



YOUR PLAN OUR FUTURE
TIMARU DISTRICT PLAN REVIEW

Future Development Areas

S.32 May 2022

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1.0 Introduction

1.1 Purpose

This report has been prepared in respect of the Future Development Chapter and associated Overlay of the Proposed Timaru District Plan prepared in accordance with section 32 of the Resource Management Act 1991 (RMA).

Section 32 RMA requires an evaluation of the appropriateness of proposed district plan provisions. This includes examining whether the objectives are the most appropriate way to achieve the purpose of the RMA, and then examining the effectiveness and efficiency of the provisions in achieving those objectives.

1.2 Community/Stakeholder/Iwi engagement

1.2.1 Timaru Growth Management Strategy

While Timaru District Council has undertaken an engagement and consultation process on the District Plan review, which is outlined in the Overview Section 32 and below, perhaps the most important consultative work undertaken to support the Future Development Area chapter was that undertaken for the Timaru District Council Growth Management Strategy 2045¹ (the Growth Strategy)

Consultation and engagement with stakeholders has been ongoing since July 2015, with feedback sought on an initial 'Issues and Options' paper, which discussed high levels growth options. After considering this feedback, Council collaborated with its Community Boards and with external agencies such as Alpine Energy, Environment Canterbury and the South Canterbury District Health Board. Prior to publication of the Growth Strategy, a preliminary version was provided to Environment Canterbury, the South Canterbury District Health Board and the Community Boards that adopted it for consultation. The Growth Strategy was approved by Council for public consultation on 1 April 2017. Public consultation events were broadcasted using a variety of media and included a number of drop-in sessions, stakeholder meetings and the opportunity to make a submission. A total of 75 submissions were received. A Hearing Panel consisting of an independent Commissioner and three elected members heard the submissions on the Draft GMS on 6 and 7 December 2017. The Hearings Panel then recommended amendments to the Draft GMS to Council. Council then adopted the GMS2 on 22 May 2018.

Major feedback themes that emerged from the consultation and feedback on the Growth Strategy were:

- General support for the proactive management of district growth.
- Need for additional business zoned areas (industrial and commerce).
- Whether growth predictions are too conservative, and insufficient rural residential land has been provided.
- Support of the focused approach to rural residential development in the District.
- Provision of infrastructure to service development, particularly rural residential zones.

¹ <https://www.timaru.govt.nz/services/planning/district-plan/district-plan-review/growth-management-strategy>

² www.timaru.govt.nz/gms

- Cost recovery for infrastructure provision.
- Recognition and provision for natural areas and significant landscapes.
- The approach associated with resilience and natural hazards, i.e. sea level rise implications for Washdyke.

However, most of the submissions sought the rezoning of individual properties.

Full details of the feedback, a summary of submissions and the response to these submissions can be found on the Council's website³.

The Growth Strategy outlined several directives which were used to underpin the District Plan review being undertaken. It informed zoning and density directions, as examples. The Growth Strategy and its relevance to planning the future of the Timaru District will be outlined in more detail later in this report, however, some of the key directives of the Growth Strategy include:

- Residential growth to occur in existing vacant residential zoned land⁴ and through consolidation of existing residential areas;
- 70% of growth will be within residential zones;
- rural residential development will be directed into identified rural residential pockets attached to existing towns;
- New industrial area provided at Tiplady Road, Geraldine.

1.2.2 Timaru Draft District Plan

In implementing this Growth Strategy, the Council moved forward with the publication of the Draft District Plan for public comment in October 2020.

A variety of feedback points regarding future growth were received. These can be summarised as follows:

- General support to contain rural residential growth to certain areas;
- There is a need for more industrial growth areas to support residential growth areas;
- Higher density residential growth areas should be provided;
- Support for the intention to create future urban growth areas;
- Need for a future urban type zone, not a precinct;
- There needs to be specific objectives, policies and rules for Development Areas.

1.3 Strategic Directions

The relevant Strategic Objectives from the Proposed District Plan are listed below.

SD-O1	Residential Areas and Activities
i.	There is sufficient residential development capacity in existing and proposed urban areas to meet demand and household choice, provided through:

³ https://www.timaru.govt.nz/_data/assets/pdf_file/0006/158784/Officers-Report-on-Submissions-to-the-Growth-Management-Strategy-10.11.17.pdf

⁴ With the exception of a new residential area in Geraldine located at Orari Station Road

- a. the use of existing zoned greenfield areas;
 - b. a range of densities in existing urban areas; and
 - c. higher residential densities in close proximity to the Timaru and Geraldine town centres, and Highfield Village Mall;
 - d. the new General Residential Zoned areas.
- ii. limited rural lifestyle development opportunities are provided where they concentrate and are attached to existing urban areas, achieve a coordinated pattern of development and are capable of efficiently connecting to reticulated sewer and water infrastructure; and
 - iii. limited residential opportunities are maintained in existing rural settlements, subject to adequate servicing.

SD-06 Business Areas and Activities

Business and economic prosperity in the District is enabled in appropriate locations, including by:

- i. providing sufficient land for a range of business activities to cater for projected growth;
- ii. providing opportunities for a range of business activities to establish and prosper, provided that commercial activities outside of commercial areas are limited so they do not detract from the role and function of the City Centre and Town Centre zones.

SD-08 Infrastructure

Across the District:

- i. improved accessibility and multimodal connectivity is provided through a safe and efficient transportation network that is able to adapt to technological changes;
- ii. the provision of new network infrastructure is integrated and co-ordinated with the nature, timing and sequencing of new development;
- iii. drinking water supplies are protected from the adverse effects of subdivision, use and development;
- iv. the benefits of regionally significant infrastructure and lifeline utilities are recognised and their safe, efficient and effective establishment, operation, maintenance, renewal and upgrading and development is enabled while managing adverse effects appropriately.

SD-09 Rural Areas

A range of primarily productive activities are enabled in the rural environment to enable the ongoing use of land for primary production for present and future generations, while:

1. protecting versatile soils for productive uses;
2. managing the adverse effects of intensive activities on sensitive activities;
3. managing the adverse effects of new sensitive activities on primary production;
4. avoiding activities that have no functional/operational need to locate in the rural area;
5. identifying and maintaining the character, qualities and amenity values of rural areas;
6. ensuring Future Development Area overlay remains available for future urban or rural lifestyle development.

UFD-01 Settlement Patterns

A consolidated and integrated settlement pattern that:

1. efficiently accommodates future growth and capacity for commercial, industrial, community and residential activities, primarily within the urban areas of the Timaru township, and the existing townships of Temuka, Geraldine, and Pleasant Point;
2. is integrated with the efficient use of infrastructure;
3. reduces adverse effects on the environment, including energy consumption, carbon emissions and water use;
4. protects drinking water supplies from the adverse effects of subdivision, use and development;

5. is well-designed, of a good quality, recognises existing character and amenity, and is attractive and functional to residents, business and visitors;
6. avoids areas with important natural, cultural and character values;
7. minimises the loss of versatile soils;
8. enables kaika nohoaka to occur on ancestral lands;
9. avoids locating new growth in areas where the impacts from natural hazards are unacceptable or which would require additional hazard mitigation; and
10. controls the location of activities, primarily by zoning, to minimise conflicts between incompatible activities and avoid these where there may be significant adverse effects.

