



# KOMITI ITI AROTAKE MAHERE Ā-ROHE | DISTRICT PLAN REVIEW SUBCOMMITTEE

31 March 2022

Order Paper for the meeting to be held via Zoom  
(the meeting will be live streamed on Council's Facebook page) on:

**Thursday 7 April 2022 commencing at 2.00pm**

Members of the public wishing to speak to items on the agenda are asked to  
contact: [democraticservicesteam@huttcity.govt.nz](mailto:democraticservicesteam@huttcity.govt.nz)

## Membership

Cr S Edwards (Chair)

Cr K Brown

Cr B Dyer

Deputy Mayor T Lewis (Deputy  
Chair)

Cr N Shaw

Maiora Dentice (endorsed by Te Rūnanganui o Te Ati Awa)

For the dates and times of Council Meetings please visit [www.huttcity.govt.nz](http://www.huttcity.govt.nz)

### Have your say

You can speak under public comment to items on the agenda to the Mayor and Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this by emailing [DemocraticServicesTeam@huttcity.govt.nz](mailto:DemocraticServicesTeam@huttcity.govt.nz) or calling the Democratic Services Team on 04 570 6666 | 0800 HUTT CITY

## DISTRICT PLAN REVIEW SUBCOMMITTEE

**Membership:** Chair of Policy, Finance and Strategy Committee  
4 other councillors  
Up to 2 representatives appointed by Iwi

**NOTE:**

Elected members should hold current certification under the Making Good Decisions Training, Assessment and Certification Programme for RMA Decision-Makers. The Chair should in addition hold Chair certification. Standing Orders 30 and 31 outlining provisions for Tangata Whenua and Taura Here do not apply to this Subcommittee, and Iwi appointees will have full voting rights as members of the Subcommittee under Standing Orders.

**Meeting Cycle:** As required  
**Quorum:** 4

**Reports to:** Policy, Finance and Strategy Committee

### **PURPOSE:**

To make recommendations to the Policy, Finance and Strategy Committee, for recommendation to Council on the matters to be addressed in the full review of the District Plan and development of a Proposed District Plan.

### **Provide:**

Direction to Council officers on all matters relating to the drafting of content for the review of the District Plan. This includes but is not limited to:

- scoping and investigation of the issues
- engagement on possible content
- development of discussion documents and other draft documents for consultation
- development of a Draft District Plan for consultation
- development of a Proposed District Plan for statutory consultation.

### **General:**

Any other matters delegated to the Subcommittee by Council in accordance with approved policies and bylaws.

**HUTT CITY COUNCIL**

**KOMITI ITI AROTAKE MAHERE Ā-ROHE |  
DISTRICT PLAN REVIEW SUBCOMMITTEE**

Meeting to be held via Zoom on  
Thursday 7 April 2022 commencing at 2.00pm.

**ORDER PAPER**

**PUBLIC BUSINESS**

**1. OPENING FORMALITIES - KARAKIA (22/36)**

Ki a tau ki a tātou katoa  
Te atawhai o tō tatou  
Ariki o Ihu Karaiti  
Me te Aroha o te Atua  
Me te whiwhinga tahitanga  
Ki te wairua tapu  
Ake ake ake  
Amine

**2. APOLOGIES**

**3. PUBLIC COMMENT**

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

**4. CONFLICT OF INTEREST DECLARATIONS**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

**5. MINUTES**

Meeting minutes District Plan Review Subcommittee, 17 March 2022

6. **RECOMMENDATION TO TE KAUNIHERA O TE AWA KAIRANGI**  
**| COUNCIL - 24 MAY 2022**

**Intensification Planning Instrument: Financial Contributions**  
**Assessment (22/631)**

Report No. DPRS2022/2/58 by the Intermediate Policy Planner 10

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be endorsed."

7. **INTENSIFICATION PLANNING INSTRUMENT - QUALIFYING**  
**MATTERS (22/573)**

Report No. DPRS2022/2/59 by the Intermediate Policy Planner 19

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be endorsed."

8. **QUESTIONS**

With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

9. **CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA**

Unuhia!

Unuhia!

Unuhia i te uru-tapu-nui

Kia wātea, kia māmā

Te ngākau, te tinana, te wairua i te ara takatū. Koia rā e Rongo whakairihia ake ki runga Kia wātea, kia wātea!

Ae rā, kua wātea!

Hau, pai mārire.

Annie Doornebosch  
 Democracy Advisor

HUTT CITY COUNCILKOMITI ITI AROTAKE MAHERE Ā-ROHE |  
DISTRICT PLAN REVIEW SUBCOMMITTEE

Minutes of a meeting held via Zoom on  
Thursday 17 March 2022 commencing at 12.30pm

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**PRESENT:** Cr S Edwards (Chair) Cr B Dyer  
Cr N Shaw Ms M Dentice

**APOLOGIES:** Deputy Mayor Lewis and Cr Brown.

**IN ATTENDANCE:** Mr K Puketapu-Dentice, Director, Economy and Development  
Ms P Rotherham, Head of Planning  
Mr N Geard, Senior Environmental Policy Analyst  
Mr S Davis, Policy Planner  
Ms E Campbell, Tikanga Māori Policy Planner  
Mr C Page, Intermediate Policy Planner  
Ms A Doornebosch, Democracy Advisor  
Ms T Lealofi, Democracy Advisor

PUBLIC BUSINESS**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Ki a tau ki a tātou katoa  
Te atawhai o tō tatou  
Ariki o Ihu Karaiti  
Me te Aroha o te Atua  
Me te whiwhinga tahitanga  
Ki te wairua tapu  
Ake ake ake  
Amine

**2. APOLOGIES**

**RESOLVED:** (Cr Edwards/Cr Shaw)

**Minute No. DPRS22101 (2)**

*“That the apologies received from Deputy Mayor Lewis and Cr Brown be accepted and leave of absence be granted.”*

**3. PUBLIC COMMENT**

There was no public comment.

4. **CONFLICT OF INTEREST DECLARATIONS**

There were no conflict of interest declarations.

5. **MINUTES**

**RESOLVED:** (Cr Edwards/Cr Dyer)

**Minute No. DPRS 22102 (2)**

*“That the minutes of the meeting of the District Plan Review Subcommittee held on Thursday, 10 February 2022, be confirmed as a true and correct record subject to an amendment, that a paragraph be added under item 6, ‘Cr Dyer spoke against Option 2 and preferred Option 1, which was that both the full District Plan Review be undertaken alongside the development of the Intensification Planning Instrument. Cr Dyer noted he was concerned that the 12 to 18 month time lapse between these two processes would lead to negative outcomes without the full qualifying matters being included in the District Plan’.”*

6. **INTENSIFICATION PLANNING INSTRUMENT - DRAFT SUMMARY DOCUMENT**  
(22/523)

Report No. DPRS2022/1/54 by the Principal Environmental Policy Analyst

The Principal Environmental Policy Analyst elaborated on the report.

In response to questions from members, the Principal Environmental Policy Analyst advised the Medium Density Residential Standards (MDRS) enabled reasonable development. He said in some circumstances developers would not meet all standards, which would depend on the size and type of development. He noted in some circumstances there would need to be trade-offs in standards, or the requirement for a resource consent for breaching a standard. He advised members could include consideration of outlook space, windows to street and landscaped area matters that were included in Option RZ4.3. He highlighted there would still be the same density and scale of development with these standards included as they largely related to design only. He advised for the Medium Density Residential Activity Area of the current District Plan there was a site coverage requirement of 60%. He said community engagement was completed early last year on the wider District Plan review. He noted this engagement predated the new MDRS requirements for intensification. He said the Subcommittee and Council could amend the IPI following community engagement. He noted this could not include amendments that would be more constraining of development but could include more lenient standards. He said rural residential zones in the District Plan were treated as rural zones. He noted that the IPI would only apply to residential zones. He said that Hill Residential Activity Areas and Landscaped Protection Residential Activity Areas were equivalent to large lot residential zones, so these zones had been excluded from the IPI.

In response to questions from members, the Principal Environmental Policy Analyst advised Council could not fully address the National Planning Standards (NPS) through the IPI but some of these standards could be planned for implementation. He advised officers did not know if there would be penalties for not meeting the NPS. He noted officers were interested in community views on development in the IPI relating to building heights and densities in suburban centres including Avalon, Eastbourne, Moera, Stokes Valley and Wainuiomata. He said it was less clear in the NPS on Urban Development what level of intensification should be enabled in those areas. He said natural hazard risk as a qualifying matter for some of these areas would also need to be taken into consideration, especially flood risk. He noted the proposed flood maps for the full District Plan had taken into account sea level rise changes and climate change. He advised Historic Residential Activity Areas were being rezoned into a combination of General Residential and Medium Density zones which enabled more intensification of building in those areas. He highlighted that Historic Heritage could still be used as a qualifying matter and Council could still restrict building heights and densities to protect historic heritage values. He advised the Special Residential Activity Area included Boulcott, Woburn and Lowry Bay. He noted this primarily sought a lower level of development than in a General Residential Activity area. He said the proposal was to absorb the Special Residential Activity Area into a combination of the General Residential Activity Area and the Medium Density Activity area depending on proximity to train stations and city centres. He advised that more denser developments and taller buildings would be enabled in Special Residential Activity Areas.

