

**Aorere ki uta Aorere ki tai - Tasman Environment Plan**

## **Issues and Options Report**

# **Coastal Tasman Area, and the Rural 3 Zone**

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## Important Note

March 2021

The Office of the Minister for the Environment released the Cabinet paper - *Reforming the resource management system* on 10 February 2021 (the Cabinet paper). As set out in that paper, Minister Parker proposes to repeal the RMA and replace it with:

- A Natural and Built Environments Act (NBA)
- a Strategic Planning Act (SPA), and
- a Managed Retreat and Climate Change Adaptation Act (CAA)

These Acts will influence the development of the TEP and how we are required to manage and plan for Tasman district's environment.

From the information we have we understand that the planning system will shift away from being effects-based, and instead focus on **outcomes**.

As of March 2021, this is what we know:

1. The purpose is likely to be to "*promote the quality of the environment to support the wellbeing of present and future generations and to recognise the concept of Te Mana o te Taiao*"
2. Biophysical limits will be set by the Minister
3. Twenty draft outcomes are identified (these are provided in Appendix 3)

Te Mana O Te Taiao is a concept that is likely to be central to the new legislation. It means "the mana of the natural world". People are a part of nature – and we can only thrive when nature thrives. This is described in more detail in this report.

**In this report the author will, where necessary and appropriate, address the issues and options from the perspective of the new NBA purpose and outcomes.**

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# 1. Executive Summary

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## 1.1 Introduction

The Coastal Tasman Area (CTA) is an area of land identified in the Tasman Resource Management Plan (TRMP) between Motueka and the Waimea Plains and is adjacent to the coast. It was created in 2003 in response to strong development pressures on the more productive Rural 1 land on the Waimea and Motueka Plains. The CTA is remarkable for its landscape, its rural and coastal amenity, and its unusual planning regime. The CTA includes several zones, most notably the Rural 3 Zone and numerous Rural Residential Zone locations.

The CTA also contains locations of significant historical interest to iwi, including pa sites, kainga and locations of historical events. Some very important wetlands exist within the area, and the streams on the Moutere gravel substrate are of high ecological importance.

In 2020 a report evaluating the CTA, and in particular the Rural 3 Zone, was presented to Councillors. Readers are referred to that report for the history of the CTA and the zone, as well as an assessment of the efficiency and effectiveness of the planning framework.

## 1.2 Purpose and Scope

The purpose of this report is to outline specific issues that arise within the CTA and the Rural 3 Zone, investigate potential options and define the recommended option(s) to address the issues. The feedback and direction received on the recommended option(s) will inform development of the Draft Aorere ki uta Aorere ki tai - Tasman Environment Plan (TEP).

Any draft recommended option(s) defined in this report will be tested with iwi, Council, and the community and may evolve during the plan development process.

## 1.3 Rural 3 Zone Issues

In this section I present a summary of the issues that have been identified. The issues are split into two main groups:

1. The issues that relate specifically to the Rural 3 Zone; and
2. The other more site-specific issues that are outside the Rural 3 Zone, but are within the CTA

The following key issues have been identified for the Rural 3 Zone:

### Issue 1

1. The provision of houses in the Rural 3 Zone is incompatible with the Future Development Strategy (FDS) **process**, and is inconsistent with the FDS **outcomes**

### Issue 2

2. Rural 3 developments are not consistent with the intentions and vision for the zone of clustered village type development nested in a productive landscape:
  - 2.1. Developments are almost exclusively in a Rural Residential style without clustering;
  - 2.2. Rural character is not being retained in areas where developments occur;
  - 2.3. The avoidance of productive land is leading to a fragmented development pattern;
  - 2.4. On-site wastewater systems are used almost exclusively, risking future water quality;
  - 2.5. Yield is low making developments unaffordable and low-quality planning outcomes; and

- 2.6. Dispersed development lacks community infrastructure and contributes to car dependency and social isolation.

### Issue 3

3. Rural 3 developments result in poor transport outcomes for residents:
  - 3.1. Distances from major townships require car dependency for transport which increases transport greenhouse gas (GHG) emissions.
  - 3.2. New roads as part of Rural 3 developments have a low ratepayer base to support the maintenance of the asset in the future.
  - 3.3. The dispersed nature of Rural 3 development means that the areas cannot be easily served by planned public transport routes.
  - 3.4. Residents living in Rural 3 developments often expect a standard of infrastructure that is typical in residential environments, and which is not financially viable in rural residential-type environments.

### Issue 4

4. The Coastal Tasman Area is a desirable, resilient and reasonably well-located location for future residential and urban development.
  - 4.1. The CTA is a valuable land resource for future urban settlements, but the resource is threatened by rural residential development.
  - 4.2. It is appropriate to provide small commercial sites or centres, and there is demand for townhouses, apartments in good locations, and residential scale sections; and
  - 4.3. There is demand for walking and cycling connections through the landscape that can be achieved through subdivision.

### Issue 5

5. There are places in the CTA that are of high significance to Te Tau Ihu iwi and which are not given sufficient weighting under the existing planning settings.

### Issue 6

6. There are negative effects on water quality and biodiversity in the streams, wetlands and coastal estuaries:
  - 6.1. There are existing old failing on-site wastewater systems, particularly in the Aporo Stream catchment, that are causing significant degradation of water quality;
  - 6.2. High numbers (many 10s or 100s) of new wastewater systems have the potential to cause future water quality degradation;
  - 6.3. Erosion and discharges of sediment from earthworks associated with new developments is degrading streams, wetlands and sensitive CMA locations;
  - 6.4. Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity.

## 1.3.1 Outcome(s) Sought

The following overarching outcomes have been identified:

1. To avoid the inefficient use of land that will preclude its use for a resilient long-term alternative growth location for Motueka and Māpua.

2. To avoid an increase in greenhouse gas emissions (GHG) caused by increasing vehicle kilometres travelled (VKT) until such time as the light vehicle fleet is substantially electrified.
3. To utilise the Coastal Tasman land for town and village type developments where land is used efficiently, and a pattern of small towns and/or villages can be formed.
4. To ensure that Council expenditure on new infrastructure is efficient and cost-effective.

In addition, the following more specific outcomes have also been identified:

1. Development and growth are planned and provided through a robust process. Appropriate infrastructure can be provided to development and growth areas in a way that is strategic and prioritized.
2. Growth achieves the outcomes that have been decided through a public participation process.
3. A more efficient use of land should be achieved. Low density sprawling rural residential development, which does not retain rural character, should be minimised.
4. Rural character between development locations should be retained so that the CTA retains value as an attractive rural landscape
5. Develop fewer, but more concentrated and well-planned development locations, so that:
  - a. less land can be developed, and more houses can be built;
  - b. communities with a stronger sense of place will develop; and
  - c. council infrastructure can be provided in a more efficient and consolidated way.
6. Development is strategically located and provides for a variety of rural and urban housing types.
7. Positive community outcomes such as walking and cycling connections through the countryside, and environmental restoration continue to be provided.
8. Places and areas of significance to iwi are respected and protected from inappropriate development or disturbance.
9. Water quality is restored where it is already degraded.
10. The risk of future degradation of water quality is reduced.
11. The natural character and ecological values of streams, wetlands and coastal estuaries is enhanced through sediment control and riparian planting.
1. More efficient use of land is achieved. It is sought that low density sprawling rural residential development is minimised. The current pattern of sprawling land use whilst achieving relatively few large dwellings is causing a loss of rural character and removing future potential for greater density developments.

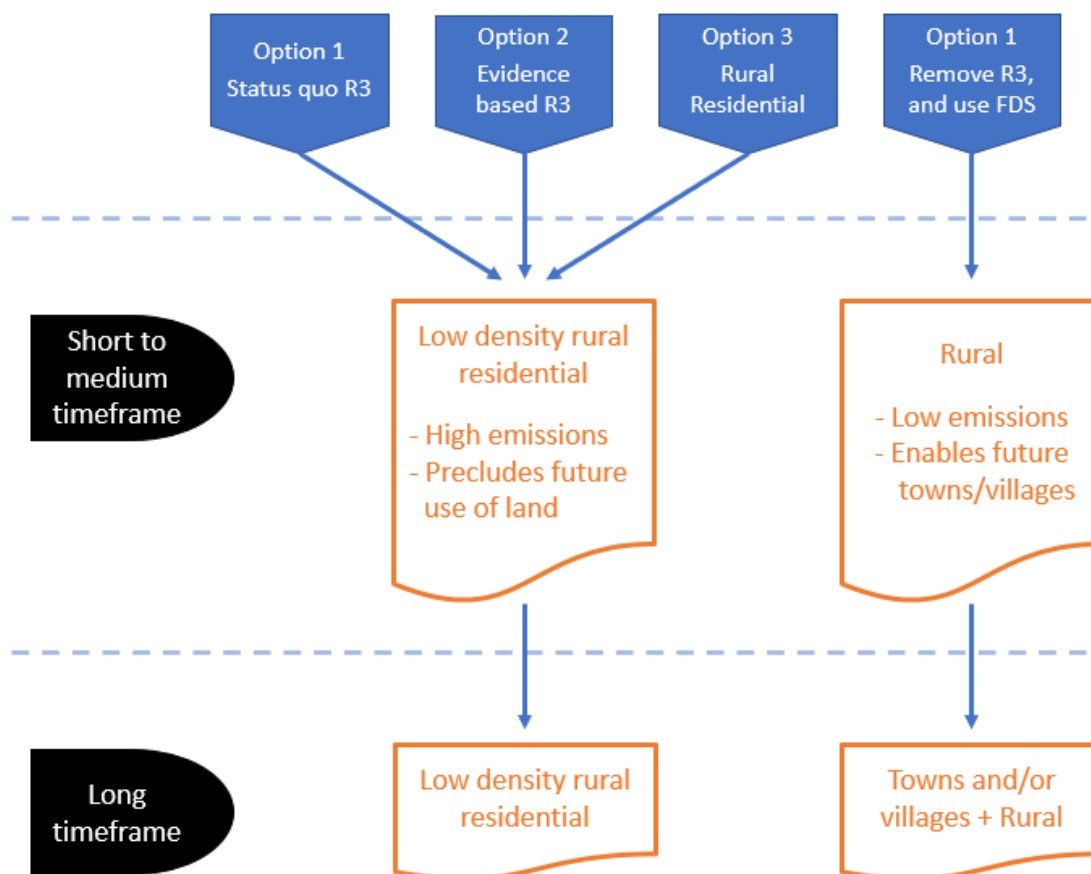
## 1.4 Options

The issues with the Rural 3 Zone are complex and interwoven. The main options are summarised in Table 1.

**Table 1: Options Identified**

Option Number	Option Name	Description of Option
Option 1	Status quo	<p>Retain the current TRMP approach</p> <p>The Rural 3 Zone does not have an equivalent in the National Planning Standards (NPStds), but a new Special Purpose Zone could possibly be created, or else a precinct overlay could be used.</p>
Option 2	Evidence based Rural 3	<p>Retain the Rural 3 Zone as a planning instrument, but the Council invests in significantly more information (particularly mapping overlays) to guide landowners and developers.</p> <p>Research, investigation and applications with uncertain outcomes were identified as key constraints. Some of this information and certainty could be provided by the Council.</p> <p>This option would mean retaining a zone that seeks to achieve what the original Rural 3 Zone sought, but it could be improved with refinement of the policy framework to make the application and assessment task easier and clearer.</p>
Option 3	Low density Rural Residential	<p>Remove any likelihood of clustered development, and zone some or all the Rural 3 Zone as Rural Residential with a minimum lot size (probably 5000 or 7500 square metres) and allow landowners and developers to roll out low density housing. This option would essentially be embracing what is currently happening.</p>
Option 4	Dezone Rural 3. Smaller areas rezoned for housing through the FDS Process	<p>This option is a significant shift in approach and process. It still promotes development in the Rural 3 Zone, but through a process that is more aligned with the FDS process and potentially seeing more of a focus on density in appropriate locations and retaining a rural environment in inappropriate locations.</p> <p>This option involves:</p> <ol style="list-style-type: none"> <li>1. Removing the existing Rural 3 Zoning and reverting to a standard rural zone</li> <li>2. Applying a Development Area overlay which indicates future development is anticipated</li> <li>3. Identifying future development locations through the FDS as the need arises</li> <li>4. Programming the delivery of infrastructure to support residential-scale development</li> <li>5. Rezoning and developing in a compact village or town form.</li> </ol> <p>This option is essentially a “dezoning” of Rural 3. The gravity and significance of this option is recognised. However, staff consider it the only realistic option to address the negative outcomes and the future challenges posed by the Rural 3 zone.</p>

Options 1 to 3 will result in virtually the same outcomes, although they will get there by different processes. Option 4 proposes a different framework and would result in a very different outcome. This is summarised in the following diagram.



## 1.5 Recommendation

### 1.5.1 Recommended Option

Option 4 De-zone Rural 3 to align with FDS is recommended.

### 1.5.2 Assessment and Reasons

Option 4 is recommended because it most closely achieves the purpose of the FDS, RMA and relevant national direction. It will better enable iwi interests, people and communities and their social and economic well-being. It is also. It is the best option to sustain the potential of natural and physical resources for future generations.

It is the most efficient and effective option because it pulls the development of the existing Rural 3 area into line with the FDS process and outcomes. It would enable development but in a slower, more sustainable way, and in a way that is a far more efficient use of land. The option is also more consistent with the approach sought by submitters to the FDS in 2022, and the likely direction of the FDS which is to support future development along the SH6 corridor, as well as consolidation of Mapua and Motueka, rather than in Rural 3 zoned land.

Option 4 supports the TEP principles because it provides for a much longer-term and better integrated approach. It supports both the present and future needs of the community and iwi by enabling well-planned and connected development that avoids dispersed low-density development.



The latter lacks the social and physical infrastructure that contributes to a well-functioning environment. Option 4 enables places to grow but not at the expense of our rural environment.

