

Ngā Whakamāramatanga
me te Whakapakaritanga Ture

Proposed Plan Change 10

Definition and Rule Refinements

Section 32 Report

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Prepared by:	Jason Ward Cheal Consultants Ltd	
	Craig Batchelor Cogito Consulting Ltd	
Reviewed by:	Simon Thurston Senior Policy Planner, Destination Development Lorelle Barry Team Lead Planning, Consenting, Integrated Planning and Development	
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1.0 Te Kupu Whakataki / Introduction

1.1 Overview

Proposed Plan Change 10 to the Operative Rotorua District Plan (Plan Change 10) addresses a series of refinements to definitions and rules within the District Plan that have arisen through plan implementation, statutory hearing processes, and evolving development practices.

The purpose of this plan change is to improve the clarity, consistency, and usability of the Operative Rotorua District Plan (District Plan). This will be achieved by refining existing definitions and introducing or amending rules and performance standards.

Importantly, none of the proposed changes seek to alter the strategic direction, objectives, or policies of the District Plan.

1.2 Scope

Plan Change 10 addresses the follows matters:

Provision	Proposed amendments (summary)	Main Plan Provisions Affected
"Tourist Accommodation" Definition	Replace "Tourist Accommodation" definition with National Planning Standards definition of "Visitor Accommodation"	Interpretation
Provision for Boarding Houses and other forms of Communal or Shared Housing.	Provide for "Other Residential Activities" not expressly stated (including boarding houses) as discretionary activities.	Activity Rule tables for Residential, Commercial and City Centre Zones
"Community Housing" Definition and provisions	Amend the provisions for Community Housing to provide certainty on the interpretation of the definition, to address inconsistencies in activity status, and to include public safety effects in Residential Zone objectives and policies.	Interpretation Residential Zone objectives and policies Residential, Commercial and City Centre zones Rules for Activities.
Default Activity Status in the City Centre 1 and 2 Zones	Change the default activity status for an "unspecified activity" from a permitted	Rule CCZ-R1

Provision	Proposed amendments (summary)	Main Plan Provisions Affected
	activity to a discretionary activity.	
"Boundary Adjustment" Definition and rules	Include the National Planning Standards definition of boundary adjustment. and clarification in the performance standards relating to the applicable assessment criteria for a Discretionary rural boundary adjustment that results in the creation of a lifestyle lot(s).	Interpretation Rule SUB-11
"Site" definition	Retain the existing definition of 'site' and insert "Unit Titles Act 2010" to paragraph.	Interpretation
"Industrial" definition	Adopt the National Planning Standard for "industrial activity"	Interpretation
"Home-based business" definition and rules	Include the National Planning Standard definition of "Home Business" and amend the rules to include the performance standards currently within the definition of home-based business.	Interpretation Res-R20; CCZ-R15
Reversing Onto Rights of Way Rule	Amend the rule framework to allow an adjoining right of way to be used for on-site turning.	APP1 – Parking Turning and Access Appendix 1.2.a Requirement to provide on-site turning
Wireless Telecommunications Rule	Include "or telecommunication is to be provided by wireless technology where underground services is not practicable" in the performance standards for subdivision.	SUB-S9(3(C)

The proposed changes are included as underlined text and ~~strikethrough~~ text.

2.0 Te Anga Ture me te Whakamahere / Legal and Planning Framework

Key provisions of the Resource Management Act (RMA) that are relevant to a District Plan change are summarised below.

2.1 Part 2 – Purpose and Principles

The purpose of the RMA (Section 5) is to promote the sustainable management of natural and physical resources. The Act's principles (Sections 6–8) require decision-makers to recognise and provide for matters of national importance, have particular regard to other relevant matters, and take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

This plan change is intended to give effect to that purpose through targeted improvements to the District Plan.

2.2 Section 31 – Functions of Territorial Authorities

Section 31 of the RMA outlines the core functions of territorial authorities (city and district councils) in relation to the purpose of the Act. These functions form the legal foundation for the development, implementation, and enforcement of District Plans.

2.3 Section 32 - Evaluation of Proposed Policies, Rules, and Other Methods

Before making changes to the District Plan, the Council must carry out a formal evaluation under Section 32 of the RMA. This helps ensure that the proposed changes:

- Are necessary;
- Are the best way to achieve the plan's objectives; and
- Will result in benefits that outweigh any costs.

Section 32 of the RMA requires a structured and transparent evaluation of any proposed plan change, to ensure that the methods used are the most appropriate way to achieve the purpose of the RMA.

Key requirements are:

- Purpose (s32(1)): An evaluation must examine whether the proposed provisions are the most appropriate way to achieve the plan's objectives and the purpose of the RMA (s5).
- Assessment (s32(2)): For each proposed provision, the evaluation must:
 - Identify reasonably practicable options.
 - Assess the efficiency and effectiveness of the provisions in achieving objectives.
 - Assess the costs and benefits, including environmental, economic, social, and cultural effects (both quantitative and qualitative).

- Assess the risk of acting or not acting if there is uncertain or insufficient information.
- Level of Detail (s32(1)(c)): The evaluation should be proportionate to the scale and significance of the environmental, economic, social, and cultural effects anticipated from the plan change.
- Timing: A Section 32 report must be prepared before public notification of the plan change and made available at that time.

The s32 analysis can be proportionate to the relatively minor or technical nature of the proposed changes (e.g. clarifying definitions, correcting mapping errors).

2.4 Section 35(2)(b) Duty of local authorities to gather information, monitor, and keep records

Council must monitor the efficiency and effectiveness of policies, rules or other methods in its District Plan, and take appropriate action where this is shown to be necessary.

This includes identifying and responding to implementation issues that emerge through everyday consenting, compliance, and enforcement activity.

Monitoring under s35(2)(b) provides a statutory basis for collecting and analysing this operational feedback to inform future plan changes or procedural improvements. It enables councils to close the loop between policy intent and on-the-ground outcomes, ensuring that planning documents remain both workable and effective over time.

2.5 Section 58I Local authority recognition of national planning standards

The National Planning Standards¹ were developed to improve the efficiency and consistency of plans and policy statements across the country. Their purpose is to make planning documents easier to prepare, understand, compare, and comply with. The Planning Standards are mandatory and apply to all local authorities.

The Planning Standards specify national requirements for the structure, format, definitions, electronic accessibility, and other aspects of policy statements and plans.

Mandatory direction on the use of the Definitions Standard is provided in the Planning Standards. The core requirements are:

“Mandatory directions

Where terms defined in the Definitions List are used in a policy statement or plan, and the term is used in the same context as the definition, local authorities must use the definition as defined in the Definitions List. However, if required, they may define:

- a. terms that are a subcategory of, or have a narrower application than, a defined term in the Definitions List. Any such definitions must be consistent with the higher-level definition in the Definitions List.

¹ Ministry for the Environment. November 2019. National Planning Standards. Wellington: Ministry for the Environment.

b. additional terms that do not have the same or equivalent meaning as a term defined in the Definitions List...."

The requirements of the Definitions Standard must be implemented by amendment of the District Plan within seven years.

2.6 Section 73 – Preparation and Change of District Plans

Section 73(1) establishes that a territorial authority (e.g. a city or district council) may prepare or change a District Plan at any time, in accordance with Schedule 1 of the RMA.

This section gives councils the legal authority to initiate plan changes, whether in response to a specific issue, new information, development pressure, legislative changes, or to correct errors.

2.7 Section 74 – Matters to be Considered by a Territorial Authority

The Council must ensure the district plan is prepared in accordance with its functions, the purpose and principles of the RMA in Part 2, national policy statements (NPS) and the national planning standards.

2.8 Section 75 – Contents of District Plans

District Plans must give effect to:

- Any National Policy Statement (NPS);
- Any National Planning Standard;
- The Regional Policy Statement.

They must not be inconsistent with regional plans.

None of the proposed changes seek to alter the outcomes, objectives, and policies of the District Plan that have been established under the national and regional planning framework.

2.9 Section 76 – Rules

Section 76 provides the authority for councils to include rules in a District Plan.

Rules may **prohibit, restrict, or allow** activities to achieve plan objectives.

Rules must be within the scope of RMA functions and comply with any relevant higher-order documents.

2.10 First Schedule of the RMA

The first Schedule sets out the **procedural steps** for initiating and processing a plan change, including consultation, notification, submissions, and hearings.

2.10.1 Consultation Requirements

The preparation of proposed Plan Change 10 has been guided by the consultation obligations set out in the **RMA** and the broader legal and planning framework. In particular, **Clause 3 of Schedule 1** of the RMA requires local authorities to consult with:

- The Minister for the Environment;
- Other Ministers of the Crown who may be affected;
- Local authorities that may be affected;
- Tangata whenua of the area, through relevant **iwi authorities**; and
- Any customary marine title group or protected customary rights group identified under the Marine and Coastal Area (Takutai Moana) Act 2011, where applicable.

In addition to statutory consultation requirements, the Council may engage with stakeholders, interest groups, and the wider public where relevant, particularly where the proposed changes have implications for specific landowners, sectors, or communities.

2.10.2 Iwi Management Plans

The following iwi management plans have been considered in the development of this plan change:

- *He Mahere Putahitanga: A pan tribal Iwi Planning Document on behalf of the Central North Island Forests Collective (2018).*
- *The Ngāti Tahu – Ngāti Whaoa Iwi Environmental Management Plan, Rising Above the Mist – Te Aranga Ake I te Taimahatanga.*
- *Te Mahere ā Rohe mō Ngāti Rangitihī, the Ngāti Rangitihī Iwi Environmental Management Plan (2011).*
- *Te Rautaki Taiao a Raukawa, the Raukawa Environmental Plan (2015).*
- *Tapuika Environmental Management Plan (2014-2024).*
- *Ngati Kea Ngati Tuara Iwi Environmental Management Plan (2016).*
- *Ngāti Pikiao Iwi Management Plan 1997*
- *Te Tūāpapa o ngā Wai o Te Arawa, the Te Arawa Cultural Values Framework with He Mahere Taiao mo nga Wai o Te Arawa, the Te Arawa Lakes Environmental Plan*
- *Ngati Rangiwewehi Iwi Environmental Management Plan (2012).*
- *Tuhourangi Tribal Authority Enhanced Iwi Environmental Resource Management Plan (2011).*
- *Whakamarohitia ngā wai o Waikato, Te Arawa River Iwi Trust Environmental Plan (2021).*
- *Te Taiao o Te Whatuoranganuku – the Environmental Resources of Te Whatuoranganuku (Ngāti Tamateatutahi-Ngāti Kawiti Hapū Environmental Management Plan) (2015).*

This plan change is not seeking to change the outcomes sought by the District Plan. The plan change addresses the interpretation of various rules and seeks to align the rule framework with the outcomes envisaged by the District Plan. Therefore, this plan change is not in conflict with any of the above Iwi Management Plans.

2.11 Resource Management Reforms

The government is advancing a reform of the RMA. The Natural and Built Environment Act and Spatial Planning Act, introduced by the previous government, were repealed in late 2023. Two new statutes—the Planning Act and the Natural Environment Act—are under development, with introduction targeted for late 2025. A full legislative programme including public consultation and a Select Committee process is expected through 2026.

While not directly relevant to the content of the Plan Change, in progressing amendments to the current District Plan, it is reasonable to recognise the direction intent, and timing of the Government's reform programme.