He said officers were considering whether Council could apply a residential character qualifying matter to warrant limiting building heights and densities in this area. He noted a residential character assessment was completed as part of the full District Plan review. He said this identified three areas that had a discrete and cohesive residential character which included an area in Woburn. He said officers would assess if this could be a qualifying matter to be included in the IPI. He advised the assessment of the Special Residential Character Areas would ultimately be considered by a Hearing Panel, who would make its recommended decision to Council. He said the Papakāinga housing area was not a specific zone at this stage. He advised officers needed to consult with Mana Whenua to determine the most appropriate areas for this.

In response to questions from members, the Policy Planner noted what was stated within the IPI, the number of storeys for particular zones were the maximum set by Council for that zone. He said developers would be free to build up to that maximum height or apply for a resource consent to go over the height restriction. He said officers were not proposing a minimum height at this stage. He advised height proposals in suburban centres would be part of the public consultation process.

In response to questions from members, the Intermediate Policy Planner said the Financial Contributions Policy could contribute towards issues such as water infrastructure and where development was impacting services around sites. He noted this applied where they were not currently planned for under development contributions. He said development contributions which were catchment based and designed for longer term planning would include requirements for large scale water supply. He noted financial contributions could be reactive and did not need to go toward a project identified in the Long Term Plan. He said if a development was a permitted activity, no design assessment would be required. He noted if a developer breached a development standard then a resource consent would be required, which enabled officers to assess the design at that time. He said carparking management plans would not be included in the IPI and would likely be included in a carparking strategy delivered through Council's Transport team.

In response to a question from a member, the Head of Planning advised officers were awaiting direction from the Minister of the Environment on the requirements for the process following notification of the IPI.

In response to a question from a member, the Director, Environment and Sustainability advised officers would provide targeted engagement within Special Residential Activity Areas, including Boulcott, Lowry Bay and Woburn.

Cr Dyer expressed support for Option 1. He highlighted this was a plan change championed by central government not local government. He also highlighted he was hesitant to merge large lot residential areas into general residential zones. He said he considered targeted engagement by way of an information letter drop in these areas would be beneficial. He asked for financial contribution policies to be well detailed in the development of the IPI.

Cr Shaw considered there should be a targeted engagement approach to allay any fears or misunderstandings on the development of the IPI.



The Chair foreshadowed his intention to move an additional recommendation to retain 60% of site coverage within the Medium Density Residential Activity Area but amend the Draft IPI to include the outlook space, windows to street and landscaped area matters that are included in Option RZ4.3.

**RESOLVED:** (Cr Edwards/Cr Dyer)

**Minute No. DPRS 22103 (2)**

*"That the Subcommittee:*

- (1) receives the information contained in the report, including the summary document on the 'Draft' Intensification Planning Instrument attached as Appendix 1 to the report;*
- (2) approves the summary document on the 'Draft' Intensification Planning Instrument for consultation; and*
- (3) amends the Draft Intensification Planning Instrument to retain 60% of site coverage within the Medium Density Residential Activity Area, but include consideration of outlook space, windows to street and landscaped area matters that are included in Option RZ4.3."*

## 7. QUESTIONS

There were no questions.

## 8. CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA

Unuhia!  
 Unuhia!  
 Unuhia i te uru-tapu-nui  
 Kia wātea, kia māmā  
 Te ngākau, te tinana, te wairua i te ara  
 takatū.  
 Koia rā e Rongo whakairihia ake ki runga  
 Kia wātea, kia wātea!  
 Ae rā, kua wātea!  
 Hau, pai mārire.

There being no further business the Chair declared the meeting closed at 1.44pm.

Cr S Edwards  
CHAIR

**CONFIRMED as a true and correct record**  
**Dated this 7th day of April 2022**

17 March 2022

File: (22/631)

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Report no: DPRS2022/2/58

## Intensification Planning Instrument: Financial Contributions Assessment

### Purpose of Report

1. The purpose of this report is to seek the approval of the Subcommittee to proceed with the preferred approach to financial contributions through the Intensification Planning Instrument.

### Recommendations

That the Subcommittee recommends that the Policy, Finance and Strategy Committee recommends that Council:

- (1) receives the information contained in the report; and
- (2) approves **Option 2** for financial contributions in the Intensification Planning Instrument, which provides for limited changes to expand existing financial contributions for off-site services and adjustment to applying reserves financial contributions.

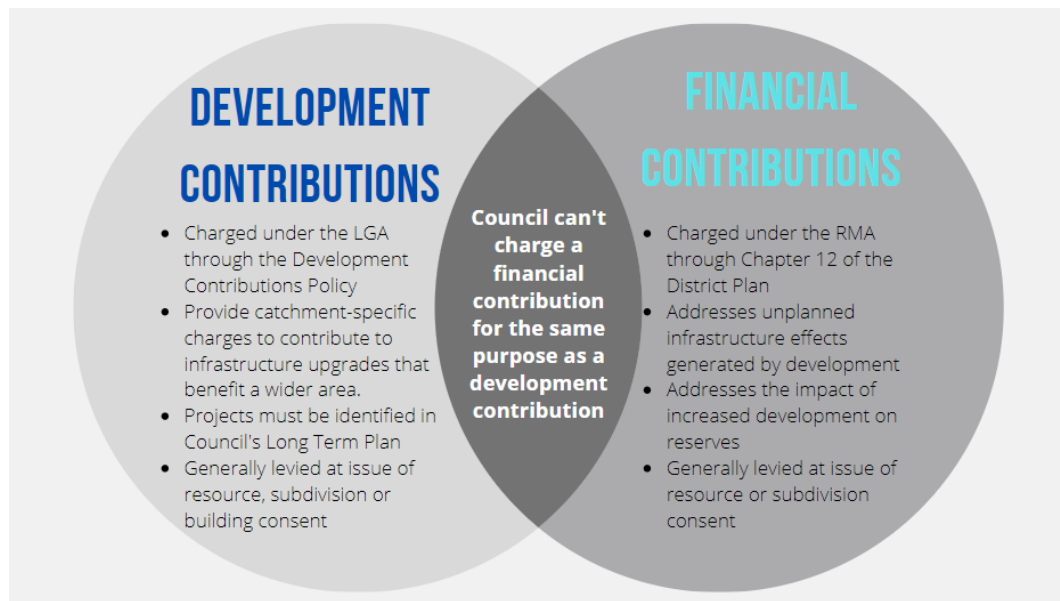
For the reasons discussed in section 14 below.

### Background

2. As reported to the Subcommittee on 10 February 2022, in December 2021, Parliament passed the *Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021* (the Housing Supply Act).
3. This Act seeks to accelerate the supply of housing in urban areas where demand for housing is high, which includes the Lower Hutt urban area, by amending the *Resource Management Act 1991* (RMA) and *National Policy Statement on Urban Development 2020* (NPS-UD).

4. As a result of these amendments, territorial authorities are required to:
  - Prepare an Intensification Planning Instrument (IPI) – a specific district plan change to enable greater building heights and density of urban form, primarily in residential areas (Medium Density Residential Standards – MDRS).
  - Process the IPI through an Intensification Streamlined Planning Process - a new district plan change process that is more streamlined and condensed than the standard plan change process.
5. Council’s IPI will need to amend several chapters of the City of Lower Hutt District Plan. While the core changes are to residential and commercial chapters, the Housing Supply Act also enables a local authority to make rules requiring financial contributions for any class of activity other than a prohibited activity.
6. This power has been provided to enable financial contributions to be imposed on developments complying with the medium density residential standards, which may not require a land use or subdivision consent.
7. When including a rule requiring a financial contribution, it must specify in the relevant plan or proposed plan:
  - a. the purpose for which the financial contribution is required (which may include the purpose of ensuring positive effects on the environment to offset any adverse effect); and
  - b. how the level of the financial contribution will be determined; and
  - c. when the financial contribution will be required.
8. Unlike the MDRS and NPS-UD policy 3 standards, provisions relating to financial contributions will not have immediate legal effect when the intensification plan change is notified under the Intensification Streamlined Planning Process.
9. Financial contributions work alongside development contributions to generate revenue to upgrade Council infrastructure for new development. Figure 1 below summarises some of the key differences between these two mechanisms. Council can adjust financial contributions through the IPI process but changes to development contributions require a different process.

Figure 1: Comparison of development and financial contributions.



