

Te Rautaki Whakawhanake i te Āpōpō o Rotorua Rotorua Future Development Strategy 2023



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Contents

1.0 Mayor’s Foreword	4
2.0 Introduction	5
2.1 What is the Rotorua Future Development Strategy?	5
2.2 Where it fits	5
2.3 The process	5
2.4 Where it applies	6
3.0 Wider Context	8
4.0 Opportunities and Constraints	10
4.1 The Analysis Process	10
4.2 Spatial Extent of the Constraints	10
4.3 Residential Opportunities and Constraints	13
4.4 Business Opportunities and Constraints	14
5.0 Iwi and Hapū Values and Aspirations	15
5.1 Rotorua Mana Whenua	15
5.2 Te Arawa 2050 Vision (Te Tatau o Te Arawa)	18
5.3 Te Arawa Cultural Values Framework (Te Arawa Lakes Trust- TALT)	18
5.4 Housing and Growth Aspirations	19
5.5 A Focus on Wellbeing	19
5.6 Aspirations for Key Locations	21
6.0 The Growth Picture	23
6.1 Responding to Change	23
6.2 Population and Household Growth	23
6.3 What type of Houses will be needed?	24
6.4 Housing Affordability	25
6.5 Impact of Development Constraints on Feasibility	26
6.6 Actions underway to enable more housing	26
6.7 Future Business Needs in Rotorua	27
7.0 Strategic Response	28
7.1 Immediate Priorities	28
7.2 Considering Growth Scenarios	29
7.3 The Growth Strategy - What the Future of Rotorua Looks Like	31
8.0 Achieving Strategic Outcomes.....	33
8.1 Connection – Thriving City Centre supported by Local Centres	34
8.2 Access – A Compact City	38
8.3 Prosperity - A Strong Economy	42
8.4 Choice – Housing Choices meet Diverse Needs	45
8.5 Culture – Te Arawa Reo, Tikanga and Values	47
8.6 Environment – Protection and Enhancement	50
8.7 Resilient – Effects of Climate Change and Natural Hazards	52
8.8 Investment – Smart, Safe and Reliable Infrastructure	56
8.9 Residential Capacity	58

8.10	Business Capacity	60
9.0	Staging of Development	61
10.0	Implementation	65
10.1	Approach to Implementation	65
10.2	Locality Plans	65
10.3	Implementation Plan	74
10.4	10.4 Process for Delivering Development	74
10.5	10.5 Working with Partners	75
10.6	Monitoring and Review	75

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1.0 Mayor's Foreword

Tēnā koutou katoa,

Our Council aspires to deliver a great future for Rotorua. To ensure we can do this, we need to plan well for growth alongside our community.

The Rotorua Future Development Strategy is our long-term roadmap for the development of a well-functioning urban environment that ensures the social, economic and cultural wellbeing of our Rotorua community. This Strategy replaces the 2018 Rotorua Spatial Plan and sets the direction on how and where growth will happen in Rotorua over the next 30 years.

Our community told us that Rotorua needs more homes and employment opportunities to meet the needs of our increasing population. In 2021, the Rotorua Housing and Business Development Capacity Assessment confirmed this and outlined that over the next 30 years Rotorua will need more than 9,700 homes and also more space for businesses to establish themselves here.

The Future Development Strategy will guide future growth planning and investment decisions to help us meet this demand and will be implemented through other Council plans and strategies, including the District Plan, Long-Term Plan and Infrastructure Strategy.

Working together with Toi Moana Bay of Plenty Regional Council, we have carefully listened to feedback from our community, key partners and stakeholders and the Future Development Strategy captures the overall support for managing growth well.

Growth creates opportunities – it means more homes to choose from, more jobs in a variety of industries, a flourishing economy, and building and enhancing our communities.

Council's role in growth isn't about physically building homes and businesses. Our role is to facilitate and manage growth in the right places. This can look like District Plan changes to free up land for development, partnering with key agencies, and ensuring infrastructure is in place and ready for future homes and businesses to use to achieve positive growth outcomes.

The Future Development Strategy is reviewed every three years, with a full update required every six years. The three-yearly review of the Strategy and ongoing monitoring of development will help us to evaluate how fast our urban areas are growing, and whether there is a need to speed up or slow down our response to demand.

Our Council, alongside Toi Moana Bay of Plenty Regional Council, is very pleased to be able to deliver a Future Development Strategy that will guide well managed growth in Rotorua to ensure we have a well-functioning urban environment now and into the future, and that the things we love most about our unique natural environment are protected.

Ngā mihi,

Tania Tapsell

Rotorua Mayor

2.0 Introduction

2.1 What is the Rotorua Future Development Strategy?

The Rotorua Future Development Strategy (FDS) will **promote long-term strategic planning** by setting out the broad locations for residential and business growth to meet demand over the next 30 years, and the infrastructure necessary to support it. The requirements for an FDS are set out in detail in Part 3 of the National Policy Statement on Urban Development 2020 (NPSUD).

This is the first FDS for Rotorua and has been prepared jointly with the Bay of Plenty Regional Council to ensure alignment with other sub-regional spatial plans. This will provide a consistent starting point to inform the first Regional Spatial Strategy for the Bay of Plenty region if/when one is prepared under the Spatial Planning Act 2023.

The draft FDS was notified for public consultation on 1 June 2023 and submissions were heard by a joint panel of councillors from Rotorua Lakes Council and the Bay of Plenty Regional Council, supported by an independent chair. The FDS was adopted in November 2023.

2.2 Where it fits

The FDS is a key strategic document for Rotorua that will guide future growth planning and investment decisions. It will be implemented through other Council plans and strategies, including place-based plans, the District Plan, Long-Term Plan and Infrastructure Strategy.

The FDS is regularly reviewed to ensure that it is up to date and reflects current knowledge about the market, and constraints on development. Other statutory planning documents like the District Plan must have regard to it (consider it). The FDS replaces the Rotorua Spatial Plan 2018 but builds on the work that has been done since then to implement that plan.

2.3 The process

The FDS has been informed by a wide range of feedback, data and analysis based on the requirements of the NPSUD and related policy documents, forming a strong evidential basis. This includes:

The Information Base

- The Rotorua Spatial Plan 2018 and the work that has occurred since then to implement that plan.
- Rotorua Housing and Business Capacity Assessment 2021.
- Relevant existing Rotorua plans and strategies including the 2021-2031 Long-Term Plan and its corresponding 30 Year Infrastructure Strategy.
- Data on constraints held by the Rotorua Lakes Council and the Bay of Plenty Regional Council.
- Rotorua Housing Plan Change 9 – Housing for Everyone, including supporting evidence and issues raised through submissions.
- Technical analysis commissioned for the FDS, including development capacity assessments, accessibility analysis and transport analysis.

- Direct feedback from stakeholders, iwi and hapū, students and the wider community across a number of stages, including informal meetings and workshops, and formal submissions and hearings.

The Steps in the Process

- Analysing development constraints in Rotorua, based on existing and new information.
- Developing outcomes and an evaluation framework to guide decision making.
- Talking with stakeholders, iwi and hapū and the community to better understand the nature of constraints and aspirations for development.
- Developing different spatial scenarios for accommodating growth in Rotorua.
- Analysing the spatial scenarios and testing them with stakeholders and the community.
- Developing a preferred scenario and identifying the supporting strategic infrastructure.
- Formal public consultation on the draft FDS, including submissions and hearings.
- Analysis and deliberations by decision-makers from both councils and an independent commissioner (as the chair)
- Amendments to finalise the FDS for adoption.

Supporting Technical Report

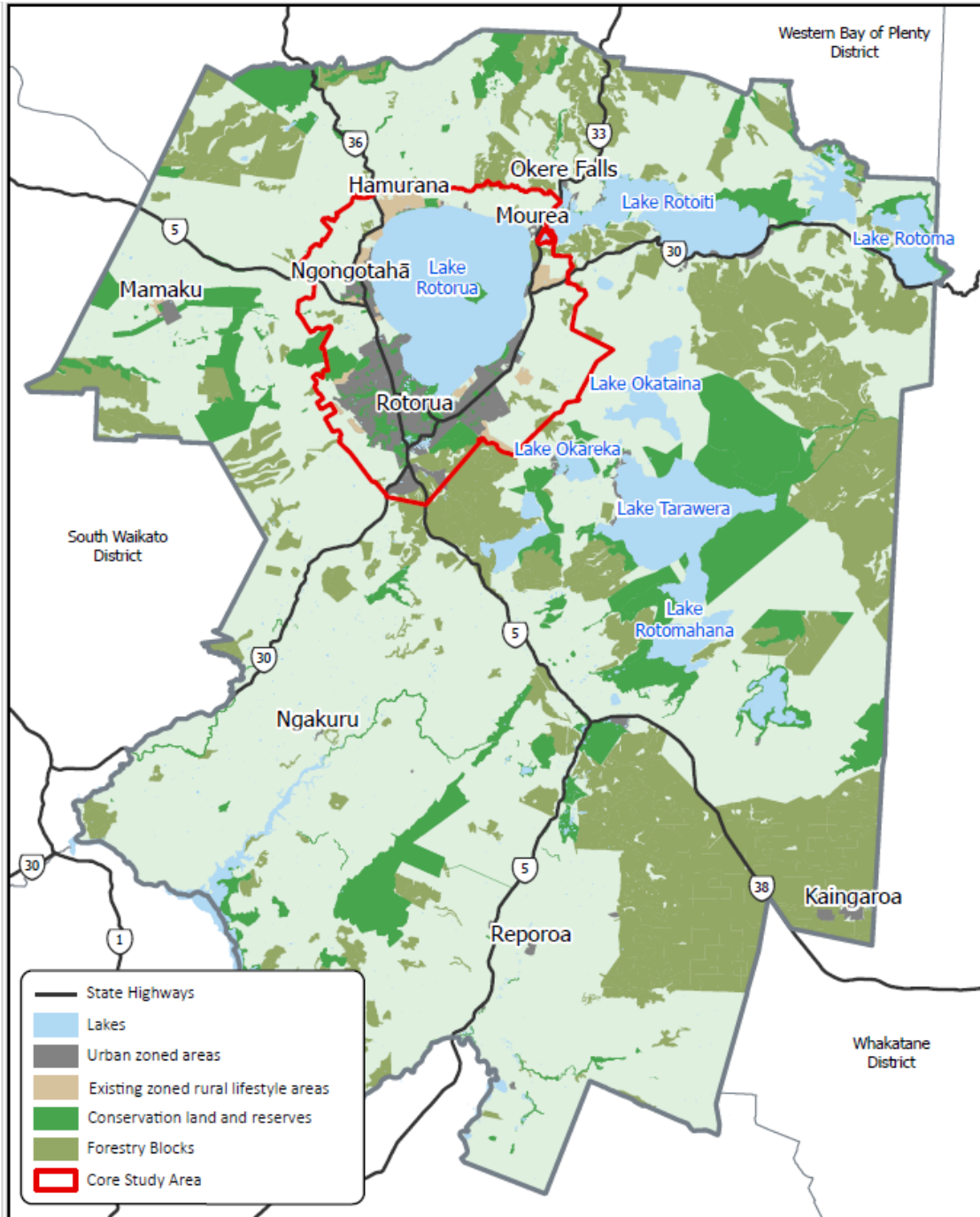
The range of technical work undertaken to inform the FDS is summarised in the Rotorua Future Development Strategy Technical Report. The report provides a summary of the development process, and the outputs of the engagement undertaken. It also includes the technical analysis commissioned to inform the FDS.

2.4 Where it applies

Rotorua covers a land area of 261,906 hectares, with 8% made up of lakes and a substantial proportion of the land area is rural, under natural forest and agriculture. The city was formed in 1880 close to the Māori villages of Ōhinemutu and Whakarewarewa. The central business district started taking shape during a period of expansion in the 1920s. The built residential areas expanded further, developing into an established urban area surrounded by geothermally active sites.

The geographic scope of the FDS is focused on the urban area and surrounds (core study area), given that this will be where most of the future growth will be concentrated in proximity to existing housing, employment, and education opportunities.

The FDS has considered whether there is enough land to cater for expected levels of growth within the settlements outside of the urban area, and has addressed iwi and hapū aspirations for development.



Map 1: FDS project area extent

3.0 Wider Context

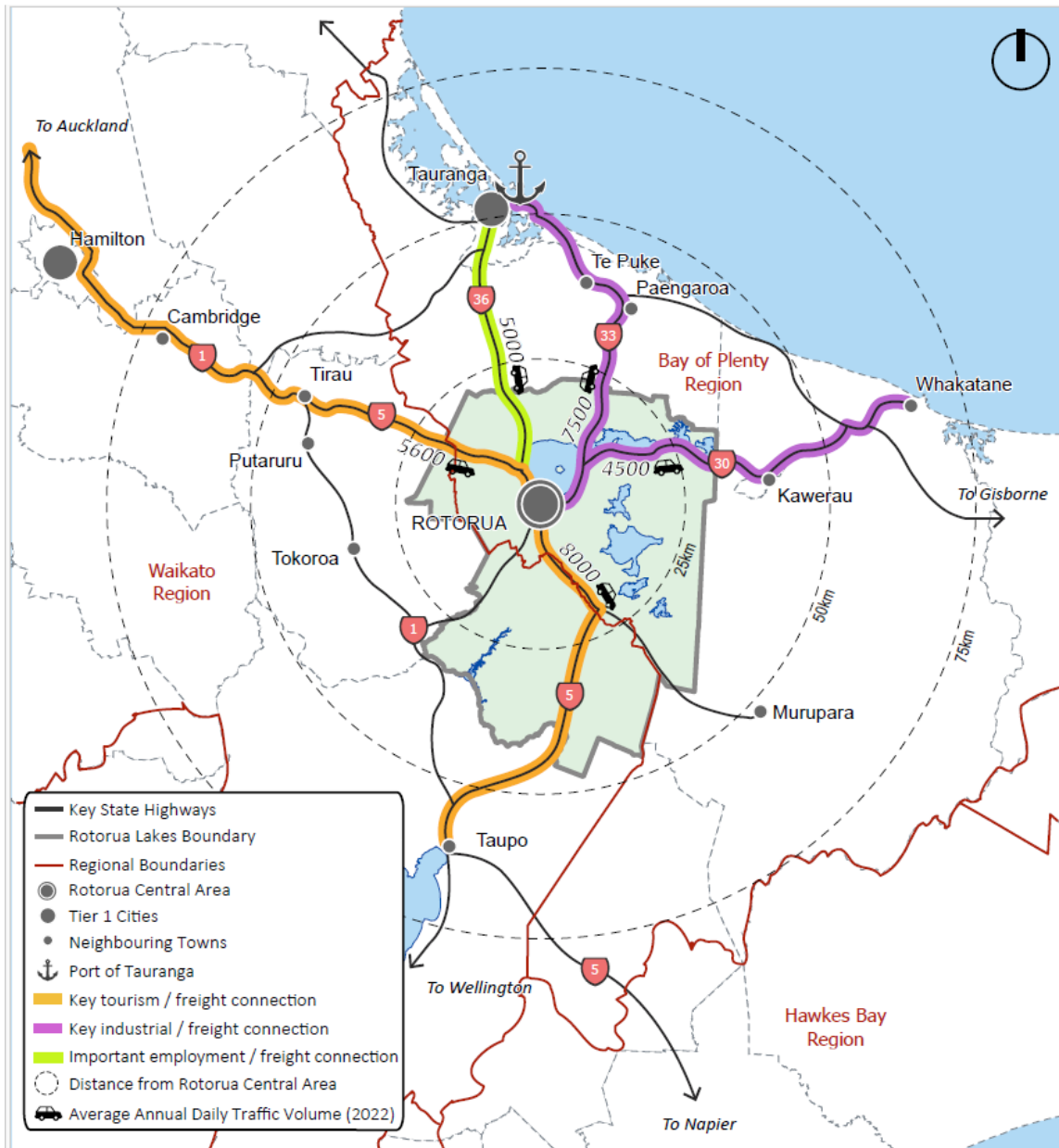
The Rotorua district lies centrally within the North Island. The district sits across two regional boundaries, however, the greater proportion, including Rotorua city, falls within the Bay of Plenty region. Rotorua is an important connection for the cities and towns of Whakatāne, Taupō, Hamilton and Tauranga. Given the inter-connected nature of these places, considering the wider context in which growth occurs has been an important part of developing the FDS.

The Bay of Plenty economy is supported by key export industries including agriculture, horticulture, forestry, and tourism; together with healthcare, social services, and the construction sector. Agriculture, forestry and manufacturing as key sectors, collectively contribute to almost 20% of the Gross Domestic Product (GDP) in Rotorua. Economic connections are therefore particularly important, with State Highway 33 being the main freight route from Rotorua through to the Tauranga Port. These links extend beyond the region and form part of the wider freight network for the upper North Island via State Highway 5. Tauranga Port is New Zealand's largest and fastest-growing port that handles a third of all New Zealand cargo and nearly 40% of New Zealand exports. The role of the Port as a gateway to international markets is therefore critical to both the regional and national economy. The connection to the Port will strengthen even further as the Rangiuru Business Park develops near Paengaroa. The eastern connection along State Highway 33 has therefore been a key driver in defining new locations for business growth in Rotorua through the FDS.

The connection north to Tauranga via State Highway 36 is another key consideration. The scale of the planned Western Corridor in Tauranga will have a strong influence on surrounding growth and commuting patterns in the future. The Tauranga Western Corridor will provide significant opportunities for additional housing and industrial activities across about 1,000 hectares of land. This includes about 17,000 additional homes along with the creation of thousands of new jobs. At about 40 minutes from Ngongotahā, this will create a significant employment draw for future residents on the western side of Rotorua.

In 2022 tourism contributed 231 million to the GDP in Rotorua. Tourist flows to Rotorua are mainly from the north via State Highway 5, which extends through the city on the Thermal Explorer Highway to Taupō. This provides an important tourist connection through the city that can be reinforced with quality attractions and features that offer a unique experience. The quality of the entranceways to Rotorua via Ngongotahā and Whakarewarewa will remain important to support a positive tourist experience and attract greater investment in a key local industry. Another gateway to and from the Central North Island is the Rotorua Airport with approximately 260,000 passengers travelling via the airport per year for both tourism and business, through its daily direct flights from Auckland, Wellington and Christchurch.

Given the importance of this wider context, we have worked directly with the Bay of Plenty Regional Council and engaged other councils in the Waikato and Bay of Plenty regions to develop the FDS. The aim has been to achieve a good degree of alignment with councils from the Bay of Plenty in particular, with the preparation of a Regional Spatial Strategy, a possibility in the future.



Map 2: Rotorua wider spatial context

4.0 Opportunities and Constraints

4.1 The Analysis Process

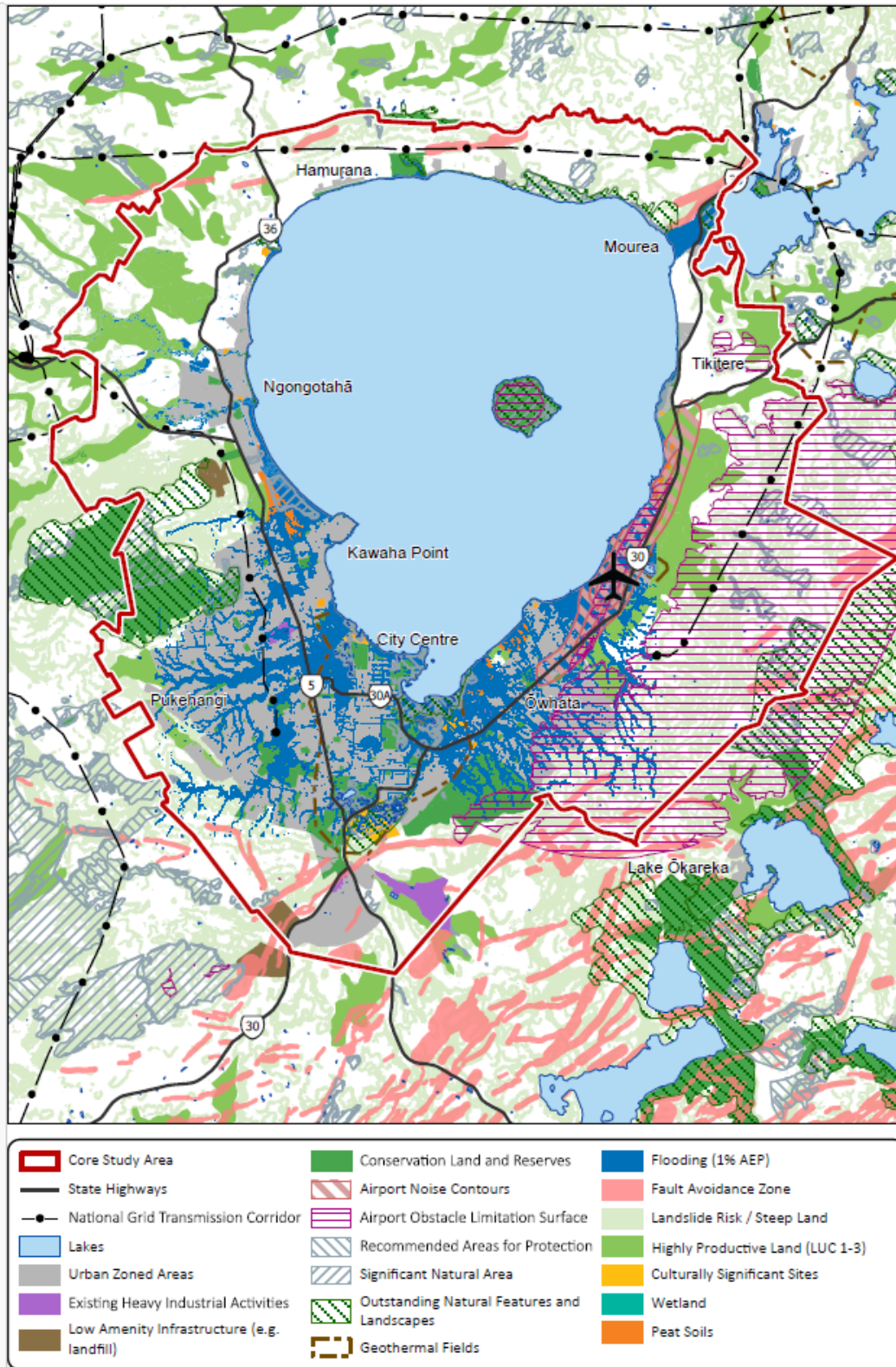
The FDS considers the opportunities and constraints related to urban growth and development. This process has drawn on information from a range of sources including:

- Geospatial data from local and central government.
- Technical reports (e.g. economic modelling, accessibility analysis, transport analysis).
- Hui with a range of iwi and hapū groups.
- Engagement with elected members.
- Stakeholder and community engagement.
- Existing strategic planning documents (including the Rotorua District Plan, Rotorua 2018 Spatial Plan, and National Policy Statements).

