

Addressing growth pressure across the Kaipara District ahead of the District Plan review process

Meeting: Council Briefing
Date of meeting: 3 March 2021
Reporting officer: Katherine Overwater, Senior Resource Management Planner

Purpose/Ngā whāinga

To provide an overview of the options for Council to consider in respect to managing some of the District's immediate growth pressures prior to the upcoming District Plan review process.

Context/Horopaki

For some time now, the Kaipara District has been facing considerable growth pressures. Currently there are developers who wish land to be rezoned for either residential, industrial or commercial purposes. Some of these developers are looking to Council to rezone the areas of land, most of which has now been identified (as future residential or commercial for example) in Council's recently adopted spatial plans.

Timing of any land to be rezoned is critical for two key reasons. Firstly, the Kaipara District Council has recently embarked on a comprehensive review of the District Plan, which will respond to the growth pressures and ensure that land across the District is rezoned in accordance with the Ministry for the Environment National Planning Standards. Secondly, the provision of future infrastructure must coincide with the timing of land to be zoned, to ensure services can be provided for development once the land is rezoned.

While funding for several infrastructure projects has been signalled in the upcoming Long Term Plan, Council must ensure that any areas selected for rezoning, whether prior to the District Plan review or as part of the review, can be adequately serviced - particularly areas identified in the Spatial Plans.

Where services cannot be provided in the 10 year lifetime of the Proposed District Plan, Council should consider these areas to be zoned "future zones", which may need to be subject to future structure plans and plan changes, which would rezone these areas as the infrastructure becomes available.

Discussion/Ngā kōrerorero

The issue for Council's consideration in this report is whether some "spot re-zoning" should occur prior to the new District Plan being notified and if so, whether Council should:

- a) initiate its own plan change(s);
- b) private plan changes from individual developers;
- c) promote a 'hybrid' option, which is a combination of a Council initiated plan change and a private plan change; or
- d) do nothing (status quo).

The following discussion provides a "highlights package" of information taken from the overview and evaluation of options paper (see Attachment 1). This is set out in the same order as the options analysis in Attachment 1.

Do Nothing Option (Option 1)

The "do nothing" option simply retains the status quo, which sees the KDC resource consents team considering large/complex applications as (generally) Non-Complying activities as they tend to be outside of the development pattern envisaged by the Operative District Plan. While

this option can provide an interim holding pattern until the District Plan review picks up the zoning and provisions with it, there is a risk in the meantime to the strength and integrity of the Operative District Plan, specifically where key objectives and policies are not being met. It is not the preferred option recommended by staff, but it must be acknowledged that this approach may continue to occur, especially if developers prefer the consenting pathway over a private plan change request.

Private Plan Changes (Option 2)

A private plan change can only be made to the Operative District Plan. However a developer may request to either undertake a straight-forward rezone of specific areas of land or propose a more comprehensive suite of provisions including objectives, policies and rules, which often become precincts when incorporated in the District Plan (i.e. Private Plan Change 78).

In terms of costs and benefits, the key difference between a private plan change and a Council initiated plan change is that a private plan change is wholly funded by the developer and not Council (and by default the wider community). As resourcing will be required to manage private plan changes, Council can engage external consultants to manage the process, which would be at the developer's cost. This would enable Council staff to focus on the upcoming District Plan review.

As set out in Attachment 1, there are a number of criteria which Council should consider when it receives a private plan change or when a decision to adopt the private plan change as a Council plan change is made. As noted, several of these criteria would apply to the current growth areas in the Kaipara District in which case, Council can make a decision at the time a private plan change is requested from developers.

It is the staff advice that this be the preferred approach for managing immediate development opportunities and that any private plan change can be assessed against the outlined criteria prior to being "accepted" by Council for processing. The key reasons for this approach are:

- a) Any costs to Council (and the wider community) would be minimal, given that developers would fund the private plan change process;
- b) Reduced risk of public perception that Council is 'favouring' certain private developers;
- c) Timing may or may not coincide with the District Plan review, depending on the extent of the private plan change (i.e. straight re-zoning vs amendments to objectives, policies and rules); and
- d) Individual private plan changes could be managed by external consultants therefore ensuring Council staff are available for resourcing the District Plan review and any subsequent RMA reform work.

