

## Attachment C - S32AA Assessment

1. Section 32AA of the RMA requires further evaluation of changes made to the proposal since the original evaluation report was completed. This further evaluation must be undertaken in accordance with s32 of the Act, which requires the objectives of proposals to be examined for their appropriateness in achieving the purpose of the Act (s32(1)(a)), and whether the proposed provisions (including methods) are the most appropriate way to achieve the objectives (s32(1)(b), including consideration to other practicable options, and the efficiency and effectiveness of the provisions in achieving the objectives.
2. Accordingly, the following provides an analysis of the proposal and proposed methods under the S32AA for the proposed rezoning, and consequential amendments to provisions.

### Evaluation of Proposed Objectives – Section 32 (1)(a)

3. An evaluation of the proposed zoning in accordance with s 32(1)(a) is provided in the table below.

Proposal	Appropriateness
<p>Rezoning of TL&amp;GL Lakeside Drive land, being land legally described as:</p> <p>Lot 1 DP 455053            Lot 49 DP560853            Lot 50 DP560853            Lot 1 DP 560853            Lot 400 DP 560853</p> <p>to Mixed Use (MUZ), within the Lake Tekapo Precinct (PREC1) and Commercial Visitor Accommodation Precinct (PREC2).</p>	<p>The proposed rezoning of the subject land from MRZ to Mixed Use, within PREC 1 and PREC 2 is considered to be the most appropriate way to achieve the purpose of the Act as it will provide a zoning framework for the TL&amp;GL land which is able to provide for an appropriate mix of residential, commercial and visitor accommodation activities which are anticipated within the Lakeside Drive and Tekapo lake front area.</p> <p>The community spatial planning process for Tekapo identified the appropriateness of the Lakeside Drive area for commercial visitor accommodation and the importance of the area as a destination for domestic and international visitors. It was noted that in this location additional height is able to be absorbed by the landscape. The need for more retail and hospitality services was also identified, and the desire for a ‘connected and curated lakefront<sup>1</sup>’.</p>

<sup>1</sup> Your Town Your Future, Mackenzie Spatial Plans, September 2021

The rezoning sought is shown on **Attachment A**.

The proposal is considered to meet the Purpose of the Act (Section 5 of the RMA) as it will enable the use and development of the land to provide for social and economic wellbeing, and meet the needs of future generations. The land is identified for an urban purpose in the OMDP, with the proposed rezoning to MUZ having the potential to provide a combination of commercial, residential, retail and community activities that may increase the amenity and vibrancy of the location and support efficient land use and infrastructure provision.

It is noted that the submitter's relief has been modified slightly since the original submission. The current proposed zoning of MUZ, within PREC 1 and PREC 2 now applies a zoning framework which already exists within PC21 and will ensure a consistent approach to plan implementation. It is noted that, as a result of the NP Standards, it is not unique for a site to have multiple precinct or overlay layers, and there are a number of other sites in Tekapo with a similar framework.

The additional controls on built form applicable to PREC 1 and implemented by the Design Guidelines in APP2 referenced in the provisions, will ensure that mixed use developments are required to be considered against the Design Guidelines. This will serve to manage potential environmental effects, preserve the natural character of Lake Tekapo (s6 RMA), and support the maintenance and enhancement of amenity values (s7c) and the quality of the environment (s7f).

The proposed zoning is considered to be consistent with the following strategic objectives of PC20 (Strategic Directions) and PC21 (Spatial Plan Implementation):

Strategic Objective ATC-O1 (Live, Work, Play and Visit) as it enables *a range of living options, businesses, and recreation activities to meet community needs* and provides for *appropriate economic development opportunities*.