SD-O1 signals the strategic need to have enough residentially zoned land within existing urban areas and limited rural residential development provided it is concentrated and associated with the existing towns. SD-O6 also seeks to ensure sufficient land to accommodate growth. SD-O8 highlights the need to ensure new development is serviced with infrastructure in an integrated way. SD-O9 relates to rural areas and strategically enables rural land to be used for productive purposes and if and Future Development Area overlay is in place, the land is used in such a way to ensure it could be used for urban or rural lifestyle opportunities in the future. UFD-1 outlines the desire for a 'consolidated and integrated' settlement pattern where future growth is accommodated; integrated infrastructure can be provided; environmental effects of development are reduced including the loss of versatile soils; potential impacts such as from natural hazards and reverse sensitivity are avoided.

1.4 Problem definition

1.4.1 Operative Plan

While the Operative District Plan (ODP) does include provision for growth areas some of the growth areas are already developed. Further, being notified in 1995, the growth projections that formed the basis for the ODP's zoning are dated and need revising.

Some of the areas indicated for growth in the ODP have been recognised through a plan change process, or others are covered by either and sometimes both, deferred zoning rules and an Outline Development Area. Examples include areas in Gleniti, Temuka North –West, Brough's Gully and the Washdyke Industrial Growth Area. There is a varying level of detail within the Outline Development Area plans. Accordingly, there is a variability and a lack of consistency with how the ODP provides for and manages new growth.

The ODP was also developed before the National Policy Statement on Urban Development Capacity and its successor the National Policy Statement on Urban Development (NPS-UD). The NPS-UD places a greater emphasis on forward planning for growth and providing for sufficient development capacity. Accordingly, there is a need for the PDP to align with the NPS-UD.

1.4.2 Issues identified

As outlined above, the Timaru District Council Growth Management Strategy 2045⁶, has been a key document underpinning the review of the Timaru District Plan. However, the Growth Strategy and the projections and analysis which underpinned its development are now over 5 years old, and as mentioned previously, feedback from the community led to a desire to relook at how the District Plan can accommodate future growth. Feedback illustrated a concern about housing affordability and future options to accommodate higher than projected growth levels either not foreseen by

⁶ <https://www.timaru.govt.nz/services/planning/district-plan/district-plan-review/growth-management-strategy>

the Growth Management Strategy, or not envisioned to be happening within the lifespan of the PDP.

Further research was commissioned to update the assumptions on growth, land uptake and economic factors that underpinned the Growth Strategy. Formal and informal feedback received by the Elected Members suggested that the assumptions on growth used in the GMS were out of date and not providing enough land to allow to allow urban growth in the Timaru District. Also, there were anecdotal comments that some existing residentially zoned land that is undeveloped for reasons such as unsuitability due to topography, access, shape and a general lack of being financially viable to develop. Although 'available' this land might never come forward for redevelopment.

Accordingly, it was necessary to check the assumptions used in the GMS were still relevant and still provided the same conclusions regarding the necessity of releasing (or not) additional land for business or residential purposes.

This 're look' involved commissioning several reports to examine the need for additional growth areas to accommodate the district long term growth needs. These reports helped inform Council's approach within the PDP, which now differs from the Draft District Plan approach.

This research involved a range of matters including:

- Reviewing populations and household projections based on the latest data;
- Reviewing commercial and industrial growth;
- Consulting with landowners, developers and stakeholders with an interest in growth;
- Assessing whether the land identified in the GMS can be delivered;
- Comparing Timaru District to other similar or neighbouring Districts in terms of demographics, employment and house type/price data and making recommendations on how to manage the trends observed.

The table below highlights the key research and some of the key findings relevant to the consideration of Future Development Areas.

Research name and author	Main conclusions/findings/recommendations
<p>Property Economics (February 2022) Residential Capacity Economic Assessment https://www.timaru.govt.nz/pdp-supporting-info</p>	<ul style="list-style-type: none"> • Property Economics undertook an assessment of the theoretical and commercially feasible residential capacity (supply) within the Timaru District. • It was found Timaru District had a <i>theoretical capacity (supply)</i> of 61,387 dwellings under the Operative District Plan (ODP) and 89,178 dwellings in the Draft District Plan (DDP). The greatest increase in capacity between the two plans is in the Residential zone, which increased from 23,244 to 40,041. • In total, Timaru has a <i>feasible capacity</i> of 7,100 dwellings under the ODP and 7,760 dwellings under the DDP. • Despite significant theoretical capacity for apartment development in Timaru, none of them were found to be feasible in Timaru's market at present.

	<ul style="list-style-type: none"> • By accounting for the risks faced and prepared to take by developers, the <i>Realisable Capacity estimate</i> for Timaru is 4,671 under the ODP, and 5,035 in the DDP. Primarily, this represents a reduction in the number of Terraced dwellings that are expected to be developed given the current housing appetites of the Timaru market. This represents a 65% realisation rate on the <i>feasible capacity</i> in the ODP and DDP. • The Timaru District is projected to grow from 48,470 residents in 2021 to between 49,300 and 57,500 residents by 2048 according to Statistics NZ Medium and High projections respectively. • Timaru is anticipated to see an increase of 1,603 households under the Medium projection scenario or 4,330 households under the High projection scenario. • Using the High Projection estimate of 4,330 and applying a 15% competitiveness margin (equivalent to the NPS UD1 buffer) over the long term, TDC would need to provide capacity for just under 5,000 dwelling over the next 27 years. • This exceeds the <i>realisable capacity</i> under the ODP of 4,671, but not the DDP. This means that if all of the expected realisable capacity in the Draft District Plan is developed, then Timaru will not be expected to require additional residential land until after 2048, even under Statistics NZ's High projection scenario. • Increased residential intensification has several economic benefits, including improved spending retention of commercial centres, improved land use and infrastructure efficiency and improved transportation networks. • The provision of additional unnecessary greenfield capacity has the potential to further dilute urban redevelopment opportunities and increase the dispersal of residential activities to the economic detriment of the Timaru community.
<p>Planz (April 2022) Growth Management Strategy Review: Residential https://www.timaru.govt.nz/pdp-supporting-info</p>	<ul style="list-style-type: none"> • The GMS and accordingly, the Draft District Plan, do not signal a proactive approach to providing land for growth, as sought by the NPS-UD. • The report takes a High Growth Projection of just under 5000 additional dwellings out to 2048 as being required to meet demand. This figure includes the 15% capacity buffer. This figure is considerably higher than the 1,848 figure predicted in the GMS. • The PDP should provide a:

