

? Proposed District Plan Change – Residential Zone Extension – Castlecliff

Significance of decision – In terms of the Significance and Engagement Policy 2018, the recommended decision is not significant.

Recommendation to Council

- ?1.1 THAT Council approves the preparation of a proposed District Plan change to rezone land at Castlecliff, being Areas 1 – 4 identified in Figure 1 of this Item, from Reserves and Open Space and Rural Lifestyle zones to the Residential Zone.

Hester den Ouden, Senior Policy Planner reports:

Executive summary

- Council officers were asked to consider re-zoning land at Castlecliff to Residential, an area of previous low residential growth and demand. A Concept Plan of the two areas requested to be rezoned is attached showing approximately 115 lots (Ref ?1).
- Research revealed that Whanganui’s population is increasing faster than projected in the 2015 population projections upon which Infrastructure has also based its 30 Year 2018-2048 Infrastructure Strategy.
- Castlecliff is experiencing a resurgence with community and Council revitalisation projects and increased housing demand.
- Developers are prepared to invest at outer Castlecliff as they perceive demand and seek more residential zoned land to facilitate this development.
- There is merit in rezoning additional land to meet the increasing demand for residentially zoned land and to provide the market with a variety of housing locations and lot sizes. This should be undertaken in a comprehensive manner to avoid fragmented development and zoning outcomes, a likely consequence if only the two land areas that have been requested are rezoned.
- Longbeach Drive and Golf Vue Place demonstrate demand for homes on larger lots in Castlecliff especially in the coastal vicinity, these areas are near capacity and rezoning would facilitate more of this development.
- Rezoning offers opportunity for two different minimum residential lot sizes, responding positively to varied housing demand and the landscape character of the area.
- Infrastructure constraints have been explored and it is understood that upgrades to stormwater and wastewater can be managed and addressed sustainably and cost effectively.
- The National Policy Statement on Urban Capacity 2016 requires councils to provide enough development capacity in their plans to ensure that demand can be met. It also requires councils to provide for a variety of different site types, sizes and locations.

The potential additional areas considered initially are shown below:

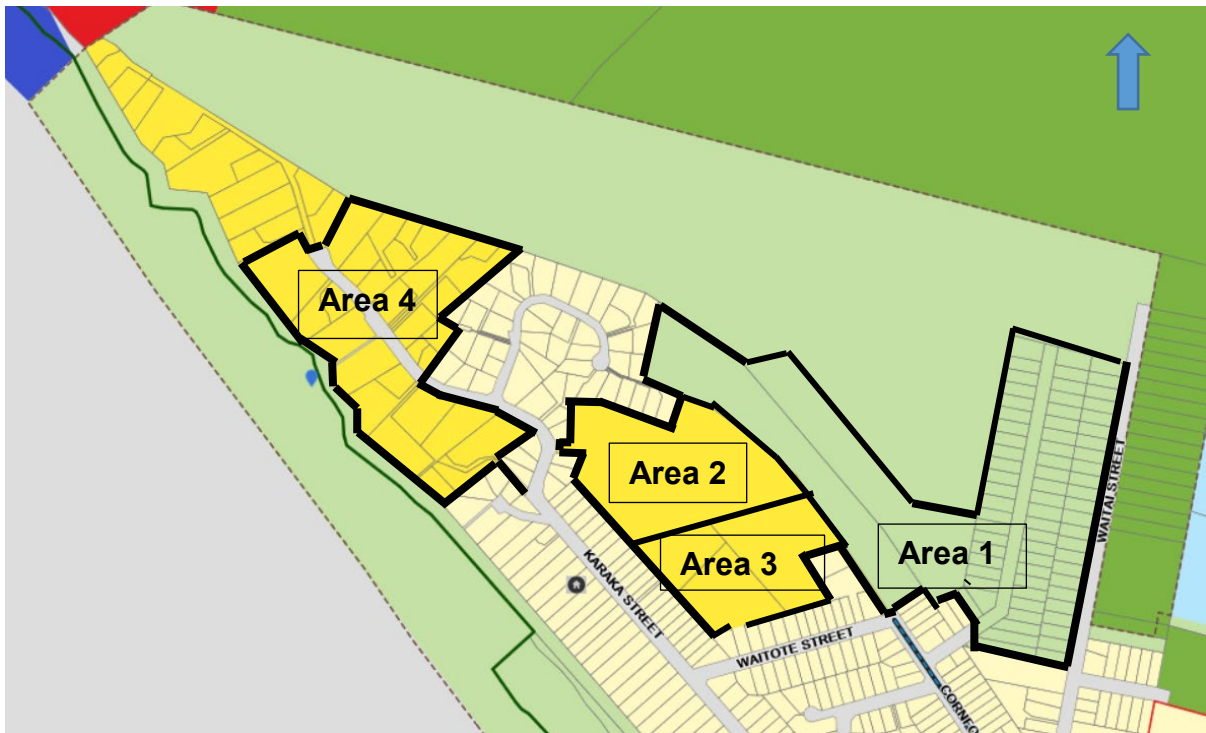
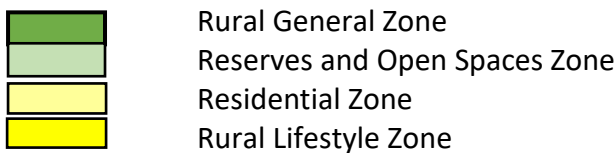


Figure 1: Castlecliff Areas 1- 4 proposed to be rezoned to Residential



Background

Provision of residential zoned land to facilitate future development has, until now, focused on the North West Structure Plan (formerly Otamatea West) and Springvale, as this is where demand has been clearly indicated by the market.

