STRATEGY AND POLICY COMMITTEE 22 AUGUST 2013



REPORT 3 (1215/52/IM)

DISTRICT PLAN REVIEW UPDATE

1. Purpose of report

This report provides an update on the District Plan review work programme.

2. Executive summary

In February 2012 councillors agreed to continue with the rolling review of the District Plan, with a priority on resolving all appeals before notifying new plan changes. Good progress is being made on the 5 remaining appeals on Plan Changes 72 (Residential Review) and 73 (Suburban Centre Review), with all but one of the appeals likely to be resolved before the end of the year.

Since Council agreed to the District Plan work programme in February 2012 officers have undertaken research, investigations, and monitoring work to deliver on the agreed work programme. Work is ongoing with Plan Change 77 (Curtis Street) with hearings to be held in September and a decision likely by the end of the year. Delivery of this work programme is consistent with what was agreed by councillors in February 2012. This work programme is summarised in Appendix 1.

The Government has made policy announcements on the Building Act and will shortly introduce a Resource Management Act Bill. These announcements will guide Councils approach to heritage, earthquake prone buildings, natural hazards, and growth management. In particular, it is likely that district and regional plan provisions will have to be combined into one document, and all RMA plans will have to be developed consistent with a national template (similar structure, zones, definitions and possibly rules). These possible legislative changes will require a radical overhaul of all RMA plans, including the Wellington City District Plan.

Over the coming months officers will bring to Council reviews of the transport and urban development strategies, and options for developing a spatial plan for the City. These reviews and spatial plan, together with a renewed focus on economic development will be key drivers for the review of the District Plan. This will involve considering ways to better support and promote economic growth and housing development in brownfield sites and greenfield areas in the northern suburbs.

A key focus of the District Plan review will be to reduce the size and complexity of the District Plan in order to reduce compliance costs and improve investment certainty for residents, investors and the Council.

This approach would also include specific listing of activities, with greater recognition given to the wider economic and social benefits of allowing certain identified activities rather than focusing on site-by-site effects. In the meantime, officers will continue implementing the agreed District Plan review work programme based on the following priorities:

- Continue developing new tangata whenua chapter provisions in collaboration with Port Nicholson Settlement Block Trust and Ngati Toa Iwis', and Hutt and Upper Hutt City Councils.
- Completing the review of the heritage list and heritage provisions.
- Investigating and report back on rolling out further 'areas of change' around key centres outside of the growth spine.
- Continue working with Wellington International Airport Limited to coordinate RMA processes around giving effect to the runway extension, amendments to the masterplan, and the review of the Airport and Golf Course Precinct contained in the District Plan.
- Continue working with other Wellington region councils in the development of a Wellington region natural hazards strategy, and coordinating District Plan review and spatial planning processes.

Officers will report back on the implications of proposed legislative changes and seek councillors guidance for progressing key District Plan work areas.

3. Recommendations

Officers recommend that the Strategy and Policy Committee:

- 1. Receive the information.
- 2. Agree that officers will report back in early 2014 on the implications of Government policy announcements, at which time the District Plan review forward work programme will be reconfirmed, or amended as appropriate.
- 3. Agree that the District Plan review will help give effect to urban development and transport strategy reviews, and a proposed city-wide spatial plan.
- 4. Agree that the District Plan review will include assessment of further policy options supporting enhanced economic growth and housing development in brownfield and greenfield sites in the City.

4. Background

4.1 District Plan Review – agreed programme

On 16 February 2012 the Committee agreed to a baseline work programme (set out in Appendix 1) that would form the basis for the District Plan review programme.

This review programme 'signalled' the commencement of the ten year review of the District Plan and included:

- No further plan changes and variations until existing district plan appeals are settled.
- A structured and strategic approach to the foreseeable district plan work programme.
- investigating opportunities to improve accessibility to the plan including "e-Plan" opportunities.
- A focus on monitoring and research to underpin future plan changes.
- Strategic prioritisation of future plan changes taking into account existing commitments, strategic priorities and parts of the plan identified for improvement.

A councillor District Plan workshop was held on the 25 September 2012 to seek further guidance from councillors on the bullet pointed issues above. Officers were requested to report back to the Strategy and Policy Committee with detailed proposals for a three year forward work programme and approach to District Plan.

