



Southland District Council

Proposed Plan Change 6

Te Anau Urban Resource Area Expansion

Section 32 Report

RESOURCE MANAGEMENT ACT 1991 - SECTION 32 REPORT

Proposed Te Anau Plan Change - Urban Resource Area Expansion

EXECUTIVE SUMMARY

At present the Te Anau township is zoned Urban Resource Area in the Operative Southland District Plan. This zoning anticipates both residential and non-residential development, both controlled by various performance standards. This area has reticulated services. The land adjoining the current Urban Resource Area to the north-east is zoned Transitional and the land to the east is zoned Plains Rural Resource Area.

There has been considerable residential development on the periphery of the existing Urban Resource Area of Te Anau, so that some of the large consented residential developments approved in recent years eg the 150 lot Riverside development and the 240 lot Delta development, are currently located outside of the existing area zoned Urban Resource Area.

Thus, the Southland District Council is investigating whether a Plan Change should be initiated to address the following issues:

- To ensure there is sufficient appropriately urban-zoned land that can be developed to accommodate the anticipated residential growth in the Te Anau area.
- There is residential development occurring on the periphery of the existing Te Anau township, outside of the Urban Resource Area.
- It is considered preferable to consolidate further residential development to those areas already consented and subdivided for residential development.
- The areas identified for future urban growth in the expanded Urban Resource Area have been selected because they have been identified in a recent expert landscape study undertaken by Boffa Miskell Landscape Architects for Southland District Council and Environment Southland, as being less visually sensitive than some other lands which could potentially be developed for urban purposes in this locality.

In addressing these issues, the following options have been considered under Section 32 of the Resource Management Act 1991 (the Act):

- Make no change.
- Only include those areas already consented for development.
- Expand the Urban Resource Area but exclude the area south of SH 94 and SH 95 (this would incorporate the consented developments whilst also providing some land for future growth).
- Expand the Urban Resource Area but include the area south of SH 94 and SH 95.

The attached Section 32 evaluation concludes that the most appropriate option is to expand the Urban Resource Area but to exclude the area south of SH 94 and SH 95.

(This preferred option would include the existing consented developments such as the Delta, Alpine Terrace and Riverside and some additional land currently zoned Plains Rural Resource Area for urban development, so as to provide further scope for future urban growth).

It is considered that there could be demand in the future for further urban growth. Census information indicates Te Anau is a growing town, and building statistics for new dwellings confirm residential growth in the town. However there is opposition to excessive urban sprawl in Te Anau, so the proposed Plan Change would aim to consolidate further residential development to those areas already consented and subdivided for residential development and to rezone a limited amount of additional land currently zoned Plains Rural Resource Area to Urban Resource Area so as to provide further scope for future urban growth.

The report concludes that it is appropriate to expand the existing Urban Resource Area to include the existing consented developments and to rezone some additional land currently zoned Plains Rural Resource Area to Urban Resource Area so as to provide further scope for future urban growth.

This report has considered the framework and legislation behind making a change to a District Plan, and applied the provisions of Section 32 (Resource Management Act 1991) in the following analysis.

TABLE OF CONTENTS

1.	<u>INTRODUCTION</u>	
1.1	Purpose of this Report	5
1.2	Background	5
1.3	Reasons for the Plan Change	7
2.	<u>EXPLORATION OF ISSUES AND OPTIONS</u>	
2.1	Issues	8
2.2	Options	10
3.	<u>PUBLIC CONSULTATION</u>	11
4.	<u>THE RESOURCE MANAGEMENT ACT 1991</u>	
4.1	Part Two - Purposes and Principles	12
4.2	Section 32	14
5.	<u>SECTION 32 EVALUATION</u>	
5.1	District Plan Objectives	15
6.	<u>ANALYSIS: ASSESSMENT OF ALTERNATIVES</u>	
6.1	Section 32 Analysis Conclusions	15
6.2	Status Quo	17
6.3	Only Include Those Areas Already Consented for Development In The Expanded Urban Resource Area	19
6.4	Expand The Urban Resource Area But Exclude The Area South Of SH 94 & SH 95	21
6.5	Expand The Urban Resource Area Including The Area South Of SH 94 & SH 95	23
7.	<u>AMENDMENTS TO THE DISTRICT PLAN</u>	25
8.	<u>RISK OF ACTING / NOT ACTING</u>	25
9.	<u>FINAL COMMENTS / CONCLUSION</u>	25

10. APPENDICES

26

- Appendix 1 - Expansion of the Urban Resource Area - Most Appropriate Option
- Appendix 2 - Expansion of the Urban Resource Area - Inappropriate Option (Including the Area South of SH 94 and SH 95)
- Appendix 3 - Map of local Rate Boundary
- Appendix 4 - Current District Plan Requirements - Urban Resource Area
- Appendix 5 - Map of Sewer and Water Services
- Appendix 6 - Map of Vacant Land Parcels and Accompanying Explanation
- Appendix 7 - Map of Building Consents Issued - New Dwellings by Year

1. INTRODUCTION

1.1 Purpose of this Report

This report investigates the merits of undertaking a Plan Change to the Operative Southland District Plan (the District Plan) regarding the expansion of the Urban Resource Area of Te Anau. This report investigates whether a Plan Change should be initiated to expand the existing Urban Resource Area to include the existing consented developments approved in recent years and it is also proposed to rezone additional land currently zoned Transitional Resource Area and Plains Rural Resource Area for urban development, so as to provide further scope for future urban growth. This report summarises the evaluation that has been carried out by the Southland District Council pursuant to Section 32 of the Resource Management Act 1991.

1.2 Background

Te Anau

Te Anau is a town in Southland located on State Highway 94 between Lumsden and Milford Sound (see Map 1). Te Anau is located approximately 150 km north-east, by road, of Invercargill and is at the southern end of Lake Te Anau. Te Anau is a town with a current resident population of 1,899 people, according to the 2006 census (see Table 4).



