

Civic Centre
1061 Haupapa Street
Private Bag 3029
Rotorua Mail Centre
Rotorua 3046
New Zealand

13th July 2022

Tēnā koutou katoa,

Attention: *Ngāti Tura Ngati Te Ngākau Hapu Trust, Ngāti Ngararanui Iwi Trust, Te Tahuu o Tawakeheimoa Trust, Te Maru o Ngāti Rangiwewehi Iwi Authority, Raukawa Settlement Trust, Te Rūnanga o Ngāti Kea Ngāti Tuara, Tūhourangi Tribal Authority, Ngāti Roroaterangi Hapū Trust, Ngāti Uenukukopako Iwi Trust, Te Komiti Nui o Ngāti Whakaue, Ngāti Whakaue Tribal Lands Trust, Pukeroa Ōruawhata Trust, Tiki Te Kohu Ruamano Ahu Whenua Trust, Ōwhatiura 1B2C Ahu Whenua Trust, Ōwhatiura South 5 Inc, Ōwhata 2B Ahu Whenua Trust, Ōwhata 7 Ahu Whenua Trust, Tauhara North Trust, Ōhinemutu Committee, Te Papaouru marae, Tunohopu marae, Te Kuirau marae, Hurungaterangi marae, Hinemihi marae, Owata Marae, Tumahaurangi Marae, Waikuta Marae, Te Komiro, Te Tatau Pounamu, Te Tatau o Te Arawa, Te Arawa River Iwi Trust, Te Arawa Lakes Trust, Te Maru o Ngāti Rangiwewehi, Te Tahuu o Tawakeheimoa Trust, Ngāti Rangiteaorere Koromātua Council, Ngāti Pikiao Iwi Trust, Ngāti Rongomai Iwi Trust, Ngāti Makino Iwi Authority, Ngāti Tarawhai Iwi Trust, Te Runanga o Ngāti Kea Ngāti Tuara Trust, Te Mana o Ngāti Rangitihī, Ngāti Tahu Ngāti Whaoa Rūnanga Trust, Rotomā Inc, Tauhara North No 2, Rotoiti 15 Trust.*

Thank you for your involvement with Rotorua's Plan Change 9: Housing Plan Change ("PC9") to date through a series of workshops. Your feedback and time has been much appreciated.

As mentioned at our last Rotorua Housing and Growth Hui on the 4th of May, we would like to share with you our draft changes to the relevant chapters of our District Plan and the supporting Section 32 Report.

Please note that there is a lot of material to read through, so give yourself some time to consider the supporting documentation. For ease of reference, we have provided as an **appendix** to this letter, a high-level overview of the proposed changes to the plan, since our last correspondence.

Please do not hesitate to get in contact with us should you have any questions on the content of what is provided or want to discuss any other related matters. Attached to this letter are the Draft Rotorua District Plan Chapters with the proposed changes and the Draft Section 32 Report, which provides a justification for the proposed changes to the District Plan as a result of the Plan Change.

We will be presenting the Draft Plan Change to Council on 4 August and the Plan Change will be notified on 20 August 2022. Please can you provide your feedback by Wednesday 27 July.

Kind Regards,

Damon Matfield

Principal Strategic Advisor

Appendix - Overview of Key Changes to The Rotorua Housing Plan Change (PC9)

1. Introduction and Context

On August 20, 2022, Rotorua Lakes Council will be notifying PC9. The Plan Change will enable greater housing supply and choice in the Rotorua District by amending the current District Plan Rules. These changes are necessary for us to address the housing shortage and meet the increasing demand for smaller more affordable houses that are built in areas that have good access to jobs, public transport, amenities and other community facilities.

The Minister for the Environment identified Rotorua as a 'specified territorial authority' under The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (the Amendment Act) as an area of acute housing need via an Order in Council. The inclusion in the Amendment Act supports Rotorua Lakes Council in implementing the intensification policies of the National Policy Statement Urban Development (NPS-UD) and requires an update to the district plan to align with the Medium Density Residential Standards (MDRS) and the NPS-UD.