	<ul style="list-style-type: none"> ○ total of 97 ha of new General Residential zoned land; ○ further 78.6 ha of land reserved for future residential growth; ○ 2.3 ha site at College Road up-zoned to Medium Density Zone; ○ total of 47.7 ha of additional General Industrial zoned land; ○ A reasonable amount of residential growth can be accommodated in existing urban areas, which is considered sustainable. <ul style="list-style-type: none"> ● The proposed Rural Lifestyle Zone would not improve housing affordability and would not create well-functioning and efficiently serviced urban environment. ● The PDP should better enable residential development in the commercial zones. ● The PDP should enable residential development in the commercial zones. ● The PDP should allow for non-notification of residential development in the Medium Density Residential Zone. ● Rezone additional residential (greenfield) land, that requires a minimum density standard of 12 HH/Ha, and a minimum subdivision standard of 300m² as a controlled activity. by ● Earmark future residential land using a Future Urban Zone with rezoning triggers, which would prevent the land from going through a Schedule 1 (i.e. plan change type) process, until such time a trigger has been met. The trigger would be based on sufficient demand for the additional capacity. ● The PDP should include a Future Urban Growth chapter.
<p>Colliers (July 2022) Timaru Residential Property Market Study https://www.timaru.govt.nz/pdp-supporting-info</p>	<ul style="list-style-type: none"> ● Overall, there are no economic or demographic factors appear to be driving the need for more land to accommodate growth. ● Timaru has a static population. ● Timaru has a comparatively old population compared with New Zealand medians. The number of 15-39 year-old is low and expected to decline out to 2048. ● This age cohort typically forms the bulk of first-time buyers. ● There is no pattern to suggest employment growth. ● Although there has been an increase in agricultural, forestry and farming sector employees, there has been a significant decrease in office-based

	<p>professionals (compared to other districts), such people are often house buyers and occupy central office space. There is no evidence to suggest providing large sections stimulates housing demand.</p>
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As highlighted in the table above, the different consultant teams, being Property Economics, Planz Consultants and Colliers, did not reach the same conclusion about whether additional land should be set aside to service future growth.

In relation to residential land, the Planz work⁷ concluded amongst other things, that the approach of the Draft District Plan was not giving effect to the NPS-UD as it did not signal a pro-active approach to providing more land for development. They also conclude that the large amount of proposed land for the Rural Lifestyle Zone does not provide for affordable housing; would not create a well-functioning urban environment; is inefficient in terms of infrastructure; and will create an area that is very difficult, if not impossible to retrofit for urban purposes should such land be required in the future. The approach, particularly in the western edge of Timaru, could leave Timaru with very little option for where residential growth could be accommodated in the future.

Planz accordingly recommends for the Proposed District Plan, a new Future Urban Zone to safeguard rural land for future urbanisation is provided and more intensive infill is provided in urban zones.

The Property Economics work concluded that the approach of the Draft District Plan, which was primarily focused on in-fill growth in the Medium Density and General Residential Zone, with some Rural Residential Growth was sufficient to meet even the high growth scenario from Stats NZ. Property Economics looked at the theoretical and commercially feasible residential capacity (supply) and concluded that even the Stats 'High' projections for 4,330 additional homes over 30 years could be achieved.

In light of the differing advice, and after workshopping the matter with Council, the Council requested that staff identify growth areas in the District Plan including identifying:

- a) land available in the short term and
- b) land available in the longer term that if there was demand in the future

Once supported by a plan change and Development Area Plan. This approach was then used by staff to draft a set of new Future Growth Area provisions, including a schedule of areas earmarked for future growth.

The approach, discussed at several Council workshops including in April 2022 and subsequently endorsed by the Council's Environmental Services Committee on 6 September 2022, resulted in the following detailed outcomes in the PDP (as changed since the Draft District Plan was released):

- A total of 97 ha of additional General Residential zoned land.
- A further 78.6 ha of land reserved for future residential activities but unavailable during the lifespan of the plan.
- A further 55 ha of land reserved as 'urban land' but unavailable during the lifespan of the plan. This use of the term 'urban land' means it is potentially available for any urban use.

⁷ Planz (April 2022) Growth Management Strategy Review: Residential <https://www.timaru.govt.nz/pdp-supporting-info>

- A total 31.57 ha⁸ of new General Industrial zoned land.
- A further 61 ha of new General Industrial zoned land is provided to the north of Washyke as a Future Development Area but is unavailable during the lifetime of the plan.
- That some areas are rezoned automatically, while others requires a Development Area Plan and plan change to enable the development.
- All the new zoned areas and Future Development Areas are illustrated in the PDP.

More recently a further piece of research has been commissioned by Timaru District Council. This work by Colliers¹⁰ gathers insights into the residential property market including the existing residential typology, sales and rental data, local demographics, business demographics and information on relevant commercial projects and data points. It compares data from Timaru District with that of neighbouring and nearby Districts, being Waimate, Ashburton, Waitaki and Selwyn.

This research also investigated whether there were any actions for Council in assisting development and redevelopment in Timaru. Colliers notes a number of factors, in particular, the static population growth, an aging population and no pattern to suggest there is employment growth, meaning there are no strong drivers for additional housing supply. It is noted there is already relatively high home ownership in Timaru, the housing prices are modest and accordingly the housing stock is comparatively old, compared with the likes of Selwyn and Ashburton. The work highlights that low rents and low prices, are not stimulatory for new development and there is little to suggest that providing growth within larger sections, like has happened in Timaru over recent times, has stimulated housing demand. The report does not recommend providing more land for housing within the District.

Each of these technical reports provide useful context and recommendations on how Timaru District Council should manage growth, or indeed plan towards a future where growth is constrained. However, as mentioned, Council have attempted to take a balanced approach to include areas within the District Plan to accommodate new growth areas, but not to introduce all these areas as 'live zoned' at the same time. There are inherent risks of rezoning too much land, particularly at one time, as that can undermine aspirations for re-development of existing areas/houses and areas within the existing towns; can spread what development there is, too thinly; create unaffordable infrastructure costs to service too many areas; can decrease developer/investor confidence as there is no certainty there is enough growth to support all the growth areas; and can soften land values decreasing development feasibility.

The approach outlined in this S.32 report and within the Chapter itself, takes this information into account. Upcoming sections of this report, further investigate the options suggested by the consultant teams and the options chosen by Council to address these.

Aside from providing for sufficient development capacity, the other issues the FDA chapter seeks to address are:

- The risk that the FDAs are developed for another activity that forecloses their ability to be available to accommodate future growth;
- The risk that the FDAs are not developed through a comprehensive plan process or manner that ensures they contribute to a well-functioning urban environment;
- New growth occurs outside of the FDAs or out of sequence with the planned growth.

⁸ 19 ha is Washdyke and 12.4 ha in Geraldine

¹⁰ Colliers (July 2022) Timaru Residential Property Market Study <https://www.timaru.govt.nz/pdp-supporting-info>

1.5 Statutory and Planning Context

1.5.1 Resource Management Act

In carrying out a section 32 analysis, an evaluation is required of how the proposal achieves the purpose and principles contained in Part 2 of the RMA. Section 5 sets out the purpose of the RMA, which is to promote the sustainable management of natural and physical resources. Sustainable management includes managing the use, development, and protection of natural and physical resources to enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety. In achieving this purpose, authorities need also to recognise and provide for the matters of national importance identified in section 6, have particular regard to other matters referred to in section 7 and take into account the principles of the Treaty of Waitangi referred to in section 8.