This option represents a precautionary approach where the impact of transport emissions, infrastructure demand and roading capacity is not yet known and may be significant. There is increasing evidence to show that rural residential growth makes a substantial contribution to carbon emissions from the light vehicle fleet. With the requirements for further reductions in GHG emissions, further growth of this mode is not appropriate. Evidence presented later in this report shows that we are currently not doing enough to meet our required targets. The status quo will exacerbate this problem.

In the long-term 50+ years, it is highly likely that Tasman will need the coastal Tasman and Moutere hills as a location for residential living because it is a resilient location. The current mode of development achieves the worst of both worlds:

1. Land is under-utilised through extensive, low-density development; and
2. High emissions are produced from the light vehicle fleet

Option 4 requires a “courageous call” and progressing with this option would require a significant commitment from the Council.

Increasing the developability of the Rural 3 land is likely to be attractive to existing landowners and developers. But, enabling further dispersed low-density development and associated vehicle-dependent travel will lead to further increases in GHG emissions and increase the likelihood that both Tasman District and New Zealand will not achieve their reduction targets. Submissions on the FDS indicate that there is a growing awareness and desire from the public for Council to prioritise emissions reductions.

The other key reason for this recommendation, is that the land in question is resilient and well placed for future development. This recommendation supports the efficient long-term efficient use of this land.

Infrastructure is key to the consideration of development patterns. In the absence of infrastructure there is no coordinated or effective way of avoiding the dispersed low-density vehicle-dependent development. Providing suitable infrastructure will enable more efficient long-term outcomes.

It would be appropriate for the Council to take the bold step of trying another approach that will pull back from that approach and promote greater community building and more sustainable growth patterns.

## 1.6 Other Site-Specific Issues

There are also some broader issues that apply to zones outside of the Rural 3 zone.

### Issue 7

7. The Kina Peninsula is a hodge-podge of different zones, including rural 1, rural 2, and rural residential. The zones are largely historic and are due for rationalization.

The guidance for Kina peninsula provided in the Coastal Tasman Area Design Guide (CTADG) suggested that very little further development was appropriate on the peninsula. Visually, it is in a very prominent location when viewed from a wide range of locations along the coastal highway and Mariri area. The direction taken on this area of land will depend, to some extent, on decisions made on the future direction of rural residential zone locations.

It is appropriate that a broad discussion takes place with the community to determine the future of the Kina Peninsula. However, based on the existing policy direction, previous advice to Council, and the direction of the New Zealand Coastal Policy Statement (NZCPS) it is suggested that little or no further development should be allowed for on Kina Peninsula.

#### Issue 8

8. Māpua, including the surrounding areas of Seaton Valley, is urbanising rapidly. The Coastal Tasman Area as a planning instrument is inappropriate and is creating an overly complicated planning environment.

As an urban center, Māpua and surrounding urbanising areas do not fit well into the CTA policy settings. It is suggested that the CTA instrument, if it is to be retained, be uplifted from the urban area of Māpua.

### **1.7 How issues relate to iwi interests and values**

The land within the CTA has a very long history of Māori occupation. Pā locations have been identified in several locations along the coast. Kāinga locations are known in many locations both coastal and inland.

This is also a history of conflict along this part of the coast. Through investigations often associated with resource consent applications locations of important battles have been identified. Several Te Tau Ihu iwi have expressed a long standing and important connection to the whenua in this location.

The current development settings allow only a peripheral role for iwi in decision making on the land. While all development under the Rural 3 framework is discretionary, the assessment matters and decision-making process marginalise iwi. A certain level of development is anticipated and permitted earthworks can result in damage to significant sites.

Under the TEP a more inclusive process is preferable where earthworks in the coastal margin area can be better regulated, and development opportunities need to be better planned.

## 2. Principles Underpinning the Development of the TEP

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### 2.1 Guiding Principles

The Council will use guiding principles in the development of the TEP. These principles are the philosophy and values that will underlie the approach and content of the TEP, but will not in themselves have specific objectives, policies or methods. The anticipated outcomes of the TEP should achieve these principles.

The principles for developing the Aorere ki uta, Aorere ki tai – Tasman Environment Plan are:

To recognise the interconnectedness of the environment and people, ki uta ki tai / mountains to the sea.

1. To enable healthy and resilient communities by achieving healthy and resilient environments (Te Oranga O Te Taiao).
2. To work in partnership with Iwi.
3. To meet the present and future needs of our communities and iwi.
4. To enable community development within environmental limits.
5. To support and enable the restoration of at-risk environments.
6. To recognise and provide for the wellbeing of individuals, where this is not at the expense of the public good.
7. To take a precautionary or responsive management approach, dependent on the nature and extent of the risk, and where there is uncertainty or a lack of information.
8. To ensure the TEP provides strategic leadership for Council's key planning documents.

These principles will be implemented through evaluation of options in this report and in future Section 32 assessment, drafting and decisions.

### 2.2 Te Oranga O Te Taiao

The Exposure Draft for Natural and Built Environments Act requires Te Oranga o te Taiao to be upheld and is described as follows:

Te Oranga o te Taiao incorporates—

- (a) the health of the natural environment; and
- (b) the intrinsic relationship between iwi and hapū and te taiao; and
- (c) the interconnectedness of all parts of the natural environment; and
- (d) the essential relationship between the health of the natural environment and its capacity to sustain all life.

The TEP process and document provides a key mechanism to achieve our desired outcomes for our relationship with Te Taiao (the natural world), including the community outcomes defined in the Long-Term Plan<sup>1</sup>, and the vision of the Te Tauihu Intergenerational Strategy (Wakatū, 2020):

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<sup>1</sup> The outcomes are available in the Long Term Plan on the Council's website

*“We are the people of Te Taihū. Together, we care for the health and wellbeing of our people and our places. We will leave our taonga in a better state than when it was placed in our care, for our children and the generations to come.”*

The use of Te Oranga O Te Taiao in this report utilises a similar approach and hierarchy to that defined for Te Mana O Te Wai in the National Policy Statement for Freshwater Management 2020 (MfE, 2020. NPS-FM) and extends this fundamental concept to other domains: Te Tai (sea), Te Āngi (air) and Te Whenua (land).

The objective of this approach is to ensure that natural and physical resources are managed in a way that prioritises:

- (a) first, the health and well-being of the natural environment and ecosystems;
- (b) second, the health needs of people;
- (c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.

## 3. Background Context

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The Coastal Tasman Area is an area of land identified in the Tasman Resource Management Plan between Motueka and the Waimea Plains and is adjacent to the coast. It was created in 2003 in response to strong development pressures on the more productive Rural 1 land on the Waimea and Motueka Plains. The CTA includes several zones and is the only location for the Rural 3 zone which totals 60.7% (3,692 hectares) within the CTA.

Between about 2000 and 2003 the Council investigated a range of options to address the demand for rural lifestyle living. The intention was to retain an overtly rural zone, but to integrate rural lifestyle living in appropriate locations. The protection of land of productive value, rural character and rural landscape values was important, as was ecological restoration and recreation opportunities.

Arguably (because it is not explicitly stated) the Rural 3 concept had three principal objectives:

1. The provision of more rural living opportunities;
2. The retention of the best land of high productive value, and opportunities for its use; and
3. The retention of rural character, rural amenities, and rural landscapes, as well as the progressive development of natural character and ecological outcomes to balance the rural values.

However, the policy settings for the Rural 3 Zone were high-level and directionless due to being without weighting, without spatial guidance, and sometimes inconsistent. The CTA Design Guide was used to fill the policy gap because it provided more specific direction but was only written to be landscape guidance and never intended to be used as comprehensive policy.

A crucial change was the withdrawal of wastewater servicing. Originally the Rural 3 Zone was intended to be reticulated for both water supply and wastewater. The withdrawal of the wastewater servicing severely reduced the options – the clay soils have extremely low soakage rates – and undermined the intention of the policy framework.

Since 2005 the Rural 3 Zone has achieved a range of positive outcomes, but also has not satisfactorily achieved some of the outcomes that were intended. These outcomes are identified in more detail in the Section 35 Evaluation Report (2020). The issues raised in this report arise out of that evaluation.

### 3.1 Issues we are seeking to Address

There are several key issues that have been identified for the CTA, and in many cases for the Rural 3 Zone particularly.

In this section we present a summary of the issues that have been identified. The issues are split into two main groups:

1. The issues that relate specifically to the Rural 3 Zone; and
2. The other more site-specific issues that are outside the Rural 3 Zone, but are within the CTA

The remainder of this report is organised this way too. Section 4 of this report is focussed on the issues and options for the Rural 3 Zone, and Section 5 looks at the issues and options on the various locations outside of the Rural 3 Zone.

NB for the Rural 3 issues that I identify in Section 4 below we do not provide options for each and every issue identified, but instead we provide a single set of options designed to address all issues.

For the more site-specific issues that we identify later in this report, the options given are more site-specific also.

### 3.1.1 Rural 3 Zone issues

#### Issue 1

1. The provision of houses in the Rural 3 Zone is incompatible with the Future Development Plan (FDS) process, and is inconsistent with the FDS outcomes

#### Issue 2

2. Rural 3 developments are not consistent with the intentions and vision for the zone of clustered village type development nested in a productive landscape:
  - 2.1. Developments are almost exclusively in a Rural Residential style without clustering;
  - 2.2. Rural character is not being retained in areas where developments occur;
  - 2.3. The avoidance of productive land is leading to a fragmented development pattern;
  - 2.4. On-site wastewater systems are used almost exclusively, risking future water quality;
  - 2.5. Yield is low making developments unaffordable and low-quality planning outcomes; and
  - 2.6. Dispersed development lacks community infrastructure and contributes to car dependency and social isolation.

#### Issue 3

3. Rural 3 developments result in poor transport outcomes for residents:
  - 3.1. Distances from major townships require car dependency for transport which increases transport GHG emissions.
  - 3.2. New roads as part of Rural 3 developments have a low ratepayer base to support the maintenance of the asset in the future.
  - 3.3. The dispersed nature of Rural 3 development means that the areas cannot be easily served by planned public transport routes.
  - 3.4. Residents living in Rural 3 developments often expect a standard of infrastructure that is typical in residential environments, and which is not financially viable in rural residential-type environments.

#### Issue 4

4. The Coastal Tasman Area is a desirable, resilient and reasonably well-located location for future residential and urban development.
  - 4.1. The CTA is a valuable land resource for future urban settlements, but the resource is threatened by rural residential development
  - 4.2. It is appropriate to provide small commercial sites or centres, and there is demand for townhouses, apartments in good locations, and residential scale sections; and
  - 4.3. There is demand for walking and cycling connections through the landscape that can be achieved through subdivision.

#### Issue 5

5. There are places in the CTA that are of high significance to Te Tau Ihu iwi and which are not given sufficient importance and weighting under the existing planning settings.

#### Issue 6

6. There are negative and positive effects on water quality and biodiversity in the streams, wetlands and coastal estuaries:

- 6.1. There are existing old failing on-site wastewater systems, particularly in the Aporo Stream catchment, that are causing significant degradation of water quality;
- 6.2. High numbers (many 10s or 100s) of new wastewater systems may cause future water quality degradation;
- 6.3. There is erosion and discharges of sediment degrading streams, wetlands and sensitive CMA locations;
- 6.4. Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity.

### 3.1.2 Site-specific Issues outside of the Rural 3 Zone

#### Issue 7

9. The Kina Peninsula is a hodge-podge of different zones, including rural 1, rural 2, and rural residential. The zones are largely historic and are due for rationalization.

#### Issue 8

10. Māpua, including the surrounding areas of Seaton Valley, are urbanising rapidly. The Coastal Tasman Area as a planning instrument is inappropriate and is creating an overly complicated planning environment.

### 3.1.3 Why Change is Needed (or not)

The issues identified above are a strong indication that the planning framework, particularly for the Rural 3 Zone, is not ideal. Council staff have indicated significant problems with the workability of the current regime.

In addition, the current planning regime is likely to be inconsistent with the outcomes of that have already been indicated will be included in the forthcoming Natural and Built Environments Act (NBA). These relate to the maintenance and restoration of water quality and the requirement to reduce greenhouse gas emissions.

The planning framework does not deliver a variety of residential opportunities, but instead necessarily provides a single type of very large lot rural residential section. This is primarily due to the requirement for an on-site wastewater system.

Council's iwi partners have a strong interest in the land in this area and the TEP needs to provide a more comprehensive planning regime to accommodate these interests and values.

The Rural 3 Zone does not sit well with the 2022 FDS (assuming the adopted FDS is similar to the draft). The National Policy Statement for Urban Development (NPS-UD) requires that the Council prepare an FDS. The first was prepared in 2019 and the 2022 FDS is being prepared now. The FDS process provides a comprehensive system for planning future growth areas that was not in existence when the CTA and R3 Zone were conceived. There is an uneasy and clumsy relationship between the two which gives a good rationale for change.

The Council uses a Growth Demand and Supply Model (GDSM), run every three years, to calculate demand for housing. It is the output from this GDSM that informs the FDS calculations. However, with growth in the Rural 3 Zone being extremely unpredictable, this introduces a source of error and uncertainty into the GDSM calculations.

A new NZCPS has been promulgated since the CTA and Rural 3 Zones came into effect. The policy settings need to be reviewed to give effect to the NZCPS.

### 3.1.4 What the Community has told us

Both the first round of engagement on the TEP and the engagement and submission process on the FDS provide some clear directions from those sectors of the community who have chosen to get involved.

Key themes include:

- More action on climate change to reduce emissions and respond to future impacts
- Provide more housing, and provide for housing affordability
- Do not contribute to traffic congestion
- Smaller houses
- Focus on walking and cycling opportunities
- Do not waste land on expansive development. Keep it intensive. Build up not out.