A key objective is to reduce complexity by standardising and simplifying land-use planning. The government has proposed:

- Reducing a multitude of bespoke district zones down to 13 nationally standardised land use zones.
- Creating single integrated regional plans combining regional policy statements and district plans.
- Greater national direction through standardised rules and templates to reduce local variation and cost.

The reform also proposes four activity categories (down from six under the RMA): permitted, controlled, discretionary and prohibited:

- Restricted discretionary and discretionary will be merged into one class: discretionary.
- The non-complying activity class will be abolished. This is intended to eliminate ambiguity, reduce litigation risk, and remove a common barrier to development.

Activities that would have previously been non-complying are likely to be addressed either by tighter plan drafting (i.e. clearer prohibited rules) or stronger discretionary criteria for activities with potentially significant effects.

The new framework will encourage more activities to be permitted by default, especially those with minimal or no adverse externalities, and clearer thresholds for when discretion applies and more predictable pathways for applicants.

There are also proposals to change national direction which may have an impact on some of the provisions subject to the Plan Change.

While the current legal framework remains operative, regard can be given to the emerging policy signals to ensure that plan changes are not inconsistent with anticipated future frameworks and remain adaptable to a transitioning regulatory environment.

3.0 Ngā Panonitanga e tūtohutia ana me te Arotakenga / Proposed Changes and Evaluation

3.1 Assessment Methodology

The assessment of each of the matters addressed in Plan Change 10 includes the following:

- Purpose of the proposed change;
- Proposed provisions;
- Reasonably practicable options;
- Evaluation of advantages and disadvantages of options; and
- Overall assessment and reasons for deciding on the proposed provisions

3.2 “Tourist Accommodation” Definition

3.2.1 Purpose of the Proposal (Section 32(6))

The proposal is intended to ensure that the provisions for “Tourist Accommodation” are clear and consistent and enable only those activities intended by the District Plan.

Provision for tourist accommodation in Rotorua is intended to support and strengthen the district's role as one of New Zealand's premier tourism destinations by contributing to economic growth, cultural vibrancy, and the visitor experience². Outcomes sought include:

- Supporting a vibrant and compact city centre by enabling accommodation that complements cultural, retail, and recreational offerings^{3⁴5};
- Enhancing Rotorua's identity through integration with Māori cultural experiences, geothermal features, and lakefront amenities⁶;
- Maintaining amenity and character in residential and visitor-focused areas by managing the scale, design, and location of accommodation^{7⁸};
- Facilitating investment and innovation in the tourism sector while ensuring that growth is sustainable, well-managed, and integrated with infrastructure and urban development patterns.

The operative definition is:

“Tourist Accommodation”

land and buildings for use as temporary accommodation by paying guests, where the accommodation is not their normal place of residence and includes motels, hotels, boarding

² SDED-I1 Enable sustainable development and economic growth

³ SDVC-I1 A vibrant, compact city centre

⁴ CITY CENTRE ZONES INTRODUCTION

⁵ CCZ-I1 Vibrancy and vitality of the city centre

⁶ Commercial 5 Zone City Entranceway Tourism Zone Description

⁷ SDVC-I2 Commercial activities located within Non-Commercial Zones

⁸ Commercial 4 Zone City Entranceway Accommodation Zone Description

houses, private hotels, tourist house licensed premises, guest houses, backpacker lodges, youth hostels and similar accommodation, and includes accessory facilities such as visitor, service and recreation facilities, conference facilities and restaurants. Tourist Accommodation does not include Bed and Breakfast or Holiday Rental Accommodation.”⁹.

The definition of Tourist Accommodation recently came under close scrutiny as part of the consideration of the widespread use of motels and other types of tourist accommodation for government funded emergency housing in Rotorua¹⁰.

While emergency housing has the characteristic of being temporary accommodation, those who reside in emergency housing do so because they do not have any other “normal place of residence”. A tourist accommodation facility becomes, by default, their normal place of residence. It is on this basis that emergency housing does not meet the definition of tourist accommodation and is more appropriately characterised as a “Residential Activity”, requiring resource consent under the residential activity provisions of the District Plan. Most, if not all emergency housing use of motels and other tourist accommodation was found to be in breach of the District Plan.

The scrutiny of the Tourist Accommodation definition also highlighted two other issues with interpretation:

Some tourist accommodation guests may not be engaged in tourism activities

Tourist accommodation can often provide temporary accommodation for guests who are engaged in activities that are not considered “tourism”. A person may use temporary accommodation such as motels and hotels for business travel, conferences or social events. A person may also occasionally use temporary accommodation for other reasons such as when renovating their residence or their residence being affected by a natural disaster.

While none of these types of guests are engaged in tourism activities during their stay, these stays have similar characteristics to tourist use of the accommodation (i.e. the accommodation is temporary, short term, and not the person’s normal place of residence). These other uses of tourist accommodation do not detract from the tourist accommodation being provided primarily for tourists.

A subjective evaluation is therefore needed to apply the definition in a reasonable way.

Boarding houses are included in the definition of Tourist Accommodation but are usually a “normal place of residence”

“Boarding house” is not defined in the District Plan. “Boarding house” is defined under the Residential Tenancies Act 1986:

Boarding house means residential premises—

- (a) *containing 1 or more boarding rooms along with facilities for communal use by the tenants of the boarding house; and*

⁹ ODP Part 1: Introduction and General Provisions, Interpretation, Tourist Accommodation.

¹⁰ Provision of emergency housing occurred through individual Emergency Housing - Special Needs Grants from the Ministry of Social Development, and through Contracted Emergency Housing by the Ministry of Housing and Urban Development.

- (b) occupied, or intended by the landlord to be occupied, by at least 6 tenants at any one time"

boarding house tenancy means a residential tenancy in a boarding house—

- (a) that is intended to, or that does in fact, last for 28 days or more; and
- (b) under which the tenant is granted exclusive rights to occupy particular sleeping quarters in the boarding house, and has the right to the shared use of the facilities of the boarding house.

Information on boarding houses provided by tenancy services includes the following description:

At a boarding house, each tenant has their own agreement with the landlord to rent a single room, or a sleeping area in a room they share with other tenants. They also share facilities, for example the kitchen and bathroom. This is different to a standard tenancy, where one or more tenants sign the agreement to rent the whole property.

The boarding house provisions under the Residential Tenancies Act confer the rights and obligations of landlords and tenants for permanent accommodation for at least 28 days duration.

A boarding house is a residential activity. Boarding house tenants are residents, not visitors. A boarding house as defined under the Residential Tenancies Act is therefore an anomalous part of the tourist accommodation definition as it cannot comply with the requirement that tourist accommodation must be temporary and not be the person's normal place of residence.

In practical terms, the District Plan could allow a boarding house premises to also be used by visitors but would not allow tourist accommodation (such as a motel) to be used as a Boarding House as defined by the Residential Tenancies Act.

Similar difficulty may also arise with terms in the definition which have been inherited from older planning documents and are not defined in the District Plan. "Private hotels" generally offer long-term or semi-permanent accommodation, and "guest house" has very similar characteristics to "Bed and Breakfast".

3.2.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to delete the current definition of "Tourist Accommodation" in Part 1: Introduction & General Provisions. Interpretation of the District Plan and replace it with the definition of "Visitor Accommodation" provided in the National Planning Standards. The National Planning Standards definition would be narrowed to exclude "Bed and Breakfast" and "Holiday Rental Accommodation" as these are separately defined and the rules differ from the general provisions for visitor accommodation.

The proposed definition is:

Visitor Accommodation

means land and/or buildings used for accommodating visitors, subject to a tariff being paid, and includes any ancillary activities.

Visitor Accommodation excludes Bed and Breakfast and Holiday Rental Accommodation.

Financial contribution rules for "tourist accommodation" would be amended to refer instead to "visitor accommodation".

Consequential changes to terminology are also proposed to be made within the following chapters:

- Introduction
- Strategic Direction
- Signs
- Business and Innovation

Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1: Retain the definition of "Tourist Accommodation" without change.**
- **Option 2: Amend the definition of "Tourist Accommodation" in Part 1: Introduction & General Provisions Interpretation to address the specific interpretation issues outlined above.**
- **Option 3: Delete and replace the current definition of "Tourist Accommodation" with the definition of "Visitor Accommodation" under the National Planning Standards.**

Under **Option 1**, the current approach to interpretation would continue.

Option 2 would amend the District Plan definition to address the specific interpretation issues outlined above, as follows:

Tourist Accommodation

Tourist Accommodation means land and buildings for use as temporary accommodation by paying guests, where the accommodation is not their normal place of residence and includes motels, hotels, **boarding houses**, private hotels, tourist house licensed premises, guest houses, backpacker lodges, youth hostels and similar accommodation, and includes accessory facilities such as visitor, service and recreation facilities, conference facilities and restaurants.

Tourist Accommodation is intended for visitors, whether engaged in tourism, leisure, social, business, conference, or other short-term activities.

Tourist Accommodation does not include Bed and Breakfast or Holiday Rental Accommodation.

Option 3 would adopt the definition of "Visitor Accommodation" under the National Planning Standards without amendment, other than to narrow the definition to exclude "Bed and

"Breakfast" and "Holiday Rental Accommodation" as these are separately defined and differ from the general provisions for visitor accommodation¹¹¹².

The terms "visitor" and "visitor accommodation" are already used interchangeably in some sections of the District Plan.

The new definition would be as follows:

Visitor Accommodation

means land and/or buildings used for accommodating visitors, subject to a tariff being paid, and includes any ancillary activities.

Visitor Accommodation excludes Bed and Breakfast Accommodation and Holiday Rental Accommodation which are defined separately in the District Plan.

The term "Visitor Accommodation" would replace "Tourist Accommodation" in relevant provisions in several chapters (i.e. Strategic Direction, City Centre Zones, Commercial Zones and Residential Zones and Development Areas).

3.2.3 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>Relies on interpretation being applied in a consistent manner.</p> <p>Interpretation is complex and includes the application of a moderate-high degree of subjective judgment on reasonableness, and on information that sits outside the District Plan.</p> <p>Option 2</p> <p>Provides greater certainty for compliance assessment and reduces the need for subjective judgment on reasonableness.</p> <p>The definition still contains performance elements (e.g. "short-term", "normal place of residence") that can be contextual and require evidence — limiting its efficiency.</p> <p>Complex to understand and still includes performance elements that require interpretation and judgement that are better addressed through the consenting pathway.</p>

¹¹ RESZ-R17 Holiday rental accommodation

¹² RESZ-R16 Bed and breakfast

Criterion	Evaluation
	<p>Does not require any substantive changes to the District Plan provisions other than to the definition.</p> <p>Option 3</p> <p>Preferred Option</p> <p>Brief and broadly applicable. Easy to understand and implement.</p> <p>Requires consequential changes through several District Plan Sections, although none are substantive.</p> <p>Provides greater certainty for compliance assessment and reduces the need for subjective judgment on reasonableness.</p> <p>Is consistent with other District Plans and will provide benefits of any future legal precedents.</p> <p>There are no compelling local environment reasons not to follow the national standards.</p>
<p>Benefits (Environmental, Economic, Social and Cultural)</p> <p>(Section 32(2)(a) and (b))</p>	<p>There are no significant substantive environmental, economic, social and cultural benefits from any option.</p> <p>The change in definition does not require objectives/policies to be revised.</p> <p>The benefits from changing the definition under options 2 and 3 are primarily to provide certainty and administrative efficiency. Certainty in plan administration does have indirect economic and community confidence benefits, especially in contentious housing environments.</p>
<p>Costs (Environmental, Economic, Social and Cultural)</p> <p>(Section 32(2)(a) and (b))</p>	<p>There are no significant substantive environmental, economic, social and cultural costs from any option.</p> <p>Certainty of administration may reduce consenting/compliance costs</p> <p>The change in definition does not require objectives/policies to be revised.</p>

Criterion	Evaluation
Risk of Acting or Not Acting (Section 32(2)(c))	There are no significant substantive risks of acting or not acting.