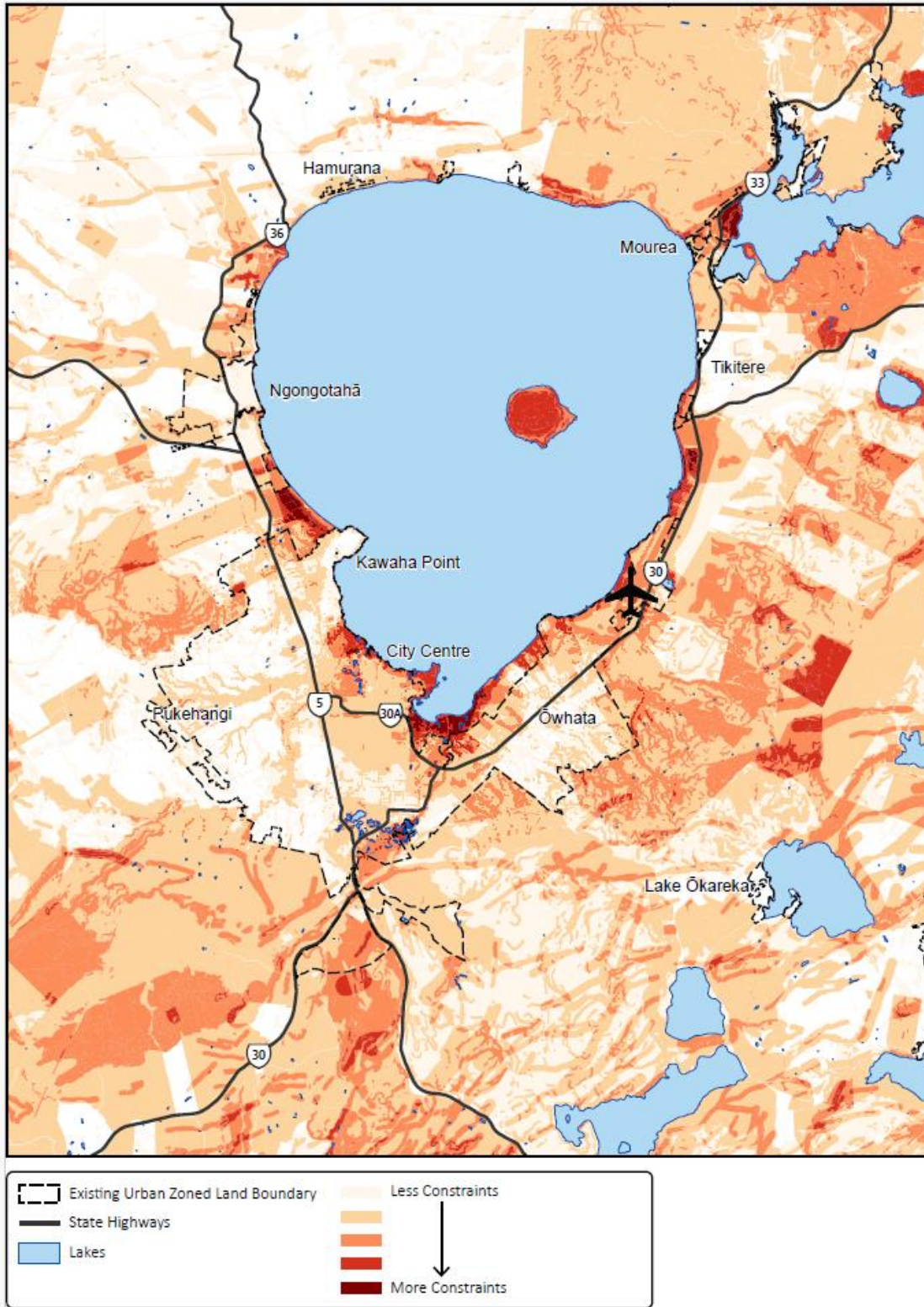
4.2 Spatial Extent of the Constraints

The location of areas that are subject to development constraints (e.g. natural hazards) or areas which require protection (e.g. wetlands and highly productive land), impact where and how future urban development and growth may occur in and around Rotorua.

Map 3 below shows the spatial extent and location of a range of constraints relative to the existing urban area of Rotorua, which, has informed how the potential locations for growth were initially identified and analysed. Map 4 combines all constraints displayed in Map 3 to create a “heat map” to help identify those areas where future development may be more challenging, due to the presence of several overlapping constraints. There are other constraints that are not mapped below but which have a significant influence on the costs of urban growth and when and how it occurs. This includes both limits on nutrient losses to Lake Rotorua aimed at improving water quality, and infrastructure provision generally.



Map 3: Constraints extent map



Map

4: Constraints heat map

4.3 Residential Opportunities and Constraints

At its simplest, accessibility refers to the ability of people to move around the city easily. A well-functioning urban environment is one that has good accessibility between housing, jobs, community services and open spaces, especially by public and active transport. Areas that are already accessible are usually good locations for growth as this enables more focussed investment in supporting infrastructure, particularly transport.

An accessibility analysis was undertaken and indicates that areas around Rotorua city centre (extending south to Glenholme), the Te Ngae Shopping Centre in Ōwhata, and to an extent Ngongotahā town centre, are the most accessible locations in the Rotorua urban environment. They provide the best opportunity for accommodating a significant portion of future residential growth requirements.

Intensification around the city centre may be constrained by geotechnical (including geothermal) and flooding hazards. However, this area features a notable concentration of commercial and community activities that provide important amenity for existing and future residents. Any hazards identified will increase the cost of intensification and redevelopment, which may affect feasibility. This will need to be monitored closely in the future.

There are generally fewer constraints located in and around Ngongotahā, although there are known flood hazards – especially around the Ngongotahā Stream and other waterways that flow through the area. However, development also provides opportunities to re-establish (former) wetlands to help address stormwater quantity and quality issues in this location. Further north through to Hamurana, properties with a lake view have been identified by stakeholders as desirable areas for new development.

The current Air Noise Contours and Obstacle Limitation Surface associated with Rotorua Airport restrict some residential development potential across the eastern side of the city. However, there is interest in development around the lakefront in Ōwhata and development is occurring on the slope east of State Highway 30, taking advantage of elevated, north-western views over Lake Rotorua. These areas have been identified as desirable areas for new development by both iwi and developers. In addition, some areas of highly productive land have been identified in this area and would require further investigation to determine the suitability for development.

There are fewer constraints west of Rotorua towards Pukehāngi, although Mount Ngongotahā and the general topography likely limits expansion of the urban area in this location. This area is also relatively isolated from important commercial and community services. Urbanisation of this area also has the potential to increase downstream flooding risks for existing homes.

Areas south of Rotorua are heavily constrained by topography and the presence of the Ngakuru series of active faults. This area is also isolated from important commercial and community services.

Based on the analysis undertaken and feedback received throughout engagement, there are two main opportunities for expansion of the Rotorua urban area – eastwards along State Highway 30 towards Rotorua Airport, and northwest along State Highway 5 and State Highway 36 around Ngongotahā. Both locations have several constraints that require further investigation and more detailed planning to confirm their overall suitability for development.

4.4 Business Opportunities and Constraints

On the eastern side of the city the State Highway 30 connection through to the Port of Tauranga (via State Highway 33) and the industrial area of Kawerau (via State Highway 30), was identified by a number of stakeholders as being an important driver for business growth. This area also benefits from co-location with existing business/industrial uses to help maintain access to nearby supply chains.

The alternative route north to the Port of Tauranga, State Highway 36 that passes through two gorges, is not the most direct route and is slower for heavy goods vehicles, resulting in increased costs for freight. As such, larger scale industrial development around Ngongotahā was not considered desirable.

In terms of physical constraints, land in Ngongotahā and in the eastern side of the city is relatively flat and held in large parcels that is suited to the scale of development required for business uses. Both locations have a range of cultural values (e.g. proximity to Marae), and natural hazards that require further investigation and more detailed planning to confirm their suitability for business uses.

The Obstacle Surface Limitations (which limits development heights to protect the airport operation) on the eastern side of the city does create a potential constraint on larger business/industrial buildings being developed in this area. Development of a scale consistent with the Eastgate Business Park however, would not impact negatively on airport operations.

Land to the south around the Puarenga Stream is more challenging than alternatives, in terms of topography and geotechnical hazards. Much of this land is already zoned for industrial uses but development to date has been limited. Also, in the south to the east of State Highway 5 there remains potential for further intensified industrial/business development around the Red Stag/Waipā State Mill site.

5.0 Iwi and Hapū Values and Aspirations

5.1 Rotorua Mana Whenua

The Rotorua district is the ipukarea (ancestral home) of Te Arawa iwi and hapū, with Raukawa and Ngāti Tūwharetoa also having ancestral connections in parts of the district.

Te Arawa is a confederation of iwi and hapū with mana whenua throughout the Rotorua district (and beyond). Most Te Arawa iwi and hapū have entered into Treaty settlements and are represented by post-settlement entities. The exception is Ngāti Whakaue, a large Te Arawa iwi with mana whenua through most of the Rotorua urban area, who have not yet completed their comprehensive Treaty settlement, and are reflected as:

- *Pukeroa Ōruawhata Trust* - Partial Treaty settlement including the return of lands within the Pukeroa Ōruawhata block (which comprises the central business district and surrounding areas); and
- *Te Kōmiti Nui o Ngāti Whakaue* - Mandated some years ago to negotiate a comprehensive settlement. Received partial settlement (a share in the CNI forestlands). Not currently in negotiations with the Crown.

The following settlements have been reached with iwi and hapū within Te Arawa:

Table 1: Te Arawa Iwi and hapu that have completed their treaty settlements

Iwi Entities	Iwi/Hapū	Date Settled
Pukeroa Ōruawhata Trust	Ngāti Whakaue	1993
Te Arawa Lakes Trust (TALT)	Te Kawatapuurangi Te Ure o Uenukukōpako Tūhourangi	2004
Te Pūmautanga o Te Arawa Trust (TPT)	Ngāti Kearoa-Ngāti Tuarā Ngāti Ngārarānui Ngāti Pikiāo Ngāti Rongomai Ngāti Tahu-Ngāti Whaoa Ngāti Tarāwhai Ngāti Te Roro o te Rangī Ngāti Tuteniu Ngāti Tura-Ngāti Te Ngākau Ngāti Uenukukōpako Tūhourangi-Ngāti Wāhiao	2008
Central North Island Collective (CNI)	Ngāi Tūhoe Ngāti Manawa Ngāti Rangitihī Ngāti Tūwharetoa Ngāti Whakaue Ngāti Whare Raukawa Te Pūmautanga o Te Arawa	2008
Te Arawa River Iwi Settlement (TARIT)	Ngāti Kearoa-Ngāti Tuarā Ngāti Tahu-Ngāti Whaoa	2010

Iwi Entities	Iwi/Hapū	Date Settled
	Tūhourangi-Ngāti Wāhiao	
Ngāti Mākino Iwi Authority	Ngāti Mākino	2011
Te Maru o Ngāti Rangiwewehi Iwi Authority	Ngāti Rangiwewehi	2012
Raukawa Settlement Trust	Raukawa	2012
Ngāti Rangiteaorere Koromatua Council (NRKC)	Ngāti Rangiteaorere	2013
Te Mana o Ngāti Rangitahi Trust	Ngāti Rangitahi	2020

Potential for the development of Māori owned land is different for every block and depends on owners' aspirations and the location and state of the land. The Te Ture Whenua Māori Act 1993 (or Māori Land Act 1993) recognises that land is a 'taonga tuku iho' or an ancestral treasure handed down and promotes the retention of land while also facilitating the occupation, development and utilisation of whenua Māori by its owners and their whānau, hapū and descendants. Aspirations for whenua Māori may therefore include economic, cultural, environmental or social outcomes, or combinations of these. As shown in the map below in most cases, the land takes the form of a 'block', which may be an amalgamation of one or more lots.



Map 5: Whenua Māori, Marae and Cultural Villages within the urban area

5.2 Te Arawa 2050 Vision (Te Tatau o Te Arawa)

In developing the FDS, we asked iwi and hapū to contribute their whakaaro, values and aspirations for the district. Iwi and hapū provided their feedback kanohi ki te kanohi, (face to face) and in writing, as well as reiterating it in the existing iwi planning documents that recorded their values and aspirations.

Te Matakiteinga a Te Arawa | Te Arawa 2050 Vision is a key guiding document for Tāngata Whenua and expresses Te Arawa iwi and hapū aspirations at a strategic level. Te Matakiteinga describes the unique strengths and values of Te Arawa, and sets out goals within seven key strategic areas:

- Te Arawatanga | Te Arawa Culture
- Te Arawa Tangata | People
- Te Arawa Takiwā | Place
- Te Arawa Ōhanga | Enterprise and Economy
- Te Arawa Urutau | Technology and Innovation
- Te Arawa Rangitiratanga | Leadership and Influence
- Te Arawa Tūhononga | Unity and Connection

5.3 Te Arawa Cultural Values Framework (Te Arawa Lakes Trust- TALT)

The Te Tūāpapa o nga Wai o Te Arawa sets out Te Arawa values in relation to the long-term aspirations for the Te Arawa lakes. It describes values of Wai, including Wai ariki (the spiritual values of wai) – Wai ora (the life-sustaining properties of wai, the health of people and lakes) - Wai rua (the intrinsic values associated with wai, the relationship between people and lakes) – Wai ata (cultural identity and whakapapa korero associated with wai).

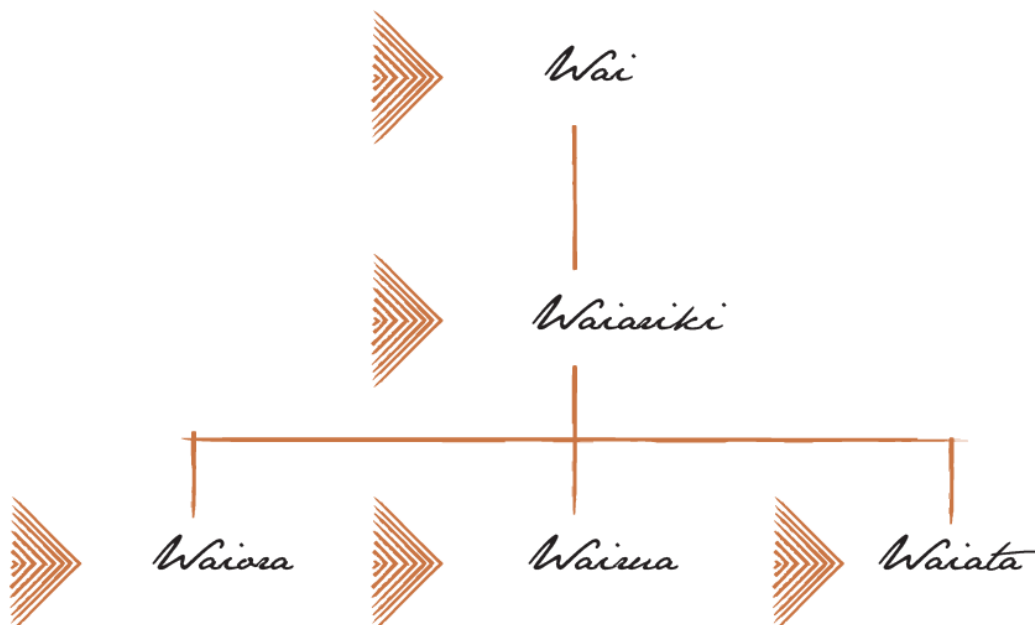


Figure 1: Te Tūāpapa o ngā Wai o Te Arawa -Te Arawa Cultural Values Framework

The Te Arawa Vision 2050 and Te Tūāpapa encapsulate some of the key aspirations and values of Te Arawa – **to enable sustainable growth that ensures social, cultural and economic wellbeing for communities, while ensuring the protection, restoration and mana of taonga tuku iho.**

Visit <https://www.tearawavision.nz> to view the full Te Arawa 2050 Vision.

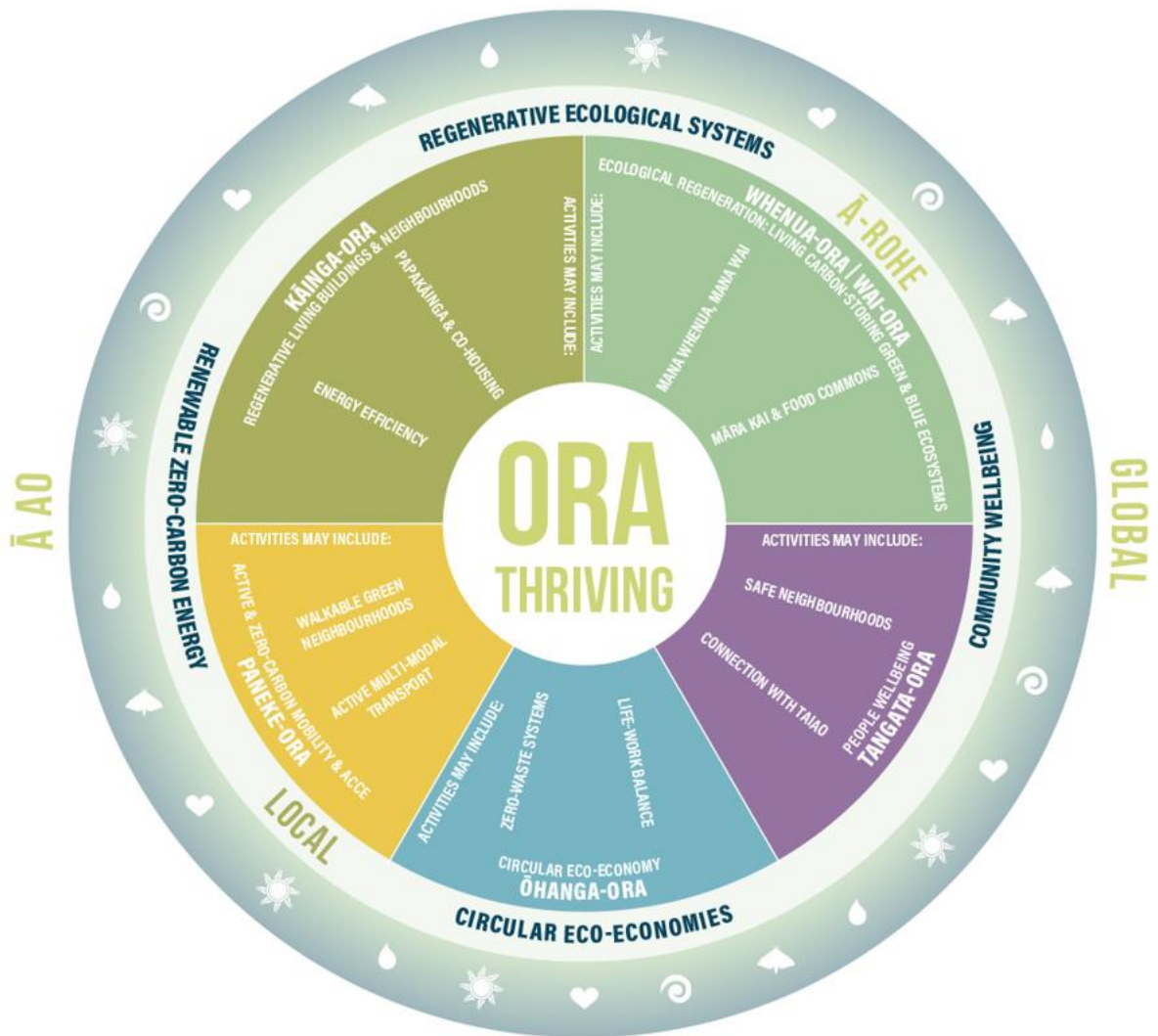
5.4 Housing and Growth Aspirations

Building on this, under the broad themes of housing and growth, iwi and hapū expressed:

- **Protect the taiao:** A strong desire to protect and enhance the natural environment as change and growth happens, including through the use of green infrastructure, in both rural and urban areas. This includes the desire to restore the mauri of lakes and rivers, to protect native species and their habitat (particularly traditional mahinga kai and rauemi) and to better reflect and protect cultural landscapes (as well as specific wāhi tupuna) within council planning documents.
- **Flourishing mana whenua communities:** The future development of the Rotorua district must support iwi and hapū communities to flourish and thrive. It includes ensuring that there are warm, dry and affordable homes for iwi and hapū members and enabling sustainable economic development by iwi and hapū. It also means careful planning so that future development does not displace or exclude Te Arawa people and instead prioritises and reflects their needs and aspirations. Te Arawa also strongly supported the reduction and removal over time, of existing development that is incompatible with traditional papakāinga.
- **Relationships:** Iwi and hapū expressed strong support for a more integrated, holistic approach to decision-making. This includes the need for better coordination and integration amongst Council and Government agencies to recognise, provide for and support iwi and hapū development aspirations and to remove barriers to development. It also includes a desire to strengthen iwi and hapū participation in central and local government decision-making as Treaty partners, as mana whenua, and as kaitiaki.
- **Papakāinga:** Iwi and hapū support the need to celebrate and provide for the ongoing, lived expression of traditional patterns of settlement. They also support enabling new papakāinga settlements to be established (including by providing rural and urban infrastructure). There is a need to take a wider view of papakāinga, which is centered on mana whenua values and traditions – it is more than whānau housing and includes all of the activities that enable a community to thrive. Iwi and hapū want council to recognise and enable this in its planning frameworks.

