road (OS688.2) (Area A in Figure 10 below); to change the zoning of Areas B, C and E on Figure 8 below to Large Lot Residential 1 Zone (OS688.4), and to change the zoning of Area F to Recreation Zone (OS688.5). Area D is considered in the Residential decision. These areas are shown on the attached map.

Figure 10: Area subject to submissions OS688.4 and 5



1428. *Robert Ross McTaggart* (OS325.1) and *Trevor John Millar* (OS380.1) sought to change the zoning of 493 Taieri Road, 5, 17, 27, 41, 43, 45, 47, 49 Three Mile Hill Road, and 2 and 19 Dalziel Road from Rural Residential 1 to Large Lot Residential 1. Their reasons included that all of the properties have access to roads, are within the water supply zone, on the urban/rural fringe and adjacent to Large Lot Residential 1 properties.

1429. *Greg Ward* (FS2046.1, 3) supported the submissions of *Robert Ross McTaggart* (OS325.1) and *Trevor John Millar* (OS380.1) due to the need for increased residential development and to recognise the existing site character.

1430. *RPR Properties Ltd* (OS688.1), supported by *Peter Mortimer* (FS2035.7) sought to change the zoning of 493 Taieri Road, 5-49 Three Mile Hill Road, and 2, 19, 31, and 53 Dalziel Road, from Rural Residential 1 Zone to Large Lot Residential 1 Zone. The submitter considered that the site is highly suitable for future development, is located within the reticulated water system, and there is potential provision of sewer system connections.

1431. A large number of submitters either opposed the above submissions of *RPR Properties Limited* and *Mr McTaggart* and *Mr Miller* to rezone the areas LLR1, or lodged an original submission seeking that the 33-49 Dalziel Rd area is zoned Rural or Rural Residential (see s42A Report for ULS Part 2, section 5.1.11, p. 100)

1432. These submitters were *Murray and Aniko Fiora* (OS 134.1) *Doug and Lesley Ramsay* (OS295.2, FS2103.1, 2, 3) (who also sought that their property at 19 Dalziel Rd retains Rural Residential 1 zoning), *Laura Dawson* (OS400.1, 3), *Alice Wouters* (OS628.1, 3) (who also sought Rural Residential 1 zoning be retained for her property at 31 Dalziel Rd) *Lynn Gipp* (OS231.3), and *Chris Rietveld* (OS838.1), *Paul Anthony & Kaye Bretherton* (OS730.2) *Alexander Napier Findlater* (OS952.1), *Angela Clare Ruske* (OS1012.1), and they were supported by further submissions from *Deborah Fraser* (FS2112.1), *Lisa and Brent Woollorton* (FS2165.1), *Alice M. Wouters and Christopher W. Rietveld* (FS2256.1, 2, 3, 4), *Madiha Farid* (FS2412.2), *Akmal Bashir* (FS2125), *MB Bashir* (FS2432.3), *Valerie Joyce Dempster* (FS2419.1), *Jody Hazlett and Michael Hazlett* (FS2064.1), *Lindsay Robertson* (FS2066.1) and *HPPC* (FS2267.105).

1433. The reasons given included: loss of the rural outlook, loss of rural / lifestyle character, resale values, noise, traffic safety, damage to wildlife, protection of stone walls, access,

increased rubbish, light pollution, enjoyment of rural area (e.g. horse riding, biking, jogging, and dog walking), loss of privacy, potential increase in flooding, an increase in foot traffic, wastewater disposal, increased rubbish in the creek and problems for livestock.

3.8.13.5.2 s42A Report

1434. The Reporting Officer referred to assessment sheet 39 for details on 33-49 Dalziel Rd. She noted that Area A is zoned LLR1 in the 2GP, which reflects a 2012 consent decision to allow nine lots within this area, varying in size from 2500m² to 2ha. In 2015 a further consent application was made, prior to notification of the 2GP, to divide the area into a total of 34 residential lots. This was declined after the 2GP was notified, partly on the basis that there would be significant adverse effects on amenity values and rural character, although the Panel did recognise that the site is of rural residential, rather than rural, character. The decision was appealed, and the appeal is on hold pending the 2GP decisions (s42a Report for ULS Part 2, section 5.1.11, p. 106).
1435. The Reporting Officer went on to note that Area B forms part of the earlier subdivision consent application, and Area C is proposed for road access to Area A. Development of the nine-lot subdivision is underway, with (at that time) four houses having been constructed. This has altered the character of part of the area to large lot residential character, and this forms part of the permitted baseline.
1436. Evidence from DCC Water and Waste Services was that wastewater flows must be discharged into the Taieri network, as there is no available capacity in the alternative Kaikorai network (Request for Technical Advice, p. 9). Evidence received at the Reconvened hearing noted that there are also constraints in the Taieri network, with an estimated completion date of 15 to 20 years. However, 33-47 Dalziel Road were zoned LLRZ in the 2GP and we note that approvals have been granted for water and waste water connections to services.
1437. The Reporting Officer considered that residential development would be consistent with Policy 2.6.3.1. The main issue is the potential impact on neighbours, who value the existing rural residential character of the area. She noted that rural residential zoned areas were not intended to be transitional areas for future residential development. However, in some cases, where land has not been developed, it may be suitable for more intensive development and if landowners are willing, areas could be converted to residential land.
1438. The Reporting Officer noted that Strategic Objective 2.6.1 is to maintain a compact city and Strategic Objective 2.6.3 is to ensure adequate urban land supply. These objectives are both better achieved by zoning land that is suitable for residential development within or adjacent to the urban areas to residential zoning. There is a need for additional residential land and this site has relatively few constraints. If the LLRZ part of the site is returned to a rural or rural residential zoning, this capacity would need to be made up elsewhere in the city. She acknowledged that the character of the area will change for those living nearby; however, on a city-wide scale the effects will be minor.
1439. Consequently, the Reporting Officer considered that Large Lot Residential is the most appropriate zone for Areas A, B and C.
1440. The Reporting Officer also supported the rezoning of Area F to recreation, noting that this was supported by the Parks and Recreation department. She tabled comments from Angus Robertson, DCC Parks and Recreation planner, which stated: "There is significant potential to expand on the existing Fraser's Gully walking track for recreational use by walkers and mountain bikers, especially through the section of native bush. The upper half, while somewhat devoid of any recreation value, could be planted and act as an access to either Ashmore Street to the east, or Taieri Road to the north." (s42A Report for ULS Part 2, section 5.1.11, pp. 106–107).

1441. The Reporting Officer referred to assessment sheet 40 for detail on the Three Mile Road and the other Dalziel Rd properties. She considered, for similar reasons given in respect of 33-49 Dalziel Road, that this area is also suitable for residential zoning. She noted that some of the individual landowners are in support (17 Three Mile Hill, 5 Three Mile Hill, 2 Dalziel Road, 53 Dalziel Road), two are opposed (19 and 31 Dalziel Road), and the remainder have not submitted.
1442. This area was assessed by Barry Knox, DCC Landscape Architect. His evidence was that this area has a "very distinctive established setting characterised by mature amenity planting and intact stone walls". He considered that intensifying residential development as sought by the submitters would compromise this established character, although he noted that Large Lot Residential 1 zoning for the properties at 31 and 19 Dalziel Road, which although of a Rural Residential character, would "not be completely out of character with surrounding land use patterns" (Statement of Evidence at para 50).
1443. The Reporting Officer was further of the view that unless it was clear that additional demand was needed in the catchment in the short term, she recommended that consideration is given to applying a GR1TZ overlay to the area east of Dalziel Road, excluding those sites whose owners are in opposition (that is 5 and 17 Three Mile Hill Road), and zoning the sites to the west of Dalziel Road large lot residential 41, 43, 45, 47 and 49 Three Mile Hill Road and 2 Dalziel Road), to reflect their existing size and character. This would ensure that the owners are not subject to undue consent requirements as a result of a rural residential zoning (s42A Report for ULS Part 2, section 5.1.11, p. 107).

3.8.13.5.3 *Hearing evidence*

1444. As much of the submitter's evidence applied to the whole area, and issues were common between the areas, hearing evidence on both groups of sites has been combined.
1445. *RPR Properties Ltd* pre-circulated evidence comprising a Brief of Evidence from Kurt Bowen (consultant surveyor) with a number of attachments. These were a landscape report by Mike Moore (consultant landscape architect), a transportation report, HAIL assessment, geotechnical report and a real estate appraisal, all prepared previously for a resource consent application.
1446. Mr Bowen's evidence highlighted issues with the existing minimum site size provisions being inconsistent with the pattern of residential development on the site and argued that a residential zoning was required to remove these anomalies. The land cannot be used to carry out economically viable rural activities, and so he considered that the *RPR Properties'* proposal was the most effective use of the land resource as a means of increasing the city's residential capacity. Mr Bowen supported the landscape conclusions of Mr Moore, made in respect of the 2015 resource consent application. These were that although the development would initially have a significant impact on the rural amenity, in time it would be minor as the new residential landscape develops and matures. He noted that Mr Moore had considered that the development would integrate well with the existing urban edge. Mr Bowen's view was that Mr Moore's conclusions were applicable, as the scale of development proposed under the consent application was similar to that which would be possible under a LLRZ zoning (Statement of Evidence, p. 4).
1447. Mr Bowen also referenced a traffic assessment by Chris Rossiter of the Traffic Design Group, prepared for the subdivision resource consent, which concluded that a safe and efficient access can be provided to Taieri Road for the 28 lots that are to be created. 9 lots will retain access onto Dalziel Road, but there will be no connection between the Dalziel Road access (a cul-de-sac) and the roading servicing the remainder of the area. He concluded that there would be no traffic effects on the existing access to Dalziel Road. Geotech and HAIL reports were also referred to, which Mr Bowen said indicated that there

were no fundamental issues preventing residential development (Statement of Evidence, p. 5).

1448. In respect of infrastructure issues, Mr Bowen noted that the property had previously been approved to connect to the City's water supply and wastewater drainage. Stormwater was able to be accommodated on site through existing watercourses (Statement of Evidence, p. 6).
1449. Mr Bowen considered that the evidence supported the proposal, and he concluded that the adverse environmental impacts would be either minor, or would transition to minor. Considered as part of a city-wide District plan review, the effects were acceptable (Statement of Evidence, pp. 10 - 11).
1450. Tom Richardson, on behalf of *RPR Properties* tabled evidence. He stated that the company had been pursuing development of this area through resource consent processes over a number of years, some of which we understand is on hold pending the 2GP.
1451. He explained that the company intended that Area C is used as public recreation reserve and public roading to support the adjoining residential development. Area E is intended for servicing or access to support the residential development. It was intended the Area F is vested in Council for reserve purposes.
1452. He also discussed the development of the Halfway Bush area and the benefits of the area for residential development. Mr Richardson described the infrastructure as under capacity, and that the area was appropriate for intensification.
1453. Loretta Richardson also spoke and answered questions on property development that she had undertaken in Halswell Quarry, Christchurch, and how that had provided a layout that ensured sites could be further subdivided into smaller residential sites at a later date.
1454. *Angela Ruske* appeared in opposition to the proposals to increase the residential intensity at 33-49 Dalziel Road. Her evidence detailed the area's amenity and historical background and set out an analysis of the relative benefits of rural residential development. Specific mention was made of the risk of increased dog attacks on stock, and that in her view the 2GP provided enough opportunities for residential development (Statement of Evidence, p. 20).
1455. *Laura Dawson* appeared in opposition to residential intensification at 33, 35, 37, 39, 41, 43, 45, 47, and 49 Dalziel Road. Her evidence described the benefits of rural-residential scale development on rural amenity and lifestyle. She considered that the change from rural to residential is 'such a large jump that it is threatening'. She sought the protection of the rural amenity of the Three Mile Hill / Dalziel Road area (Statement of Evidence, p. 2).
1456. *Alice Wouters* spoke in support of retaining a rural-residential zoning for the Three Mile Hill and Dalziel Road properties. Ms Wouters' evidence described the amenity benefits of the rural / lifestyle section she lives on at 31 Dalziel Road. She expressed concern at the prospect of being surrounded by more intense residential development than could have been expected at the time they bought the property. She raised the following issues in respect of a change in zoning for the area (and her property) to Large Lot Residential: possible restrictions on rural activities, appropriateness of roading to service the area, flooding, waste and water infrastructure issues, rural amenity, and rate increases from more intense zoning (Statement of Evidence).
1457. *Valerie Dempster* also opposed the proposed LLRZ zoning at 33-49 Dalziel Rd. Her concerns centred around vehicle access to the site and flooding. She tabled a number of pictures showing flooding and snow fall events in the area (tabled photographs).

3.8.13.5.4 *Revised recommendation*

1458. The Reporting Officer noted in her revised recommendations with respect to 33–49 Dalziel Road that transport impacts had been considered at the 2015 resource consent hearing in detail, with the conclusion that the effects would be minor. Stormwater management would be addressed through any future subdivision consent process. The primary issue in her opinion was the change to the area's character and whether this was reasonable. She noted that the land which is sought to be zoned Large Lot Residential is zoned rural in the operative plan. Land that is zoned Rural Residential in the operative plan would be retained. Her recommendation was unchanged, i.e. to rezone 33–49 Dalziel Road to Large Lot Residential and Recreation, as requested by RPR Properties.

1459. In respect of the sites along and between Three Mile Hill Road and Dalziel Road, she recommended requiring a Structure Plan for sites to the east of Dalziel Road that do not oppose rezoning, to determine roading connections and protection of dry stone walls.

3.8.13.5.5 *Decision and reasons for Dalziel Road and Three Mile Hill road sites*

1460. We accept in part the submission of *RPR Properties Ltd* (OS688.2, 4 and 5) to the extent that we:

- retain the Large Lot Residential Zone for Area A,
- rezone Area C and the north-eastern part of Area E (adjoining Area A) to Large Lot Residential, and note the development of the Large Lot Residential Zone area is subject to a Structure Plan mapped area, as discussed below.
- change the zoning of Area F to Recreation (all as shown on the attached Map)

1461. We reject the request to rezone Area B as Large Lot Residential 1, but instead rezone this to Rural Residential 1. and reject the rezoning of the south western part of Area E and retain Rural Residential 1 for that part adjoining 31 Dalziel Rd.

1462. We reject all submissions to zone all of 33-49 Dalziel Rd (other than the site shown in Area B and part of Area E) Rural Residential or retain them as Rural (OS134.1, OS231.3, OS295.3, OS400.3, OS628.3, OS730.2, OS838.1, OS952.1, OS1012.1). As noted above we have rezoned Area B and kept part of Area E Rural Residential so this can be considered as partial relief to those submitters.

1463. We reject all submissions to rezone the properties on Three Mile Hill Rd, Taieri Rd or other Dalziel Rd properties as submitted and therefore reject the submissions of RPR Properties Limited, Robert McTaggart, and Trevor Miller.

1464. We assessed all areas requested for large lot residential zoning against Policy 2.6.3.1.

1465. In relation to Policy 2.6.3.1.a, as discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1466. In addition, while we acknowledge that there is a need to provide some lower density residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), as discussed in Section 3.3.6, we have generally sought to provide additional residential capacity at standard or medium density (consistent with Policy 2.2.4.1.b). We consider this approach is aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure) and 2.7.2 (Efficient transportation).

1467. In this case, we note the proposed Large Lot Residential 1 Zoning in Area A reflects the 2012 consent decision to allow nine lots within this area, varying in size from 2500m² to 2ha. As development of these lots has commenced and is on-going; and the area meets other criteria in Policy 2.6.3.1; and as there is no scope to consider residential development at higher densities, we consider it reasonable to accept this as an area that can provide opportunity for lower density residential development. We accept the expert evidence of the Reporting Officer, and Mr Bowen, in this regard.
1468. Turning to Policy 2.6.3.1.b, in relation to infrastructure, the evidence of Water and Waste Services staff is that there are both water and wastewater capacity issues in the infrastructure network catchments that service the area, and while network upgrades are due to start in the 2017/18 financial year, this work is likely to take 15-20 years to complete. In evidence at the Reconvened Urban Land Supply hearing, we received advice that the Patmos Avenue/Pine Hill/Wakari and North East Valley areas all feed into the same network ('the Northern Tahuna catchment'), and are therefore constrained by the same infrastructure issues.
1469. As discussed in Section 3.5.4 we have indeed taken a city-wide view of the relationship between infrastructure capacity and residential capacity in making our decisions, and as a result the Northern Tahuna catchment is one of the areas in which the provision of infrastructure capacity is likely to be prioritised. However, while we accept that the timeframe to complete works may change as a result of future funding decisions, in the meantime, reticulated residential development is not possible as a result of capacity constraints.
1470. While we acknowledge large lot residential development is at a scale that may allow for on-site servicing, as discussed in Section 3.3.6, for reasons of alignment with the NPS-UDC, Objective 2.7.1 and other objectives relating to environmental performance (including Mr McLeod's evidence of the maintenance issues that can eventuate), we do question the appropriateness of on-site wastewater systems immediately adjacent to residential development at standard or medium density especially in an area which has a significant urban creek flowing through it.
1471. Having heard of potential for flooding hazards of properties in the Glenross area in the Natural Hazards hearing we note our concern about substantial development in the Frasers Creek Catchment pending a better analysis of that risk by the Otago Regional Council.
1472. We are unable to address this issue in this decision but note it as a concern that will require consideration when any further subdivision work progresses and is one reason we have taken a conservative approach to increasing density in this area generally.
1473. Notwithstanding, we do accept and acknowledge that the development of Area A differs from other sites in the area as it has been approved for connection to three waters services.
1474. We note that transportation and traffic considerations relating to Area A and C were addressed through the 2015 consent, and this included requiring access to be from Taieri Road, through Area C on the map. We further note the evidence of DCC Transportation Group staff that provision of non-motorised road user infrastructure on Dalziel Road and Three Mile Hill Road is not adequate for increased intensification of residential activity, suggesting other sites are less well catered for in this regard.
1475. Our conclusion in relation to Policy 2.6.3.1.b, then, is that (subject to Structure Plan conditions outlined below) Areas A and C align acceptably with this limb, while Area B and other sites in the area subject to large lot residential rezoning requests aligns less well. We did not hear traffic or other evidence supporting the rezoning of 493 Taieri Road, 5, 17, 27, 41, 43, 45, 47, 49 Three Mile Hill Road, and 2 and 19 Dalziel Road. We are

concerned that further development in these areas would lead to pressure for unfunded infrastructure upgrades.