## 3.2 How Issues relate to Iwi Interests and Values

The TEP plays an important a role to support the expression of kaitiakitanga and rāngatiratanga. Iwi resource management priorities and leadership may be realised through provisions of the TEP. An innovative plan will support aspirations for managing ancestral whenua and taonga in the Tasman District and across Te Tau Ihu. To achieve Te Mana O Te Taiao, Te Mana O Te Wai and Te Mana O Te Tangata, this report has considered the following strategic outcomes:

- Respectful partnerships and governance structures supporting Council and iwi collaboration, in the Tasman District and across Te Tau Ihu are established and strengthened.
- Te Tiriti O Waitangi principles and customary rights inform a resource management framework to support iwi resource management values and priorities within the TEP.
- Iwi connections and access to cultural landscapes, sites of significance and heritage are protected and restored.
- Economic and cultural development is enabled through access to and the use of cultural redress resources, Te Tiriti O Waitangi settlement land and taonga, including the coastal environment, in accordance with Settlement Acts and Statutory Acknowledgments.
- Environmental limits and targets are set to achieve meaningful cultural, environmental and economic outcomes, enhancing the mauri of Te Taiao.
- Integrated management is supported by a ki uta ki tai philosophy enabling the application of tikanga and Mātauranga Māori to TEP provisions.

For each issue identified in this report the relationship to the above outcomes will be identified

## 3.3 Statutory, Policy Context and Scope

### 3.3.1 Resource Management Act

There are several Matters of National Importance that are relevant including: the preservation of the natural character of the coastal environment, wetlands and rivers; the protection of significant indigenous vegetation; and the enhancement of public access to the coast and to rivers.

The RMA is to be replaced by three new Acts:

- Proposed Natural and Built Environments Act (NBA) is intended to be the primary piece of legislation to replace the RMA. Like the RMA, the NBA will be an integrated statute for land use and environmental protection. It will work in tandem with the proposed Strategic Planning Act (SPA).



- Strategic Planning Act (SPA) will provide a strategic and long-term approach to how we plan for using land and the coastal marine area. Long-term spatial strategies in each region will be developed to identify areas that will enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.
- Climate Adaptation Act (CCA) will support New Zealand’s response to the effects of climate change. It will address the complex legal and technical issues associated with managed retreat and funding and financing adaptation.

### 3.3.2 New Zealand Coastal Policy Statement

The NZCPS 2010 has come into force since the CTA and Rural 3 Zones were promulgated. Therefore, the NZCPS will now need to be considered as some substantial areas of the CTA, are within the CE.

Policy 6 in particular seeks to avoid sporadic development along the coast, to maintain the character of the existing built environment, and to consider how adverse visual impacts of development can be avoided on headlands and prominent ridgelines. Policy 6 also seeks that development be set back from the coastal marine area (CMA) to protect natural character and other values.

Policy 13 seeks the preservation of natural character, and this policy is not compatible with further coastal development. Policy 15 seeks the avoidance of significant adverse effects on the landscapes and features of the coastal area.

Policy 22 addresses sedimentation in the CMA and requires actions to address sedimentation where it is occurring.

### 3.3.3 Climate Change Response Act 2002

The government has recently released New Zealand first Emissions Reduction Plan. The plan states *“The climate crisis is the greatest challenge of our time. The science tells us that limiting global warming to 1.5°C above pre-industrial levels gives us the best chance of avoiding the worst effects. Therefore, the purpose of the strategy, also required under the Climate Change Response Act 2002, is for Aotearoa to contribute to the global effort to limit temperature rise to 1.5°C”*

The Emissions Reduction Plan will play some significant obligations and requirements on Tasman District Council. A number of these will need to be implemented through the TEP.

The Council is now required to produce a light vehicle emissions reduction target by the end of 2022, and to publish a plan by 2024, and then to contribute to a reduction in emissions of 20% by 2035.

### 3.3.4 NPS-UD, 2020 – requirement for FDS

As stated above, the NPS-UD requires the Council to prepare an FDS every six years, with a review every three years.

*“The purpose of an FDS is:*

- (a) to promote long-term strategic planning by setting out how a local authority intends to:
 
  - (i) achieve well-functioning urban environments in its existing and future urban areas; and*
  - (ii) provide at least sufficient development capacity, as required by clauses 3.2 and 3.3, over the next 30 years to meet expected demand; and**
- (b) assist the integration of planning decisions under the Act with infrastructure planning and funding decisions.”*

With the Rural 3 Zone enabling an unknown amount of development, it is difficult to incorporate development in the zone into a process that is now geared around the FDS. Calculations of sufficient development capacity must ignore developments in the Rural 3 Zone as they are enabled but remain discretionary activities that may be declined.

### 3.3.5 Tasman Climate Change Action Plan

The Plan states that *“The Council is a signatory to the Local Government Leaders’ Climate Declaration. This commits Council to:*

- *develop and implement ambitious action plans that reduce greenhouse gas emissions and support resilience within Council and local communities.*
- *promote low carbon transport options such as walking, cycling and public transport.*
- *work to improve the resource efficiency and health of homes, businesses and infrastructure in Tasman District.*
- *support the use of renewable energy and uptake of electric vehicles (EV).*
- *work with our communities to understand, prepare for and respond to the physical impacts of climate change.*
- *work with Central Government to deliver on national emission reduction targets.”* (emphasis added)

The Council also commits to show leadership in this area and to consider climate change in all decisions.

### 3.3.6 The National Planning Standards (NPStds.) 2019

Compliance with the planning standards means that new, next generations plan (such as the TEP) must comply with a certain format, including a standard menu of zones. There is no equivalent zone for the Rural 3 in the NPStds, but it may be possible to replicate the zone through a Special Purpose Zone or some form of spatial overlay.

## 3.4 Methods Considered

Consideration of options to address identified issues and achieve desired outcomes fall into six main categories that are within the functions of Council:

- Regulation (through the Tasman Environment Plan)
- Investigation and Monitoring
- Education, Advice and Advocacy
- Works and Services provided by Council
- Financial assistance
- Community Partnerships

Other methods may also be undertaken by iwi, industry or community groups, which play an important role in achieving the outcomes sought in the Tasman district, however these aspects fall outside the scope of the options considered in this report, except indirectly where they may be supported by a council function or service (for example financial subsidy or technical assistance for a community group project).

### 3.4.1 Implementation Plans

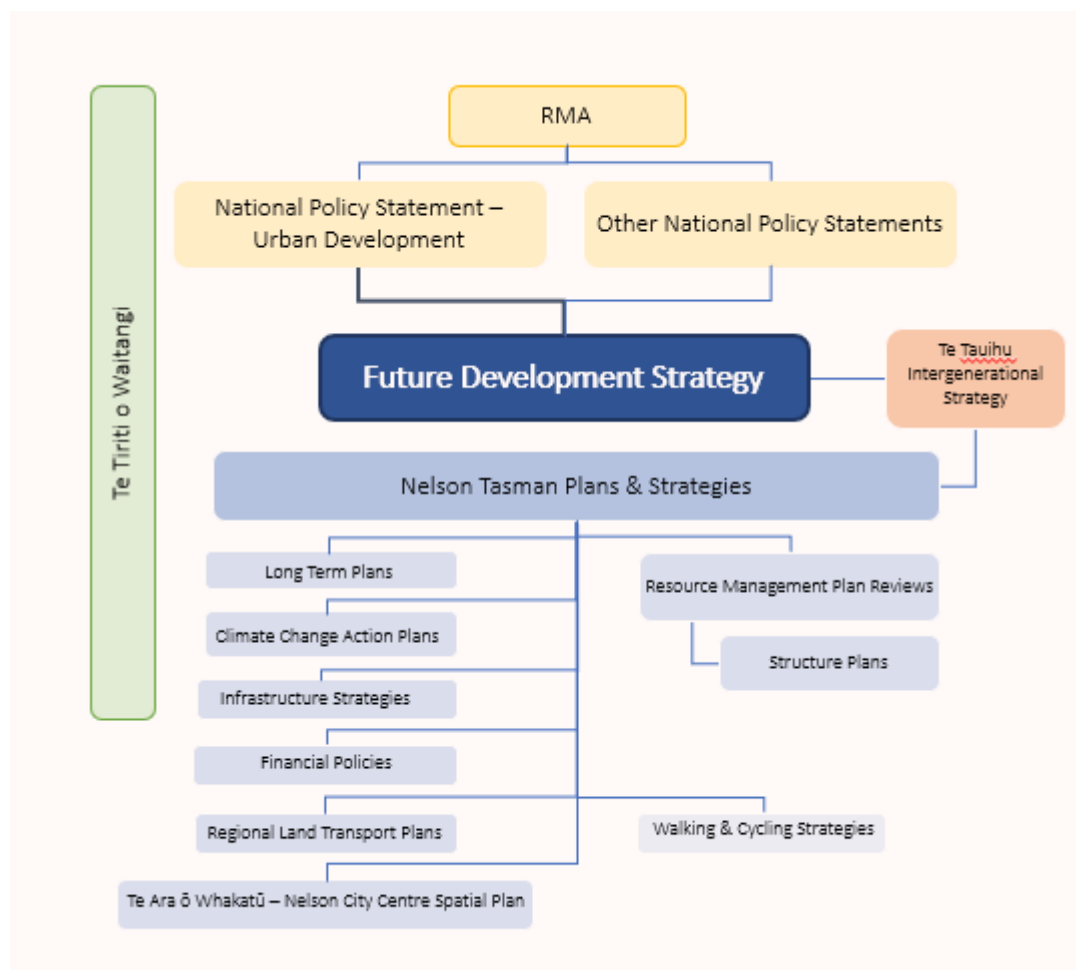
Any regulation options identified will be implemented through the development of the TEP. Any other non-regulatory methods identified will be actioned through a separate Implementation Plan that is released for community feedback alongside the Draft TEP.

The intent of the Implementation Plan will be to outline and cost the non-regulatory methods for inclusion in other council processes including funding through the Long-Term Plan (LTP) process and implementation through the Activity Management Plans.

## 4. Rural 3 Zone Issues

### 4.1 Issue 1 - The provision of houses in the Rural 3 Zone is incompatible with the Future Development Plan (FDS) process, and is inconsistent with the FDS outcomes

Councillors by now will be well familiar with the FDS process. The first FDS was completed in 2019 and the second is just being finalised now in 2022. The FDS has become a critical planning step for informing the Council's planning. The significance and legal requirements of the FDS have increased with the release of the new NPS-UD. The FDS is now a very entrenched and pivotal document.



However, the Rural 3 Zone, being a rural zone and a location where growth can happen in an unpredictable way, was brought into the TRMP long before the FDS process existed.

This creates significant difficulties as there is a considerable amount of growth that occurs which cannot be forecast in the FDS and which throws up significant challenges, uncertainties and problems. Such as:

- An inaccurate FDS
- Achieving accuracy in the Council's Growth Demand Spatial Model (GDMS)
- Uncertainties when trying to plan for infrastructure (e.g., water demand, roading)
- Unpredictable pressure on infrastructure
- Uncertainty for the LTP
- Difficulties and uncertainties with calculating development contributions (DCs)

Recent difficulties in Mapua with water supply have exemplified this with potential Rural 3 developments securing water supply, and then not leaving sufficient supply for other land that the FDS determined should be rezoned. This has caused considerable difficulty and uncertainty for staff, landowners and developers.

This is a process-orientated issue, but it is very important

#### 4.1.1 Rural 3 development is not consistent with FDS outcomes

In addition to Rural 3 development being incompatible with the FDS **process**, at the time of writing this report the direction of the 2022 FDS is also emerging.

The overall direction of the submissions that were lodged on the FDS was a strong push for intensification and less greenfield development. There is also support for growth in Tasman’s existing rural towns.

The FDS is proposing consolidation along the SH6 corridor, along with consolidation of existing settlements of Mapua and Motueka. Rural 3 development in its current and planned (in the TRMP) form is inconsistent with the draft FDS. (NB it is acknowledged that at the time of writing decisions have not yet been made, and the 2022 FDS has not been adopted.)

#### 4.1.2 Outcome(s) Sought

Development and growth are planned and provided through a robust process.

Appropriate infrastructure can be provided to development and growth areas in a way that is strategic and prioritized.

Growth achieves the outcomes that have been decided through a public participation process.

### 4.2 Issue 2 - Rural 3 developments are not consistent with the intentions and vision for the zone of clustered village type development nested in a productive landscape

#### 4.2.1 Description of Issue

When the CTA was introduced to the TRMP in 2005 the policies and design guide identified a broad but reasonably clear set of intentions and vision for the Rural 3 zone. 17 years on it is concluded from the evaluation report that the Rural 3 zone has, overall, not achieved those intentions and vision.

That lack of achievement is manifest in several sub issues that are identified in the table below.

Sub-issue number	Sub-issue
2.1	Developments are almost exclusively in a Rural Residential style without clustering;
2.2	Rural character is not being retained in areas where developments occur;
2.3	The avoidance of productive land is leading to a fragmented development pattern;
2.4	On-site wastewater systems are used almost exclusively, risking future water quality;
2.5	Yield is low making developments unaffordable and low-quality; and

2.1 Developments are almost exclusively in a Rural Residential style without clustering

The TRMP sought that, to maintain rural character, subdivision developments should have a clustered pattern. The CTADG strongly indicated that developments should be positioned away from main roads and locations that were visually discreet and tucked away. To balance the tight residential clusters, open space and farmland should be provided to maintain the rural character and productive values.

These clustering outcomes were achieved in a few notable cases but, generally, subdivisions did not use this layout and are typically of a standard rural residential form such as that shown in the images below.

This layout is, effectively a very inefficient use of land and results in large tracts of land being used up for relatively few houses.





The key reason for this subdivision layout pattern is that no wastewater servicing is available and so developers are forced to rely on on-site wastewater solutions. On the Moutere clay substrate significant areas of land are required to provide the necessary soakage for these on-site systems. Therefore, necessarily, lot sizes ended up being large and sprawling and of more of a rural residential character than clustered and discreet.