3.2.4 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 3 is the preferred option. The proposed change to adopt the definition of "Visitor Accommodation" under the National Planning Standards is supported as better enabling the purpose of the Act to be met and will be more effective than the status quo. The change will resolve the conflicts that arise from the inclusion of ambiguous or uncertain terms such as boarding houses, private hotels, and guest houses in the current definition of Tourist Accommodation. There are no compelling local environment reasons not to follow the National Planning Standards.

3.3 Provision for Boarding Houses and other forms of Communal or Shared Housing.

3.3.1 Purpose of the Proposal (Section 32(6))

The purpose of the proposal is to provide certainty on the activity status and related plan provisions for Boarding Houses and other forms of communal or shared housing

The Rotorua District Plan provides for residential activity through a diverse zone framework, enabling intensification in appropriate locations, and tailoring provisions to local character and cultural context¹³. It responds to changing housing demands with a focus on quality design, strategic urban growth, and inclusive development.

The relevant definitions are:

Residential activity

means the use of land and building(s) for people's living accommodation.

Residential unit

Means a building(s) or part of a building that is used for a residential activity exclusively by one household, and must include sleeping, cooking, bathing and toilet facilities.

Common strategic objectives¹⁴ for residential and commercial zones support housing diversity and choice, which includes communal or non-traditional forms.

On Māori land, the Plan provides explicit policy support for communal living through the PK – Papakāinga and Kaumātua Housing provisions, which allow for clustered housing and shared facilities as part of culturally aligned development models¹⁵.

¹³ SDUD-I1 Well - functioning urban environments and related objectives

¹⁴ RESZ-O1, RESZ-O8

¹⁵ Development of Māori Land Objective: SDML-O1

However, other than an anomalous reference to boarding houses within the definition of tourist accommodation, there are no specific provisions that directly address residential activity where the building or part of a building is used inclusively by more than one household. This includes models such as student halls of residence, shared houses with centralised facilities, or supported living environments, where sleeping areas and/or kitchen, bathroom, and laundry facilities are variously shared among residents.

These activities do not come within the definition of "Community Housing" as this is classed as a "non-residential activity" and is associated with activities where the primary purpose is to meet a specific physical or social need of residents, such as rehabilitation centres.

In the absence of clear definitions or activity status for these housing types, such developments are left to be interpreted under general residential provisions. This can result in regulatory uncertainty, inconsistent treatment, and potential barriers to the delivery of diverse housing forms.

In all zones, other than for the City Centre Zone an activity categorised as "not expressly stated" in the "Rules for Activities" tables is a non-complying activity.

For the City Centre Zone, the activity status for an activity "not expressly stated" is permitted, subject to meeting general performance standards¹⁶. The activity status for non-compliance with performance standards is a restricted discretionary activity.

Overall, the District Plan does not efficiently or effectively provide for Boarding Houses or for other forms of communal or shared housing. These activities default to a non-complying activity in most zones, limiting flexibility and failing to appropriately recognise the full range of housing types, contrary to the strategy of increasing housing supply and choice.

As Rotorua's housing needs evolve, there is an opportunity to better provide for communal and shared housing models within the District Plan.

3.3.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to include the following additional provisions in Residential Zones, Commercial Zones and City Centre Zones to provide for residential activities other than Residential Units, including boarding houses and communal/shared housing, as discretionary activities:

Add the following to all Residential Zones under "Residential Activities":

<u>RESZ-R8A</u>	<u>Other Residential Activities not expressly stated in this table</u>
Applicable Spatial Layers Residential 1, 2 Zones	1. <u>Activity Status: Discretionary</u> <u>Assessment Criteria:</u> a. <u>General RESZ-AC1.</u>

Add the following to Commercial Zones under "Residential":

<u>COMZ-R33A</u>	<u>Other Residential Activities not expressly stated in this table</u>
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¹⁶ CCZ-R1 Any activity not listed in this table.

<u>Applicable</u> <u>Spatial Layers</u> <u>Commercial 1, 2, 3,4 and 6 Zones</u>	1. Activity Status: Discretionary Where: <u>If in Commercial Zones 1, 2, 3 or 6 Zones they are not located on the ground floor.</u> Assessment Criteria: a. General COMZ-AC1.
<u>Applicable</u> <u>Spatial Layers</u> <u>Commercial 1, 2, 3 and 6 Zones</u>	2. Activity Status: Non-Complying Where: <u>The activity is located on the ground floor.</u>

Add the following to City Centre Zone 1 and 2 rules under "Residential":

<u>CCZ-17B</u>	<u>Other Residential Activities not expressly stated in this table</u>
<u>Applicable</u> <u>Spatial Layers</u> <u>City Centre 1 and 2 Zones</u>	1. Activity Status: Discretionary Where: <u>If in City Centre 1, 2 and 3 Zones they are not located on the ground floor.</u> Assessment Criteria: a. General assessment criteria CCZ-AC1.

Add the following to City Centre Zone 3 rules under "Residential and Tourist Accommodation":

<u>CCZ-33B</u>	<u>Other Residential Activities not expressly stated in this table</u>
<u>Applicable</u> <u>Spatial Layers</u> <u>City Centre 3 Zone</u>	1. Activity Status: Discretionary Assessment Criteria: <u>General assessment criteria CCZ-AC1</u>

3.3.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably Practicable Options are:

- **Option 1: Retain the plan provisions as they are**, with no specific provision for boarding houses and other forms of communal or shared housing;
- **Option 2: Include a definition and new rules for boarding houses;**
- **Option 3: Include new provisions in the District Plan for "Other Residential Activity".**

Option 1 would continue the current practice and approach to District Plan implementation.

Option 2: would insert a definition and new rules for Boarding Houses as a Residential Activity in Residential, Commercial and City Centre Zones.

The activity status would be restricted discretionary having regard to the generally well understood nature of the activity. The District Plan contains a coherent policy framework for residential activities and changes to outcomes, objectives, and policies should not be necessary.

Option 3 would introduce a new default activity of “Other Residential Activity” to include forms of housing in Residential, Commercial and City Centre Zones that do not meet the definition of “Residential Units”.

The activity status would be discretionary, having regard to the uncertain nature and scale of the activity and the resultant need for flexibility. The District Plan contains a coherent policy framework for residential activities and changes to outcomes, objectives, and policies should not be necessary.

3.3.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>Relies on interpretation being applied in a consistent manner.</p> <p>Interpretation is complex and includes the application of a high degree of subjective judgment on reasonableness, and on information that sits outside the District Plan.</p> <p>Option 2</p> <p>Providing specifically for Boarding Houses will increase certainty for a narrow typology, requiring a new definition and activity specific matters of discretion and conditions to be formulated. It does not provide for a significantly wider diversity of housing types.</p> <p>Option 3</p> <p>Preferred Option</p> <p>Brief and broadly applicable to a range of diverse types of residential activities. Easy to understand and implement. No changes to definitions are needed.</p> <p>Requires minimal consequential changes through several District Plan Sections, although none are substantive.</p>

Criterion	Evaluation
	<p>Provides greater certainty for compliance assessment with interpretation and judgement addressed through the consenting pathway.</p> <p>Has strong alignment with the strategy of increasing housing supply and choice.</p>
<p>Benefits (Environmental, Economic, Social and Cultural)</p> <p>(Section 32(2)(a) and (b))</p>	<p>There are no significant substantive environmental, economic, social and cultural benefits from any option.</p> <p>No options require outcomes, objectives and policies to be revised.</p> <p>The benefits of the change options are primarily to provide certainty and administrative efficiency.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits, especially in contentious housing environments.</p>
<p>Costs (Environmental, Economic, Social and Cultural)</p> <p>(Section 32(2)(a) and (b))</p>	<p>There are no significant additional substantive environmental, economic, social and cultural costs from any option.</p> <p>None of the change options would require objectives/policies to be revised.</p>
<p>Risk of Acting or Not Acting</p> <p>(Section 32(2)(c))</p>	<p>There are no significant substantive risks of acting.</p> <p>The risk of not acting is moderate but remains subject to a consistent approach to interpretation.</p> <p>There is also a moderate risk of not acting in the City Centre zone where the activity status for an activity "not expressly stated" is permitted, subject to meeting the performance standards. However, this is unlikely to lead to a proliferation of communal or shared housing activity if left to later review.</p>

3.3.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 3 is the preferred option. The proposed change to include new provisions in the District Plan for "Other Residential Activity" is supported as better enabling the purpose of the Act to be met and will be more effective than the status quo. As Rotorua's housing needs evolve,

there is an opportunity to better provide for communal and shared housing models within the District Plan.

3.4 “Community Housing” Definition and Provisions

3.4.1 Purpose of the Proposal (Section 32(6))

The purpose of the proposal is to provide certainty on the interpretation of the “Community Housing” definition, and to address inconsistencies in activity status and objectives and policies.

The provisions for Community Housing recently came under scrutiny as part of the consideration of the recent and widespread use of motels in Rotorua for emergency housing.

The definition of Community Housing includes “emergency housing”:

Community Housing

a place of residence for a maximum of eight persons (i.e. all residents including resident staff) where some element of care or support is provided for residents. The definition includes emergency housing (including temporary overnight accommodation) and rehabilitation centres but excludes facilities where the movement of residents is legally restricted.

There is no National Planning Standards definition for Community Housing.

Despite its residential purpose, community housing is treated as a “non-residential activity” in the District Plan¹⁷. Community Housing is grouped with other “Community” activities that similarly provide specialised care or support to residents, users or occupiers. This is because care or support to residents is the primary purpose of the activity, with the residential purpose being secondary to that purpose. If the care and support was not required, residents would not be living in this type of facility.

There are no specific outcomes, objectives, or policies for Community Housing in any Zones, meaning implementation relies on general provisions, including those for non-residential activities in residential zones, and consideration of the zone purpose.

In the Residential Zones, the objective for non-residential activities is:

Non-residential activities in residential zones that are domestic in scale and character and do not have an adverse impact on the amenity values and character of the residential zones, or the vitality and viability of the City Centre or Commercial zones.¹⁸

The related residential policy is:

Manage the location and design of buildings for non-residential activities to ensure that the activity is in keeping with the appearance and character of the residential zone sought in RESZ-O2 and Policy RESZ-P2.¹⁹

In the Commercial Zones, the objectives for general commercial uses apply, including:

¹⁷ Other than in the City Centre Zones , where Community Housing is grouped with Residential Activities, which appears to be a drafting error.

¹⁸ RESZ-07, RESZ-014,

¹⁹ RESZ – P9, RESZ – P18

Buildings and activities positively contribute to the mixed-use character, safety and efficiency, and attractiveness of commercial centres and entranceways to Rotorua.²⁰

Buildings and activities designed and operated in a manner that mitigates adverse effects on the amenity of residential zones²¹.

The related commercial policies include:

Enable an increase in the density and scale of development in commercial areas to support the creation of focal points for the community and maximise the benefits of accessibility.²²

Enable and encourage high quality development that positively contributes to the safety and attractiveness of streets and public open spaces.²³

Manage the design of activities within commercial centres to maintain or enhance the character, public safety and efficient functioning of the transport network.²⁴

In the Rural Zones the objectives and policies for water quality²⁵, maintenance of productive rural land²⁶, character and amenity values²⁷, and reverse sensitivity²⁸ are relevant.