Map 1 - Map of Te Anau and surrounding towns

Current Provisions - Southland District Plan

There are two different zones within the Southland District Plan that adjoin different portions of the existing Te Anau Urban Resource Area. These two zones are the Plains Rural Resource Area and the Transitional Resource Area (see Appendix 1 for the current zoning map). The two zones impose different residential and non-residential development criteria as shown by Table 1.

Resource Area	Residential Buildings	Non-residential development	Activity status for consents that breach the District Plan provisions
Urban	Permitted as of right subject to compliance with performance criteria - bulk and location requirements.	Permitted as of right subject to compliance with performance criteria.	Controlled, discretionary or non-complying.
Transitional	Permitted as of right subject to compliance with performance criteria - density requirements. Minimum 1 hectare lot size for new allotments in this zone. Some design criteria for Riverton and Te Anau areas.	Rural type activities anticipated within the zone.	Controlled, discretionary or non-complying.
Plains Rural	Permitted as of right subject to compliance with performance criteria - density requirements.	Some rural-commercial activity anticipated within the zone.	Controlled, discretionary or non-complying.

Table 1 - Current District Plan - Residential and Non-Residential Development Criteria.

Council’s Current position on the possible Te Anau Zoning Plan Change

The Southland District Council’s Long-Term Council Community Plan 2006-2016 mentions a number of District Plan projects to make changes to the District Plan which has been specified by the Southland District Council. One of these projects is the Te Anau Growth Planning project. The proposed Urban Resource Area Expansion Plan Change is one of the proposed Plan Changes identified as part of the Te Anau Growth Planning project.

Table 2 shows the actions that Council has taken to date in relation to the Te Anau Urban Resource Area Expansion Plan Change.

Year	Action Taken
Pre 2007	The Te Anau Community Board and the Southland District Council have been discussing for some time options for possible changes to the District Plan in order to provide for a more proactive response to growth management issues within the Te Anau Basin.
2007	A series of workshops were held between Te Anau Community Board members and key Council staff, and these workshops then progressed to a series of key concepts that were presented as <u>possible</u> Plan Changes to the Te Anau Community at two meetings held on 30 May 2007 and 26 September 2007.
June 2008	A discussion document entitled "Possible Te Anau Plan Changes" was sent out to the local community. Over 240 responses to the discussion document were received.
September 2008	The Te Anau Community Board resolved <u>to proceed</u> with the possible Urban Resource Area Expansion Plan Change with the following revisions: <ul style="list-style-type: none"> - no expansion of the Te Anau Urban Resource Area south of State Highway 94 (Te Anau Mossburn Road) and State Highway 95 (Te Anau Manapouri Road). - prepare a structure plan for the parts of the Urban Resource Area not already developed (this would be prepared following the adoption of any Urban Resource Area Plan Change and would include Council's preferred roading and reticulation layout).

Table 2 - Progress on the Te Anau Urban Resource Area Expansion Plan Change to date.

1.3 Reasons for the Plan Change

The Plan Change regarding the Urban Resource Area Expansion is being investigated for a number of reasons, which are outlined below:

- There has been considerable residential development in Te Anau since 2002. Whilst there is some existing urban zoned land that can be developed to accommodate this demand, it is also appropriate to provide further scope for future urban growth.
- Some of this residential development has been occurring outside of the existing Urban Resource Area. Several large scale residential developments approved in recent years are currently located outside of the existing zoned Urban Resource Area such as the Delta, Riversdale and Alpine Terrace developments. This has to some extent created a situation of "Urban sprawl" as this land is not currently zoned "Urban".
- There is still on-going pressure for land located on the periphery of the existing "Urban Resource Area", which is currently zoned Transitional or Plains Resource Areas, to be subdivided and developed for residential activities.

- There are increasing cost effects from the current and projected development pressure on the services of the Te Anau township. Defining the Urban Resource Area to take account of existing and make provision for potential growth in locations which can be readily serviced will assist in allowing Council's Water and Waste Services team to plan for future maintenance and growth in the area.

These will be discussed in more detail in the next section (2.1 - Issues).

2. EXPLORATION OF ISSUES AND OPTIONS

2.1 Issues

This report has been initiated by the Southland District Council, at the request of the Te Anau Community Board, to investigate the expansion of the existing Urban Resource Area, with regard to issues (mentioned in Section 1.3 of this report) as follows:

(1) Development pressure and anticipating future demand

Te Anau is experiencing some development pressure, primarily as a desirable holiday and lifestyle destination. There have been many subdivisions in the Te Anau area in the last 10 years, which have collectively produced over 1,000 new allotments. There has also been recent growth in the commercial sector of the town, with a new supermarket and more accommodation facilities being built.

In 2001, Statistics New Zealand defined the Te Anau area as having "very high growth" - more than 3% per annum. The term "very high growth" is based on the projected increase in population percentage. Statistics New Zealand forecast a population increase of 2,031 people in the 25 year period 2001 - 2026 (see Table 3). In 2006 the population of Te Anau was 1,899 (see Table 4). With this growth it is anticipated that in the future there could be demand for development to be built to accommodate more people and activities.