Overall, the proactive planning for growth, including a mix of infill, allowing release of land for growth by way of a Development Area Plan and the use of a deferred growth overlay on rural land for future potential urbanisation is intended to allow for the sustainable management of land. This approach will provide for more efficient provision of infrastructure and will protect a limited resource (land) from inappropriate development, which could foreclose it ever being used for urban purposes. The implementation of the Development Area Plans, along with the application of the residential zone provisions responds to the requirements in Part 2, in terms of: avoiding, remedying and mitigating the adverse effects of development within these areas on the environment (section 5(2)(c)); and maintaining and enhancing the amenity values and quality of the environment (section 7(c) and (f)).

1.5.2 National Policy Statement on Urban Development (NPS-UD)

The NPS-UD came into effect on 20 August 2020. It recognises the national significance of urban environments and provides direction to decision-makers on planning for urban environments and seeks to establish well-functioning urban environments that respond to the changing needs of people, communities and future generations. Timaru District Council is not identified as Tier 1 or 2 local authority, but the NPS UD still applies to all local authorities which contain urban areas, including Timaru District.

Objective 1 of the NPS-UD seeks that well-functioning urban environments enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

Objective 2 seeks that planning decisions improve housing affordability by supporting competitive land and development markets.

Objective 3 seeks that district plans enable more people to live in areas of an urban environment that is in or near a centre zone or other area with many employment opportunities, or well-served by existing or planned public transport.

Objective 4 seeks that urban environments are provided that, over time, develop and change in response to the changing needs of people and communities and future generations.

These objectives are supported by a range of policies, too numerous to list but in general the policies seek planning decisions that contribute to well-functioning urban environments that, as a minimum have or enable a variety of homes that meet the needs of different households and have good accessibility. The NPS recognises the need for areas to change, which may detract from existing amenity or change the character of an area. Areas of higher density are envisioned and the need to plan for the integration of housing, jobs, community services, natural spaces, and open spaces. The Proposed Plan must give effect to the NPS-UD.

1.5.3 Other relevant planning instruments/National Policy Statements

District Plan must give effect to:	
Document	Relevance
National Policy Statement for Freshwater Management	<p>This sets out an objective and policies that focus on:</p> <ul style="list-style-type: none"> • Managing freshwater in a way that 'gives effect' to Te Mana o te Wai: (the integrated and holistic well-being of a freshwater body) in the management of fresh water; • Prioritising the health and wellbeing of water bodies and freshwater ecosystems, followed by the health needs of people, followed by the ability of people and communities to provide for their social, economic and cultural well-being, now and in the future; • Avoiding over allocation, improving and maximising efficient allocation and use of water and safeguarding its life-supporting capacity; • Improving integrated management of fresh water and the use and development of land; • Establishing a national objectives framework, monitoring progress, and accounting for freshwater takes and contaminants; and • Providing for the active involvement of tangata whenua in freshwater management and that Maori freshwater values are identified and provided for. <p>While some of the objectives and policies relate to the functions of regional councils, those covering integrated management, and tangata whenua roles and interests are of relevance to Timaru District Council.</p> <p>Provisions relating to the management of the use and development of land to safeguard water are relevant to the Proposed Timaru District Plan but will need to be implemented in close coordination with Canterbury Regional Council in order to avoid overlap and duplication.</p>
National Planning Standards 2019	<p>The purpose of the National Planning Standards (the Standards) is to improve consistency in plan and policy statement structure, format and content. The District Plan must give effect to the Standards.</p> <p>Of relevance to the urban growth topic, Development Areas are provided for in the Area Specific Chapter with each area having its own chapter, a future urban zone can also be provided as a Special Purpose Zone, while precincts and overlays are provided for in the District-wide Matters.</p> <p>The Standard determines that rural lifestyle development cannot be provided in Future Urban Zone. Since all future development areas will be managed in the same way despite its anticipated use, a Future Development Area Overlay has been provided in the Proposed District Plan to manage all future developments of the District to avoid unnecessary duplication in the District Plan.</p>
Canterbury Regional Policy Statement 2013 (CRPS)	<p>The CRPS provides a clear framework for managing urban growth throughout the Canterbury region that prescribes what objectives and policies are to be contained in the Proposed Plan.</p> <p>Policies prescribe how urban growth is to be managed by determining the urban form and settlement pattern by identifying the location, type and mix of residential and business activities, including the spatial extent of the priority areas for urban</p>

	<p>development. The CRPS acknowledges that urban development, and the associated provision of infrastructure and transport networks, results in changes to environments and that this needs to be managed to promote the sustainable management of natural and physical resources. There is a focus on ensuring urban growth does not adversely impact on community wellbeing or foreclose the ability to use land for primary production.</p> <p>The CRPS states that Territorial Authorities will set out objectives and policies and may include methods which establish an approach for the integrated management of urban and zoned rural residential development with the primary focus of ensuring consolidated, well designed and more sustainable urban patterns. This includes objectives that seek to encourage a consolidated settlement pattern that maintains the avoidance, remediation or mitigation of reverse sensitivity effects. The CRPS also requires Territorial Authorities to include objectives to protect the quality of the natural environment, providing for the efficient use of infrastructure and resources and avoid conflict between incompatible activities.</p> <p>Policy 5.3.1 states: <i>To provide, as the primary focus for meeting the wider region’s growth needs, sustainable development patterns that:</i></p> <ol style="list-style-type: none"> 1. <i>ensure that any</i> <ol style="list-style-type: none"> a. <i>urban growth; and</i> b. <i>limited rural residential development</i> <i>occur in a form that concentrates, or is attached to, existing urban areas and promotes a coordinated pattern of development;</i> 2. <i>encourage within urban areas, housing choice, recreation and community facilities, and business opportunities of a character and form that supports urban consolidation;</i> 3. <i>promote energy efficiency in urban forms, transport patterns, site location and subdivision layout;</i> 4. <i>maintain and enhance the sense of identity and character of the region’s urban areas; and</i> 5. <i>encourage high quality urban design, including the maintenance and enhancement of amenity values.</i> <p>The Proposed Plan must ‘give effect’ to the CRPS.</p>
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District Plan must not be inconsistent with:	
Document	Relevance
Canterbury Land and Water Regional Plan (incorporating Plan Change 7)	The CLWRP contains objectives, policies and rules that manage land and water within the region. An integrated and consistent regime is required to manage competing demands for the water resource, issues arising from the interconnected nature of land and water resources, effects of land use activities, and hazards arising for natural and human-induced processes. Objectives 3.1 and 3.2 manage the land and water resource as it relates to urban growth, while Objectives 3.23 and 3.5 manage the use of land and soil. The key policies that apply to urban growth apply to stormwater management, community wastewater systems, protecting sources of drinking water and ensuring the water resource is managed efficiently.

District Plan must take into account:	
Document	Relevance
Iwi Management Plan of Kāti Huirapa 1992 (IMP)	The IMP has a strong focus of activities which Kāti Huirapa seek to be managed for environmental and cultural reasons. Those activities such as water abstraction, discharges to water and air, vegetation clearance all need to be carefully mitigated, managed or avoided in the creation of new areas for urban purposes.