Community Housing is treated differently in each of the zones where it is enabled:

- In all Residential Zones, Community Housing is a permitted activity, subject to compliance with residential zone performance standards. It is grouped with "Community Activities" which includes hospitals and medical centres, rest homes, daycare centres, educational facilities, and funeral homes and other community facilities.
- Community Housing is a permitted activity in the Commercial 4 Zone and a controlled activity in other commercial zones, subject to compliance with commercial zone performance standards. It is grouped with "Community" activities which includes medical centres, daycare centres, funeral homes, educational activities, rest homes, and other community facilities.
- In the City Centre Zones, Community Housing is a permitted activity above ground floor and discretionary at ground floor in the City Centre 1 Zone, and non-complying in the City Centre 2 Zone. It is grouped with "Residential Activities" which includes home based business, residential units, and conversion of a building to residential units.
- In the Rural Zone, Community Housing is a permitted activity, subject to compliance with rural building standards. It is grouped with "Community Facilities" which includes daycare centres, educational facilities, community facilities, funeral homes, retirement homes, and hospitals and medical centres.

²⁰ COMZ-02

²¹ COMZ-03

²² COMZ-P1

²³ COMZ-P8

²⁴ COMZ – P9

²⁵ RURZ-01

²⁶ RURZ-02

²⁷ RURZ-03

²⁸ RURZ-04, RURZ-05

Scrutiny of the Community Housing definition has highlighted several issues with interpretation.

The definition of Community Housing does not clearly state whether the number of "residences" is limited to only one per site.

While the first part of the definition refers to a singular "place of residence", some of the examples that follow are expressed as a plural (e.g. "housing" and "rehabilitation centres"). The current interpretation by the Council is that the intention is one Community Housing place of residence per site, having regard to the wider District Plan scheme which seeks to manage the effects of increasing scale. It would be inconsistent with the District Plan scheme to interpret the definition to enable an unlimited number of 8-person Community Housing residences on a single site.

The definition of Community Housing is unclear as to the nature of the activity, including the care and support that is intended.

The word "includes" strongly suggests an inclusive list, meaning the examples given are not the only forms of community housing. There is also a clear exclusion at the end ("but excludes facilities where the movement of residents is legally restricted"), meaning that some types of facilities are specifically ruled out.

The current interpretation of this definition by the Council treats "some element of care or support" as meaning activities directed towards meeting a specific physical or social need of residents. This interpretation is informed by the nature of the examples of "temporary overnight accommodation" and "rehabilitation centres" in the definition, each of which relate to residents with specific physical or social needs. The activity is also grouped with other non-residential community activities which also offer specialised support services.

The definition "excludes facilities where the movement of residents is legally restricted", however what this means in practice is open to interpretation. The types of facilities that are intended to be excluded typically involve a higher level of supervision or security and may raise safety concerns or require site layouts, fencing, or surveillance measures that are out of character with typical residential or community housing environments.

A further issue with the definition is that the scale of Community Housing is managed through the definition rather than the performance standards. This means that in the Residential, Commercial and Rural Zones, Community Housing with more than 8 residents is an "unspecified activity" and defaults to a non-complying activity. However, in the City Centre 1 Zone, the default for an "unspecified activity" is to a Permitted Activity.

Community Housing was the subject of several submissions on the District Plan Review in 2014 from residents concerned about the effects of community housing on amenity in residential zones. In making provision for Community Housing, the Hearings Committee determined that the definition and performance standards in the District Plan would:

...achieve a reasonable level of management and provide for the protection of residential amenity. It allows for a scale and character that is in keeping with the residential zones but triggers an application for consent for anything that exceeds those stated limits. ...

The scale of the proposal is managed through the performance standards, which ensure that the residential character of the zone is not adversely affected. The provisions benefit the social needs of the district. [emphasis added.]

When the Community Housing provisions were formulated, advisors and decision makers could not have contemplated the location, scale and extent of emergency housing enabled by central government over the last five years in Rotorua. The focus of submissions at that time was on the use of isolated residential properties in suburban locations for emergency housing and provision of a 'night shelter' for homeless people in the central city. The inclusion of "emergency housing" in the definition reflected an understanding of the nature and scale of this activity at that time, which was essentially that the activity was small scale and very short term (i.e. days, not weeks or months).

The District Plan general objectives and policies may not fully reflect the functional or social role of supported community housing and consideration of potential effects. The primary focus of the District Plan is on the design and appearance of buildings and site development, transport and infrastructure, with express consideration of public safety only in the Commercial and City Centre Zones. In Residential Zones safety is only addressed in the context of passive surveillance of streets from dwellings.

From recent experience with emergency housing in Rotorua, the communities primary main concerns were:

- social effects: crime (theft, vandalism) and undesirable behaviour (intimidation, aggression, violence, verbal abuse), providing emergency housing for people who are not from Rotorua, and pressure on social services;
- economic effects: negative impact on tourism, unavailability of accommodation for tourists, effects on Rotorua's reputation and image, effects on property sales and nearby businesses;

Some other District Plans²⁹ use the term "Supported Residential Care Activities" rather than Community Housing, generally defined as "*the use of residential unit(s) by people who live together and receive supervision, assistance, care or support to assist with their independent living*". These other District Plans allow Supported Residential Care Activities as a permitted activity with a limit of 6-8 residents, and as a restricted discretionary for larger scale activities.

The current Community Housing provisions are inefficient and only moderately effective, relying on complex and often subjective interpretation, and limited policy support. Inconsistencies across zones, ambiguities, and outdated assumptions limit the ability to manage the scale and effects of community housing, particularly for emergency housing.

3.4.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to make the following amendments

Interpretation Section of the District Plan:

- Delete the definition of Community Housing and replace with:

a single place of residence located on a site where specialised care or support is provided to meet the social or physical needs of residents. This definition excludes facilities where residents are subject to legal orders that restrict their freedom of movement, such as custodial care, home detention, or probation-related accommodation.

²⁹ Waikato District, Far North District, Wellington City, Selwyn District.

Residential Zones:

- Amend the objectives in the Residential Zones as follows:

RESZ-07	Non-residential activities in residential zones that are domestic in scale and character and do not have an adverse impact on the amenity values and character, <u>and public safety</u> of the residential zones, or the vitality and viability of the City Centre or Commercial zones."
RESZ-O14	Non-residential activities in residential zones that are domestic in scale and character and do not have an adverse impact on the amenity values and character, <u>and public safety</u> of the residential zones, or the vitality and viability of the City Centre or Commercial zones."
RESZ-O17	Non-residential activities in residential zones that are domestic in scale and character and do not have an adverse impact on the amenity values and character, <u>and public safety</u> of the residential zones, or the vitality and viability of the City Centre or Commercial zones."

Within Residential Zones, Commercial 1, 2 and 4 Zones, City Centre Zones and Rural zones:

- Provide for Community Housing for a maximum of eight persons (i.e. all residents including resident staff) as a Permitted Activity.
- Provide for Community Housing for more than eight persons (i.e. all residents including resident staff) as a Discretionary Activity.

City Centre Zone

- Group Community Housing in the "Rules for Activities" in the City Centre 1 and 2 Zone with other "Community" activities to ensure consistency with other zones.

3.4.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably Practicable Options are:

- **Option 1:** Retain the definition and provisions for Community Housing without change;
- **Option 2:** Amend the provisions for Community Housing to provide certainty on the interpretation of the definition, and to address inconsistencies in activity status, and objectives and policies.
- **Option 3:** Delete the definition and provisions for Community Housing.

Option 1 would continue the current practice and approach to District Plan implementation.

Option 2 would:

- Amend the definition of Community Housing to:
 - Confirm the intention for a single place of residence on any one site, and that specialised care and support is intended to be provided to meet the social or physical needs of the residents;

- Remove the scale limit from the definition;
- Delete the example activities.
- Include the management of impacts on "public safety" as an objective for non-residential activities in the Residential Zones, consistent with the Commercial Zones.
- In Residential, Commercial and City Centre zones, provide for Community Housing for up to eight persons as a Permitted Activity, and more than eight persons as a Discretionary Activity having regard to the uncertain nature and scale of the activity and the resultant need for flexibility.

Option 3 would delete the definition and provisions for Community Housing altogether and rely on general provisions. For example, the "rehabilitation centres" referred to in the current definition are enabled under the provisions for "Hospitals and Medical Centres" which broadly enable institutions that provide medical treatment. A default to non-complying activity would apply where an activity was "not expressly stated"

3.4.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>Relies on interpretation being applied in a consistent manner.</p> <p>Interpretation is complex and includes the application of a high degree of subjective judgment on reasonableness with no framing objectives or policies, and on information that sits outside the District Plan.</p> <p>Option 2</p> <p>Preferred Option</p> <p>Provides greater certainty for compliance assessment and reduces the need for subjective judgement on reasonableness. Some subjective judgement will still be required on the level of specialised care, but with significantly narrowed uncertainty.</p> <p>Limits scale to eight residents, above which the activity defaults to Discretionary which is appropriate given the uncertain nature and scale of the activity and the resultant need for flexibility and is consistent with the consenting framework for other "Community" activities.</p>

Criterion	Evaluation
	<p>This option is consistent with decision making through the District Plan review.</p> <p>Option 3</p> <p>May not adequately recognise beneficial and appropriate community uses. However, most of the activities given as examples under the current definition are enabled under other activity categories (e.g. emergency housing as "residential units", rehabilitation centres as "hospital and medical centres").</p> <p>Exceptions to this would be rare and would need to meet the non-complying activity "gateway test", which may not be unduly onerous.</p>
<p>Benefits (Environmental, Economic, Social and Cultural) (Section 32(2)(a) and (b))</p>	<p>There are no significant substantive environmental, economic, social and cultural benefits from any option.</p> <p>The benefits of the change options are primarily to provide increased certainty and administrative efficiency.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits, especially in contentious housing environments.</p>
<p>Costs (Environmental, Economic, Social and Cultural) (Section 32(2)(a) and (b))</p>	<p>There are no significant additional substantive environmental, economic, social and cultural costs from any option.</p> <p>None of the change options would require objectives/policies to be revised.</p>
<p>Risk of Acting or Not Acting (Section 32(2)(c))</p>	<p>The risk of not acting is moderate but remains subject to a consistent approach to interpretation. The City Centre Zone activity status anomaly is unlikely to lead to a proliferation of community housing activity if left to later review.</p> <p>Implementation relies on general residential or community activity provisions, which do not reflect the particular functional or social role of supported housing. While this is the status quo, providing more enabling provisions under Option 2 is supported by a minor change to achieve a more coherent</p>

Criterion	Evaluation
	policy framework for consideration of public safety issues.

3.4.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 2 is the preferred option. The proposed change to amend the definition of Community Housing to address uncertainties and to provide consistent activity status and objectives and policies is supported as better enabling the purpose of the Act to be met and will be significantly more effective than the status quo.

The proposed change resolves definitional and policy ambiguity; offers certainty and administrative efficiency; better manages potential effects (particularly scale and public safety); and supports integrated planning outcomes consistent with the RMA's purpose.

3.5 Default Activity Status in the City Centre 1 and 2 Zones

3.5.1 Purpose of the Proposal (Section 32(6))

The proposal is intended to address unintended consequences arising from the current activity status rules for unspecified activities in the City Centre 1 and 2 Zones.