10. Council's financial strategy set as part of the 10-Year Plan 2021-2031 includes the following underlying principles:

- a. Fairness and equity – the funding of expenditure is equitable across both present and future ratepayers;
- b. Growth pays for growth – the capital costs incurred to develop infrastructure that supports growth within the city should be primarily covered by those causing the growth and increasing the demand on Council infrastructure;
- c. Distribution of benefits – consideration is given to the distribution of the benefits from Council activities over identifiable parts of the community, the whole community or individuals (users). Where there are identifiable direct benefits, the proportion of costs associated with these benefits should be covered by the user(s).

11. The discussion and options below have been informed by advice from Dwayne Fletcher (Vale Consulting) reviewing Council's existing Financial Contributions provisions. This advice was procured as part of the full District Plan review. Mr Fletcher has previously undertaken work relating to Council's Development Contributions Policy.

### Discussion

12. The current District Plan was publicly notified in 1995 and became operative in the early 2000s. The bulk of the financial contribution provisions were set through this process, prior to the Local Government Act 2002 and the introduction of development contributions. Plan change 12 introduced caps on the reserve financial contribution.

13. The current financial contribution rules are often restrictive and narrow in their application, differ for different services and land uses, and compel contribution toward costs from Council in many cases. In addition, they would not apply to permitted housing developments enabled by the Housing Supply Act.
14. This report focuses on possible changes to the financial contribution provision that would address the immediate challenges created by permitted housing under the MDRS provisions.
15. A Cost-Benefit Analysis of proposed Medium Density Residential Standards report from the Ministry for the Environment acknowledges that where new developments do not pay for the full marginal costs of connecting to infrastructure networks, costs are borne by the rest of the community.
16. The report shows external costs not borne by users of infrastructure are calculated nationally as between \$3,658 and \$16,219 per dwelling.
17. The report also provides an estimate of 9,833 new dwellings across the Wellington region over the next five to eight years following the implementation of the MDRS.
18. A high-level calculation based on the 2018 census distribution of dwellings indicates Hutt City holds approximately 20% of the region's supply. Assuming the additional housing enabled by the MDRS follows the same distribution, this would estimate 1,966 new dwellings in Hutt City.
19. Council's current policy for reserves financial contributions where land is subdivided is capped at \$10,000 per new lot.
20. Revenue resulting from an additional 1,966 dwellings has potential to be significant to Council's ability to pay for the infrastructure costs resulting from those additional developments.

## Options

21. The table below outlines the proposed options for financial contributions in the IPI

Option	Assessment
<p><b>Option 1 -</b> Retain the existing financial contributions provisions without changes.</p>	<p><u>Description</u></p> <ul style="list-style-type: none"> <li>• This approach would retain the existing provisions which require financial contributions for residential developments only if there is a subdivision consent.</li> <li>• This existing approach is working to a reasonable degree at present, largely because most residential developments involve subdivision.</li> <li>• This approach would preclude financial contributions from being levied on any future residential development that did not require subdivision consent.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This retains the existing approach and does not increase existing costs on development.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• With the requirement to enable more intensive development as a permitted activity, there are likely to be more residential developments of a larger scale and in a wider range of locations. This will lead to more instances whereby the existing local infrastructure cannot accommodate the new development and require upgrading, such as upsizing. The cost of that upgrade must be funded somehow if it is undertaken by the Council on behalf of the developer. The cost is unlikely to be covered through development contributions which are mainly intended to fund planned upgrades that serve a larger area and usually multiple developments. Development contributions are not a suitable tool for funding localised upgrades that are required only for a specific site or development because the cost is spread over all developments within a catchment area. This could create a funding shortfall.</li> <li>• Permitted developments of up to 3 dwellings on a site could avoid the provision of reserves contributions if they chose not to subdivide.</li> </ul>

<p><b>Option 2 - Limited changes to expand existing financial contributions for off-site services and adjustment to how reserves financial contributions are applied.</b></p>	<p><u>Description</u></p> <p><i>Off-site three waters and roading services</i></p> <ul style="list-style-type: none"> <li>• Provide the ability to impose financial contributions to fund the cost of external works where those works are needed for a specific development. This does not apply for developments that aren't subdivisions at present.</li> <li>• This obligation on developers would be to meet the full cost of this work without any expectation that Council fund any part of the work, and therefore discount the financial contribution.</li> <li>• This financial contribution would be imposed only if needed for a specific development and site.</li> </ul> <p><i>Reserves contribution</i></p> <ul style="list-style-type: none"> <li>• Provide the ability to apply a reserve financial contribution obligation per dwelling on residential developments that are not subdivisions.</li> <li>• This would ensure reserve financial contributions apply to all developments and sites.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• Provides a reactive response to unplanned infrastructure improvements to compliment the planned infrastructure approach that is funded via development contributions.</li> <li>• Enables reserves financial contributions to be charged for developments that are not a subdivision</li> <li>• Creates consistency by ensuring reserve financial contributions apply to all residential developments, regardless of whether subdivision is undertaken.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This has the potential to increase costs on developers. Hutt City's current policies and District Plan provisions have encouraged high levels of development. Additional provisions may discourage some development. However, the changes would ensure that costs on developers are more consistently applied.</li> </ul>
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	<p><u>Next steps</u></p> <ul style="list-style-type: none"> <li>• Incorporate feedback from community engagement</li> <li>• Develop guidance policy to outline how the Council determines its level of contribution (if any) to unplanned off-site infrastructure works.</li> <li>• Develop policy amendments to determine the level of reserve contribution for permitted residential developments and when they are required.</li> </ul>
<p><b>Option 3 -</b> Increase scope to include option 2 and new provisions to mitigate effects on streetscape and/or environmental offsetting.</p>	<p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• As described for option 2 above.</li> <li>• Provides an opportunity to enhance local amenity that is lost through more intensive development. This could result in outcomes such as safer streets, more street trees, or enhanced stormwater management.</li> <li>• These financial contributions would only be imposed on a development if it creates an effect that needs to be managed.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This has the potential to increase costs on developers, which may discourage some development.</li> <li>• Additional scoping is required to determine the extent of this provision, including the development of a policy for the amount and use of financial contributions for streetscape or environmental offsetting is required.</li> </ul> <p><u>Next steps</u></p> <ul style="list-style-type: none"> <li>• Incorporate feedback from community engagement</li> <li>• Develop guidance policy to outline how the Council determines its level of contribution (if any) to unplanned off-site infrastructure works.</li> <li>• Develop an environmental offsetting financial contributions policy to provide direction on the purpose of the contribution, how the level of contribution is determined, and when it is required.</li> </ul>



## 22. Recommendation

Option 2 is recommended for the following reasons:

- Option 1 has assisted residential development in the past and present, however the increased intensity and scale of development anticipated through the IPI will add additional strain on the infrastructure necessary to support further growth.
- Option 2 ensures that future residential development is required to make a larger contribution to any upgrades required to service the development that haven't otherwise been accounted for through development contributions policy. This is in line with the financial strategy principle of growth pays for growth.
- Option 2 also ensures residential development that is not subdivided contributes to the development of the city's reserves.
- Option 3 provides the benefits of option 2 but also adds an environmental offsetting contribution. While this could provide benefits to local streetscape and amenity, further policies are required to determine how and when these are charged and how these contributions would be used. This is likely to require a higher level of resourcing from the policy planning team and may require additional input of consultants to achieve within the IPI timeframe.

### Climate Change Impact and Considerations

23. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide.

### Engagement

24. Initial engagement on the IPI will take place in April 2022. This engagement will include discussions with the community and other stakeholders on financial contributions for the IPI and how the District Plan should respond to this matter. In addition, the statutory plan change process for the IPI provides for community input through the submission and hearing processes.

### Legal Considerations

25. The legal consideration for this report is Council's legal requirement under the RMA to prepare an IPI and process the IPI using the streamlined process set-out in the RMA.

### Financial Considerations

26. This report provides recommendations to ensure that unplanned infrastructure costs expected to arise from the MDRS and NPS-UD policy 3 requirements are predominantly met by the those benefitting from the expense in line with Council's financial strategy principles. Without such provisions, any infrastructure shortfall may need to be met through debt funding and rates, which would result in additional rates increases.

27. The report's recommended changes to reserves contributions would ensure that new dwellings that aren't subdivided from the existing lot are required to contribute to the development of reserves that serve them. Acknowledging that while most developers will undergo subdivision (where this contribution would be incurred currently) the MDRS may encourage more small scale infill development from landowners that choose not to incur the costs of subdividing.
28. Revenue resulting from an additional development has potential to be significant to Council's ability to pay for the infrastructure costs resulting from those additional developments.
29. Further work to understand additional infrastructure requirements and associated costs resulting from growth to arise from MDRS and NPS-UD will be undertaken by officers ahead of the next Long Term Plan.
30. The cost of the work associated with identifying and assessing financial contributions will be able to be met through the existing budget.

### **Appendices**

There are no appendices for this report.