District Plan must have regard to:	
Document	Relevance
Growth Management Strategy (GMS)	<p>The GMS sets out the long-term strategic approach to managing land use growth in the Timaru District. It includes 12 Strategic Directions outlining what the District would look like in 2045 if the GMS were achieved. As mentioned above, in the consideration of Future Development Areas, the Council asked consultants to re look at the assumptions and provisions of the GMS to test current appropriateness and relevance. It is however important to note, the GMS has not been changed or updated.</p> <p>Almost all of the 12 Strategic Directions of the GMS are relevant to this topic of future growth. However, Strategic Direction 3 Settlement Patterns and Urban Form which seeks ‘to accommodate future growth and capacity for commercial, industrial, community and residential activities primarily within the existing settlements...to strengthen compact patterns of development and integration with infrastructure’, is particularly relevant.</p> <p>The GMS predicts for Timaru that an additional 368 households will be required by 2048 . This demand included a 15% contingency.</p>
Long Term Plan 2018-28 (LTP) ¹¹	<p>The LTP sets out the Council’s strategic direction, including a vision, community outcomes and strategic priorities.</p> <p>Page 21 of the document outlines the specific goals which are very relevant to the way in which the Council should address future growth. These include:</p> <ul style="list-style-type: none"> - Low Carbon and Energy: We will promote and support low carbon, low energy practices; - Enabling the conditions for a for a diverse and prosperous economy that creates local, national and international opportunity for a thriving community; - Sustainable Growth: We will support sustainable growth in the right place; - Investing in the future through well-conceived and planned projects that support the growth and wellbeing of the community and the environment. - Invest for Future We will invest in high quality infrastructure to meet the needs of our community. - We will use quality data and good practice to enable high quality infrastructure decision-making

¹¹ https://www.timaru.govt.nz/_data/assets/pdf_file/0004/547267/Long-Term-Plan-2021-31-web.pdf

2 Approach to Evaluation

Section 32(1)(b) requires an evaluation of whether the provisions are the most appropriate way to achieve the objectives by identifying other reasonably practicable options, assessing the efficiency and effectiveness of the provisions in achieving the objectives, and summarising the reasons for deciding on the provisions.

The assessment must identify and assess the benefits and costs of environmental, economic, social and cultural effects that are anticipated from the implementation of the provisions, including opportunities for economic growth and employment. The assessment must, if practicable, quantify the benefits and costs and assess the risk of acting or not acting if there is uncertainty or insufficient information available about the subject matter.

The proposed provisions relevant to the Future Development Areas Chapter has been assessed in accordance with the following main issue, is more land required to accommodate projected growth?

2.1 Scale and significance

The table below sets out the scale and significance of including additional areas for growth in the District in terms of Council's statutory obligations, who may be affected by any proposed changes to the management regime, the type of effects that may occur and where in the District is mostly likely to be affected by the proposed changes to the District Plan. This will inform the nature and extent of the analysis of the proposed changes. For example, proposed provisions that will result in an overall high level of scale and significance will require a more in-depth analysis of proposed objectives, policies and rules including, potentially, an economic analysis, compared to changes that will have a low-level significance.

Issues: Is more land required to accommodate growth?		
Reasons for change in policy	District Plan Review. Giving effect to the National Planning Standards. Giving effect to the NPS UD Having regard to the efficient use and development of physical resources (s7(b) of the RMA); the maintenance and enhancement of the quality of the environment (s7 of the RMA); and the finite characteristic of natural and physical resources (s7 of the RMA).	Medium
Relevant Statutory Considerations / Drivers	RMA Sections 5, 6, 7 and 8	Medium
Degree of shift from status quo required	Does not change the fundamental approach to identifying Development Areas within the Operative District Plan, but applies a more future focus and a more obviously integrated approach to infrastructure needs, and consolidation of existing towns.	Medium
Who and how many will be affected?	Landowners within the Future Development Area overlay.	Medium

Degree of impact on, or interest from iwi / Maori	The issue of how and where Timaru District should grow is not a matter considered in any relevant iwi management plan. However, the effects of such growth will impact on cultural and environmental matters addressed in the IMP. Aoraki Consulting Ltd have provided feedback on the future development areas.	Medium
When will effects occur?	The effects will apply to new proposals for subdivision or land use within the overlay. Some of the Future Development Areas are signaled as 'priority' areas with a Development Area Plan anticipated within the next 2 years or 5 years, while others are longer term being 'future'.	Medium
Geographic scale of impacts / issue	There are 14 proposed Future Development Areas which are around Timaru, Temuka and Geraldine	Medium
Type of effect(s)	The type of effect will vary within each development area, depending on what the zoning of the area was under the Operative District Plan and what it is proposed to change too. However, for the most part the main effect will be the requirement for a Plan Change supported by a Development Area Plan before subdivision and significant land use changes can take place. Neighbouring properties could experience adverse effects on amenity, traffics, outlook etc resulting from the new growth areas.	Medium
Degree of policy risk, implementation risk, or uncertainty	There is uncertainty in the research instigated by the Council some of which signals that zoning more land for urban development is not necessary to meet forecasted demand, while other research indicates it is necessary . The implementation approach is clear and provides certainty to landowners about the expected future land use form in each location. The risk of not identifying land for future growth is that land could be developed for other purposes foreclosing the use of land for growth options for the District.	Medium
Overall Assessment of Scale and Significance		Medium

2.2 Approach to managing Future Development Areas

Once the Council had determined it wanted to include additional areas for growth within the District Plan, the ways in which to implement this were considered by staff. This proposed implementation methods are outlined below.

It is proposed to manage future potential growth areas, by way of a Future Development Area Overlay. The General Rural Zone will still be in place, but the Overlay would provide a specific set of objectives and policies to promote future development of these areas in the future, and to manage land use in the meantime to ensure future redevelopment is not precluded.

It is worth noting that Planz recommended the use of a Future Urban Zone (c.f a Future Development Area Overlay). The Future Urban Zone, is one of the zones included within the National Planning Standards and has a nationwide application as being for 'urban' uses. In the instance of Timaru, where the future land use may not necessarily be 'urban' as such, and could instead be Rural Lifestyle type living, the use of the Future Urban Zone was not appropriate. Instead a Future Development Overlay, has been developed.

There are three proposed objectives of which the first objective seeks to provide land for future development, the second objective makes Council's expectation clear, that such land is not instantly opened up for development, but that a range of forward planning needs to take place most notably that the land needs to be rezoned, prior to development taking place. The third objective provides an option for land outside of anticipated development areas to be developed, but only if the development is of a scale to increase development capacity significantly, and it contributes to a well-functioning urban environment.

The first two objectives are necessary to safeguard land from activities and development that would foreclose or detract from the ability of that land to accommodate future growth. The third objective provides the flexibility to consider other areas, should it meet strategic objectives. This is important, as often, although land is earmarked for growth, if for whatever reason, it does not come forward for redevelopment, potentially meaning there is capacity for additional development elsewhere should there be demand.

The policies cover:

- activities that are expected within the overlay;
- the process for developing within a Future Development Area which is predicated on a plan change supported by a Development Area Plan;
- the identification of priority development areas which the Council will prepare Development Area Plans for, which are either immediately available for development or within either a 2 or 5 year timeframe depending on the area;
- the matters to be addressed by a Development Area Plan including the benefits of urbanising or allowing rural lifestyle development in the area; the type of development and density that can be accommodated, staging of development if appropriate; transport connections; infrastructure requirements;
- there's a policy regarding avoiding unanticipated and out of sequence development areas, unless certain matters can be adequately addressed, namely the area is of sufficient capacity to meet a need; and there is a strong evidence base underpinning it.