The MDRS introduces a package of mandatory provisions that will enable landowners to build up to three houses of up to three storeys on their site as of right on most sites. The MDRS will enable medium density to be built across much more of our urban area resulting in residential development in a variety of sizes and forms, including detached dwellings, terrace housing and low-rise apartments. The MDRS will have legal effect from the time Council notifies the relevant plan changes by 20 August 2022.

The Plan Change will enable height and density to be restricted where there are "qualifying matters". These are protected values or known development constraints such as natural hazards and cultural values. In these cases (i.e. enabling heights and densities greater than the MDRS and qualifying matters), planning provisions will have legal effect once the plan change decisions have been completed and after the submissions and hearings period in 2023.)

2. Changes/additions/updates since our last correspondence

Following our hui on housing and growth on 4 May, we provided you on 9 May working drafts of the plan provisions for the Residential, City Centre, Commercial, Subdivision and Papakāinga chapters of the district plan. We also circulated to you for context, the working draft section of the 32 report which provided the justification for the proposed changes.

Since we provided you with this material we have further developed these drafts. The revised drafts are attached to this email. It is important to note that amongst other updates we have made the following key additional amendments:

- The introduction of additional provisions to manage geothermal heat and gas risk. The identified area covers a smaller extent than the Rotorua Geothermal System, but still incorporates significant parts of the central area of the city near to the city centre and lake in the north, and near Whakarewarewa in the south.
- The amendment of the transport standards that apply to manage the increased number of households accessed from one shared accessway; and
- The introduction of an additional rule relating to historic heritage structures – providing protection from inappropriate development.

3. High-level Overview of the Key Changes to the District Plan

Residential Zones

Residential 1 Zone

The Medium Density Residential Standards, as specified in the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021, are required to be applied to all “relevant residential zones”; including the Residential 1 Zone.

Residential 2 Zone

Within the Residential 2 zone the Council is seeking to enable high density housing to provide greater residential capacity and choice close to the city centre.

Residential 3 Zone

PC9 includes retaining the current Residential 3 Zone (Ōhinemutu, Whakarewarewa, and Ngāpuna) provisions as a new qualifying matter. The outcome of this new qualifying matter is there will be no changes to the objectives, policies and rules in this zone. It is anticipated that conversations around aspirations will continue between Council and Iwi/hapū of these villages.

Residential 4 & 5 Zones

The Residential 3, 4 and 5 zone will remain unchanged as per the operative plan provisions.

Overview of Proposed Residential Provisions

Performance Standards	Residential 1 Zone – Medium Density Residential Zone	Residential 2 Zone – High Density Residential Zone
Maximum Building Height	11m with an allowance for the peak of the roof to extend an additional 1m.	19.5m
Density	3 houses per site - permitted 4 or more dwellings – restricted discretionary	
Minimum distance from house to front yard	1.5m	
Minimum distance from house to side and Rear	1m	
Height envelope	4m + 60 degrees	12m + 60 degrees – within 23.5m from the road frontage. 4m + 60 degrees – along all other boundaries.
Maximum amount of site that can be covered by buildings	50%	
Outdoor living space	Where at ground floor – minimum 20m ² , with no dimension less than 3m Where above ground floor – minimum 8m ² , with no dimension less than 1.8m	Where at ground floor – minimum 20m ² , with no dimension less than 3m Where above ground floor – minimum 6m ² , with no dimension less than 1.8m
Outlook space	From principal living room – minimum 4m by 4m; and From all other habitable rooms – minimum 1m by 1m	
Glazing	Minimum 20% of the street facing façade in glazing	

Landscaping	Minimum 20% of a development site
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In addition to the required rules, Council is also seeking to introduce rules that regulate minimum dwelling size, maximum building length, maximum impervious area, fences and assessment criteria for 4 or more dwellings to achieve quality-built outcomes.