In the City Centre 1 and 2 Zones, the default for an “unspecified activity” is to a permitted activity, subject to the activity complying with the performance standards for building and site development. In all other zones in the District Plan, the status of an “unspecified activity” defaults to a non-complying activity.

This approach was deliberate and intended to give effect to objectives and policies for vibrancy and vitality of the city centre:

CCZ-01 - A vibrant city centre that is the primary commercial and retail centre for the establishment and operation of a diverse range of commercial and residential activities which promote and enhance the economic viability, employment opportunities, walkability and safety of the city centre.

CCZ – P1 Enable and facilitate the development and operation of commercial and retail activities to increase the vibrancy and employment opportunities within the city centre.

This approach was intended to support flexibility, reduce regulatory barriers, and encourage a wide range of commercial and mixed-use activities in support of a vibrant and adaptable city centre environment.

However, implementation experience has shown that this permissive default is resulting in some unanticipated and poor-quality outcomes, which are undermining the strategic intent of the city centre. The permissive framework is enabling activities that are incompatible with the desired urban character, including uses that generate adverse operational effects (such as loitering and crime risk) or that occupy high-profile ground floor spaces without contributing to pedestrian amenity or economic vitality.

These outcomes reflect the inherent weakness of the current rule structure: namely, that reliance on built form performance standards alone may not provide sufficient control over

the effects of an activity, particularly where it introduces public interface, reverse sensitivity, or cumulative social impacts. The lack of any requirement for resource consent or notification further compounds these issues by limiting Council's ability to assess context or influence design and layout at the outset.

The current approach is no longer considered to be the most appropriate way to achieve the objectives of the plan, particularly those seeking high-quality urban design, active frontages, and the co-location of compatible land uses.

In summary, while the permissive approach was originally considered efficient and enabling, the realised risks now outweigh the benefits. A more targeted and deliberate management of activity types is required to ensure the long-term quality, safety, and functionality of the city centre.

3.5.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to make the following amendments:

Delete CCZ-R1 and 2 and replace with the following:

<u>General</u>	
<u>CCZ - R1</u>	<u>Where an activity is not expressly stated in this table</u>
<u>Applicable Spatial Layers</u> <u>City Centre 1 and 2 Zones</u>	1. <u>Activity Status: Discretionary</u> <u>Assessment Criteria:</u> a. <u>General CCZ-AC1</u>

3.5.3 Reasonably Practicable Options (Section 32(1)(b)(i))

- **Option 1:** Retain the plan provisions as they are whereby the default activity status for an “unspecified activity” is a permitted activity, subject to the activity complying with the performance standards for building and site development.
- **Option 2:** Change the default activity status for an “unspecified activity” to a discretionary activity.
- **Option 3:** Change the default activity status for an “unspecified activity” to a restricted discretionary activity. Provide matters of discretion to address urban design, pedestrian amenity, compatibility with adjacent activities, and cumulative social and economic effects.

Option 1 would continue the current practice and approach to District Plan implementation.

Option 2 would change the default activity status for an “unspecified activity” to a discretionary activity. No other changes would be required as the scope of considerations for a Discretionary Activity are not limited.

Option 3 would change the default activity status for an “unspecified activity” to a restricted discretionary activity. Matters of discretion and conditions would be reasonably general in nature given the uncertain nature and scale of potential unspecified activities.

The District Plan contains a coherent policy framework for City Centre activities and changes to outcomes, objectives, and policies should not be necessary for any change option.

3.5.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>The permissive framework is enabling activities that are incompatible with the desired urban character</p>

Option 2

Preferred Option.

Discretionary activity status is generally appropriate where the nature and scale of the activity is uncertain and there is a resultant need for flexibility.

Discretionary status ensures that a proposed activity can be evaluated in terms of its scale, nature, location, and context. This is important in city centres where design quality, public interface, and compatibility with adjacent uses are critical to achieving amenity outcomes.

A discretionary activity default allows activities to be considered on their merits, without being automatically excluded or permitted without scrutiny.

A discretionary framework may better prevent inappropriate activities (e.g. socially disruptive, poor-quality, or low amenity uses) from proceeding unchecked, which is a limitation under the permitted default approach.

Discretionary activity status signals that consent may or not be granted.

Option 3

Restricted discretionary activity status is generally appropriate where the nature and scale of the activity is reasonably certain.

Council can limit discretion to specific matters, such as urban design, pedestrian amenity, or compatibility with adjacent activities. This offers efficiency and predictability while still enabling oversight.

Because the scope of assessment is more defined, the consent process is typically quicker, less complex, and less costly than

Criterion	Evaluation
	<p>for full discretionary activities. This is attractive to developers and aligns with enabling compact urban development.</p> <p>Council is limited to assessing only the matters of discretion specified in the plan. If a new or unusual activity generates unexpected effects (e.g. social, amenity, traffic), these cannot be considered unless already listed.</p> <p>Restricted discretionary activity status signals that consent would normally be granted.</p>
Benefits (Environmental, Economic, Social and Cultural) (Section 32(2)(a) and (b))	<p>Both options 2 and 3 provide a more appropriate framework for managing diverse activities and allow assessment against defined require outcomes, objectives and policies to be revised.</p> <p>A restricted discretionary default allows oversight and control over key matters while maintaining efficiency. However, it only works well if the matters of discretion are comprehensive and robust.</p> <p>As Council is concerned about managing unexpected or complex activities, full discretionary status may provide more certainty and long-term alignment with strategic urban outcomes.</p>
Costs (Environmental, Economic, Social and Cultural) (Section 32(2)(a) and (b))	<p>Options 2 and 3 will both lead to additional compliance costs from additional consenting requirements.</p> <p>However, the District Plan provides a broad and reasonably enabling range of specified activities in the City Centre 1 and 2 Zones, particularly when aligned with the objective of supporting a vibrant, mixed-use urban core. Unspecified cases are likely to be rare and unusual.</p>
Risk of Acting or Not Acting (Section 32(2)(c))	<p>There is a moderate risk of not acting where the activity status for an activity "not expressly stated" is permitted, subject to meeting the performance standards.</p> <p>While unspecified cases are likely to be rare and unusual, they may also have significant consequences.</p>

3.5.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 2 is the preferred option. The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo.

The District Plan provides a broad and reasonably enabling range of specified activities in the City Centre 1 and 2 Zones, particularly when aligned with the objective of supporting a vibrant, mixed-use urban core. Unspecified cases are therefore likely to be rare and unusual.

Defaulting to discretionary status for unspecified activities strikes a balance between control and flexibility. It enables Rotorua Lakes Council to guide development more deliberately without foreclosing innovation, while ensuring that new or unanticipated activities are subject to appropriate scrutiny to protect city centre vitality, amenity, and strategic outcomes.

3.6 New “Boundary Adjustment” Definition

3.6.1 Purpose of the Proposal (Section 32(6))

The proposal is intended to ensure that the provisions for ‘Boundary Adjustments’ are clear and consistent.

The District Plan provides a rule framework for subdivision through the adjustment of boundaries between existing records of title.

The provisions of the District Plan for boundary adjustments recognise that the subdivision process is also used to adjust boundaries for a variety of reasons. The District Plan provides for the subdivision of land, by way of a boundary adjustment, to enable the continued efficient operation of existing development and activities.

The rule framework gives effect to the following objective:

SUB-O15: Subdivision, use and development that enables the continued efficient operation of existing development and activities.”

In summary, the policies supporting the rule framework for boundary adjustments seek to retain natural landform³⁰, avoid, remedy or mitigate adverse effects on water quality³¹, and manage hazards³².

The Operative District Plan provides for boundary adjustments through specific listed activities.

The subdivision of land by way of a boundary adjustment is managed by zone specific rules in “Sub – R26”, which provides for “the subdivision of sites or buildings for the purpose of a boundary adjustment.”:

- Where the performance standards are met the subdivision is a controlled activity.

³⁰ SUB-P30 Subdivision layout and design retains natural land forms and processes on the site and surrounding land and avoids or mitigates alterations to landform, waterways and ecosystems.

³¹ SUBP5 Ensure subdivision design avoids, remedies or mitigates the adverse cumulative effects on water quality from stormwater and on site waste water treatment systems including through the use of low impact designs.

³² SUB-P6 Require that applications for subdivision demonstrate that man-made and natural hazard risk does not exceed acceptable levels.

- Where they fail to comply with the applicable standards the application becomes a discretionary activity.

The following performance standard applies to Rule SUB-R26

Sub-S11 Boundary adjustment standard is:

1. *The subdivision standards for the zone shall not apply to subdivision undertaken for the adjustment of boundaries between adjoining lots. Subdivision undertaken for the purposes of a boundary adjustment shall comply with the following:*
 - a. *No additional lots or lease areas for which a Computer Register (Certificate of Title) can be issued shall be created; and*
 - b. *The adjustment or relocation of boundaries shall leave the resulting Computer Register (Certificate of Title) with similar areas to that existing prior to subdivision; and*
 - c. *The adjustment or relocation of boundaries shall not increase the degree of non-compliance of any existing Computer Register (Certificate of Title) or lease area, with the site design performance standards contained in this part of the zone.*
 - d. *In rural zones, the adjustment or relocation of boundaries shall not result in lifestyle-sized lots (less than 4 hectares) for which there was not an allocation.*

The District Plan does not include a definition for "boundary adjustments" and by default SUB-S11 has become the definition. This does not work for activities not meeting the above standards.

In providing for boundary adjustments within the rural zone, the lack of a definition has caused confusion. Performance standard Sub-S11 requires compliance with four standards to remain a Controlled Activity status. However, if the application does not comply with the standards, it becomes a Discretionary Activity and is a boundary adjustment not complying with the applicable standards. It is unclear whether an application which does not comply with the standards is still considered a "boundary adjustment".

For example there is a lack of clarity as to the assessment required for a rural boundary adjustment that creates a lifestyle lot.

If the application fails one of the controlled activity standards, the activity is then assessed as a discretionary activity. The District Plan lacks clear direction as to whether a lifestyle lot created through a discretionary activity boundary adjustment needs to be assessed against the 'lifestyle lot' allocation standards (SUB-S6 (4-9)).

The proposal examines the requirement for a definition and whether additional standards / clarification is required to address the implementation issues.

3.6.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to insert a definition of 'Boundary Adjustment' to align with the National Planning Standard definition as follows:

Boundary adjustment

means a subdivision that alters the existing boundaries between adjoining allotments, without altering the number of allotments.

Amend SUB-S11 to add “except that the subdivision standards shall apply when breaching SUB-S11(1)(d) as follows:

SUB-S11 Boundary adjustments

1. The subdivision standards for the zone shall not apply to subdivision undertaken for the adjustment of boundaries between adjoining lots, except that the subdivision standards shall apply when compliance is not achieved with SUB-S11(1)(d) ...

Plan Change 10 also proposes to clarify the requirements for boundary adjustments that do not comply with the controlled activity performance standards by including the Planning Standards Definition of boundary adjustment.

3.6.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1:** Retain the current rule framework for boundary adjustments without change.
- **Option 2.** Include the National Planning Standards definition of boundary adjustment.
- **Option 3.** Include the National Planning Standard definition of boundary adjustment and clarify in the performance standards and applicable assessment criteria for a discretionary activity rural boundary adjustment that results in the creation of a lifestyle lot(s).