1476. We consider Areas A and C have acceptable alignment with Policy 2.6.3.1.c, given their location on the edge of the urban boundary, but the more isolated Area B, and other sites subject to large lot residential rezoning requests, align more poorly.
1477. In terms of Policy 2.6.3.1.d, our assessment is that the alignment of Area A and C, on the understanding that they will be connected to the water and wastewater services, with these criteria is generally good.
1478. Starting with clauses 2.6.3.1.d.i and vii (relating to rural character and amenity and other aesthetic considerations), residential development has begun in Area A, changing the character of the site from rural to residential. We do however accept the evidence of further submitters, particularly that of *Alice Wouters* and *Angela Ruske*, and the evidence of Mr Knox that the area (Dalziel Road in particular) has a rural amenity and aspect that is worthy of protection. We therefore support the access to Area A being from the urban end of Taieri Road, through Area C.
1479. We consider this in line with the decision in the 2015 consent to limit access to Dalziel Road.
1480. We consider rezoning of Area B and other sites subject to large lot residential rezoning requests, particularly those on Dalziel Road, in conflict with clauses 2.6.3.1 d i and vii (relating to rural character and amenity, and other aesthetic considerations).
1481. Regarding clauses 2.6.3.1.d.iii and vi (relating to biodiversity, and public access to waterways), we note that both the significant areas of indigenous vegetation in the area, and public access to Frasers Stream are to be protected by way of the intention to vest Area F in Council ownership as a reserve. We also accept the evidence of the Parks and Recreation Department that rezoning Area F as Recreation enables benefits in terms of connecting the existing Frasers Gully Reserve through to Taieri Road.
1482. We consider the evidence of DCC Water and Waste Services and Transportation Group staff, particularly at the densities proposed, raises some issues of alignment with clauses 2.6.3.1.d.ix and x (relating to efficient public infrastructure and transportation), and xi (relating to the compact and accessible city objective). As noted above, we consider Areas A and C differ from other sites in the area in that development has already commenced, and connection to services has already been granted. This is not the case for Area B, nor for the other sites in the area subject to large lot residential rezoning requests.
1483. Overall, we agree that Areas A and C meet the criteria in Policy 2.6.3.1 and therefore Large Lot Residential 1 zoning is appropriate. We consider ideally the density of development in the area serviced by Taieri Road would be greater; however, we acknowledge that there is no scope for this at the present time. In addition, we have rezoned the north-eastern part of Area E (adjacent to Area A) to Large Lot Residential 1 Zone, so it can be incorporated into the adjoining area of Large Lot Residential zoning. We have retained the balance of Area E as Rural Residential, as we do not see the need, or benefit, of zoning this area Large Lot Residential (in particular with vehicle access being required from Taieri Road). We consider this provides partial relief to those submitters requesting Rural Residential Zoning of all of this area.
1484. We do not consider Area B, nor the sites at 493 Taieri Road, 5, 17, 27, 41, 43, 45, 47, 49 Three Mile Hill Road, and 2 and 19, 31, 53 Dalziel Road, meet the criteria for Large Lot Residential zoning, for the reasons set out above.

1485. However, we do agree to Area B being zoned Rural Residential 1, as it would otherwise be an isolated undersized island of rural land adjoining an area of Rural Residential 1 zoning.

1486. We observe that some of this area may be suitable in the future for residential zoning at a time when there is infrastructure capacity. We did consider the application of an RTZ on some of these sites, especially given the area's inclusion in the Northern Tahuna catchment (discussed above). However, we were limited by scope (submissions sought large lot residential density only), and we were mindful of the principles of natural justice, particularly given the level of community opposition to the proposal.

1487. We have included a structure plan at Rule 15.7A.13 primarily to manage the traffic effects, with conditions as follows:

- Vehicle access to Area X on the Structure Plan (the north - east part of the site) must be provided from Taieri Road.
- Vehicle access to Area Y on the Structure Plan (the south - west part of the site) must be provided from Dalziel Road.

3.8.14 Karitane

1488. *Stephen Gregory Johnston* (OS1030.5) sought to change the zoning of 91 and 89 Grimness Street, 90, 96 and 78 Stornoway Street, and the part of 87 Grimness Street and part of 99 Stornoway Street that is zoned Rural to Township and Settlement Zone. He considered that this zoning is more appropriate to avoid "artificial land use blocks" and a "compromised standard of development".

1489. *Malgosia Szukiel* (FS2371.4) supported the submission but expressed a preference to rezone the properties to Rural Residential Zone instead, to avoid further subdivision. She stated that the properties are 'clearly undersized' and Rural Residential zoning would allow building on smaller sites.

1490. The submission was opposed by *Neville Jelley* (FS2117.1), *Lianne and Michael Montgomery* (FS2128.1) (85 Grimness Street), *David Yeoman* (FS2175.1) (87 Grimness Street) and *Julie Kirk* (FS2364.1) (83 Grimness Street). Reasons included a loss of views and consequent fall in property values, flood risk, loss of ecological and landscape values and green space, the effect of earthworks on land stability and effects on lifestyle.

1491. The Reporting Officer referred to sheet 2 in the assessments and noted that the sites form a rural-zoned block on either side of Stornoway Street. Large parts of the area are overlain with a Hazard 3 Coastal overlay and a Hazard 2 Flood overlay. There is a Natural Coastal Character (NCC) overlay on all sites except 78 Stornoway Street. The area is swampy and has not been developed apart from a dwelling on 96 Stornoway Street, which has been built on raised poles to withstand flooding. Consent for this dwelling was granted by the Environment Court following an appeal from ORC based on risk from natural hazards.

1492. The site at 99 Stornoway Street is owned by the DCC and is maintained as a coastal reserve. A large drainage channel runs through the properties on the inland side of Stornoway Street. Adjoining areas on both sides are zoned Township and Settlement.

1493. Mr Moore assessed the site. He stated that the mapping of the NCC overlay in this area needed to be refined to better reflect the area subject to natural coastal processes and which has natural character values. He recommended that the NCC is extended (Statement of Evidence, pp. 18-19). The Reporting Officer noted that there is no scope to make this change however.

1494. Mr Moore's view was that the NCC overlay is not compatible with residential zoning. He recommended that the 2GP protects natural character values within the NCC area, including minimising built development.

1495. The Reporting Officer noted that there are also water and wastewater constraints in Karitane, and consequently rezoning the area to residential is not consistent with Policy 2.6.3.1. In relation to rural residential zoning, the sites are residential sized rather than rural residential size and this zoning would effectively achieve the same outcome as residential zoning.

1496. Consequently, she recommended that the sites remain zoned rural.

3.8.14.1 Decision and reasons

1497. We reject the submission of *Stephen Gregory Johnston* (OS1030.5) to change the zoning of 91 and 89 Grimness Street, 90, 96 and 78 Stornoway Street, part of 87 Grimness Street and part of 99 Stornoway Street to Township and Settlement Zone.

1498. We assessed the sites against Policy 2.6.3.1 for appropriateness as residential zoning.

1499. In relation to the question of capacity (clause 2.6.3.1.a), we note that Karitane sits outside the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Karitane to provide additional residential capacity for urban Dunedin (for which we consider there is sufficient short-term capacity anyway, as discussed in section 3.3.6), but rather whether there is a shortage of residential capacity in Karitane itself. Based on the updated capacity data provided by the Reporting Officer at the conclusion of the Urban Land Supply (Part 2) hearing, we consider there is sufficient residential capacity for Karitane in the short- and medium- term, and therefore there is poor alignment with Policy 2.6.3.1.a.

1500. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there are capacity issues in the infrastructure catchments serving Karitane, but that these are programmed to be resolved in the next 5 years. We therefore conclude there is reasonable alignment of this site with Policy 2.6.3.1.b.

1501. Looking to Policy 2.6.3.1.c, we consider there is relatively poor alignment with this criterion.

1502. In terms of alignment with Policy 2.6.3.1.d, we consider there are clear conflicts with clause 2.6.3.1.d.v (relating to natural coastal character). As discussed in section 3.4.2, we accept Mr Moore's evidence that development at urban densities is incompatible with the NCC overlay zone that these sites coincide with.

1503. We note a Hazard 2 (flood) overlay zone coincides with this site, which is a relevant consideration under clause 2.6.3.1.d.viii. As outlined in the Natural Hazards s42A Report, a Hazard 2 (Flood) overlay zone is applied to areas with a moderate risk from flood events. As set out in the Natural Hazards Decision Report, we have amended Policy 11.2.1.5 to only allow natural hazard sensitive activities (including residential activities), where the activity has a critical operational need to locate within the Hazard 2 overlay zone and the risk is minimised as far as practicable, or the scale, location and design of the activity means risk is avoided or is no more than low. Aligned with these decisions on the Natural Hazards topic, we do not consider that residential zoning is compatible with a Hazard 2 (Flood) risk classification.

1504. Overall, we consider that any development at residential density on this site has poor alignment with the criteria in Policy 2.6.3.1, and should not be supported.

3.8.15 Otago Peninsula

1505. The Reporting Officer noted that there was no capacity in the water, wastewater or stormwater networks on the Otago Peninsula. Water mains have been recently upgraded to supply existing residential zoned land; however, there is limited capacity for further wide scale residential development. Wastewater is pumped back to the Tahuna Wastewater Treatment Plant through multiple pumping stations. The further away the site, the greater cost to upgrade the network to provide capacity. In addition, stormwater flooding is an issue at various locations due to the topography (s42A Report for ULS Part 2, section 5.1.5, p. 46).
1506. In evidence at the reconvened ULS hearing, Water and Waste Services staff confirmed that for the Otago Peninsula from Portobello south, the estimated timeframe to resolve water and wastewater constraints was 15 years. For Centre Road, Ocean Grove, the wastewater constraints could be resolved in five years (Statement of Evidence, p. 3).
1507. The Reporting Officer described the Portobello/Broad Bay area as relatively well serviced, having two primary schools, a convenience store, police and fire station, community centre and pub. However, the area is relatively distant from Dunedin, and the narrow and winding road, while being improved for pedestrians and cyclists, is still susceptible to severe storms, with flooding and slips.
1508. Other issues for residential development identified by the Reporting Officer include significant landscape areas, which cover a substantial part of the Peninsula, and in the remaining areas, effects on rural character and visual amenity. The Peninsula is highly visible from Dunedin city and West Harbour, and the predominance of rural land, around usually discrete settlement areas, is part of its value.

3.8.15.1 942-1019 Harington Point Road, Harington Point

1509. *Te Rauone* Incorporation (OS1085.1) sought to amend the zoning of 942-1019 Harington Point Road, Harington Point, from Rural Peninsula Coast Zone to Township and Settlement Zone. The submission anticipates the possibility of future township style development within the expanded zone, in response to sea level rise and coastal erosion.
1510. The Reporting Officer noted that the site is a large scrub-covered area behind existing dwellings along Harington Point Road. The site rises up the hill behind the houses and appears to be primarily sand dunes. The area is highly visible driving along Harington Point Road. The site is distant from both the main urban centre and services at Portobello.
1511. No water and waste services are provided in this area; however, the Reporting Officer noted that further development in the area may increase demand for servicing. There are also issues with transport infrastructure. For these reasons, and potentially significant effects on visual amenity, the Reporting Officer believed rezoning the site is not consistent with Policy 2.6.3.1. She acknowledged the desire of Manawhenua to live near Ōtākou on their reserve lands, and the threats posed by climate change to dwellings along the coast, however she considered that further thought was needed as to how this might best be achieved (s42A Report for ULS Part 2, section 5.1.5, p. 48).
1512. The Reporting Officer maintained her view that rezoning was not appropriate in her revised recommendations.

3.8.15.1.1 *Decisions and reasons*

1513. We reject the submission of *Te Rauone Incorporation* (OS1085.1) to rezone 942-1019 Harington Point Road to Township and Settlement Zone.
1514. We assessed the area against the criteria in Policy 2.6.3.1.

1515. In relation to the question of capacity (clause 2.6.3.1.a), we note that Harington Point sits outside of the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Harington Point to provide additional residential capacity for urban Dunedin (for which we consider there is sufficient short term capacity anyway, as discussed in Section 3.3.6), but rather whether there is a shortage of residential capacity in Harington Point itself. We did not receive any evidence on this, and therefore found it difficult to assess alignment with Policy 2.6.3.1.a.
1516. Turning to Policy 2.6.3.1.b, the evidence of DCC Transportation Group staff was that there are no apparent alternative emergency access routes, and that the area would involve significant and potentially uneconomic distances for the construction and maintenance of transport assets, as well as promoting trips by private motor vehicle. The proposed zone was therefore not supported.
1517. The evidence of DCC Water and Waste Services staff was that there is water and wastewater infrastructure serving Harington Point. There is also no stormwater network servicing the sites.
1518. We have some particular concerns about providing further residential capacity within this area, even where on-site water and wastewater solutions are provided, as it seems likely that additional residential capacity will in time lead to pressure for as-yet unplanned and unfunded provision of wastewater infrastructure (noting the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age). We therefore consider there is poor alignment with Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), it would arguably be contrary to the NPS-UDC, when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
1519. Looking to Policy 2.6.3.1.c, we consider there is particularly poor alignment with this criterion. The area is very isolated.
1520. In terms of alignment with Policy 2.6.3.1.d, we consider there are conflicts with clause 2.6.3.1.d.iii and v (relating to biodiversity and natural coastal character). We accept the evidence of the Reporting Officer that disturbance of the dune system and indigenous vegetation on the site may be adversely affected by residential development on the site, though we do not have evidence of the significance of the values. In addition, we note that we received strong evidence from Dr Schallenberg (discussed in Section 3.8.13.3.12, above), relating to concerns about the impact of residential development with unreticulated wastewater systems in close proximity to important water bodies. We note the proximity of this site to Otago Harbour, and consider this too raises questions about the acceptability of such development in this location from a biodiversity perspective.
1521. In terms of clause 2.6.3.1.d.viii (relating to potential risk from natural hazards, including climate change), we acknowledge the submitters' concerns about coastal erosion and the effects of sea level rise in Harington Point, and the desire to have another area to relocate to. We also accept that the site itself is not subject to hazard overlays. However, we observe that the access road in this location is subject to Hazard 3 (Coastal) overlays which in our view calls into question the appropriateness of this location for future residential development.
1522. We also agree with the Reporting Officer's assessment that development in this area would have adverse effects on rural character and amenity, and other aesthetic considerations (relevant consideration under clauses 2.6.3.1.d.i and vii), and that there is some conflict with clause 2.6.3.1.d.iv (relating to effects on landscape), as there is an overlap between the site and an ONL overlay zone.
1523. For the same reasons that there is poor alignment with Policy 2.6.3.1.b and c, we consider there is poor alignment with clauses 2.6.3.1.d.ix, x and xi, relating to efficient public infrastructure and transport, and the compact and accessible city objective.

1524. Overall, we consider that any development at residential density on this site has poor alignment with the criteria in Policy 2.6.3.1 and should not be supported. We do however note that the area sits within the Otago Heads (Taiaaroa/Mt Charles) original native reserve, which means that development of Papakaika in this area is provided for.

3.8.15.2 Part of 33 Otakou Golf Course Road, Harington Point

1525. *Stephen Johnston* (OS1030.7), supported by *The Proprietors of Akapatiki A Block Incorporated* (FS2484.1), sought to change the zoning of part of 33 Otakou Golf Course Road (the northern part of the block between 678 and 750 Harington Point Road) from Rural Peninsula Coast Zone to Township and Settlement Zone.

1526. The submitter's reasons included the avoidance of "artificial land use blocks" imposed on the landscape, rather than a coherent land use pattern that is integrated with the landscape. The submitter further cautioned against piecemeal planning provisions and highlighted the need to take a broader view of development potential to avoid a compromised standard of development extension. The submitter also sought to retain the Township and Settlement zoning of the remainder of the site (OS1030.8).

1527. Part of the area comprises a prominent bluff and part gently sloping land. Barry Knox, DCC Landscape Architect, assessed the area. He considered that the bluff acts as a visual divider between existing areas of development, and due to its visibility, it should not be developed.

1528. The Reporting Officer noted that the 2.5ha site is located between, and would connect with, other areas currently zoned Township and Settlement. In a spatial sense, rezoning the area would 'close the gap' between 678 and 750 Harington Point Road. However, there is significant capacity for further infill development within nearby existing Township and Settlement zoned-areas, and there is therefore no need for further development capacity in the area.