5.5 A Focus on Wellbeing

The Te Arawa 2050 Vision recognises as a priority that the wellbeing of 'our taiao' is intimately connected with the wellbeing of people. As part of supporting this vision, Te Tatau o Te Arawa worked with Auckland University of Technology and the University of Canterbury in developing the **Mauri Ora Housing Development Wellbeing Compass** (The Wellbeing Compass). The Wellbeing Compass seeks to place the wellbeing of people, culture and te taiao at the core of the future housing provision and urban development in Rotorua at a range of scales from the city through to an individual site.



MAURI, WHAKAPAPA, WHANAUNGATANGA, MANAAKITANGA

MAURI-ORA: PLANETARY WELLBEING

- 

PAPA-ORA | ECO-DIVERSITY
- 

MATA-ORA | ECO-INTEGRITY
- 

RANGI-ORA | BALANCED TEMPERATURE
- 

WAI-ORA | BALANCED WATER CYCLE
- 

HAPORI-ORA | COMMUNITY WELLBEING

Figure 2: Mauri Ora Housing Development Wellbeing Compass concept

The figure above is an abridged version of the Wellbeing Compass. Visit the following link: [COMPASS 17NOVwithTohu\(1\).1.pdf \(tetatau.nz\)](#) to view the full Wellbeing Compass in detail.

In line with the FDS Outcomes, the Compass sets out actions that emphasise the need to take an integrated holistic approach to social, cultural and ecological wellbeing. Amongst other considerations the Wellbeing Compass emphasises:

- The efficient use of land through compact urban development with housing and neighbourhoods that connect.
- The design of neighbourhoods that celebrate social connection, are safe and age friendly.
- The need to address carbon emissions by increasing the amount of nature or greenspace in the city, creating walkable neighbourhoods, and providing for affordable and efficient transport between centres.

The Wellbeing Compass visualises these approaches on one page to help with integrated decision making on these important matters. This Wellbeing Compass therefore provides a good framework to consider as we implement the actions from the FDS.

5.6 Aspirations for Key Locations

We also heard from iwi and hapū, including Māori landowners, about more specific aspirations for sites and areas to develop, protect, and/or change the current land use:

- **City Centre:** Ngāti Whakaue (particularly through Pukeroa Ōruawhata Trust and Ngāti Whakaue Education Endowment Trust) have significant landholdings and investments in the city centre. They will continue as important partners in developing and revitalising the city centre, including the Wai Ariki Hot Springs & Spa, the central mall and gifted reserves.
- **Ngāpuna:** Hapū reiterated a strong desire for council to change the land use around the village and to relocate the heavy industry, which negatively impacts the people living there. There was also a desire to retain the scale of papakāinga in the village.
- **Ōhinemutu and Whakarewarewa:** Hapū generally expressed a desire to retain the scale and extent of papakāinga in the village and some supported extending them beyond the current boundaries. Maintaining the special character and values of the villages were generally expressed as being important.
- **Ngongotahā and western area:** Hapū sought warm, dry and affordable homes for their people, while Ngāti Rangiwēhi expressed a desire to establish papakāinga and enable development around Tarimano Marae, including on land further south along State Highway 36. Ngāti Tura / Ngāti Te Ngākau and Ngāti Ngārarānui near Ngongotahā expressed aspirations for papakāinga, better use of industrial land, and protection of the taiao as growth occurs. Ngāti Whakaue Tribal Lands also has significant landholdings in and around Ngongotahā and expressed support for relocating industrial activities away from the centre and developing land at the southern extent of Ngongotahā
- **Wider Eastside:** Ngāti Uenukukōpako expressed aspirations to continue establishing papakāinga on their lands and were not opposed to the concept of more business land on the Eastside, but were of the view that it should be designed in an environmentally, socially and culturally sustainable way, as an extension of the Eastgate Business Park. Ngāti Whakaue Tribal Lands also supported this outcome. Hapū and iwi across the Eastside expect that the Future

Development Strategy will enable Te Oranga Nui - Rāwhiti mai (the Eastside Community Wellness Plan).

- **Tikitere:** Ngāti Rangiteaorere have strong aspirations to develop their ancestral lands for a new community at Tikitere, spanning from Mātaikōtare (Waiōhewa) marae in the west, to Lake Rotokawau in the east. Strong visual and physical links connect the proposed development areas, with the culturally significant locations of Mātaikōtare (Waiōhewa) marae and Mokoia Island.
- **Lake Rotoiti:** Iwi and hapū wish to continue the development of papakāinga (including associated community activities) on Māori land around Lake Rotoiti. We also heard requests for support to achieve this, including with infrastructure and through council processes.
- **Lake Tarawera:** Ngāti Rangitihi and Tūhourangi expressed aspirations to establish papakāinga and marae to support a return of their people to Lake Tarawera. As in the case above, we also heard requests for support to achieve this, including through infrastructure and council processes. Iwi and hapū expressed a wish to continue using their traditional lands and resources for cultural tourism activities, and to foster a lived connection for iwi and hapū members.

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6.0 The Growth Picture

6.1 Responding to Change

The starting point for the FDS is understanding how much residential and business growth to plan for over the next 30 years and what future communities will look like: how old will they be? What will their income be? What is their ethnicity? This information will help make sure the right type of housing and business opportunities are available to meet their needs in the right locations.

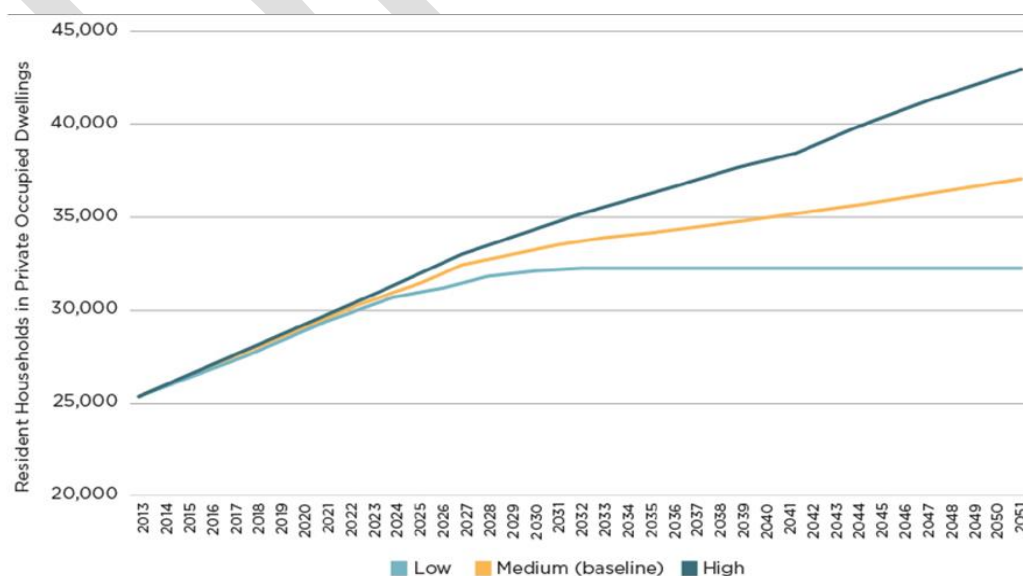
Within the 30-year timeframe, the FDS considers demand in the **short term** (three years), **medium term** (ten years) and **long term** (30 years) given that housing and business needs will look different over these time periods.

At the same time, it is important to understand how much, and what type of land is needed to support businesses to establish and grow in the future. Ensuring Rotorua has quality and affordable housing will also be an important part of attracting businesses to locate in Rotorua.

The **FDS must be informed by the latest Housing and Business Development Capacity Assessment** which was completed for Rotorua in 2021 and the key outcomes of this work are referred to in the sections that follow. It is important to note that today’s forecasts for population growth and demographic change in the future, may turn out differently than expected. The future cannot be predicted with complete accuracy. Economic shocks, natural disasters, pandemics, higher or lower than expected immigration, and other events may speed up or slow down the growth rate in Rotorua. The FDS responds to this by providing a range of options for housing and business growth and committing to monitoring and staging development in response to up-to-date information on growth rates and changes in the market.

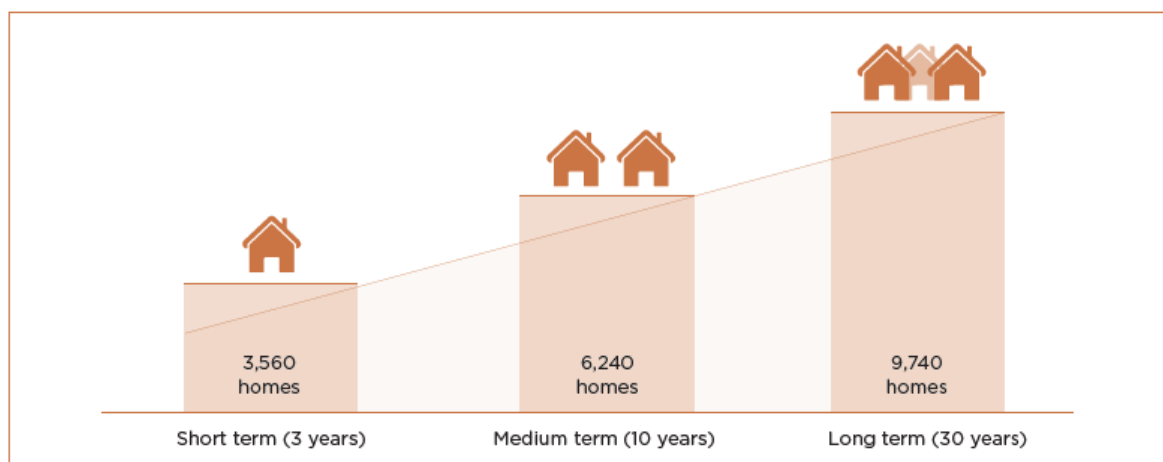
6.2 Population and Household Growth

After a period of low growth, Rotorua has experienced sustained levels of growth from 2013. The current resident population of the Rotorua District as of March 2023, was 78,200. Growth projections from Infometrics show that household numbers are projected to increase by 27% (7,800 households) in the long term (shown as the middle curve in the graph below).



Graph 1: Rotorua’s Household Growth Projections 2020-2050 (Rotorua HBA 2021).

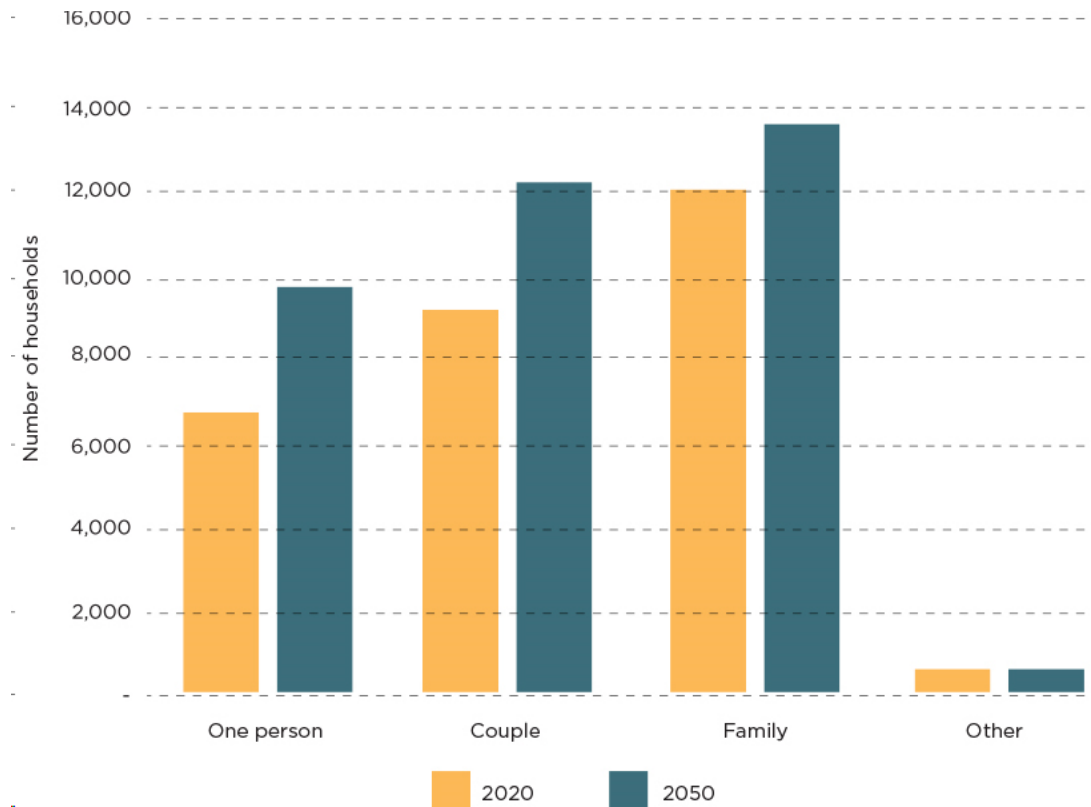
Adding existing demand for housing in the market, and the margins to support competition required by the NPSUD, this number rises to **9,740 additional households over 30 years**. This is the housing bottom line that the FDS is planning for. These numbers come from the Rotorua Housing and Business Development Capacity Assessment 2021 and are based on what the predictions of what might happen, based on historical trends.



Graph 2: Rotorua's housing bottom lines

6.3 What type of Houses will be needed?

Like the rest of New Zealand, the Rotorua population is aging. The number of over 60-year-old residents is expected to grow by about 24% in the next 30 years, and the number of over 75-year-old residents is expected to grow as much as 160%. Related to this, about three quarters of household growth will be in one person and couple households, and average household income will be lower overall, given the increasing number of retired people. Ensuring that the FDS provides opportunities for smaller houses in Rotorua, will therefore be important in meeting future housing needs.



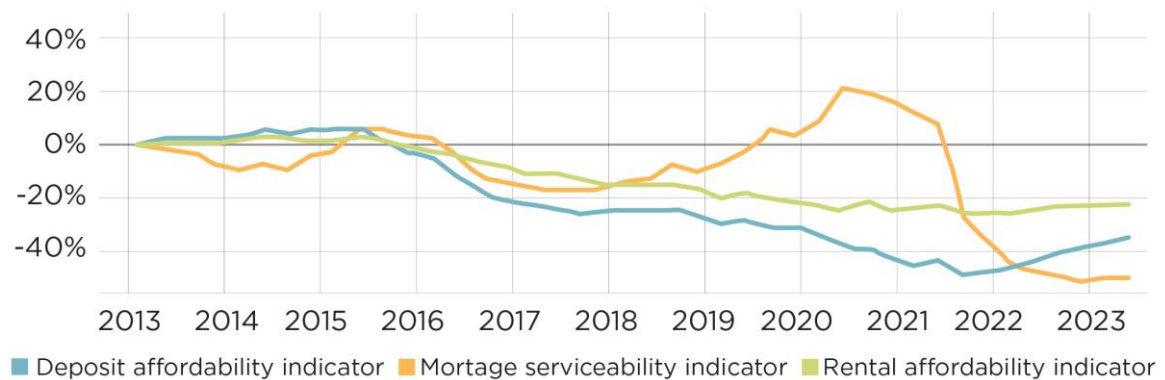
Graph 3: Change in household structure over time

6.4 Housing Affordability

Housing in Rotorua has become less affordable. The graph below shows how renting a home, saving for a deposit, and servicing a mortgage for people entering the housing market in Rotorua, has become less affordable over time.

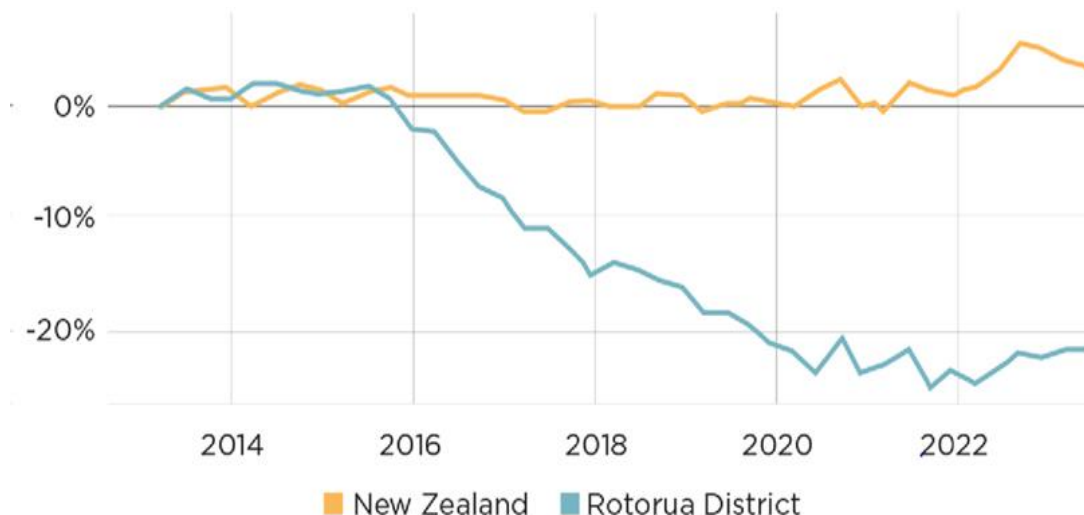
Change in housing affordability since Mar 2013

Higher affordability index means becoming more affordable



Graph 4: Change in affordability since March 2013 for Rotorua (MHUD)

All three indicators show that housing is less affordable today than it was in 2013. The graph below shows that compared to the rest of New Zealand rental affordability has worsened considerably since just before 2016.



Graph 5:

Change in rental affordability since March 2013 (MHUD)

Increasing the supply of housing will enable more competitive land and development markets and support improved housing affordability over time. The affordability issue is however still likely to persist at least over the short to medium term due to development constraints and their impact on the cost to build in Rotorua.

6.5 Impact of Development Constraints on Feasibility

Rotorua faces various physical development constraints. Complexities such as natural hazards, infrastructure and geotechnical issues, reduce development potential and increase development costs. Residential development supply is also subject to factors such as the staged development of larger blocks in the existing greenfield locations. Land ownership is concentrated in Rotorua and the majority of the landowners are not developers, so there is some uncertainty about whether Rotorua has the developers that would be able to deliver housing development at scale.

A significant proportion of Rotorua's capacity enabled through the District Plan occurs on whenua Māori. This is leasehold, rather than freehold land, which is likely to affect the commercial feasibility of potential future residential development on the land. Due to the fact that the Te Ture Whenua Māori Act seeks to keep land in the hands of its owners and their whānau, hapū and descendants, the sale of Māori land is subject to a number of significant restrictions that makes it very difficult to sell on the open market.

6.6 Actions underway to enable more housing

Actions taken to enable more opportunities for housing in Rotorua include amending the District Plan to allow medium-density housing in existing neighbourhoods, and high-density housing within the centres, and close to the city centre. This will support the delivery of a more compact and accessible city, with housing that matches the community's diverse needs. This also sets the starting point for how the FDS provides for growth within the urban area.

It will take time for new development opportunities to be taken up though, as not everyone has the willingness or resources to redevelop their land. It is estimated that about 6,850 houses could be delivered through redevelopment in the existing urban area over the next 30 years. This will need to be monitored closely to understand if the actual rate of development is faster or slower than expected. Section 10 of the FDS below sets out the plan for how development will be monitored.