The proposed rules then support primary production and allow generally for building, but otherwise most activities including subdivision less than 40ha, industrial uses and a range of other uses that could preclude the future anticipated use of the area, are non-complying activities.

The approach provides clarity on the purpose of the Overlay, which should ensure ad hoc development is avoided and proactive forward planning is undertaken. There is some flexibility built into the provisions, but for the most part the proposed approach safeguards land for future growth. If landowners within the overlay are not interested in ever developing their land, the approach to continue with a General Rural Zoning should provide some comfort that, for the most part, primary production is enabled.

The Proposed Plan includes a schedule of Future Development Areas which are taken from the Planz report, which are also mapped to provide clarity for plan users. The exception is two areas that were excluded because of feedback from mana whenua and concerns regarding flooding. The schedule identifies the areas, outlines the priority and expected end land use.

2.3 Changes proposed

Operative Plan	Proposed Plan
Outline Development Plans are included within the Operative District Plan. The Outline Development Plans are embedded in the underlying zone chapters.	The Plan contains Development Area Plans to replace the existing Outline Development Plans in the Operative District Plan. The new Future Development Area overlay will be created for areas identified to accommodate new growth. Like the Operative District Plan, the underlying zoning provisions apply until such time a plan change is undertaken.
Different level of detail is included in the Operative District Plan on each of the Outline Development Plan area.	The same/similar provisions apply to the proposed Future Development Areas, and there is a policy and schedule which outlines the Council's timing for preparing Development Area Plans for the identified, priority areas. Very clear policies regarding the evidence and information to support a Future Development Area.
Some Outline Development Plan utilise a deferred zoning to ensure development is staged.	The Future Development Area overlay, in part, operates like a deferred zoning, safeguarding land from inappropriate development.

2.4 Quantification of Costs and Benefits

Section 32(2)(b) requires that if practicable the benefits and costs of a proposal are quantified. In this case, it is considered difficult to quantify in monetary terms the potential costs and benefits of the proposed provisions. However, there are costs and benefits of which can be discussed in qualitative terms.

2.5 Choice of Evaluation Method(s)

Given the moderate scale and significance of creating a Future Development Area Overlay, the approach taken is to assess the preferred option against the Operative District Plan provisions (status quo). However, given the differing advice offered by consultants, as outlined earlier in this report, several other options are also considered.

2.6 Proposed Objectives

This section of the report evaluates the proposed objectives as to whether they are the most appropriate to achieve the purpose of the Act.

Proposed objectives:

FDA-01	Availability of land for future development
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Land in the Future Development Area Overlay remains available for future urban or rural lifestyle development.

FDA-02 Development within the Future Development Area

Urban growth or rural lifestyle development does not occur within the Future Development Area Overlay until it is rezoned for the identified future land use and a comprehensive Development Area Plan is approved as part of that process.

FDA-03 Unanticipated and out of sequence development

Unanticipated urban development outside of the Future Development Area Overlay or out of sequence development is only considered when significant development capacity is provided and it contributes to a well-functioning urban environment.

ODP objectives (Status Quo):

- 13.1 Objective - (1) To accommodate growth while protecting and enhancing the quality of the environment.
- 1.1.1 Manage land in the District for the greatest benefit of present and future generations while safeguarding the life-supporting capacity of soil and ecosystems and avoiding, remedying or mitigating any adverse environmental effect.
- 1.2.2 Objective – Avoid, remedy or mitigate the adverse effects of intensive development in rural areas.

These existing objectives are not aligned with the proposed approach to managing growth and accordingly have not been considered in detail. As outlined in the ‘issues’ section of this report, the current provisions are out of date, inconsistent between areas and are often seeking to manage an area that has already been developed or planned for development. The status quo approach does not address the current CRPS, planning standards or NPS-UD. Aforementioned research from Property Economics suggests that the ODP approach, would not deliver the approximately 5,000 additional households to service projected growth out to 2048¹².

3 Evaluation of Objectives

Section 32(1)(a) requires an examination of the extent to which the proposed objectives are the most appropriate way to achieve the purpose of the RMA. The following table has been used to evaluate the appropriateness of the relevant objectives.

Category	Criteria	Comments
Relevance	Directed to addressing a resource management issue	Proposed objectives: Achieves The proposed objectives directly respond to the issue identified in the NPS-UD of ensuring there is sufficient capacity of land to accommodate the future growth of towns in the Timaru District. The objectives will allow for such areas to be developed efficiently.

¹² ¹² Property Economics (February 2022) Residential Capacity Economic Assessment in <https://www.timaru.govt.nz/pdp-supporting-info>

	Focused on achieving the purpose of the Act	Proposed objectives: Achieves Collectively, the three objectives and the identification of land for future growth achieves the purpose of the Act, in that it represents the sustainable management of the environment.
	Assists a council to carry out its statutory functions	Proposed objectives: Achieves FDA-O1 - O3 will help achieve integrated management of the effects of the use, development and protection of the land resource within the district (s31(1)(a) RMA).
	Within scope of higher-level documents	Proposed objectives: Achieves The proposed objectives align with the relevant direction in the NPS-UD and CRPS, which seeks to consolidate growth within identified areas, rather than ad hoc around the District.
Feasibility	Acceptable level of uncertainty and risk	Proposed objectives: Achieves The objectives are very directive. In identifying land for growth and the associated policies which protect the land for the future intended purposes, provides certainty for landowners as to where growth is expected. The PDP uses priority areas over different timeframes to help minimise the risk of too much land coming forward at once, which may spread resources, particularly infrastructure provision, too thinly. The risk is acceptable.
	Realistically able to be achieved within council's powers, skills and resources	Proposed objectives: Achieves The objectives relate to powers the Council has under the RMA to: achieve sustainable management of resources, integrated management of the effects of the use, development, or protection of land and associated natural resources of the district; and to control the effects of the use, development or protection of land. Achievement of the outcomes sought is considered achievable within the Council's skills and resources.
Acceptability	Consistent with identified iwi/Māori and community outcomes	Proposed objectives: Achieves The outcomes expressed in the objectives are consistent with community feedback Draft District Plan and align with the broad community outcomes sought in the LTP. AECL have provided feedback on the growth options and accept those being brought forward. Note AECL's input led to some growth areas being omitted.
	Will not result in unjustifiably high costs on the community or parts of the community	Proposed objectives: Achieves The outcomes sought do not result in additional costs on the community or portions of it that are unjustifiable.

4 Identification of Options

Section 32(1)(b) of the RMA requires an examination of whether the provisions in the proposal are the most appropriate way to achieve the objectives, by: identifying other reasonably practicable options for achieving the objectives; assessing the efficiency and effectiveness of the provisions in achieving the objective; and summarising the reasons for deciding on the provisions. The following sections therefore identify other reasonably practicable options, assess the efficiency and effectiveness of each option, and provide an overall summary on why the proposed approach has been chosen.