1529. The Reporting Officer further noted that the area is distant from centres and so did not meet the policy criteria of being close to the main urban area or adjacent to a township with a shortage of capacity.

1530. In addition, she noted that approximately half of the area is within the high class soils mapped area. However, these extend over existing Township and Residential areas, and she did not consider that development over this relatively small area of soils would significantly reduce rural productivity.

1531. No water and waste services are provided in this area; however, the Reporting Officer noted that further development in this area may increase the demand for servicing. There are also issues with transport infrastructure. These were addressed by Mr Fisher (DCC Transport Planner/Engineer) who commented that there were no apparent alternative emergency access routes for the proposed development. Additionally, the proposed development is a significant distance from the main urban area and community facilities, which would impact upon transport asset maintenance, increase private trips, and limit active and public transportation. Mr Fisher did not support the proposal from a transport perspective (Statement of Evidence, p. 19).

1532. In light of these reasons, the Reporting Officer's view was that rezoning the site is not consistent with Policy 2.6.3.1. She did note that development of the flat land to the east of the bluff would not result in adverse landscape effects, as there is existing adjoining development. However, the other issues would remain and consequently she recommended that the submission is rejected.

1533. We did not receive further information or evidence on this matter.

3.8.15.2.1 *Decisions and reasons*

1534. We reject the submission of *Stephen Johnston* (OS1030.7) to rezone part of 33 Otakou Golf Course Road to Township and Settlement Zone.
1535. We assessed the area against the criteria in Policy 2.6.3.1.
1536. In relation to the question of capacity (clause 2.6.3.1.a), we note that Ōtakou sits outside of the RTZ residential capacity assessment mapped area, so the question is not whether rezoning is required in Ōtakou to provide additional residential capacity for urban Dunedin (for which we consider there is sufficient short term capacity anyway, as discussed in Section 3.3.6), but rather whether there is a shortage of residential capacity in Ōtakou itself. We did not receive any evidence on this, and therefore found it difficult to assess alignment with Policy 2.6.3.1.a.
1537. Turning to Policy 2.6.3.1.b, the evidence of DCC Transportation Group staff is that the transport network is unable to sustainably support residential growth in this area. The evidence of DCC Water and Waste Services staff was that there is water and wastewater infrastructure serving Harington Point. There is also no stormwater network servicing the sites.
1538. We have some particular concerns about providing further residential capacity within this area, even where on-site water and wastewater solutions are provided, as it seems likely that additional residential capacity will in time lead to pressure for as-yet unplanned and unfunded provision of wastewater infrastructure (noting the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age). We therefore consider there is poor alignment with Policy 2.6.3.1.b (and the related criteria in clause 2.6.3.1.d.ix), it would arguably be contrary to the NPS-UDC, when the relationship between infrastructure capacity and residential capacity is considered from a city-wide perspective.
1539. Looking to Policy 2.6.3.1.c, we consider there is particularly poor alignment with this criterion. The area is very isolated.
1540. In terms of alignment with Policy 2.6.3.1.d, we consider there are potential are conflicts with clause 2.6.3.1.d.iii and v (relating to biodiversity and natural coastal character), based on the evidence of Dr Schallenberg (discussed in Section 3.8.13.3.12, above), suggesting residential development with unreticulated wastewater systems in close proximity to important water bodies can have significant adverse effects on the ecological health of these water bodies. We also note Mr Moore's evidence, discussed in the Natural Environment Decision Report, about the importance of protecting the natural character of the coastal environment in this area despite it having only been assessed as low-medium. Taken together, we consider this evidence raises questions about the acceptability of development in this location from a biodiversity and natural character perspective. We also accept the evidence of Mr Knox that development on the bluff would be inappropriate and lead to a reduction in visual amenity and natural character values, noting that effects on rural character and amenity, and other aesthetic considerations are relevant under clauses 2.6.3.1.d.i and vii.
1541. In terms of clause 2.6.3.1.d.viii (relating to potential risk from natural hazards, including climate change), while the site itself is not subject to hazard overlays, we observe that the access road in this location is subject to Hazard 3 (Coastal) overlays which in our view calls into question the appropriateness of this location for future residential development.
1542. For the same reasons that there is poor alignment with Policy 2.6.3.1.b and c, we consider there is poor alignment with clauses 2.6.3.1.d.ix, x and xi, relating to efficient public infrastructure and transport, and the compact and accessible city objective.

1543. Overall, we consider that any development at residential density on this site has poor alignment with the criteria in Policy 2.6.3.1, and should not be supported.

3.8.15.3 27 Hereweka St, Portobello

1544. *Kevin & Sherryl Charles* (OS112.1) sought to change zoning of the Portobello Tourist Park at 27 Hereweka St from Rural Residential 2 to Township and Settlement Zone. The reasons include the small size of the property and the lack of rural character. The submitter considers the site to be part of the Portobello township, within the 'outlying residential area'.

1545. The Reporting Officer noted that 27 Hereweka Street is a small site, approximately 1.06ha in area, which lies on the urban boundary of Portobello. The site is at the end of the established residential area in Portobello to the north and is surrounded by rural residential activity on the other sides.

1546. She further noted that rezoning the area is not consistent with Policy 2.6.3.1 as there are 3 waters infrastructure capacity issues. However, the site is flat and a logical extension of Portobello should further development capacity be required. Should additional capacity in Portobello be required, it would be appropriate to apply a GR1TZ over the site to allow development in the future (s42A Report for ULS Part 2, section 5.1.5, p. 46).

3.8.15.3.1 *Decisions and reasons*

1547. We reject the submission of *Kevin & Sherryl Charles* (OS112.1) to rezone 27 Hereweka Street to Township and Settlement Zone.

1548. We assessed the site against Policy 2.6.3.1 for appropriateness as residential zoning.

1549. The first consideration is Policy 2.6.3.1.a, relating to capacity. As discussed in Section 3.3.6, we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. We have therefore rezoned to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1550. Turning to Policy 2.6.3.1.b, the evidence of DCC Transportation Group staff is that development on this site could be accommodated, although an upgrade to provide for non-motorised road users may be required.

1551. The evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving Portobello, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including communities on the Peninsula, would be inconsistent with the NPS-UDC, as even as RTZs it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b.

1552. Looking to Policy 2.6.3.1.c, we consider there is reasonable alignment with this criterion, although it is accessed from Dunedin by way of a narrow and winding road that will remain susceptible to flooding and slips.

1553. In terms of alignment with Policy 2.6.3.1.d, for the same reasons that there is poor alignment with Policy 2.6.3.1.b, we consider there is poor alignment with clauses 2.6.3.1.d.ix relating to efficient public infrastructure.

1554. Given that the site is within the existing urban area, we consider this site aligns better with clause 2.6.3.1.d.xi (relating to the compact and accessible city objective) than other sites in Portobello.

1555. Overall, despite this site being the most appropriate of all the Portobello sites for residential zoning, we consider because of the poor alignment with the criteria in Policy 2.6.3.1.b (coupled with the lack of alignment with Policy 2.6.3.1.a), zoning to Township and Settlement is not appropriate.

3.8.15.4 Area bound by McCauley Road, Seaton Road, Highcliff Road and Portobello Township, Portobello

1556. *Daniel, Kirsten & Matthew Parkinson, Terry & Rain Crowley and Richard Carlson (Dan Parkinson and others)* (OS1050.1) sought to change the zoning of the area bound by McCauley Road, Seaton Road, Highcliff Road and the existing Township and Settlement Zone from Rural Residential 2 Zone to Township and Settlement Zone. The reason given is that the area lends itself to residential development, if it can be developed in a way which enhances the amenity of the area.

1557. The submission was opposed by *Paul Henderson* (FS2201.1), as he considered that it would erode the rural outlook, and he did not see a need for further residential development of the area.

1558. *Ernest & Faye Webster* (OS235.1) supported the Rural Residential 2 Zoning for the 'Highcliff Road below Seaton Road'. This was clarified with the submitter as applying to the area between Hereweka Street and Highcliff Road.

1559. The Reporting Officer referred to assessment sheet 4. She also noted that the location is an area of rural residential development between residential areas on Seaton Road/Beaconsfield Street and further east on Hereweka Street. The area has an open and natural character, including a gully area and associated vegetation. It is most visible when viewed heading into Portobello from Highcliff Road, a popular tourist route. There are a small number of established dwellings around the perimeter of the area.

1560. Barry Knox (DCC Landscape Architect) assessed the site. His opinion was that the semi-rural, harbourside character of Portobello is considerably enhanced by this rural enclave, which provides a foreground for views out to the harbour when approaching Portobello down Highcliff Road. His view was that the landscape and amenity values of Portobello, and visitor perceptions of the Peninsula generally would be better protected if this site were to retain its proposed RR2 Zone (Statement of Evidence, p. 5).

1561. The Reporting Officer also noted the 3 waters infrastructure capacity issues outlined above. Consequently, rezoning the area to residential was not consistent with Policy 2.6.3.1. Rural Residential development was consistent with Policy 2.6.1.4, and she recommended that this is the most appropriate zone for the area at this time (s42A Report for ULS Part 2, section 5.1.5, p. 47).

1562. Emma Peters, resource management consultant, provided evidence for *Dan Parkinson and others*. Mr Parkinson also attended the hearing. Ms Peters described the site as consisting of approximately 7 hectares of land containing dwellings, native bush, exotic trees and approximately 2 hectares of gorse.

1563. The submitter had sought residential activity at a density of no less than 500m² per residential unit, with a maximum development potential of 1 habitable room per 100m².

Several conditions were proposed to address issues of yield, infrastructure, and landscape raised by the further submitters and the s42A Report (Statement of Evidence, pp. 6 – 8).

1564. At the hearing, Ms Peters proposed that a condition permitting residential activity to a density of no less than 1,500m² per residential unit, with a maximum development potential of 1 habitable room per 300m², which would alleviate the impact from the development (Statement of Evidence, p. 6).
1565. In respect of infrastructure constraints, the submitter offered to identify waste and stormwater solutions for each lot at the time of obtaining a resource consent so that “post development discharge ... is not more than pre-development discharge”. Additionally, firefighting infrastructure would be installed. Ms Peters argued that these conditions would overcome the infrastructure constraints (Statement of Evidence, pp. 7 – 8).
1566. In respect of landscape impacts, Ms Peters considered that the landscape values are ‘very much of the lower order’, there is existing residential development on two sides of the site, which provides context for any development. The intention is for the houses to be ‘nestled amongst bush’. Further conditions were proffered in respect of visual amenity, including the identification of building platforms, which would constrain the establishment of residential elements, a 5m height limit, natural finish to buildings, below ground services, ‘rural character’ driveways, planting rather than fencing and the protection of indigenous plantings (Statement of Evidence, p. 8-10).
1567. Both Ms Peters and *Dan Parkinson* gave oral evidence including details of the constraints of the site both by topography and infrastructure provision, and the conditions promoted in Ms Peters written evidence. They answered questions from the panel about capacity constraints and a possible requirement to consider higher density in the future if reticulation were available at some stage.
1568. Following on from that hearing, Ms Peters filed further evidence responding to our questions on the conditions proffered by the submitter. This information addressed the nature of the conditions and suggested including these at Rule 15.7.7 as a structure plan (Clarification and/or provision of information - OS1050, June 2017).

3.8.15.4.1 Revised recommendation:

1569. The Reporting Officer noted that the reduced density proposed resolves 3 waters infrastructure issues, as it would allow on-site wastewater disposal, and reduces the effect on amenity values. These constraints, along with the topography support larger site sizes.
1570. Her revised recommendation was to rezone the area with a Structure Plan requirement to include density and amenity conditions. She also noted that the infrastructure costs set out in information sheet 4 was incorrect, and that the correct information was that these are \$50,000 – 100,000 (water); and more than \$100,000 (wastewater).

3.8.15.4.2 Decisions and reasons

1571. We reject the submission of *Daniel, Kirsten & Matthew Parkinson, Terry & Rain Crowley and Richard Carlson (Dan Parkinson and others)* (OS1050.1) to rezone the area bound by McCauley Road, Seaton Road, Highcliff Road and the existing Township and Settlement Zone to Township and Settlement.
1572. We assessed the area against the criteria set out in Policy 2.6.3.1.
1573. In relation to the question of capacity (clause 2.6.3.1.a), we do not consider that there is any requirement under the NPS-UDC to provide for all types of residential development

everywhere in the city simultaneously. Any such requirement (especially in a small city like Dunedin) would substantially limit the capacity of an authority to determine a city's urban form (when the NPC-UDC specifically states it is up to local authorities to determine this) and could be highly inefficient.

1574. Rather, our conclusion is that Dunedin's urban area should be managed as one catchment from the perspective of residential capacity, such that a shortage in capacity in any part of the urban part of the city can be met with supply of land elsewhere. Under this approach, the areas that most strongly align with other criteria under Policy 2.6.3.1 should be rezoned first. We consider this approach takes into all objectives of the NPS-UDC, rather than focusing on OA2 (relating to housing choice) rather than factoring in OA1 (which relates to efficient and effective provision of urban environments) and OA3 (which relates to providing for changing needs of people, communities and future generations).
1575. We accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1576. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving Portobello, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed.
1577. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including communities on the Peninsula, would be inconsistent with the NPS-UDC, as even as RTZs it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b at Township and Settlement density. While we acknowledge that the larger lot size promoted by Ms Peters on behalf of the submitter at the hearing should be sufficient to allow dwellings to be self-sufficient for water and wastewater services, for reasons of alignment with the NPS-UDC, Objective 2.7.1 and other objectives relating to environmental performance, our preference is for new development in residential areas to be reticulated for wastewater.
1578. In relation to Policy 2.6.3.1.c, based on the evidence provided in assessment sheet and our site visit, we consider this site has reasonable proximity to services and facilities. However, it is accessed from Dunedin by way of a narrow and winding road that will remain susceptible to flooding and slips (as evidenced by the Hazard 3 (Coastal) overlay zone that coincides with the Portobello Road in many places). In addition, the site is relatively steep in places and as such may struggle to achieve development at Township and Settlement densities.
1579. In terms of an assessment against Policy 2.6.3.1.d, as raised by some further submitters and as canvassed in the evidence of Mr Knox, there are some considerations under clauses 2.6.3.1.d.i and vii (relating to rural character and amenity, and other aesthetic considerations, including open space). We accept Mr Knox's evidence that from the Highcliff Road tourist route the view is 'distinctive', with the area contributing considerably to the openness and natural character of the area and the semi-rural, harbourside character of Portobello. We agree that the landscape and amenity values of Portobello and visitor perceptions of the Peninsula generally would be better protected if

this site were to retain its proposed RR2 Zone. We note this needs to be balanced against the provision of a new public walkway, which will increase public amenity and enjoyment of the area.

1580. We note the mention in Ms Peters' evidence of native bush on the site (which a later clarification suggested should be protected by way of a condition in a Structure Plan), and while we have no evidence on the values of that vegetation, it does raise some questions of alignment with clause 2.6.3.1.d.iii, relating to biodiversity. We consider the evidence of Dr Schallenberg (discussed in Section 3.8.13.3.12), also raises some questions of the appropriateness of on-site wastewater solutions in areas in close proximity to important water bodies, for ecological reasons (particularly noting the evidence of Mr McLeod relating to maintenance issues associated with on-site solutions as they age).
1581. While acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), where an area is identified as being appropriate for residential development, to provide zoning at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b). While in this case there do appear to be reasons why standard densities may not be able to be achieved (relating to slope and lack of servicing), we consider the proposed development densities poorly aligned with the clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.
1582. Our conclusion is that this site is poorly aligned with the criteria set out in Policy 2.6.3.1 for development at Township and Settlement density, particularly given the conflict with Policy 2.6.3.1.b, but also noting factors such as topography and indigenous vegetation.
1583. The question then becomes whether there is a need for additional large lot residential in the city, and if so, whether this is the most appropriate location for it. Our conclusion is that there is substantial provision for large lot residential development (e.g. at Patmos Ave and Dalziel Road), and that on balance, the evidence of Mr Knox on amenity suggests there may be more appropriate places for large lot development, when more is required, including (locally) 1694 Highcliff Road (discussed below).

3.8.15.5 1694 Highcliff Road, Portobello

1584. *Ernest and Faye Webster* (OS235.5) sought to change the zoning of their property at 1694 Highcliff Road from Rural Residential 2 to a residential zoning, as there is a 'reasonably high density' of housing nearby, and additional housing would not change the landscape from being essentially urban.
1585. The submitter noted that they wish to stay in Portobello and have not found a suitable sized property. They are no longer able to maintain their large section. The land is reasonably flat on the top of the hill and close to services.
1586. *Radio New Zealand Limited* (FS2332.66) opposed the submission due to concerns about potential adverse reverse sensitivity effects from higher density residential activities close to their Highcliff facility.
1587. The Reporting Officer referred to assessment sheet 5. She described the property as 'L shaped', and noted that it sits between Highcliff Road and Hereweka Street, and adjoins residential land at the top of Ridley Street. It comprises a flat paddock adjoining Highcliff Road, and a steep scrubby area adjoining Hereweka Street. She further noted that unlike the area to the west of Highcliff Road the site does not frame views to the harbour, although it does add to the attractive rural character of this section of the road. In her opinion, further development is likely to have relatively minor effects on visual amenity

and rural character as development, where visible, would visually join the existing residential area on Ridley Road.