Population growth in the last three years has far exceeded that which was predicted in 2015, as has the rise in new dwelling building consents – more than double that predicted for the last two years.

There are now signals of market demand for further residential development at Castlecliff as evidenced by the successful development of residential sites at Longbeach Drive and Golf Vue Place and an increase in demand for reticulated water stormwater and wastewater services.

In this combination of circumstance, it is reasonable for Council to zone additional land for residential activities.

Options

Referring to Areas 1 – 4 identified in Figure 1, officers have considered the developer proposal to zone only Areas 1 and 2. Officers consider there are wider community benefits to rezoning a relatively small area of developed Rural Lifestyle zoned land that extends beyond the developers' land (Area 3). This will enable Council to manage residential development in a more sustainable manner that avoids isolated pockets of

the Rural Lifestyle Zone in between or surrounded by areas of land zoned Residential. This will also facilitate infrastructure upgrades to be viable and appropriately sized for future development.

It is also recommended that Area 4 be rezoned to Residential, as sites in this area are already connected to the urban reticulated infrastructure network, so there would be limited impact on network capacity and the Residential zone would more accurately reflect actual land use.

It is recommended that Areas 1 and 3 be rezoned to provide for a mix of housing densities – 400m² minimum lot sizes, as they are adjacent to properties already zoned Residential. Areas 2 and 4 are recommended to be rezoned to provide for a lower density of 800 m² minimum lot size, to facilitate a transition between the Residential Zone and the remaining area zoned Rural Lifestyle.

Various other issues and options for land extent and development density are explored in the attached Scoping Report (Ref ?2) as follows:

Topics	Comment/Recommendations
RMA options to achieve a Plan change to rezone land at Castlecliff.	Council Initiated
Options for the various parcels of land to be rezoned	Areas 1 - 4 at Castlecliff
Servicing requirements will in time need to be upgraded irrespective of any rezoning.	Significant upgrades for the Castlecliff Catchment are required.
Options as to the most appropriate density promoted for future residential development.	A mix of minimum 400 m ² and 800 m ² lot sizes.

Section 10(1)(b) of the Local Government Act 2002 requires councils to meet the current and future needs of the community with good quality infrastructure, local public services and performance functions in a way that is most cost effective. Good-quality being defined as: efficient, effective and appropriate to present and anticipated future circumstances. This proposed plan change will assist to achieve these requirements.

A proposed cost sharing arrangement for technical report preparation and use of Development Agreements to cover infrastructure growth costs on subdivision, will ensure this plan change is undertaken in a cost-effective manner.

Section 5 of the Resource Management Act requires that natural and physical resources are managed in a sustainable manner “*at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety.*” At the same time there is: a need to sustain the potential of resources to meet the reasonably foreseeable needs of future generations, safeguard the life-supporting capacity of air, water, soil and ecosystems and avoid, remedy or mitigate any adverse effects on the environment.

The proposed rezoning achieves this by providing residentially zoned land for future generations to develop. It does not require subdivision should land owners not wish to pursue that at this time. The subject land is not high quality elite soils, it comprises less versatile and less productive sand dunes. Further research on ecology, engineering suitability, archaeology, cultural and traffic will identify any adverse effects on the environment that will need to be remedied or mitigated.

Key issues

While the population statistics support additional land being rezoned Residential, further research is required on ecology, engineering suitability, archaeology, cultural and traffic to identify any adverse effects on the environment that will need to be remedied or mitigated.

For procedural context, a flow chart showing the Plan Change process is attached (Ref 3). The proposed Plan Change is currently at stage 1 of 10.

If Council adopts the recommendation, the next step is to prepare a plan change evaluation report including the commissioning of technical reports to inform the process, and undertake initial formal consultation.

Next steps

If Council adopts the recommendation, to prepare a plan change to rezone land at Outer Castlecliff, and signing of a cost share agreement for the preparation of supporting technical reports.