Commercial Zones and City Centre Zones – Key Changes

As part of the Plan Change 9: Housing Plan Change, Council has considered how to enable residential development in the Commercial and City Centre Zones, due to their accessible location relative to amenity. The primary method of doing so is by enabling a greater height in these locations to accommodate for a wider range of activities that are supported by a greater density (I.e. more people living in the area).

Overview of Proposed Commercial Provisions

Performance Standards	Commercial 1 Zone -	Commercial 2 Zone	Commercial 4 Zone	Commercial 5 Zone	Commercial 6 Zone
Maximum Building Height	20m	20m	24m	20m	24m
Density	No density controls				
Minimum distance from building to yard	No changes in distances, unless the site adjoins a Residential 1 or 2 Zone where the yard shall be 3m.	No changes in distances, unless the site adjoins a Residential 1 or 2 Zone where the yard shall be 3m.	No changes in distances, unless the site adjoins a Residential 1 or 2 Zone where the yard shall be 3m.	No changes in distances.	No changes in distances, unless the site adjoins a Residential 1 or 2 Zone where the yard shall be 3m.
Height envelope	Where sites are adjacent to Residential Zones – they must comply with the height envelope standards of the adjoining zone.				
Outdoor living space for residential units	Minimum 6m ² , with no dimension less than 1.5m - with exceptions.	Minimum 6m ² , with no dimension less than 1.5m - with exceptions.	Where at ground floor – minimum 20m ² , with no dimension less than 3m Where above ground floor – minimum 6m ² , with no dimension less than 1.8m.	Minimum 6m ² , with no dimension less than 1.5m - with exceptions.	Minimum 6m ² , with no dimension less than 1.5m - with exceptions.
Outlook space for residential units	From principal living room – minimum 4m by 4m; and From all other habitable rooms – minimum 1m by 1m				
Landscaping for residential units	No landscaping requirements	No landscaping requirements	Minimum 20% of a development site	No landscaping requirements	No landscaping requirements

Overview of proposed City Centre Provisions

Performance Standards	City Centre 1 Zone	City Centre 2 Zone	City Centre 3 Zone
Maximum Building Height	32m	24m	24m
Density	No density requirements		
Minimum size of residential units	The minimum net floor area of a studio unit shall be 35m ² The minimum net floor area of a 1 bedroom unit shall be 45m ²		
Outdoor living space for residential units	Minimum area 6m ² Minimum dimension of 1.5m May be grouped cumulatively in 1 communally accessible location or located directly adjacent to the unit. Exceptions		
Outlook space for residential units	From principal living room – minimum 4m by 4m; and From all other habitable rooms – minimum 1m by 1m		

Supporting/Additional Changes

There are also several additional and supporting changes that RLC are proposing, these are summarised below:

Papakāinga Development within the Rotorua District

During several engagement hui undertaken as part of the Rotorua Housing Plan Change and the Future Development Strategy (FDS), there was clear feedback from Iwi and hapū that the current district plan framework for papakāinga development has not delivered the level of housing that is required for the Rotorua district. The current provisions are also seen to present barriers and deterrents when Iwi seek to establish papakāinga and kaumātua housing on their whenua.

PC9 includes proposed amendments to the rules for papakāinga in the General District Wide Matters (GDWM) chapter of the district plan. The proposed amendments are in accordance with section 80E of the RMA, which enables an intensification instrument to amend provisions to enable papakāinga housing in the district in both urban and rural areas.

The proposed amendments include the following:

- Deleting the performance standard that requires papakāinga to locate on land that adjoins or is adjacent to a Marae;
- Amending the provisions to ensure that the framework for papakāinga in residential zones is in keeping with the MDRS and policy intent of the National Policy Statement for Urban Development (NPS-UD).
- Introducing additional provisions to enable a greater density of papakāinga development in rural zones; and
- Introducing additional performance standards to clarify the activity status, and appropriate scale and intensity of non-residential activities that form part of a papakāinga development in rural zones.

Flooding

The emerging flood risk assessment and development facilitated by PC9 identifies where there is potential for flood risk to increase. Supporting changes are intended to improve the management of flooding to achieve the objective of minimising or reducing risk, while increasing efficiency, where possible.