Year	Population (Usually Resident)							% Change		
	1996	2001	2006	2011	2016	2021	2026	96-01	01-16	01-26
Very High Growth (3% pa)										
Colac Bay	177	150	174	202	234	271	314	-15%	56%	109%
Manapouri	216	240	278	323	374	433	503	11%	56%	110%
Orepuki	102	84	97	113	131	152	176	-18%	56%	110%
Stewart Island	414	384	445	516	598	694	804	-7%	56%	109%
Te Anau	1,782	1,857	2,153	2,496	2,893	3,354	3,888	4%	56%	109%
High Growth (2.25% pa)										
Athol	81	63	70	79	88	98	110	-22%	40%	75%
Garston	87	60	67	75	84	94	105	-31%	40%	75%
Fortrose	63	54	60	67	75	84	94	-14%	39%	74%
Riverton	1,830	1,656	1,851	2,069	2,312	2,584	2,888	-10%	40%	74%
Waikawa/Curio Bay	96	120	134	150	168	187	209	25%	40%	74%
Low Growth (0.75% pa)										
Browns	93	108	112	116	121	125	130	16%	12%	20%
Edendale	567	570	592	614	638	662	687	1%	12%	21%
Limehills/Centre Bush	207	228	237	246	255	265	275	10%	12%	21%
Mossburn	276	243	252	262	272	282	293	-12%	12%	21%
Tokanui	171	174	181	187	195	202	210	2%	12%	21%
Tuatapere	741	681	707	734	762	791	821	-8%	12%	21%
Waikaia	81	93	97	100	104	108	112	15%	12%	20%
Winton	2,190	2,100	2,180	2,263	2,349	2,438	2,531	-4%	12%	21%
No Growth (0% pa)										
Dipton	156	156	155	155	155	155	155	0%	-1%	-1%
Gorge Road(CDA)	525	465	465	465	465	465	465	-11%	0%	0%
Riversdale	366	363	365	365	365	365	365	-1%	1%	1%
Wallacetown	681	627	625	625	625	625	625	-8%	0%	0%
Wyndham	636	573	575	575	575	575	575	-10%	0%	0%
Negative Growth (-0.75% to -1.5% pa)										
Balfour	138	138	133	128	123	119	114	0%	-11%	-17%
Lumsden	504	453	436	420	405	390	375	-10%	-11%	-17%
Otautau	813	729	702	676	651	627	604	-10%	-11%	-17%
Thornbury	84	72	69	67	64	62	60	-14%	-11%	-17%
Woodlands	297	279	269	259	249	240	231	-6%	-11%	-17%
Nightcaps	396	342	317	294	273	253	234	-14%	-20%	-32%
Ohai	513	399	370	343	318	295	273	-22%	-20%	-32%

Table 3 - Estimated Population of Southland Communities - Source Statistics New Zealand

Area	Population				Occupied Dwellings			
	2001	2006	change	percentage change	2001	2006	change	percentage change
Stewart Island	384	402	18	5%	210	228	18	9%
Te Anau	1857	1899	42	2%	711	744	33	5%
Lumsden	453	411	-42	-9%	174	180	6	3%
Manapouri	240	306	66	28%	99	102	3	3%
Winton	2100	2088	-12	-1%	894	918	24	3%
Southland District	28716	28440	-276	-1%	10,755	10,911	156	1%
Southland Region	91008	90876	-132	0%	35,426	35,547	121	0%

Table 4 - Change in Population for Selected Southland Towns - Source Statistics New Zealand Census 2006

Whilst there is still some vacant land within the current Urban Resource Area, and potentially the ability to further subdivide existing titles, it is also considered appropriate to make more land available to provide further scope for anticipated future urban growth.

(2) Urban Sprawl

Over the last 10 years there has been considerable residential development approved on the periphery of the existing Urban Resource Area, so that some of the large residential developments approved in recent years eg the 115 lot Riverside development and the 240 lot Delta development, are currently located outside of the existing Urban Resource Area zone.

It is considered appropriate to expand the Urban Resource Area to include these existing consented developments, as well as rezoning additional land currently zoned Plains Rural Resource Area and Transitional Area, in order to provide scope for future urban growth.

This will assist to encourage planned urban expansion adjacent to the existing township, rather than potentially having urban developments occurring further from the township in less appropriate areas from a visual and reticulation perspective.

In June 2008 Southland District Council sent out a discussion document entitled "Possible Te Anau Plan Changes" to the local Te Anau community. Over 240 responses to the discussion document were received. The vast majority of respondents were supportive of the Urban Resource Area Expansion. 49% supported the inclusion of the "Urban Resource Area Expansion, whilst only 13% did not support it. 11% submitted a neutral response on the issue. Of the people who were not supportive of the Urban Resource Area Expansion, some considered that there should be no further expansion of the Urban Resource Area until present allotments are developed. There was a recognition that the proposed change is effectively "approving the urban development that already exists".

(3) Consolidation of defined Urban Resource Area and Cost - efficient Provision of Reticulated Services

There is still a demand for residential development on land located on the periphery of the existing "Urban Resource Area", which is currently zoned Transitional or Plains Resource Areas, to be subdivided and developed for residential activities. The aim of this proposed expansion of the Urban Resource Area is therefore to encourage planned urban expansion from the existing urban core of Te Anau, rather than potentially creating urban sprawl occurring much further away from the township.

2.2 Options

Options are:

- Retain Status Quo / Make no change (i.e. retain the existing Urban Resource Area status).
- Only include those areas already consented for development.
- Expand the Urban Resource Area but exclude the area south of SH 94 and SH 95 (this would incorporate the consented developments whilst also providing some land for future growth).
- Expand the Urban Resource Area but include the area south of SH 94 and SH 95.

(1) Retain Status Quo / Make no change (ie retain the existing Urban Resource Area status).

This option would be to retain the existing Urban Resource Area with no expansion.

(2) Initiate a Plan Change to expand the Urban Resource Area to only include those areas consented for development.

This option would create an area to expand the existing Urban Resource Area to only include the existing consented developments approved in recent years.

(3) Initiate a Plan Change to expand the Urban Resource Area but exclude the area south of SH 94 and SH 95. This would incorporate the consented developments whilst also providing some land for future growth.

This option would create an area to expand the existing Urban Resource Area to include the existing consented developments approved in recent years and also proposes to rezone additional land currently zoned Transitional Resource Area and Plains Rural Resource Area for urban development, so as to provide further scope for future urban growth. This option excludes incorporating the area south of SH 94 and SH 95 as part of the Plan Change.