References – Agenda Attachments

- ?1 Indicative Development Concept Plan
- ?2 Scoping Report

SUMMARY OF CONSIDERATIONS			
<i>Fit with purpose of local government</i>			
This decision enables democratic decision making in that the public and interested parties will be consulted and will have the opportunity to make submissions and further subdivision on the proposed plan change.			
This decision would enable infrastructure to be upgraded with costs shared between Council and the developers. The plan change will provide for future residential growth in an area that is compatible with existing residential development.			
Link: Section 10 of the Local Government Act 2002			
<i>Fit with strategic framework</i>			
<i>Select checkboxes to indicate whether the decision / report contributes, detracts or has no impact</i>			
	Contribute	Detract	No impact
	s	s	
Leading Edge Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Long-Term Plan	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Infrastructure Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Economic Development Strategy	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other Policies or Plans –District Plan	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Leading Edge Strategy:

As noted in the attached Scoping Report this decision has an impact on a number of Council’s strategies and long term plans, especially the Infrastructure 30 Year Strategy as that had been predicated on slow population growth, which has been eclipsed by substantially greater population growth in the last 3 years.

The proposal is inclusive and conforms with the Leading Edge Strategy as it proposes a collaborative approach to the provision of future residential development. It focuses on neighbourhood connectivity and amenity by linking similar residential density areas at Castlecliff. The affected landowners have been consulted and will have multiple opportunities through the plan change process to participate informally and formally by making submissions, further submissions and being able to provide evidence at any future hearing.

Infrastructure 30 Year Strategy

The decision will have an impact of infrastructure as the population growth and building consents for new dwellings has far exceeded all predictions upon which this Strategy has been based in the last three years.

Preliminary infrastructure capacity investigations have shown that significant upgrades are required for stormwater and wastewater in the whole of the Castlecliff catchment, of which outer Castlecliff is part. Developer agreements will be reached for each proposed subdivision to ensure they contribute to the costs associated with upgrading infrastructure to sustain growth.

Economic Strategy 2015

There is no impact on the Economic Strategy 2015, nor the Draft Economic Strategy 2019. Council presently is in the process of developing its Housing Strategy.

The proposal is consistent with Council’s Castlecliff Regeneration Strategy which has now been handed over to Progress Castlecliff.

Link: Leading Edge Strategy
 Link: Leading Edge Strategy Toolkit
 Link: Policy and strategy documents

Risks No risks apply

The recommended decision has a low degree of risk.

It may be that further research identifies a fatal flaw in the proposed rezoning of the four areas. Noting that: the area is not in a land instability area, the 1:100 or 1:200 year storm event nor is it in the tsunami evacuation areas.

Link: Risk Policy

Treaty of Waitangi

The Council will take into account the principles of the Treaty of Waitangi in its decision making and service delivery processes. Iwi authorities were notified in writing of the proposal in December 2018. No responses have been received to date.

Council will commission a cultural impact assessment as part of the further research required to support a plan change. This will assist in identifying any cultural issues or adverse effects that may need to be avoided, remedied or mitigated.

Policy implications

This proposed plan change will be consistent with the District Plan’s Residential Zone objectives and policies including objectives 4.2.1.a-e and policies 4.3.1, 4.3.2.a-d, 4.3.7. There are no conflicts with the policies of the Long Annual 2018-2028 or the Infrastructure 30 Year Strategy 2018-2048.

Financial considerations

The cost of preparing the proposed plan change will include budgeted planning officer resource. Technical reports will cost approximately \$90,000 for Council with costs to be cost shared with the two initial developers. It is problematic to estimate the likely costs of any hearing as it will depend on the evidence required to be presented. The nature and number of submissions received and any further research that may be required along with preparation of any section 32AA report. However based on recent experience with the North West Structure Plan (PC 46) the costs of the independent panel may be in the order of \$25,000. Hearing costs will be shared with the two developers.

Nil Approved in LTP / AP Unbudgeted
\$

Legal implications

There are no legal implications the process is prescribed in the Resource Management Act.

Significance

The recommended decision is considered not significant as per Council’s Significance and Engagement Policy.

Link: Significance and Engagement Policy
Link: Determining significance overview

Engagement

Pre-engagement has been conducted. In the first instance with the two developer parties with a number of meetings and discussions on process and detail. Council officers from planning and infrastructure have liaised throughout the development of this Item. Officers have written to all 30 land owners in the proposed rezoning area inviting initial feedback. Five parties have engaged with staff and the views are mixed. This has been detailed in the attached Scoping Report (Ref ?2).

Link: Significance and Engagement Policy

PRE-ENGAGEMENT Community groups / stakeholders	Date / Status	Techniques to engage
Two developers Castlecliff Golf Course and Amalgamated Poultry Ltd	October, November, December, February	Regular briefing and information meetings
Internal pre-engagement		

Planning and Infrastructure meetings and email exchanges on details September 2018 – ongoing including meetings, and the circulation of background reports on infrastructure capacity which informed the servicing discussion.

CONSULTATION Community group / stakeholder	Level of engagement on spectrum	Techniques to engage
Land Owners	Inform and invitation to consult with	Letter drop, phone conversations, face to face meetings January 2019
Iwi Authorities	Information and invitation to contact officers to discuss feedback and potential preparation of a Cultural Impact Assessment (CIA). A CIA will be commissioned if Council approves initiation of this plan change process.	Letter to all Iwi authorities sent 7 December 2018. No feedback received to date.