3.6.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>Relies on the rule framework for assisting with defining a boundary adjustment.</p> <p>This has led to inefficiencies through the lack of a consistent approach.</p> <p>Option 2</p> <p>Provides greater certainty for applicants and decision makers.</p> <p>In reviewing the assessment criteria for a rural boundary adjustment that does not meet all of the standards, it does provide sufficient scope to assess a proposal against the objectives and policies of the District Plan and does not limit the matters</p>

Criterion	Evaluation
	<p>to be assessed. This includes the level of environmental enhancement required.</p> <p>The addition of a definition will assist in clarifying that an application that does not meet the controlled activity standards is still a boundary adjustment, but there are additional criteria to assess.</p> <p>Option 3</p> <p>Preferred Option.</p> <p>This provides the benefits of option 2 above, plus provides clarification on the assessment required as part of an application for a discretionary activity boundary adjustment that results in a rural lifestyle lot.</p>
Benefits (Environmental, Economic, Social and Cultural) Section 32(2)(a) and (b)	<p>There are no substantive environmental, economic, social and cultural benefits from any option.</p> <p>The addition of a definition / clarification of assessment criteria does not require objectives / policies to be reviewed.</p> <p>The benefit from adding a definition is to provide certainty and administrative efficiency.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits. Adopting the National Planning Standard's definition will assist with cross-regional consistency.</p>
Costs (Environmental, Economic, Social and Cultural)	There are no significant additional environmental, economic, social and cultural costs from any option.
Risk of Acting or Not Acting	There are no significant substantive risks of acting or not acting.

3.6.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 3 is the preferred option. The proposed change is supported as it enables the purpose of the Act to be met and it will be more effective than the status quo and it aligns with the practice of the Council's consent planners.

The insertion of the National Planning Standards definition for 'boundary adjustment' will ensure that the boundary adjustment rule framework is supported by an applicable definition. There are no compelling reasons not to follow the National Planning Standards.

3.7 “Site” Definition

3.7.1 Purpose of the Proposal (Section 32(6))

The purpose of the proposal is to review the District Plan's definition of 'site' as it relates to unit titles.

The existing definition of "site" affects many zones, rules and standards within the District Plan. The issue that is to be addressed through this plan change is that the definition of "site" does not refer to the Unit Titles Act 2010. The limited scope of this review is to consider this issue and not the entire definition and implications through the whole District Plan.

The "site" definition underpins how the District Plan regulates land use and development. It is essential for determining the applicability of rules, consent requirements, and performance standards, and enables consistent, legally robust implementation of the Plan's provisions. A clear and context-sensitive definition of "site" is essential to effective plan administration.

The District Plan definition of site is:

- a. an area of land which is the smaller land area of either:
 - i. land comprised in a single lot held in one Computer Freehold Register (as that term is defined in the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002);
 - ii. land comprised in a single lot or the balance area on an approved subdivision scheme plan for which a separate certificate of title can be issued without further Council involvement.
- b. an area of land comprising two or more adjoining lots held in one certificate of title that cannot be treated separately without the Council granting its consent.
- c. An area of land comprising two or more adjoining lots held in two or more certificates of title where the titles are:
 - i. subject to Section 75 of the Building Act 2004: "Construction of building on 2 or more allotments" or Section 37 of the Building Act 1991: "Construction of building on 2 or more allotments"; or
 - ii. held together in such a manner that they cannot be assessed individually without the consent of the Council.
- d. An area of Māori freehold land that either:
 - i. is land created by way of partition under Sections 297 and 301 of Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993) and held in one Māori Land Court Title, or

- ii. is land defined by survey and created by way of partition into one parcel to be held by an owner who is a member of the same hapu, or owners who are members of the same hapu, or
- iii. is land defined by survey and held in a Māori Land Court Title and for which ownership can be determined, or
- iv. is land defined by survey and created by way of partition for a site for a dwelling under Section 296 of Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993).

e. an area of Māori Customary Land.

f. is land defined by survey and reserved under the Reserves Act 1977 or Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993).

g. notwithstanding paragraphs 1 – 6 above, where land has been subdivided under the cross lease or company lease systems (other than unit titles), a site means an area of land containing:

- i building(s) for residential, commercial and industrial activities with an accessory building(s) and land exclusively set aside for the occupants / users of the building(s); or
- ii any share in the fee simple which creates a vacant part of the whole for future cross lease or company lease purposes; and

h. notwithstanding paragraphs 1 – 6 above, any land subdivided under the Unit Titles Act 1972 (other than unit titles) a site shall mean either:

- i. The area of land containing the principal unit (or proposed unit) on the unit plan, and any identified accessories to that principal unit, or
- ii. The underlying certificate of title of the land containing the unit titles, immediately prior to subdivision.

i. In addition to the above, the following shall apply:

- i. Where a site is divided by the district boundary, the area of the site remaining within the district shall be considered the site. “

The District Plan's definition of "site" does not refer to the Unit Titles Act 2010.

The National Planning Standards contains the following definition for 'site'

Site means:

- (a) An area of land comprised in a single record of title under the Land Transfer Act 2017; or

- (b) An area of land which comprises two or more adjoining legally defined allotments in such a way that the allotments cannot be dealt with separately without the prior consent of the council; or
- (c) The land comprised in a single allotment or balance area on an approved survey plan of subdivision for which a separate record of title under the Land Transfer Act 2017 could be issued without further consent of the Council; or
- (d) Despite paragraphs (a) to (c), in the case of land subdivided under the Unit Titles Act 1972 or the Unit Titles Act 2010 or a cross lease system, is the whole of the land subject to the unit development or cross lease.

3.7.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to amend the existing definition of site by inserting reference to the Unit Titles Act 2010 and to update the naming of computer freehold registers to record of title.

The new definition would be as follows:

- a. an area of land which is the smaller land area of either:
 - i. land comprised in a single lot held in ~~Computer Freehold Register~~ one record of title (as that term is defined in the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002);
 - ii. land comprised in a single lot or the balance area on an approved subdivision scheme plan for which a separate ~~certificate of title record of title~~ can be issued without further Council involvement.
- b. an area of land comprising two or more adjoining lots held in ~~one certificate of title record of title~~ that cannot be treated separately without the Council granting its consent.
- c. An area of land comprising two or more adjoining lots held in two ~~or more records of title certificates of title~~ where the titles are:
 - i. subject to Section 75 of the Building Act 2004: "Construction of building on 2 or more allotments" or Section 37 of the Building Act 1991: "Construction of building on 2 or more allotments"; or
 - ii. held together in such a manner that they cannot be assessed individually without the consent of the Council.
- d. An area of Māori freehold land that either:
 - i. is land created by way of partition under Sections 297 and 301 of Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993) and held in one Māori Land Court Title, or
 - ii. is land defined by survey and created by way of partition into one parcel to be held by an owner who is a member of the same hapu, or owners who are members of the same hapu, or

- iii. is land defined by survey and held in a Māori Land Court Title and for which ownership can be determined, or
- iv. is land defined by survey and created by way of partition for a site for a dwelling under Section 296 of Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993).
- e. an area of Māori Customary Land.
- f. is land defined by survey and reserved under the Reserves Act 1977 or Te Ture Whenua Māori Act 1993 (The Māori Land Act 1993).
- g. notwithstanding paragraphs ~~1–6 a-f~~ above, where land has been subdivided under the cross lease or company lease systems (other than unit titles), a site means an area of land containing:
 - i building(s) for residential, commercial and industrial activities with an accessory building(s) and land exclusively set aside for the occupants / users of the building(s); or
 - ii any share in the fee simple which creates a vacant part of the whole for future cross lease or company lease purposes; and
- h. notwithstanding paragraphs ~~1–6 a-f~~ above, any land subdivided under the Unit Titles Act 1972 (other than unit titles) or the Unit Titles Act 2010 a site shall mean either:
 - i. The area of land containing the principal unit (or proposed unit) on the unit plan, and any identified accessories to that principal unit, or
 - ii. The underlying certificate of title of the land containing the unit titles, immediately prior to subdivision.
- i. In addition to the above, the following shall apply:
 - i. Where a site is divided by the district boundary, the area of the site remaining within the district shall be considered the site. “

3.7.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1:** Retain the current definition for site.
- **Option 2:** replace the District Plan's definition of 'site' with the National Planning Standard definition of 'site'.
- **Option 3.** Include the National Planning Standards definition of 'site' only as it relates to the Unit Titles Act 2010.
- **Option 4.** Retain the existing definition of 'site' and insert "Unit Titles Act 2010" to paragraph h.

3.7.4 Evaluation

Criterion	Evaluation
<p>Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))</p>	<p>Option 1 This would retain the existing inconsistency with the Unit Titles Act 2010.</p> <p>Option 2 This option would provide a nationally consistent approach to defining a 'site'. However, the term 'site' is used throughout the District Plan and various performance standards for activities refer to 'site'. There may be unintended consequences of adopting the full definition without reviewing all of the related rules and performance standards throughout the District Plan.</p> <p>Option 3. This option would address the identified issue of ensuring consistency with the Unit Titles Act 2010 while safeguarding the remaining aspects of the definition until such time as a full review is carried out. However, this only adopts part of the National Planning Standards for the definition of 'Site' and will therefore still require a later full review of the definition and consequential review of all rules / standards that rely on the definition of site.</p> <p>Option 4 Preferred Option. This option addresses the issue where the current definition does not provide consistency with the Unit Titles Act 2010. This option would retain the existing definition while referring to the Unit Titles Act 2010.</p>
<p>Benefits (Environmental, Economic, Social and Cultural) Section 32(2)(a) and (b))</p>	<p>There are no substantive environmental, economic, social and cultural benefits from any option.</p> <p>The amendment of the definition does not require objectives / policies to be reviewed.</p>

Criterion	Evaluation
	<p>The benefits from adding to the existing definition is to provide certainty and administrative efficiency.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits. Adopting the National Planning Standard's definition (in-part) will assist (in-part) with cross-regional consistency.</p>
Costs (Environmental, Economic, Social and Cultural)	There are no significant additional environmental, economic, social and cultural costs from any option.
Risk of Acting or Not Acting	There are no significant substantive risks of acting or not acting.

3.7.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 4 is the preferred option. The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo.

The preference to only updating the current definition to include the Unit Titles Act 2010 is primarily due to the complex nature of related rules and performance standards associated with the District Plan's definition of 'site'.

3.8 New “Industrial” Definition

3.8.1 Purpose of the Proposal (Section 32(6))

The proposal is to review whether there needs to be a definition of “Industrial” or industrial activity included within the District Plan.

The District Plan uses the terms “Industrial Activities” and “industrial buildings, activities or trade processes” (INZ-R3). However, the District Plan does not provide a definition of industrial’. The current practice is that the RMA’s definition of industrial or trade premises is used for interpretation purposes³³.

The National Planning Standards includes a definition of ‘Industrial activity’. This definition is:

Industrial activity means an activity that manufactures, fabricates, processes, packages, distributes, repairs, stores, or disposes of materials (including raw, processed, or partly processed materials) or goods. It includes any ancillary activity to the industrial activity.

³³ Part 1 Section 2 of the Resource Management Act definition of Industrial or trade premises :: *includes every part of a process from the receipt of raw material to the dispatch or use in another process or disposal of any product or waste material, and any intervening storage of the raw material, partly processed matter, or product*

3.8.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to adopt the National Planning Standards definition of 'industrial activity' and make consequential changes throughout the District Plan.

The proposed definition is:

Industrial Activity

Means an activity that manufactures, fabricates, processes, packages, distributes, repairs, stores, or disposes of materials (including raw, processed, or partly processed materials) or goods. It includes any ancillary activity to the industrial activity.

