

18 March 2022

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Hon David Parker,
Minister for the Environment,

Email: D.Parker@ministers.govt.nz

Tēnā koe Minister,

Letter to Ministry for the Environment re: NPS UD Housing Shortfall

The NPS UD¹ requires Councils to notify the Minister for the Environment of any housing shortfalls identified through their Housing and Business Development Capacity Assessment (HBA).

Rotorua Lakes Council's HBA, undertaken by Market Economics, identified that there was the following housing shortfall:

- 1890 dwellings in the short term (including unmet demand of 1500 dwellings).
- 1400 dwellings in the medium term (including the unmet demand of 1500 dwellings)
- 3630 dwellings in the long term

The [HBA](#) and [supporting technical report](#) are both available on the Council's website.

The NPS UD stipulates that if the insufficiency is wholly or partly a result of RMA planning documents, the Council must change those documents to increase development capacity for housing as soon as practicable and consider other options for increasing development capacity and other enabling development.

Rotorua Lakes Council is to join the Tier 1 major urban centres covered by the medium density residential standards (MDRS) in a move that will significantly increase housing supply in the Rotorua Lakes District. This will be included in a number of changes to the District Plan that will be notified prior to 20 August 2022 (as per NPS-UD requirements).

Alongside changes to the District Plan, Rotorua Lakes Council is tracking to establish the Rotorua Future Development Strategy (FDS), a 30-year growth strategy for the Rotorua Lakes District. The outcomes of the FDS will promote long term strategic planning with a focus on a well-functioning urban environment, provide at least sufficient development capacity, support consistent planning and development decisions with infrastructure, and provide a statement for hapū and iwi aspirations of Rotorua.

Rotorua Lakes Council is expecting that there will also be several subsequent Plan Changes to address specific provisions and aspects of the district to enable further development capacity.

¹ clause 3.7

Council has also applied to the Infrastructure Acceleration Fund for government support for stormwater infrastructure capacity improvements that will help unlock development in the central and western parts of the urban area. Previous government funding is currently helping to unlock the development potential of Ngāti Whakaue Tribal Lands on the eastern side of Rotorua.

Finally, in the short term, Council is actively working with the development community to encourage and support the development potential of existing zoned land.

We look forward to continuing the work to enable sufficient development capacity while supporting an environment that supports the needs of the community.

Ngā mihi nui

Jean-Paul Gaston
Deputy Chief Executive, District Development