

Appendix 8: Section 32 RMA Assessment for Operative District Plan Request for a Plan Change

Ultimate Limited, West Melton

Introduction

1. Ultimate Ltd (the Requester) is seeking a change to the Operative Selwyn District Plan pursuant to Section 73(2) of the Resource Management Act 1991 (the Act). The Request seeks to change the zoning of the approximately 12.5 ha of land at West Melton from Rural Inner Plains Zone to Living Z Zone for the purpose of establishing a retirement village through a comprehensive development.
2. The Request has outlined the background to and reasons for the requested plan change and the proposed amendments to the Operative Plan.
3. Actual or potential significant adverse environmental effects arising from the proposed development have been identified and can be avoided or mitigated and have been described in the relevant sections of the Request. Any change to a plan needs to be evaluated in accordance with section 32 of the Act.

Section 32 requirements

4. Section 32 of the Act states:

Requirements for preparing and publishing evaluation reports

(1) An evaluation report required under this Act must—

 - (a) examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and
 - (b) examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—
 - (i) identifying other reasonably practicable options for achieving the objectives; and
 - (ii) assessing the efficiency and effectiveness of the provisions in achieving the objectives; and
 - (iii) summarising the reasons for deciding on the provisions; and
 - (c) contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.

(2) An assessment under subsection (1)(b)(ii) must—

 - (a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—
 - (i) economic growth that are anticipated to be provided or reduced; and
 - (ii) employment that are anticipated to be provided or reduced; and
 - (b) if practicable, quantify the benefits and costs referred to in paragraph (a); and (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

(3) If the proposal (an amending proposal) will amend a standard, statement, national planning standard, regulation, plan, or change that is already proposed or that already exists (an existing proposal), the examination under subsection (1)(b) must relate to—

- (a) the provisions and objectives of the amending proposal; and
 - (b) the objectives of the existing proposal to the extent that those objectives—
 - (i) are relevant to the objectives of the amending proposal; and
 - (ii) would remain if the amending proposal were to take effect.
5. The Guidance Note on section 32 analysis on the Quality Planning website makes the following statement:
- Appropriateness - means the suitability of any particular option in achieving the purpose of the RMA. To assist in determining whether the option (whether a policy, rule or other method) is appropriate the effectiveness and efficiency of the option should be considered:*
- *Effectiveness - means how successful a particular option is in addressing the issues in terms of achieving the desired environmental outcome.*
 - *Efficiency - means the measuring by comparison of the benefits to costs (environmental benefits minus environmental costs compared to social and economic costs minus their benefits).*
6. In this case it is the appropriateness of rezoning Rural Inner Plains land for LZ zone that needs to be examined.

Purpose of the Plan Change Application to the Operative District Plan

7. The purpose of the Request is to change the zoning of the Site from Rural Inner Plains Zone to Living Z Zone in order to establish a retirement village. This is to be achieved through an Outline Development Plan and by adopting, as far as possible, planning zones and subdivision, activity and development standards for retirement villages in the operative plan.
8. The anticipated outcomes are to:
- a) Provide for an additional housing niche and residential land choice in West Melton to meet an immediate, specific, and identified need in the market.
 - b) Provide for urban development that will integrate with and complement existing development in a manner that enables efficient use of existing and future infrastructure and minimises effects on the existing environment.

District Plan Objectives and Policies

9. The Operative Selwyn District Plan (OSDP) objectives give effect to the purpose of the Resource Management Act, and the OSDP policies in turn give effect to the OSDP objectives.
10. The proposed residential rezoning has been assessed against the relevant Operative District Plan objectives and policies. It concludes that the requested rezoning is consistent with and meets the outcomes sought by the objectives and policies, including for urban/township growth and new residential areas, except for the restriction on urban development imposed by the provisions of the Canterbury Regional Policy Statement (CRPS) for new greenfield development which the OSDP is required to give effect to under Section 75(3) of the Act. The Site is not identified on the OSDP planning maps as a future greenfield development area.

11. However, the OSDP and therefore the requested plan change, is required to give effect to the National Policy Statement on Urban Development 2020 (NPS-UD).¹.