**Author:** Chris Page  
Intermediate Policy Planner

**Author:** Nathan Geard  
Principal Environmental Policy Analyst

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**Reviewed By:** Daniel Koenders  
Manager Financial Strategy & Planning

**Reviewed By:** Parvati Rotherham  
Head of Planning

**Approved By:** Helen Oram  
Director Environment and Sustainability

**08 March 2022**

File: (22/573)

**Report no: DPRS2022/2/59**

## Intensification Planning Instrument - Qualifying Matters

### Purpose of Report

1. The purpose of this report is to seek direction from the Subcommittee on options for applying qualifying matters in the Intensification Planning Instrument.

### Recommendations

That the Subcommittee:

- (1) receives the information contained in the report;
- (2) approves the following approaches for qualifying matters:
  - (a) For the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga

**Option 1** - Retaining existing schedule and chapter provisions for Sites of Significance to Māori and existing chapter provisions for the Community Iwi Activity Area.

- (b) For the protection of historic heritage

**Option 2** - Use existing heritage areas and heritage areas identified in the Historic Heritage Inventory Review as qualifying matters to address the qualifying matter: *The protection of historic heritage from inappropriate subdivision, use, and development.*

- (c) For the management of risk from fault rupture hazards

**Option 1** - Update the existing Wellington Fault Special Study Area overlay and retain existing restricted discretionary provisions to address the qualifying matter: *The management of significant risks from natural hazards; Wellington Fault Rupture.*

(d) For the management of risk from flood hazards

**Option 2** – Develop flood risk overlays and apply a risk-based framework to development within the overlays to address the qualifying matter: *The management of significant risks from natural hazards; Flooding.*

(e) For the management of risk from tsunami hazards

**Option 2** – Develop Tsunami risk overlays and apply a risk-based framework to development within the overlays to address the qualifying matter: *The management of significant risks from natural hazards, Tsunami.*

(f) For the management of risk from coastal hazards

**Option 1** – Undertake further technical assessments to best understand the risks associated with the qualifying matter: *The management of significant risks from natural hazards, Sea Level Rise/Coastal Inundation.*

(g) For the management of impacts on residential character

**Option 1** – Evaluate whether building heights and density can be constrained to protect residential character as a qualifying matter.

## Background

2. In December 2021, Parliament passed the *Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021* (the Housing Supply Act).
3. This Act seeks to accelerate the supply of housing in urban areas where demand for housing is high, which includes the Lower Hutt urban area, by amending the *Resource Management Act 1991* (RMA) and *National Policy Statement on Urban Development 2020* (NPS-UD).
4. As a result of these amendments, territorial authorities are required to:
  - Prepare an Intensification Planning Instrument (IPI) – a specific district plan change to enable greater building heights and density of urban form, primarily in residential areas; and
  - Process the IPI through an Intensification Streamlined Planning Process - a new district plan change process that is more streamlined and condensed than the standard plan change process.
5. Officers are preparing an IPI for the City of Lower Hutt District Plan.
6. Through the IPI, the District Plan must:
  - Incorporate the Medium Density Residential Standards into the District Plan for most residential zones. This includes standards that permit three story buildings and three dwellings per site.

- Enable buildings of at least six storeys in walkable catchments of train stations, Lower Hutt city centre and Petone commercial centre (policy 3c of the NPS-UD).
  - For areas adjacent to other suburban centres, enable building heights and density of urban form commensurate with the level of commercial activities and community services (Policy 3(d) of the NPS-UD).
7. However, the Housing Supply Act allows development to be less enabling than the MDRS and NPS-UD Policy 3 requirements in residential areas where a qualifying matter is present, but only to the extent necessary to address the qualifying matter(s).
  8. This report identifies qualifying matters that may be relevant for Hutt City Council's IPI, discusses these qualifying matters, and presents options for how Council can address qualifying matters in developing the IPI.

9. The possible qualifying matters, as specified in s77I of the RMA, are summarised in Table 1.

<b>Table 1. Qualifying matters specified in the Resource Management Act.</b>
A matter of national importance that decision makers are required to recognise and provide for under section 6 of the RMA:
a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development.
b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development.
c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna.
d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers.
e) the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.
f) the protection of historic heritage from inappropriate subdivision, use, and development.
g) the protection of protected customary rights.
h) the management of significant risks from natural hazards.
A matter required in order to give effect to a national policy statement (other than the NPS-UD) or the New Zealand Coastal Policy Statement 2010.
A matter required for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure.
Open space provided for public use, but only in relation to land that is open space.
The need to give effect to a designation or heritage order, but only in relation to land that is subject to the designation or heritage order.
A matter necessary to implement, or to ensure consistency with, iwi participation legislation.
The requirement in the NPS-UD to provide sufficient business land suitable for low density uses to meet expected demand.
Any other matter that makes higher density, as provided for by the MDRS or policy 3 of the NPS-UD, inappropriate in an area.

10. For a qualifying matter to be applied, Council must:
- a. Demonstrate why it is considered a qualifying matter;
  - b. Identify the area that is subject to a qualifying matter;
  - c. Demonstrate that the qualifying matter is incompatible with the level of development permitted by the MDRS or as provided for by Policy 3 of the NPS-UD for that area;

- d. Assess the impact that limiting development capacity, building height, or density will have on the provision of development capacity; and
  - e. Assess the costs and broader impacts of imposing those limits.
11. In addition, if Council wishes to apply another matter that makes higher density inappropriate in an area (provided for under s77I(j) of the RMA) Council must:
- a. Identify the specific characteristic that makes the level of development provided by the MDRS or as provided for by Policy 3 inappropriate in the area;
  - b. Justify why that characteristic makes that level of development inappropriate considering the national significance of urban development and the objectives of the NPS-UD; and
  - c. Include a site-specific analysis that:
    - i. Identifies the site to which the matter relates;
    - ii. Evaluates the specific characteristic on a site-specific basis to determine the geographic area where intensification needs to be compatible with the specific matter; and
    - iii. Evaluates an appropriate range of options to achieve the greatest heights and densities permitted by the MDRS (as specified in Schedule 3A) or as provided for by Policy 3 while managing the specific characteristics.

### **Discussion**

12. Appendix 1 attached to the report lists the qualifying matters provided for by the RMA and identifies the qualifying matters that may be relevant for Hutt City Council's IPI, specifically:
- The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga, including:
    - Sites of significance to Māori; and
    - The Community Iwi Activity Area.
  - The protection of historic heritage;
  - The management of significant risks from natural hazards; and
  - Residential character.
13. These potential qualifying matters are discussed below.

### Sites of significance to Māori

14. There are currently 24 sites listed in the District Plan as Significant Cultural Resources. These sites are identified as they hold significance to Māori culture and are important for recognising both the history and contemporary occupation of Māori in Te Awa Kairangi.
15. Activities and works associated with protection, preservation, enhancement, and conservation of Significant Cultural Resources are permitted. Any other activity or site development works is restricted discretionary and requires a resource consent that will be assessed against multiple factors, one being the effects of the works on the recognition and protection of cultural significance.
16. The sites have not been formally reviewed or amended since the District Plan was first made operative in 2003. At present, they represent a single point on a map that is surrounded by a buffer zone.
17. In 2015, Morrie Love of Taranaki Whānui ki te Upoko o te Ika reviewed the current list on behalf of his iwi and provided Council with this information. His review suggests the renaming of some current sites back to their traditional te reo Māori ingoa, and also identifies a number of new sites.

### Community Iwi Activity Area

18. The Community Iwi Activity Area is a zone that encapsulates marae, urupā and kōkiri centres associated with Mana Whenua and Tangata Whenua across Hutt City.
19. The aim of this zone is to provide for traditional and contemporary Māori activities on land of historic and cultural importance, while maintaining the amenity value of neighbouring areas. To ensure this all sites are subject to the provisions of the broader Activity Areas in which they reside.
20. Engagement on this chapter was scheduled to occur with Mana Whenua and Tangata Whenua as part of the full District Plan Review. However, the delay in this work programme has meant an understanding of aspirations for this land is forthcoming, but beyond the timeframe for consideration in the IPI.

### Historic heritage

21. Within relevant residential and commercial zones, the current District Plan includes the following heritage areas (identified in Appendix 1 of *Chapter 14F: Heritage Buildings and Structures*):
  - Patrick Street Workers' Dwellings Precinct (Historic Residential Activity Area); and
  - Jackson Street Historic Area (Petone Commercial Activity Area 1)



22. In addition, the following areas are within the Historic Residential Activity Area:
- Patrick Street; and
  - Riddlers Crescent
23. The draft Historic Heritage Inventory review (2021), part of the wider District Plan Review, identifies 12 heritage areas in total. The assessment involved reassessing areas currently listed in the District Plan as well as identifying some new areas not currently listed in the Plan. The additional buildings and structures identified in the review will be addressed in the full District Plan review.