6.7 Future Business Needs in Rotorua

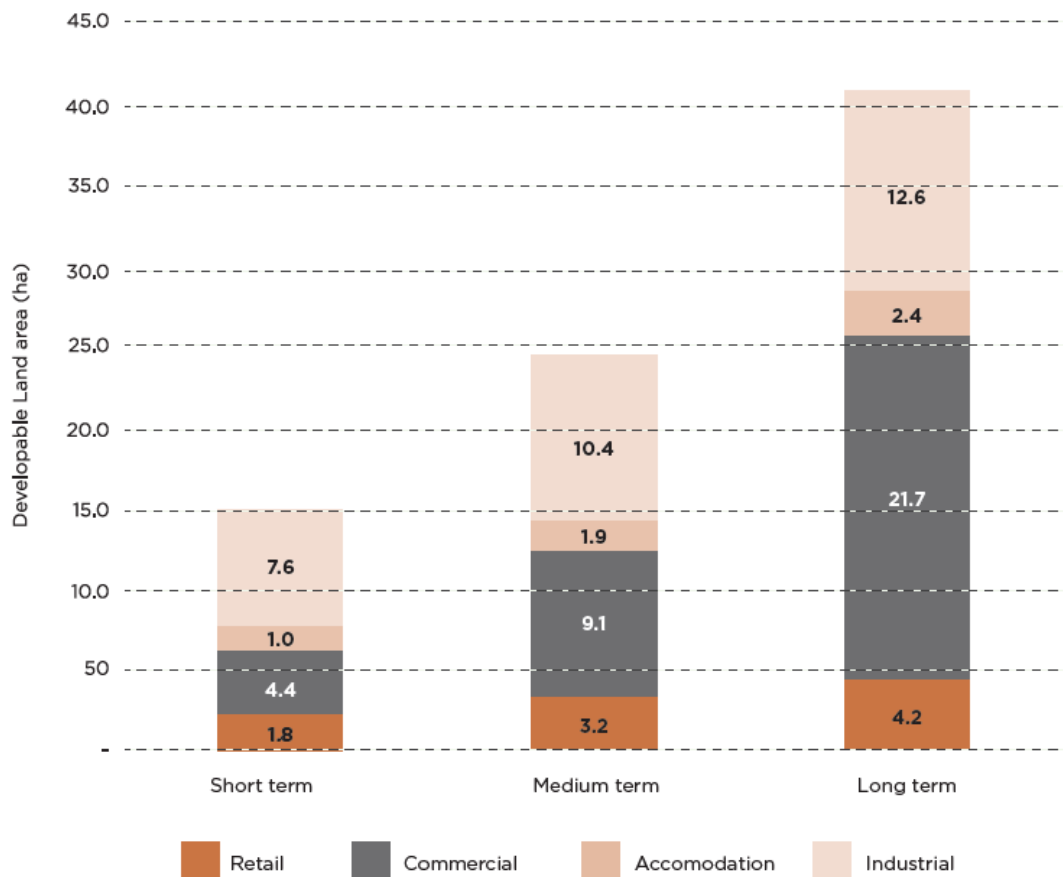
The economy in Rotorua is projected to grow in a range of sectors, each with their own unique land requirements. Key growth sectors include; construction, health care, social assistance, professional, scientific, technical services, retail trade, public administration and safety. Other sectors namely agriculture, forestry, manufacturing and tourism, as significant contributors to the overall GDP in Rotorua, will remain an important part of the Rotorua economy into the future.

Over the long term, it is expected that an additional 94 hectares of developable land for businesses will be required. That requirement is broken down as follows:

- About 11 hectares for retail activities.
- About 6 hectares for commercial accommodation activities.
- About 41 hectares for other commercial activities e.g. offices, healthcare.
- About 36 hectares for industrial activities (this increases to about 50 hectares when allowing for the relocation of industry from Ngāpuna, Ngongotahā and Fairy Springs).

All of these land areas are based on projected increases in job growth and there are choices in how this is catered for spatially. For retail, commercial accommodation for example, new multi-storey retail, office and hotel developments in the city centre can provide for this growth very efficiently within a small footprint. Any future relocation of existing heavy industrial activities in Ngāpuna, Fairy Springs and Ngongotahā will also provide opportunities for these types of activities to locate in the long term, in a manner consistent with the FDS Outcomes and the growth strategy set out below.

Industrial development is different, with manufacturing needing more land area for the types of activities that take place. There is strong demand for industrial in the neighbouring Western Bay of Plenty District with significant capacity signalled for Te Puke, Rangiora and Tauriko. Given the close proximity, there may be additional demand for industrial in Rotorua if these areas take longer than expected to structure plan and rezone.



Graph 6: Projected business land demand (excluding the competitiveness margin) (Rotorua HBA 2021)

7.0 Strategic Response

7.1 Immediate Priorities

Immediate priorities are to complete rezoning and redevelopment projects currently underway, and to enable greater intensification within the existing urban area. This will be achieved by:

- Supporting the delivery of housing within the recently rezoned greenfield area at **Pukehāngi**. This development encompasses over 160 hectares of land at the southern extent of the urban area. Once completed, this development will provide for about 600 – 900 houses in a variety of forms.
- Continuing to support the delivery of housing within the greenfield area at **Wharenui** in the Eastside, which is part way through its development. Once completed, this development will provide for about 1,000 new homes in a variety of forms.
- Supporting the delivery of **medium density housing within the existing neighbourhoods, and high density housing within the centres and close to the city centre**. This type of development will be enabled through changes to the Rotorua District Plan, including Plan Change 9 – Housing for Everyone. Rotorua Lakes Council will support this by providing the infrastructure necessary to grow thriving and healthy communities.

7.2 Considering Growth Scenarios

In preparing the FDS, a range of future growth scenarios for Rotorua were investigated, which are referred to as spatial scenarios. The 2018 Rotorua Spatial Plan was looked at as a starting point and then opportunities and constraints to development was considered, as well as the views of the iwi and hapū, community members, landowners, developers, infrastructure providers and other stakeholders.

From there, four main spatial scenarios were developed to test how Rotorua could provide for growth in the future, to arrive at the FDS growth strategy. Different combinations of the spatial scenarios were also developed and tested. Further detail on this process can be found in the FDS Technical Report.

The four main spatial scenarios were the:




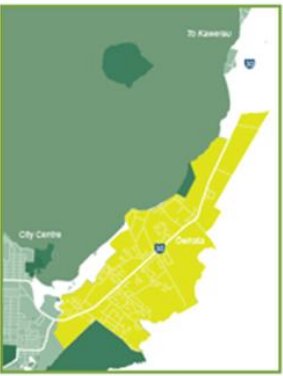
- **Ngongotahā Growth Node** – that focused on new residential development (greenfield) and business growth primarily in and around the Ngongotahā centre.
- **Multi-nodal Intensification** – that focused on intensification in and around the City Centre and other centres with little to no greenfield land for new residential developments.
- **State Highway 36 Growth Corridor** – which was developed as the ‘urban sprawl’ option in the north-west. The scenario considered new residential developments (greenfield) and business growth as being focused primarily along the State Highway 36 corridor through to Hamurana.
- **Eastside Growth Focus** – which was developed as the ‘urban sprawl’ option in the east. The scenario considered new residential development (greenfield) and business growth as being focused primarily along State Highway 30 through to Tikitere.

The assessments of each scenario used a range of criteria based on identified community values, considerations under the Resource Management Act 1991 and national planning policies. Those criteria included:

- Impacts on cultural values and potential mana whenua development aspirations.
- Ability to provide enough space for housing, including affordable housing.
- Ability to provide enough space for business close to key transport connections and other services.
- Accessibility for future residents – through public transport, cycling, walking.
- Impacts on biodiversity, Te Mana o te Wai (fresh water) and productive soils.
- Impact on the climate – ability to reduce carbon emissions.
- Natural hazards, impact of climate change e.g. flooding.
- Impacts on infrastructure, including upgrades and extensions.
- Potential impact on, or ability to provide other infrastructure – schools, open spaces, power and internet services.
- Any other potential impacts e.g. ensuring the efficient operation of the Rotorua Airport.

The outcome of this is summarised in the advantages and disadvantages of the spatial scenarios set out below. Full details of the evaluation process and outcomes can be found in the FDS Technical Report.

Table 2: Table showing the advantages and disadvantages of each spatial scenario

Scenario	Advantages and Disadvantages
<p>Ngongotahā Growth Node</p> 	<ul style="list-style-type: none"> • Landowner and developer interest for residential development • Supports a competitive new land development market by supplying additional land to the market • Helps address short-to-medium term housing shortages • Second worst option for carbon emission minimisation • Significant additional pressure on local schools
<p>Multi-nodal Intensification</p> 	<ul style="list-style-type: none"> • More efficient growth - less infrastructure investment required • Best option for carbon emission minimisation • Greatest accessibility to a range of services and amenities • Better supports public transport use • Could exacerbate housing affordability issues due to constraining land supply
<p>SH36 Growth Corridor</p> 	<ul style="list-style-type: none"> • Highest theoretical capacity for future housing • Known high demand for housing within this area • Least efficient for growth - requires significant infrastructure investment • Worst option for carbon emission minimisation • General opposition from the majority of stakeholders
<p>Eastside Growth Corridor</p> 	<ul style="list-style-type: none"> • Infrastructure well set-up to support growth • Supports development aspirations of mana whenua • Market attractive area for new business land (widespread support amongst stakeholders) • Second best option for carbon emission minimisation • Most housing likely to be supplied in the long term

From the analysis, it was found that multi-nodal intensification (intensification across the whole city) performed the best, however, it did not provide enough capacity to meet demand for new houses and businesses in the long term. Therefore, it was assessed and determined that additional areas for development would be required, to ensure there would be enough capacity, while maintaining the benefits of the multi-nodal intensification scenario.

A preferred growth scenario was then developed from the four spatial growth scenarios referred to in the section above. This preferred option was therefore a new spatial growth scenario based on intensification with some greenfield land release in and around Ngongotahā and adjacent to the Eastern Corridor – State Highway 30. This preferred scenario is outlined in the next section.

7.3 The Growth Strategy - What the Future of Rotorua Looks Like

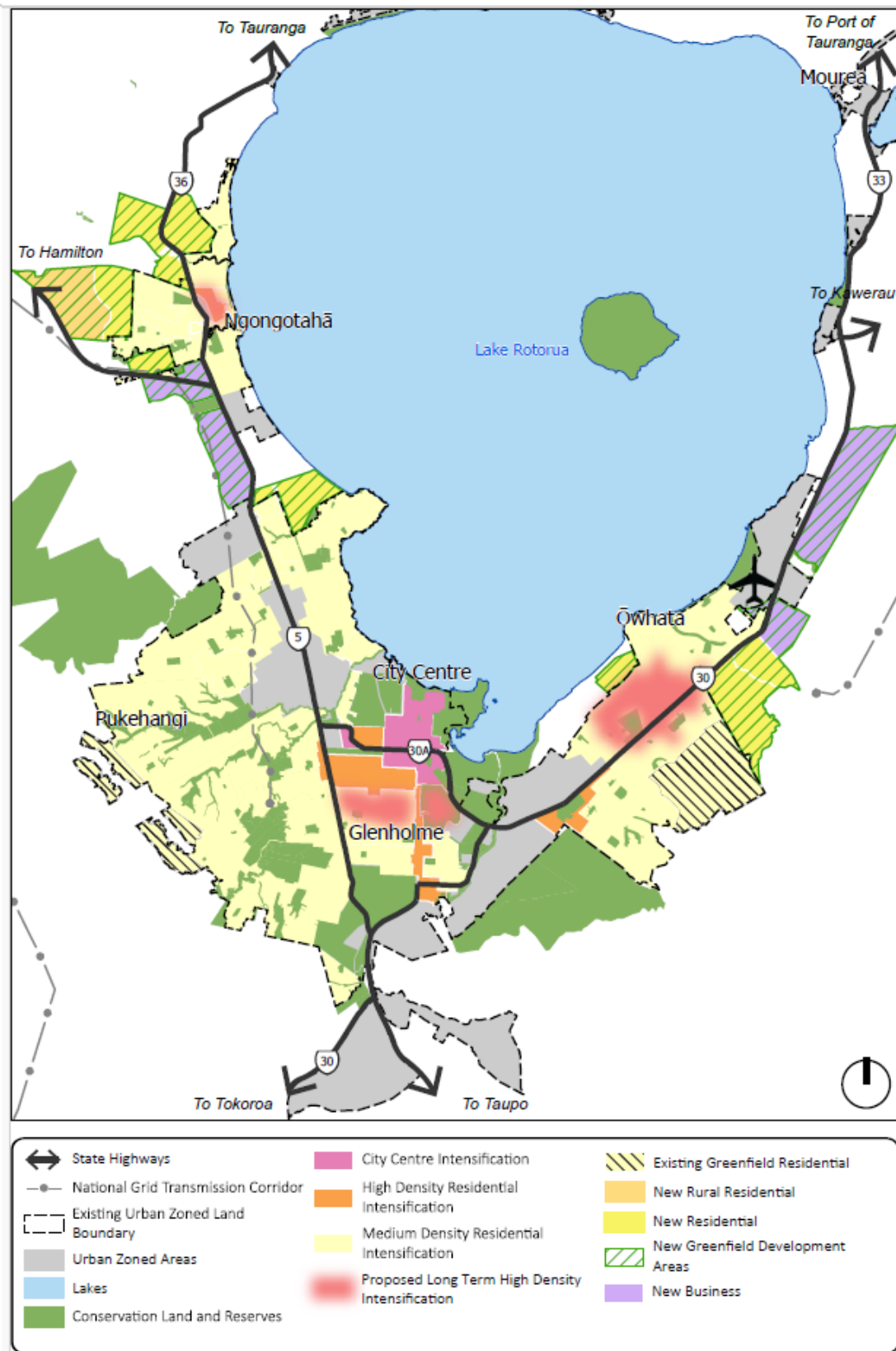
The FDS growth strategy, based on the preferred scenario, promotes **a compact city**, with opportunities to grow in a managed way within existing neighbourhoods, and within new compact communities in and around Ngongotahā, and the eastern side of Rotorua.

Launching from the immediate priorities, the FDS aims to provide a diverse range of housing choices that will meet the needs of future communities over the long term. It also provides choices for different types of businesses to locate across the city. The FDS provides for:

- Apartments and more intensive forms of housing to be concentrated within and around the city centre, where there is a strong employment base and excellent access to quality public open spaces and amenities.
- Opportunities for apartments and more intensive forms of housing in the long term further south of the city centre in Glenholme, and around the Ōwhata centre in the east. This reflects that the diversity, scale and quality of activities and built form in these centres will improve over time, as will the demand for apartments in Rotorua.
- Medium-density housing elsewhere in existing urban neighbourhoods where it is likely that a range of housing types will be delivered over time.
- New and compact residential communities in **Ngongotahā** and in the **Eastside** that will have a mix of housing types and will be located close to new employment areas in those communities. This growth will need to be further supported by public space enhancements and additional measures aimed at providing a greater range of commercial and community activities to locate in their supporting commercial centres.
- The consolidation of commercial and community activities within the existing network of centres, with opportunities for new and complementary centres and commercial areas to establish in the right locations.
- Additional business opportunities that are intended to attract and encourage investment and create local jobs and provide an incentive for existing heavy industrial activities in Ngāpuna, Fairy Springs and Ngongotahā to relocate.
- Supporting infrastructure, including open spaces and social facilities to be provided in the locations that need it, and at the right time to coordinate with development.

The FDS will provide capacity for about **12,400 additional houses and an additional 195 hectares of land for business over the next 30 years**. This is more than the projected residential and business demand outlined in Section 6 above. This is because there is uncertainty on how and when the market will take

up opportunities identified, and how the feasibility and density of development will be affected by site specific constraints like geotechnical conditions and flooding. Identifying more capacity provides flexibility to respond to this over time.



Map 6: FDS Growth Strategy (Informed by the preferred scenario)

8.0 Achieving Strategic Outcomes

The outcomes which can also be described as the ‘end results’ for the FDS sets out broadly what the FDS is aiming to achieve. The outcomes, which address a number of key themes of the NPSUD, are outlined in the table below:

Table 3: Table showing the FDS Outcomes

Connection/ <i>Piringa</i> Our thriving city centre is our social and economic hub – supported by local centres that meet local needs
Access/ <i>Kia Whai Wāhi</i> Our people live in a compact city where they can easily access jobs, services, education and quality open spaces
Prosperity/ <i>Te Raneatanga</i> A strong economy will provide opportunities for our people to thrive. We enable businesses to grow in locations that meet their needs, and the needs of our growing population
Choice/ <i>Ngā Whiringa</i> We have a range of housing choices to meet the diverse needs of our existing and future community
Culture/ <i>Te Ahurea</i> Te Arawa reo, tikanga and values are woven into our communities and influence how our communities grow
Environment/ <i>Te Taiao</i> The wellbeing of our taiao is connected to the wellbeing of our communities. We are committed to protecting and enhancing our environment
Resilient/ <i>Kia Manwaroa</i> We actively look for opportunities to reduce our environmental impact. Our communities are resilient to the effects of climate change and significant natural hazards
Investment/ <i>Te Haumitanga</i> We prioritise smart investment in safe and reliable infrastructure to enable and support growth, where and when it is needed

The development of the outcomes was informed by an understanding of national policy direction, iwi and hapū development aspirations, and community and stakeholder views. The FDS Technical Report explains in more detail how the outcomes were developed.

Achieving these outcomes as a whole across Rotorua, will require a balanced approach. The section below sets out in more detail how the FDS achieves these Outcomes. It describes the relevant issues, and the range of actions that will be needed to inform how Rotorua will grow in the locations shown in the growth strategy above.

8.1 Connection – Thriving City Centre supported by Local Centres

Our thriving City Centre is our social and economic hub – supported by local centres that meet local needs.

The Rotorua city centre and network of local centres provide strong social, economic and cultural focal points for the community. They will become more important in the future as Rotorua intensifies and more people create more demand for goods, services and social connection. This is a key part of achieving a compact city. Within the urban area, the focus will be on enhancing the quality and function of the city centre, and the Ōwhata and Ngongotahā centres:

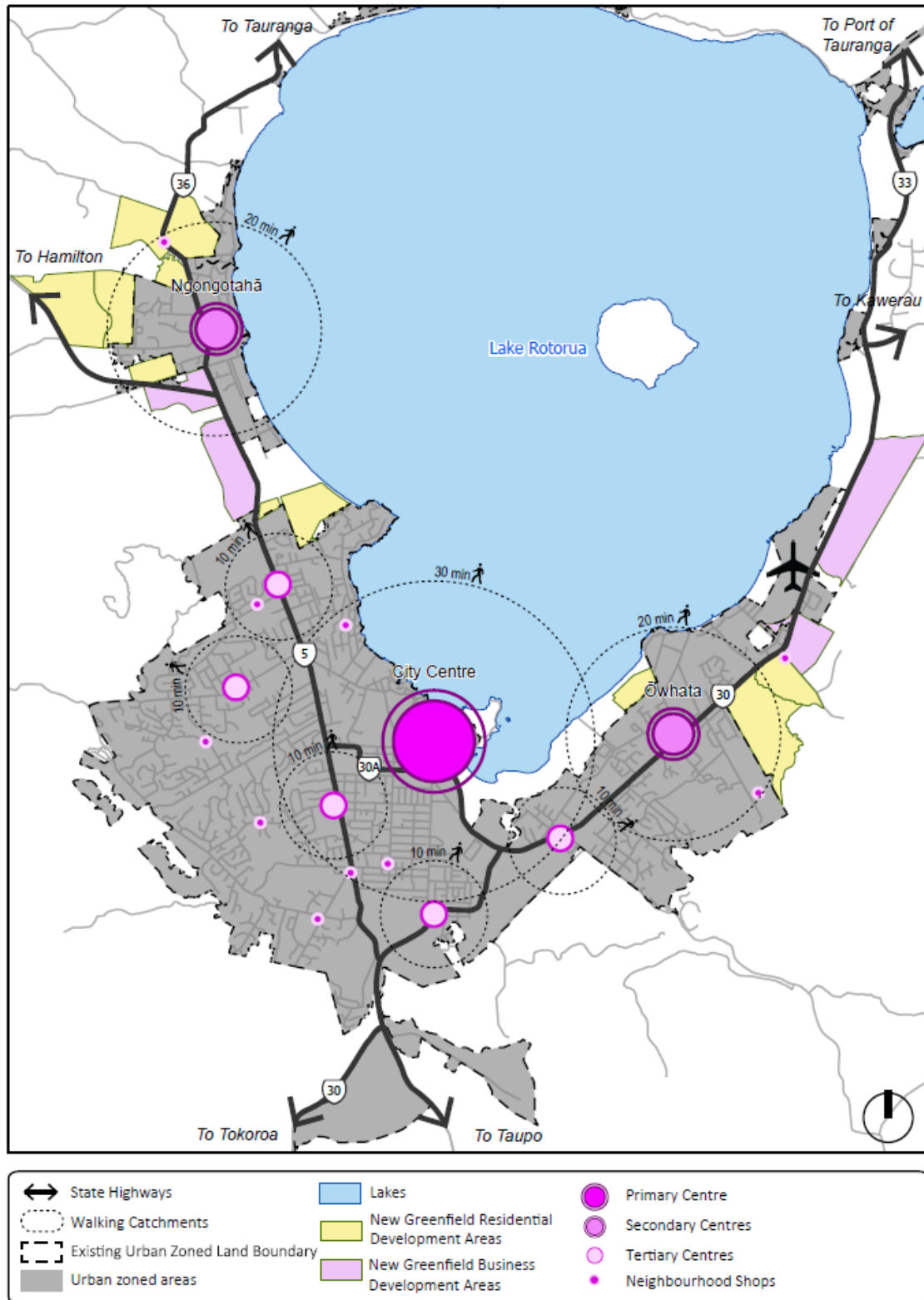
- **City Centre:** The city centre is the commercial, retail and cultural heart of Rotorua and will continue to grow and thrive in the future. Leveraging the Lakefront redevelopment and plan for further street and public space enhancements that link key destinations and create a point of difference for the city centre. This includes improving the quality of connections from Eat Street to the Lakefront, and to the south along Tūtānekai Street to Rotorua Central Mall. It will be important to continue working with partners to deliver this and encourage private investment in the city centre. This includes actively encouraging more high-density living options and mixed used development to create vibrancy and support local businesses, including within Rotorua Central Mall and Trade Central at the southern and western edges of the city centre.
- **Ōwhata:** The Te Ngae Shopping Centre and its surrounds in Ōwhata will need to grow and diversify over time to support a growing residential population and employment base on the Eastside and create a strong focal point for the community. To support this, Rotorua Lakes Council will enable greater heights and densities and require buildings to achieve high quality design and review the extent of the centre and the mix of activities enabled under the current planning rules. It will also require work with landowners to explore opportunities to enhance the centre.
- **Ngongotahā:** With Mount Ngongotahā as a backdrop, the Ngongotahā centre is centrally located and is valued by the local community. The centre will need to grow and diversify over time to support a growing population in Ngongotahā. This will need to include new activities like a supermarket and a broader range of local services and amenities. Some expansion of the centre will likely be needed to achieve this in the long term. Opportunities to explore include encouraging the relocation of industrial activities to the immediate east of the centre, and future business locations to more suited locations like the Peka Industrial Park.