The evaluation of provisions has been bundled because they are expected to work together to achieve the objectives.

4.1 Option 1: Status Quo

This option involves a continuation of the Operative District Plan provisions including the current policies and rules, this would include the Development Area Plans for 'current' growth areas.

4.2 Option 2: Identification of new 'greenfield' urban areas (Future Development Areas); alongside growth consolidated within existing urban areas, and discrete pockets of new Rural Lifestyle Zones on the edge of existing towns. Inclusion of a growth chapter.

This potential option is broadly aligned to the recommendations of the aforementioned Planz report¹³. It would not be accurate to call it the Planz option, as there are differences in approach, but it is based on their recommendation to include areas for growth within the Proposed District Plan. The key elements of this option are:

- Identifying and implementing areas to set aside for growth. These areas would be used within a schedule and indication of anticipated timing of the planning for the area.
- The inclusion of a Future Development Area Overlay. This approach would have restrictive rules to avoid subdivision and land uses that would foreclose the ability of the land to be developed for urban purposes.
- Detailed policies about the circumstances when development can be brought forward and what evidence and information will be required to support a plan change, from Future Urban to 'urban'.
- Triggers would be required to ensure the various parts of the Overlay are only brought forward for urban purposes when there is demand.
- The development of a specific Future Growth Chapter which could also make Council's intention on growth areas clear including where they are, what the intended possible future use will be and what information, infrastructure and timing/staging provisions will be.
- The Future Development Overlay would retain the underlying rural zoning, until such time a plan change has taken place.

¹³ Planz (April 2022) Growth Management Strategy Review: Residential <https://www.timaru.govt.nz/pdp-supporting-info>

4.3 Option 3: Growth Management Strategy approach, with limited ‘greenfield’ rezoning; all other growth consolidated within existing urban areas, and pockets of new Rural Lifestyle Zones on the edge of existing towns

This option is essentially that of the Draft District Plan as released by Timaru District Council in 2020. It also reflects the broad approach recommended by Property Economics and Colliers, who found no evidence to suggest new growth areas were required. This approach would not identify new growth areas as such, but did include some rezoning of land in Geraldine from Rural to Residential around Orari Station Road and a new industrial land in Washdyke and to the south of Geraldine. The approach also includes a Medium Density Zone, a new Rural Lifestyle Zone and other provisions within the General Residential Zone to consolidate/concentrate the growth that is projected.

5 Evaluation of Options

5.1 Evaluation table

Option 1

As Option 1, ‘status quo’ from the Operative District Plan as outlined would not meet strategic objectives and does not deliver on higher order on National and Regional documents. The Operative District Plan does not contain any guidance on the layout of development areas plans and therefore it would be expected the status quo would deliver outcomes that have adverse effects on the environment, would not be efficient particularly from an infrastructure servicing perspective and would not and not deliver any particular social benefits. The growth delivered by ‘status quo’ is not sufficient to meet expected demand. Given these reasons, this Option is not considered further in any detail.

Option 2

<p>OPTION 2 Identification of new ‘greenfield’ urban areas; alongside growth consolidated within existing urban areas, and discrete pockets of new Rural Lifestyle Zones on the edge of existing towns. Inclusion of a growth chapter.</p>	
<p>Benefits</p>	<p>Environmental:</p> <p>Large scale land use change within a new growth area would need to be supported by a Development Area Plans, as opposed to piecemeal development over time. This allows for bigger picture assessment and consideration of desired environmental outcomes and a reduction in adverse environmental effects from development. Land use change for urban purposes would be targeted to identified areas and the environmental impacts of development within an area, could be considered up front, prior to development taking place.</p> <p>Without these targeted areas for the concentration of growth, the District’s rural land could be developed in an ad hoc manner, and in such a way that future ‘urban’ development is not possible.</p>
	<p>Economic:</p>

	<p>With a range of growth areas identified, the Council will be able to consider economic costs of particular areas in relation to one another area, to help guide decisions on where Council may need/wish to direct funding, allowing for more efficient economic outcomes.</p> <p>Long term certainty for Council regarding where to make investment for future infrastructure upgrades.</p> <p>Reduced costs on landowners from not having to pay for a plan change and the preparation of a development area plan.</p> <p>Long term investment certainty for landowners from the identification of land for future growth.</p> <p>Landowners, whose land will be rezoned, will be positively affected with their land values increasing, and capital gain from future subdivisions.</p> <p>The wider public could benefit from the availability of new residential land.</p> <p>Social: The identification of wider areas for growth, will allow for social impacts and needs associated with development to be determined at plan change process. This strategic planning, contrasts with incremental subdivision which is ad hoc and uncoordinated with no particular regard to social affects . Managing the process through plan changes will allow wider consultation and awareness of land uses changes proposed.</p> <p>Long term expectations set for the adjoining neighbours that the area will be developed. Development area plans ensure new growth areas integrate well with existing areas.</p> <p>Cultural: None identified.</p>
Costs	<p>Environmental: The proposed approach includes a relatively large areas of land identified within the Future Development Overlay. A change away from the existing rural land uses to the urban uses, will undoubtedly result in large scale environmental change in these areas requiring careful management. Increase stormwater discharge, loss of productive soils, loss of amenity, outlook, privacy, overshadowing, increased traffic and increase carbon emissions are likely adverse effects on the environment.</p> <p>Economic: A potential risk of providing additional greenfield capacity is the risk of undermining the potential redevelopment of Timaru’s existing urban areas. This outcome will likely result in a more dispersed development pattern which is associated with several economic costs and inefficiencies.¹⁴</p>

¹⁴ Property Economics (2022) <https://www.timaru.govt.nz/pdp-supporting-info>

	<p>The provision of additional greenfield capacity has the potential to further dilute urban redevelopment opportunities and increase the dispersal of residential activities to the economic detriment of the Timaru community.</p>
	<p>Social: Additional greenfield development will increase the dispersal of the settlements and decrease consolidation. This will not encourage an increase in housing typologies required to house the aging population. A disperse population also makes social, cultural, and recreational facilities less feasible and less accessible.</p>
	<p>Cultural: Some of the Future Development Areas are adjacent to, or upstream of, Sites and Areas of Significance to Māori (SASM). As such, could have the potential to effect the SASM. However, the Development Area Plan and Plan Change process will need to consider and address cultural values.</p>
<p>Efficiency</p>	<p>The key issue in addressing efficiency is getting the balance of land availability so there is neither over supply nor under supply of land for development. The proposed approach does identify many Future Development Areas. The areas are not all immediately expected to come forward for growth and the proposed approach builds in timeframes for the preparation of Development Area Plans and subsequent plan changes (some of which are beyond the 10 year timeframe of this Plan).</p> <p>However, in light of the aforementioned advice from Property Economics and Colliers, and the evidence behind the Growth Management Strategy, there is no certainty that the number of Future Development Areas identified will be necessary to accommodate growth within Timaru District and that the option will detract growth from existing urban areas. The approach in some ways contradicts itself, as it promotes intensification of land uses and allows for different housing typologies in existing towns, but also provides for significant greenfield. This is not efficient, when there is only limited growth projected.</p> <p>There are both benefits and costs to this approach, with the costs falling more on to existing communities and reduced sustainability and the benefits being more to landowners who benefit from the proposed FDA Overlay.</p>
<p>Effectiveness</p>	<p>This option is effective as it controls the timing of land available for future development. and ensures the land is developed in a sustainable manner. The option would also allow rural type land uses to remain, until such time as a wider plan change can be developed, if demand necessitates it. However, as outlined immediately above, the inefficiencies of the approach limit its effectiveness in achieving sustainable management and wider community outcomes.</p>
<p>Strategic Direction(s)</p>	<p>This option would deliver on one strategic objective, which make specific reference to the use of new urban areas to accommodate residential capacity. Compared to option 1, it will also better allow for forward planned infrastructure and environmental effects can be more easily managed when a plan change is undertaken, as opposed to piecemeal development. However, the approach does not give effect to the Timaru Growth Strategy and parts of the Long Term Plan.</p>