#### Natural hazard risk – Wellington Fault

24. The District Plan currently identifies the location of the Wellington Fault through the Wellington Fault Special Study Area. This is an overlay on the District Plan maps, running down the western side of the Hutt Valley.
25. In recent years, further research on the Wellington Fault has been undertaken by GNS to better understand the location of the fault. This means that new data is available to narrow the current overlay in some parts of Petone and shift the current overlay near Manor Park.
26. This would remove approximately 130 properties from the overlay and add approximately 10.
27. Updating this area gives property owners and developers more certainty on the level of Wellington Fault rupture risk for their property.

#### Natural hazard risk – Flooding

28. Flooding and extreme weather events are one of the largest causes of property damage and disruption in New Zealand.
29. The Hutt River, Wainuiomata River, Waiwhetū and other local streams have the potential to overflow their banks during long continuous periods of rain in the catchment areas. These floods have the potential to cause significant damage to the built environment and the landscape. They also create a serious threat to the welfare of communities and businesses in the area.
30. Flood risk is addressed in the District Plan through restrictions on development in primary and secondary river corridors, the 1:100-year flood zone for the Hutt River and a specific area at risk to flooding in Belmont, near the Hutt River.
31. Plan Change 43, which was made operative in part on 9 April 2020, addressed flood risk by introducing new policies and rules with respect to stormwater neutrality, permeable surfaces, stormwater tanks and building in the 1:100-year flood zone (an overlay on the District Plan maps).

32. The overriding policies of the District Plan with respect to Flood Hazards are to limit the scale and density of development in areas where the risk of flooding is medium to high.
33. A range of modelling has been undertaken by Wellington Water, Greater Wellington Regional Council and others to help understand the extent and level of flood risk in Hutt City and further modelling is currently underway which will provide even more up to date information that can be used to inform the full District Plan Review.

#### Natural hazard risk - Tsunami

34. In 2021, Council contracted GNS Science to produce probabilistic tsunami inundation maps to inform the full District Plan Review.
35. These mapped 3 scenarios - a 1:100, 1:500 and 1:1000-year annual probability. The maps modelled both the current Mean High Water Springs (MHWS) as well as MHWS plus 1m of sea level rise (to take account of climate change).

*Note: MHWS can be likened to a measure of average maximum high tide.*

36. At the 1:100-year probability, the extent of inundation is small. The 1:1000-year probability event is much larger with inundation occurring in Petone, Seaview, Point Howard, Lowry Bay, York Bay, Mahina Bay, Days Bay and Eastbourne.
37. When applying 1m sea level rise to these scenarios, the 1:100-year inundation area expands to a similar extent as the 1:500-year map without the additional sea level rise.

#### Natural hazard risk - Sea level rise and coastal inundation

38. There is currently limited information available to fully assess the level of risk that this hazard provides to Hutt City.
39. Greater Wellington Regional Council modelling shows a large extent of Petone, Alicetown, Seaview and parts of the Eastern Bays are potentially susceptible to this risk.

#### Residential character

40. The RMA specifically lists most qualifying matters that can be included in an IPI. However, the RMA does allow for any other matter to be a “qualifying matter” that makes higher density inappropriate, although only where this is supported by an evaluation report described in the Act.
41. The RMA specifically lists most qualifying matters that can be included in an IPI. However, the RMA does allow for any other matter that makes higher density inappropriate to be a qualifying matter, although only where this is supported by an evaluation report described in the Act.

42. Residential character has been identified as a potential *other* matter that should be assessed in the preparation of Council's IPI. This is in part because it is an issue which is likely to be of interest to the community, but also because the District Plan currently includes provisions that limit development in order to protect existing residential character.
43. In particular, the Plan includes the Special Residential Activity Area – a zone that applies to three areas in Boulcott, Lowry Bay and Woburn. For this zone, the District Plan includes objectives, policies and rules that protect the character of the residential areas within the zone, which is generally described as low density, mature vegetation/gardens and character homes.
44. As part of the full District Plan Review, Council commissioned a district-wide assessment of residential character. To describe the city's residential character, the city was divided into eight overall character areas, based on the general character found within the areas (although it was noted that there is variation within these areas). The eight areas are:
- Valley Floor South
  - Valley Floor East
  - Valley Floor Central
  - Valley Floor North
  - Stokes Valley North
  - Wainuiomata
  - Western Hills
  - Eastern Bays
45. In addition, three distinct character areas were identified as exhibiting a distinct character due to the consistency of building style and age, street pattern and width, and in some cases, the added presence of street trees. These areas were:
- Beach and Bay Street, Petone,
  - Tui, Kiwi and Moa Streets, Te Mome Road, Beaumont Avenue, Alicetown, and
  - Massey Avenue, Ludlam Crescent, Manuka Avenue, Puriri Street, Woburn.

### Other potential qualifying matters

46. Other potential qualifying matters have been considered in the preparation of this report. While these other matters are important for the District Plan, no additional measures are required in the District Plan to address these matters. These are summarised in Table 2.

<b>Table 2. Other potential qualifying matters.</b>
<b>Open space provided for public use</b>
<p>Building heights and density can be limited to the extent necessary to manage open space provided for public use.</p> <p>While this is a relevant matter Hutt City Council's IPI, built development in public open space areas is already managed through the existing provisions of the recreation and open space zones of the District Plan, and no additional controls are required.</p>
<b>Protecting areas of significant indigenous vegetation and significant habitats of indigenous fauna</b>
<p>While most of the district's significant vegetation/habitats are in zones that are not subject to the IPI (primarily open space and rural zones), there may be some areas of significant vegetation/habitats within the zones that are subject to the IPI.</p> <p>However, these areas are likely to be small, and are protected through the existing vegetation clearance rules of the District Plan.</p>
<b>Ensuring the safe or efficient operation of the national grid</b>
<p>The national grid is nationally significant infrastructure. Part of the national grid in Lower Hutt, particularly in the Western Hills. The District Plan was amended in 2016 to include provisions that protect the national grid, including rules that limit development in the proximity of transmission lines and supporting structures. These provisions are sufficient to ensure the safe and efficient operation of the national grid.</p>
<b>Protecting the Waiwhetū Aquifer</b>
<p>Built development has the potential to impact the Waiwhetū aquifer, particularly through earthworks that go into the soils that contain the aquifer (such as excavation for piles and other foundations). This is of particular concern for the Waiwhetū aquifer as the aquifer is a source for the municipal water supply (through a bore field around Knights Road) and the aquifer is relatively close to the surface.</p> <p>However, there are existing controls in the District Plan that control the depth of earthworks throughout the district. There are also controls in the Natural Resources Plan of GWRC that control the depth of earthworks in this area.</p> <p>In addition, there are building techniques that allow for taller buildings to be built with shallow foundations that would not require deep earthworks. As a result, there is no need to restrict building heights and density to protect the Waiwhetū Aquifer.</p>

## Options

47. The following sections outline the options for each of the qualifying matters discussed above, with an evaluation of each option and a recommended option for each qualifying matter. The recommended options are summarised in Table 3.
48. Recommended options are generally influenced by the level of information available on the matter, the adequacy of the existing District Plan in addressing the matter and the significance of the impacts of increased building heights and density.

<b>Table 3. Recommended options for qualifying matters.</b>
<b>The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.</b>
<b>Option 1</b> - Retain existing schedule and chapter provisions for Sites of Significance to Māori and existing chapter provisions for the Community Iwi Activity Area.
<b>Protection of historic heritage.</b>
<b>Option 2</b> - Use existing heritage areas and heritage areas identified in the Historic Heritage Inventory Review as qualifying matters to address the qualifying matter.
<b>The management of significant risks from natural hazards - Wellington Fault rupture.</b>
<b>Option 1</b> - Update the existing Wellington Fault Special Study Area overlay and retain existing restricted discretionary provisions to address the qualifying matter.
<b>The management of significant risks from natural hazards - Flooding.</b>
<b>Option 2</b> - Develop flood risk overlays and apply a risk-based framework to development within the overlays to address the qualifying matter.
<b>The management of significant risks from natural hazards - Tsunami.</b>
<b>Option 2</b> - Develop Tsunami risk overlays and apply a risk-based framework to development within the overlays to address the qualifying matter.
<b>The management of significant risks from natural hazards -Sea level rise/Coastal inundation).</b>
<b>Option 1</b> - To undertake further technical assessments to best understand the risks associated with the qualifying matter.
<b>For management of impacts on residential character.</b>
<b>Option 1</b> - To undertake further technical assessment to determine special character values and assess these against the Housing Supply Act criteria for the assessment of special character as a qualifying matter.

**The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga**

49. The following table identifies options for addressing the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga as a qualifying matter in the IPI.