The Coastal Tasman Area Design Guide (CTA Design Guide) promotes density and comprehensive developments. In many locations it also supports village developments. For example:

*“The sub-units Stringer Creek (8C), Trafalgar Road (8B) and Nile Road (8A) have considerable potential for cluster-like development, particularly if this is carried out comprehensively and on an individual catchment or sub-unit basis. The Stringer Creek unit, and to a lesser extent the Trafalgar Road unit, also have potential for the development of rural village concepts either as stand-alone developments or integrated cluster or similar development concepts. In order to achieve the optimum outcome, a comprehensive and integrated approach to the development of the entire sub-unit or valley system needs to be undertaken.” (CTA Design Guide, Section 4.3)*

The same passage is also repeated for the Aporo catchment near Tasman Village.

What was intended was comprehensive and integrated planning for entire valleys or large land areas, and that this planning could result in rural village concepts. However, as stated above, this has not been achieved due to high uncertainty with the planning process, and due to the unavailability of wastewater servicing which has only allowed for low density subdivisions.

## 2.2 Rural character is not being retained in areas where developments occur;

As stated in the evaluation report, in 2012 the Council engaged David Sissons (landscape architect) to provide an assessment of the effect of consent development on rural character in the coastal Tasman area.

Mr Sissons identified the most important guideline (Guideline 3.1(b)) that is relevant for achieving the retention of rural character:

*Retain the rural character of the site, including but not limited to a predominance of unbuilt open space and built features associated with rural productive activities.*

The conclusion reached was that the Coastal Tasman Area Subdivision and Development Design Guide is failing in protecting the rural character of the Rural 3 zone in the face of increased residential use.

In other words, in locations where subdivision developments are occurring the rural character is being reduced and there is no longer a predominance of unbuilt open space or built features associated with rural productive activities. From Mr Sissons' analysis, and my own since 2012, where developments have occurred, they take on a strong rural residential character.

As stated above, this can primarily be attributed to the expansive pattern of development that is necessary for houses to construct their on-site wastewater systems.

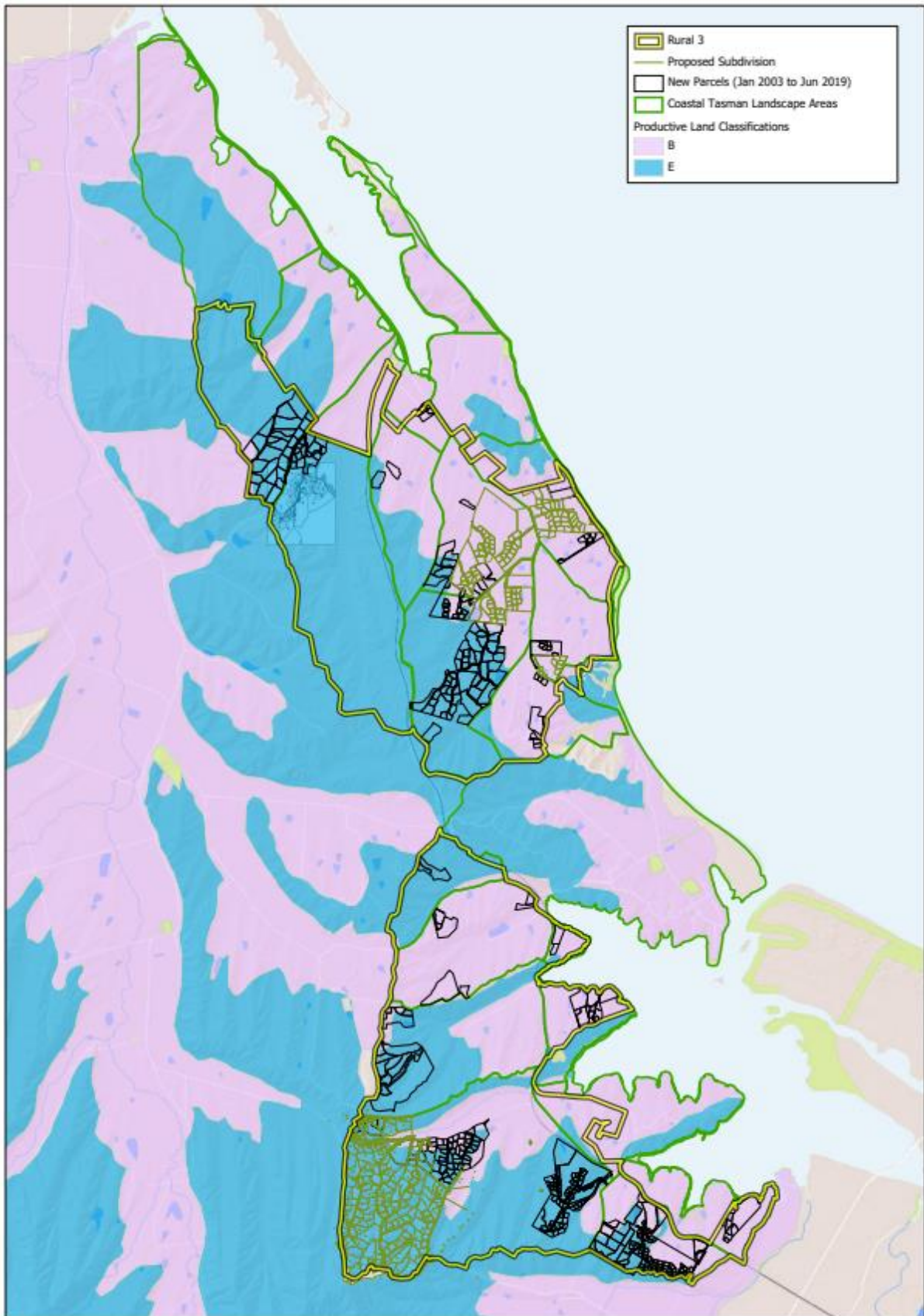
Again, it is the expansive and inefficient use of land for very low-density housing that reduces the chance of rural character being maintained, because the more productive "balance blocks" that retain the rural character are not available.

### 2.3 Productive land is typically being avoided, but this is adding to the fragmented development pattern

To date, Rural 3 subdivisions have occurred on Harley Road (several), Williams Road, Horton Road, Awa Road, Pomona Road, Old Coach Road, Stringer Road, The Moutere Highway and The Coastal Highway. In other words, sites are spread throughout the extent of the Rural 3 Zone. This is what was anticipated for the zone, but it has resulted in unintended consequences that can now be considered significant resource management issues. The locations of subdivisions since the promulgation of the Rural 3 Zone are shown in the map below

Most of the subdivisions have occurred on the lower productive land (Class E). This is consistent with the Rural 3 zone policies, but from the map below this avoidance of productive land contributes to the fragmented and geographically spread pattern of development.





*2.4 On-site wastewater systems are used almost exclusively, risking future water quality;*

The CTA was originally to be reticulated for wastewater. However, during the final decisions it was decided to abandon that aspect and all developments would need to provide their own wastewater solutions.

Two developments (Appleby Hills and Galeo) used community package systems, but all the rest have used on-site wastewater systems. While modern on-site wastewater systems are far better than older septic tank-style systems, they are very space-hungry (on the clay soils) and there are concerns over their long-term maintenance and effectiveness as houses change hands.

#### 2.4 Yield is low, making developments unaffordable and low-quality;

An inability to create density in certain locations reduces the potential yield of developments. This elevates prices for purchasers, reduces the opportunities for restoration, and reduces the viability of developments overall.

The assessment of “low-quality” is a relative one. While individual properties produced are expensive, there is a relatively low yield for the developer compared to if a greater density was available. Often the low yield results in a relatively basic subdivision.

#### 2.5 Subdivisions do not have any community hub at the core of their design.

The policies that guide Rural 3 development do not provide an explicit allowance for commercial activities. Only residential and rural residential type developments are mentioned. As a result, it is very difficult for commercial activities to be consented.

The lack of commercial activities removes an opportunity for community focus points to be established and means there are few job opportunities created within these areas. A café or a small local shop provides an important function in creating communities that have connections and vibrancy.

However, it is also acknowledged that the other issues raised above (principally the low density of development) would probably make commercial activities non-viable. Commercial activities *in conjunction* with greater density developments tend to provide for more successful developments that would demonstrate a much more efficient use of land.

### 4.2.2 Outcome(s) Sought

Based on the above issues the following key outcomes have been identified:

2. A more efficient use of land should be achieved. It is sought that low density sprawling rural residential development is minimised. The current pattern of sprawling land use whilst achieving relatively few large dwellings is causing a loss of rural character and removing future potential for greater density developments
3. Retain rural character between development locations so that the CTA retains values as an attractive rural landscape
4. Identifying locations which have the potential to establish higher density villages that could provide an appropriate level of density and community heart.
5. Achieving fewer, but more concentrated and well-planned development locations so that less land can be developed, and more houses can be built, and communities with a stronger sense of place will develop.

## 4.3 Issue 3 - Rural 3 developments result in poor transport outcomes for residents

### 4.3.1 Description of Issue

When the CTA was promulgated and decisions were released in 2005, it was anticipated that development would be dispersed around the Rural 3 Zone. The paradigm was for the provision of housing to be developer-led and assessed on a case-by-case basis. At that time, climate change and carbon emissions were, understandably, barely considered by policy makers.

Sub-issue number	Sub-issue
3.1	Distances from major townships require car dependency for transport which increases transport GHG emissions
3.2	New roads as part of Rural 3 developments have a low ratepayer base to support the maintenance of the asset in the future
3.3	The dispersed nature of Rural 3 development means that the areas cannot be easily served by planned public transport routes
3.4	Residents living in Rural 3 developments often expect a standard of infrastructure that is typical in residential environments, and which is not financially viable in rural residential-type environments

#### 3.1 Distances from major townships require car dependency for transport which increases transport GHG emissions

VKT are a good proxy measurement GHG.

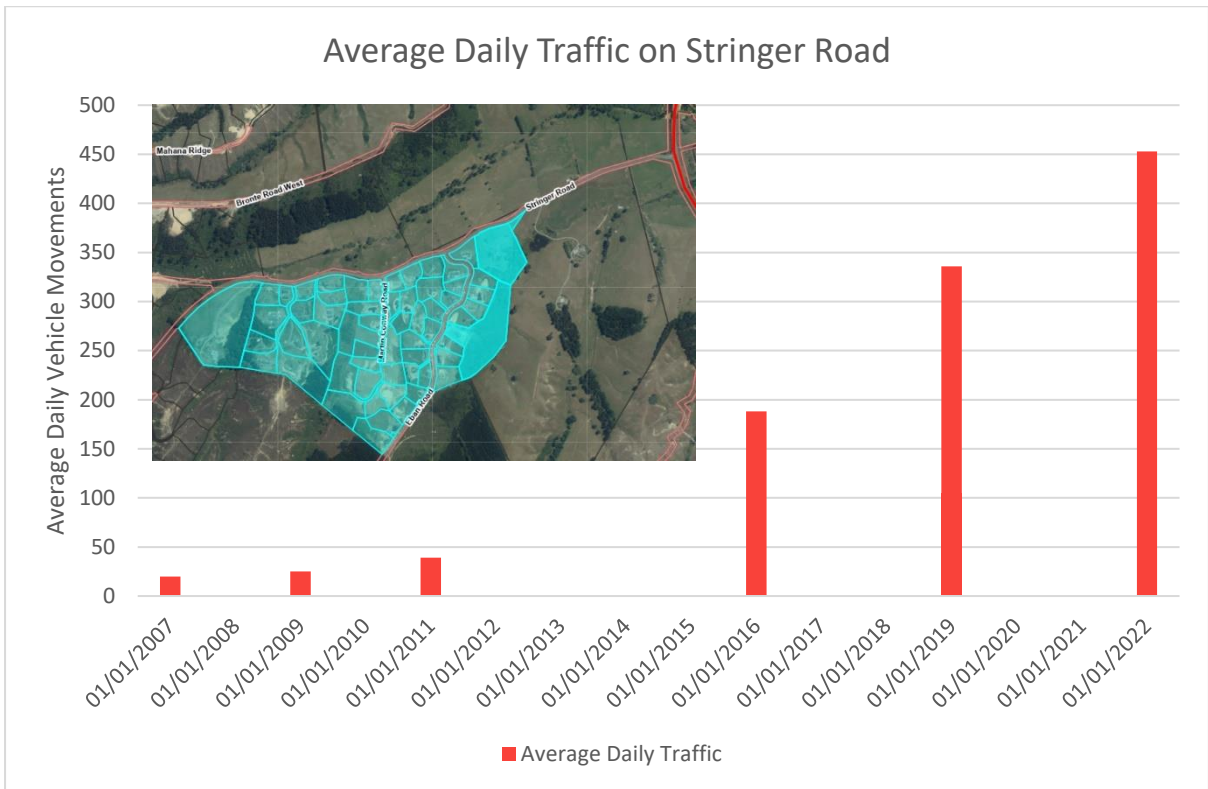
In 2022 the government released its Emissions Reduction Plan for achieving the requirements of the Net Zero 2050 legislation. By the end of 2022 Tier 1 and 2 councils (which includes Tasman) will have to develop a VKT reduction plan. The national guidance is to reduce VKT by light vehicles by 20% overall by 2035.

We now know that Rural Residential development (of which R3 is a form) results in a substantial increase in VKT because residents must drive to get to schools, work and recreation activities. Generally, no passenger transport is available.