4.2 District Plan Appeals update

The table below shows that there are 5 outstanding appeals, with mediated solutions well advanced. It is expected that these will be resolved by the end of the year and PC 72 and 73 will be able to be made operative early in 2014.

Plan Change 73 (Suburban Centre Review)

- PC73 Prime Property (in-principle solution agreement)
- Progressive Enterprises
- Infratil (agreement in principle subject to Committee agreement
- Centreport

Plan Change 72 (Residential Review)

PC72 Roland Sapsford (ongoing discussions)

Table 1

The Environment Court approved the Johnsonville medium density area zoning in July 2013. This decision provides useful direction on the appropriate policies and rules for possibly implementing further medium density areas in the city. This is discussed in more detail in section 5.4 below.

5. Discussion

5.1 Proposed legislative reforms

Resource Management Act Reforms

Since the September 2012 Councillor workshop the Government has announced proposals to reform the RMA. This may include a compulsory requirement for Councils to combine district and regional plans into one document, and for new 'templated' RMA plans to be developed within 5 years of the Bill being enacted. All RMA plans throughout the country will be required to have the same structure and consistent approach to zoning and definitions, and in some cases similar rules. Local authorities will also need to more actively address natural

hazard risks, growth management and land supply issues, and take a more 'future focussed' approach to providing for key infrastructure and activities.

These proposals were contained in the Ministry for the Environments (MfE) discussion paper titled *Improving our Resource Management System* (April 2013). The Council made a submission in opposition to the national template proposal. However, at a recent MfE run workshop it was made clear that Government intended to include these reforms in a RMA Bill within the next few months.

Officers will report back to Councillors on the proposed RMA changes, and the implications for the District Plan review. Possible local government reorganisation is another relevant consideration in respect to the approach taken to key RMA issues.

Other than the plan changes outlined in 5.3 below and the areas of change programme, it is recommended that no new plan changes be notified until key government legislative changes have been enacted.

Building Act Review – earthquake prone buildings

The Government has recently announced changes to the Building Act which will affect the way the Council manages earthquake prone buildings. These proposed changes include:

- A requirement for Councils to complete a seismic assessment of all nonresidential and multi-unit, multi-storey residential buildings within five years of changes to new legislation taking effect.
- Seismic assessments are to be provided to building owners and entered onto a publicly accessible national register of earthquake-prone buildings.
- Following assessments, earthquake-prone buildings will have to be strengthened or demolished within **15 years** (except for certain buildings that may be eligible for exemptions and/or extensions to this timeframe).
- Earthquake-prone buildings will have to be strengthened to at least 34% of the New Building Standard (NBS).
- Certain buildings will be prioritised for assessment and strengthening i.e. buildings likely to have a significant impact on public safety (e.g. those with potential falling hazards), and strategically important buildings (e.g. those on transport routes identified as critical in an emergency).
- Owners of some buildings will be able to apply for exemptions from the national timeframe for strengthening. These will be buildings where the effects of them failing are likely to be minimal and could include farm buildings with little passing traffic.
- Owners of earthquake-prone category 1 heritage buildings and those on the proposed National Historic Landmarks List, will be able to apply for extensions of up to 10 years to the national timeframe for strengthening.

The Council has seismically assessed most non-residential and multi-unit, multi-storey pre 1976 buildings. The remaining buildings built between 1976 and 2004¹ will have to be assessed over the next 5 years. The proposed 15 year

¹ Any building constructed after 2004 has to been built to 100% of the Building Code.

seismic strengthening timeframe is consistent with Council's Earthquake Prone Building Policy. The Government has also indicated that it may be open to investigating financial incentives, such as tax relief, to assist building owners undertake earthquake strengthening.

5.2 Strategic reviews and District Plan approach

These reviews will include assessing the current approach to growth management in the city, and policy approaches to public transport, walking, cycling and private motor vehicle use provision. One of the outcomes of this process could be the development of a spatial plan to guide landuse planning, investment, and infrastructure provision across the City. This could include recognition of existing growth frameworks (Northern Growth Management Strategy, Growth Spine and town centre plans, and future spatially defined growth management areas such as the Miramar Peninsula Framework, and 'Areas of Change' (as discussed in section 5.4 below). The District Plan will be a key document for giving effect to these strategies and growth management frameworks, and will support enhanced economic growth, and promote quality housing development in brownfield and greenfield sites in the City.