<b>Assessment of options for Sites of Significance to Māori and the Community Iwi Activity Area as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> - Retain existing schedule and chapter provisions for Sites of Significance to Māori and existing chapter provisions for the Community Iwi Activity Area</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>This option (effectively the sole option for this qualifying matter) is a continuation of the existing District Plan approach with regard to managing effects of building heights and density on Sites of Significance to Māori and the Community Iwi Activity Area.</p> <p>This is largely because of the lack of new data to support changing the approach.</p> <p>The existing District Plan approach is:</p> <ul style="list-style-type: none"> <li>• A schedule of Significant Cultural Resources. Resource consent is required for new built development in the locations identified.</li> <li>• The Community Iwi Activity Area, which identifies areas and sites associated with a particular association with iwi (including Marae and urupā), would be retained, although as this zone typically incorporates the provisions of the adjacent zones for some sites, development potential would increase.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This is a relatively simple process as Council would be rolling over the existing approach of the District Plan.</li> <li>• As some areas in the Community Iwi Activity Area incorporate the provisions of the surrounding zone, development potential in these areas may increase.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• If there are sites that are not currently identified in the District Plan, development could be enabled in the unidentified areas that may impact the values of those sites.</li> </ul>

50. **Option 1 is the sole option** given the lack of new data available on Sites of Significance to Māori and potential areas to be included in the Community Iwi Activity Area.

51. Council is working with its Mana Whenua partners to review these aspects of the District Plan. This work will inform the wider District Plan Review. However, in the interim, the existing provisions of the District Plan are appropriate.

Historic heritage

<b>Assessment of options for Historic Heritage as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> – Use the existing schedule of heritage areas</p>	<p><u>Description</u></p> <p>Qualifying matter provisions would be applied to the heritage areas currently identified in the District Plan, including the Historic Residential Activity Area and the Jackson Street Historic Area.</p> <p>Existing District Plan provisions would continue to apply for the protection of listed buildings, sites and areas (e.g., limiting alterations, additions and demolition).</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This is a relatively simple process as existing historic heritage areas would be rolled over (although they may need to be displayed as overlays rather than zones).</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• Building height and density standards would not be reduced for new heritage areas identified in the Historic Heritage Inventory Review. This would mean that development potential of these sites would increase, which could result in an impact on heritage values through buildings being altered or demolished.</li> <li>• No changes for new buildings and items individually identified in the Historic Heritage Inventory Review (as opposed to areas) as this is outside the scope of the IPI. Measures to protect these buildings would need to be addressed through the wider District Plan Review.</li> </ul>
<p><b>Option 2</b> – Use both the existing heritage areas and heritage areas identified in the Historic Heritage Inventory Review</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>Qualifying matter provisions would be applied to the heritage areas currently identified in the District Plan, including the Historic Residential Activity Area and the Jackson Street Historic Area.</p> <p>The building height and density requirements would also be less enabling of development in the following areas identified in the draft Historic Heritage Inventory Review:</p> <ol style="list-style-type: none"> <li>1. Hardham Crescent Heritage Area</li> <li>2. Hutt Road Railway Heritage Area</li> <li>3. Moera Railway Heritage Area</li> <li>4. Petone Foreshore Heritage Area</li> </ol>

	<p>5. Petone State Flats Heritage Area</p> <p>6. Wainuiomata Terracrete Homes Heritage Area.</p> <p>These areas are shown in <i>Appendix 2 attached to the report: Draft Heritage Areas</i>.</p> <p>Existing District Plan provisions would continue to apply for the protection of listed buildings, sites and areas (e.g., limiting alterations, additions and demolition).</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• The limits on building height and density in the identified areas may discourage re-development of buildings with identified heritage value.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• No changes for new buildings and items individually identified in the Historic Heritage Inventory Review (as opposed to areas) as this is outside the scope of the IPI. Measures to protect these buildings would need to be addressed through the wider District Plan Review.</li> <li>• Less development potential than Option 1.</li> </ul>
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52. **Option 2 is the recommended option** as it provides the best level of protection for historic heritage by using the most up to date information.



**Natural Hazard Risk - Wellington Fault Rupture**

<b>Assessment of option for Wellington Fault rupture hazard risk as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> - Update the existing Wellington Fault Special Study Area overlay and retain existing District Plan provisions, which restrict buildings in the overlay area</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>The Wellington Fault Special Study Area overlay would be updated to reflect the most up-to-date information available.</p> <p>The MDRS and NPS-UD Policy 3 density standards would apply to the affected properties but development would remain restricted discretionary to ensure any habitable buildings are at least 20m from the fault.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This retains the existing approach, managing the location of buildings to reduce the risk of damage to life and property due to ground deformation in the event of a fault rupture.</li> <li>• All development within the overlay will remain a restricted discretionary activity to ensure a 20m safe separation distance from the fault.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• Additional development may occur near to the known Faultline (but more than 20m from the fault).</li> </ul>
<p><b>Option 2</b> - Update existing Wellington Fault Special Study Area overlay and strengthen existing provisions to limit development within the overlay area</p>	<p><u>Description</u></p> <p>The Wellington Fault Special Study Area overlay would be updated to reflect the most up-to-date information available.</p> <p>This approach would seek to restrict additional development on a site within the overlay.</p> <p>The addition of a non-complying activity for new development within the overlay (with an allowance for at least 1 dwelling on the site).</p> <p>Retaining a restricted discretionary activity for the construction of a single dwelling on the site, restricting development within 20m of the fault.</p> <p>The remaining bulk and location standards in the MDRS and NPS-UD policy 3 would continue to apply.</p>

	<p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This approach would minimise the number of dwellings that can be constructed within the hazard overlay, limiting the risk to life and property if a fault rupture were to occur.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This approach may be overly restrictive. The current provisions ensure that development is undertaken outside of the 20m fault rupture zone which is aimed at minimising the known hazard.</li> </ul>
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53. **Option 1 is the recommended option** as it is the most straightforward option and addresses the highest level of risk - development within 20m of the Wellington Fault. For development outside of this 20m buffer, a building's susceptibility to ground shaking hazard can be addressed through building consent requirements. Managing development that is more than 20m from the fault may be overly restrictive as the 20m buffer area manages the level of risk to our currently accepted level.

**Natural Hazard Risk - Flood Hazard**

<b>Assessment of option for flood hazard risk as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> - Retain existing provisions for flood management</p>	<p><u>Description</u></p> <p>This approach would retain the existing approach to managing flood risk through the District Plan.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This approach is more enabling of development.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This approach does not reflect the most up to date flooding information.</li> <li>• This relies on flood risk management through the building consent process or an assessment when a development requires resource consent. The MDRS increases the amount of permitted development which may result in less assessment of flood risk.</li> </ul>
<p><b>Option 2</b> - Develop flood risk overlays and apply a risk-based framework to development within the overlays</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>In this approach, 3 flood hazard layers would be developed - river/stream corridor, overland flow and ponding.</p> <p>Each of these layers relates to a different level of risk and therefore different levels of restriction would apply to each.</p> <ul style="list-style-type: none"> <li>• Development within a river/stream corridor overlay would be restricted</li> <li>• Development within an overland flow overlay would limit the number of dwellings below that of the MDRS.</li> <li>• Development within ponding areas may require minimum floor levels.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This applies a risk-based approach to the application of the MDRS, enabling development to address the need to provide housing while ensuring where the level of risk to occupiers is highest, the density is reduced to accommodate the risk.</li> <li>• Fewer dwellings would be enabled under the IPI in flood risk areas.</li> <li>• An increased public understanding of likely flood risk in Lower Hutt.</li> </ul>

	<p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This approach will enable less development.</li> <li>• Due to the restriction of qualifying matters in the IPI, this would only restrict the relevant MDRS and NPS-UD policy 3 density standards. Restrictions would not apply to commercial and industrial properties until the full District Plan Review progresses.</li> </ul>
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54. **Option 2 is the recommended option.** While Option 1 is more enabling, it enables increased levels of development in areas with known flood risk. Option 2 is preferred as it would place restrictions on the areas of highest risk while still allowing for development in areas where the risk is lowest.