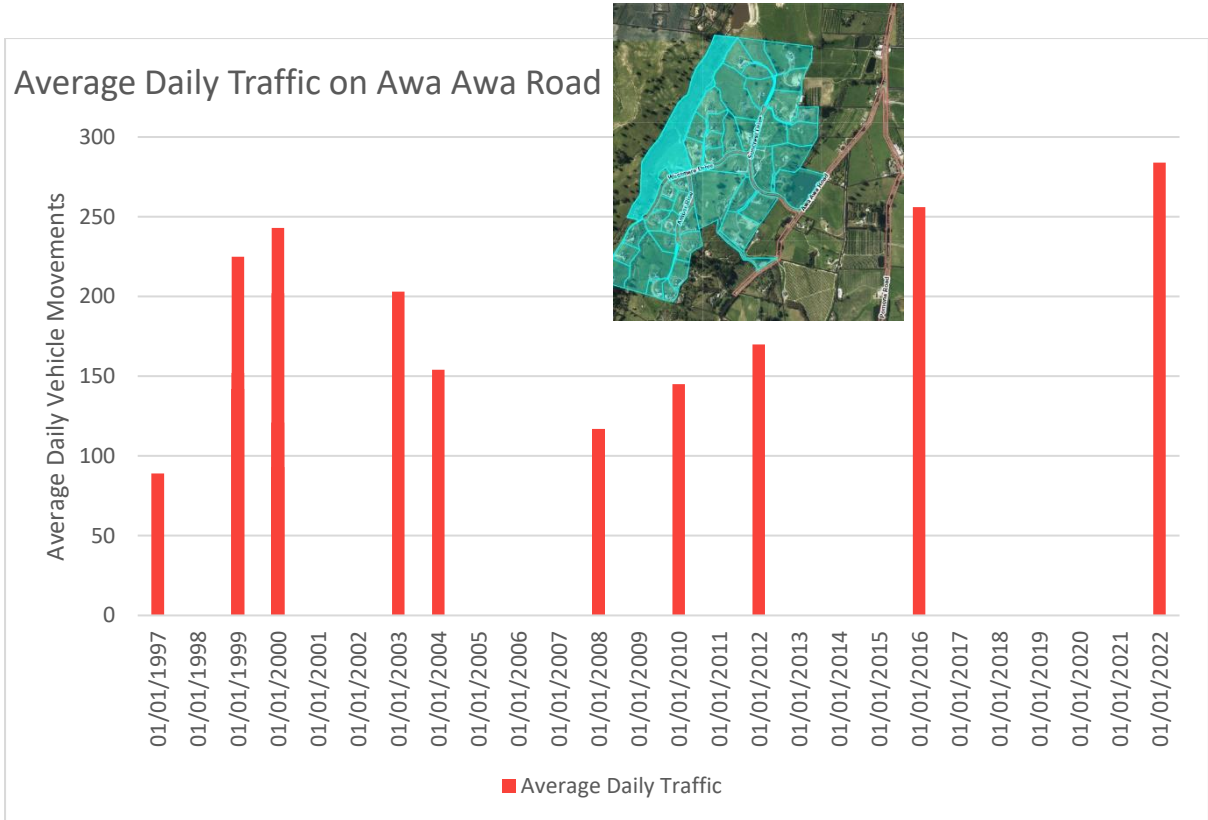
Consideration of VKT is now a very important consideration in enabling future development. Widely distributed development in rural-residential development through the CTA is contributing to a heavily car-based transport model.

Two major developments have occurred on roads that were previously otherwise undeveloped and where there is no through traffic. These are on Stringer Road and Awa Road. Developments on these roads provide an indication of the effect of subdivisions on traffic volumes.

Stringer road data is shown in the graph below. It provides the clearest indication of the effect on traffic as there was only a couple of dwellings in the valley before the major subdivision was undertaken. 57 lots have now been developed and the traffic has risen to 453 vehicle movements per day in 2022. This works out to roughly 8 vehicle movements per dwelling per day.



Awa Road provides a less clear signal as there were quite a number of dwellings in the roading catchment before the major Rural 3 subdivision was undertaken. Traffic volumes have fluctuated but appear to now be trending up after the creation of 47 new lots in this roading catchment.



There is virtually no opportunity for active modes and no public transport services in these locations. Provision of public transport would be highly inefficient due to the distributed nature of the subdivision developments.

The Council’s Climate Change Action Plan contains the following targets and actions. It is clear from these targets that promoting or entrenching further subdivision design that prioritises private car use will be inconsistent and contrary to this plan.

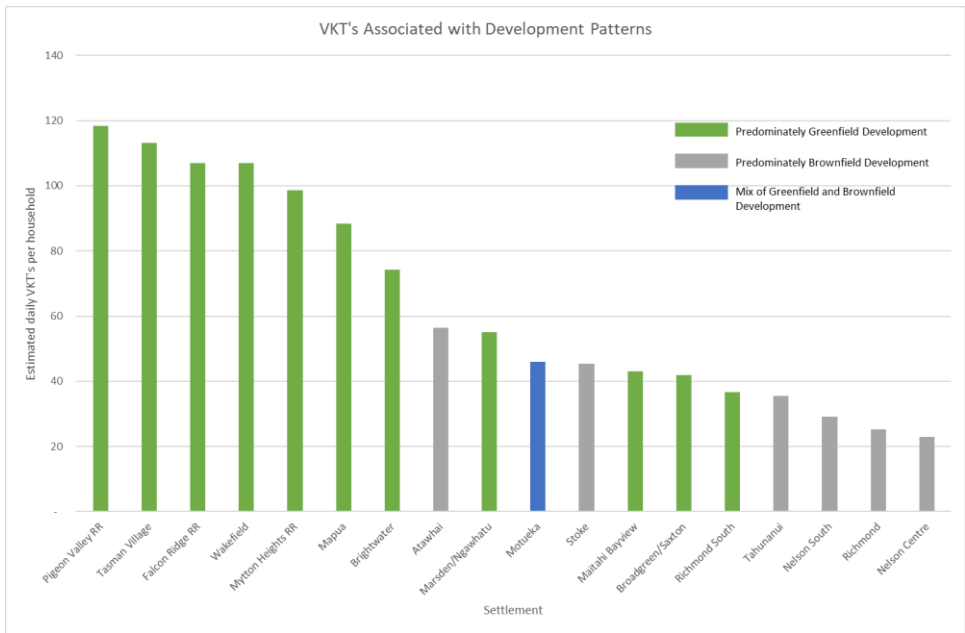
Targets	Actions (short-term) 2019 - 2021
<p><b>1(b) Council decisions for planning and infrastructure design supports private individuals and businesses to reduce their emissions by 80% by 2050.</b></p> <p><i>Targets are based on Zero Carbon Bill. If necessary, revise targets once enacted.</i></p>	<p>(i) <b>Investigate options to encourage</b> low carbon footprint buildings, highly energy-efficient buildings, renewable energy use in buildings, reductions in refrigeration emissions from air conditioning and disposal of refrigerants, <b>enhanced urban/subdivision design.</b></p> <p>(ii) <b>Implement the Nelson Tasman Future Development Strategy (NTFDS)</b>, including the housing intensification component, to <b>reduce the need for car-travel.</b></p> <p>(iii) <b>Investigate options</b> for supporting the local Warmer Homes programme.</p> <p>(iv) Review renewable energy generation provisions through the Tasman Environment Plan project.</p>
<p><b>1(c) Year on year, use of alternative transport modes increases, whereas use of single-occupancy internal combustion-engine vehicle on roads in Tasman District declines.</b></p>	<p>(i) In conjunction with NZTA and NCC, <b>investigate options</b> for increasing use of public transport (where this will provide the best outcome) and prepare action plan to increase public transport use.</p> <p>(ii) Investigate ways to <b>incentivise use of alternative transport modes</b>, such as ride sharing and EVs.</p>

Promoting a future TEP that necessitates increased vehicle emissions through widely distributed subdivisions is not considered appropriate and will likely make it increasingly difficult for the Council to meet its obligations. These obligations are likely to become increasingly stringent, and increasingly compulsory over time.

It could be argued that the move towards low and zero emissions vehicles will solve this problem over time. Ultimately, the problem will be solved by electrification, but not by 2035 and the amount of emissions generated during the transition will be considerable.

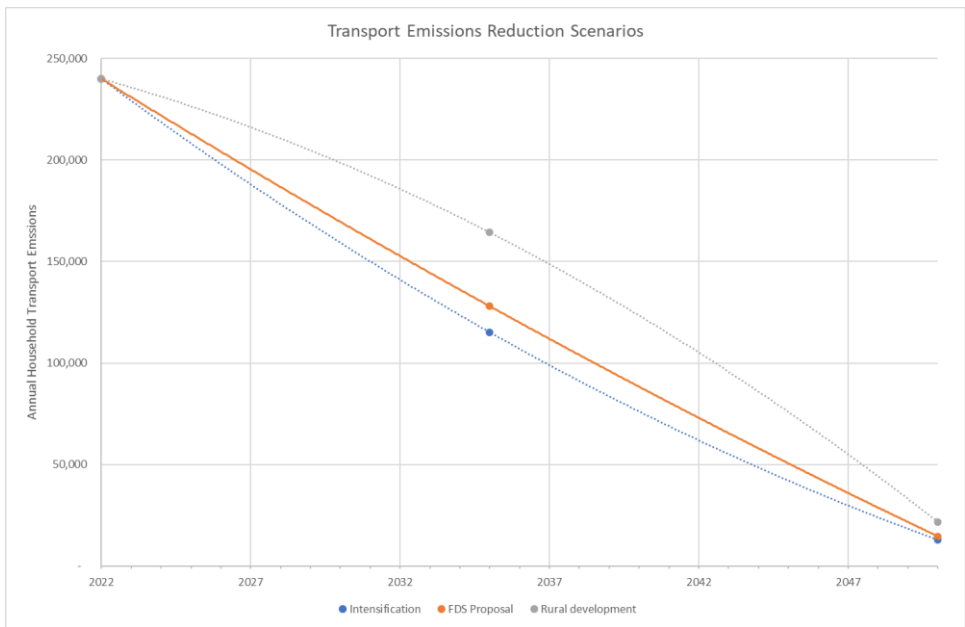
Rural residential properties tend to have high transport related GHG emissions due to the greater number of VKT’s daily.

The graphs below were created to assist in decision making with different settlement areas in the FDS process. Properties that are further away from major centres like Nelson/Richmond tend to have higher VKT’s.



The graph below shows the GHG emissions from rural developments are considerably greater than those in or around existing urban areas. Not only are there more VKT's, but the ability for those distances to be mitigated through use of walking, cycling and public transport are significantly lower.

While emissions from transport are similar in 2050, the emissions produced between now and then will have a large effect on how we contribute towards keeping under global temperature rise of less than 1.5°C.



**3.2 New roads as part of Rural 3 developments have a low ratepayer base to support the maintenance of the asset in the future**

New roads created to provide access to rural residential areas have a lower density of adjoining rateable properties compared to urban residential areas. Based on recent developments, urban residential developments have 5 times the rateable dwellings per metre of road compared to rural residential. This means that when the new rural residential roads need significant maintenance

there is a lower rating base to pay for this work. In many cases the rateable properties rates will not even cover the cost.

### 3.3 The dispersed nature of Rural 3 development means that the areas cannot be easily served by planned public transport routes

Bus routes usually require housing density clustered around bus stops to be useful and well used. Typically, 400 metres is regarded as the greatest distance that most people will walk to a bus stop and 800 metres is regarded as the maximum distance that enthusiastic people will walk, or some will ride (if there is a safe place to park their bike). Rural residential areas have limited number of properties in these radii, much less than would usually be regarded to create viable services.

### 3.4 Residents living in Rural 3 developments often expect a standard of infrastructure that is typical in residential environments, and which is not financially viable in rural residential-type environments

People buying rural residential properties purchase them for a certain lifestyle. These property types are typically too small to facilitate recreational activities on the properties themselves. There is an expectation that these properties include walking and cycling access for recreational purposes. Indeed, Council receives a high number of service requests to add pathways or slow speeds down to make the road safer from them to walk on. Additionally, many lifestyle block developments are including pathways and market their connectiveness to major recreational cycle facilities like Tasman's Great Taste Trail.

Council receives many requests for suppression of dust on gravel roads outside properties that have dwellings close to the road. In addition, there are many requests for roads to be sealed with one of the justifications being the dust nuisance.

Dust from roads covers outside surfaces and finds its way indoors. More importantly, dust also can cause and exacerbate respiratory issues. Dust suppression through use of waste oil is no longer environmentally acceptable and the effectiveness of water is short-lived. Dwellings on rural properties have traditionally been set back from the road due to the larger block sized, but rural residential properties often have limited ability to avoid effects from adjacent roads.

## 4.3.2 Outcome(s) Sought

Based on the above issues the following key outcomes have been identified:

1. achieve fewer, but more concentrated and well-planned development locations so that Council infrastructure can be provided in a more efficient way, rather than being spread over multiple subdivision locations.
2. Development locations should be serviced to provide density, and close to schools, shops, employment, and services.
3. Reduce the reliance on car journeys and reduce VKT, whilst also making continued use of the CTA as a desirable and resilient location for future development.

## 4.4 The Coastal Tasman Area is a desirable, resilient and reasonably well-located location for future residential and urban development.

### 4.4.1 Description of Issue

When the CTA was introduced to the TRMP in 2005 it was anticipated that development would be dispersed around the Rural 3 Zone. The paradigm was for the provision of housing to be developer-led and assessed on a case-by-case basis. At that time, climate change and carbon emissions were barely considered by policy makers.

Sub-issue number	Sub-issue
4.1	The CTA is a valuable land resource for future urban settlements, but the resource is threatened by rural residential development
4.2	It is appropriate to provide small commercial sites or centres, and there is demand for townhouses, apartments in good locations, and residential scale sections; and
4.3	There is demand for walking and cycling connections through the landscape that can be achieved through subdivision

#### 4.1 The CTA is a valuable land resource for future urban settlements, but the resource is threatened by rural residential development

In the long term, the town of Motueka is facing significant existential challenges. Parts of Mapua and Tasman Village are also under threat.

The Council and community has the ongoing challenge of balancing urban growth with the protection of productive land to provide a resource for future generations.

The Coastal Tasman area is a large land resource that is in a relatively good location to provide a future retreat option for the long term.

However, extensive rural residential development will preclude this from being realised. In other words, if rural residential development is enabled and continues, then the options for developing the land into well designed urban settlements, which could form a retreat location from lower-lying coastal locations, will be lost.