The current District Plan is large, unwieldy and complex to read and understand. This adds to compliance costs for all sections of the business and residential community. As signalled in the councillor workshop in September 2012, a key focus of the District Plan review will be to reduce the size, duplication, and policy and rule complexity in the District Plan. Zoning provisions will take a more 'active' approach to providing for desirable activities through specifically listing activities and/or creating new zones/areas for activities. This will enable more certainty of outcome for residents, investors and the Council. This approach would also involve greater recognition of the wider economic and social benefits of allowing certain activities, rather than focusing on site-by- site effects.

5.3 Priority plan changes

Curtis Street – Plan Change 77

The proposed business zoning comprises site specific provisions for land at 55-85 Curtis Street. It was notified 11 December 2012, with 65 submissions and 8 further submissions received. A hearing is set down for September 2013, with a decision likely to be issued before the end of the year.

Tangata whenua

Councillors will recall a presentation on a joint approach by Port Nicholson Settlement Block Trust (PNSBT), Wellington, Hutt, and Upper Hutt City Councils to review the tangata whenua sections of all three District Plans. Financial support is being provided by MfE for a RMA consultant to undertake the work. Ngati Toa also has manawhenua status in parts of Wellington City following settlement of their Waitangi Tribunal claim. Officers have held positive discussions with Ngati Toa representatives. Both PNSBT and Ngati Toa have indicated they are prepared to work with each other and WCC in developing suitable provisions for inclusion in the Wellington City District Plan.

This collaborative approach is progressing well with final draft provisions likely within the next few months. Once key policy decisions have been agreed, targeted consultation with affected parties will be undertaken. The Government considers this is a "best practice" approach, and is eager to support and promote this collaborative plan making approach as it will strengthen tangata whenua provisions in plans. This could be rolled out to other parts of the country as part of a national template approach to RMA plans.

As this work is well advanced, there is strong support from Iwi (and central government), and both Upper and Lower Hutt support the plan change process it is recommended that Council continue developing the provisions, with the aim of notifying a plan change in 2014.

Heritage

On the 21 February 2013 the Committee were provided with an update of the heritage and city resilience workstream. This included outlining progress on the review of the heritage list. The full review of the heritage buildings identified in the District Plan remains on track for completion by December 2013.

No District Plan policy decisions should be made until new legislative changes have been enacted.

5.4 Other plan changes

Areas of change/medium density zones

In October 2008 the Council decided to pursue a 'targeted' approach to residential intensification by focusing areas of change along the Growth Spine (Johnsonville, the central area, Adelaide Road, Kilbirnie, and to the Airport). The Johnsonville and Kilbirnie areas of change (now referred to as Medium Density Residential Areas (MDRAs)) were considered the priority areas, along with the central area and Adelaide Road. Growth in these areas of change are now guided by centre plans² and private sector development is supported by public investment in community and network infrastructure. At that time, the following potential 'areas of change' were identified:

- Tawa town centre and surrounds
- Karori Road corridor
- Miramar town centre and surrounds
- Newlands centre and surrounds
- Luxford St corridor, Berhampore
- Crofton Downs corridor

² These Centre Plans include the Central City Framework, Adelaide Road Framework, Johnsonville Town Centre Plan, and the Kilbirnie Town Centre Revitalisation Plan.

A decision was made to reassess these areas based on outcomes from monitoring development within the approved areas of change. Monitoring results from 2007-2011 show that of the 3485 dwelling building consents issued (average 697 per annum) a higher number of apartments and medium density housing have occurred than was anticipated by the Urban Development Strategy (UDS) (see table 1 below).

Type of residential development	UDS	Actual
Greenfield - low density (standalone housing)	30%	22%
Medium density - infill dwellings	34%	37%
High density - apartments	36%	41%

Table 2

A higher level of medium density development is also occurring in Johnsonville MDRA since PC 72 was notified in September 2009 (92 units). Anecdotal evidence indicates that further infill development will occur now that this zoning has been confirmed by the Environment Court. Infill growth rates in the Kilbirnie MDRA appear to be slower, however further research is required to quantify this.