A growing residential population in the catchments of these centres will further support their revitalisation and enhancement. Map 7 shows Rotorua’s proposed centres network, which is described below:

Rotorua Lakes Council will continue to **concentrate retail and office activities** in the city centre, Ōwhata and Ngongotahā, and tightly manage it elsewhere. This will help to create vibrancy, and focus private investment, that complements public investment in infrastructure and public space improvements within these centres. Retail dynamics are changing, with a move to online retailing slowing demand for physical floor space. This heightens the importance of actively directing these activities to the city centre, and the other centres over time.

New secondary/tertiary centres and corridors will be needed to support new development areas in Ngongotahā, Westside, Eastside and the central area outside the city centre as they grow. Over time, these smaller centres will serve an important local function ensuring that people can access their daily

needs within walking distance, which will support a wider action to reduce vehicle kilometres travelled (the amount people drive). Fenton Street, Old Taupō Road/ State Highway 5 and Tūtānekai Street corridors would also increasingly serve this function over time. The greater number of people living in these centres and corridors will mean they need good access to services, and this will help to create vibrancy and diversity in activities and built form.



Map 7: Rotorua Centres Network Plan

Fenton Street is a key gateway to the city centre and entranceway to Rotorua from Taupō and the south. Historically Fenton Street has been the destination for tourist accommodation and this has been reinforced by rules in the Rotorua District Plan. Much of the building stock on Fenton Street is old and through redevelopment will regenerate over time.

This provides the opportunity to transition Fenton Street to a **high-quality mixed-use green corridor** over time (shown by the contrasting figures 3 and 4), with:

- An enhanced street environment, with quality walking and cycling connections and established landscaping to create a green corridor connecting Whakarewarewa Village with the city centre.
- A high-density built form (of up to six storeys) that builds up over time to provide a quality and attractive frontage to Fenton Street. We expect that higher densities are likely to occur first at the northern end of Fenton Street, between the Arawa Park Racecourse and the Government Gardens as these areas offer greater amenity and access to the city centre.
- A mix of residential and visitor accommodation with supporting restaurants, cafes, and small-scale convenience retail activities at ground floor that activate Fenton Street.

Achieving this will take time, and Rotorua Lakes Council will need to actively work with landowners along Fenton Street to encourage and support them to plan, design and implement their redevelopments.



Figure 3: Fenton Street now



Figure 4: Fenton Street future potential

8.2 Access – A Compact City

Our people live in a compact city where they can easily access jobs, services, education and quality open spaces.

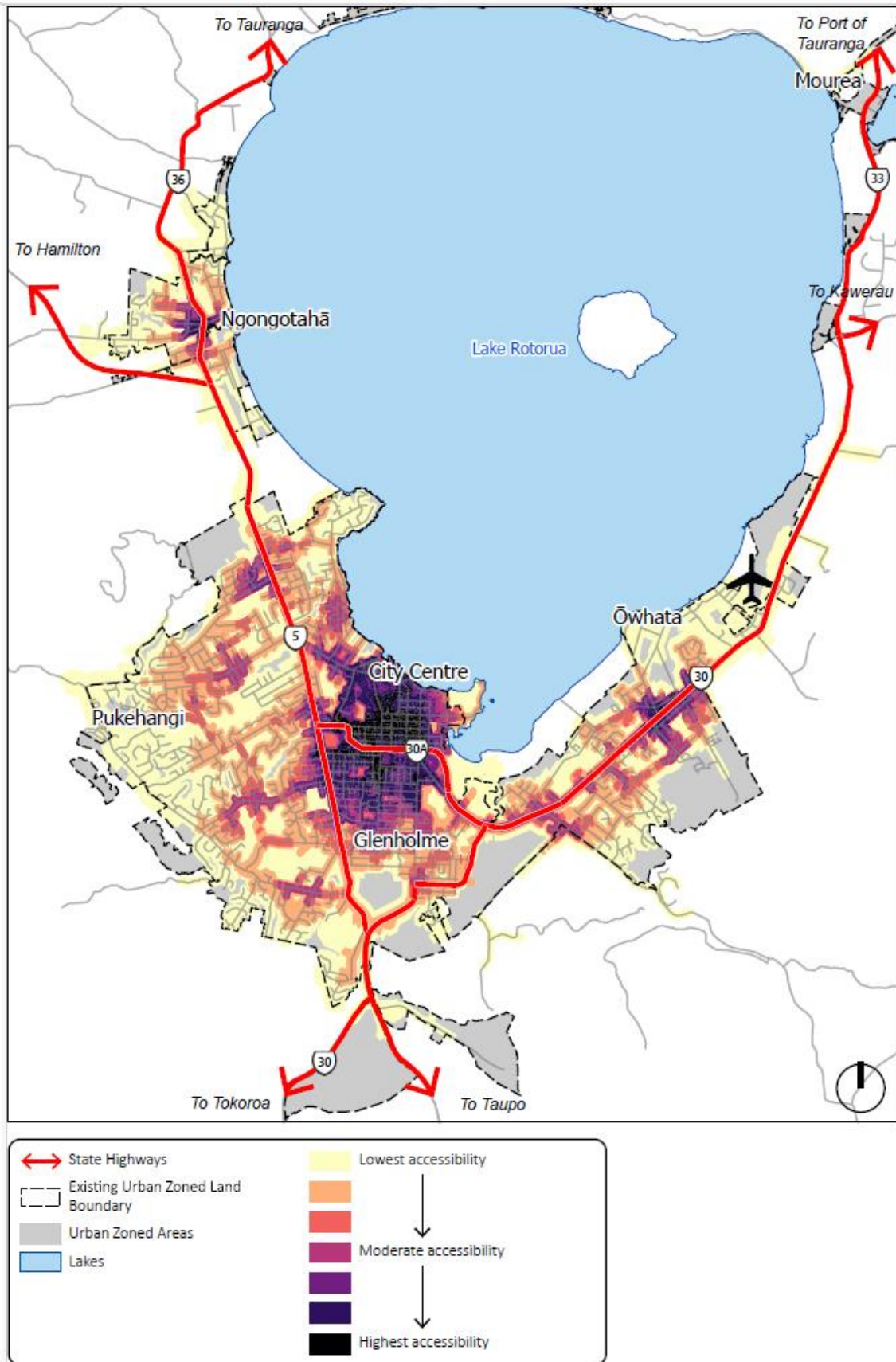
The NPSUD requires the FDS to achieve a **well-functioning urban environment**. This means that the growth pattern needs to enable a variety of homes and sites for business uses, ensure good accessibility for people, enable competitive land and development markets, support reductions in greenhouse gas emissions and ensure Rotorua can be resilient to the current and future effects of climate change.

8.2.1 Heights and Densities

To achieve this the FDS promotes the concept of a **compact city**, where people can easily access jobs, services, education and quality open spaces. This means stepping up efforts to enable more people to live within the existing urban area, where there is already good access, and where there is an opportunity to further enhance the quality of the built environment and natural spaces. To make this a success, a coordinated and concentrated effort will be required to plan and fund supporting infrastructure.

The FDS reflects changes to the planning rules to allow medium density residential across neighbourhoods in Rotorua and enable high density development within centres, and close to the city centre. Opportunities for longer term higher density development further south of the city centre, and around Ōwhata centre are also identified, which will provide further opportunities as the demand for apartments grows in the long term. This reflects the accessibility of these locations, which will continue to strengthen over time as the diversity of activities and quality of public and active transport connections to the city centre and Ōwhata centres improves.

The accessibility map 8 below illustrates and reinforces this and highlights the good level of accessibility close to the city centre, Ōwhata and the Ngongotahā centre. Further detail on the accessibility analysis can be found in the FDS Technical Report.



Map 8: Accessibility in Rotorua

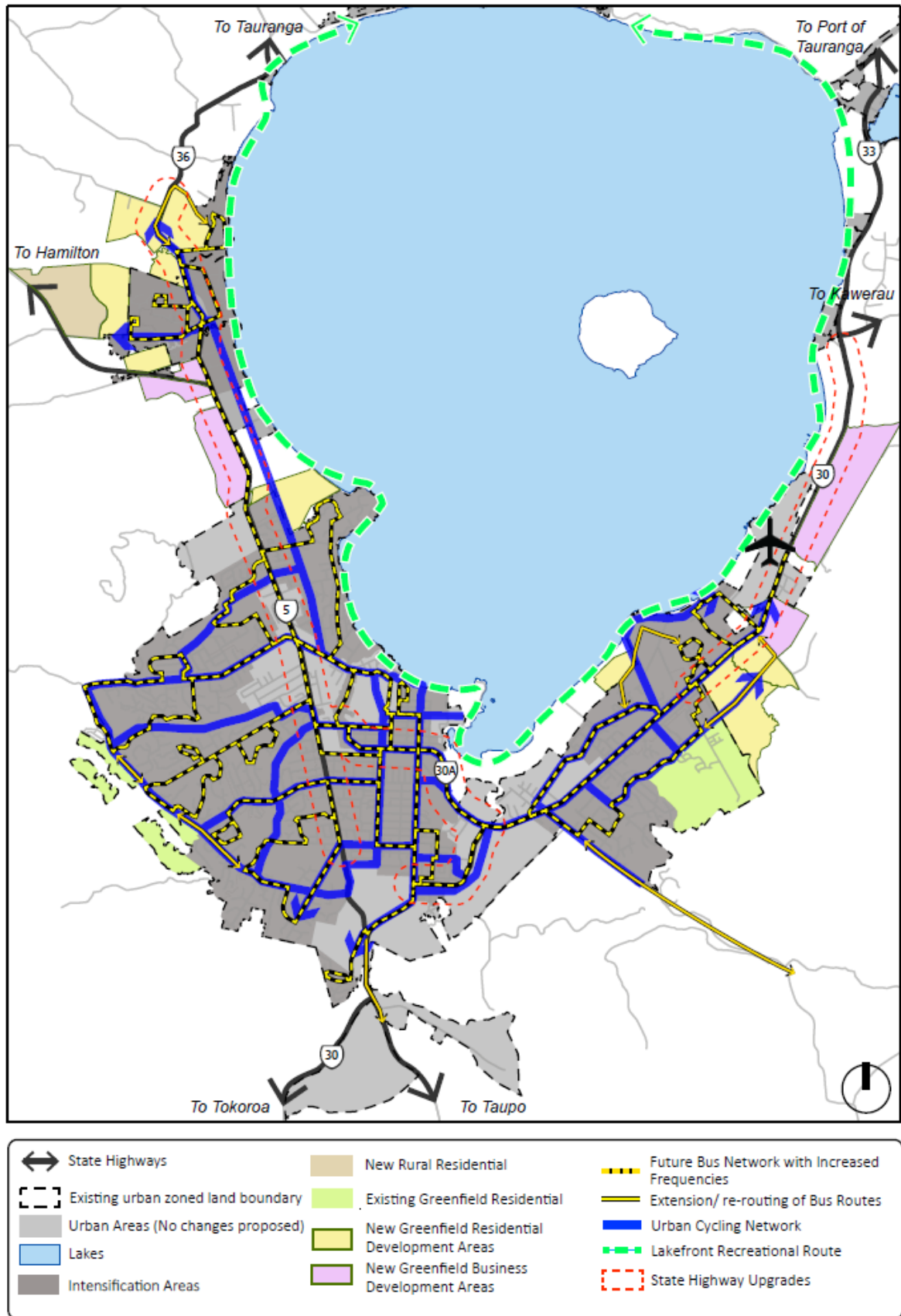
8.2.2 Transport Network

Rotorua already has a compact urban form, and it's relatively easy to move around the city. However, based on current travel patterns, growth in the number of people living and working in the urban area will increase the number of cars on the road. This negatively affects quality of life and productivity for people and businesses. Focussing on providing for affordable and efficient public and active transport between centres and neighbourhoods can help reduce these future impacts.

This focus can also support efforts to **reduce carbon emissions created by cars**. The national Emissions Reduction Plan seeks to achieve a 20% reduction in vehicle kilometres travelled for light vehicles by 2035, noting that specific targets for Rotorua have not yet been set. Active steps will need to be taken to reduce car travel as the city grows. A compact city supports this, but further investment is required in transport infrastructure to achieve these targets, and encourage a significant shift to public transport, walking and cycling as the main mode of travel.

The plan below shows the proposed ways to achieve this and includes:

- Building on planned investment in the bus network, and Rotorua Lakes Council and Bay of Plenty Regional Council working together, further increasing the frequency of bus services across all routes in the longer term.
- Extending bus coverage within Ngongotahā and Ōwhata to service new greenfield locations.
- Improving walking, cycling and public transport infrastructure on central state highway corridors. This will require advocating to, and working in partnership with, Waka Kotahi to plan, fund and deliver this infrastructure.
- Implementing a Lakefront recreational route to better connect people with Lake Rotorua.
- Improving the safety and quality of pedestrian and cycling infrastructure across the network. Key areas to focus on include:
 - Completing the urban cycling network, including primary routes into and through the city centre. Other key areas of focus include inter-suburb urban connectors and links to and through Ngongotahā village.
 - Smaller scale localised improvements around key destinations including schools and significant open spaces.



Map 9: Future Transport Network

8.2.3 Public Open Space and Community Facilities Network

Having access to quality public open space and community facilities is important to people's social and physical wellbeing, and this will be increasingly important as Rotorua develops into more of a compact city. More compact living environments means there is generally less room for large private open space on-site, and public spaces and facilities will therefore serve an increasingly important recreation and amenity function for people in the future.

Rotorua already has a good network of public open spaces that offer variety and choice in the urban area. Rotorua Lakes Council will need to improve the quality of the open spaces, and the facilities they offer, including increased provision for active play space and improved safety and connections to surrounding destinations. Rotorua Lakes Council may also need to find room for new open spaces and community facilities in the right locations in neighbourhoods with existing gaps in the network. New greenfield developments in Ngongotahā and the Eastside, where there is a current open space deficit, provide the opportunity to supply new open spaces, including any large-scale facilities.

Rotorua Lakes Council's Play, Active, Recreation and Sport Strategy explores future open space requirements in more detail, which will be implemented through future planning and infrastructure funding processes.

8.3 Prosperity - A Strong Economy

A strong economy will provide opportunities for our people to thrive. We enable businesses to grow in locations that meet their needs, and the needs of our growing population.

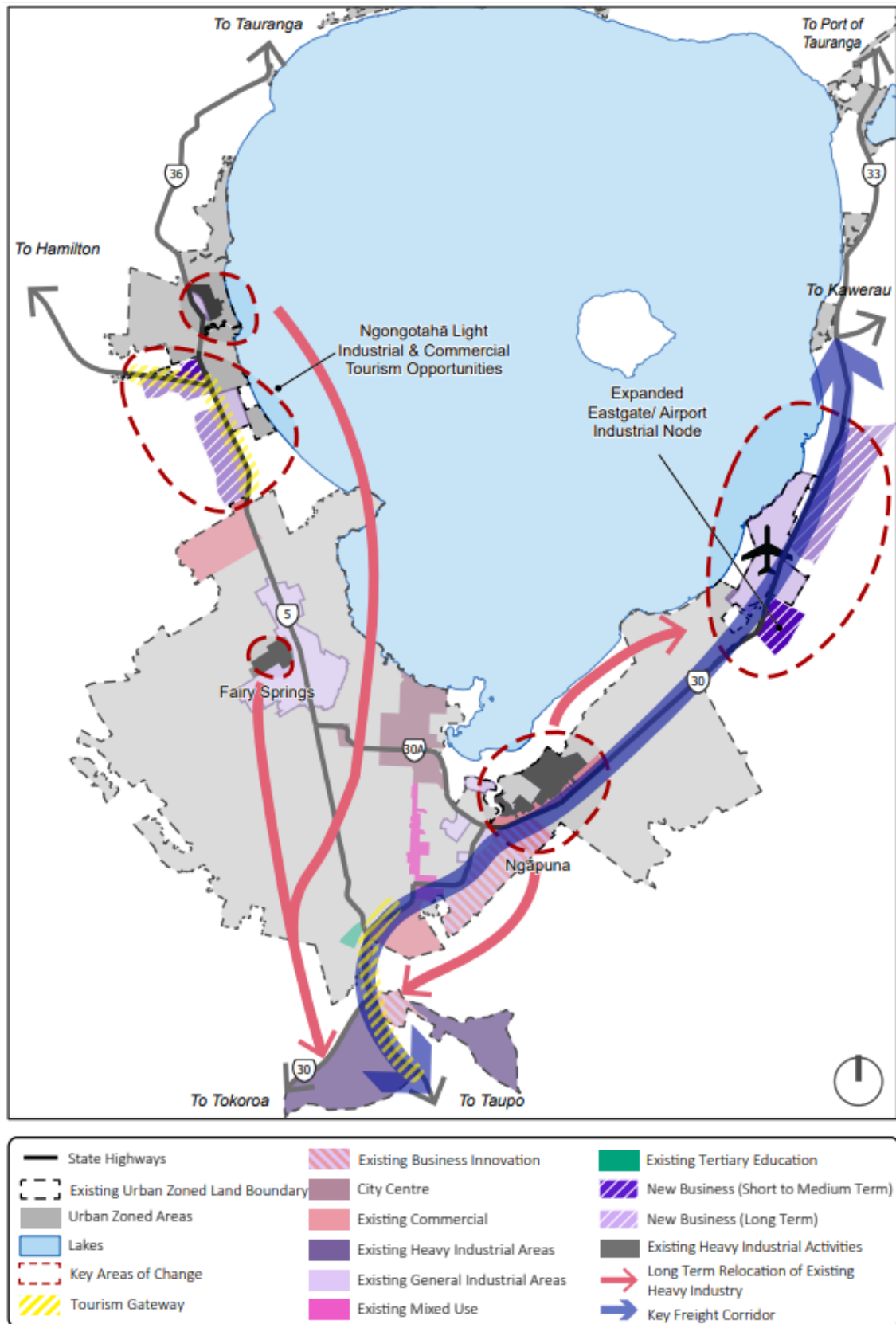
Rotorua has a diverse economy with a range of primary, secondary and tertiary / service industries. Growth is expected in health care, education, administration and manufacturing. Other sectors, including forestry and tourism, will remain an important part of the Rotorua economy in the future.

Efficient regional transport connections and infrastructure, quality housing and thriving centres will all be important factors in attracting and retaining large-scale employers and the people that work for them. In this regard, all the actions of this FDS will be important to achieving a prosperous and strong economy.

In terms of land use, the FDS proposes several **key spatial actions to grow a strong economy**, which are reflected in Map 10 and outlined below:

- Supporting the centres network to provide a focal point for the communities they serve, with the greatest range and diversity of activities offered in the city centre, Ōwhata and Ngongotahā. These centres will have good amenities and connection to public transport, supported by high density residential development in these locations.
- Providing new opportunities for business to locate at the southern extent of Ngongotahā, at the intersection of State Highway 5 and 36, to enable existing industrial activities to relocate from the Ngongotahā centre. This location has good access to the strategic transport network and can be designed to respect the amenity values of existing residential activities on Stembridge Road.
- Providing opportunities for the expansion of recreational and tourist activities on the south-western side of State Highway 5. This would be a continuation and intensification of the tourism-related activities that are already established in this area. Further supporting the tourist economy by enhancing the quality and amenity of Fenton Street as a key tourist area, and arrival point for people visiting Rotorua from Taupō and the south.

- Ensuring State Highway 30 continues to function as the key freight/ logistics corridor connecting heavy industry in the south to the Tauranga port in the north-east. Encouraging the relocation of existing industrial activities in Ngongotahā and heavier industrial processing activities in Ngāpuna and Fairy Springs so the locations transition to a mix of more compatible business activities over time that are complementary to, and do not compete with, the city centre. Part of this will include working with the landowners to assist in removing barriers to the development of the heavy industry in Peka Industrial Park (the Peka block) at the southern extent of Rotorua.
- Providing future opportunities for business land on the Eastside close to the Rotorua Airport and Eastgate Business Park. This land area is large (92 hectares) and is more than what we need to cater for demand. However, to future proof for changing business land requirements, a larger land area has been identified, with the intention to stage development from the south to the north as needed over time.
- Ngāti Uenukukōpako wish to continue establishing papakāinga on their lands on the Eastside, which is close to the future business area identified on the Eastside. They expressed that they are not opposed to the concept of more business land on the Eastside, as it will provide much needed employment for the local community. They however indicated that any future planning and design will need to carefully consider the mix of business activities and design of the development to ensure that it respects the values of Ngāti Uenukukōpako and avoids potential future conflicts. They further outlined that future planning for the Eastside and the business land in particular, will require a partnership approach with Ngāti Uenukukōpako.



Map 10: Growth Strategy and Business

8.4 Choice – Housing Choices meet Diverse Needs

We have a range of housing choices to meet the diverse needs of our existing and future community.

There is a need to increase the diversity of housing in Rotorua to meet the needs of communities in the future. Most of the housing available today is stand-alone single-family homes. Rotorua has an aging population and that means there will be a lot **more one and two person households in the future**. There will also be relatively low household incomes reflecting that more people will be retired and may not be in paid employment in the future. Rotorua will therefore need smaller homes at an affordable price to meet future needs.

Rotorua has also recently experienced an influx of temporary and emergency housing. The Rotorua community has a strong desire to remove the need for temporary and emergency housing by **increasing the supply of new affordable homes**. This is the core purpose of the Rotorua Housing Accord between Rotorua Lakes Council, the Government and Te Arawa.