1588. In respect of *Radio NZ's* concerns about reverse sensitivity the Reporting Officer noted that their facility at the corner of Highcliff and Karetai roads is 6km distant. In her opinion it appears unlikely that further development on the Highcliff Road site would result in reverse sensitivity effects.

1589. The Reporting Officer further noted that there are significant three waters infrastructure constraints and consequently, she viewed the rezoning as not being consistent with Policy 2.6.3.1. However, she did note that part of the site surrounding the existing house is flat and a logical extension of Portobello should further development capacity be required. This area would provide a maximum of 14 sites at GR1 density, or 5 at LLR1 density. She concluded that should additional capacity be required, it may be appropriate to apply a GR1TZ over this part of the site to allow development in the future. Due to slope constraints she did not recommend rezoning or applying a GR1TZ over the part of the site that adjoins Hereweka Street (s42A Report for ULS Part 2, section 5.1.5, pp. 47-48).

3.8.15.5.1 Decisions and reasons

1590. We reject the submission of *Ernest and Faye Webster* (OS235.5).

1591. The submission sought to change to residential zoning. As discussed in Section 3.3.6, while acknowledging that there is a need to provide housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider it more consistent with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure), where an area is identified as being appropriate for residential development, to provide zoning at standard or medium residential density, unless there is a clear reason why this is inappropriate (in line with Policy 2.2.4.1.b).

1592. We assessed the area against the criteria set out in Policy 2.6.3.1.

1593. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1594. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving Portobello, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed.

1595. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity in other highly-constrained infrastructure catchments, including communities on the Peninsula, would be inconsistent with the NPS-UDC, as even as RTZs it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b.

1596. In relation to Policy 2.6.3.1.c, based on the evidence provided in assessment sheet and our site visit, we consider this site has reasonable proximity to services and facilities. However, it is accessed from Dunedin by way of a narrow and winding road that will

remain susceptible to flooding and slips (as evidenced by the Hazard 3 (Coastal) overlay zone that coincides with the Portobello Road in many places). In addition, the site is relatively steep in places and as such may struggle to achieve development at Township and Settlement densities.

1597. In terms of an assessment against Policy 2.6.3.1.d, in relation to clauses 2.6.3.1.d.i and vii (relating to rural character and amenity, and other aesthetic considerations, including open space), we agree with the assessment that the effects of development of this area would be minor. In these terms, this site is preferable to the area bound by McCauley Road, Seaton Road, Highcliff Road and the existing Township and Settlement Zone.
1598. We agree with the Reporting Officer's assessment that the issue of reverse sensitivity raised by *Radio New Zealand*, (a relevant consideration under clause 2.6.3.1.d.ii) is unlikely to be an issue given the distances involved.
1599. For the same reasons that the site is poorly aligned with Policy 2.6.3.1.b, we consider that it is poorly aligned with clause 2.6.3.1.d.ix relating to efficient public infrastructure.
1600. Our conclusion is that this site is poorly aligned with the criteria set out in Policy 2.6.3.1 for development at Township and Settlement density, particularly given the conflict with Policy 2.6.3.1.b.
1601. The question then becomes whether there is a need for additional large lot residential in the city, and if so, whether this is the most appropriate location for it. Our conclusion is that there is substantial provision for large lot residential development (e.g. at Patmos Ave and Dalziel Road), however of the local sites, we do consider this area more appropriate for large lot development than the area bound by McCauley Road, Seaton Road, Highcliff Road and the existing Township and Settlement Zone (discussed above).

3.8.15.6 657 and 658 Portobello Road, Broad Bay

1602. *Peter Raffills* (OS108.1) sought to change the zoning of 657 and 658 Portobello Road from Rural Hill Slopes to Township and Settlement Zone "to integrate the property with the surrounding residential area". The submitter stated that this could enhance and improve existing services, including access, which currently "limits the amenity and is dangerous."
1603. The Reporting Officer noted that the sites have a combined area of 3.4ha and adjoin a small established residential area close to Broad Bay at King George Street. The sites slope up behind the settlement and are covered in bush. Both sites are within the North West Peninsula SNL (s42A Report for ULS Part 2, section 5.1.6, p. 57).
1604. Mike Moore, consultant landscape architect called by DCC, assessed the site. He noted that the landform on the western side of the residential area rises and visually contains the settlement. He considered that it is appropriate that this landform is included in the SNL. However, some adjustment to the SNL boundary is appropriate to exclude the existing buildings and lower lying land within 657 and 658 Portobello Road. As a result, he recommended amending the boundary line along a 40m contour to a minor spur, and then to the mean high water springs (Statement of Evidence, p. 10).
1605. The Reporting Officer noted that this adjustment would remove part of the lower slopes of the site from the SNL overlay; however, the remainder of the site would remain within it. Within the SNL, effects on landscape values would potentially be significant. Given the potential for effects on the landscape values, as well as slope and infrastructure constraints, the Reporting Officer considered that rezoning the sites to residential would be inconsistent with Strategic Policy 2.6.3.1. However, should additional capacity be required, she recommended a GR1TZ to the lower part of the site from which the SNL is recommended to be removed (s42A Report for ULS Part 2, section 5.1.6, p. 58).

1606. The Reporting Officer later estimated that the area removed from the SNL would provide approximately 4 house sites due to the slope, and revised her recommendation to rezone this part of the site to Township and Settlement zoning (Revised Recommendations, p. 6, and Revised Recommendations Appendix v2, p. 4).

1607. We did not receive any further evidence or information on this matter.

3.8.15.6.1 Decisions and reasons

1608. We reject the submission of *Peter Raffills* (OS108.1) to re-zone 657 and 658 Portobello Road from Rural Hill Slopes to Township and Settlement Zone.

1609. We assessed the area against the criteria set out in Policy 2.6.3.1.

1610. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1611. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving Broad Bay, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed.

1612. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including communities on the Peninsula, would be inconsistent with the NPS-UDC, as even as RTZs it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of this site with Policy 2.6.3.1.b at Township and Settlement density.

1613. We consider this site, part of a relatively isolated pocket of residential development, is poorly aligned with Policy 2.6.3.1.c. It is also accessed from Dunedin by way of a narrow and winding road that will remain susceptible to flooding and slips (as evidenced by the Hazard 3 (Coastal) overlay zone that coincides with the Portobello Road in many places).

1614. In terms of an assessment against Policy 2.6.3.1.d.i, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which covers the majority of the site. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density within SNLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to. Specifically, in this location, we accept Mr Moore's evidence that the landform on the western side of the residential area visually contains the settlement, and that while some minor modifications can be made to the SNL overlay zone in this area (as outlined in the Natural Environment Decision Report), effects of residential development on landscape values in this area would potentially be significant. As well as raising clear issues of conflict with clause 2.6.3.1.d.iv, relating to the protection of landscape values, we consider this evidence suggests poor the sites have alignment with clauses 2.6.3.1.i and vi, relating to rural character and amenity and other aesthetic values (including the open space between coastal settlements).

1615. We note also the indigenous vegetation on the site, and while we have no evidence on the values of that vegetation, it does raise some questions of alignment with clause 2.6.3.1.d.iii, relating to indigenous biodiversity.

1616. For the same reasons the site is poorly aligned with Policy 2.6.3.1.b and Policy 2.6.3.1.c, we consider it is also poorly aligned with clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and a compact and accessible city.

1617. Our overall conclusion is that this site is poorly aligned with the criteria set out in Policy 2.6.3.1 for development at Township and Settlement density.

3.8.15.7 48 Raynbird Street, Company Bay

1618. *AM and JD Jensen (on behalf of M A E Jensen-Chave and Marks and Worth Trustee No2 Ltd) ('the Jensen Trust')* sought to:

- change the zoning of the lower portion (3.3ha) of 48 Raynbird Street, Company Bay, from Rural Residential 2 to Large Lot Residential Zone 2 (OS1023.1); and
- retain Rural Residential 2 Zone for the upper portion (1.4ha) of 48 Raynbird Street "or any alternative zone that results from the submission process" (OS1023.2)

1619. The submission explained that 48 Raynbird St (4.71ha) is situated between the Township and Settlement Zone and the Rural Residential 2 Zone and changing the lower portion to Large Lot Residential 2 would provide for subdivision and development. This area is already being connected to the water supply and is close to the wastewater system.

1620. One or both of the submission points were supported by: *Ross Whitburn* (FS2298.1, 2), *Maureen and Bob Stanley* (FS2301.1, 2), *Anthony Chave* (FS2303.1, 2), *Victoria Black* (FS2305.1, 2), *Bryan Morton* (FS2306.1), *Sydney Harbrow* (FS2309.1), *Ian and Annette Thomson* (FS2312.1, 2), *John and Elizabeth Black* (FS2314.1, 2) and *Alison Stewart-Piere* (FS2355.1). The reasons given included that a change of zoning would provide attractive sites for additional housing, that there is ongoing demand for these sites, the land is already surrounded by housing, that landowners should be able to develop their property in the way "the city council has indicated they may by their previous decisions", and that Council should be assisting landowners to convert their land to 'reasonable sections'.

1621. *Michel de Lange* (OS210.1 and FS2182.1), *Jane and Richard Higham* (OS216.1), and *Jonathan Woolrych* (OS705.1 and FS2408.1), supported by *Mira Harrison-Woolrych* (FS2346.1) opposed any rezoning of the entire property, seeking that it remain rural. *Christopher Lloyd* (FS2119.1) supported the property being rezoned RR2 to allow a single house to be built, but opposed any further subdivision. *Cathy Fitzsimons* (FS2328.1) opposed rezoning the property RR2 but supported allowing a single dwelling on the site.

1622. The reasons opposing Township and Settlement included negative visual impacts resulting from building, retention of the Peninsula's predominantly rural character, lack of clarity about which part would be rezoned Large Lot Residential, effects on the neighbouring and community aesthetic, impacts on the landscape conservation area, increase in traffic, high visibility of the site, and the effect on the value and enjoyment of the neighbouring properties.

1623. Evidence was pre-circulated by Mr Don Anderson (consultant planner) on behalf of the *Jensen Trust*. The rezoning was limited to the south western 3.3 ha portion of the property. Amenity planting undertaken by the owner was highlighted as supporting the integrated management of the property. This would be best achieved through rezoning the lower part of the property LLR2, with conditions managing the location of building

platforms, further allowing for landscape matters to be addressed (Statement of Evidence, p. 14).

1624. The Reporting Officer noted that the site at 48 Raynbird Street has an area of 4.7ha, that it is on the urban boundary of Company Bay and is currently used for rural activity, with a LUC 3 classification over part of the site (1915m²). It also lies within the North West Peninsula Significant Natural Landscape Overlay Zone (SNL) (s42A Report for ULS Part 2, section 5.1.6, p. 59).

1625. The site was assessed by Mr Moore, who considered that the rural landscape context is already fairly weak in this area due to existing development. His view was that Large Lot Residential 2 zoning would result in the landscape character becoming more residential than rural, and the proposed planting would not mitigate this change. He noted that although it was possible for further houses to be successfully integrated through sensitive design, the proposed RR2 zoning and SNL overlay 'provides more appropriately for the sustainable management of the landscape values'. Mr Moore's recommendation was that further urban development above the existing urban area should be avoided (Statement of Evidence, p. 9).

1626. In respect of traffic issues, Mr Fisher's opinion (DCC Transport Planner/Engineer) was that the site's steep and narrow nature would make access difficult. In addition, Raynbird Street and Luss Road would need to be upgraded and intersection improvements would be required at Portobello Road. Due to these costs, he did not support any zoning other than rural (Statement of Evidence, p. 19).

1627. The Reporting Officer noted the wastewater network constraints. Overall, she considered that zoning the site to residential is not consistent with Policy 2.6.3.1. The notified rural residential zoning is consistent with Policy 2.6.1.4. This would allow a single dwelling, which would be subject to resource consent to ensure effects on landscape values are acceptable. Rural zoning does not recognize the existing site size. Overall, she considered that the RR2 zoning is appropriate (s42A Report for ULS Part 2, section 5.1.6, p. 59).

Hearing evidence

1628. *Marie Jensen-Chave* gave evidence on the history of the site with a power point presentation. This detailed the area's development and changing land use, the submitter's history of farming the area, and the benefits from developing their land into a residential development.

1629. Mr Anderson, consultant planner called by the *Jensen Trust*, suggested that the Council should be considering the best purpose of the land with a clean sheet of paper as done in the *Guthrie* case at the last plan review stage. Given the size of the land and the proximity of other subdivisions of LLR2 size nearby and the access to water infrastructure Mr Anderson suggested that the lower slopes were better suited to increased density development. This was enhanced by the work already done on the site to develop sympathetic planting and understanding geotechnical matters that provided for new building sites for 5-6 new dwellings while providing for mitigation of effects. Mr Anderson noted the local topography and the development of the lower spur that the site traverses. He gave evidence of the infrastructure available and the matters that will be needed to be considered at subdivision rather than planning stage. In assessing the site and comparing factors considered in the *Guthrie* case – like views from across the harbour and from Portobello Road he considered that these factors should not be given substantial weight

1630. Mr Anderson then considered all the planning zones that might be considered for the site and accepted that Rural Residential zoning was preferable compared to the existing or proposed rural zones. However, he challenged that this zone met the requirements under s31 of the Act. He suggested that the most efficient and effective zoning would be Large Lot Residential 1, providing a theoretical 16 sites, or LLR2 providing for up to 9 lots. In

his opinion LLR2 was most suitable given the landslip area with its conservation planting, the waterway area and the need for amenity planting up the spur.

1631. Mr Anderson then challenged the relevance of the significant natural landscape overlay, noting that the site was grass paddocks with no landscape or ecosystem significance or rarity. He stated:

"The boundary of the Significant Landscape Overlay along the western boundary of 48 Raynbird Street is a myth based upon a perception that is no longer valid. Both Barry Knox and Michael Bathgate took the opportunity to view the reality prior to the 2GP being notified but the overlay continues."

1632. We note that Mr Anderson did not produce any landscape evidence in relation to this proposition.

1633. Mr Anderson then suggested that the RD status of subdivisions in LLR2 would provide the necessary conditions to ensure protection of environmental effects. In summary, Mr Anderson suggested that the submission supported choice for residential options in the Macandrew Bay area with access to good community facilities and was consistent with the purpose of the Act.

1634. Mr Page tabled legal submissions on behalf of the *Jensen Trust*, suggesting that the situation shared similarities with that in *Guthrie v DCC*. Mr Page highlighted the Environment Court's approach to determining the appropriate zone, quoting the following from para 20 of that judgment (legal submissions, p. 7):

'Accordingly, the appropriate zone is that which has the most liberal provisions while avoiding, remedying, or mitigating adverse effects'

1635. Mr Page then referred to the Rural Residential 2 zoning and noted that it was subject to an SNL overlay. This zoning "would allow a single residence, subject to a restricted discretionary activity consent ... further subdivision would be non-complying" (legal submissions at para 9).

1636. Mr Page also challenged the landscape boundary, submitting that it had not been set with reference to objective natural science factors, rather artificially aligned with existing urban development.

1637. Mr Page considered there were several problems with Mr Moore's evidence. Firstly, Mr Moore's suggestion that RR2 was the only option available, and therefore that only a single house could be permitted on the site was contrary to his evidence that 'further houses' could be successfully integrated if designed properly. Therefore, Mr Page submitted that under the *Guthrie* approach 'this takes RR2 zoning off the table because it is not the least restrictive option available' (Legal Submissions, para 14.a). Secondly, Mr Page referred to the Reporting Officer Mr Bathgate's statement to the Panel that RR1 and RR2 zones were intended to be permanent, and not holding pens for future residential zoning. Mr Page then made the submission that this 'presents a problem for Mr Moore' because he is 'effectively using the RR2 status as a means by which further development' can be managed through a resource consent process. In summary, Mr Page submitted that on Mr Moore's evidence a 'more creative solution is required'.

1638. *Michel de Lange* (OS210.1) and (FS2182.1) gave evidence on behalf of a number of residents from the area who opposed housing development on 48 Raynbird Street. *Mr de Lange* referred to a 2003 application for resource consent in respect of the property, which was declined, arguing that the reasons for decline given were still applicable. These included visual effects on the surrounding area, that screening via planting was unrealistic (requiring some 11m high growth to be effective to screen from neighbouring properties), the precedent effect given the site's lack of uniqueness, and a blurring of the rural residential boundary in the harbour landscape. *Mr De Lange* tabled photographs setting

out various views of the site, which he said indicated its prominence. He challenged the adequacy of planting to mitigate these adverse effects.

Revised recommendation

1639. Mr Moore responded to Mr Page's criticisms, stating that in his view, the Proposed Plan needed to prioritise the large scale rural character of the property to maintain Company Bay's rural character. Although he accepted that this was a visual issue, his concern was that the containment of settlements within a rural landscape was an important aspect of the peninsula harbourside landscape and should be 'vigorously protected'. In respect of his earlier comments about the landscape being able to absorb some well-designed houses, Mr Moore clarified that this would relate to 'probably no more than 3' houses integrated near the western boundary and associated with the adjacent residential properties.

1640. The Reporting Officer maintained her recommendation not to rezone the site as residential but noted that a compromise position would be to zone Rural Residential 1, which would allow 2 houses on the site.