3.8.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1:** Make no change and continue to rely on the RMA definitions
- **Option 2:** Adopt the National Planning Standards definition for industrial activity.

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>This option continues to rely on the definitions contained within the RMA. This option does not future proof the District Plan once the RMA is repealed.</p> <p>The benefits from adding a definition is to provide certainty and administrative efficiency.</p> <p>Option 2</p> <p>Preferred Option.</p> <p>This option provides national consistency with a definition of 'Industrial Activity'.</p>
Benefits (Environmental, Economic, Social and Cultural) Section 32(2)(a) and (b))	<p>There are no substantive environmental, economic, social and cultural benefits from any option.</p> <p>The addition of a definition does not require objectives or policies to be reviewed.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits. Adopting the National Planning Standard's definition will assist with cross-regional consistency.</p>

Criterion	Evaluation
Costs (Environmental, Economic, Social and Cultural)	There are no significant additional environmental, economic, social and cultural costs from any option.
Risk of Acting or Not Acting	There are no significant substantive risk of acting or not acting.

3.8.4 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 2 is the preferred option. The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo. The preferred option adopts a nationally consistent definition which will provide for better consistency and efficient decision making.

3.9 “Home-based business” Definition and Rules

The proposal is to ensure there are appropriate linkages between the rule framework and assessment criteria in the District Plan for home-based business and that there is the ability to control home-based businesses that may affect residential amenity, such as those that may generate excessive noise.

The definition of “Home based business” within Part 1 ‘Interpretation’ section of the District Plan is:

any home arts and crafts, professional, trade or consultancy business, other than Prohibited Activities, which is carried out by a resident or residents incidentally to the primary use of the site and complies with the following in all respects:

- a. The performance standards for the Zone in which the business is located;
- b. No more than one person living away from the site can be employed on site at any one time;
- c. The business does not involve outdoor storage of goods, or waste materials;
- d. The business does not involve the parking of heavy vehicles on site; and
- e. No display or retail of goods for sale may take place from the site; and

Except that in the Residential 3 zone this definition shall be expanded to include the sale or display in the Whakarewarewa Village and in Ōhinemutu of traditional Māori food, traditional and contemporary Māori crafts, and souvenirs; where the area used for such purpose or purposes does not exceed 80m².

The Operative District Plan lists home-based businesses as an activity in the Residential zones.

The activity status for a home- based business in the Residential Zones and City Centre 1 and 2, is a Permitted activity as per RESZ-R20 and CCZ-R15.

RESZ-R20 Home based business		[4.5(33)]
Applicable Spatial Layers All Residential Zones	<p>1. Activity Status: Permitted</p> <p>Performance Standards:</p> <ul style="list-style-type: none"> a. Height RESZ-S1; b. Yards RESZ-S2; c. Site coverage RESZ-S3; d. Residential unit density RESZ-S4; e. Parking, access and turning RESZ-S5; f. Design and Landscaping RESZ-6A; and g. Residential 4 Zone: Reflectivity RESZ-S6. 	<p>2. Activity Status: Restricted Discretionary</p> <p>Where:</p> <p>Compliance is not achieved with the performance standards for RESZ-R20(1).</p> <p>Matters of Discretion</p> <ul style="list-style-type: none"> a. The reason for the non-compliance with performance standards and the extent to which the activity will avoid, remedy or mitigate the effects of the non-compliance in achieving the purpose of the relevant performance standard and the objectives and policies relevant to the matter of discretion; b. The extent to which the activity adversely affects the character and amenity values of the zone; c. Natural hazards RESZ-MD1; and d. Financial contributions RESZ-MD2.

Residential		
CCZ-R15 Home based business within established residential units		[5.5(1)(23)]
Applicable Spatial Layers City Centre 1 and 2 Zones	<p>1. Activity Status: Permitted</p> <p>Performance Standards:</p> <ul style="list-style-type: none"> a. Height CCZ-S1; b. Yards CCZ-S2; c. Residential unit design CCZ-S4; d. Parking, access and turning CCZ-S5; e. Glazing CCZ-S6; f. Verandahs CCZ-S7; and g. Service lanes CCZ-S8. 	<p>2. Activity Status: Restricted Discretionary</p> <p>Where:</p> <p>Compliance not achieved with the performance standards in CCZ-R15(1).</p> <p>Matters of Discretion:</p> <ul style="list-style-type: none"> a. Extent to which the activity will avoid, remedy or mitigate the effects of the non-compliance on achieving the purpose of the relevant performance standard and the objectives and policies relevant to the matters of discretion; b. How the aspect of non-compliance will reduce the amenity of the zone and affect adjacent sites; c. How the activity provides more efficient and practical use of the remainder of the site; d. Natural hazards CCZ-MD1; and e. Financial contributions CCZ-MD3.

The definition and the rules for home -based businesses both contain performance standards. The definition contains further performance standards that are applicable to only home-based businesses. If an activity does not comply with all of the standards listed in the definition the activity is no longer a home- based business.

The best practice approach is that performance standards for activities are contained within the rules.

Under the current provisions, a person wishing to undertake a home-based business would need to assess the activity listing in the Residential Zone, comply with the listed performance standards and any other applicable rules, such as noise, and comply with the standards contained within the definition.

This leads to inefficiencies and a risk of inconsistencies in the application of the various standards.

In practical terms, a business operated from a residential unit (home) that does not comply with all performance standards should still be defined as a home-based business. This needs to be clear to the reader of the District Plan. The District Plan should also be clear about the assessment that needs to be carried out if the activity does not fully comply with the standards.

The National Planning Standards provides a definition for home business as follows:

Home business means a commercial activity that is:

- (a) Undertaken or operated by at least one resident of the site; and
- (b) Incidental to the use of the site for a residential activity.

3.9.1 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to insert the National Planning Standard definition of 'home business' and include all applicable performance standards in the relevant activity table.

The defined term would change from 'Home based business' to 'Home business', therefore requiring amendment to rule RES-R20, CCZ-R15 and consequential amendments elsewhere in the District Plan.

The proposed amendments are:

- Delete the Definition of 'Home based business' as follows:

~~any home arts and crafts, professional, trade or consultancy business, other than Prohibited Activities, which is carried out by a resident or residents incidentally to the primary use of the site and complies with the following in all respects:~~

- ~~a. The performance standards for the Zone in which the business is located;~~
- ~~b. No more than one person living away from the site can be employed on site at any one time;~~
- ~~c. The business does not involve outdoor storage of goods, or waste materials;~~
- ~~d. The business does not involve the parking of heavy vehicles on site; and~~
- ~~e. No display or retail of goods for sale may take place from the site.~~

~~Except that in the Residential 3 zone this definition shall be expanded to include the sale or display in the Whakarewarewa Village and in Ōhinemutu of traditional Māori food, traditional and contemporary Māori crafts, and souvenirs; where the area used for such purpose or purposes does not exceed 80m².~~

- Insert the National Planning Standards Definition of "Home business" as follows:

Home business

means a commercial activity that is:

- a. Undertaken or operated by at least one resident of the site; and
- b. Incidental to the use of the site for a residential activity.

- Amend Rules RES-R20 and CCZ-R15 as follows:

RESZ-R20 Home based business	
Applicable Spatial Layers	
All Residential Zones	<p>1. Activity Status: Permitted</p> <p>Performance Standards:</p> <ol style="list-style-type: none"> a. <u>No more than one person living away from the site can be employed on site at any one time;</u> b. <u>The business does not involve outdoor storage of goods, or waste materials;</u> c. <u>The business does not involve the parking of heavy vehicles on site; and</u> d. <u>No display or retail of goods for sale may take place from the site.</u> <u>Except that in the Residential 3 zone this standard shall be expanded to include the sale or display in the Whakarewarewa Village and in Ohinemutu of traditional Māori food, traditional and contemporary Maori crafts, and souvenirs, where the area used for such purpose or purposes does not exceed 80m².</u> e. <u>Height RESZ-S1</u> f. <u>Yards RESZ-S2</u> g. <u>Site Coverage RESZ-S3</u> h. <u>Residential unit density RESZ-S4</u> <p>2. Activity Status: Restricted Discretionary</p> <p>Where: Compliance is not achieved with the performance standards for RESZ-R20(1)</p> <p>Matters of Discretion</p> <ol style="list-style-type: none"> a. The reason for the non-compliance with performance standards and the extent to which the activity will avoid, remedy or mitigate the effects of the non-compliance in achieving the purpose of the relevant performance standard and the objectives and policies relevant to the matter of discretion. b. The extent to which the activity adversely affects the character and amenity of the zone; c. Natural Hazards RESZ-MD1; and d. Financial Contributions RESZ-MD2

	<ul style="list-style-type: none"> i. <u>Parking, access and turning RESZ-S5;</u> j. <u>Design and Landscaping RESZ-6A; and</u> k. <u>Residential 4 Zone: Reflectivity RESZS6</u> 	
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The City Centre 1 and 2 Zones also provides for home- based businesses within established residential units. For consistency and to ensure applicability with the National Planning Standard's definition for home business similar amendments are proposed to CCZ-R15.

CCZ-R15 Home based business	
Applicable Spatial Layers	
City Centre 1 And 2 Zones	<p>1. Activity Status: Permitted</p> <p>Performance Standards:</p> <ul style="list-style-type: none"> a. <u>No more than one person living away from the site can be employed on site at any one time;</u> b. <u>The business does not involve outdoor storage of goods, or waste materials;</u> c. <u>The business does not involve the parking of heavy vehicles on site; and</u> d. <u>No display or retail of goods for sale may take place from the site.</u> e. Height CCZ-S1 f. Yards CCZ-S2 g. Residential unit design CCZ-S4 h. Parking, access and turning CCZ-S5; i. Glazing CCZ-S6; j. Verandahs CCZ-S7; and k. Service lanes CCZ-S8. <p>2. Activity Status: Restricted Discretionary</p> <p>Where: Compliance not achieved with the performance standards for CCZ-R15(1).</p> <p>Matters of Discretion</p> <ul style="list-style-type: none"> a. Extent to which the activity will avoid, remedy or mitigate the effects of the non-compliance on achieving the purpose of the relevant performance standard and the objectives and policies relevant to the matters of discretion; b. How the aspect of non-compliance will reduce the amenity of the zone and affect adjacent sites; c. How the activity provides more efficient and practical use of the remainder of the site; d. Natural hazards CCZ-MD1; and e. Financial contributions CCZ-MD3.

3.9.2 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1:** Retain the current rule framework and definition for home- based business.
- **Option 2:** Include the National Planning Standard definition of home business and consequential amendments.
- **Option 3.** Include the National Planning Standard definition of home business and amend the Res-R20 and CCZ-R15 performance standards to include the performance standards currently within the definition of home- based business.