Council initiated Plan Change (Option 3)

Council can undertake its own plan change to rezone ad hoc key growth areas. In terms of the costs and benefits, the key considerations are that a plan change initiated by Council would be wholly Council funded. Prior to commencing the plan change, Council would need to investigate what technical evidence/expertise is required in order to support the requirements of a section 32 evaluation to ensure the rezoning of ad hoc growth areas is appropriate and can be supported in terms of s32 of the Resource Management Act 1991. For example, this evidence may include: geotechnical (including natural hazard management), infrastructure/transport, and economic analysis.

Staff resources and time must also be a key consideration, given staff resources for the District Plan review are already minimal and a plan change may need to be contracted out to consultant planners, therefore incurring additional cost for resourcing. It is also noted that the average cost of a 'simple' plan change is approximately \$80,000, exclusive of legal costs and appeals – more complex plan changes involving detailed technical evidence cost hundreds of thousands of dollars.

There is also a risk to Council of public perception that certain landowners would benefit from the rezoning. This needs to be carefully considered in light of the District Plan review process,

which will provide for additional rezoning, albeit it may take several years for the zoning to become operative.

As discussed in Attachment 1, if undertaking a Council initiated plan change is Council's preferred option, it is recommended that the most efficient pathway would be to identify the key growth areas, which Council know can be serviced by infrastructure and to undertake a straight-forward rezoning of the land. This would mean that the provisions relating to these respective zones would remain as they are currently in the Operative District Plan – for example, land would be re-zoned from rural to residential but there would be no amendments to policies, rules etc.

Hybrid Option (Option 4)

The hybrid option combines both the Council initiated plan change and private plan change options together and provides a cost sharing opportunity between Council and the developers seeking rezoning.

While this option is potentially another feasible option, there is no certainty in respect to getting private developers to agree to undertake an integrated plan change of key growth areas in conjunction with Council and the extent of the plan change. Further, agreement would need to be in respect to costs from developers, which could be challenging depending on the scope of rezoning both parties are seeking.

Staff's current thinking is that Council would only seek a straight-forward rezoning of key growth areas to "liven" more zoning for future development and to leave any amendments to the zone provisions to be undertaken through the District Plan review process. It is also important to ensure that infrastructure would be available to service the growth areas identified in the plan change.

As highlighted above, staff advice is that developers use the private plan change process option, which could enable rezoning to occur ahead of the District Plan review process. If applications were received within the next 6 – 12 months, the plan change process could be finalised and any appeals potentially resolved prior to the scheduled notification of the Proposed District Plan (planned for 2023).

From a time, cost and public perception perspective, the private plan change option provides the least risk to Council and ensures that resources can be managed to remain focused on the District Plan review process, which in time will provide a much more comprehensive package of rezoning for the District and will also be influenced by public participation, consultation and submissions.

Next steps/E whaiake nei

Staff would like to seek direction from Council as to how they should respond to enquiries currently being received for rezoning and what Council's preference is in respect to the four options outlined in Attachment 1.

If Council would like to further consider a Council initiated plan change (option 2), the next step would be to select key growth areas for rezoning and undertake further work to consider what technical expertise may be required to determine whether the areas for rezoning are suitable from a geo-technical perspective and whether there is capacity for future infrastructure. Staff would then report back to Elected Members with the results of this analysis.

If Council would like to further consider the hybrid option (option 4), key growth areas would need to be selected for rezoning and staff would need to meet with private developers to determine whether they would support a hybrid approach or if their preference is to request a private plan change or apply for a resource consent.

Attachments/Ngā tapiritanga

	Title
A	Options for rezoning to cater for ad hoc growth prior to the District Plan Review