The FDS addresses these issues in two key ways:

- Enabling significantly greater opportunities for intensification to occur in the urban area, within city centre, local centres and medium and high-density neighbourhoods.
- Identifying a range of opportunities for large-scale future greenfield residential development in Ngongotahā and in the Eastside.

The FDS importantly provides a **mix of intensification and greenfield opportunities**. This recognises that intensification is likely to happen slowly over time, as not all landowners will have the will or capacity to redevelop their sites.

In the short to medium term (0 – 10 years) infill development, and lower rise duplex and terraced housing are likely to be more common. Apartments will become more feasible in the long term as the local development market meets changing preferences and builds capacity to deliver different forms of housing to what is currently offered. Intensification and redevelopment is therefore occur incrementally over time. This gradual change in Rotorua's existing neighbourhoods could occur in the manner shown in Figure 5.



Figure 5: How Rotorua's existing neighbourhoods could grow and change over time

Greenfield development allows for housing and supporting services to be delivered at scale and pace. If fully developed, the greenfield opportunities would provide more capacity than Rotorua needs over the long term, however, the FDS recognises that there is a need to provide competition in the market, and that not all areas identified will be developed within the life of the FDS.

The release of greenfield land for development will assist to moderate land prices and support overall housing affordability, however, it may also attract demand away from urban areas of Rotorua and impact broader outcomes to intensify and achieve a compact city. Therefore, there is a need to closely monitor development uptake of intensification and manage the timing of greenfield land release in response, to ensure there is sufficient land to meet demand.

The FDS is focussed on providing for urban growth, however considerations also include the housing needs of rural residential settlements, including Mamaku. This analysis has shown that there is enough land to cater for the modest increases in growth expected in these rural areas over the long term.

8.5 Culture – Te Arawa Reo, Tikanga and Values

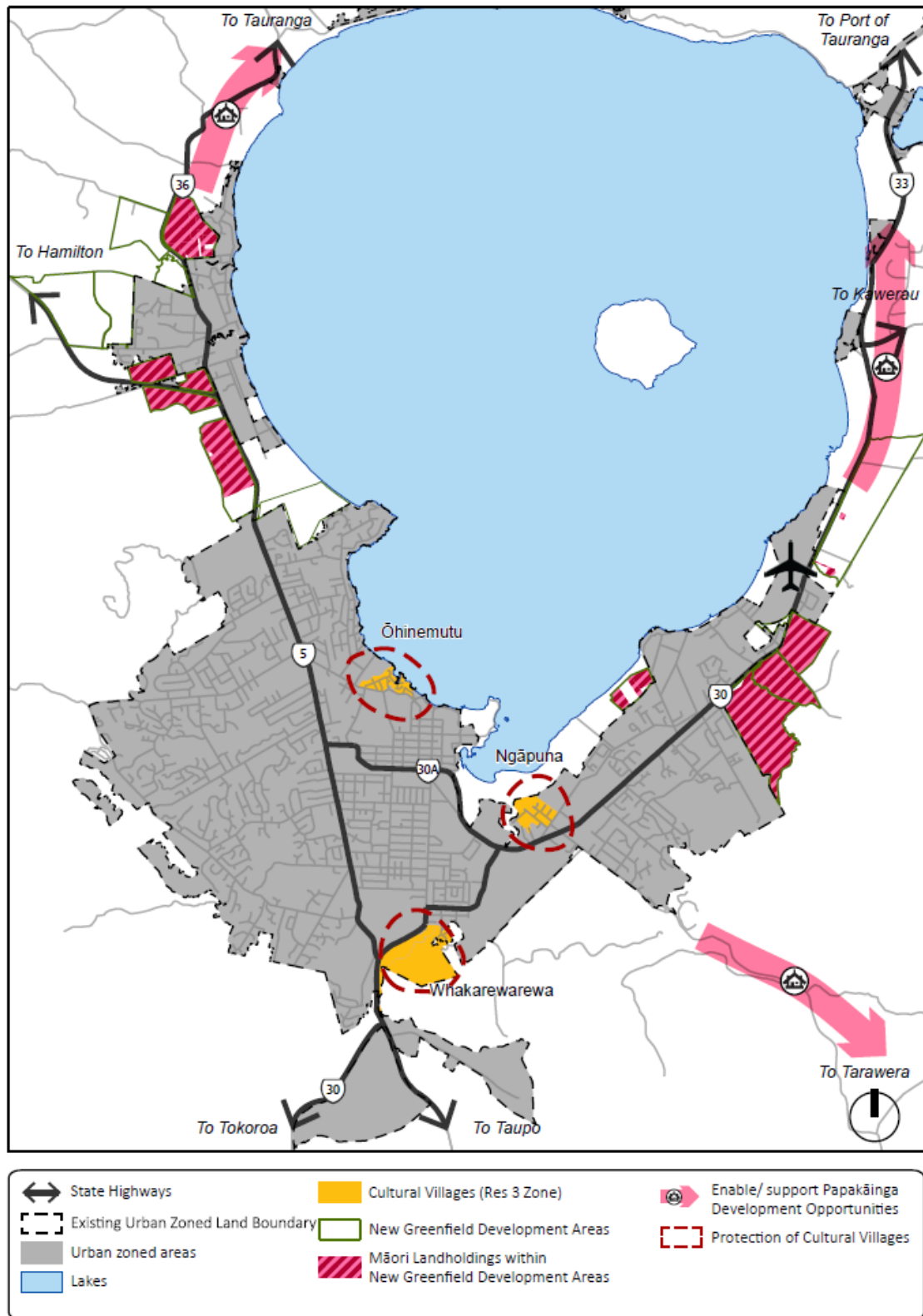
Te Arawa reo, tikanga and values are woven into our communities and influence how our communities grow.

A key driver of the growth strategy is iwi and hapū aspirations for development, which is thematically reflected in Map 11. Building on iwi and hapū feedback and aspirations, and what is understood through Te Tūāpapa o nga Wai o Te Arawa and Te Arawa Vision 2050, the growth strategy provides for:

- **Urban development opportunities on whenua Māori**, including in and around Ngongotahā, central and in the Eastside, for new and intensified housing and business activities. This will support achieving the other FDS Outcomes, as well as support economic development for iwi and hapū. A significant portion of the new residential and business greenfield locations for growth is on **whenua Māori**.
- The **protection of the cultural villages** of Ngāpuna, Ōhinemutu and Whakarewarewa in their current form.
- The **relocation of existing industrial activities out of Ngāpuna** by providing business land in other locations, and actively working with business operators in Ngāpuna to encourage this to occur over time. This will improve the living environment for people in Ngapunā.
- **New business areas are sensitively located and designed** to minimise environmental impacts and respect the importance of any nearby Marae and existing or future papakāinga.
- **Papakāinga settlements** to grow and establish outside of the urban area, including at Lake Rotoiti, Lake Tarawera, Tikitere and northern parts of Ngongotahā. This will be achieved through more enabling planning rules in the Rotorua District Plan, and by partnering to deliver supporting public infrastructure where it is needed.
- The **retention and enhancement of the taiao** as growth occurs through a range of measures, including the protection of rivers, streams, wetlands and ecological areas, and actively managing how development occurs to achieve these outcomes. Section 8.6 below provides more detail on how we plan to achieve this.
- **Working together effectively** to achieve a more integrated and holistic approach to decision-making on development. Section 10 below provides more detail on the plan to achieve this.

The aspirations of Ngāti Rangiteaorere to establish a significant new residential community at Tikitere are not reflected in the FDS. This is mainly due to the site's distance from the existing urban area, and the resulting accessibility and servicing challenges, together with the availability of other more suitable growth options closer to urban Rotorua. The Rotorua District Plan still provides opportunities for papakāinga development to occur in this location. Future reviews of the FDS will enable this opportunity to be reviewed again, in the context of how and where growth is occurring in Rotorua.

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Map 11: Key Iwi and hapū development aspiration locations

8.6 Environment – Protection and Enhancement

The wellbeing of our taiao is connected to the wellbeing of our communities. We are committed to protecting and enhancing our environment.

The wellbeing of Rotorua’s taiao is intimately connected to the wellbeing of its people. The aim is for the wai and whenua to be restored and healthy – providing the food and resources needed to sustain the people actively engaged with the taiao. This aim is that the Te Matakiteanga a Te Arawa | Te Arawa 2050 Vision and the Wellbeing Compass guides the approach to how development should occur in urban Rotorua.

8.6.1 Water

With the city of Rotorua on its shores, Lake Rotorua, and the rivers and streams that feed it, are treasured by everyone. However, the water quality of Lake Rotorua has been degraded over time mainly by human activities and nutrient losses from pastoral farming and sewage leachate from residential areas.

8.6.1.1 Land Use and Nutrient Management

Reducing nutrient losses into Lake Rotorua is a regional priority and regional rules are in place to achieve this through a Nitrogen Discharge Allocation framework, which future development must comply with.

The conversion of rural land to urban may support a reduction in nitrogen discharge into Lake Rotorua, however, the increased load on the wastewater network may neutralise this to an extent. Further off-setting measures may be required to comply with regional rules, including the strategic acquisition of land currently used for dairy farming. As a first step, the nitrogen discharge arising from the implementation of the FDS relative to the allocation limit must be calculated. From there, off-setting measures should be explored, costed, and funded on a staged basis, as a priority.

8.6.1.2 Te Arawa Lakes Programme

Rotorua Lakes Council is working with partners, Te Arawa Lakes Trust and Bay of Plenty Regional Council, on a range of actions to improve the water quality of its lakes, rivers and streams through the Te Arawa Lakes Programme. This includes wetland enhancement and restoration, stormwater management, weed harvesting, and upgrading wastewater services to lakeside settlements.

Rotorua Lakes Council will continue to work with partners in the Te Arawa Lakes Programme to deliver the projects Rotorua needs to improve the water quality of its lakes.

8.6.1.3 Water Sensitive Design

Applying water-sensitive design principles to new development, and upgrades to existing stormwater infrastructure, will be an important part of improving water quality as Rotorua grows. This includes:

- Protecting existing natural systems such as mature vegetation, watercourses and wetlands for their stormwater management function.
- Limiting impervious surfaces that generate stormwater runoff and using retention and detention devices, where appropriate to treat stormwater and minimise flows downstream.
- Mimicking natural systems and processes for stormwater management, and integrating these into engineered devices with treatment through wetlands, swales, living roofs, raingardens, and tree pits.

8.6.1.4 Water Conservation

A growing population in the future will create more demand for the use of precious freshwater resources, and active steps will be required to conserve water use. This is particularly important as Rotorua experiences increased temperatures and more frequent droughts in the future. Action can be taken now to prepare for this by:

- Investigating and implementing the use of water metering.
- Optimising and upgrading water supply networks to minimise leakage/water loss.
- Requiring rainwater reuse tanks in new development where practicable.

8.6.2 Land

People are all intimately connected to the whenua – it supports healthy ecosystems and provides the plants used for food, and the materials needed to live. As Rotorua grows, it will be important to consider the impacts of development on the life-supporting capacity of the whenua.

Achieving a compact city and minimising development in rural areas will reduce impacts on the land. However, the FDS does identify some new development areas to ensure that enough land is provided for housing and business to meet demand. Not all of this land will be required, its release will be staged, and will be regularly monitored over time.

Some of the development areas are located on highly productive land (Land Use Capability Class 2 and 3), and these locations are mainly on the Eastside. This land is versatile and classed as being best suited to food and fibre production. Any future proposal to use this land for business will need to carefully consider whether the land is needed to meet demand, in the context of other alternatives available at the time.

8.6.3 Biodiversity

Areas of significant indigenous biodiversity in Rotorua have historically been reduced due to the clearing of forests, draining of wetlands, clearing of geothermal systems and modification of ecosystems. What is left is protected and is mainly in rural locations, and in areas around Lake Rotorua in the urban area.

Future development areas must protect existing areas of indigenous biodiversity and look for opportunities to enhance this, including by restoring geothermal areas, wetlands and riparian margins.

Other opportunities to increase biodiversity include:

- Exploring setting targets to increase vegetation cover within the urban area, particularly in relation to streets, open spaces and on the edges of the rivers and streams.
- Combining off-setting measures to reduce nitrogen entering Lake Rotorua, by exploring opportunities to convert agricultural land to native bush and public open space.
- Through the development of Locality Plans, spatially identifying opportunities for the protection, restoration and enhancement of local indigenous biodiversity, including geothermal areas, wetlands and riparian margins.

8.6.4 Air Quality

Historically Rotorua has had some of the worst wintertime air quality in New Zealand, and as a result, the Rotorua Airshed has been in place since 2005, which includes rules to help improve air quality. The main source of air pollution in Rotorua is smoke from solid fuel burners used for home heating.

Over the last 15 years a combination of regulations, funding incentives, and community awareness has meant that many old inefficient solid fuel burners have been phased out, and air quality has gradually improved in Rotorua.

As we grow, Rotorua Lakes Council will continue taking action to improve air quality. In particular, this will include working with Bay of Plenty Regional Council and other partners to:

- Continue with a mix of incentives and rules to transition from inefficient burners to cleaner home heating technology
- Encourage heavy industry operators in existing neighbourhoods to relocate, which also provides the opportunity to implement cleaner technologies.

8.7 Resilient – Effects of Climate Change and Natural Hazards

We actively look for opportunities to reduce our environmental impact. Our communities are resilient to the effects of climate change and significant natural hazards.

Climate change is a key challenge facing current and future generations in New Zealand. For Rotorua this means:

- More frequent and intense, extreme rainfall and extreme wind events
- A greater number of days with over 25mm of rainfall
- More frequent and longer lasting droughts
- Higher than average temperatures with more days reaching above 25°C
- A greater chance of extreme forest fire danger days
- A reduced number of days with temperatures below 0°C

For Rotorua, extreme heat, drought and rainfall are higher risk, with extreme cold and wind events posing a medium to lower risk.

How urban development in Rotorua is planned for and delivered, can help to mitigate the effects of climate change, and ensure that its communities can adapt to its effects over time. The Rotorua Climate Action Plan 2021 sets out a range of measures to achieve this, which this FDS builds on.

8.7.1 Climate change mitigation

Climate change mitigation is about lowering human induced greenhouse gas (GHG) emissions and taking steps to remove GHG emissions from the atmosphere. An increasing population means that more action is needed to achieve this reduction.

As it relates to urban development, the FDS supports a reduction in GHG emissions in the following ways, consistent with the Rotorua Climate Action Plan 2021:

- Promoting an urban form that encourages walking and cycling as the primary mode of transport rather than driving. This will help with efforts to reduce vehicle kilometres travelled and with the meeting of emission reduction targets. This will be achieved by:
 - Enabling growth and intensification within Rotorua centres and in medium and high-density residential neighbourhoods close to centres and amenities. At the same time, working to make these places attractive to live by investing in improvements to open spaces and amenities to create demand, and a viable alternative to living in lower density suburbs.

- In the growing communities of Ngongotahā and the Eastside, ensuring that there is a balance of new employment and residential opportunities to reduce travel times.
- Improving cycling and active transport infrastructure (see Section 9.3 above for more detail).
- Improving bus frequencies on key public transport routes (see Section 9.3 above for more detail).
- Implementing travel demand management measures, including parking management and requiring supporting infrastructure in private development (e.g. bike storage and end-of-trip facilities).
- Retaining the local biodiversity and working towards increasing native and exotic biodiversity cover within the urban area in streets, public open spaces, riparian margins, and wetlands
- Working towards increasing native and exotic biodiversity cover in publicly owned land in rural areas, including any sites acquired in the future for the purpose of nitrogen off-setting.
- Encouraging passive design and energy efficient development.

8.7.2 Climate change adaptation

Rotorua also needs to adapt to the effects of climate change, in the knowledge that climate and weather patterns will change despite efforts to reduce GHG emissions. Of relevance to urban development and land use planning are the effects of increased rainfall, including an increase in the frequency and severity of flooding. This will need to be actively managed as growth occurs to ensure that communities are protected.

The overall objective for natural hazard risk management is to:

- Avoid making decisions that will make it more challenging to manage natural hazard risk areas in the future or limit future adaptation options;
- Avoid new development in high natural hazard risk areas;
- Progressively reduce existing risk in medium and high natural hazard risk areas;
- Not increase levels of risk in low natural hazard risk areas;
- Achieve low natural hazard risk for new development areas and look for opportunities to lower natural hazard risk in urban areas downstream;
- Take an integrated catchment management approach;
- Use nature-based solutions for more sustainable natural hazard risk reduction and restore natural land and water processes;
- Consider hard engineering solutions or structural treatment options only where nature-based solutions are not practicable on their own; and
- Identify and manage residual risk (e.g. insurance, emergency management planning, warning systems and community education).

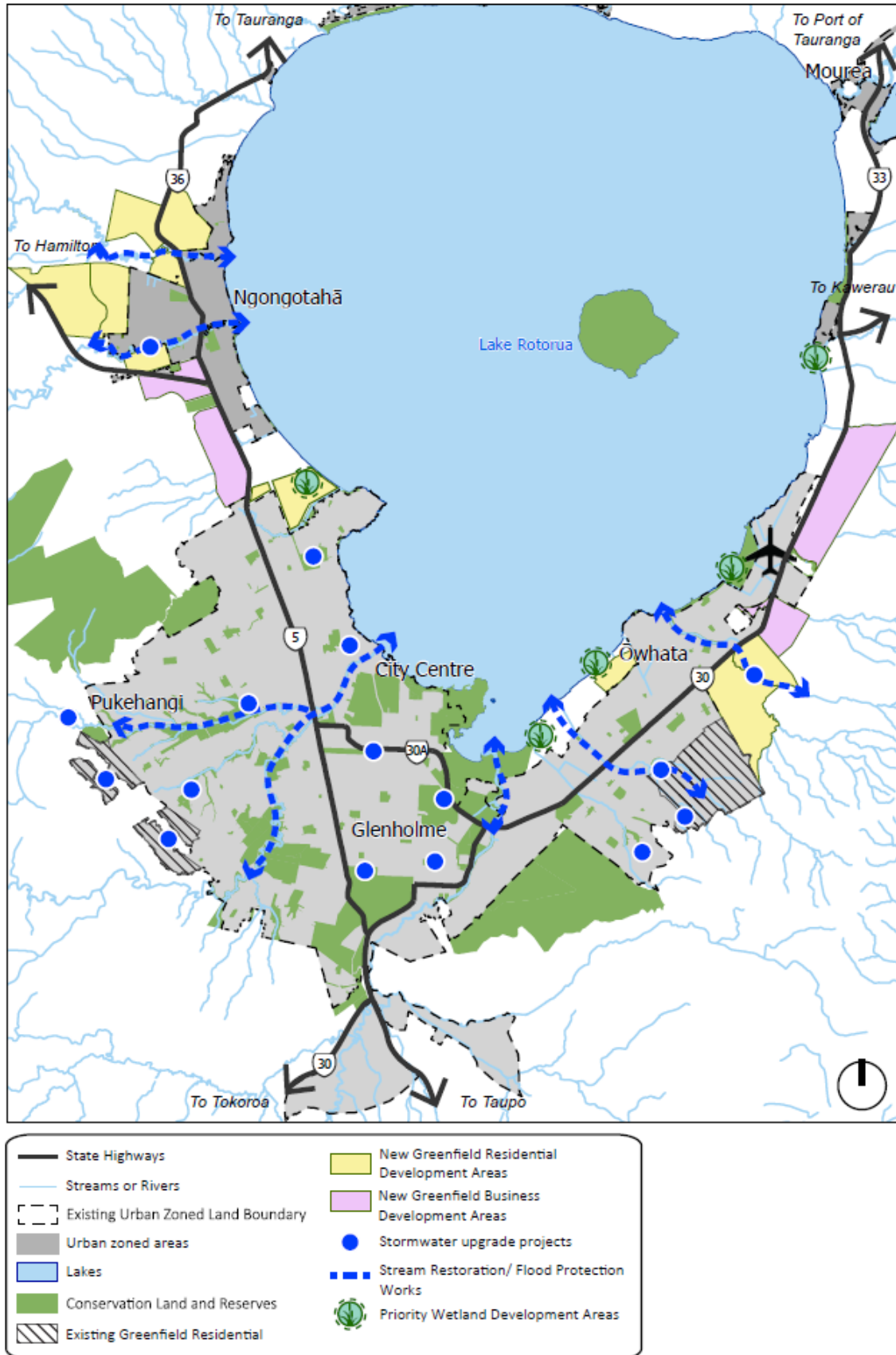
Achieving this requires a good information base for each sub-catchment that flow to Lake Rotorua. This defines the areas of low, medium, and high risk and supports the identification of options to reduce levels of risk where they are high. Options identified should be designed to reduce the flood risks, while at the same time look to improve water quality, biodiversity, and amenity outcomes. This work is ongoing, with

stormwater flood hazard modelling and mapping for the Ngongotahā, Utuhina, the central city, and Ōwhata catchments being a priority.

As a step to addressing known flooding risks and enabling development, several large-scale stormwater projects were identified, as shown on map 12. This will further support and enable intensification to occur in the central parts of Rotorua.

Lake Rotorua is experiencing rising lake levels due to increased rainfall. This affects stormwater drainage in the lower reaches of streams that flow into Lake Rotorua and is likely to increase erosion and flooding along lake frontages, which will affect the form and location of development in low-lying lakefront areas. Rotorua Lakes Council will work collaboratively with Bay of Plenty Regional Council, Te Arawa Lakes Trust and affected communities to develop options for managing this issue.