Identification of options

12. In determining the most appropriate means to achieve the objectives of the application, four alternative planning options have been developed and are assessed below.
13. These options are:
- a) Option 1: status quo: retain Rural Inner Plains zoning;
 - b) Option 2: Rezone the site for urban residential use zoned Living Z at densities similar to those for existing residential development immediately to the east.
 - c) Option 3: rezone the site for a retirement village.
 - d) Option 4: incorporate the existing residential land immediately to the east and rural land immediately to the west as part of the Living Z zoning. This is similar to the proposed plan change lodged by Te Wai Limited as Plan Change 77).²

Additional options:

A very low density Living 3 Zone was considered but discounted as being untenable in terms of the existing and emerging policy framework for urban development in Selwyn and Greater Christchurch.

14. An alternative process option has also been considered and assessed. This is progressing the proposal through the Selwyn District Plan Review the hearings of which are well underway. However the submission made by the former landowner (Marama Te Wai Limited) is seeking a decision relating to a different proposal, and one which involves a larger area of land³ and a different housing density. While there is a strong argument that the retirement village proposal is within scope of that submission, the Hearings Panel might not accept this view. There would not be another change to pursue the proposal until at least two years after the new plan becomes operative. Te requester has therefore chosen to keep both options open.

¹ Section 75(3)(a)

² Note: Section 32 (2) (b) requires that, if practicable, the benefits and costs should be quantified. The requester considers that in this case, the degree of analyses required, and the assumptions that would be required to make, makes such quantification impractical.

³ Submission ID 460

Summary Table: Evaluation of Options

32 Matter	Option 1: Do nothing: Rural Inner Plains Zone	Option 2: Residential: Living Z	Option 3: Living Z comprehensive medium density (Retirement Village)	Option 4: "PC 77" approach
Cost	<p>Transaction costs: None for applicants.</p> <p>On-going costs for landowners with maintain rural activities and managing any effects on adjoining residential land uses.</p> <p>Comment: This is essentially a maintenance cost.</p> <p>Opportunity cost of limiting the use of the land to rural activities.</p>	<p>Transaction Costs: Time and money cost to applicant for application processes and technical reports, including Council's cost recovery.</p> <p>Private costs associated with the development e.g.</p> <p>Servicing and other development related costs, development contributions for Council services</p> <p>Private transport costs of future residents.</p> <p>Potential public costs on Christchurch City resulting from private vehicle traffic.</p>	<p>Transaction cost as per Option 2</p> <p>Costs are likely to be largely internalised because of on-site community services provided and the demographic profile of potential residents.</p>	<p>Transaction costs as per Option 2 plus additional costs, delays and uncertainties relating to consultation and direct involvement with other property owners.</p> <p>Private transport costs of future residents.</p> <p>Potential public costs on Christchurch City resulting from private vehicle traffic.</p>
S32 Matter	Option 1: Do nothing: Rural Inner Plains Zone	Option 2: Residential: Living Z	Option 3: Living Z comprehensive medium density (Retirement Village)	Option 4: Consents
Benefit	<p>Retention of rural (currently low) output rural production on some of the Site, but potential for more intensive production retained.</p> <p>Retains existing rural/lifestyle character and amenity of current environment.</p>	<p>Additional housing stock with greater choice in typology than currently available, contributing to the growth of West Melton.</p> <p>Implements NPS-UD 2020 by responding to current housing affordability issue.</p> <p>Provides more households to support township services/amenities and facilities. Assists in West Melton achieve its planned role as a service</p>	<p>.</p> <p>Comprehensive development and the ODP provides a framework for integrated land development for internalising effects.</p> <p>.</p> <p>Provides targeted market that meets a special housing need.</p>	<p>Contributes additional supply of 218 lots to market where there is very strong demand and diminishing remaining supply.</p> <p>ODP provides overall plan of integrated land development.</p> <p>Provides more households to support township services/amenities and facilities. Assists in West Melton achieve its</p>