3.8.15.7.1 Decision and reasons

1641. We reject the submission of the *Jensen Trust* (OS1023.1) to rezone the lower part of the site to Large Lot Residential 2 Zone.

1642. We have assessed the area against the criteria set out in Policy 2.6.3.1. As discussed in Section 3.8.2.2, we consider this approach encapsulates the principles of, and is generally in line with, the *Guthrie* decision and other more recent cases. As part of the assessment exercise, we have also been mindful of the need under the Resource Management Act to provide for the appropriate use of land, using appropriate methods based on the hierarchy of statutory documents. To that extent we see the 'Guthrie test' being achieved by ensuring that the methods and zoning are appropriate.

1643. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1644. As discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), where residential zoning is considered appropriate we have generally zoned at standard or medium density unless we are limited by scope, or there is another very clear reason why standard density is inappropriate (consistent with Policy 2.2.4.1.b). We consider this approach is aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4 (Compact and accessible city) and 2.7.1 (Efficient public infrastructure) and 2.7.2 (Efficient transportation).

1645. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving this site, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed. The evidence suggested the area would need to be self-sufficient in terms of water supply, wastewater and stormwater management, and we acknowledge that at large lot density the provision of services would not be necessary. However, the evidence of the DCC Transportation Group is that the site the steep, narrow access, as well as Raynbird Street and Luss Road would need to be upgraded (sealed and widened), and intersection improvements would be required at Portobello Road, which would incur significant costs, and development is therefore not supported. We therefore consider there is poor alignment with Policy 2.6.3.1.b.

1646. We consider this site is relatively poorly aligned with Policy 2.6.3.1.c for reasons of distance from centres and services.

1647. In terms of an assessment against Policy 2.6.3.1.d.i, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which almost completely covers the site. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density within SNLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seeks to give effect to. We do not think it inconsistent to hold that landscape or coastal character overlays may be able to absorb some residential activity, while also concluding that the density of development anticipated in urban zones (including LLR2) is incompatible with the values of these overlay zones.

1648. Specifically in this location, we accept Mr Moore's evidence that residential development in this area is inappropriate in the context of the relatively low hills in the area. We note that no alternative landscape evidence was presented supporting a different view.

1649. We considered the legal submissions and suggestions that the existing lower boundary was an artificial boundary denoted by existing urban development. We consider that this is an inaccurate interpretation of the evidence, which was that the boundary of the SNL was the 40m contour, or higher where there was already development, and to the north it extends to mean high water springs. Of particular note is the evidence of Mr Moore (Statement of Evidence, para 26) that:

'An important landscape attribute of the harbour side of the Otago Peninsula is that the various settlements are largely discrete (do not coalesce) and are contained within a more visually dominant rural landscape context both between the settlements and above.'

1650. As well as raising clear issues of conflict with clause 2.6.3.1.d.i and iv, relating to the protection of rural character and amenity and landscape values respectively, we consider this evidence suggests large lot residential development on this site would also conflict with clause 2.6.3.1.vi, relating to other aesthetic values including the open space between coastal settlements.

1651. For the same reasons the site is poorly aligned with Policy 2.6.3.1.b and Policy 2.6.3.1.c, we consider it is also poorly aligned with clauses 2.6.3.1.d.x and xi, relating to efficient transportation and a compact and accessible city.

1652. Our overall conclusion is that this site is poorly aligned with the criteria set out in Policy 2.6.3.1, particularly clause 2.6.3.1.b, and clauses 2.6.3.1.d.i, iv and vii.

1653. We also reject the submissions by *Michel de Lange* (OS201.1), and *Jane and Richard Higham* (OS216.1) to rezoning the site Rural.

1654. In assessing the site against the Strategic Directions relating to rural residential zoning, we consider that when considered alongside the sites in the adjacent rural residential zone, it is consistent with the site size criteria Policy 2.6.1.Y.b. We do agree, however, that it is questionable whether the site meets the criteria set out in Policy 2.6.1.4. For example, the evidence of the DCC Transportation Group suggests that further intensification in this area may lead to increased pressure for public infrastructure upgrades, which in turn suggests a lack of alignment with clause 2.6.1.4.b. In addition, the area is within a Significant Natural Landscape overlay zone, and under clause 2.6.1.4.c.iii, SNLs are generally to be avoided for new rural residential zoning. This raises questions about alignment with clause 2.6.1.4.c.i and viii, relating to rural character and amenity, and other aesthetic considerations.

1655. We note there are a number of instances in which the notified extent of rural residential zoning coincides with SNL overlay zones. As discussed in the Rural Residential Decision Report, in response to broad submissions seeking to remove these, we acknowledge that this could be seen as out of line with the Strategic Directions policies relating to rural residential zoning. However, particularly given that these areas are mostly or wholly developed, we did not consider there was strong evidence suggesting their removal was warranted.

1656. This site is slightly different in that the site is undeveloped, and we have received specific submissions seeking reversion of the site to a rural zoning. However, the only landscape evidence we have on the matter, from Mr Moore, is that retaining the proposed RR2 zoning (along with the SNL overlay) provides more appropriately for sustainable management of the landscape values in this area. Given the conflicts with Policy 2.6.1.4, we certainly do not consider Rural Residential 1 would be appropriate on this site.

1657. On balance, therefore, we consider retention of Rural Residential 2 zoning on this property appropriate, under the provisions of Policy 2.6.1.Y and 2.6.1.4.

3.8.15.8 Part of 34 Gorman Street, Macandrew Bay

1658. *Alistair Montgomerie* (OS487.1) sought to change the zoning of part of 34 Gorman Street, Macandrew Bay, from Rural Hill Slopes to Large Lot Residential 1 Zone. He believed that it would be a better use of the land and make use of nearby infrastructure.

1659. The Reporting Officer referred to assessment sheet 11. She noted that the site adjoins the residential area at the top of Gorman Street and Porterfield Street, and is a small part of a larger rural land parcel, with an existing house and amenity planting. There is a small gully close to the western boundary. The site is flat, rising behind the house (outside the submission area). Most of the site (the exception being a narrow strip close to the residential area) has an SNL overlay (s42A Report for ULS Part 2, section 5.1.6, pp. 59 - 60).

1660. Barry Knox (DCC Landscape Architect) assessed the site and noted that in terms of visibility, the site is moderately sloped compared with further up the Peninsula, and reasonably well screened by existing lower dwellings. However, he considered that there are some important natural values associated with the site as recognised by its SNL overlay zone. Mr Knox's opinion was that the 2GP Rural Hill Slopes Zone is appropriate.

1661. The Reporting Officer recommended rejecting the submission and retaining the site as rural, as it is not consistent with Policy 2.6.3.1 due to the effects on landscape values and three waters infrastructure constraints.

3.8.15.8.1 Decisions and reasons

1662. We reject the submission of *Alistair Montgomerie* (OS487.1) to rezone part of 34 Gorman Street from Rural Hill Slopes to Large Lot Residential 1 Zone.

1663. As discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider standard or medium density to be a more efficient way of providing residential development capacity (aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4, 2.7.1, and 2.7.2).

1664. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.

1665. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving Macandrew Bay, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed. The evidence suggested the area would need to be self-sufficient in terms of water supply, wastewater and stormwater management, and we acknowledge that at large lot density the provision of services would not be necessary. However, for reasons of alignment with the NPS-UDC, Objective 2.7.1 and other objectives relating to environmental performance (including Mr McLeod's evidence of the maintenance issues that can eventuate), we do question the appropriateness on-site wastewater systems immediately adjacent to residential development at standard or medium density. We therefore query alignment with Policy 2.6.3.1.b.
1666. We consider alignment of this site with the criteria in Policy 2.6.3.1.c is reasonable.
1667. In terms of an assessment against Policy 2.6.3.1.d.i, the key issue relates to the presence of a Significant Natural Landscape overlay zone, which almost completely covers the site. As recorded earlier in this decision (Section 3.4.2), based on the expert evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density within SNLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives seek to give effect to.
1668. Specifically in this location, we accept Mr Knox's evidence that the site is moderately sloped and reasonably well screened by existing lower dwellings, but that with important natural values associated with the site, Rural Hill Slopes zone is appropriate. We note that no alternative landscape evidence was presented supporting a different view.
1669. As well as raising clear issues of conflict with clause 2.6.3.1.d.iv, relating to landscape values, we consider this evidence suggests large lot residential development on this site would also conflict with clause 2.6.3.1.i and vi, relating to rural character and amenity and other aesthetic values.
1670. For the same reasons the site is poorly aligned with Policy 2.6.3.1.b, we consider it is also poorly aligned with clauses 2.6.3.1.d.ix and xi, relating to efficient public infrastructure and the a compact and accessible city objective.
1671. Our overall conclusion is that this site is not sufficiently aligned with the criteria set out in Policy 2.6.3.1, particularly clauses 2.6.3.1.d.i, iv and vii.

3.8.15.9 11 Centre Road, Ocean Grove

1672. *Sally Stewart* sought to retain the GR1TZ over 11 Centre Road, Ocean Grove (OS484.1), as well as rezoning it from Rural to Rural Residential 1 Zone (OS484.2). She noted that the property is surrounded by residential sites and is in a built up area with a cluster of properties. Ms Stewart also sought to remove the SNL overlay from the property (OS484.3). This submission was heard at the Natural Environment Hearing.
1673. The rezoning submissions were opposed by *Dale Benson* (FS2116.1 and 2) and *Lloyd McGinty* (FS2479.1 and 2). The reasons given included that more houses and traffic would diminish Dunedin's iconic coastline, drainage issues and land instability. Mr McGinty was not opposed to 2 ha lots (rural residential zoning), but considered that residential development would not be in keeping with the rural character.
1674. The Reporting Officer noted that the site has a SNL overlay. Mike Moore, consultant landscape architect called by DCC, assessed the landscape values of the site. His view was that the landscape values had been modified by the adjacent urban development and variety of land management regimes. He did not consider there to be a compelling

reason to retain the urban / rural interface in the present location. He noted that the scale of the rural backdrop is such that any adjustment would be relatively minor and only effect the Tomahawk side of the spur, which was already influenced with urban development (s42A Report for ULS Part 2, section 5.1.6, p. 57).

1675. The DCC's Water and Waste services' evidence at the reconvened hearing identified that wastewater constraints could be resolved within a five-year timeframe for resolution.

1676. The Reporting Officer recommended maintaining the GR1TZ, noting that this was consistent with Policy 2.6.3.1, with the exception of wastewater constraints. She also noted that Rural Residential zoning is consistent with Policy 2.6.1.4 (s42A Report for ULS Part 2, section 5.1.6, p. 57).

Hearing evidence

1677. *Sally Stewart* (OS484.1) spoke to her submission and suggested that there was a need for land above sea level to be made available for development. In reply to questions, she said that she believed the land had always been farmed and that other land may have been used for landfills but not this site. There were no issues of land instability, except where trees had been removed, but that would be assessed at subdivision stage. She was amenable to looking at a concept plan for the area to be subdivided together with adjoining land with access off Lombardy Street.

1678. *Dale Benson* (FS2116.1 and 2) spoke at the hearing. She lives in the area and sees how popular the area is for tourists and walkers. She expressed concern that allowing increased development would impact on the views and amenity values, and water quality in Tomahawk Lagoon. She also highlighted existing flooding issues on Oregon Street caused by increased hard surfacing in the area, and considered that it would worsen if more development was allowed.

Revised recommendation

1679. The Reporting Officer revised her recommended to rezone the site General Residential 1, noting that stormwater should be able to be managed on-site, up to a 10 year return period.

3.8.15.9.1 Decision and reasons

1680. We accept in part the submissions of *Sally Stewart* (OS484.1 and 2) relating to 11 Centre Road.

1681. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1. In this case, we consider there to be good alignment with these criteria.

1682. Turning to Policy 2.6.3.1.b, the evidence of DCC Water and Waste Services staff is that there is capacity in the water network serving the site and in the wastewater network, although there are known downstream issues which should be resolved in five years. No issues were raised by DCC Transportation Group staff. Although there is no stormwater network, and effects on stormwater have not been assessed, in comparison with almost all other sites, we consider there to be strong alignment with Policy 2.6.3.1.b.

1683. Given its location on Dunedin's urban edge, we consider alignment of this site with the criteria in Policy 2.6.3.1.c is good.

1684. In terms of an assessment against Policy 2.6.3.1.d.i, the key issue relates to the presence of an Outstanding Natural Landscape overlay zone, which as notified covered part of the site. As discussed in the Natural Environment Decision Report, based on the evidence of Mr Moore we have amended the ONL overlay zone such that it now skirts the cluster of houses on Centre Road. We accept his evidence that the landscape values on the Tomahawk side are modified by the adjacent urban development and that there is no compelling reason as to why the urban / rural interface should not be adjusted to provide for some expansion of urban land supply. There is therefore no conflict with clause 2.6.3.1.d.iv, relating to landscape values, and we consider his evidence also suggests any impacts relating to rural character and amenity and other aesthetic values (clause 2.6.3.1.i and vii) are acceptable.
1685. We consider the alignment with Policy 2.6.3.1.b and Policy 2.6.3.1.c also suggests relatively strong alignment with clauses 2.6.3.1.d.ix, x and xi, relating to efficient public infrastructure and transportation, and the a compact and accessible city objective.
1686. A question was raised by a further submitter about the potential impact of the development on the health of Tomahawk Lagoon, which is a relatively consideration under Policy 2.6.3.1.d.iii and vi, relating to the protection of indigenous biodiversity. We received little evidence on this directly on this, but note the evidence of Dr Schallenberg (discussed in Section 3.8.13.3.12) has some relevance. We observe that development on the site will be connected to reticulated wastewater systems, which alleviates many of the issues raised, and that any effects associated with stormwater will be considered at time of subdivision consent.
1687. A second further submitter raised questions relating to site stability. There are no identified hazard overlay zones on the site, so we have no evidence to suggest there are issues of alignment with clause 2.6.3.1.d.viii (relating to natural hazards), and consider that any minor issues can be dealt with at time of subdivision consent.
1688. Our overall conclusion is that this site is well aligned with the criteria set out in Policy 2.6.3.1. Given that any infrastructure network issues are going to be resolved in the next five years, we consider there is no clear reason to retain the GR1TZ (now RTZ). We have therefore rezoned the site to General Residential 1, using the scope of the submission of *Robert Wyber* (OS394.5), who sought to rezone all GR1TZ areas to residential immediately.

3.8.15.10 Properties around The Cove

1689. A number of submissions sought to change the zoning of the area between Waverley and The Cove, and immediately to the east of the Cove. Many of the properties have a GR1TZ overlay zone. These were considered in assessment sheet 13 of the s42A Report, ULS Part 2.

3.8.15.10.1 100 Connell St, Waverley

1690. *R & M Duffy* (OS696.2) sought to retain GR1TZ on the lower slopes of 100 Connell St, Waverley.

3.8.15.10.2 295 & 297 Highcliff Road, Highcliff

1691. *Michael Hope* (OS438.1) sought to rezone his land at 295 Highcliff Road (2.06ha) from Rural Hills Zone with a GR1TZ overlay to General Residential 1, as the property is significantly smaller than the minimum rural site size and cannot be used efficiently under a rural zoning. *Mr Hope* considered that impacts on amenity values would be less than minor as the site adjoins General Residential zoned land, and would be an efficient means of meeting demand as infrastructure could be extended without difficulty.

1692. The submission was supported by *Robert Charles Duffy* (FS2353.3). He holds resource consents for residential development on 100 Connell Street and believes that development on 295 Highcliff Road would provide opportunities for collaboration, particularly on service provision.

1693. *Stephen Cooper* (OS985.1) sought to remove the GR1TZ from 295 and 297 Highcliff Road (1.42ha) due to a concern that continued residential development on the Peninsula would ruin its natural beauty and affect his enjoyment of his neighbouring land.

3.8.15.10.3 353 Highcliff Road, Highcliff

1694. *Steven Liang and Diana Mei* (OS17.3 and .4) sought to retain the GR1TZ on the northern side of 353 Highcliff Road and extend it over the southern side of 353 Highcliff Road, adjoining Hilton Road (area totalling 4.07ha). They noted that the site is accessible and served by telephone, water and power.

3.8.15.10.4 304 Portobello Road, the Cove

1695. *June and Raymond McDowell* (OS78.1), supported by *Philip and Shakuntala Cunningham* (FS2245.1), sought to change the zoning of 304 Portobello Road (2.4016ha) from Rural Hill Slopes to Large Lot Residential 1, because it is adjacent to a section with that zoning, the property is fully serviced, is too small to be used as rural and has been used as a residential block for the last 30 years.

3.8.15.10.5 457 Highcliff Road, Highcliff

1696. *Philip and Shakuntala Cunningham* (OS965.1) sought to change the zoning of 457 Highcliff Road (2.4016ha) from Rural Residential 2 and Rural Hill Slopes to Large Lot Residential 1 Zone, and remove the GR1TZ 2 overlay. They considered that there are opportunities for co-ordinated development with 45 Irvine Road, which is zoned Large Lot Residential, including access and services. The rezoning would provide a landscape buffer between General Residential 1 areas and rural zoned land.

1697. The submission was opposed by *Radio New Zealand Ltd* (FS2332.59) due to potential reverse sensitivity effects resulting from higher density residential activities in the area.