(4) Initiate a Plan Change to expand the Urban Resource Area to include the area south of SH 94 and SH 95

This option would expand the existing Urban Resource Area to include the existing consented developments approved in recent years and also to rezone additional land currently zoned Transitional Resource Area and Plains Rural Resource Area for urban development so as to provide further scope for future urban growth. This option includes incorporating the area south of SH 94 and SH 95 as part of the Plan Change so as to provide a larger area of land for future anticipated growth.

3. PUBLIC CONSULTATION

This report has been prepared in consultation with the Te Anau Community Board and following two public meetings and the release of a discussion document that outlined this proposed change. Over 240 responses were received on the discussion document, including responses from Environment Southland, the Department of Conservation and Te Ao Mārama Incorporated (on behalf of local Iwi). A meeting discussing the Plan Change has also been held with a staff member of the New Zealand Transport Agency.

In accordance with the provisions of the First Schedule of the Resource Management Act 1991, and following previous consultation with the agencies specified in Clause 3 of the First Schedule, Council has served a copy of this proposed Plan Change to the following agencies:

- The Minister for the Environment.
- The Minister of Conservation.
- The New Zealand Transport Agency.
- The Southland Regional Council (Environment Southland).
- The local authorities which adjoin the Southland District Council, being

- Central Otago District Council,
 - Clutha District Council,
 - Gore District Council,
 - Invercargill City Council,
 - Queenstown Lakes District Council, and
 - Westland District Council.
- The tāngata whenua of the area, through Te Rūnanga o Ngāi Tahu (iwi authority) and Te Ao Mārama Inc (the agency authorised to represent Te Rūnaka o Awarua, Hokonui Rūnanga, Ōraka/Aparima Rūnaka, Waihōpai Rūnaka).

It may not be possible to specifically consult individually with all those people who may be affected by this possible Plan Change. However, if proceeded with, this Plan Change will be publicly notified for public response through the submission and further submission (and appeal) process. It is emphasised that any person is entitled to make a submission on a Plan Change, and such submissions will be given all due consideration in the context of the statutory process provided for in the First Schedule of the Act.

4. THE RESOURCE MANAGEMENT ACT 1991

This Plan Change is being prepared in accordance with the Resource Management Act 1991. Key provisions of the Act are the purpose and principles and Section 32 “Consideration or alternative, benefits and costs.” This Plan Change is consistent with the purpose of the Act, being to promote the sustainable management of natural and physical resources.

4.1 Part Two - Purposes and Principles

The purpose of the Act is to promote the sustainable management of natural and physical resources and is prescribed in Section 5 of the Act, and is as follows:

“In this Act, “sustainable management” means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety while-

- (a) *Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) *Safeguarding the life-supporting capacity of air, water, soil and ecosystems; and*
- (c) *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.”*

Sections 6, 7 and 8 detail matters that need to be considered in achieving the purpose of the Act.

The most relevant matters are as follows:

Section 6 of the Act states:

"In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance -

- (a) The preservation of the natural character of ... lakes and rivers, ... and their margins, and the protection of them from inappropriate subdivision, use, and development:*
- (b) The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:*
- (d) The maintenance and enhancement of public access to and along ... lakes.*

Section 7 of the Act states:

"In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to-

- (b) The efficient use and development of natural and physical resources:*
- (c) The maintenance and enhancement of amenity values:*
- (f) Maintenance and enhancement of the quality of the environment:*
- (g) Any finite characteristics of natural and physical resources..."*

Section 8 of the Act states:

"In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

The possible "Te Anau Urban Resource Area Expansion" Plan Change will enable the Council to have particular regard to the relevant matters listed in Sections 6 - 8 of the Act. Expanding the current Urban Resource Area to incorporate already consented subdivisions, whilst also providing scope for future urban growth, will assist the Southland District Council to encourage residential development to occur within a defined area to provide a more co-ordinated approach to development and avoid further unconsolidated development around the Te Anau township, rather than on surrounding rural land and will:

- ease development pressure on surrounding rural land;
- preserve the natural features and landscapes in the Plains Rural resource area surrounding Te Anau, by easing development pressure on this land;
- facilitate the efficient use and development of land that has been previously surveyed and subdivided for urban development;

- materially assist in maintaining amenity values of the rural environment surrounding Te Anau, by easing development pressure on that land;
- maintain and enhance the quality of the environment of the rural environment surrounding Te Anau, by easing development pressure on that land;
- acknowledge and protect the finite characteristics of the rural land resource outside the Te Anau township, by easing development pressure on that land; and
- manage the use, development and protection of natural and physical resources in a way that enables people wanting to live in Te Anau to provide for their social, economic and cultural wellbeing.

4.2 Section 32

Section 32(1) of the Act requires that before a proposed Plan Change is publicly notified, an evaluation must be carried out by the local authority with respect to the Plan Change.

Section 32(3) states that:

“An evaluation must examine-

- (a) the extent to which each objective is the most appropriate way to achieve the purpose of the Act; and*
- (b) whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives.”*

Section 32(4) requires that:

“For the purposes of this examination, an evaluation must take into account-

- (a) the benefits and costs of policies, rules, or other methods; and*
- (b) the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods.”*

Section 32(5) requires the person carrying out the evaluation to prepare a report summarising the evaluation and giving reasons for that evaluation. Section 32(6) requires the report be available for public inspection at the same time as the Plan Change to which the report relates is publicly notified.

Thus prior to notifying a Plan Change, the Council has a statutory duty to prepare a Section 32 Analysis. The Southland District Council’s main task under the Resource Management Act 1991 is to decide how to address environmental issues. In preparing Plan Changes, Section 32 requires consideration of alternative ways to achieve the environmental outcomes being sought.

Section 32 essentially tests to determine the most appropriate means and the appropriateness, of any selected methods.

It assists in rationalising why changes are needed and formalises a process for determining how best to address environmental issues. This may be through a variety of alternatives, of which rules can be just one option.