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Map 12: Stormwater Management

8.8 Investment – Smart, Safe and Reliable Infrastructure

We prioritise smart investment in safe and reliable infrastructure to enable and support growth, where and when it is needed

Infrastructure can be both an enabler and a constraint on development. This includes, three waters, transport, network utilities, and community infrastructure (schools and open space). Rotorua Lakes Council does not deliver all this infrastructure but has a key planning and coordination role to ensure that infrastructure is provided at the right time to support growth. The FDS provides a framework for Rotorua Lakes Council, Bay of Plenty Regional Council and infrastructure providers to undertake more detailed infrastructure planning and explore the range of funding options available. This will happen on a staged basis over time.

8.8.1 Key infrastructure issues and constraints

Based on knowledge and feedback from infrastructure providers, iwi and hapū and other stakeholders, there are known infrastructure issues and constraints that will need to be addressed to support growth in the future:

- **Flood defences and river/stream corridors:** Managing the effects of earthworks and the discharge of stormwater on existing river and stream corridors and flood defences, will be critical for new development. New development must allow sufficient room for river/stream management areas, including setbacks and riparian buffers, which will also provide a range of water quality and ecological benefits. Protecting the Kaituna Control Scheme Assets, including access for maintenance, will also be essential.
- **Stormwater:** Managing stormwater will be a key issue for future development, given the topography of Rotorua, the need to ensure new development does not increase natural hazard risks, and to improve the health of waterways. Funded investment within the central areas of Rotorua will provide significant additional capacity in the network and will improve water quality treatment. The Rotorua urban area comprehensive stormwater resource consent will also include measures aimed at improving water quality and the function of the stormwater network. Further analysis is required in other sub-catchments to understand the level of investment required to support growth in those locations.
- **Water supply:** Water is supplied from 10 natural sources around Rotorua which operate within abstraction limits. As the city grows, demand for water will increase. Using this water more efficiently by managing future demand, exploring opportunities for on-site water reuse, and minimising losses in the network, will be a key first step in providing for this growth within current limits. Long term, alternative water supply sources may need to be explored.
- **Wastewater and nutrient discharge:** The upgrade to the Rotorua Wastewater Treatment Plant will further improve the efficiency and quality of recovered water discharged to land (and ultimately to Lake Rotorua). A key issue for wastewater in the future, however, will be operating within the nitrogen discharge allowance as the population grows. As noted in the section above, this may require off-setting measures to be explored, costed, and funded as a priority.
- **Electrification:** The National Grid plays a critical role in electrification of the economy and it will be important to continue protecting the National Grid from inappropriate subdivision, land use and development. Rotorua Lakes Council will also work with Transpower to facilitate long-term planning for the maintenance, operation, upgrading and development of the National Grid.

While existing National Grid assets are identified on the FDS maps, it is anticipated that new assets will be needed, particularly to connect to new power generation in the district.

- **Transport:** Improvements in transport infrastructure will be needed to support future growth on a staged basis, with a focus on walking, cycling and public transport. As a first step, bus frequencies can be improved, together with targeted extensions of the cycling network, along key commuting routes. This will require working closely with Waka Kotahi and investigating funding options for the upgrades identified and determine optimum timing/staging. Coupled with this, a parking strategy should be developed to understand how the pricing and location of parking can support mode shift in the future.
- **Schools:** There is capacity in the school network to cater for growth in Rotorua, however there are some constraints in Ngongotahā and in the Eastside that will need active management and planning. Ngongotahā may be under pressure with additional growth and may require additional school infrastructure in the future, however this will need to be assessed through a future structure planning process. There is also some pressure on capacity in the school network in the Eastside, and in the longer term, additional investment may be required.
- **Open space:** There is a deficiency in the amount and type of open spaces within the urban area, and new and/or reconfigured open spaces will be needed to support future growth. Within the urban area, there is limited land available and optimising the function and design of existing open spaces will be a key consideration. New greenfield development in Ngongotahā and in the Eastside provides the opportunity to integrate large-scale open spaces needed to meet demand, while achieving other outcomes, including stormwater management, ecological enhancement and improved walking and cycling connections. Rotorua Lakes Council's Play, Active, Recreation and Sports Strategy, sets out a plan for providing new and upgraded open spaces in more detail. This will inform public investment and influence the form of private development, particularly in new greenfield locations.
- **Servicing for rural and papakāinga communities:** Through engagement with iwi and hapū it is understood that there is a need for greater support with infrastructure and servicing for rural and papakāinga communities outside of the urban area.

Other infrastructure, including network utilities and healthcare, will be required to support future growth but have not been identified as a key constraint.

8.8.2 Supporting infrastructure

Identified below is an outline of the key supporting strategic infrastructure to enable the growth shown in this FDS. These are conceptual and the locations and land required for this infrastructure will be determined through future planning processes. Some of this infrastructure is already planned for, through the Rotorua Lakes Council's Long-term Plans and Infrastructure Strategies, and other infrastructure will be investigated through future Long-term Planning processes, including both funding and staging.

The key initiatives are listed below:

- Rotorua Wastewater Treatment Plant expansion and enhancements (funded and underway).
- Wastewater network expansion to service existing and new development, which include rural communities at Tarawera, Mamaku, Rotoehu, Ngamotu, Tumoana and Rotoiti.
- Water supply upgrades to the existing network, including a demand management programme.
- Water supply network expansion to service new development including Wharenui, Pukehāngi, Mourea, Ōkere falls, Ōtaramarae, and Brunswick.
- Additional water storage reservoirs to provide a more reliable and resilient water supply network.
- Additional water source options in the long term, in addition to existing water allocation limits. The linking of the eastern and central supply areas would allow for the sharing of water supply and would provide an option to improve network efficiency.
- Stormwater network enhancements, which includes addressing both localised flooding, and stormwater quality.
- Stormwater network upgrades to serve development in the Eastside.
- Deliver stormwater network upgrades for central Rotorua and the Westside, funded through the Infrastructure Acceleration Fund.
- Public open space network improvements to optimise use and connections, including by enhancing the quality of pedestrian and cycling connections, incorporating active play spaces, and improving safety outcomes within identified public open spaces.
- Public open space network improvements in Ngongotahā, including investigating a potential new sport and recreation hub in the long term.
- Through structure planning, work with the Ministry of Education to identify if and when any expansion to existing schools or new schools are required in Ngongotahā.

8.9 Residential Capacity

The FDS provides potential capacity for about 12,400 new houses in and around Rotorua. This is more than the projected demand of 9,740 that is required to accommodate this demand over the next 30 years.

As such, it is unlikely that the full 12,400 would be realised over the life of this FDS. However, additional capacity is provided over and above the projected demand to take into account the uncertainty of how the market will respond to the existing geotechnical constraints, intensification opportunities, and uncertainty on the densities achieved through new greenfield development.

The FDS identifies long term opportunities for future high density residential in accessible locations. If realised, this provides the opportunity to accommodate a higher share of growth within the urban area over the life of the FDS. These locations include:

- **Central:** There is potential to enable high density residential further south into Glenholme and around the smaller centres on Malfroy and Fenton Streets in the longer term. In addition, there is future potential for redevelopment for some or the entire existing Arawa Park Racecourse site for a range of residential, complementary commercial and open space activities.

- **Ngongotahā:** There is the potential to relocate existing industrial uses away from Wikaraka Street to locations that are more compatible. This would support the development of high-density residential uses in close proximity to the village centre.
- **Eastside:** There is some potential for higher density residential development in the vicinity of the Te Ngae Shopping Centre in the longer term.

The table below provides a breakdown of the residential capacity that the market might feasibly and reasonably deliver over the life of the FDS.

Table 4: Table showing the breakdown of residential capacity

Area	Type of Development	Potential Dwellings (Short-to-Medium Term)	Potential Dwellings (Long Term)	Totals
Central (1400 dwellings)				
City Centre	Intensification / Infill	250	400	650
City Fringe	Intensification / Infill	50	100	150
Glenholme	Intensification / Infill	250	200	450
Fenton Park / Devon Street	Intensification / Infill	50	100	150
Eastside (3300 dwellings)				
Ōwhata	Intensification / Infill	50	150	200
Ōwhata West	Intensification / Infill	100	200	300
Ōwhata Lakefront	New Greenfield	150	150	300
Lynmore	Intensification / Infill	200	350	550
Wharenui Block	Existing Greenfield	750	250	1000
Wharenui Road East	New Greenfield	0	600	600
Gee Road West	New Greenfield	0	450	450
Westside (4500 dwellings)				
Western Heights / Fairy Springs	Intensification / Infill	200	350	550
Fordlands	Intensification / Infill	350	150	500
Pomare	Intensification / Infill	100	150	250
Koutu	Intensification / Infill	100	250	350
Springfield	Intensification / Infill	200	350	550
Mangakakahi	Intensification / Infill	300	600	900
Pukehangi Heights	Existing Greenfield	700	0	700
Heritage Farm	Intensification / Infill	300	0	300
Bonnington Farm / Ngongotahā Road	New Greenfield	400	0	400
Ngongotahā (3100 dwellings)				
Central Ngongotahā	Intensification / Infill	300	700	1000
Northern Ngongotahā	New Greenfield	600	850	1450
Western Ngongotahā	New Greenfield	650	0	650

Area	Type of Development	Potential Dwellings (Short-to-Medium Term)	Potential Dwellings (Long Term)	Totals
Totals				
Intensification / Infill		2800	4050	6850
Existing Greenfield		1450	250	1700
New Greenfield		1800	2050	3850
Totals		6050	6350	12400

8.10 Business Capacity

The FDS identifies approximately 195 hectares of additional land that may be suitable for a range of business uses.

This includes approximately 32ha of land adjacent to and adjoining the Eastgate Business Park and Rotorua Airport and an additional 92ha north of the Eastgate Business Park along State Highway 30. This area is of a significant scale and would be suitable for a range of industrial and business activities, subject to more detailed market and design investigations, and discussions with affected iwi and hapū.

The area north of the Eastgate Business Park is signalled as a long-term business aspiration that has some potential challenges around the presence of highly productive land and reverse sensitivity that would need to be carefully considered if ultimately required to address demand for new business land.

A total of 25ha of new business land has been identified around Ngongotahā to support future residential growth (both employment and services) in this area. A further 46ha of land has been identified east of State Highway 5 for general commercial uses with a tourism focus.

The capacity provided for industrial activities set out above for Rotorua, exceeds demand over the next 30 years. This is intended to encourage industrial activities in the urban area to relocate to more appropriate locations on the fringes of the city. It also recognises that relocated businesses will require more space than they currently have to operate efficiently in a modern business environment.

9.0 Staging of Development

The FDS provides capacity for about 12,400 new houses and 195 hectares of land for new jobs over the next 30 years, based on what the market is likely to deliver over that time.

If all of this land is developed it would deliver a significantly greater amount of housing and employment land than what is likely to be needed over the long term. However, some of the land has multiple landowners and/ or environmental constraints, which means it might take longer to develop. The intentions of landowners might also change over time, including their willingness and/ or ability to develop. The FDS caters for this uncertainty by providing more opportunities to develop.

At the same time, it is important to prioritise how and where Rotorua grows to focus investment on infrastructure. For this reason, the FDS identifies short, medium and long-term priorities for Council planning and investment based on the following criteria:

- Ability to service the area easily with existing or planned infrastructure.
- Readiness of the landowner to develop.
- Providing a range of opportunities for development across Rotorua to promote market competition.

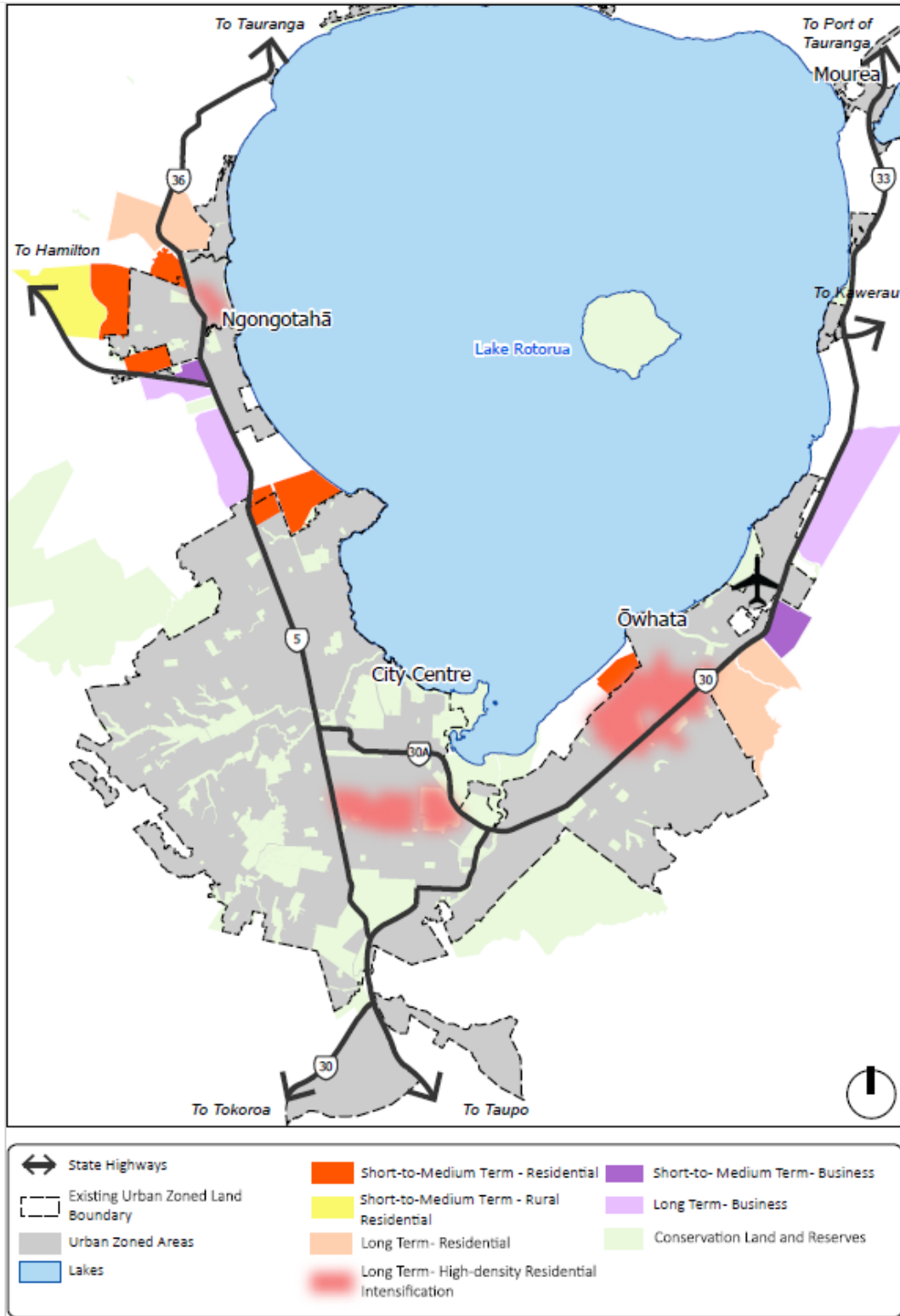
Map 13 shows the plan for the FDS growth areas. The key features of this plan are summarised below:

- Short to medium term medium density intensification opportunities are provided across the urban area with higher density intensification opportunities provided within and around the city centre and suburban centres across the city, and close to public transport.
- Higher density long-term residential intensification opportunities are identified in the FDS to the south of the city centre around Glenholme and Arawa Park Racecourse, and around the Ōwhata centre. This enables higher levels of intensification to occur in accessible locations as the city centre and Ōwhata centres grow and diversify, and as the market for apartment's increases in the long term.
- Within the short to medium term (0 – 10 years), greenfield residential opportunities are provided in Westside (on the northern urban edge adjacent to State Highway 5) and Ngongotahā, where there is demand and market interest. Residential areas identified for the short to medium term in Westside and Ngongotahā and long term residential opportunities are identified at the northern end of Ngongotahā.
- On the Eastside, only land on the Ōwhata lakefront has been identified as a short to medium term opportunity given there is development being actively planned in this location. This recognises that the Wharenui Rise development is currently under construction and is supplying the market well. Longer term residential is identified to the north-east around Gee Road and is a logical extension of the Wharenui Rise development once that is complete.
- Short to medium term opportunities for business are identified adjoining the Rotorua Airport and the Eastgate Business Park, and at the State Highway 5/36 intersection in Ngongotahā. This responds to known developments that are currently in the planning phase and builds on the success of the Eastgate Business Park, which is fully sold/occupied.
- Longer term opportunities for business are identified to the north of the Rotorua Airport and along State Highway 5 just to the south of Ngongotahā. These areas can be developed in

response to demand over time and potentially provide opportunities for the relocation of suitable industrial activities from the urban areas in Wikaraka Street, Fairy Springs and Ngāpuna, noting that the Peka Industrial Park and surrounds will be the most suitable location for traditional heavy industry in the future.

This plan is intended to provide guidance to landowners, the community, infrastructure providers and other stakeholders about when development might happen. It is not rigid, and will be regularly reviewed as there are changes in demand, landowner preferences and the availability of funding.

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Map 13: New (Future) Growth Areas

Rotorua Lakes Council will be responsive to any landowners wanting to bring forward particular areas for development should the development be required to meet demand. When reviewing this, the scale of the opportunity and the ability of the proposal to deliver the FDS Outcomes will also be taken into account. As well as considering impacts on the planned and funded programme for infrastructure delivery – where significant changes are required, developer-funded infrastructure and/or alternative funding arrangements will be needed.

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10.0 Implementation

10.1 Approach to Implementation

The FDS is a long-term strategic document with a 30-year view of growth and development, and it cannot be delivered all at once. To achieve the FDS Outcomes and implement the growth strategy, actions will happen over a long period of time.

The FDS cannot be delivered by one organisation alone. It will be delivered jointly by Rotorua Lakes Council and Bay of Plenty Regional Council, and in partnership with iwi and hapū, the Government, non-government organisations, businesses and community groups.

The intention of the FDS and its associated implementation plan, developed following the adoption of the FDS, is to provide direction, give confidence to, and help all partners play their part in the growth and development of Rotorua. The delivery of many of the actions will require wider engagement through other Council processes, including with the community, and government agencies. The timing and staging of development are also noted as key components of the implementation.

This section of the FDS outlines the process for preparing and updating the FDS Implementation Plan, including the partners involved.

10.2 Locality Plans

The section below sets out the high-level actions for growth in different parts of Rotorua, so that the growth strategy can be understood at a local level. This will inform the development of locality plans for each of these areas that will support the implementation process. The broad strategy for each of the locations is outlined below.

The areas identified are:

- City centre and surrounds (Central Area),
- Ngongotahā,
- Westside, and
- Eastside

Rotorua Lakes Council has progressed plans for the Eastside and the city centre and surrounds that this FDS implements and builds on. Any future planning work in these areas, including any new greenfield areas, will use the Eastside Community Wellness Plan and the preliminary work on the Central Locality Plan as the basis. The city centre and surrounds are a key priority for ensuring intensification is facilitated, so it is important that any plans build on recent investments in this location.

Other than for Pukehāngi, there has been no planning work undertaken for the Westside. No recent planning work has been undertaken for Ngongotahā either. There is an opportunity to work collaboratively with the local community, key landowners and other stakeholders to progress a Locality Plan in these locations.

10.2.1 Central Locality Plan

The FDS anticipates around 1,400 new homes across central Rotorua. This is mainly through apartment typologies in and around the city centre in the long term. The FDS also enables and supports higher density residential and complementary mixed-use development along Tūtānekai Street (the CBD's 'main street') and the southern end of Fenton Street (from the Arawa Park Racecourse to the Government Gardens). In the short term, intensification will likely be lower scale, including terraced housing and low-rise walk-up apartments. In the medium term, the feasibility of more intensive housing typologies is more constrained in central Rotorua due to the presence of the geothermal field and underlying ground conditions.

Longer term, there may also be potential to enable a more expansive area of higher density development in Glenholme, including around the smaller centres on Malfroy and Fenton Streets. In addition, there is potential for redevelopment in some or all of the existing Arawa Park Racecourse for a range of residential, complementary commercial and open space activities. Depending on how much land is available, and the density of development delivered, the site could be capable of accommodating several hundred additional houses. If redevelopment of Arawa Park was to occur over the life of the FDS this would likely reduce uptake of intensification opportunities close by, and the need for greenfield development opportunities elsewhere.

Intensification in and around the city centre will need to be supported by infrastructure improvements. This includes the provision of key road upgrades, more frequent public transport connections and network-wide enhancements to pedestrian and cycling infrastructure to encourage an increased number of trips via active modes of travel. This could include improved crossing facilities, lighting and increased segregation of key cycle routes to, from and through central Rotorua.

A range of stormwater mitigation works will also be required to address flooding risks within the catchment of the Utuhina Stream. This provides the opportunity to reduce hazard risk and improve water quality, biodiversity and amenity outcomes. Upgrades to existing open spaces and provision of new open spaces, including continued enhancements of the lakefront, will be required to support an increased local population.



Map 14: Preliminary Central Locality Plan

10.2.2 Westside Locality Plan

Westside incorporates the existing neighbourhoods of Koutu, Fairy Springs, Western Heights, Pukehāngi, Fordland, Hillcrest and Springfield. The FDS has identified the potential for an additional 4,500 houses across this area. Development will predominantly be in the form of medium density typologies including townhouses, duplexes and terraces with some potential for walk-up apartments. Around 750 new houses could be provided in the recently rezoned Pukehāngi Heights existing greenfield area, with a further 400 in new areas at Bonnington Farm, north of Aquarius Drive and off Ngongotahā. The retirement development at Heritage Farm (171-193 Fairy Springs Road) provides further opportunity (300 new houses) for residential in a reasonably accessible location.