3.8.15.10.6 603/605 Highcliff Road, Highcliff

1698. *Ben Caradoc-Davis* (OS236.2) made a broad request to 'modify Rural Residential 2 zoning on the Otago Peninsula by changing parts adjacent to townships to Township zoning and parts adjacent to that to Rural Residential 1'. This broad submission is dealt with above in Section 3.5.15.10. We received a further submission in support from *Candida Savage* (FS2022.4) that was specifically in respect of 603/605 Highcliff Road. *Ms Savage's* reason for seeking rezoning to Rural Residential 1 is that the properties are a natural extension of the zoning of adjacent areas, as well as being unsuitable for rural activities.

3.8.15.10.7 General

1699. *Jean Grace* (OS811.1) sought to retain the GR1TZ over the area around the Cove to provide for residential development as the area is almost completely surrounded by residential development. The GR1TZ sites include many of those listed above, together with 60 Irvine Road and 25A Irvine Road.

1700. The *Harboursides and Peninsula Preservation Coalition (HPPC)* (OS447.129) sought to remove the GR1TZ which surround Irvine Road at The Cove, so that the area remains rural, avoiding ribbon development and sprawl. The submitter was concerned that there will be a negative visual impact when the area is viewed from the harbour and across it.

1701. This submission was opposed by *Robert Charles Duffy* (FS2353.2) as it would reduce development potential with no environmental benefits.

3.8.15.10.8 Reporting Officer

1702. The Reporting Officer described the general character of the sites, noting that if the GR1TZ areas were fully developed, the urban area would extend from Waverley, past The Cove, and conclude at the eastern boundary of 457 Highcliff Road. She noted the visibility of the area from the western side of the harbour, parts of urban Dunedin, and Highcliff Road, however that it was not generally visible from Portobello Road (s42A Report for ULS Part 2, section 5.1.6, p. 61).

1703. Barry Knox, DCC Landscape Architect, assessed the visual amenity of the properties beneath Highcliff Road, which he described as being 'generally attractive and appropriate for the steep terrain'; as well as a 'welcome natural relief from adjacent more domesticated areas'. He also noted that the area is 'the commencement of the visual transition between the urban peninsula area and the more open natural peninsula vistas further east'.

1704. Mr Knox considered that developing residential areas around Irvine Road was difficult to support from an amenity perspective and supported the removal of the GR1TZ (Statement of Evidence, para 63).

1705. Mr Knox specifically commented on 457 Highcliff Road and 304 Portobello Road. In relation to 457 Highcliff Road, Mr Knox noted that when viewed from across the harbour around Ravensbourne, it is apparent that there is a natural area around this site where existing vegetation and steeper topography work together to provide the visual change between the urban areas and the open Peninsula landscape. Furthermore, along Highcliff Road, especially for traffic coming south down the road, this area provides an attractive natural middle-distance setting for views of the city.

1706. In relation to 304 Portobello Road, Mr Knox noted that the topography of the site and immediately adjacent areas is steep and mostly covered in vegetation. Depending on how development was to be implemented, there would be the potential for the current visual amenity pattern of predominantly bushed land cover on steep land to be threatened. In his opinion, the proposed 2GP zoning of Rural Hill Slopes on this site is appropriate.

1707. Mr Knox later responded to our questions about whether permitted development on 45 Irvine Road had been considered in his overall assessment. He said that he regarded this area as providing a transition between generally urban city activity to the more open peninsula rural environment. He accepted that under the LLR1 zoning 45 Irvine Rd will extend urban development further east, however the important issue of the commencement of this transition remains. The site is steep, predominantly covered in mature vegetation, and did not appear suitable for urban development.

1708. The site at 353 Highcliff Road includes land on both sides of Highcliff Road. The southern part, which is south of Highcliff Road, has an Outstanding Natural Landscape overlay. It does not currently have a GR1TZ overlay; however, the owners submitted to include the site in the GR1TZ overlay (OS17.4). This site was assessed by Mike Moore, consultant landscape architect for DCC. The site contains a minor gully which is part of the headwaters of McCurdys Creek. Mr Moore noted that the land use pattern in the area to the west of the site is suburban development on the broad, more gently sloping spur tops, and rural land use on the steeper slopes below. The effect of the submission would be to provide for urban development to extend approximately 85m further eastwards along the summit ridge and to extend onto slopes on the eastern side of the headwaters of McCurdys Creek i.e. to begin to wrap around the valley head (Statement of Evidence, p. 6 - 7).

1709. Mr Moore's assessment was that allowing for further urban development on the flatter area between Highcliff Road and the gully (as indicated in his evidence) would be acceptable (but not desirable), but that development to the south of the gully would be inappropriate in terms of landscape values. The reasons are the upper area has an amenable landform and urban development in this area would represent a fairly minor extension of the existing pattern of a band of housing along the southern side of Highcliff Road.
1710. The Reporting Officer observed that these two assessments 'strongly discourage further residential development to the east of the existing Waverley boundary'. She noted that smaller areas of development may be appropriate, if they followed natural landforms and were located in visually recessive areas. However broad scale development as proposed would have significant effects on visual amenity (s42A Report for ULS Part 2, section 5.1.6, p. 63).
1711. The Reporting Officer considered that an exception to the above conclusion might be 295 Highcliff Road, which is mid slope, immediately adjacent to residential development, without significant bush cover, flat and consequently less visible. Development on this site alone would leave the large, steeper bush areas on 60 Irvine Road and lower parts of 100 Connell Street providing a visual separation between Waverley and The Cove.
1712. In respect of other issues, the Reporting Officer noted that these areas have wastewater network constraints, stormwater disposal issues, and areas of very steep land, which mean that any immediate zoning of residential development is not appropriate. In response to *Radio NZ's* further submission in relation to reverse sensitivity effects from 457 Highcliff Road, she noted that this site is approximately 2.5km away from *RNZ's* facility and 1 km from another radio tower (Radio Network Ltd). *RNZ's* submission (OS918.52) – see the Network Utilities decision) sought a 1km separation distance from radio towers.
1713. In light of these matters, the Reporting Officer's view was that zoning the area to residential and retaining the GR1TZ was not consistent with Policy 2.6.3.1 and not recommended, with the possible exception of 295 Highcliff Road (s42A Report for ULS Part 2, section 5.1.6, p. 63).

3.8.15.10.9 Hearing evidence

100 Connell Street and 295 Highcliff Road

1714. *Robert Duffy* (OS696.2) detailed his involvement in developing 100 Connell Street since 1992, and stated that the current 'style of planning' overlooked 'big picture, long term planning'. He was very supportive of the GR1TZ overlay and hoped its intent would be retained and that the zoning would remain over his property and those adjoining it.
1715. *Mr Duffy* was of the view that there were few points from which the site was visually prominent, noting that there were no submissions in opposition from Ravensbourne. He considered that the development would be no different than that currently below Waverly given the topography. He also expressed concern about the number of sites in Dunedin that lacked sun, and how the Cove enjoyed all day sunshine. *Mr Duffy* advised that the vegetation on the site was either 'past [its] use by date', or was located in the area of development for which resource consent had already been obtained. He submitted that although a GR1TZ overlay did not guarantee residential development, it did allow for future planning (Statement of Evidence, p. 3).
1716. Overall, *Mr Duffy* considered that a limited number of building sites was a better use of the land than its current state, which included unproductive vegetation. His last point was that the amenity value derived from the area's discrete settlements surrounded by rural land only applies from the eastern boundary of The Cove, as this is where the Peninsula becomes visible to the city.

1717. Nigel Pitts, consultant surveyor called by *R & M Duffy* (OS696.2), discussed the development history of the site, the staged nature of site's development, and the limits for development given hazard constraints. In terms of infrastructure servicing, Mr Pitts noted that 'the proposed public foul and storm water sewers will run through the GR1TZ overlay'; and water supply is 'readily available for domestic and firefighting'. Mr Pitts noted his support for the GR1TZ provisions, and that this enabled some certainty for a developer in expending the money necessary for this type of development. He tabled photos showing views of the site, and the part of the city that the site was visible from (to the north of the CBD).

1718. Stephen Johnstone, real estate agent, gave evidence on demand for residential land in the Waverley area.

1719. On questioning, we were advised that a maximum of 6 sites were envisaged on the balance of 100 Connell St, with potential access from Irvine Road, Portobello Road or through 295 Highcliff Road.

304 Portobello Road, the Cove

1720. *June and Raymond McDowell* (OS78.1) were represented at the hearing by Don Anderson, consultant planner, who noted that the photos provided by Mr Cunningham in relation to 457 Highcliff Road supported his clients' submission. He further noted that no stability issues had been identified.

457 Highcliff Road, Highcliff

1721. *Philip and Shakuntala Cunningham* (OS965.1) were represented by Mr Cunningham and Mr Don Anderson (consultant planner).

1722. Mr Anderson's evidence was that the submitter sought to simplify the zoning regime by extending the adjoining Large Lot Residential 1 Zone, removing the GR1TZ layer and the small area of SNL on the property (this submission was heard at the Natural Environment hearing). LLR1 zoning would provide an effective buffer between the future residential development to the west and the Rural Residential 2 Zone to the east. Mr Anderson criticised the GR1TZ provisions, and submitted that zoning the land LLR1 would resolve these issues. Mr Anderson then considered the *Guthrie* decision, and submitted that the expansion of the LLR1 as sought was 'consistent with [the] longer term vision', of the 2GP, being the zoning of an extensive area between Connell Street and Irvine Road for future General Residential 1. Access may be possible through 45 Irvine Road, into The Cove.

1723. Mr Cunningham gave some personal history of the site and provided photos of the property. These showed that the site was not visible from Portobello Road. Trees were on a neighbouring property, so development of this site would not 'change the view'.

General submission of HPPC (OS447.129)

1724. *HPPC* sought to remove GR1TZ overlay zones surrounding The Cove. The submitter was represented by Craig Werner who questioned the overall vision for Dunedin's urban form, criticising the GR1TZ approach as 'sanctioned sprawl'. He noted that The Cove settlement resembles the size and form of several other harbourside settlements, and this contributes to its amenity. It is close to a dense residential area and additional development of this kind will create urban sprawl. The negative visual impact from residential development would be amplified due to The Cove being on a slope rising out of the water. More generally he considered that urban expansion is inappropriate in the harbourside area as the harbour's edge would likely result in 'ribbon development' stretching along the road.

1725. We did not receive or hear any evidence from *Michael Hope* (OS438.1), *Stephen Cooper* (OS985.1), *Steven Liang and Diana Mei* (OS17.3 and .4), *Ben Caradoc-Davis* (OS236.2) or *Jean Grace* (OS811.1).

3.8.15.10.10 *Revised recommendation*

1726. The Reporting Officer provided the following revised recommendations (Revised Recommendations ULS Part 2):

- 100 Connell Street: Given the limited number of developable sites (6), and the assumed retention of vegetation on steeper areas, she was satisfied the effects on visual amenity would be acceptable. She recommended rezoning the site with a Structure Plan so that roading connections and development capacity could be identified.
- 295 Highcliff Road: The Reporting Officer maintained her view that the site was suitable for residential development. She recommended that a Structure Plan would be useful to identify connections with adjoining sites.
- 304 Portobello Road & 457 Highcliff Road: The Reporting Officer maintained her recommendation to remove the overlay on these sites.
- 25A and 60 Irvine Road, 297, 347, 353, and 445 Highcliff Road: The Reporting Officer reiterated that visual amenity and infrastructure constraints are important considerations in the area. In respect of visual amenity, she noted that Policy 2.4.2 requires the protection of 'important visual landscapes and vistas'. She considered that this area is important in that regard, given its high visibility and location at the start of the relatively natural Peninsula. Development between these sites and the Cove would 'connect up these areas'. She did accept that given the proximity of services, residential development could have positives, however infrastructure issues would need to be addressed in some form.

3.8.15.10.11 *Decision and reasons*

1727. We accept in part the submission by *Stephen Cooper* (OS985.1) to remove the GR1TZ from 295 and 297 Highcliff Road. We accept in part the submission by *HPPC* (OS447.129) to remove the GR1TZ which surround Irvine Road at The Cove and have removed the GR1TZ (now RTZ) from all other properties in the area, with the exception of 25A Irvine Road.

1728. We reject all other submissions to retain the GR1TZ over sites in the area - *R & M Duffy* (OS696.2), *Steven Liang and Diana Mei* (OS17.3); and those to extend it over a new site - (*Steven Liang and Diana Mei* (OS17.3); and those or replace the GR1TZ with a residential zoning - (*Michael Hope* (OS438.1), *Philip and Shakuntala Cunningham* (OS965.1). We also reject the submission of *June and Raymond McDowell* (OS78.1) to rezone 204 Portobello Road as LLR1 Zone.

1729. We accept in part the submission of *Jean Grace* (OS811.1) to retain the GR1TZ (now RTZ) as far as this submission relates to 25A Irvine Road.

1730. In addition, under the scope of the submission of *Craig Horne Surveyors Limited* (OS704.22), we have amended the zoning of the lower part of 100 Connell Street, 60 Irvine Road, 295, 297, 347 and the rural part of 457 Highcliff Road, those parts of 353 and 445 Highcliff Road that are north of Highcliff Road, and 304, 307, 309, 309A, 310 and 311 Portobello Road to Rural Residential 2.

1731. We first assessed the sites subject to GR1TZ around the Cove against Policy 2.6.3.1. As discussed in Section 3.8.2.2, we consider this approach encapsulates the principles of,

and is generally in line with, the *Guthrie* decision and other more recent cases. As part of the assessment exercise, we have also been mindful of the need under the Resource Management Act to provide for the appropriate use of land, using appropriate methods based on the hierarchy of statutory documents. To that extent we see the '*Guthrie* test' being achieved by ensuring that the methods and zoning are appropriate.

1732. In relation to the question of capacity (clause 2.6.3.1.a), we accept the Reporting Officer's evidence there is sufficient residential capacity for the short term (clause 2.6.3.1.a.i) and therefore provision of additional capacity has not been heavily weighted in our decision-making. Instead, we have moved to rezone land to residential only where there is clear alignment with other elements of Policy 2.6.3.1.
1733. Turning to Policy 2.6.3.1.b, the evidence of the DCC Transportation Group was that while further development will increase pressure for new roading infrastructure, development of this area can be supported due to its location close to existing urban infrastructure. Specific issues raised included the status of Highcliff Road as a medium collective and high personal risk road, and the unsealed status of Hilton Road.
1734. The evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater infrastructure catchments serving these sites, and that additional capacity will not be available for the next 15 years. There is no stormwater network, and effects on stormwater have not been assessed. The evidence suggested the area would need to be self-sufficient in terms of water supply, wastewater and stormwater management.
1735. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including at the Cove, would be inconsistent with the NPS-UDC, as it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. We therefore conclude there is poor alignment of these sites with Policy 2.6.3.1.b.
1736. In the case of two sites (304 Portobello Road and 457 Highcliff Road), submitters sought large lot residential zoning. We acknowledge that at large lot density the provision of Council services would not be necessary.
1737. Despite its location at the edge of the main urban area, we consider alignment of this area with the criteria in Policy 2.6.3.1.c is poor. The sites have generally steep gradients, and the evidence of almost all submitters and experts suggested that achieving standard residential densities would be unachievable. In addition, the area is quite some distance from centres and services.
1738. In terms of an assessment against Policy 2.6.3.1.d, the issues traversed in the most detail at the hearing related to effects on landscape, rural character and amenity, and other aesthetic considerations (relevant under clauses 2.6.3.1.d.i, iv and vii).
1739. In relation to clause 2.6.3.1.d.iv, an Outstanding Natural Landscape overlay zone completely covers the part of 353 Highcliff Road above Highcliff Road. As recorded earlier in this decision (Section 3.4.2), based on the expert landscape evidence of Ms Read and Mr Moore, our conclusion is that residential zoning is generally incompatible with all landscape and coastal character overlay zones. We consider that providing for development at residential density within ONLs will generally be inconsistent with objectives 10.2.3 and 10.2.5, and with the higher order policy directions these objectives

seeks to give effect to. Specifically in this location, we accept Mr Moore's evidence that development is not desirable because it would represent creep of the urban development around the skyline. We note that no alternative expert landscape evidence was presented supporting a different view. We conclude development of the part of 353 Highcliff Road to the south of Highcliff Road would not be consistent with clause 2.6.3.1.d.iv (relating to the protection of landscape values).