The Section 32 requirements apply to the preparation of regional and district plans, Plan Changes, variations, policy statements and reviews. Following a 2003 amendment to the Resource Management Act, the requirements of Section 32 also apply to any person who has made a request for a private Plan Change. This report fulfils Council's Section 32 obligations.

5. SECTION 32 EVALUATION

5.1 District Plan Objectives

In addition to achieving the purpose of the Resource Management Act 1991, a Plan Change must also achieve the objectives and policies of the District Plan. The relevant objectives and policies, as specified in the District Plan are attached in Appendix 4.

The possible Plan Change is considered necessary to achieve the attached objectives and policies of the District Plan. In particular, the Plan Change will serve to maintain amenity values surrounding the Te Anau township and enable the effects of residential development in Te Anau to be managed within a defined boundary of the township, to ensure any effects on open space, natural hazards, adjoining properties, natural character and the intrinsic amenity values are avoided, remedied or mitigated. The current zoning regime in Te Anau places equal development pressure on the land within the Te Anau township and the rural land surrounding the township and thus does not achieve the intent of the Urban Resource Area objectives and policies (see Sections 6.3 and 6.4).

6. ANALYSIS: ASSESSMENT OF ALTERNATIVES

6.1 Section 32 Analysis Conclusions

Table 5 below assesses each option listed in Section 2.2 against the issues listed in Section 2.1. The option is given one of the following scores depending how it addresses the issue:

- 1 Will significantly exacerbate the issue
- 0.5 Will exacerbate the issue to some extent
- 0 Will have no effect on the issue
- 0.5 Will address the issue to some extent
- 1 Will significantly address the issue

If an option only addresses an issue to some extent, it will be given a score of 0.5. An example of this is the effect that maintaining the current Urban Resource Area "urban sprawl" situation will have on the township. This option will still provide scope for some residential development but will not relieve as much development pressure as various planned expanded Urban Resource Area options will. This is because more development will be able to be accommodated in the expanded urban area and there will be a more co-ordinated approach to encourage residential development to occur within the expanded urban zoning rather than on surrounding rural land. Table 5 shows that the best option is Option 3.

Issues	Options			
	1) Status Quo	2) Only include those areas already consented for development.	3) Expand the urban resource area but exclude the area south of SH 94 & SH 95.	4) Expand the urban resource area including the area south of SH 94 and SH 95.
1) Urban sprawl- Existing development on the periphery of the Te Anau township.	-0.5	0.5	1	1
2) Restrict further development to those areas already consented for development.	-0.5	0.5	1	-0.5
3) Develop within the identified selected areas as they are less visually sensitive than some other land which could potentially be developed for urban purposes	-0.5	0.5	1	-0.5
4) Provide sufficient land for anticipated future growth.	-0.5	1	1	-0.5
TOTAL SCORE	-2.0	2.5	4.0	-0.5

Table 5 - Evaluation of each option against each issue.

The following tables (6 - 9) undertake a more detailed evaluation of each of the options. This evaluation follows the requirements set out in Section 32 of the Act. The tables first give an assessment of whether the option is the most appropriate way to achieve the purpose of the Act, as required by Section 32 (3) (a) of the Act. The purpose of the Act as set out in Section 5 of the Act is “to promote the sustainable management of natural and physical resources”.

Then the table assesses the options against the existing objectives of the District Plan, to determine whether they are efficient or effective, as required by Section 32 (3) (b) of the Act.

The benefits and costs of each option have been evaluated, as required by Section 32 (4) (a) of the Act. The benefits and costs have been divided up into three areas; environmental, economic and social. Then the net environmental benefits are calculated by subtracting the environmental costs from the environmental benefits. Likewise, the net social and economic benefits are calculated by subtracting the social and economic costs from the social and economic benefits.

Finally, the efficiency of the option is assessed, as also required by Section 32 (3) (b) of the Act. An assessment is made of each option as to whether it will achieve the environmental outcome at the least overall cost. This is done by comparing the net environmental benefits with the net social and economic costs.

The desired environmental outcome is that the most appropriate option is to expand the existing Urban Resource Area to include the existing consented developments and to also rezone some additional land currently zoned Plains Rural Resource Area and Transitional Resource Area for urban development, so as to provide further scope for future urban growth. This option will encourage planned urban expansion from the existing urban core of Te Anau, rather than potentially having a number of satellite urban developments occurring further from the township.

This also makes for more logical and cost-efficient provision of reticulated services, as well as minimising effects on the landscape and natural character of the area.

6.2 Status Quo

OPTION	1 - Status Quo	
RMA purpose: promote the sustainable management of natural and physical resources		
Appropriateness: Is the option the most appropriate way to achieve the purpose of the RMA?	Inappropriate - Section 5(1) of the RMA states that the purpose of the Act is to promote the sustainable management of natural and physical resources. Maintaining the status quo will not consolidate growth and avoid further sprawl onto surrounding rural land and further it will not capture the large amount of already consented development into the township.	
<p>The following current Southland District Urban Resource Area, Plains Resource Area and Transitional Resource Area objectives will be applicable for Te Anau if Option 1 (Status Quo) is chosen:</p> <p><u>Objective URB.1</u> - To manage the development of the urban area in order to:</p> <ul style="list-style-type: none"> (a) provide a framework which enables people and communities to provide for their social, economic and cultural well-being, and their health and safety, while (b) maintaining and where possible enhancing the environmental quality of particular environments within the urban area, and (c) avoid, remedy or mitigate any adverse effects on the natural and physical resources of the Urban Resource Area. <p><u>Objective URB.2</u> - To encourage urban consolidation to minimise the spatial extent of the effect of urban activities.</p> <p><u>Objective RU.1</u> - To provide a management framework for the rural environment that promotes the sustainable management of resources within the District.</p> <p><u>Objective RU.2</u> - To maintain the quality of the District's water and soil resource to enable it to meet the needs of future generations.</p> <p><u>Objective RU.3</u> - To recognise the values of the District's outstanding landscape and significant indigenous habitats and ecosystems within the management framework.</p> <p><u>Objective RU.4</u> - To maintain where practicable and efficient, the amenity values of the rural environment.</p> <p><u>Objective TRA.1</u> - To achieve a density of development which avoids or minimises adverse effects on water quality, network services and visual amenity.</p>		
Effectiveness of the option achieving the relevant objectives in Southland District Plan (listed above).	<p>Ineffective:</p> <ul style="list-style-type: none"> - This option has the potential to adversely affect the environment as without expanding the Urban Resource Area to incorporate already consented development and allowing for anticipated future growth, there is the potential for further unconsolidated urban sprawl. 	
Environmental Benefits	There is a greater potential for a wider variety of development to occur if the current Transitional and Plains Rural Resource Area zonings (adjoining the current Urban Resource Areas) are retained i.e. development more rural in nature, rather than more intensive residential development.	