Practically, it is not feasible to impose an effective urban environment over a rural residential pattern. If, and when the easier slopes of the CTA are used, the opportunity for rural towns or villages, separated by rural surroundings will be lost.

#### 4.2 It is appropriate to provide small commercial sites or centres, and there is demand for townhouses, apartments in good locations, and residential scale sections; and

Several developers and major landowners have approached the Council with the ideas or proposals for establishing a small commercial centre, that is complemented by rural townhouses or medium density development. Through initial consultation feedback has indicated that there is considerable demand for this type of living.

Commercial centres – whether it be a grocery store, or a village centre – have an important role in providing a community heart. They are a place that turns a subdivision into a village or a



community. It is a place where trade can occur, notices can be put up on a noticeboard, and people can meet. Without a commercial heart, a village becomes just a subdivision.

The provision of commercial centres in Rural 3 subdivisions is very difficult to achieve under the current CTA policy framework, because the policies only provide for “residential and rural residential development” (TRMP Policy 7.4.1). There is also the wastewater servicing challenge to be overcome. As stated above, the requirement for on-site wastewater servicing makes achieving any kind of density extremely difficult.

The CTA Design Guide states that several locations may be suitable for “*development of rural village concepts*”. The Design Guide supports these rural village concepts as being stand-alone developments or integrated with cluster or similar development concepts.

Therefore, the issue that is identified here is, as stated above, even though there is support in the CTA Design Guide the outcomes sought have not been achieved and would be extremely difficult to do so.

#### 4.3 There is demand for walking and cycling connections through the landscape that can be achieved through subdivision

The CTA policies and CTA Design Guide support the provision of walking and cycling linkages through the CTA countryside. Advice from Reserves and Facilities staff is that there has been good progress in securing walking linkages through the CTA because of subdivisions. This is a positive outcome.

If development potential in the CTA were to be wound back, then there would be a loss of opportunity to secure such linkages that enable recreation and greater lifestyle outcomes in this rural area.

#### 4.4.2 Outcome(s) Sought

The key desirable outcomes arising from this section are:

1. Suitable areas of the CTA for future towns and villages are retained in an unsubdivided form.
2. Provide for houses in locations that are resilient and are well connected to infrastructure.
3. Develop communities that are strategically located and provide for a variety of rural and urban housing types.
4. Continue to enable positive community outcomes such as walking and cycling connections through the countryside.

### **4.5 Issue 5 - There are places in the CTA that are of high significance to Te Tau Ihu iwi and which are not given sufficient importance and weighting under the existing planning settings**

#### 4.5.1 Description of Issue

Many locations in the CTA have known places of cultural and historical significance to iwi. This stems from a very long history of settlement as well as inter-tribal warfare.

Known and public sites are identified in the TRMP. However, there are other sites which are not made public for cultural protection reasons. Allowing for development in the CTA can cause conflict between enabling development but also protecting sensitive locations.



#### 4.5.2 Outcome(s) Sought

The key outcome is that places of significance to iwi are respected and protected from inappropriate development or disturbance.

Partnership with Te Tau Ihu iwi over planning decisions is also critical to ensure outcomes.

### 4.6 Issue 6 - There are negative and positive effects on water quality and biodiversity in the streams, wetlands and coastal estuaries

#### 4.6.1 Description of Issue

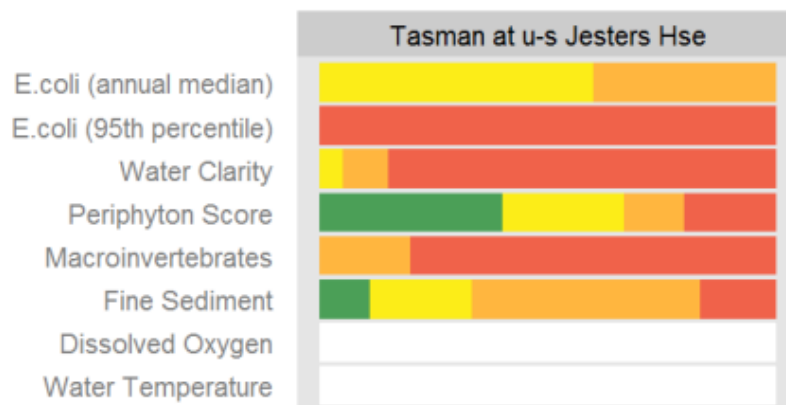
When the CTA was introduced to the TRMP in 2005 it was anticipated that development would be dispersed around the Rural 3 Zone. The paradigm was for the provision of housing to be developer-led and assessed on a case-by-case basis. At that time, climate change and carbon emissions were barely considered by policy makers.

Sub-issue number	Sub-issue
6.1	There are existing old failing on-site wastewater systems, particularly in the Aporo Stream catchment, that are causing degradation of water quality

6.2	High numbers (many 10s or 100s) of new wastewater systems may cause future water quality degradation
6.3	There is extensive erosion and discharges of sediment degrading streams, wetlands and sensitive CMA locations
6.4	Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity

6.1 There are **existing** old failing on-site wastewater systems, particularly in the Tasman Valley Stream catchment, that are causing significant degradation of water quality

The Tasman Valley Stream is grouped with the worst 10 sites for water quality in the district because of low dissolved oxygen, high concentrations of faecal indicator bacteria, high water temperatures, and moderately high nutrient concentrations. High levels of potentially disease-causing organisms occur at this site. Both human and ruminant faecal sources are to blame.<sup>2</sup> Old failing septic tank systems are a serious contributing factor on these very low permeability soils.<sup>3</sup>



**Site data summary plot. Colours indicate attribute states from A (good) to D (poor). Refer to the interpretation guide for full details.**

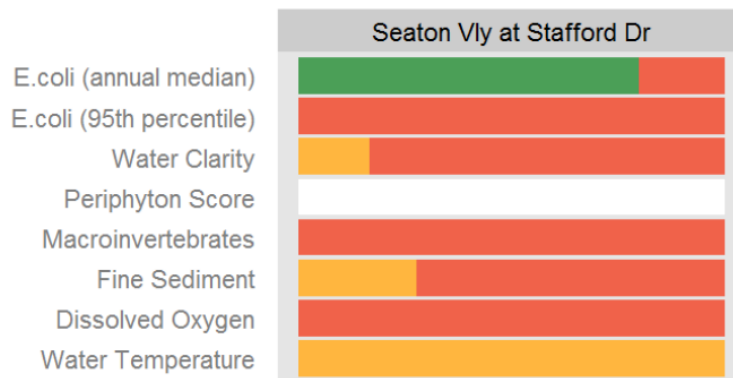
Tasman Village itself is also recognised as having poor on-site wastewater systems which pose a risk to both water quality and drinking water.

Seaton Valley Stream is also within the CTA (flowing through the Mapua Rural Residential Zone) and also shows significant degradation.<sup>4</sup>

<sup>2</sup> River Water Quality in Tasman District, State of the Environment Report, 2015

<sup>3</sup> Tasman Valley Stream Faecal Pollution Investigation, Short Report, December 2019

<sup>4</sup> River Water Quality in Tasman District, State of the Environment Report, 2015



**Site data summary plot. Colours indicate attribute states from A (good) to D (poor). Refer to the interpretation guide for full details.**

6.2 High numbers (many 10s or 100s) of new wastewater systems may cause future water quality degradation

After the CTA and Rural 3 Zones were integrated into the TRMP, a further plan change was undertaken to bring the “Wastewater Management Area” (WMA) into the TRMP also. The WMA put in place a more robust regime for onsite wastewater systems. It required that every wastewater system must obtain a resource consent as a controlled activity and that certain minimum standards are achieved including a requirement for secondary treatment of wastewater and that the discharge to land at a rate of no more than two millimeters per square metre.

One of the drivers for this tighter regime is that the Moutere clay substrates in the CTA have an extremely low permeability and there is a very high risk of runoff into nearby streams. It is therefore essential that high-quality effluent and low rates of land application are achieved.

there is no doubt that the modern onsite wastewater treatment and land application systems are far superior to those from 20 plus years ago, but there is an ongoing concern that very high numbers of onsite wastewater systems may cause environmental risks into the future. In some CTA catchments many tens, and potentially hundreds, of onsite wastewater systems have been or will be constructed. Currently there is no evidence to suggest that a reduction in water quality in these catchments is occurring, but there is a cumulative risk into the future. It is anticipated that this risk will increase over time as properties (and therefore wastewater systems) change hands and new owners who are less familiar with the aging systems may not be as aware of the maintenance requirements.

Infrastructure staff have advised that it is their experience that reticulated wastewater systems that pipe wastewater to a centralised high quality treatment facility provide better environmental and water quality outcomes than large numbers of onsite wastewater systems.

There are currently two package wastewater systems in the Rural 3 zone. These are systems which were constructed by the developer to serve subdivision communities Instead of requiring each household to install its own on-site wastewater system. These package systems are in place at Appleby hills, and Galeo Estates. In both cases these package wastewater systems were installed as temporary stopgap systems until such time as the CTA was reticulated. Both package systems are causing significant problems and there is a high risk that they will need to be taken over by the council and potentially replaced.

### 6.3 There is extensive erosion and discharges of sediment degrading streams, wetlands and sensitive CMA locations

Sediment erosion has been a significant concern in the CTA with virtually all catchments exiting to either the Moutere Inlet or the Waimea Inlet. Excessive fine sediment adversely affects rivers, estuaries and the coast. Deposition of sediment sourced from erosion in the catchment of the Waimea and Moutere Rivers is a major problem. Fine sediment smothers habitat within the bed that would otherwise be home to many invertebrates and fish. It also reduces water clarity, interferes with feeding of filter feeding bivalves and crustacea and may smother benthic communities within estuaries.

Ongoing earthworks resulting from residential development (e.g., cutting of dwelling platforms and driveways) is also likely to make an ongoing contribution to sediment erosion, mobilisation and deposition in the inlets.



The NZCPS Policy 22 requires that subdivision or development will not result in a significant increase in sedimentation in the CMA, and that sediment loadings in runoff from land use activities are reduced. Current practices are not meeting the NZCPS in many cases.

### 6.4 Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity

While there are potential and actual adverse effects arising from development in the Rural 3 Zone, there are also some significant positive effects. Both the planning framework and the TRMP and the CTA Design Guide strongly support environmental restoration as a key component of subdivision developments. As a result, many of the development areas have well planted riparian margins and protected wetland areas. Weed control and wilding conifer removal has also been achieved in several subdivision areas. Many of these positive outcomes may not have been achieved if it were not for the CTA policy framework and development opportunities. Typically, denuded farmland is

less likely to have riparian margins planted and restored and nutrients and sediment runoff into water bodies can occur more readily. However greater landowner awareness of such issues may mean that even in the absence of further subdivision environmental restoration of farmland can take place.

#### 4.6.2 Outcome(s) Sought

The key environmental outcomes sought are:

1. Water quality is restored where it is already degraded.
2. The risk of future degradation of water quality is reduced.
3. Water quality and the natural character of streams, wetlands and coastal estuaries is enhanced through sediment control and riparian planting.

### 4.7 Scale and Significance

#### Scale and Significance

	Comments	Assessment
Degree of change from the Status Quo		Moderate
Effects on matters of national importance (s6 RMA)		Low-moderate
Scale of effects – geographically (local, district wide, regional, national)	<b>Only affects local area, but has ramifications for wider growth patters</b>	Low- moderate
Scale of effects on people (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?)	<b>Large number of landowners within a localised area are affected</b>	Low-moderate
Scale of effects on those with particular interests, e.g., Tangata Whenua	<b>Iwi interests in the area, some impact on Waka Kotahi some impact on local resident groups</b>	Low-moderate
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?	<b>Very little guidance from higher order documents. Little best practice guidance available as CTA and R3 are bespoke for Tasman</b>	Moderate-high
Likelihood of increased costs or restrictions on individuals, businesses or communities.	<b>May change development opportunities, but greater certainty will also reduce risks for landowners</b>	Low-moderate

### 4.8 Options to address the Issues

The issues with the Rural 3 Zone are complex and interwoven as is clear from the descriptions above. Therefore, I have focussed on high-level options that provide different ways to address the entire Rural 3 planning structure. The main option(s) are summarised in Table 3.

Nelson does not have an equivalent Zone and so no “NCC option” is provided.

**Table 3: Options Identified**

Option Number	Option Name	Description of Option
Option 1	Status quo	<p>Retain the current TRMP approach</p> <p>The Rural 3 Zone does not have an equivalent in the NPStds, but a new Special Purpose Zone could possibly be created, or else a precinct overlay could be used.</p> <p>Essentially this option would mean retaining a zone that seeks to achieve what the original Rural 3 Zone sought, but it could be improved with some refinement of the policy framework to make the application and assessment task easier and clearer.</p>
Option 2	Evidence based Rural 3	<p>Retain the Rural 3 Zone as a planning instrument, but the Council invests in significantly more information to guide landowners and developers.</p> <p>Research, investigation and applications with uncertain outcomes were identified as key constraints. Some of this information and certainty could be provided by the Council.</p>
Option 3	Low density Rural Residential	<p>This option would essentially be embracing what is currently happening. Remove any likelihood of clustered development, and just zone some or all of the Rural 3 Zone as Rural Residential with a minimum lot sizes (2500 or 5000 square metres) and allow landowners and developers to roll out low density housing.</p>
Option 4	Dezone Rural 3 to align with FDS Process	<p>This option is a significant shift in approach and process. It still promotes development in the Rural 3 Zone, but through a process that is more aligned with the FDS process and potentially seeing more of a focus on density in appropriate locations and retaining a rural environment in inappropriate locations.</p>

These options are described in turn below, followed by an assessment of their strengths and weaknesses.

## 4.8.1 Option 1 – Status Quo

### 4.8.1.1 Current approach

The current approach, including the positive and negative outcomes was set out in detail in the Evaluation Report (15 April 2020).