1740. In relation to clause 2.6.3.1.d.i and vii, we generally accept the expert evidence of Mr Knox that it is necessary to take a holistic view of the sites to the north of Highcliff Road, given that the area represents a visual transition between urban area and the more open natural peninsula vistas. We accept that GR1TZ are difficult to support from an amenity or landscape values perspective, especially on the steeper, more elevated land immediately above Irvine Road. We note that no alternative expert landscape evidence was presented supporting a different view. We conclude that development of the sites in this area to the north of Highcliff Road at residential density would therefore be out of line with clause 2.6.3.1.d.i and vii (relating to rural character and amenity, and other aesthetic considerations, including the open space between coastal settlements).
1741. While we had little evidence of the values of the vegetation on the sites, we consider the development of such a large area of bush at residential density may raise questions of alignment with clause 2.6.3.1.d.iii
1742. For the same reasons the site is poorly aligned with Policy 2.6.3.1.b and c, we consider it is also poorly aligned with clauses 2.6.3.1.d.ix, x and xi, relating to efficient public infrastructure, transport, and the compact and accessible city objective. In terms of requests for large lot residential zoning in this area, as discussed in Section 3.3.6, while acknowledging that there is a need to provide some Large Lot Residential zoning to ensure the Plan delivers housing choice (in line with NPS-UDC OA2 and Objective 2.6.1 of the 2GP), we generally consider standard or medium density to be a more efficient way of providing residential development capacity (aligned with the NPS-UDC OA1, and with 2GP objectives 2.2.4, 2.7.1, and 2.7.2).
1743. Our overall conclusion is that sites in this area are insufficiently aligned with the criteria set out in Policy 2.6.3.1 to remain as residential transition zones (particularly Policy 2.6.3.1.b, c, and clauses 2.6.3.1.d.i, iv and vii). The one exception to this is 25A Irvine Road, based on the fact it is a relatively small area, surrounded on three sides by land zoned residential, and that it seems likely to be required to facilitate development of 45 Irvine Road at its consented (and notified) large lot density.
1744. Having established that the sites in the area are not appropriate for residential zoning, we assessed them for their appropriateness for rural residential development. We note there is scope for this through the submissions listed above seeking more liberal use of their land, and for other rural zoned sites below Highcliff Rd that do not have an SNL overlay through the scope of *Craig Horne Surveyors Limited* (OS704.22) discussed in the Rural Residential Decision Report, which sought the provision of more rural residential zoning.
1745. We assessed the cluster first against Policy 2.6.1.Y, in line with the policy framework discussed in the Rural Residential Decision Report. When assessed together with the adjacent notified Rural Residential 2 zoning, the sites meet the criteria as a cluster of small mostly-developed rural sites in separate land ownership, and the average density better aligns with clause 2.6.1.Y.b than with clause 2.6.1.Y.a.
1746. As outlined above, we do not see this land as transitioning to residential, and therefore the criteria in Policy 2.6.1.4.a is met. While we did not hear evidence specific to rural residential zoning, having conducted a site visit and considered the other evidence we received relating to the sites, we are of the view that they generally meet with the other criteria for rural residential zoning under Policy 2.6.1.4. Given the number of sites that are already fully developed at rural residential density, the limited additional development

potential that rezoning the sites would create, and the fact that they are immediately adjacent to an existing Rural 2 zone, the issues of alignment with Policy 2.6.1.4.b and 2.6.1.4.c.i and iii are much less significant under a Rural Residential 2 zoning. We consider Rural Residential 2 zoning the most appropriate zoning for the area.

3.8.15.11 Rural Residential 2 zoned land on Otago Peninsula to adjacent township and settlement zoning

1747. *Ben Caradoc-Davies* sought to rezone Rural Residential 2 land on the Otago Peninsula that is adjacent to Township and Settlement zoned land to Township and Settlement Zone (OS236.2); and rezone Rural Residential 2 land adjacent to that to Rural Residential 1 Zone (OS236.3). The submitter considered that this would provide a gradual transition from the Township and Settlement Zone to Rural Zone. The submitter was concerned that sites zoned Rural Residential 2 are impractically large for residential use, yet too small to be economic for rural use.
1748. These submissions were supported by *Candida Savage* (FS2022.1 and 4) who noted that this is a natural extension of the zoning of adjacent areas, and the areas in question are unsuitable for rural activities. They were also supported by *Philip and Shakuntala Cunningham* (FS2245.2) and *Marie Jensen-Chave and Anthony Chave* (FS2476.4) who sought the identification of additional residential opportunities on the Otago Peninsula given its unique features. *Philip and Shakuntala Cunningham* (FS2245.2) suggested that the scope of *Mr Caradoc-Davies'* submission needed to be broadened to look at all land in rural that might meet the criteria that he suggests whether it is beside Township & Settlement or not. We note that the further submitters above also sought to rezone specific properties Large Lot Residential, and these submissions are discussed later in this decision.
1749. *Christopher Lloyd* (FS2119.2) and *Michel de Lange* (FS2182.2) opposed *Ben Caradoc-Davies'* submission seeking to rezone Rural Residential 2 land to Rural Residential 1 (OS236.2), due to concerns about effects on natural landscape and character.
1750. The Reporting Officer noted that the submissions requested a large area of land (205ha) on Otago Peninsula is rezoned to Township & Settlement, with a development potential of 2,933 lots. This is likely to significantly exceed the predicted demand for additional residential housing on the Peninsula, and potentially the city as a whole.
1751. Furthermore, the Peninsula has significant three waters infrastructure constraints, which could not support such as increase in development. Individual sites had been assessed where subject to specific submissions and are considered elsewhere in this decision.
1752. The request to change Rural Residential 2 land to Rural Residential 1 zoning would result in an additional 71.9ha of Rural Residential 1 zoning, with a development potential of 35 2ha blocks. In response to this, she deferred to the Rural Residential section s42 Report, which states that there is already sufficient rural residential capacity within the existing zoning, and no more is required.
1753. The Reporting Officer recommended rejecting the submissions (s42A Report for ULS Part 2, section 5.1.3, p. 40).
1754. Mr Don Anderson, consultant planner called by *Marie Jensen-Chave and Anthony Chave*, addressed Mr Caradoc-Davies' submission and suggested that more intense use of the land, rather than 2ha lots, would be more suitable on the fringes of Township & Settlement (Statement of Evidence, para 10).

3.8.15.11.1 Decision and reasons

1755. We reject the submissions of *Ben Caradoc-Davies* (OS236.2, 3) to rezone Rural Residential 2 land adjacent to Township and Settlement zones to either Township and Settlement Zone or Rural Residential 1 Zone.
1756. As outlined in Section 3.4.3, we did not accept that it is necessarily appropriate for rural residential zones to transition to residential zoning. Instead we consider sites should be assessed against Policy 2.6.3.1 (the strategic directions policy relating to new residential zoning).
1757. We accept the Reporting Officer's evidence that the increase in additional residential capacity resulting from the Township and Settlement zoning would be far beyond what the city requires at this time (and thus there is poor alignment with Policy 2.6.3.1.a). In addition, the evidence of DCC Water and Waste Services staff is that there is no capacity in either the water or wastewater networks serving the Peninsula, and that additional capacity will not be available for the next 15 years. As discussed in Section 3.5.4, we have sought to take a city-wide view of the relationship between infrastructure and residential capacity in our decisions, so as to ensure alignment with the NPS-UDC. As a result, of the highly infrastructure-constrained water and wastewater infrastructure network catchments, we have provided additional residential development capacity in only two of them – the Northern Tahuna catchment, and the Kaikorai Valley/South Dunedin Tahuna catchment. We consider that providing for additional residential capacity (even as RTZs) in other highly-constrained infrastructure catchments, including at the Cove, would be inconsistent with the NPS-UDC, as it would risk diverting limited DCC resource from the delivery of infrastructure upgrades (and therefore the timely provision of residential capacity and housing choice) elsewhere. Thus, there is poor alignment with Policy 2.6.3.1.b. We note the many of sites of Rural Residential 2 on the Peninsula are also generally poorly aligned with Policy 2.6.3.1.c and d.
1758. As discussed in the Rural Residential Decision Report, there is already a substantial supply of rural residential zoned land in Dunedin. Based on the evidence presented, we concluded that additional Rural Residential 1 land is not required at this time.
1759. We do note however that under Policy 2.6.1.3.d.i, areas of Rural Residential 2 zoning are the first priority for rezoning as Rural Residential 1, when a shortage of capacity is demonstrated. As such, areas of existing Rural Residential 2 zoning will be considered for transition to Rural Residential 1, albeit not immediately.

3.8.16 GR1TZ sites not subject to a submission

1760. There were 11 locations where GR1TZ overlays are provided in the proposed plan, which received no site-specific submissions seeking any amendment. One of these sites (87 Selwyn St) received a submission in support (*Steven Havard* (OS111.2)), although no reasons were given. *Robert Wyber* (OS394.5) sought to rezone GR1TZ areas to General Residential 1. The *New Zealand Institute of Surveyors Coastal Branch* (OS490.12) sought to rezone GR1TZ areas that offer suitable areas for residential development to Residential.
1761. Given the above submissions and our broader amendments to the 2GP replacing the GR1TZ methodology with a combination of RTZ overlay and Structure Plan mapped area (see Section 3.6.5), we need to determine the appropriate response to these 12 sites.

3.8.16.1 68 Montague St

1762. This site is zoned Rural Hill Slopes, with an SNL overlay covering approximately half the property.

1763. As discussed in Section 3.4.2, we accept the evidence of Mr Moore and Dr Read that residential zoning is generally incompatible with landscape overlay zones. We therefore remove the GR1TZ from the part of the site subject to an SNL overlay zone, and on the part of the site the does not coincide with a GR1TZ overlay zone, apply an RTZ overlay zone.

3.8.16.2 87 Selwyn St and adjoining sites

1764. These sites (87 Selwyn Street, 17 Allen Street and 42 Crown Street) are zoned Rural Residential 2. As we have noted, we received one submission in support from *Steven Havard* (OS111.2) in relation to 87 Selwyn Street.

1765. We are not convinced these sites are a strong match with the criteria for residential development, noting potential accessibility issues associated with the site. However, there is no scope to remove the GR1TZ, so we have simply applied an RTZ overlay zone.

1766. We recommend a fuller assessment against Policy 2.6.3.1 as part of a future Plan review, and consideration for removal of the RTZ should the assessment suggest the sites are not suitable for residential development.

3.8.16.3 441 and 435 Pine Hill Road and 95 Hillary St

1767. These sites are zoned Rural Hill Slopes. Again, we question the appropriateness of the GR1TZ due to accessibility. However, we have no scope to remove it, so we have therefore simply applied an RTZ overlay zone.

1768. We recommend a fuller assessment against Policy 2.6.3.1 as part of a future Plan review, and consideration for removal of the RTZ should the assessment suggest the sites are not suitable for residential development.

3.8.16.4 125 Balmacewen Road

1769. This site is part of the Balmacewen Golf Course and is zoned Rural Hill Slopes, with an Urban Conservation mapped area (now urban biodiversity mapped area (UBMA), see the Natural Environment decision). The presence of the UBMA suggests that residential zoning is not appropriate, under Policy 2.6.3.1.d.iii.

1770. However, we have no scope to remove the GR1TZ, so we have therefore simply applied an RTZ overlay zone. We observe that the Council may wish to consider the appropriate zoning of this land along with the rest of the Golf Course, and a possible rezoning of all or part as Recreation zone as part of a future Plan review.

3.8.16.5 494 Taieri Road

1771. This site is adjacent to Ashburn Clinic and is zoned Rural Residential 1. As discussed in Section 3.4.3 we do not generally see rural residential zones transitioning to residential zoning.

1772. While the site meets some of the criteria in Policy 2.6.3.1 we have concerns that it is not appropriate for residential development because of its topography. However, we have no scope to move the GR1TZ, so we have therefore simply replaced it with a RTZ overlay.

1773. We recommend a fuller assessment against Policy 2.6.3.1 as part of a future Plan review, and consideration for removal of the RTZ should the assessment suggest the site is not suitable for residential development.

3.8.16.6 Sites at Ettrick Street and St Albans Street

- 1774.41 St Albans St, 32 Lixmont Street, 25, 33, 34 and 41 Ettrick Street, and 79 Cockerell Street are all identified as GR1TZ. The sites are located between Ettrick Street (south of Brockville Road) and Glenelg Street, and adjoin Department of Conservation and DCC reserves to the west. Part of the area is within an Urban Conservation Mapped Area (now UBMA) and bush covers other parts of the area. The sites slope down from Cockerell Street and Brockville Road towards Glenelg Street and Kaikorai Valley Road.
1775. During our initial deliberations we agreed that these sites were appropriate for residential zoning and requested a Structure Plan be prepared, for the purposes of protecting bush in the area and ensuring appropriate connectivity between Brockville Road and St Albans Street. We considered this at the Reconvened ULS Hearing.
1776. The Reporting Officer noted that as part of the 2015 review of the UCMAs, a report was received identifying further native bush in the area as having high biodiversity values. However, this was too late for inclusion in the plan. She advised that if we wished to restrict development within these areas, a performance standard could be included in the Plan preventing development apart from that associated with roading, walking tracks or conservation activities, or requiring that the subdivision layout considers ways to retain the values associated with the native bush.
1777. The Reporting Officer noted that road access into the area is possible from St Albans Street via 41 St Albans Street, and from Ettrick Street into the various Ettrick Street properties. She noted that there is no direct access to Brockville Road, except through 79 Cockerell Street, which is a DCC Reserve and is partly included with the future residential area (s42A Report ULS Reconvened Hearing, section 3.11.2, pp. 19 – 20).
1778. Grant Fisher, DCC Transport Planner / Engineer, advised that residential development should include a requirement for the provision of vehicle access to Brockville Road via Ettrick Street. Ettrick Street would need to be upgraded to a public road standard and vested in the DCC as legal road. He also recommended that road access be provided through the site between Ettrick Street, St Albans Street, and Lixmont Street, to provide interconnectivity with the surrounding road network (Statement of Evidence for reconvened hearing).
1779. Finally, the Reporting Officer noted that if we included this area as a Structure Plan mapped area, a decision needs to be made about the relative importance of road connectivity through the area and the protection of the additional area of bush identified above. She provided possible performance standards (s42A Report for ULS Reconvened Hearing, section 3.11.2, pp. 19 – 20).

3.8.16.7 Decision and decision reasons

1780. We consider this site generally well-aligned with the criteria in Policy 2.6.3.1.
1781. Consistent with our decisions elsewhere, we have retained the RTZ on these sites, as catchment-wide constraints within the Kaikorai Valley/South Dunedin Tahuna catchment mean that the sites are unlikely to be able to be developed for approximately 10 years. This is consistent to our approach with all other additional residential capacity in this catchment. We have included a Structure Plan for the area in Rule 15.7A.12 (the St Albans Street Structure Plan) as a consequential change to removing the structure plan requirements from the GR1TZ release rule. This includes performance standards as follows:
- a. *The layout of any subdivision must provide for:*
 - i. *pedestrian access to the Department of Conservation reserve at PT Sec 121 Lixmont Street;*

ii. *pedestrian access to the DCC Reserve at 79 Cockerell Street, to enable access to Brockville Road; and*

iii. *vehicle access from Ettrick St through to St Albans Street and Lixmont Street.*

b. *Construction of dwellings must not take place until all roading infrastructure is in place for that stage of the development, and connections to future stages, and adjoining sites, are provided for.*

1782. We have not imposed any conditions regarding protection of the indigenous vegetation on the sites, as we consider that there is no scope to do so, given that no protection was sought through submissions. We are also mindful that protection of the vegetation may be problematic given the requirement to provide road access through the area. We consider that appropriate protection of the bush should be considered as part of a future Plan review.

3.8.16.8 121 Stevenson Road, 125 Stevenson Road and 254B Middleton Road

1783. These are adjoining sites zoned Rural Hill Slopes. There is road frontage to Stevenson Road and pedestrian access to Middleton Road and Stenhope Crescent.

1784. The sites are completely surrounded by General Residential 1 zoning, and there are no infrastructure constraints in this area. Given this, we consider that these sites are appropriate for residential development and should be immediately rezoned General Residential 1 under the scope of the submission of *Robert Wyber* (OS394.5), which sought to rezone GR1TZ areas to General Residential 1.

1785. We also note that 254A Middleton Road, a developed site, is zoned rural in the notified plan but was not subject to the GR1TZ overlay, making it an isolated rural site. This appears to be an anomaly and we have rezoned this site residential under scope provided by *Robert Wyber's* submission OS394.3, which was to provide for residential expansion and intensification, including through 'infill'.

3.8.16.9 20 Isadore Road

1786. This site is home to the St Clair Golf Club and is zoned Rural Coastal. Given it is actively used as a golf course and therefore unlikely to be developed, we question its appropriateness as an area identified for future urban development.

1787. However, we have no scope to remove the GR1TZ, so we have therefore simply applied a RTZ overlay zone.

1788. We recommend a fuller assessment against Policy 2.6.3.1 as part of a future Plan review, and consideration for removal of the RTZ should the assessment suggest the site is not suitable for residential development.

3.8.16.10 18 Roy Crescent

1789. This site is zoned Rural Coastal. As it adjoins 31 and 120 Blackhead Road, we requested that the consideration was given to including it in a Structure Plan with those sites (see Section 3.8.6.1).

1790. The Reporting Officer provided an assessment at the reconvened hearing, noting that the owner (Mr Roy Stevenson) considered the site too unstable for general residential scale development, and that lifestyle properties were more likely. The site has a broad ridge running down the centre of the site from 120 Blackhead Road, with a steep gully between that and the Blackhead Road frontage. There are two vehicle accessways through to Roy

Crescent at the northern boundary of the site. The western part of the site is subject to a Hazard 2 (Land Instability) overlay zone (s42A Report for ULS Reconvened Hearing, section 3.9, p. 17).

1791. With a low level development (up to 12 properties), the existing access from Roy Crescent would be an option. However, Grant Fisher, DCC Transport Planner/Engineer, advised that if there is intensive development of the site, road access would be required from 120 Emerson Street (Statement of Evidence, reconvened hearing).
1792. She recommended not including the site as a Structure Plan mapped area, but requiring road access from 120 Emerson Street in a Structure Plan for that site (see Section 3.8.6.1) (s42A Report ULS Reconvened Hearing, section 3.10.1, p. 18).

