

NOTICE OF INTENDED MOTION

Dated: 9 May 2023

FOR

The Rotorua District Council Community District Meeting of 17 May 2023.

PURSUANT TO

Standing Order 27.

BACKGROUND

Elected Members have been provided with a proposed Future Development Strategy (FDS). This Notice of Motion proposes replacing 4.2.1 of the FDS with the following:

4.2.1 Housing Plan Change

A major constraint to housing delivery is the planning system, under the Resource Management Act 1991 (RMA), which arguably limits efficient land use.

In recognition of this problem the Government:

- put in place the *National Policy Statement on Urban Development* (NPS-UD); and
- passed the *Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021* (the Amendment Act) to strengthen and speed up the NPS-UD.

The Amendment Act required a group of specified councils ('tier 1 councils') to use the intensification streamlined planning process (ISPP) to implement the NPS-UD intensification policies and the *Medium Density Residential Standards* (MDRS). The MDRS are standards that enable three dwellings, three storeys high on most urban sections as of right.

The 'tier 1' councils include the largest, fastest growing cities in New Zealand including Auckland, Hamilton, Tauranga, Wellington and Christchurch.

Rotorua is a 'tier 2' Council alongside similar sized provincial cities such as Palmerston North, New Plymouth, Napier, Hastings, Whangarei etc.

Rotorua was the only 'tier 2' Council that volunteered to be treated like a tier 1 Council on the basis that Rotorua had an 'acute housing shortage'. However, it did so without any public consultation. The Council did consult Te Tatau o Te Arawa and the Te Arawa Lakes Trust who supported the change and they made their own submissions to the select committee to that effect.

The Minister for the Environment considered Rotorua District Council's request and made a determination that Rotorua did indeed have an 'acute housing shortage'. Upon this recommendation Cabinet made a decision to include Rotorua alongside the other 'tier 1'

councils, opening the way up for the incorporation of the MDRS provisions into the District Plan - through Plan Change 9. MDRS has thus been enabled in Rotorua since August 2022 when PC9 was notified. PC9 accepts MDRS as 'fait accompli' and does not provide for any possibility that MDRS could be revoked in Rotorua.

Public consultation

The change to MDRS is, in effect, a significant plan change but one which the public were never consulted on. Such changes are usually preceded by public consultation taking into account the feedback from that consultation.

Section 82 of the Local Government Act 2002 requires persons who will or may be affected by, or have an interest in a matter, must be provided with reasonable access to relevant information and should be encouraged to present their views to the local authority. The Council is required to hear such submissions with an open mind and be give these due consideration.

Under MDRS and PC9, almost all suburbs in Rotorua are affected (Whakarewara village, Ohinemutu village and Ngapuna are excluded). Subject to some limitations, a property owner could demolish or remove an existing old home and replace it with 3 dwellings, up to 3 storeys high without having to seek the permission from neighbours. This applies in Glenholme, Hillcrest, Springfield, Pukehangi, Western Heights, Ngongotaha, Lynmore etc.

The main benefit of MDRS is that more houses can be built within the existing 'footprint' of the city which takes advantage of existing infrastructure including roading, storm water, drinking water and waste water systems, electricity supply, fibre optic cable etc. This is cheaper than building new subdivisions and installing all new infrastructure. It also provides for smaller, more affordable homes.

However, one concern arising from MDRS is that such developments could potentially adversely change the character of neighbourhoods and / or suburbs.

Secondly, PC9 allows for the introduction of much higher densities in locations distant from the city centre and public transport, resulting in the all the negatives of higher density such as increased noise, loss of privacy etc for neighbours, without any of the benefits such as reduced vehicle use and greater proximity to services. Further, it appears PC9 has been prepared without the necessary infrastructure assessments to support the proposed urban form. When infrastructure is as costly as it is in Rotorua, it is vital it is planned out as the most cost-effective way possible.

The Minister for the Environment could make a recommendation to Cabinet to remove Rotorua from the list of Councils to which MDRS applies. Cabinet has the authority to make such a decision. The Minister could consider doing so at the request of the Rotorua District Council.

Public are invited to provide feedback on whether:

1. MDRS should be accepted in Rotorua as is; or
2. Council should write to the Minister for the Environment requesting that Rotorua be removed from the list of Councils to which MDRS applies.

If the latter were to happen a new Plan Change (eg PC 10) would be required that could provide for some intensification in some carefully chosen areas of Rotorua, while restricting such intensification in other parts of the city. This would all be subject to public consultation.

RECOMMENDATION

- 1. That Section 4.2.1 be replaced with the above wording for public consultation so that they may be properly informed as to how MDRS came to be adopted in Rotorua and to provide the community with their first opportunity to be consulted on whether or not they support the change.

MOVED BY

SECONDED BY



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Cr Robert Lee

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Cr