Environmental Costs	There remains a high possibility of unconsolidated urban sprawl, so that development pressure is continued to be exerted on the resource areas adjoining the current Urban Resource Area, resulting in - loss of productive land, the areas of existing consented development not being fully developed to their maximum potential and making it difficult to plan for future growth and services.
Net Environmental Benefit	Negative - there is a high possibility that unconsolidated urban sprawl will result in loss of productive land, the areas of existing consented development not being fully developed to their maximum potential and making it difficult to plan for future growth and services.
Economic Benefits	A benefit of doing nothing to the Plan is that the Council and thus ratepayers will not need to pay for the Plan Change process.
Economic Costs	At present a resource consent may be required, depending on the circumstances, for residential development in the Transitional and Plains Resource Areas that are proposed to be incorporated within the expanded Urban Resource Area. Pressure may also be placed on Council to extend reticulated services into areas that are not currently reticulated.
Social Benefits	Existing size of the town is retained.
Social Costs	If future urban growth is not catered for with adequately zoned urban land, it may reduce the desirability to live and work in Te Anau.
Net Social and Economic Cost	Negative - The town is prevented from being developed.
Efficiency = Net environmental benefits minus net social and economic costs.	Inefficient - The desired environmental outcome of incorporating already consented development and allowing for future urban growth will not be achieved.

Table 6 - Evaluation of Option 1

This option achieved the lowest score (1) in Table 5 and does not achieve the desired environmental outcome of incorporating already consented development and allowing for future growth expansion in a manner that is planned and managed.

6.3 Only include those areas already consented for development

OPTION	2. - Only Include Those Areas Already Consented For Development In The Expanded Urban Resource Area
RMA purpose: promote the sustainable management of natural and physical resources	
Appropriateness: Is the option the most appropriate way to achieve the purpose of the RMA.	Appropriate - The Te Anau township has existed for many years and this land has been previously surveyed and subdivided for urban development for many years. Many of the more recently approved residential developments are located outside of the existing zoned Urban Resource Area. Incorporating this already approved development into an Urban Resource Area is a logical progression.
<p>The following current Southland District Urban Resource Area objectives will apply to Te Anau if Option 2 (Only Include Those Areas Already Consented For Development) is chosen:</p> <p><u>Objective URB.1</u> - To manage the development of the urban area in order to:</p> <ul style="list-style-type: none"> (a) provide a framework which enables people and communities to provide for their social, economic and cultural well-being, and their health and safety, while (b) maintaining and where possible enhancing the environmental quality of particular environments within the urban area, and (c) avoid, remedy or mitigate any adverse effects on the natural and physical resources of the Urban Resource Area. <p><u>Objective URB.2</u> - To encourage urban consolidation to minimise the spatial extent of the effect of urban activities.</p>	
Effectiveness of the option achieving the relevant objectives in Southland District Plan (listed above).	Effective: - This option is logical as the expansion is adjacent to the existing Urban Resource Area and is effectively incorporating urban development that is already consented.
Environmental Benefits	The inclusion of these already consented developments when managing the development of the urban area.
Environmental Costs	There may not be adequate undeveloped land for future urban expansion.
Net Environmental Benefit	Positive - better management of existing consented development.
Economic Benefits	In time, as development occurs the local rate boundary will more closely match the Urban Resource Area boundary, allowing a greater capture of residential rates within the local rate boundary area.
Economic Costs	It may be more difficult to manage future urban development effectively due to lack of adequately zoned urban land.
Social Benefits	Those properties within the consented development areas will be able to be developed in accordance with applicable urban rules.
Social Costs	Some people will prefer to have their properties remain in the Transitional or Plains Rural zoning so they may undertake activities more in keeping with a rural zone.
Net Social and Economic Cost	Positive - the expanded zoning will align more closely with the nature of the subdivision development that has already occurred.
Efficiency = Net environmental benefits minus net social and economic costs.	Efficient - The desired environmental outcome will be achieved, however scope for future development will be limited.

Table 7 - Evaluation of Option 2

This option achieved the second highest score (2.5) in Table 5 and does partially achieve the desired environmental outcome of incorporating the already consented large scale residential developments into the Urban Resource Area.