It is proposed that Officers re-visit the potential areas of change (listed above) in light of the review of key strategic plans, expected growth rates, investment decisions around public transport and key network and community infrastructure, and city resilience issues. The outcome of these investigations will be reported back to Council alongside other policy decisions on priority plan changes identified in this paper.

Airport and Golf Course Precinct

Wellington International Airport Ltd (WIAL) is currently preparing a new masterplan for the airport. This would include expansion of the airport, including provision for a 300 metre runway extension. The masterplan consultation will be undertaken in early 2014, and will be finalised in mid 2014.

WIAL is currently preparing resource consents (and/or notices of requirement (designations)) to enable the runway extension to be constructed. Either the Environment Court or a Board of Inquiry are likely to determine the applications. At this stage, it is assumed that a decision will not be issued until mid to late 2015. The decision will need to be reflected in the District Plan and relevant parts of the masterplan may also need to be provided for in the District Plan. WIAL and Council officers will continue to work together to try and align the airport RMA processes and the review of the *Airport and Golf Course Precinct* chapter of the District Plan so that they can be considered together by the Environment Court/Board of Inquiry.

Natural Environment

The open space and conservation zone chapters have not been reviewed since the District Plan was made operative in 2000. *Ridgelines and Hilltops* landscape controls were introduced into the Rural Area in 2004 (Plan Change 33 – Visual Amenity & Rural Area). The current District Plan approach to indigenous biodiversity, open spaces (and landscapes) needs to be reviewed in light of decisions on the Councils draft *Our Capital Spaces: Open Spaces & Recreation Framework*, the Regional Policy Statement, and proposed RMA reforms. Officers will continue working with the Regional Council and other territorial authorities to ensure a consistent regional approach to these issues (see comments on 5.7 below). As stated above, it would be premature to initiate 'natural environment' plan changes until there is a clear understanding of proposed RMA legislative changes.

Other District Plan chapters

The introductory section (strategic issues, general provisions), and Massey and Victoria University institutional precincts have not been comprehensively reviewed since the District Plan was made operative in 2000. Given likely legislative changes, it is proposed that these chapters be reviewed when developing the new templated District Plan.

5.5 District Plan guidance

Councillors requested that the District Plan user guide and guidance contained on Councils website be updated to assist interpretation of the District Plan. This work has now been completed.

5.6 District Plan monitoring

Officers have undertaken monitoring of the District Plan. The summary document will be made available to Councillors at the Committee meeting. It contains the following information:

- Plan change and resource consent activity by District Plan chapter
- Building consents issued, development trends and land supply
- Notification of resource consents and District Plan non-notification statements
- Assessment of District Plan role and structure
- Assessment of District Plan provisions
- National and regional issues
- Other relevant research

These monitoring results provide a useful base of information that will inform future plan changes.

5.7 Regional collaboration and spatial planning

Regional Planning Managers (RPM) meet regularly to inform and collaborate on District and Regional Plan work programmes. RPM are about to commence work on developing a regional natural hazard management strategy which will take a region-wide, strategic approach to addressing natural hazard risks. This

forum is also being used to coordinate district and regional planning functions through shared research, and expertise on key RMA plan issues. This has involved discussing approaches to having a common district and regional plan approach. This cooperative approach means we are well placed to act in a coordinated way on proposed RMA changes across the region.

Regional spatial planning and growth management issues will also become a key part of the RPM meetings as we develop the Council spatial planning function and undertake reviews of the urban development and transport strategies.

5.8 Consultation and engagement

No consultation has been undertaken in preparing this paper.

5.9 Financial considerations and Long-term plan considerations

There are no financial or long-term plan implications resulting from recommendations contained in this paper.

5.10 Climate change impacts and considerations

There are no climate change implications resulting from recommendations contained in this paper.

6. Conclusion

This paper outlines the work that has been done since Council agreed to the District Plan work programme in February 2012. This shows that we are delivering on the agreed programme, but that some re-prioritisation is needed given uncertainty about government RMA reforms. Until these reforms are enacted, it is recommended that officers continue with identified priority district plan changes relating to the Curtis Street plan change, the tangata whenua and heritage chapters, and investigating further areas of change around key centres outside of the growth spine.