Overall Appropriateness of Option 2	The approach to identify a variety of new greenfield growth areas, alongside other techniques to promote intensification and redevelopment within existing urban areas, will allow the District to more proactively plan for growth and provide housing options for existing and new residents, than the status quo option 1. Elected members were satisfied this approach was most appropriate for Timaru District.
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Option 3

<p>OPTION 3</p> <p>The Growth Management Strategy approach, as broadly included within the Draft District Plan which included only limited ‘greenfield’ urban areas, focus on growth consolidated within existing urban areas, and pockets of new Rural Lifestyle Zones on the edge of existing towns. Inclusion of a growth chapter.</p>	
Benefits	<p>Environmental:</p> <p>A consolidated approach to managing growth means minimal encroachment into productive farmland; less reliance on private vehicular transport and less carbon emissions, . More efficient infrastructure and avoidance of large scale greenfield development, which can have environmental impacts even when developed sensitively.</p> <hr/> <p>Economic:</p> <p>Property Economics¹⁵ assessed the economic benefits of a consolidation and intensification approach, in summary this included:</p> <ul style="list-style-type: none"> • directing residential growth and development to achieve greater degrees of efficiency and certainty in terms of public and private investment. • The enablement of higher residential densities has the potential to encourage the redevelopment of the existing urban area. • This will invariably deliver significant economic benefits to all of Timaru’s existing commercial centres, and the economic and social wellbeing of the communities. This is based on increased sales performance, larger population base in surrounding centre locales, increased local employment opportunities, increased accessibility to public transport infrastructure, increased market efficiencies, increased return on investment on public expenditure (particularly upcoming public transport initiatives). • increased market flexibility of the dwelling typologies and increased opportunity and certainty for the market, to deliver higher residential densities close to the district’s centre and public transport networks. • Increase feasibility of urban development within existing towns, which can invigorate town and city centres and other amenities within these areas. <p>There will be more efficient use of existing infrastructure, including greater use of public transport. Less costs associated with the maintenance and replacement of infrastructure to greenfield sites. Council can largely focus on maintenance and upgrade of existing infrastructure to service existing areas,</p>

¹⁵ Property Economics (2022) <https://www.timaru.govt.nz/pdp-supporting-info>

	<p>rather than expanding into further areas, which will be costly to install and less efficient to maintain.</p>
	<p>Social: Increase in medium density housing typology that provides for the aging population.</p> <p>More growth will be promoted within existing towns, which can help invigorate town and city centres and other amenities within these areas. It was noted by Colliers, for example, that Timaru has a relatively low investment in social amenities and infrastructure which tend to be an attractant to encourage new people to move into an area.</p> <p>A more consolidate population also makes social, cultural, and recreational facilities more feasible and accessible.</p>
	<p>Cultural: None identified.</p>
<p>Costs</p>	<p>Environmental: Rural lifestyle is one of the least sustainable developments as within such areas it is not normally feasible to be retrofit into more intensified urban development. It is important to select the rural lifestyle areas carefully so it would not ring-fence the urban areas to preclude future urban growth.</p> <p>Economic: Landowners with greenfield land they wish to develop will not be able to developed easily and costly private plan change processes or resource consent applications are likely to be required with little certainty such processes will be successful.</p> <p>Land value potential will continue to increase as redevelopment of developed areas cost extra for developers compared to a greenfield development.</p> <p>If growth occurs at a higher rate or at a different timeframe than projected, growth could be stymied with nowhere for new growth to easily go, without the aforementioned plan change or resource consent processes being undertaken.</p> <p>Social: More compact living within the existing towns may not be desirable to all.</p> <p>There will be limited housing choices for those who enjoy low density living.</p> <p>Cultural: None identified.</p>

Efficiency	<p>There are more benefits than costs within this approach to primarily consolidate growth into existing towns with limited areas of Rural Lifestyle living.</p> <p>The Growth Management Strategy and the community input into the preparation of that document, concluded that consolidation of growth into existing towns was efficient, and the preferred approach to manage growth. Existing infrastructure can be more efficiently utilised; town centres are expected to have more vibrancy; versatile soils are protected; uptake of public transport and cycling are greater in a consolidation model compared to a greenfield expansion model.</p>
Effectiveness	<p>The option would be effective in accommodating growth, delivering compact urban areas, well connected to services, employment and education opportunities. It could be effective in regenerating Timaru’s older housing stock and allowing additional investment in amenities to attract and retain residents¹⁶.</p>
Strategic Direction(s)	<p>The option delivers on those strategic directives seeking well, planned consolidated development within existing towns and aspirations of the Regional Policy Statement and GMS which seek concentrated urban development.</p>
Overall Appropriateness of Option 3	<p>The option is appropriate in that it is efficient, effective and delivers to strategic directions. The benefits of this approach outweigh the costs.</p>

5.2 Risk of Acting or Not Acting

Where there is uncertain or insufficient information about the subject matter of the provisions, section 32(2)(c) RMA requires an evaluation of the risk of acting or not acting in the way proposed. In this case it is considered that there is sufficient information to determine the appropriate approach to Future Development Areas within the proposed District Plan.

The areas to which the overlay apply will, over time depending on priority, have Development Area Plans prepared which will form the basis for a plan change to develop the area to either residential, commercial or a rural lifestyle zoning. It is acknowledged that there is uncertainty regarding the future demand for growth areas but the approach taken, will allow such areas to be brought forward sooner or later, depending on circumstances. The approach also provides some flexibility to consider other areas for growth that have not currently been anticipated. It is also acknowledged there are risks of not setting aside land for future development, but there are risks and disadvantages of identifying too many areas as growth on too many fronts.

6 Preferred Option

¹⁶ Colliers (July 2022) Timaru Residential Property Market Study <https://www.timaru.govt.nz/pdp-supporting-info>

This evaluation has been undertaken in accordance with Section 32 of the RMA in order evaluate the extent to which the objectives are the most appropriate was to achieve the purpose of the RMA and to examine the whether the provisions are the most appropriate way to achieve the objectives.

While both Option 2 and 3 have benefits, Council have determined that the benefits of including Future Development Areas is that growth and infrastructure provision can be better planned for and coordinated; ad hoc development is avoided, the staged release of growth areas can take place, certainty is provided for landowners and developers about where investment should be focused. Option 2 is favoured by Council.