6.4 Expand the Urban Resource Area but exclude the area south of SH 94 & SH 95

OPTION	3 - Expand the urban resource area but exclude the area south of SH 94 & SH 95
RMA purpose: promote the sustainable management of natural and physical resources	
Appropriateness: Is the option the most appropriate way to achieve the purpose of the RMA.	Appropriate - The Te Anau township has existed for many years and this land has been previously surveyed and subdivided for urban development for many years. Many of the more recently approved residential developments are located outside of the existing zoned Urban Resource Area. Incorporating this already approved development into an Urban Resource Area is a logical progression while also providing some scope for future development.
The following current Southland District Urban Resource Area objectives will apply for Te Anau if Option 3 (Expand the urban resource area but exclude the area south of SH 94 & SH 95) is chosen: <u>Objective URB.1</u> - To manage the development of the urban area in order to: (a) provide a framework which enables people and communities to provide for their social, economic and cultural well-being, and their health and safety, while (b) maintaining and where possible enhancing the environmental quality of particular environments within the urban area, and (c) avoid, remedy or mitigate any adverse effects on the natural and physical resources of the Urban Resource Area. <u>Objective URB.2</u> - To encourage urban consolidation to minimise the spatial extent of the effect of urban activities.	
Effectiveness of the option achieving the relevant objectives in Southland District Plan (listed above).	Effective: - This option is logical as the expansion is adjacent to the existing Urban Resource Area and is effectively incorporating urban development that already exists whilst also providing scope for future development.
Environmental Benefits	There may be a greater diversity of development types.
Environmental Costs	There may be loss of productive rural land to residential development and potentially loss of amenity values.
Net Environmental Benefit	Positive - better management of existing consented development and of future development within the expanded area.
Economic Benefits	In time, as development occurs the local rate boundary will more closely match the Urban Resource Area boundary, allowing a greater capture of residential rates within the local rate boundary area.
Economic Costs	Pressure may be placed on Council to extend reticulated services into areas that are not currently reticulated.
Social Benefits	Those properties within the expanded Urban Resource Area will be able to be developed in accordance with applicable urban rules.
Social Costs	Some people will prefer to have their properties remain in the Transitional or Plains Rural zoning so they may undertake activities more in keeping with a rural zone.
Net Social and Economic Cost	Positive - the expanded zoning will align more closely with the nature of the subdivision development that has already occurred whilst also providing for some scope for future development growth.
Efficiency = Net environmental benefits minus net social and economic costs.	Efficient - The desired environmental outcome will be achieved.

Table 8 - Evaluation of Option 3

This option achieved the highest score (2.5) in Table 5 and does achieve the desired environmental outcome to expand the existing Urban Resource Area to include the existing consented developments and to also rezone additional land currently zoned Plains Rural or Transitional Resource Area for urban development, so as to provide further scope for future urban growth. This option will encourage planned urban expansion from the existing urban core of Te Anau, rather than potentially having a number of satellite urban developments occurring further from the township. This also makes for more logical and cost-efficient provision of reticulated services, as well as minimising effects on the landscape and natural character of the area, from future urban expansion.

6.5 Expand the Urban Resource Area including the area south of SH 94 & SH 95

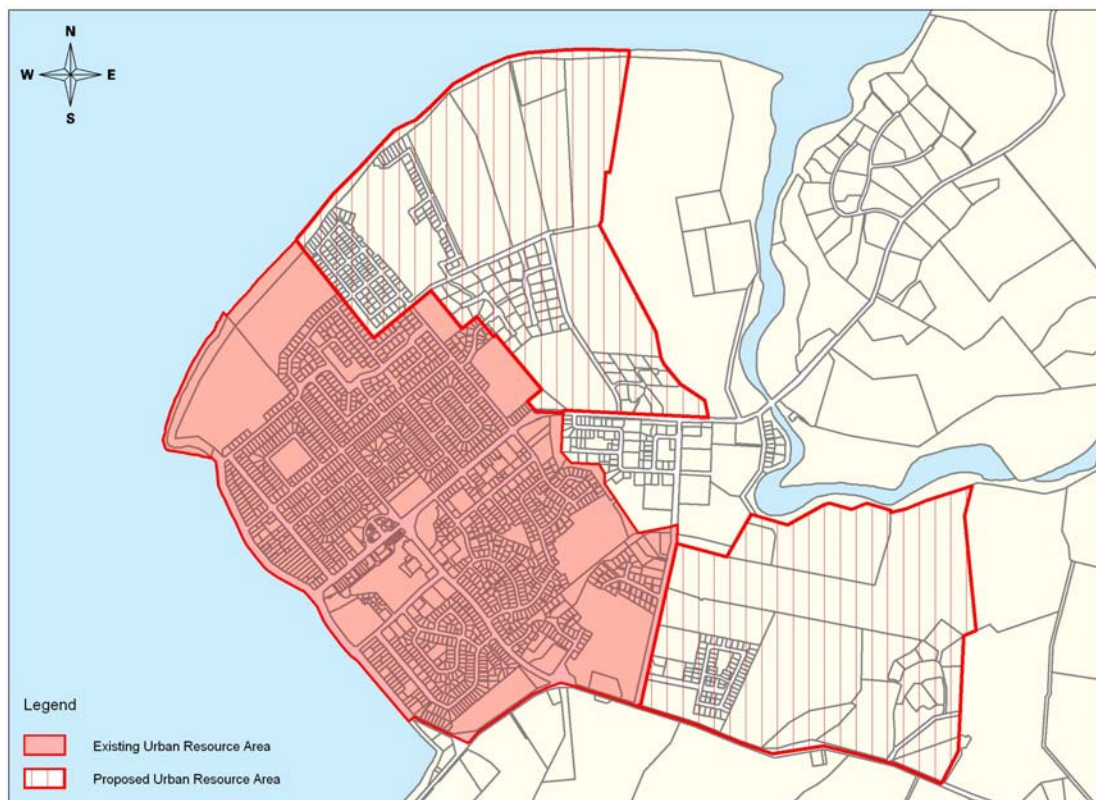
OPTION	4 - Expand the urban resource area including the area south of SH 94 and SH 95	
RMA purpose: promote the sustainable management of natural and physical resources		
Appropriateness: Is the option the most appropriate way to achieve the purpose of the RMA?	Inappropriate - an analysis of current “Te Anau Vacant Land Parcels” prepared by Council’s GIS department indicate that if the area to the south of SH 94 and SH 95 were to be included in the expansion of Te Anau’s Urban Resource Area, this would create too large an area and be surplus to current requirements.	
<p>The following current Southland District Urban Resource Area objectives will apply to Te Anau if Option 4 (Expand the Urban Resource Area Including the area South of SH 94 and SH 95) is chosen:</p> <p><u>Objective URB.1</u> - To manage the development of the urban area in order to:</p> <p>(a) provide a framework which enables people and communities to provide for their social, economic and cultural well-being, and their health and safety, while</p> <p>(b) maintaining and where possible enhancing the environmental quality of particular environments within the urban area, and</p> <p>(c) avoid, remedy or mitigate any adverse effects on the natural and physical resources of the Urban Resource Area.</p> <p><u>Objective URB.2</u> - To encourage urban consolidation to minimise the spatial extent of the effect of urban activities.</p>		
Effectiveness of the option achieving the relevant objectives in Southland District Plan (listed above).	<p>Effective:</p> <ul style="list-style-type: none"> - This option will not encourage urban consolidation as the area to the south of SH 94 and SH 95 would provide too much land for urban expansion, which would be surplus to current requirements. Further, unlike the other areas proposed to be incorporated within the proposed urban expansion, this area to the south of SH 94 and SH 95 has not been the subject of numerous consented developments and is not connected to reticulated water or sewerage services. 	
Environmental Benefits	The possibility of a greater diversity of development types.	
Environmental Costs	There is the potential for the loss of productive rural land to residential development and potentially loss of current rural amenity values.	
Net Environmental Benefit	Negative - amenity values of the rural environment are compromised unnecessarily as this land would appear surplus to current requirements for urban expansion demands.	
Economic Benefits	Provides greater scope for residential development in Te Anau.	
Economic Costs	Could require costs in servicing if residential development expanded into this area.	
Social Benefits	Greater choice in residential development locations may encourage further growth of Te Anau.	
Social Costs	The social composition of the current town could be compromised if development occurred over too large an area.	
Net Social and Economic Cost	Negative - the town is developed in an unconsolidated manner and in a manner which encourages rather than discourages unnecessary urban sprawl.	
Efficiency = Net environmental benefits minus net social and economic costs.	Inefficient - The desired environmental outcome of accommodating development pressure by incorporating consented developments whilst allowing some room for future growth is not achieved because too large an area is provided and development may become unconsolidated with associated costs of servicing increasing.	