Contact Officer: John McSweeney, Principal Advisor, District Plan

Supporting Information

1) Strategic Fit / Strategic Outcome

Consideration has been given to Council's strategic direction and subsequent changes to the district plan will need give effect to this, including Towards 2040: Smart Capital

2) LTP/Annual Plan reference and long term financial impact

There are no LTP or financial implications.

3) Treaty of Waitangi considerations

Policy not yet under development. Future changes to the district plan will need to acknowledge the role of mana whenua and iwi in Wellington City. The implications of recent and upcoming Treaty settlements have been built directly into the recommendations

4) Decision-Making

This report does not seek a significant decision. The report identifies options that would form the basis of the foreseeable forward work programme for the District Plan.

5) Consultation

Full public consultation will be required under the Resource Management Act to implement changes to district plan policy.

6) Legal Implications

There are no legal issues

7) Consistency with existing policy

There are no immediate policy implications.

Agreed District Plan Review Programme

Approved District Plan programme February 2012

Year 0 (current financial year)		Progress	
•	Resolution of current Environment Court appeals "Foundation" workstreams Monitoring and research programme focused on issues relevant to upcoming plan changes Research into a preferred future role for the District Plan Research into future structure and approach of District Plan Initial e-Plan investigations Identify a preferred approach to plan change consultation	Resolution of appeals Research and monitoring programme set up.	
Ye	ar 1 (2012-13 financial year)		
· · · · · · · · · · · · · · · · · · ·	Resolution of current Environment Court appeals continued "Foundation workstreams" continued Monitoring and research programme focused on issues relevant to upcoming plan changes Resolve future role for the District Plan Resolve future structure and approach of District Plan e-Plan seeding study Strategic workstreams (e.g. "spatial plan") (if required) "Rats & mice" plan change (minor amendments) Background drafting of upcoming plan changes Finalisation (and amendment as required) of plan change programme for year 2 and 3, and indicatively for the period beyond Development of new district plan "user guides"	 Appeals resolved by end of 2013 (except PC 72 appeal by R Sapsford) Monitoring and research report completed - will inform national template discussions/decisions with Government, Regional Council and other regional TAs Consultation approach and E-plan work deferred until RMA reforms confirmed PC 77 (Curtis St) prepared and notified User guides have been updated and are on the website (refer to http://wellington.govt.nz/~/media/your-council/plans-policies-and-bylaws/district-plan/files/understanding.pdf) and (http://wellington.govt.nz/your-council/plans-policies-and-bylaws/district-plan/understanding-the-district-plan). 	
	ar 2 (2013-14 financial year)		
•	Drafting and notification of plan changes covering Introductory issues (i.e. current introductory and general chapters) Tangata whenua Airport and golf course precinct Monitoring and research programme continued Focused plan change background and drafting work to inform plan changes on: Institutional precincts Landscapes, indigenous ecosystems, coast (i.e. current rural, open space, conservation chapters) Natural hazards / heritage* Re-establish 3 year work programme, and indicatively for the period beyond	 Continue with work on tangata whenua and heritage chapters. Policy decisions on heritage to be considered by Council early 2014 Work with WIAL on airport runway and masterplan and Airport Chapter provisions to align RMA processes Defer changes to introductory section until RMA reforms confirmed. Hearing and decision issued on PC 77 (Curtis St) List of rats and mice matters to be notified. Research and investigations on possible future areas of change Findings from Miramar Framework planning and consultation use to inform possible future plan changes. 	

APPENDIX 1

Year 3 (2014-15 financial year)	
 Resolution / continuation of Year 2 plan changes Monitoring and research programme continued Drafting and notification of plan changes covering Institutional precincts Landscapes, indigenous ecosystems, coast (i.e. current rural, open space, conservation chapters) "Rats & mice" Focused plan change background and drafting work to inform plan changes on natural hazards / heritage* Stock-take exercise and setting of the work programme for the period 2015-2018. 	 Decisions on spatial planning/ urban development strategy and movement strategies considered as part of District Plan review. Re-prioritise District Plan review programme based on legislative reforms.

 $^{^{\}star}$ Potential for these high priority plan changes to be notified in year 2 or 3