The intention of the Rural 3 Zone was to retain an overtly rural zone, but to integrate rural lifestyle living in appropriate locations. The protection of land of productive value, rural character and rural landscape values was important, as was ecological restoration and recreation opportunities.

In my opinion the success of that vision was significant compromised by the (probably necessary) decision to withdraw servicing (particularly wastewater servicing).

While some positive outcomes have been achieved in some regards, the overwhelming pattern of development has been low density rural residential “lifestyle blocks”. These have typically not retained the rural character and have consumed significant areas of land for relatively few dwellings compared to what was originally envisaged for the zone.

There are several key difficulties with the planning and policy framework for the Rural 3 Zone. First, there are no explicit objectives. This creates a large area of contention as to exactly what is intended to be achieved and how matters should be weighted. Policies are provided but these often compete with one another. The wide scope of discretion makes assessment and decision-making highly uncertain, and very challenging for applicants and planning practitioners.

In some respects, this planning approach was intentional. Discretion was supposed to be wide open so that developers and landowners could come forward with innovative ideas and proposals. However, the lack of wastewater servicing has now meant that the opportunities for innovation are much reduced. And what was also possibly not recognized when the Rural 3 zone was introduced to the TRMP was that the open-ended discretion, high application costs, and low certainty of positive outcome, would also stifle Innovation and potential developments.

#### 4.8.1.2 Assessment of Strengths and Weaknesses

<b>Strengths</b>	<p>Allows for innovation and a broad scope of ideas for development.</p> <p>Does not require council investment</p> <p>Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity</p>
<b>Weaknesses</b>	<p>Does nothing to address the issue of a disconnect with the FDS process</p> <p>Uncertain planning framework and low level of mapped information makes developments uncertain, costly and high-risk.</p> <p>Without wastewater servicing, developments are almost all low density Rural Residential, and rural character is lost in favour of lifestyle blocks.</p> <p>Large numbers of on-site wastewater systems are installed which may result in future loss of water quality in streams.</p> <p>Yield is low making developments unaffordable and low-quality; and</p> <p>Subdivisions do not have any community hub at the core of their design.</p> <p>Dispersed subdivision locations mean that residents are heavily car dependent, resulting in congestion in urban centres and increasingly high vehicle-kilometres-travelled (VKT)</p> <p>Dispersed subdivision locations put strain on Council infrastructure planning and delivery</p> <p>There are no opportunities for solutions to existing on-site wastewater systems that are failing</p>

#### 4.8.2 Option 2 – Evidence based Rural 3

One of the key reasons identified in the Evaluation Report for the lack of uptake of development opportunities in the Rural 3 Zone is uncertainty around information. As stated above, the current Rural 3 Zone is a single large zone with little further information to guide developers or landowners as to the various qualities or attributes of the land.

If the Rural 3 Zone is to be retained in something like its present form, and as an effective zone for providing realistically priced rural lifestyle options, then greater clarity and simplicity about development opportunities needs to be provided. Currently open discretion is difficult to apply because of very wide scope. Somehow either spatial guidance, or at least a hierarchy of policy considerations needs to be provided.



The CTADG identifies a process of layering constraints and opportunities. The policies that apply to the CTA and the guidance in the CTA Design Guide seek to achieve a wide range of outcomes. They seek to (for example):

*“Protect land that has higher productive values”*

and to

*“Cluster built development in locations that are less visually prominent when viewed from public roads and other public places, including the coastline”*

And to

*“Provide for public access alongside coastal margins and significant inland waterways”*

But in all these examples no information is provided by the Council specifically for the Rural 3 zones to identify which land has higher productive values or is visually prominent when viewed from public locations, or which are the significant inland waterways. If this information were to be supplied by the Council in a coordinated and cohesive way, then it would provide a stronger basis for landowners and developers to be able to determine development opportunities that are likely to be appropriate and successful. Other factors such as “walking proximity to settlement’ could also be mapped.

Option 2 described here is for the Council undertake a similar process, but at the scale of the whole zone, to map the constraints and opportunities. This same approach could be used to build up suitable and unsuitable areas based on agreed criteria. This would need to be an in-depth and comprehensive exercise, including with a cost to the Council, in order to provide an agreed set of layers and information for developers to use which would inform where development opportunities might lie.

It is acknowledged that this would mean an investment of public money to enable private developers, but it would be a mechanism that would de-risk Rural 3 developers and probably see more uptake.

However, while this option achieves some things, but does nothing to address the pattern of development that would probably result. The same problems of wastewater servicing, low density, rural residential density would still remain.

There are also risks about how the greater level of information might be interpreted. Do the areas not identified as meeting the various criteria (but still in Rural 3 Zone) become effectively undevelopable? Why would anyone risk an application? Where are the lines drawn? Even if overlays used, do these effectively become zones? Is the above approach simply creating a network of Rural Residential Zones (since a minimum lot size is effectively needed to accommodate an on-site wastewater system)?

#### 4.8.2.1 Assessment of Strengths and Weaknesses

<b>Strengths</b>	Is likely to increase uptake of Rural 3 development opportunities Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity
<b>Weaknesses</b>	May not allow such wide scope for innovative development ideas Will require Council investment

	<p>Does nothing to address the issue of a disconnect with the FDS process</p> <p>May be unpopular amongst landowners as the process will effectively pick winners and losers</p> <p>Without wastewater servicing, developments are almost all low density Rural Residential, and rural character is lost in favour of lifestyle blocks.</p> <p>Large numbers of on-site wastewater systems are installed which may result in future loss of water quality in streams.</p> <p>Yield is low making developments unaffordable and low-quality; and</p> <p>Subdivisions do not have any community hub at the core of their design.</p> <p>Dispersed subdivision locations mean that residents are heavily car dependent, resulting in congestion in urban centres and increasingly high vehicle-kilometres-travelled (VKT)</p> <p>Dispersed subdivision locations put strain on Council infrastructure planning and delivery</p> <p>There are no opportunities for solutions to existing on-site wastewater systems that are failing</p>
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### 4.8.3 Option 3 – Low density Rural Residential

The third option is to abandon the Rural 3 Zone and just embrace Rural Residential development.

First, it is useful to give a comparison between how the rules and outcomes of Rural 3 (as it was intended to be and as it has eventuated) and Rural Residential compare:

	<b>Rural 3 (theoretical)</b>	<b>Rural 3 (actual)</b>	<b>Rural Residential</b>
<b>Subdivision consent status</b>	Discretionary	Discretionary	Controlled, with minimum lot size (say 5,000 m <sup>2</sup> ) Consent must be granted
<b>Certainty for applicant</b>	Low	Low	High
<b>Involvement of neighbours and public</b>	High	High	Low or none
<b>Control by Council</b>	High	High	Low
<b>Lot sizes</b>	Variety of lot sizes from residential or townhouse style through to hobby farm and large productive unit	Fairly uniform size (around 5,000 m <sup>2</sup> to 2 hectares)	Fairly uniform size (say around 5,000 m <sup>2</sup> )
<b>Lot pattern</b>	Variable	Uniform	Uniform
<b>Opportunities for environmental protection and restoration</b>	Very High	High	Low

Essentially, a Rural Residential Zone provides the landowner with certainty that s/he can subdivide to a certain minimum lot size. This certainty is likely to provide considerable yield, but the product will be uniform and low density.

This option proposes that some or all of the Rural 3 Zone could simply be converted into large Rural Residential Zone location(s) and developments can occur in much the same way that they do in

other rural residential locations such as Bronte Road East, Eighty Eight Valley, or the Pomona Road area.

There could be some nuance to how the rural residential zones are applied. Some more productive areas and highly visible areas could be excluded. But where rural residential zones are identified minimum lot sizes and a controlled activity subdivision consent status would typically be applied.

#### 4.8.3.1 Assessment of Strengths and Weaknesses

<b>Strengths</b>	<p>Is likely to increase uptake of Rural 3 development opportunities</p> <p>Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity</p> <p>Much greater certainty for developers and landowners</p> <p>Will allow yield to be more accurately predicted for FDS processes</p> <p>May provide some certainty that some bottom-line outcomes are achieved such as protecting higher productive areas and other outcomes</p>
<b>Weaknesses</b>	<p>Minimal scope for innovative development ideas</p> <p>May be unpopular amongst landowners as the process will effectively pick winners and losers</p> <p>Developments will be uniformly low density Rural Residential, and rural character is lost in favour of lifestyle blocks.</p> <p>Large numbers of on-site wastewater systems are installed which may result in future loss of water quality in streams.</p> <p>Yield is low and the use of land is inefficient</p> <p>Subdivisions do not have any community hub at the core of their design.</p> <p>Dispersed subdivision locations mean that residents are heavily car dependent, resulting in congestion in urban centres and increasingly high vehicle-kilometres-travelled (VKT)</p> <p>Dispersed subdivision locations put strain on Council infrastructure planning and delivery</p> <p>There are no opportunities for solutions to existing on-site wastewater systems that are failing</p>

#### 4.8.4 Option 4 – Dezone Rural 3 to align with FDS Process

This option is the most significant change from the status quo, but also the option which I am recommending.

Broadly, this option involves reverting the zoning back to a standard Rural zone (Rural 2) but then providing a development overlay on the area that would provide a policy direct that the area is to be considered appropriate for future development in appropriate locations.

What would then follow would be a long-term process whereby development opportunities could be developed through the FDS process and implemented, potentially with the provision of wastewater infrastructure where possible. Effectively this would mean that a series of smaller towns or villages could potentially be developed over a longer period, but in a way that ensures a more systematic roll out and in a way that avoids many of the issues and problems that have been identified in this report.

More specifically, this option would involve the following steps:

1. Rezoning the current Rural 3 Zone area to Rural 2 (NB it would actually be rezoned to General Rural Zone which is the NPStds equivalent of the Rural 2 Zone).
2. Apply a spatial overlay called a “Development Area” to the area. This “Coastal Tasman Development Area” (CTDA) would identify in the TEP that the current Rural 3 Zone remains as a location where future development may be appropriate.
3. Over time the FDS would then be empowered to identify locations within the CTDA. Each location would then be assessed for its suitability for future development. This would involve a similar process to that which councillors are familiar with, but there would be a clear indication in the TEP that future development is anticipated.
4. When a location in the CTDA is identified and included in the FDS, investigation and rezoning would then follow.
5. Once the land is rezoned the necessary infrastructure, such as Council-built small-scale high-quality wastewater treatment systems, can be built through the LTP process.
6. Once infrastructure has been provided then roll-out of development can occur. Old existing, and often failing, septic tank systems could also be connected to the wastewater servicing.
7. Once significant uptake has occurred, and the time is right, the FDS could then identify a new location with the CTDA, and the process could repeat over a reasonably long period of time.

Essentially, this is a process whereby small centres are developed in a consecutive and ordered way, led by the Council, rather than in a sporadic and ad-hoc way. There are several aspects of the above process which need to be commented on further.

High-quality wastewater treatment and dispersal technologies have improved markedly over time. The advantage of this Option 4 approach is that it provides the Council with opportunity to build the infrastructure for multiple landowners. This could include bores, water treatment, wastewater treatment, and reservoirs, in optimal locations that private landowners and developers cannot access.

A key benefit of the above approach is that, instead of the low density inefficient spread-out subdivisions which can pop up in sporadic locations, the development of the current Rural 3 Zone would still be able to continue but would be able to be undertaken in a more systematic way, following the FDS process. The original vision of the Rural 3 Zone would have a much better chance of being achieved because, with wastewater servicing, small towns and villages would be able to be established in appropriate locations. A greater level of density could be achieved, and commercial opportunities may be able to develop which would further assist in the quality of developments.

There are also significant benefits to the Council in having an FDS process that is more accurate and effective. I previously pointed out how potential development in the Rural 3 Zone does not sit well with the FDS process. Adopting the above process would enable an approach that is much more consistent with the FDS. With the Council leading such developments by rezoning and, in some cases, providing infrastructure, there would be much greater control over housing typology, connectivity and environmental protection and restoration. Protection of cultural sites and involvement of Te Tau Ihu iwi would also be better provided for.

The Nelson City Council has also been considering how to deal with future urban areas. The NCC, in its draft Nelson Plan, has utilised two Development Areas to identify future development locations. These two locations are on Kaka Valley and on the Raine Farm at Saxton. Therefore, following this process would be consistent with the approach taken by NCC.

#### 4.8.4.1 Assessment of Strengths and Weaknesses

<b>Strengths</b>	FDS process is more accurate and allows more accurate infrastructure planning.
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	<p>There is a clear process through the FDS for having a location assessed and rezoned for development</p> <p>Provides for much more efficient use of land by enabling greater density of housing.</p> <p>Over time, much more houses could be built, with a significantly less impact and use of land.</p> <p>Rural character can be retained better through more clear definition between rural and urban environments</p> <p>Communities can be provided with basic amenities and commercial nodes to give a central hub, and to reduce the need for some trips.</p> <p>Much greater certainty for developers and landowners</p> <p>Council retains control over matters such as protection of productive land, public views and amenity and other environmental outcomes are achieved.</p> <p>Subdivisions are often accompanied by streamside planting, weed control, and better protection of wetlands which enhances biodiversity</p> <p>Existing failing septic tanks can be connected to new wastewater treatment systems</p> <p>Water quality should be improved and there is less risk from large numbers of on-site wastewater systems</p>
<b>Weaknesses</b>	<p>May be unpopular amongst landowners as the process will effectively pick winners and losers</p> <p>Likely to slow the number of locations considered for development.</p> <p>Likely to still cause some car dependency, resulting in congestion in urban centres and increasingly high vehicle-kilometres-travelled (VKT), but less than other options</p> <p>More administration and work for council in overseeing process and providing infrastructure. Unclear whether costs will increase on a per dwelling basis.</p>

## 4.9 How does these Issues relate to Iwi Interests and Values?

There are two key iwi interests and values that are most relevant here.

Firstly, the CTA is a location that has many culturally important sites. Development of the area, involving earthworks, can put at risk some of the cultural history of the area.