Table 9 - Evaluation of Option 4

This option achieved the second lowest score (2) in Table 5 and does not achieve the desired environmental outcome of incorporating already consented development and allowing for future growth expansion in a manner that is planned and managed.

7. AMENDMENTS TO THE DISTRICT PLAN

It is therefore proposed to alter the boundaries of the Urban Resource Area as per the following map. This will incorporate land to the north and east of the current Urban Resource Area boundary and will capture the large consented developments approved in recent years whilst also providing scope for some future urban growth.



8. RISK OF ACTING / NOT ACTING

The risk of not acting is that development pressure in the Te Anau area will not be managed as well as it could. This is because there has been considerable residential development on the periphery of the existing Urban Resource Area and there are a number of large residential developments approved in recent years that are currently located outside of the existing zoned Urban Resource Area. Development pressure will continue to be exerted on surrounding land where development is less appropriate - for landscape, ecological, reticulation and loss of productive rural land reasons. The risks of acting are not considered as bad as not acting, as it is considered timely to clearly define where urban development should occur and use this when making decisions on future resource consent applications of an urban nature.

9. FINAL COMMENTS / CONCLUSION

The Southland District Council has conducted an evaluation of alternatives in terms of Section 32 of the Resource Management Act 1991. This report has considered the framework and legislation regarding district Plan Changes. Four options have been evaluated in accordance with Section 32 provisions. This evaluation has concluded that Option 3 is the most appropriate option for incorporating the existing consented development into the township, whilst still incorporating land for future growth and as a means to manage development pressure on surrounding rural land.

These provisions are proposed to be introduced via the Te Anau Urban Resource Area Plan Change to the District Plan.

This Plan Change is considered to be efficient, effective, appropriate, and will impose minimum costs on the community whilst achieving considerable benefits in terms of maintaining the needs of the Te Anau township in a manner consistent with the purpose and principles of the Act and the relevant objectives and policies of the District Plan. This report has been prepared to fulfil the requirements set out in Section 32.

My opinion, as a planner, is that expanding the Urban Resource Area but excluding the area south of SH 94 & SH 95 constitutes efficient use and development of natural and physical resources and is consistent with the Act. My reasons for this position are:

- It is considered preferable to consolidate further residential development to those areas already consented and subdivided for residential development whilst also providing some scope for future growth. Ideally this will allow better management of existing consented development and of future development within the defined expanded Urban Resource Area.
- The areas identified for future urban growth in the expanded Urban Resource Area have been selected because they have been identified in a recent expert landscape study undertaken by Boffa Miskell Landscape Architects for Southland District Council and Environment Southland, as being less visually sensitive than some other lands which could potentially be developed for urban purposes in this locality. By clearly defining the expanded Urban Resource Area this will hopefully avoid loss of productive rural land to residential development and potentially loss of amenity values in the future.
- In time, as development occurs, the present Local Rate Boundary can be reviewed by Council's Rates Department to include the expanded Urban Resource Area (not all of this area currently falls within the local rate boundary), as this land is developed for residential purposes. At present the Local Rate Boundary does not completely align with the proposed Expanded Urban Resource Area boundary as land is only incorporated into the Local Rate Boundary when land is physically developed and therefore could use the resources and services of the township.

10. **APPENDICES**

- Appendix 1 - Expansion of the Urban Resource Area - Most Appropriate Option
- Appendix 2 - Expansion of the Urban Resource Area - Inappropriate Option (Including the Area South of SH 94 and SH 95)
- Appendix 3 - Map of local Rate Boundary
- Appendix 4 - Current District Plan Requirements - Urban Resource Area
- Appendix 5 - Map of Sewer and Water Services
- Appendix 6 - Map of Vacant Land Parcels and Accompanying Explanation
- Appendix 7 - Map of Building Consents Issued - New Dwellings By Year