### Natural Hazard Risk - Tsunami Hazard

<b>Assessment of options for tsunami hazard risk as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> – Retain existing provisions which do not address tsunami risk</p>	<p><u>Description</u></p> <p>This option would not introduce any measures to manage the risk of a tsunami event in coastal areas.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This approach would be more enabling of development.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This approach does not address a significant natural hazard. This may be inconsistent with the Regional Policy Statement and s6 of the RMA.</li> <li>• There is the potential for an increase in risk to life and property if development occurred.</li> </ul>
<p><b>Option 2</b> – Develop tsunami risk overlays and apply a risk-based framework to development within the overlays</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>This approach would develop 3 tsunami hazard layers, 1:100-year, 1:500-year and 1:1000-year (taking 1m sea level rise into account) in order to ensure that maps remain proportional to the risk over time.</p> <p>As each of these layers would relate to a different level of risk, different levels of restriction would apply.</p> <ul style="list-style-type: none"> <li>• Development in a 1:100-year overlay would be restricted. This would impact most on coastal Petone and parts of Moera and the Eastern Bays.</li> <li>• Development in 1:500-year overlay would limit the number of dwellings per site (below that of the MDRS). This would mostly impact Petone, Moera and the Eastern Bays.</li> <li>• Development in 1:1000-year areas would fully implement the MDRS but ensure the property owners and developers were aware of the risk.</li> </ul> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This applies a risk-based approach to the application of the MDRS, enabling the District Plan to address the need to provide housing development capacity while ensuring where the level of risk to occupiers is highest, the density is reduced to manage the risk.</li> <li>• This reduces the number of dwellings that would otherwise be enabled under the IPI in tsunami risk areas.</li> <li>• An increased public understanding of likely tsunami risk in Lower Hutt.</li> </ul>

	<p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This approach would enable less development.</li> <li>• Due to the restriction of qualifying matters in the IPI, this would only restrict the relevant MDRS and NPS-UD Policy 3 density standards. Restrictions would not apply to commercial and industrial properties until the full District Plan Review progresses.</li> </ul>
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55. **Option 2 is the recommended option.** While Option 1 is more enabling, it enables increased levels of development in areas with known tsunami risk. Option 2 is preferred as it would place restrictions on the areas of highest risk while still allowing for development in areas where the risk is lowest.

**Natural Hazard Risk - Sea Level Rise/Coastal Inundation**

<b>Assessment of options for sea level rise/coastal inundation as a qualifying matter.</b>	
<b>Options</b>	<b>Evaluation</b>
<p><b>Option 1</b> - Investigate the sea level rise/coastal inundation risk  <b>(recommended)</b></p>	<p><u>Description</u> Under this option, officers would investigate the areas that are susceptible to sea level rise/coastal inundation, and the appropriate response in the IPI. This may require commissioning technical assessments.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This option would enable Council to address the impacts of sea level rise through the IPI (although if not addressed through the IPI, it would still be able to be addressed through the wider District Plan Review).</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This option is more resource intensive, as it would take officers time to undertake the investigation and may incur the cost of commissioning a technical assessment (although if this investigation is deferred to being done as part of the wider District Plan Review, this cost will be incurred anyway).</li> </ul>
<p><b>Option 2</b> - No investigation into sea level rise/coastal inundation risk</p>	<p><u>Description</u> Under this option, there would be no investigation into sea level rise/coastal inundation as part of the IPI, effectively leaving this issue to be addressed through the wider District Plan Review.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This would be a simpler, more cost-effective option for the development of the IPI (although the cost associated with investigating sea level rise/coastal inundation would likely be incurred through the wider District Plan Review anyway).</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• Under this option, there would be a risk that the IPI would enable development in areas that will ultimately be susceptible to coastal inundation and sea level rise in the interim period between the IPI being complete and the wider District Plan Review proceeding.</li> </ul>

56. **Option 1 is the recommended option** as it allows Council to address the risks associated with enabling development in areas that may be susceptible to sea level rise.

Residential Character

Assessment of options for residential character as a qualifying matter.	
Options	Evaluation
<p><b>Option 1</b> - Evaluate whether building heights and density can be constrained to protect residential character as a qualifying matter</p> <p><b>(recommended)</b></p>	<p><u>Description</u></p> <p>Under this option, officers would undertake a full evaluation of whether residential character could be treated as a qualifying matter for the IPI, and if so, in what locations.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• Council would be able to determine whether there are any areas that warrant lower building heights and density due to their residential character, and include provisions in the IPI to protect this character.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• This option is more resource intensive and may be of little value if it is shown that residential character cannot be treated as a qualifying matter.</li> </ul>
<p><b>Option 2</b> - No evaluation of residential character as a qualifying matter</p>	<p><u>Description</u></p> <p>Under this option, there would be no evaluation of residential character as a qualifying matter.</p> <p><u>Benefits</u></p> <ul style="list-style-type: none"> <li>• This option would require fewer resources as there would be no assessment.</li> </ul> <p><u>Costs</u></p> <ul style="list-style-type: none"> <li>• If there is no assessment of residential character, there is the potential for development to be enabled that would impact residential character in areas where the character should be protected.</li> </ul>

57. **Option 1 is the recommended option**, primarily because it ensures that the development of the IPI will be fully informed for an issue that will have a high level of interest from the community.



### Next steps

58. Based on these recommended options, the next steps for the preparation of the IPI with regard to qualifying matters (and for the wider District Plan Review) are as follows:
- Map areas for qualifying matters (this is a combination of carrying over existing areas mapped in the District Plan, reviewing and updating existing areas, and mapping new areas – particularly for natural hazard risk.
  - Develop objectives, policies and rules to limit building heights and densities to the extent necessary to address the qualifying matters.
  - Investigate the areas susceptible to coastal hazard risks associated with coastal inundation and sea level.
  - Evaluate residential character, to determine whether it can be treated as a qualifying matter in the IPI, and if so, how.
59. Ultimately, this the provisions relating to qualifying matters will be included in a draft IPI that will be presented to Council later this year. Council will then need to make a notification decision for the IPI (that is, a decision on what to publicly notify as a proposed plan change, for submissions).
60. With particular regard to Sites of Significance to Māori and the Community Iwi Activity Area, officers will continue to collaborate with Council's Mana Whenua partners on identifying the locations of these sites/areas and the how the appropriate approach in the District Plan for these sites/areas. This work will inform the wider District Plan Review.

### Climate Change Impact and Considerations

61. The matters addressed in this report have been considered in accordance with the process set out in Council's Climate Change Considerations Guide. In addition, the impacts of climate change have been taken into account in the assessment of natural hazard risk. This is particularly relevant for flooding, coastal and tsunami hazards.

### Engagement

62. Initial engagement on the IPI will take place in April 2022. This engagement will include discussions with the community and other stakeholders on the relevant qualifying matters for the IPI and how the District Plan should respond to these matters. In addition, the statutory plan change process for the IPI provides for community input through the submission and hearing processes.

### Legal Considerations

63. The legal consideration for this report is Council's legal requirement under the RMA to prepare an IPI and process the IPI using the streamlined process set-out in the RMA.

### Financial Considerations

64. This report does not have any significant financial considerations for Council. The cost of the work associated with identifying and assessing qualifying matters will be able to be covered by the existing District Plan Review budget.

### Appendices

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2	Locations of Draft Heritage Areas	46

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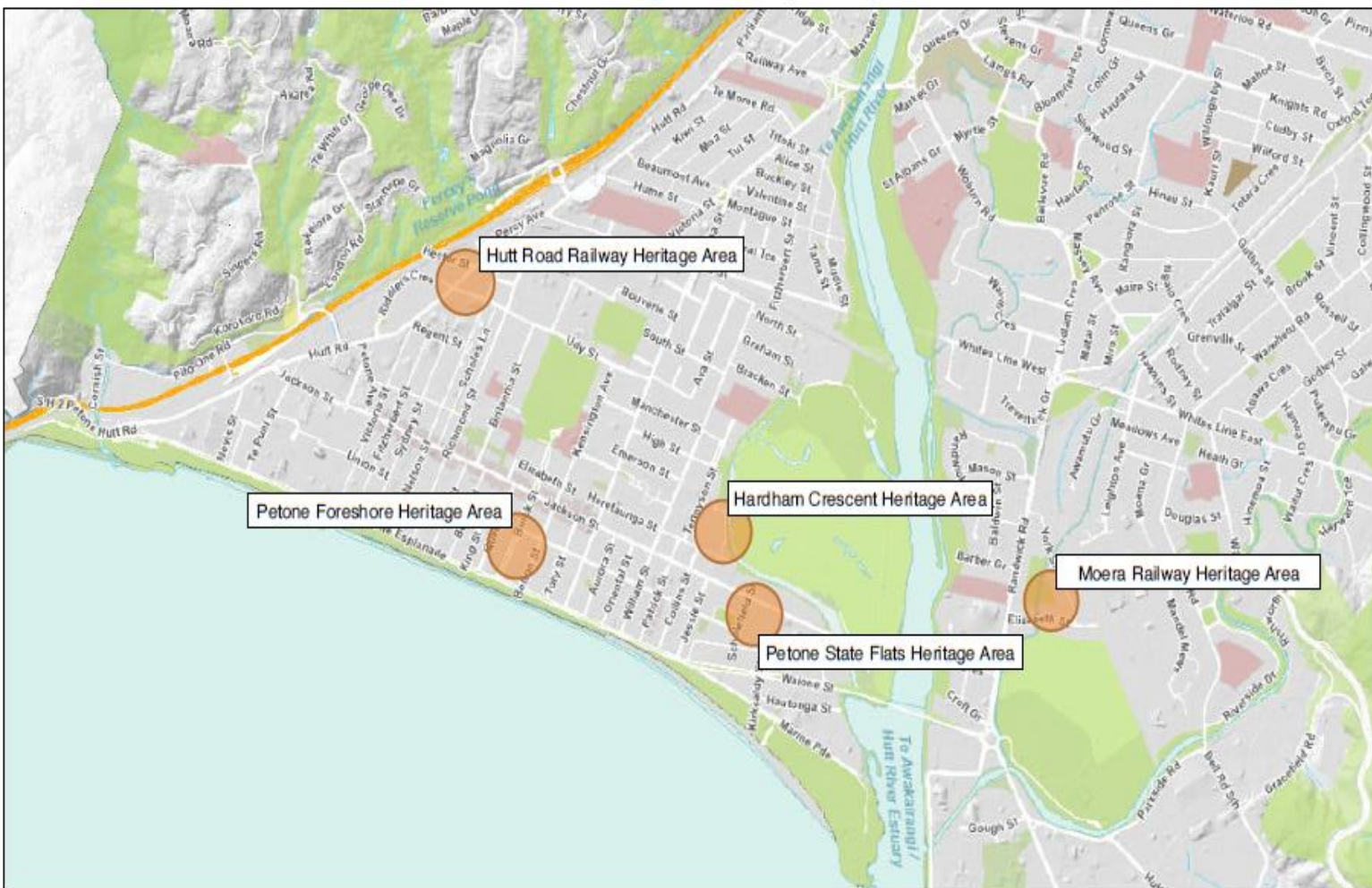
**Approved By:** Helen Oram  
Director Environment and Sustainability