3.9.3 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>Relies on reading both the residential / City Centre 1 and 2 zones activity status and performance standards along with the performance standards contained within the definition.</p> <p>Definitions should not contain performance standards, further, this leads to confusion where a home-based business does not comply with all of the standards contained within the definition as the activity therefore no longer complies with the definition and becomes an activity not specifically listed (non complying activity).</p> <p>This has led to inefficiencies through the lack of a consistent approach in assessment, compliance and monitoring, and for the person wishing to carry out a home business.</p> <p>Option 2</p> <p>This option would lead to the performance standards that are currently contained within the definition no longer being included. This would not address the existing issue with the activity list of Res-R20 and CCZ-R15 not containing all zone standards that need to be met, similar to Option 1,</p> <p>Option 3</p> <p>Preferred Option</p> <p>This option provides a nationally consistent definition for a home business. This option also provides for a clear definition that</p>

Criterion	Evaluation
	<p>does not contain performance standards. It differentiates the definition of the activity from the standards that have to be complied with to be a permitted activity.</p> <p>There are no compelling reasons not to follow the National Planning Standards.</p>
<p>Benefits (Environmental, Economic, Social and Cultural) Section 32(2)(a) and (b)</p>	<p>There are no substantive environmental, economic, social and cultural benefits from any option.</p> <p>The addition of a definition does not require objectives / policies to be reviewed.</p> <p>The benefits from adding the National Planning Standards definition is to provide certainty by removing the performance standards from the definition which will provide for administrative efficiency.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits. Adopting the National Planning Standard's definition will assist with cross-regional consistency.</p>
<p>Costs (Environmental, Economic, Social and Cultural)</p>	<p>There are no significant additional environmental, economic, social and cultural costs from any option.</p>
<p>Risk of Acting or Not Acting</p>	<p>There are no significant substantive risks of acting or not acting.</p>

3.9.4 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 3 is the preferred option. The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo.

The proposed changes will provide a nationally consistent definition of home business and will address the current issue of performance standards being contained within the definition. There are no compelling reasons not to follow the National Planning Standards.

3.10 Reversing Onto Rights of Way Rule

3.10.1 Purpose of the Proposal (Section 32(6))

The proposal is intended to ensure that the provisions for "reversing onto rights of way" align with the intent of the rule.

The performance standards / assessment criteria³⁴ of the applicable rule requires parking, access and turning to be designed in accordance with Appendix APP1 – Parking, Access and Turning.

The District Plan requires, any vehicle access, on-site parking and turning that is required to be carried out in accordance with the Zone performance standards, including Appendix APP1 – Parking Turning and Access³⁵.

There are varying requirements to provide on-site turning areas. The requirements where on-site turning is required are contained within Appendix 1 – Parking Turning and Access – where *cars will enter a site, on-site turning shall be provided so vehicles can enter and exit the site in a forward motion.*" (Appendix 1.2.Turning Standards a. Requirement to provide on-site turning). This is to ensure that vehicles exit onto the road in a forward direction.

The rule framework supports the following objectives and policies:

Policy RESZ-P22 "Ensure the design and location of access, on-site parking and turning areas do not detract from the safe and efficient functioning of the transport network or dominate the streetscape."

Policy RESZ-P32 "Avoid, remedy or mitigate the potential adverse effects of non-residential activities, including community activities, through the provision of:

- *Sufficient on-site parking, loading and turning*
- *Landscaping to maintain and enhance the quality of residential amenity, primarily the streetscape*
- *Noise mitigation measures"*

Appendix 1.2.a has been interpreted such that where a site is accessed via a right of way, the right of way cannot be used for the purpose of on-site turning, unless the right of way serves more than 8 residential units.

To provide for the most efficient use of the site, the right of way is often able to be used as part of the area for vehicle manoeuvring. However, this is seen as a non-compliance and triggers the need for a resource consent.

The relevant standard, contained in 'Appendix 1.2.a Requirement to provide on-site turning', is as follows:

“2. Turning Standards

³⁴ Performance standards Res-S5, Res-MC4, Resz-AC1, Rurz-S5, Rurz-MC2, Rurz-AC1, INZ-S4, INZ-MC2, INZ-AC1, CNSZ-S3, CNSZ-AC1, DSTZ-S3, DSTZ-A1, CAZ-S3, CAZ-AC1, WTRZ-S1, WTRZ-A1, WHDA-MC5-MD5-AC5, COMZ-S6, COMZ-MD5, COMZ-MC3, BIZ-S4, BIZ-MC2, BIZ-AC1, CCZ-S5, CCZ-MC2, CCZ-MD8, CCZ-AC1.

³⁵ SUB-S1.4 Residential Zones site design performance standards, Access, on-site parking and turning areas;

This part outlines where on-site turning is required.

a. Requirement to provide on-site turning

Where cars will enter a site, on-site turning shall be provided so vehicles can enter and exit the site in a forward motion. There are varying requirements to provide on-site turning areas along the different roads. The requirements are as follows:

- i. Sites adjacent to Urban Primary, Urban Secondary and Rural Primary Arterials, Rural Collector and Urban Collector Roads as identified as EiT Energy, infrastructure and Transport are required to provide on-site turning
- ii. Sites adjacent to all other roads are not required to provide on-site turning area, except where:
 1. The site is accessed by a private access serving more than 8 residential units. In this case, a turning area shall be required to prevent reverse manoeuvres onto the road network. The area may be located within the private access.
 2. The vehicle entrance is within 15m from the edge of the carriageway of any street intersection (including the opposite side of any "T" junction; and
 3. The vehicle entrance is within 15m of any traffic calming or traffic control structures.
 4. For the purpose of this rule a traffic calming structure includes any speed hump or chicane, and a traffic control structure includes a central median or island, traffic lights, stop sign, or give way sign.

3.10.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to amend the District Plan Turning Standards as follows:

App1. 2. Turning Standards

This part outlines where on-site turning is required.

a. Requirement to provide on-site turning

Where cars will enter a site, on-site turning shall be provided so vehicles can enter and exit the site in a forward motion. Where a site's access is provided via a right of way / private way, the right of way / private way may be used as part of the on-site turning. There are varying requirements to provide on-site turning areas along the different roads. The requirements are as follows:...

3.10.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- **Option 1:** Retain the current rule framework for on-site turning.
- **Option 2:** Amend the rule framework to allow an adjoining right of way to be used for on-site turning.

Option 1 would result in the status quo. Resource consents would continue to be triggered where an adjoining right of way is used as part of the required manoeuvring area.

Option 2 would amend the Operative District Plan Turning Standards to address the specific issues outlined above.

3.10.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>No change and requires either additional hard surface area to provide on-site turning areas or resource consents to authorise the use of the right of way to be used for on-site turning.</p> <p>Option 2</p> <p>Preferred Option</p> <p>Provides for more efficient use of land for housing and reduces the need for resource consents to allow turning on right of ways. This is easy to understand and implement.</p> <p>Is consistent with practice and removes the requirement for a resource consent that adds little value.</p>
Benefits (Environmental, Economic, Social and Cultural)	<p>There are no significant substantive environmental, economic, social and cultural benefits from any option.</p> <p>Notwithstanding the above, Option 2 does provide for greater environmental and economic benefit by potentially requiring less hard standing area (by using the adjoining right of way for part of the on-site turning requirements), which will cost less to develop (both physical works and reduction in compliance costs). In an economic environment where housing costs are increasing, the reduction in compliance costs will have direct economic benefits.</p>
Costs (Environmental, Economic, Social and Cultural)	<p>Option 2 will provide for greater efficiency in plan administration and will require less triggers for resource consents.</p>
Risk of Acting or Not Acting	<p>There are no significant substantive risks of acting or not acting.</p>

3.10.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

Option 2 is the preferred option. The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo. The proposed amendment will align with current practice while avoiding the need for a resource consent.

3.11 Wireless Telecommunications Rule

3.11.1 Purpose of the Proposal (Section 32(6))

The proposal is to review the requirement in (SUB-S9(3)(c)) to provide telecommunications at the time of subdivision and whether the District Plan provides for wireless telecommunications.

SUB-S9(3)(c) states:

- c. Requirements for electricity, telecommunications and gas
 - i. Adequate provision shall be made for the supply and installation of electricity, telecommunication including broadband capability and gas services (where available within 100m of the subdivision) for every site and building within the subdivision up to the frontage of the site, or lease area;
 - ii. Electricity, telecommunication, and services shall be installed underground unless that is demonstrated to be impractical;
 - iii. The following shall be the minimum requirements for electricity servicing of new sites or lease areas created by subdivision: ..."

The rule framework supports the following objective:

SUB-O5 Adequate infrastructure and services are provided to each site to accommodate the potential development.

SUB-P21 Ensure adequate provision is made at the time of subdivision for connections to electricity, telecommunications and broadband services for lots or lease areas created by subdivision.

The District Plan does not specifically provide for wireless telecommunications. In order to meet the District Plan's standards, telecommunications, including broadband needs to be supplied up to the frontage of the site and be installed underground. It is now common for telecommunications to be supplied either by a physical connection (underground) or by way of a wireless connection at the time of establishing the dwelling. There are now alternative wireless providers that were not available at the time the current District Plan became operative.

Standard SUB-S9(3)(c) contains wording that requires that the infrastructure will be in the ground at the time of Section 224(c). Clarification is required that providing wireless telecommunications is a satisfactory means of compliance.

3.11.2 Proposed Provisions (Section 32(6))

Plan Change 10 proposes to change the standard to allow for other wireless technologies to be provided. If the subdivider chooses not to provide a physical connection at the time of subdivision, the standard needs to be clear that evidence shall be provided that wireless options are available and that this will be deferred until the dwelling is built.

Plan Change 10 proposes to amend SUB-S9(3)(C) as follows:

- c. Requirements for electricity, telecommunications and gas
 - i. Adequate provision shall be made for the supply and installation of electricity, telecommunication including broadband capability and gas services (where available within 100m of the subdivision) for every site and building within the subdivision up to the frontage of the site, or lease area;
 - ii. Electricity, telecommunication, and gas shall be installed underground unless that is demonstrated to be impractical, or telecommunication is to be provided by wireless technology where underground services is not practicable;
 - iii. The following shall be the minimum requirements for electricity servicing of new sites or lease areas created by subdivision: ..."

3.11.3 Reasonably Practicable Options (Section 32(1)(b)(i))

Reasonably practicable options are:

- Option 1: No change. Retain the current rule framework for telecommunications.
- Option 2: Include "or telecommunications is to be provided by wireless technology where underground services is impracticable" within the standard.

3.11.4 Evaluation

Criterion	Evaluation
Efficiency and effectiveness in achieving the objectives (Section 32(1)(b)(i))	<p>Option 1</p> <p>No change. This continues to rely on pragmatically applying the standard to include wireless technology.</p> <p>This has led to inefficiencies through the lack of a consistent approach and the lack of certainty.</p> <p>Option 2</p> <p>Preferred Option</p> <p>This option would insert "or telecommunications is to be provided by wireless technology where underground services is impracticable" within the standard. This would provide a clear standard that wireless technologies are an acceptable means of compliance.</p>

Criterion	Evaluation
Benefits (Environmental, Economic, Social and Cultural) Section 32(2)(a) and (b))	<p>There are no substantive environmental, economic, social and cultural benefits from any option.</p> <p>The addition of a definition does not require objectives / policies to be reviewed.</p> <p>The benefits from adding the Telecommunications Act 2001 definition is to provide certainty by including up to date technologies.</p> <p>Certainty in plan administration does have indirect economic and community confidence benefits.</p>
Costs (Environmental, Economic, Social and Cultural)	There are no significant additional environmental, economic, social and cultural costs from any option.
Risk of Acting or Not Acting	There are no significant substantive risks of acting or not acting.

3.11.5 Overall Assessment and Reasons for deciding on the provisions (Section 32(1)(b)(iii))

The proposed change is supported as enabling the purpose of the Act to be met and will be more effective than the status quo.

The amendment to the standard to include wireless technologies will be consistent with national practice in providing telecommunication services to subdivisions. The preferred option recognises that there are alternative forms of telecommunication services and provides greater flexibility.