		centre that is planned to grow up to 6000 population by 2031 (District Development Strategy 2014).		planned role as a service centre.
S32 Matter	Option 1: Do nothing: Rural Inner Plains Zone	Option 2: Residential: Living Z	Option 3: Living Z comprehensive medium density (Retirement Village)	Option 4: "PC 77" approach.
Efficiency/ Effectiveness	<p>Efficient productive use potentially restricted due to reverse sensitivity effects.</p> <p>Not the highest and best land use considering the current housing shortage in West Melton.</p>	<p>Effective as it utilises low productivity rural land in a location undergoing rapid urbanisation.</p> <p>Effective in providing for the needs and well-being of landowners according to respective aspirations.</p> <p>Comprehensively provides for extension of the township as planned for in DDS 214 including through the ODP.</p> <p>Effective in meeting West Melton housing needs in an appropriate location, and implements the NPS-UD 2020</p>	<p>As for Option 2 but providing for a specific segment of the housing market.</p> <p>Will provide some local employment opportunities through servicing contracts and supporting facilities and programmes.</p> <p>The point of difference between Options 2 and 4 is its comprehensive medium density which, by its nature, makes more efficient use of the land resource. Retirement Villages free up existing housing stock for other market segments.</p> <p>It will be effective in catering for a very specific market segment.</p>	<p>As for options 2 and 3 but providing a wider choice of housing and would contribute to supporting the local economy.</p>

Risks of Acting or Not Acting

15. The Council's strategic intentions for West Melton are contained in the District Development Strategy 2014 which planned for the town to be a service town of 6000 people by 2031. However, this planned population is unlikely to be achieved through the present areas zoned for residential development, including those recently approved under Plan Changes 59 and 67. The extent of appropriately zoned land does not reflect the reality of a current impending shortage of housing at West Melton in the face of continuing very strong demand. The current estimates project that the population will reach 2760 by 2031.⁴
16. the NPS-UD 2020 also requires that at the end of 10 years the Council is assured that there will be a sufficient supply of appropriately zoned land beyond that point. The risk of not acting in 2020 to re-zone sufficient urban zoned land, and to provide security of land supply over that timeframe, is that West Melton will experience issues of uncatered for demand, undersupply of serviced land and a lurch in land and house prices.
17. The Proposed Selwyn District Plan does not propose to rezone any more residential land at West Melton due mainly to the constraints imposed by the CRPS and rezoning decisions have been delayed for at least twelve months following the enactment of the Enabling Housing Supply and Other Matters Amendment Act. A plan change application will progress just as quickly and will keep options open for the landowner.
18. The applicants have commissioned a range of reports encompassing soil contamination, urban design, integrated transport assessment, geotechnical, and servicing reports to inform and shape the development proposal. Relevant parties have been consulted so their advice and views have been taken in to account in the proposal. There is no risk that a decision will be made in an absence of expert advice and appropriate technical solutions for servicing and design. All these inputs to the proposal mean there is little, if any, uncertain or missing information in relation to this proposal.
19. The risk of the proposed development not proceeding is low in the current economic and social environment. The requester has a proven record in delivering the type of development being proposed, including elsewhere in Greater Christchurch. If, for unforeseen reasons the land is zoned, and development does not proceed in the short term, there is no risk to the Council as all infrastructure is privately funded.
20. It is therefore considered that there are no significant risks of acting to adopt the Plan Change or accept the application.

⁴ Selwyn Growth and Demand 2021 Appendix 1: Population / Household / Dwelling Tables.

Overall Assessment

21. Based on the above assessment, it is concluded that Option 3 to re-zone the Site from Rural Inner Plains Zone to Living Z Zone (Comprehensive Development) is the most appropriate method for achieving the objectives and policies of the relevant statutory documents.
22. Option 3 of the s32 assessment is consistent with the Residential Strategy and a range of District Plan policies and is necessary to move towards the population planned for West Melton in the DDS 2014 and cater for a broadening of housing needs in the short to medium term. The application best takes account of the new NPS-UD 2020 and the significant shortage of housing land at West Melton in the face of very strong demand.
23. Compared to the other options, Option 3 to re-zone the whole site Living Z to provide for a comprehensively designed retirement village is the most appropriate given:
 - a) the proposals adopt an Operative District Plan zone, and development and activity standards. This ensures continuity of District Plan anticipated environmental outcomes and urban amenity for West Melton and adjoining residential areas;
 - b) will be consistent with and give effect to the relevant Operative District Plan objectives and policies taken as a whole.;
24. it is a logical extension to the developed and developing residential land adjoining the Site while achieving a compact, efficient urban form that removes pressure on isolated rural land elsewhere in the Rural Inner Plains Zone. The adoption of the Living Z Zone in the proposal is considered to be appropriate to achieve the long term sustainable growth and development of West Melton.
 - c)
25. The public economic, social and environmental benefits of the proposal outweigh the potential costs. The proposal is considered to be the most appropriate, efficient and effective means of achieving the purpose of the Resource Management Act 1991