<b>Qualifying Matters identified in s77I of the Resource Management Act and relevance for Hutt City Council's Intensification Planning Instrument</b>		
<b>Identified Qualifying Matter</b>	<b>Relevant?</b>	<b>Reason</b>
The preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development.	No	The areas of natural character identified in Hutt City fall outside of the residential areas that the IPI process applies to. Any changes to these zones would be out of scope. These areas will be addressed under the full District Plan review.
The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development.	No	As above.
The protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna.	No	Council has made the decision to await guidance from the yet to be released National Policy Statement for Indigenous Biodiversity before proceeding with any regulatory approaches to the management of significant natural areas on private property.
The maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers.	No	The IPI will nor result in any loss of access to these areas thought he implementation of the MDRS and NPS-UD provisions.
The relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga.	Yes	Assessment of this qualifying matter is needed to ensure sites of significance to Māori are not adversely affected by the MDRS and NPS-UD policy 3 development standards.
The protection of historic heritage from inappropriate subdivision, use, and development.	Yes	Buildings in heritage areas are generally of a size and scale that do not correlate with the bulk and location standards in the Medium Density Residential Standards (MDRS) of the Resource Management (Enabling Housing Supply) Amendment Act 2021 or those under Policy 3 in the National Policy Statement on Urban Development (NPS-UD). Development of this scale could adversely affect the significant historic heritage values.

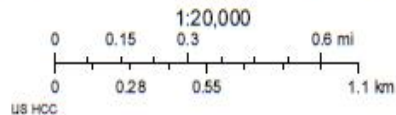
The protection of protected customary rights.	No	The IPI will not impact on any protected customary rights. Ongoing engagement with Mana Whenua will ensure that any issues will be addressed should they arise.
The management of significant risks from natural hazards.	Yes	In preparation for the full District Plan review we have a range of updated data on natural hazard risk for Hutt City. This includes risks such as Flooding (river corridors, overland flow pathways and ponding), Wellington fault mapping, tsunami and coastal inundation/sea level rise. Areas of high and medium risk may not be appropriate for residential intensification.
A matter required in order to give effect to a national policy statement (other than the NPS-UD) or the New Zealand Coastal Policy Statement 2010.	No	There are no additional national policy statement matters that make it necessary to restrict the application of the MDRS or NPS-UD policy 3.
A matter required for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure:	Yes	The current provisions in the District Plan are sufficient to manage adverse effects on any nationally significant infrastructure.
Open space provided for public use, but only in relation to land that is open space	Yes	Built development in public open space areas is already managed through the existing provisions of the recreation and open space zones of the District Plan and no additional controls are required.
The need to give effect to a designation or heritage order, but only in relation to land that is subject to the designation or heritage order.	No	There are no applicable designations and no heritage orders that make it necessary to restrict the application of the MDRS or NPS-UD policy 3.
A matter necessary to implement, or to ensure consistency with, iwi participation legislation.	No	Ongoing engagement with iwi is underway and will ensure that this will be addressed should any issues be raised.

<p>The requirement in the NPS-UD to provide sufficient business land suitable for low density uses to meet expected demand.</p>	<p>No</p>	<p>Sufficient business land suitable for low density uses will remain available to meet expected demand.</p>
<p>Any other matter that makes higher density, as provided for by the Medium Density Residential Standards of the RMA or Policy 3 of the National Policy Statement on Urban Development inappropriate in an area, but only if section 77L of the RMA is satisfied.</p>	<p>To be determined</p>	<p>-</p>

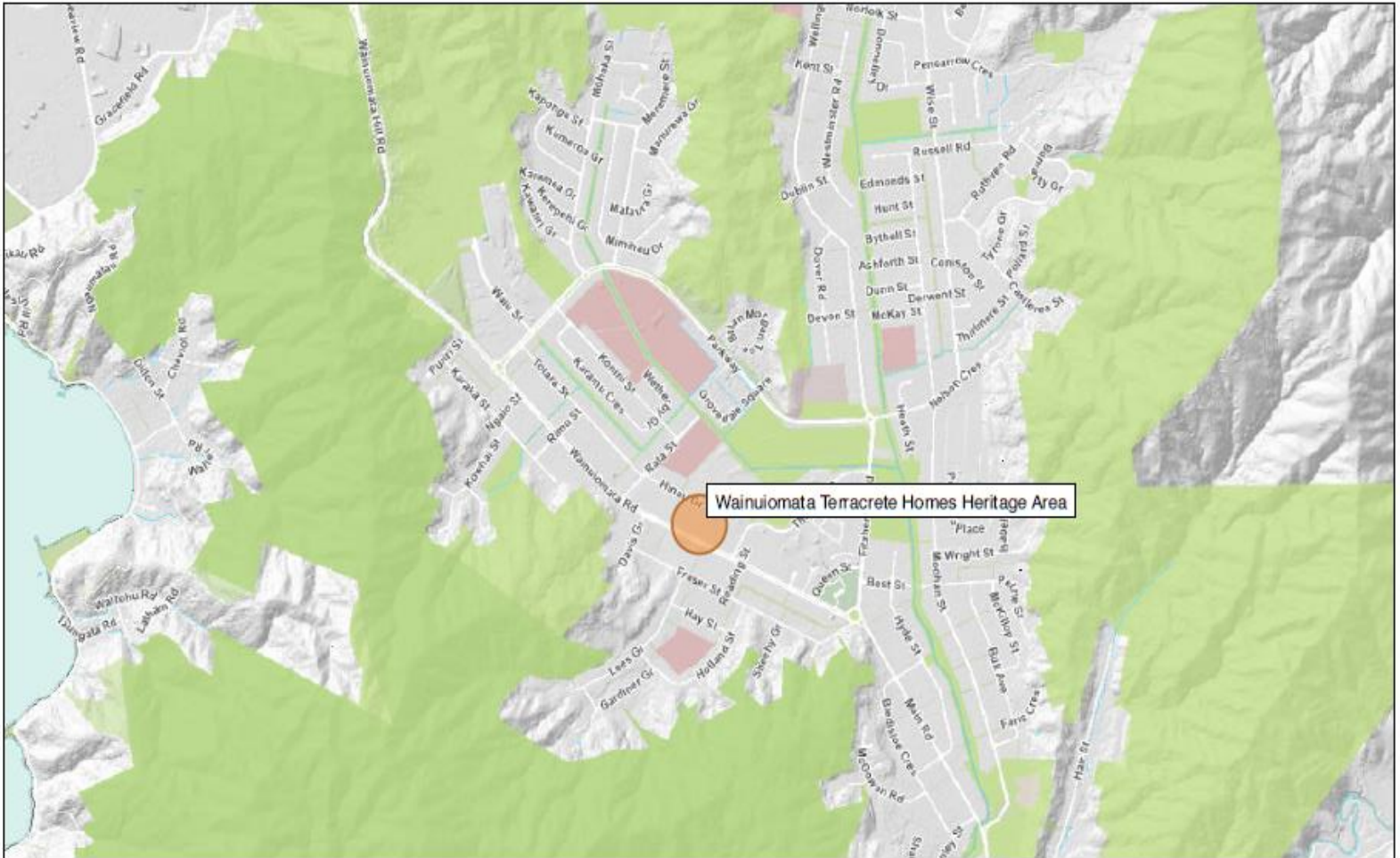
### Draft Heritage Areas (1 of 2)



March 18, 2022



### Draft Heritage Areas (2 of 2)



March 18, 2022