3.8.16.11 Decisions and reasons

1793. We generally consider this site appropriate for residential zoning, despite some topographic challenges, given that it would otherwise be an isolated island of Rural Coastal zoning surrounded by residential zoning on all three sides. As infrastructure issues in this area are scheduled for resolution within the next 5 years, we consider immediate rezoning appropriate.

3.8.16.12 1 Burkes Drive, Ravensbourne

1794. This site is zoned Rural Residential 1. We received no submissions relating to this site, and so have simply applied an RTZ.

3.8.16.13 245 and 265 Wakari Road

1795. These sites are adjacent to 301 Wakari Road, which is discussed in Section 3.8.11. Consistent with our decisions elsewhere, we have retained the RTZ on these sites, as catchment-wide constraints within the Northern Tahuna catchment mean that the sites are unlikely to be able to be developed for approximately 15-20 years.

3.8.17 Industrial Transition Overlay Zone

1796. *Burnside (Dunedin) Limited* (OS798.4) sought to remove the Industrial Transition Overlay Zone from 712 Kaikorai Valley Road as a consequence of its related submission to rezone the part of the site zoned Hill Slopes Rural Zone to Industrial (OS798.1). The submitter explained that the entire site has operated as an industrial site for a wide range of activities over the last century, and is "an appropriate site for these activities and as a location for future activities of an industrial nature to be undertaken".
1797. The Reporting Officer noted that the recommendation in the Industrial Zone s42A was to accept the submitter's request and rezone the site industrial, as the proposal was acceptable to both the DCC's Transportation Department and Water and Waste Services. Consequently, she also recommended removing the Industrial Transition Overlay Zone from this site (s42A Report for ULS Part 2, section 5.1.2, p. 32).
1798. *The Mosgiel Motorcycle Club and Otago Equestrian Centre* (OS1007.1) sought to include the sites at 203 Dukes Road North and 4 Saunders Road within the Industrial Transition Overlay Zone because the organisations are both not-for-profit organisations and the change of zoning to Industrial (it is zoned Rural in the operative plan) in has "the very real potential to financially cripple" the two organisations due to the increase in rates from increased land values.
1799. The Reporting Officer inferred that the underlying zoning requested by the submitter is Rural Taieri Plains Zone.

1800. She noted that the 2GP has expanded the industrial zones, and rural zoning as sought would result in two isolated rural sites. However, she acknowledged the submitter's concern, and while observing that spot zoning was not ideal, advised that she had no other concerns about the sites returning to a rural zoning. Therefore, she recommended the acceptance of the submission (s42A Report for ULS Part 2, section 5.1.2, p. 32).

1801. We did not receive any further information or evidence on these submissions.

3.8.17.1 Decisions and reasons

1802. We accept the submission of *Burnside (Dunedin) Limited* (OS798.4) to remove the Industrial Transition Overlay Zone from 712 Kaikorai Valley Road. This is consistent with, and consequential of, our decision to rezone this site Industrial (see Industrial decision).

1803. We also accept the submission of the *Mosgiel Motorcycle Club and Otago Equestrian Centre* (OS1007.1) to rezone 203 Dukes Road North and 4 Saunders Road Rural Taieri Plains Zone and apply an Industrial Transition Overlay Zone. We acknowledge the submitters' concerns about the impacts of an Industrial zoning on these sites at the present time, and note that they are not used currently for industrial purposes.

3.8.18 Harbourside Edge Transition Overlay Zone

1804. *Lea Werner* (OS939.14) sought to change the zoning of Portsmouth Drive from Strathallan Street to Portobello Road, with a depth of one site from Portsmouth Drive, from Industrial Zone to Harbourside Edge Transition Overlay Zone, with consequential changes as necessary. The submission noted that, as one of the key flat, open spaces of the city, there should be a transition away from industrial and commercial use on the southwest side of Portsmouth Drive to hospitality uses. *Lea Werner* (OS939.15) also sought to amend Strategic Policy 2.3.1.4 to clarify that the area from Portsmouth Drive to Strathallan Street is not included within that policy's strategic protection of industrial activities from competing land uses.

1805. The Reporting Officer referred to the submissions of *Chalmers Properties* and others who had sought to increase the size of the Harbourside Zone. These submissions are considered in our decision on the Commercial and Mixed Use Hearings. During that hearing we heard from Derek Foy, economics expert for the DCC, about his concerns including the risk of spreading the zone too thinly, and opening up too great an area, such that there were potential impacts on the vibrancy of the CBD. A further concern raised in that hearing is the potential loss of industrial land to commercial use.

1806. For these reasons the Reporting Officer recommended rejecting both submissions (s42A Report for ULS Part 2, section 5.1.3, p. 31).

3.8.18.1 Decisions and reasons

1807. Our decision in the Commercial and Mixed Use Zones Decision is not to increase the area of the Harbourside Edge Zone, for the reasons outlined above by the Reporting Officer. For the same reasons, we reject *Ms Werner's* submission and have not extended the Harbourside Edge Transition Overlay to cover Portsmouth Drive. This would result in a significant extension of the commercial area, and development here would affect the vibrancy of the CBD.

3.9 Overall Conclusion on residential capacity

1808. Overall, as a result of our decisions in the rest of this report, and relying on information we received about the timeframe over which infrastructure will be provided (see Section 3.5), we estimate that additional capacity in residential zones has been created over the notified version of the plan as follows: approximately 270 additional sites in the short

term (5 years), and approximately 300 in the medium to long term (10 to 30 years). The updated capacity in residential zones and the transition overlay zone is therefore:

- a surplus of 524 in 2023 (short-term)
- a shortfall of 370 in 2028 (medium term); and
- a shortfall of 3,605 in 2048 (long term)

1809. As noted earlier, the capacity figures above do not take into account residential development that is available and anticipated in the commercial and mixed use zones. On this basis, we consider that the decision is consistent with NPS-UDC.

4.0 Minor and inconsequential amendments

1810. Clause 16(2) of Schedule 1 of the RMA allows a local authority to make an amendment where the alteration “is of minor effect”, and to correct any minor errors, without needing to go through the submission and hearing process.

1811. This Decision includes minor amendments and corrections that were identified by the DCC Reporting Officers and/or by us through the deliberations process. These amendments are referenced in this report as being attributed to “cl.16”. These amendments generally include:

- correction of typographical, grammatical and punctuation errors
- removing provisions that are duplicated
- clarification of provisions (for example adding ‘gross floor area’ or ‘footprint’ after building sizes)
- standardising repeated phrases and provisions, such as matters of discretion, assessment guidance, policy wording and performance standard headings
- adding missing hyper-linked references to relevant provisions (eg. performance standard headings in the activity status tables)
- correctly paraphrasing policy wording in assessment rules
- changes to improve plan usability, such as adding numbering to appendices and reformatting rules
- moving provisions from one part of the plan to another
- rephrasing plan content for clarity, with no change to the meaning

1812. Minor changes such as typographical errors have not been marked up with underline and strikethrough. More significant cl. 16 changes (such as where provisions have been moved) are explained using footnotes in the marked-up version of the Plan.

Appendix 1 – Amendments to the Notified 2GP (2015)

Please see www.2gp.dunedin.govt.nz/decisions for the marked-up version of the notified 2GP (2015). This shows changes to the notified 2GP with strike-through and underline formatting and includes related submission point references for the changes.

Appendix 2 – Relevant definitions from the National Policy Statement on Urban Development Capacity

Demand means:

In relation to business land, the demand for floor area and lot size in an urban environment in the short, medium and long-term, including:

- a) the quantum of floor area to meet forecast growth of different business activities;*
- b) the demands of both land extensive and intensive activities; and*
- c) the demands of different types of business activities for different locations within the urban environment.*

Development **capacity** means in relation to housing and business land, the capacity of land intended for urban development based on:

- a) the zoning, objectives, policies, rules and overlays that apply to the land, in the relevant proposed and operative regional policy statements, regional plans and district plans; and*
- b) the provision of adequate development infrastructure to support the development of the land.*

Feasible means that development is commercially viable, taking into account the current likely costs, revenue and yield of developing; and **feasibility** has a corresponding meaning.

Sufficient means the provision of enough development capacity to meet housing and business demand, and which reflects the demands for different types and locations of development capacity; and **sufficiency** has a corresponding meaning.

Appendix 2 – Summary of Decisions

1. A summary of decisions on provisions discussed in this decision report (based on the submissions covered in this report) is below.
2. This summary table includes the following information:
 - Plan Section Number and Name (the section of the 2GP the provision is in)
 - Provision Type (the type of plan provision e.g. definition)
 - Provision number from notified and new number (decisions version)
 - Provision name (for definitions, activity status table rows, and performance standards)
 - Decision report section
 - Section 42A Report section
 - Decision
 - Submission point number reference for amendment

Summary of Decisions

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
2. Strategic Directions	Policy	2.2.2.4			Amend policy wording	ULS 1080.2	3.4.5	Part 1 Hearing, 5.1.12
2. Strategic Directions	Policy	2.2.4.1			Amend policy wording	ULS 394, ULS 194.9	3.4.4	Part 1 Hearing, 5.1.1
2. Strategic Directions	Policy	2.2.4.3			Amend policy wording	ULS 394	3.4.4, 3.4.7	Part 1 Hearing, 5.1.1
2. Strategic Directions	Policy	2.2.4.5			Retain policy wording as notified		3.4.8	Part 1 Hearing, 5.1.7
2. Strategic Directions	Objective	2.2.4			Retain objective wording as notified		3.4.6	Part 1 Hearing, 5.1.3
2. Strategic Directions	Policy	2.4.1.7			Retain policy wording as notified		3.4.9	Part 1 Hearing, 5.1.8
2. Strategic Directions	Objective	2.4.1			Amend objective wording to add a reference to green breaks between settlements	ULS 447.11	3.4.9, 3.4.12	Part 1 Hearing, 5.1.14
2. Strategic Directions	Policy	2.6.1.1			Retain policy wording as notified		3.4.10	Part 1 Hearing, 5.1.10

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
2. Strategic Directions	Policy	2.6.1.3	2.6.1.4		Amend policy wording	ULS 394, ULS 194.9	3.4.4	Part 1 Hearing, 5.1.1
3. Strategic Directions	Policy	2.6.1.4	2.6.1.5		Amend policy wording	ULS 394, ULS 194.9	3.4.4	Part 1 Hearing, 5.1.1
2. Strategic Directions	Policy	2.6.2.1	N/A		Do not amend in response to submission		3.6.1	Part 1 Hearing, 5.1.12
2. Strategic Directions	Objective	2.6.2	N/A		Do not amend in response to submission		3.6.1	Part 1 Hearing, 5.1.12
2. Strategic Directions	Policy	2.6.3.1	2.6.2.1		Amend policy wording	ULS 394, ULS 194.9, ULS 248.7, ULS 394.14, ULS 248.6, ULS 425.1, ULS 394.94, ULS 447.68, ULS 447.69, ULS 447.11, ULS 900.23	3.4.4, 3.4.12, 3.6	Part 1 Hearing, 5.1.14
2. Strategic Directions	Policy	2.6.3.2	N/A		Delete policy	ULS 394.15	3.4.4, 3.6	Part 1 Hearing, 5.2.1
2. Strategic Directions	Policy	2.6.3.4 (new)	2.6.2.3		Add new policy focussing on medium density development	ULS 394, ULS 194.9, ULS 248.6, 447.11, 900.23	3.4.4	Part 1 Hearing, 5.1.14

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
2. Strategic Directions	Objective	2.6.3	2.6.2		Amend objective wording to reflect the NPS urban development capacity requirements	ULS 394	3.4.11, 3.6	Part 1 Hearing, 5.1.13
2. Strategic Directions	Policy	2.7.1.1			Do not amend policy wording		3.4.13	Part 1 Hearing, 5.1.16
2. Strategic Directions	Policy	2.7.1.3			Retain policy as notified		3.4.14	Part 1 Hearing, 5.1.18
12. Transitional Provisions	Introduction	12.1			Amend introduction to reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
. Transitional Provisions	Policy	12.2.1.1			Amend policy wording to reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
12. Transitional Provisions	Policy	12.2.1.2			Amend policy wording to allow for activities with minor effects	ULS 796.22	3.6.7	Part 1 Hearing, 5.2.2
. Transitional Provisions	Policy	12.2.1.4			Amend policy wording to reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
12. Transitional Provisions	Objective	12.2.1			Amend objective wording to clarify land must be released in advance of demand and amend terminology used	ULS 350.6, 394.18	3.6	Part 1 Hearing, 5.2.1
. Transitional Provisions	Policy	12.2.2.1			Amend policy wording reflect changes to the transition overlay zones	ULS 350.6	3.6	Part 1 Hearing, 5.2.1

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
					release rules			
. Transitional Provisions	Policy	12.2.2.2			Amend policy wording reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
. Transitional Provisions	Policy	12.2.3.1			Amend policy wording reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
. Transitional Provisions	Policy	12.2.3.2			Amend policy wording reflect changes to the transition overlay zones release rules	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
12. Transitional Provisions		12.3.1		Release of land in the Residential Transition Overlay Zone (RTZ)	Make multiple amendments to rule	ULS 350.6, ULS 490.17	3.6	Part 1 Hearing, 5.2.1
12. Transitional Provisions		12.3.2		Rule 12.3.2 Release of Harbourside Edge Transition Overlay Zone land	Make multiple amendments to rule	ULS 350.6	3.6	Part 1 Hearing, 5.2.1
12. Transitional Provisions		12.3.3		Release of Industrial Transition Overlay Zone land	Make multiple amendments to rule	ULS 350.6	3.6	Part 1 Hearing, 5.2.1

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
12. Transitional Provisions	Assessment of Non-complying Activities	12.3.6.3			Amend assessment guidance to reflect change to Policy 12.2.1.2	ULS 796.22	3.6.7	Part 1 Hearing, 5.2.2
15. Residential Zones		15.7A.7 (new)	15.8.7	Patmos Avenue Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to zoning	ULS 740.6 and others	3.8.7.1	Part 2 Hearing, 5.1.7
15. Residential Zones		15.7A.8 (new)	15.8.8	Torquay Street Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to zoning	ULS 1043.1	3.8.5.1	Part 2 Hearing, 5.1.14
15. Residential Zones		15.7A.9 (new)	15.8.9	Emerson Street Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to zoning	ULS 875.1	3.8.6.1	Part 2 Hearing, 5.1.15
15. Residential Zones		15.7A.10 (new)	15.8.10	North Road Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to GR1TZ (RTZ) release rules	ULS 350.6	3.8.8.1	Part 1 Hearing, 5.2.1
15. Residential Zones		15.7A.11 (new)	15.8.11	Bradford Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to GR1TZ (RTZ) release rules	ULS 350.6	3.8.10.3	Part 1 Hearing, 5.2.1
15. Residential Zones		15.7A.12 (new)	15.8.12	St Albans Street Structure Plan	Add new Structure plan mapped area performance standard as a consequence of change to GR1TZ (RTZ) release rules	ULS 350.6	3.8.16.6	Part 1 Hearing, 5.2.1
15. Residential Zones		15.7A.13 (new)	15.8.13	Dalziel Road Structure Plan	Add new Structure plan mapped area performance standard as a consequence	ULS 688.2 and 688.3	3.8.13.5	Part 2 Hearing, 5.1.11

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
					of changes to zoning			
16. Rural Zones	Activity Status	16.3.3.5		Intensive farming in a RTZ	Amend rule to show that there are no RTZ (formerly GR1TZ) that intersect with ONL/SNL/NCC due to mapping amendments	ULS 447.68 and 447.69	3.4.2	Part 1 Hearing, 5.2.1
17. Rural Zones	Activity Status	16.3.3.8		Forestry in a RTZ	Amend rule to show that there are no RTZ (formerly GR1TZ) that intersect with ONL/SNL/NCC due to mapping amendments	ULS 447.68 and 447.69	3.4.2	Part 1 Hearing, 5.2.1
18. Rural Zones	Activity Status	16.3.3.11		Landfills in a RTZ	Amend rule to show that there are no RTZ (formerly GR1TZ) that intersect with ONL/SNL/NCC due to mapping amendments	ULS 447.68 and 447.69	3.4.2	Part 1 Hearing, 5.2.1
19. Rural Zones	Activity Status	16.3.3.14	16.3.3.16	Mining in a RTZ	Amend rule to show that there are no RTZ (formerly GR1TZ) that intersect with ONL/SNL/NCC due to mapping amendments	ULS 447.68 and 447.69	3.4.2	Part 1 Hearing, 5.2.1
2. Strategic Directions	Policy	(new request)			Do not add new policy providing for subdivision that is inconsistent with Policy 2.2.4.4		3.4.6	Part 1 Hearing, 5.1.3
12. Transitional Provisions	Appendix	12A			Delete Appendix 12A	ULS 394.22	3.6	Part 1 Hearing, 5.2.3
12. Transitional Provisions	Appendix	12B			Delete Appendix 12B	ULS 350.6	3.6	Part 1 Hearing, 5.2.1

Plan Section	Provision Type	Provision number	New Number	Provision Name	Decision	Submission Point Reference	Decision Report Topic number	S42A Report Section Number
. Plan					Do not amend use of term 'compact city' throughout plan		3.4.1	Part 1 Hearing, 5.1.8