A further 450 homes could be delivered on largely vacant/underutilised urban land spread throughout Westside. There is also potential for a large number of new houses in Fordlands with better utilisation of Kāinga Ora's extensive landholdings in this area.

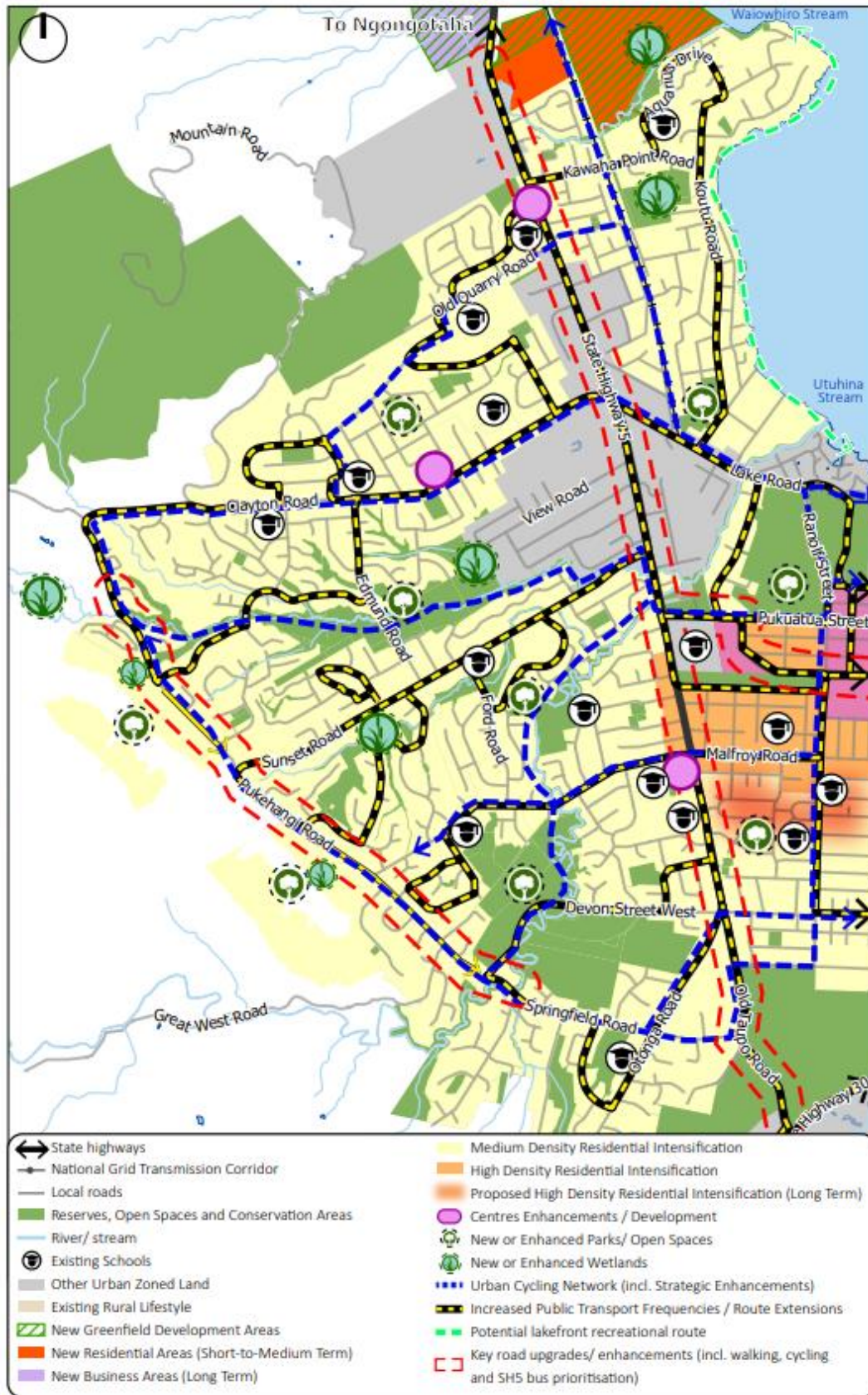
The centres network in the Westside will have an increasingly important role in the future in meeting the needs of the local community. Longer term, there is the potential to relocate existing heavy industrial uses away from the Fairy Springs / Mangakakahi area to the Peka Industrial Park and other heavy industry locations.

Like central Rotorua, intensification of Westside will need to be supported by the provision of improved connections and the completion of the shared path network for pedestrians and cyclists to facilitate an increased number of trips via active modes of travel. Key routes for enhanced cycling infrastructure include Malfroy Road, Sunset Road and Clayton Road to enable safer and more reliable journeys to and from the city centre. The potential future upgrade of Pukehāngi Road, including pedestrian and cycling infrastructure, in line with the growth of Pukehāngi, will also create the opportunity for public transport connections along this road.

Like central Rotorua, a range of stormwater mitigation works will also be required to address flooding risks within the catchment. This provides the opportunity to reduce hazard risk and improve water quality, biodiversity and amenity outcomes.

It will require working closely with the Ministry for Education to assess the capacity of Western Heights High School as growth occurs in the Westside and in Ngongotahā. It is also important to continue to protect and recognise the significance of the National Grid Transmission Corridor along with other core network infrastructure in the Westside.

Growth within this area will need to be supported by upgrades to existing open spaces and provision of new open spaces, particularly to ensure adequate access to sport fields and play space for the community. Final locations will be determined following more detailed investigations and discussions as part of future planning processes.



Map 15: Preliminary Westside Locality Plan

10.2.3 Ngongotahā Locality Plan

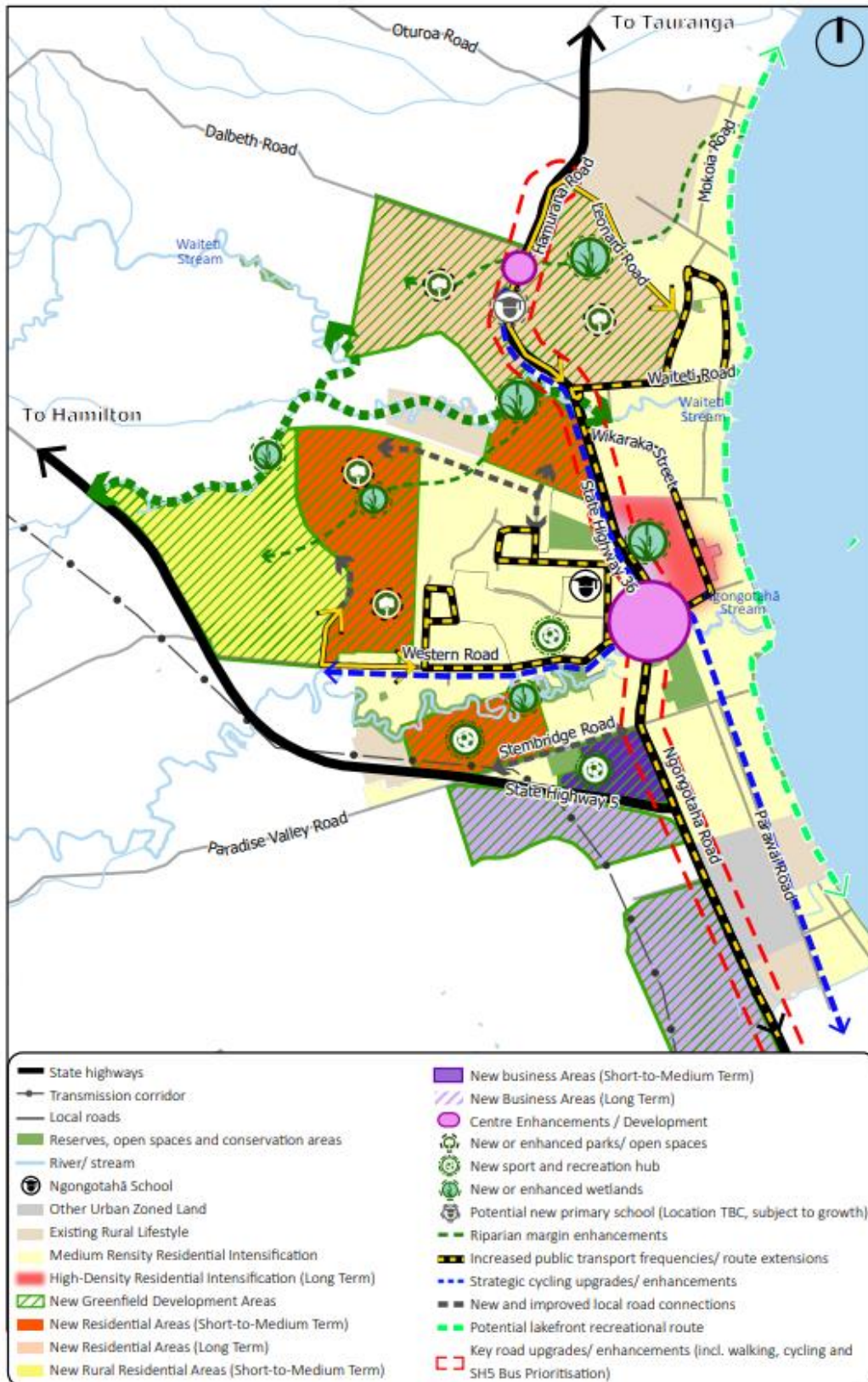
The FDS anticipates that Ngongotahā could accommodate an additional 3,100 houses over the next 30 years. In the short-to-medium term, new greenfield residential areas around Stembridge Road, Brake Road and Ngongotahā Road would provide additional competition in greenfield land supply to help address the existing housing deficit in Rotorua.

In the long-term, there is the potential to encourage the relocation of existing industrial uses away from Wīkaraka Street. This would support the development of high-density residential uses in close proximity to the town centre. There is further potential for greenfield development of approximately 1,200 new houses around Dalbeth and Leonard Roads in the long-term with potentially a supporting secondary centre to meet the needs of the future community in this location. Any new business growth adjacent to State Highway 5 will need to respond to, and reinforce, this connection as the key tourism gateway into Rotorua.

Intensification and greenfield growth around Ngongotahā will need to be supported by a number of three-waters, transport, open space and social infrastructure improvements. This includes the provision of more frequent public transport connections between Ngongotahā and the city centre and network wide enhancements to pedestrian and cycling infrastructure (including an upgrade of the Ngongotahā Cycleway) to facilitate an increased number of trips via active modes of travel. This could include improved crossing facilities, lighting and increased segregation of key cycle routes to, from and through central Rotorua. A northward extension of urban growth may also require upgrades/ urbanisation for parts of State Highway 36, and in particular safety and accessibility upgrades for the section through Ngongotahā village.

A range of stormwater mitigation works will also be required to address flooding risks within the catchment of the Ngongotahā Stream. Stormwater management measures, including on-site retention from greenfield development, may also be required to avoid potential downstream flooding impacts. Redevelopment of sites around waterways and the lake will also need to include riparian enhancements and could assist in the (re)development of former wetlands to support improved biodiversity and stormwater quality outcomes. Extensions and upgrades to reticulated water and wastewater networks (including pump stations) would need to be provided to enable growth.

Several new open spaces, including a sports and recreation hub, have been identified as being needed to support long-term growth in the area. Final locations of these will need to be determined following more detailed investigations and discussions as part of future planning processes. Work with the Ministry of Education will be required to identify if and when any new expansion of existing schools or new schools are required in Ngongotahā. It is also important to continue to protect and recognise the significance of the National Grid Transmission Corridor along with other core network infrastructure in Ngongotahā.



Map 16: Preliminary Ngongotahā Locality Plan

10.2.4 Eastside Locality Plan

The FDS anticipates that the Eastside could accommodate an additional 3,300 homes over the next 30 years. In the short-to-medium term, new greenfield areas the lakefront at Ōwhata would respond to demand and increase choice into the greenfield land supply market. A significant portion of the growth anticipated across Eastside is via the continued build out of the already zoned Wharaenui Rise, existing greenfield development.

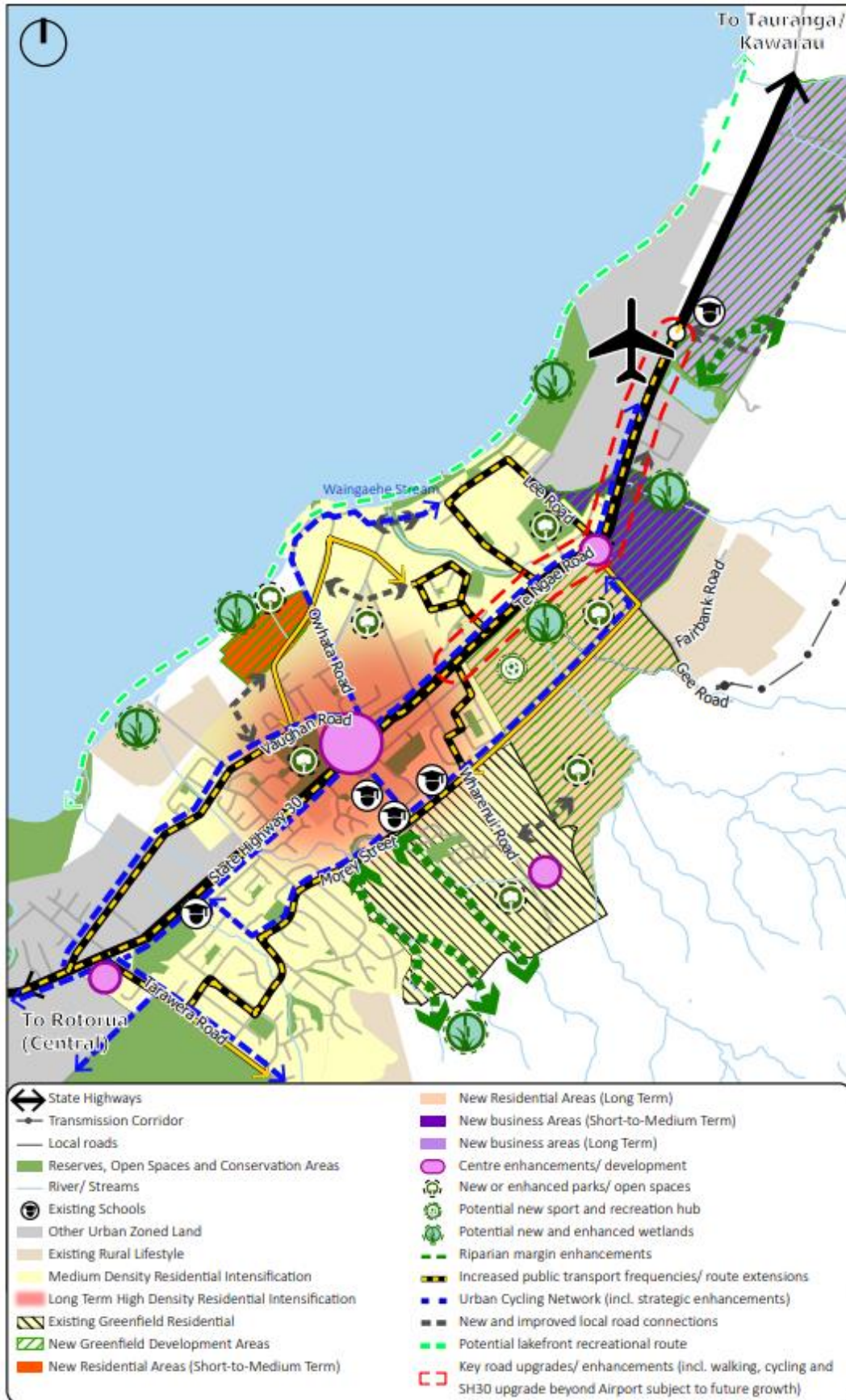
Longer term there is some potential for higher density residential development in the vicinity of the Te Ngae Shopping Centre with approximately 1,000 additional houses north-east of the Wharenui Rise development around Gee Road and the Waingaehe Stream. However, these areas are whenua Māori and may include highly productive land. More detailed analysis and planning would be required before urbanisation of these areas could occur. To support this growth, the Ōwhata Centre will need to grow and diversify in order to function as the main centre serving the community on the Eastside.

New business land has been identified south of Eastgate Business Park and proximate to the Rotorua Airport in the short to medium term. Long-term business capacity has also been identified immediately north of Eastgate Business Park. The area, which provides an ideal location for the colocation of light industrial activity is well located with respect to key freight routes (State Highway 30 and then State Highway 33) through to the Port of Tauranga, and can integrate efficiently with established businesses. A potential smaller service centre is anticipated within or close to the Rotorua Airport to meet the convenience needs for a growing employment base in the long-term.

Intensification and greenfield growth across Eastside will need to be supported by a number of three-waters, transport, and open space improvements. This includes the provision of more frequent public transport connections encompassing growth areas both north and south of State Highway 30. New cycling infrastructure (connecting into constructed facilities along State Highway 30), will be necessary to enable an increased number of trips via active modes of travel. A northward extension of urban growth may also require upgrades/ urbanisation for parts of State Highway 30 and/ or the creation of new intersections.

A range of stormwater and flood protection works may also be required to address flooding risks in the area and will need to be confirmed following a more detailed investigation. Stormwater management measures like on-site retention of stormwater from all greenfield development may also be required to avoid potential downstream flooding impacts. Redevelopment of sites around waterways and the lake will also need to include riparian enhancements and could assist in the (re)development of former wetlands to support improved biodiversity and stormwater quality outcomes. Extensions to reticulated water and wastewater networks (including pump stations) would need to be provided by developers to enable growth.

Several new open spaces, along with some upgrades to existing facilities, have been identified as being needed to support long-term growth in the area. Final locations of these will need to be determined following more detailed investigations and discussions as part of future planning processes. Similarly, growth will place additional pressure on schools in the Eastside, which will require further investigation and planning as a next step.



Map 17: Preliminary Eastside Locality Plan

10.3 Implementation Plan

A supporting Implementation Plan will sit alongside the FDS as a detailed roadmap for implementing the FDS. The plan is a live document that will be reviewed and updated annually with partners, as required by the NPSUD. It is an operational piece of work that does not require public consultation under the NPSUD, however, will involve engagement with a range of stakeholders to develop this plan, and the Rotorua community will be kept up to date with progress. The Implementation Plan sets out the detailed actions to deliver the FDS, including those relating to strategic and statutory planning, advocacy and research, other initiatives and infrastructure investment. It also includes details of who is responsible for delivering each action, as well as supporting agencies and organisations.

The actions will be informed by the outcomes that guide the FDS, which will provide a framework for prioritising actions over the short, medium and long term.

A key outcome of the FDS is achieving a compact city where people can easily access jobs, services, education and quality open spaces. The way in which greenfield land is released will affect the ability to achieve this, and therefore monitoring results and updates to the timing and staging of greenfield land are a key component of the Implementation Plan.

The localities identified in the FDS also form a key component of the Implementation Plan and provide high-level strategic direction.

10.4 Process for Delivering Development

The FDS is a high-level strategic plan and we need to work through a number of steps before development happens in new greenfield areas:

Planning processes

1. Structure planning integrated land use and infrastructure plan for a locality
2. District Plan Change for rezoning
3. Resource consents for development
4. Build

Infrastructure processes

1. Planning, design and funding supporting infrastructure
2. Designation and consents
3. Build

Undertaking structure planning and rezoning can be a Council-led or a developer-led process progressed under the Resource Management Act 1991

The Urban Development Act 2020 provides an alternative pathway for transformational large urban development projects and provides a framework for integrating planning, infrastructure funding and consenting. Planning processes under the Urban Development Act are led by Kāinga Ora, working together with Rotorua Lakes Council, iwi and hapū, the community and infrastructure providers. This includes a comprehensive process for the planning, funding and delivery of complex urban development projects – called Specified Development Projects (SDPs). The Western Corridor at Tauriko in Tauranga is an example of a large-scale development using this process.

10.5 Working with Partners

To deliver the FDS and Implementation Plan existing forums will be used to ensure that an integrated approach to actions and decision-making. The need for integrated decision making was a strong message heard from iwi and hapū and Rotorua Lakes Council will strive to achieve this.

The Implementation Plan and its delivery is led and coordinated by Rotorua Lakes Council, with partner input. It requires steps such as Rotorua District Plan changes and the development of business cases that inform budgeting for future Long-Term Plans and Annual Plans.

Implementing the FDS relies on extensions to the public transport network and increased services to achieve the FDS outcomes over the medium term. The feasibility and timing of public transport investment will be addressed through other processes including the Regional Land Transport Plan, and will require the support of the Bay of Plenty Regional Council, Waka Kotahi and Rotorua Lakes Council as funding decision makers.

Key delivery partners include:

- Te Arawa iwi and hapū
- Te Arawa Lakes Trust
- Te Tatau o Te Arawa manahautū
- Bay of Plenty Regional Council
- Rotorua NZ and industry groups
- Residential and commercial property developers
- Relevant Government departments and agencies, including:
 - Waka Kotahi
 - Kāinga Ora
 - Ministry of Housing and Urban Development
 - Ministry of Education

It will also important to work closely with the Rotorua Housing Accord a commitment between the Government, Rotorua Lakes Council, and Te Arawa to work together to build better housing and increase the housing supply.

10.6 Monitoring and Review

The NPSUD requires the FDS to be regularly reviewed, and if needed updated, every three years in time to inform Long-term Plan processes. As a minimum, there is a requirement to develop a new FDS every six years.

The next Housing and Business Capacity Assessment will be undertaken in 2024, which will involve an update of the outlook for residential and business demand and capacity. This will inform a review of the FDS in 2026, which may be incorporated into a Regional Spatial Strategy for the Bay of Plenty.