Other TEP workstreams will focus on aspects such as earthworks and identification and protection of sites and areas of significance to Māori. Earthworks is clearly an important consideration in any location which is of historical significance and where future development may be enabled.

Zoning frameworks that provide greater certainty and lower levels of discretion typically also offer less scope for investigation and protection of cultural and archaeological sites. By contrast, roles which enable greater discretion and controlled by the council well usually provide for more inquiry into culturally significant sites. However greater collection of data and knowledge of culturally significant sites under the TEP should provide much improved outcomes for iwi regardless of the option taken.

## 4.10 Evaluation of all Options

The four options described above have been assessed against the various issues that have been identified. The summary of this assessment is shown in the table below.

Overall, the status quo (Option 1) does little to resolve the issues that have been identified thus far. Some resolutions are by way of process improvement and other TEP workstreams. Option 2, which promotes the continuation of the Rural 3 Zone along with additional guidance information to aid developers and landowners, is likely to enhance to supply of sections and houses. However, it will not address some of the negative outcomes that have been identified such as dispersed development causing high VKT and infrastructure requirements for Council to address.

Both Options 1 and 2 will result in varying forms of the status quo. The status quo looks like ad-hoc developments in locations spread sparsely over the Rural 3 Zone. The historical pattern of low density rural residential style development will continue. Some environmental gains will be made where developments occur, but the negative impact on VKT, carbon emissions, road congestion and pressure on council for infrastructure will continue.

Transitioning to a Rural Residential model (Option 3) will certainly provide for a high level of development. The development will provide a certain number of homes (approximate yield would need to be determined) but overall will result in a very low efficiency use of land and a widespread loss of rural character. The same increases in VKT, carbon emissions, road congestion and demand for council infrastructure upgrades will result.

Option 4, which pulls development back in line with the FDS process, is likely to result in a slower rate of development roll out, but in a way that promotes more sustainable and responsible outcomes. this option would focus on creating small communities in appropriate locations in a way which will maintain a stronger definition between rural and urban spaces. this can be done through providing greater density and development areas and retaining rural open space and character and surrounding less suitable areas. Realising these outcomes would be dependent on supplying wastewater treatment infrastructure in certain catchment locations. However, some of the positive outcomes resulting from expansive and wide-ranging development (e.g., stream restorations) may be significantly delayed when development is concentrated on certain locations.

Issue #	Issue	Option 1 Status Quo	Option 2 Evidence based Rural 3	Option 3 Low density Rural Residential	Option 4 Dezone Rural 3 to align with FDS Process
1	<b>The provision of houses in the Rural 3 Zone is incompatible with the Future Development Plan (FDS) process, and is inconsistent with the FDS outcomes</b>				
2	<b>Rural 3 developments are not consistent with the intentions and vision for the zone</b>				
2.1	Developments are almost exclusively in a Rural Residential style without clustering				
2.2	Rural character is not being retained in areas where developments occur				
2.3	On-site wastewater systems are used almost exclusively, risking future water quality;				
2.4	Yield is low making developments unaffordable and low-quality planning outcomes; and				
2.5	Dispersed development lacks community infrastructure and contributes to car dependency and social isolation.				
3	<b>Rural 3 developments result in poor transport outcomes for residents:</b>				
3.1	Distances from major towns require car dependency for transport which increases transport GHG emissions				
3.2	New roads as part of R3 developments have a low ratepayer base to support the maintenance of the asset in the future				
3.3	The dispersed nature of R3 development means that areas cannot be easily served by planned public transport routes				
3.4	Residents living in Rural 3 developments often expect a standard of infrastructure that is typical in residential environments, and which is not financially viable in rural residential-type environments				
4	<b>The CTA is a desirable, resilient and reasonably well-located location for future residential and urban development.:</b>				
4.1	The CTA is a valuable land resource for future settlements, but is threatened by rural residential development				
4.2	Provide small commercial sites or centres, and there is demand for townhouses, apartments in good locations				
4.3	There is demand for walking and cycling connections through the landscape that can be achieved through subdivision				
5	<b>There are places in the CTA that are of high significance to Te Tau Ihu iwi, and which are not given sufficient weighting.</b>				
6	<b>There are negative and positive effects on water quality and biodiversity in the streams, wetlands and coastal estuaries:</b>				
6.1	There are existing old failing on-site wastewater systems that are causing significant degradation of water quality				
6.2	High numbers (many 10s or 100s) of new wastewater systems may cause future water quality degradation				
6.3	There is extensive erosion and discharges of sediment degrading streams, wetlands, and sensitive CMA locations				
6.4	Subdivisions are accompanied by streamside planting, weed control, & protection of wetlands --> enhances biodiversity				



Option will provide a strong resolution to the issue



Option may go some way to resolving the issue



Option will not resolve, or may exacerbate the issue

Table 5 summarises the extent to which each option meets or achieves several key considerations.

**Table 5: Evaluation of Options**

Options to address Issue	RMA purpose	National Direction	TEP Principles	Efficiency at addressing issue(s)	Effectiveness at addressing issue(s)	Strengths	Weaknesses
<b>Status Quo</b>	Low	Moderate	Moderate	Low	Does not meet	Familiar Can allow for a certain level of innovation Will provide some rural residential product	Very uncertain and expensive Significant drawbacks for Council Poor environmental outcomes overall
<b>Evidence based Rural 3</b>	Low-moderate	Moderate	Moderate	Low-moderate	Low	Provides more certainty Can allow for innovation Will provide rural residential product with greater certainty than status quo	Picks winners and losers amongst landowners Cost to council to provide greater information Poor environmental outcomes overall
<b>Low density Rural Residential</b>	Low	Low	Low	Moderate	Low-Moderate	Will rapidly provide for houses, but at low numbers Provides high certainty for landowners Low cost to Council	Provides for little innovation Does not provide for compact or well-designed communities Will rapidly eat up land Low efficiency use of land Poor environmental outcomes overall
<b>Dezone Rural 3 to align with FDS Process</b>	Moderate	Moderate	Moderate	Low-Moderate	Moderate-High	A familiar process for calculating yield Provision of infrastructure in a systematic way Predictable roll out Environmental protection Higher yield and more efficient use of land	Slower development requiring a longer planning process Less development may result in fewer restoration areas



## 4.11 Recommended Option

### 4.11.1 Recommended Option

Option 4 (Dezone Rural 3 to align with FDS Process) is recommended.

### 4.11.2 Assessment and Reasons

Option 4 is recommended because it most closely achieves the purpose of the RMA and relevant national direction because it will better provide for people and communities to provide for their social and economic well-being, and it is the best option to sustain the potential of natural and physical resources for future generations.

Option 4 is the most efficient and effective option because it pulls the development of the existing Rural 3 area into line with the FDS process. It would enable development but in a slower, more sustainable way, and in a way that is a far more efficient use of land.

Option 4 supports the TEP principles because it provides for a much longer-term and better integrated approach. It supports both our present and future needs of community and iwi by enabling land to be used more carefully and wisely. Option 4 enables places to grow but not at the expense of our rural environment. Option 4 is also a precautionary approach where the impact of transport emissions, infrastructure demand and roading capacity is not known and may be significant.

But overall, Option 4 represents bold leadership by the Council. Increasingly, dispersed vehicle-dependent travel is not appropriate in 2022 and beyond. It would be appropriate for the Council to take the bold step of trying another approach that will pull back from that approach and promote greater community building and more sustainable growth patterns.

## 5. Other Site-Specific Issues

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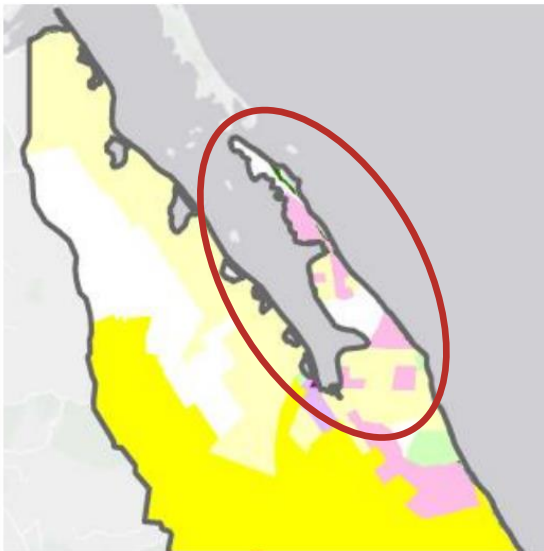
### 5.1 Issue 7 - The Kina Peninsula is a hodge-podge of zones and requires a consistent zoning approach

#### 5.1.1 Description of Issue

Documents show that during the formulation of Variation 32, the Kina Peninsula was somewhat of a problem. It was stated that a decision was needed as to whether this area is within or outside the Rural 3A zone, and that the current zoning pattern is unnecessarily complex and “requires eventual revision”.

Ultimately, the peninsula was not included in the Rural 3 zone, and the zones have not been revised (See Figure X). The 2003 comments about the complexity and need for revision remain true today.

The Permin Road Rural Residential zone also pre-existed before Variation 32.



#### 5.1.2 Outcome(s) Sought

The outcome sought for the Kina Peninsula is to achieve a more coherent zoning pattern. As stated, the evaluation report the CTA design guide currently supports very limited development along this peninsula. It is a highly visible landform from a number of public viewing locations, and it is likely that there are few development opportunities remaining without reducing the open space and landscape values. It is also likely that any additional development opportunities may be contrary to the NZCPS.

Further work needs to be undertaken to determine where any development opportunities may be present and appropriate and resolve and more coherent zoning pattern. There may be opportunities for some development around the base of the peninsula, particularly near Tasman village.

#### 5.1.3 Option 1 – Status Quo

Keep existing zoning pattern and retain CTA overlay.

#### 5.1.4 Option 2 – Minimise development opportunities

Given the visually prominent nature of this location, there is a strong case to effectively disallow further development on this landform. The NZCPS seeks to discourage sprawling or sporadic patterns of settlement and urban growth along the coastal environment. Instead, it encourages the consolidation of existing coastal settlements and urban areas. Enabling or allowing development along Kina peninsula would not be consistent with that policy approach.

#### 5.1.5 Option 3 – Community consultation

the third option is to consult the community about the future of Kina peninsula to determine whether further development is appropriate or inappropriate. This engagement could inform the future policy direction.

#### 5.1.6 Recommendation

Option 2 – “Minimise development opportunities” is recommended to the recognized highly visual nature of the location, the prominent landform, and the guidance given by the NZCPS.

Even if option 2 is taken, there will still be a need for decisions to be made around the extent of development at the base of the peninsula.

### 5.2 Issue 8 – Mapua and Seaton Valley are urbanising and do not sit well within the CTA

#### 5.2.1 Description of Issue

Māpua, including the surrounding areas of Seaton Valley, are urbanising rapidly. The Coastal Tasman Area as a planning instrument is inappropriate and is creating an overly complicated planning environment.

As an urban center, the CTA is becoming unnecessary for Māpua and surrounding urbanizing areas. It is suggested that the CTA instrument, if it is to be retained, be removed from this area.

The recommendation is to remove Mapua and Seaton Valley from the CTA in locations where urban zoning is being utilised. This will enable these areas to develop, subject to the TEP policies that are put in place for Mapua.

## Appendix 1: Draft Outcomes (from draft Natural and Built Environments Act)

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### Outcomes

1. To assist in achieving the purpose of this Act, those exercising functions and powers under it must provide for the following outcomes:

#### *Natural environment*

- a. enhancement of features and characteristics that contribute to the quality of the natural environment;
- b. protection and enhancement of:
  - i. nationally or regionally significant features of the natural character of the coastal environment (including the coastal marine area), wetlands, lakes, rivers and their margins;
  - ii. outstanding natural features and outstanding natural landscapes;
  - iii. areas of significant indigenous vegetation and significant habitats of indigenous fauna;
- c. enhancement and restoration of ecosystems to a healthy functioning state;
- d. maintenance of indigenous biological diversity and restoration of viable populations of indigenous species;
- e. maintenance and enhancement of public access to and along the coastal marine area, wetlands, lakes, rivers and their margins;

#### *Built environment*

- f. sufficient development capacity for housing and business to respond to demand and provide for urban growth and change;
- g. housing supply and choice to meet diverse and changing needs of people and communities;
- h. strategic integration of infrastructure with land use;

#### *Tikanga Māori*

- i. protection and restoration of the relationship of iwi, hapū and whanau and their tikanga and traditions with their ancestral lands, cultural landscapes, water and sites;
- j. protection of wāhi tapu and protection and restoration of other taonga;
- k. recognition of protected customary rights;

#### *Rural*

- l. sustainable use and development of the natural and built environment in rural areas;
- m. protection of highly productive soils;
- n. capacity to accommodate land use change in response to social, economic and environmental conditions;

#### *Historic heritage*

- o. protection of significant historic heritage;

*Natural hazards and climate change*

- p. reduction of risks from natural hazards;
- q. improved resilience to the effects of climate change including through adaptation;
- r. reduction of greenhouse gas emissions;
- s. promotion of activities that mitigate emissions or sequester carbon; and
- t. increased use of renewable energy.

2. When providing for the outcomes in (1) local authorities must provide for the applicable regional spatial strategies prepared under the Strategic Planning Act 202X

**Biophysical limits**

1. Biophysical limits are the minimum standards prescribed through the National Planning Framework by the responsible Minister to achieve the purpose of this Act

2. Biophysical limits –

- a. must provide a margin of safety above the conditions in which significant and irreversible damage may occur to the natural environment;
- b. must be prescribed for, but are not limited to:
  - i. the quality, level and flow of fresh water:
  - ii. the quality of coastal water:
  - iii. the quality of air:
  - iv. the quality of soil:
  - v. the quality and extent of terrestrial and aquatic habitats for indigenous species:
- c. may be quantitative or qualitative.

3. Local authorities are not precluded from setting standards that are more stringent than those prescribed by the Minister.

*March 2021*