The amendments include:

- Amendments to the building level standards:
 - Alignment of design flood used for minimum building level standards to that used in subdivisions and administration of the Building Act;
 - Extension of building level standards to new buildings.
- Introduction of a requirement for a broad assessment (as a restricted discretionary activity) for buildings and larger building additions in areas where the anticipated flood levels in a design event are more than 300mm. This constitutes an additional qualifying matter.
- Clarification and streamlining of subdivision rules.
- Reduction in the maximum impervious site coverage standards for Residential 1 and 2 Zones.

Geothermal Hazards

Amendments are proposed to the provisions which manage the risks from geothermal hazards as part of PC9. These are intended to respond to potential risks from heated ground and elevated gas emissions in geothermal areas, which are expected to increase in the context of the increased development potential enabled by PC9. The proposed amendments include:

- Inserting a new 'Geothermal Hazard Assessment Overlay' to the planning maps to identify areas with potentially elevated ground temperatures or emission of geothermal gases. The identified area covers a smaller extent than the Rotorua Geothermal System, but still incorporates significant parts of the central area of the city near to the city centre and lake in the north, and near Whakarewarewa in the south.
- Inserting a corresponding rule to require resource consent, as a restricted discretionary activity, for building work inside this overlay. This will provide opportunity to assess the geothermal hazards present on site and consider potential methods to reduce the associated risks, focusing particularly on the layout of the site and building coverage/impervious area, which are not considered sufficiently addressed by the bylaw or Building Act. This new rule would replace an existing rule requiring assessment when impervious surfaces exceed 90%. As it may impact on density achieved in residential zones inside the overlay, it would also constitute an additional qualifying matter.

Financial Contributions for Reserves

PC9 includes proposed amendments to the objectives, policies and rules for financial contributions. The proposed amendments ensure the purpose of the contributions for reserves aligns with the future reserve requirements for Rotorua and that the provisions are fit for purpose. The proposed amendments include:

- Strengthening the purpose of Financial Contributions:
- Extending the situations for charging reserve contributions to permitted residential units to capture the greater potential for residential units to be constructed without a subdivision or land use consent.
- Reducing the Financial Contributions in most urban zones from 5% to 3.5% to encourage efficient land use.
- Reducing the Financial Contributions in the Rural Zone to 2.5% recognising the residents in these areas have less demand for the reserve network.

- Reducing the Financial Contributions for minor residential units to 1% to encourage an increase in ‘smaller’ housing types to meet demand and to address the fact that there are less household occupants and lower demand on reserves by the individual household.

Historic Heritage

Amendments are proposed to the provisions which manage historic heritage to respond to the greater building height and bulk enabled by PC9 which may give rise to adverse effects on the heritage values of cultural heritage features. In particular the amendments include a new rule and policy framework for new buildings or additions on the same site as the feature.

It is proposed including a “new building rule” rule” to sites, which contain historic heritage structures, as listed in the schedule, will manage the protection of historic heritage from inappropriate subdivision, use and development.

Transport Provisions

PC9 has the potential to impact and further exacerbate effects on the transport network in Rotorua. The purpose of the amendments to the transport provisions is to ensure that they will enable and manage the anticipated increase in residential development through PC9.

These proposed amendments include:

- New objectives, policies and rules to manage the increased number of households accessed from one shared accessway
- Assessment criteria for developments that cannot comply with the provisions.

Existing Qualifying Matters

The Amendment Act enables height and density to be restricted where there are “qualifying matters”. These are protected values or known development constraints.

Existing qualifying matters within the Rotorua District Plan include:

- National Grid
- Natural Hazards
- Historic and Cultural Values
- Significant Natural Areas
- Outstanding Natural Character
- Outstanding Natural Features and Landscapes
- Public Access
- Designations

It is proposed to “roll over” the current rules and amend these where appropriate to limit development rather than including these sites in a lower density zone.