Strategic Objective UFD-01 (Urban Form and Development) as the applicable MUZ provisions enable the potential enhancement to both the residential and visitor experience

	<p>through a range of land uses whilst recognising the character of the surrounding area and its attractiveness to residents, businesses and visitors.</p> <p>The proposed rezoning is also consistent with Section 31 of the RMA related to the functions of District Plans, and in particular s31(aa) for sufficient development capacity in respect of housing and business land to meet the expected demands of the District.</p>
<p>Rezoning of TL&amp;GL land being part of Lot 401 DP 560853 to MRZ.</p> <p>The rezoning sought is shown on <b>Attachment A</b>.</p>	<p>TL&amp;GL seek to refine and slightly extend the north-eastern boundary of the MRZ to align with previously consented stages, and to include an additional area of land within Lot 401 to provide for future residential development.</p> <p>I consider the additional area may be incorporated as an extension to the already consented subdivision and as seen from the east, will be viewed within the context of the wider visual setting of the Station Bay residential development. The additional zoned area will also provide benefits associated with efficient land use, infrastructure provision and provision of residential housing capacity in an existing urban area.</p> <p>The proposed rezoning is consistent with Part 2 Section 7(b) and s31(aa) for the functions of Council in providing sufficient development capacity in respect of housing and business land to meet the expected demands of the District. It is acknowledged that the Mackenzie District is not subject to the NPS-UD however, remains subject to s31aa. The adopted Spatial Plans have been developed for this purpose and identify a vision and strategy for growth over a 30-year period. These plans indicate a desire for the community to provide for more affordable housing options. Increasing the available capacity within existing urban environments is one method of supporting this desired outcome.</p>

#### Evaluation of Proposed Provisions - Section 32(1)(b)

4. RMA s32(1)(b) requires an analysis of whether the provisions in the proposal are the most appropriate way to achieve the objectives by—
  - (i) identifying other reasonably practicable options for achieving the objectives;  
and
  - (ii) assessing the efficiency and effectiveness of the provisions in achieving the objectives.
  
5. The following table provides an analysis of whether the proposed amendments to provisions are the most appropriate way to achieve the relevant objectives. The table below also considers the effectiveness and efficiency of the proposed provisions. According to s32(2)(a) the analysis also requires consideration to the environmental, economic, social, and cultural effects benefits and costs; including opportunities for economic growth.

**Table - Evaluation of Proposed Provisions - Section 32(1)(b)**

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
<b>MRZ – Medium Density Residential Zone</b>			
<p>Amendment to Policy MRZ-P2 (Compatible Activities) and MRZ-P4 (Other non-residential activities)</p>	<p><b>Environmental</b> Nil</p> <p><b>Economic</b> The policy amendment could be restrictive and discourage some activities that may be compatible following an assessment of effects; with associated economic consequences.</p> <p><b>Social</b> Nil</p> <p><b>Cultural</b> Nil</p>	<p><b>Environmental</b> The policy amendment aids clarification of compatible uses and may avoid potential environmental effects associated with non-compatible activities locating in the MRZ, such as Industrial uses.</p> <p><b>Economic</b> The policy amendment may avoid potential adverse landscape or amenity effects associated with non-compatible activities locating in the MRZ; therefore, avoiding activities that could adversely affect the local economy and visitor experience. The amendment may also provide opportunities for economic growth through highlighting potentially compatible, non-residential, activities.</p>	<p>The amendment is considered to be effective as it provides additional clarity to the plan user as to what types of activities are likely to be compatible in the zone, and those that are not. The amendment also provides further specificity with regard to anticipated land uses in the zone and assists to distinguish the MRZ from other zone types.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
		<p><b>Social</b></p> <p>May provide social benefits through identifying community and education facilities as being potentially compatible in the zone.</p> <p><b>Cultural</b></p> <p>Nil</p>	
	<p><b>Alternative options</b></p> <p>The policy could be retained unmodified. However, without adding this further clarity and policy guidance it is more difficult for plan user to determine what types of activities are likely to be compatible in the MRZ and consistent with the zone purpose. Additionally, without the amendment there is less ability to distinguish anticipated outcomes between the zones.</p>		
<p>Amendment to Rule MRZ-R1 (Residential Units) to remove the minimum site area requirement of 400m<sup>2</sup>.</p>	<p><b>Environmental</b></p> <p>Has the potential to result a residential unit being located on sites of 200m<sup>2</sup> if only the rule MRZ-S1 (Density) is required to be complied with, with associated possible visual amenity and environmental effects.</p> <p><b>Economic</b></p>	<p><b>Environmental</b></p> <p>Will support the anticipated environmental outcomes for the zone and support realisation of the anticipated residential density.</p> <p><b>Economic</b></p> <p>May result in economic benefits through enabling a higher density of residential use as</p>	<p>The proposed provisions are considered to be efficient and effective in that they improve the clarity of the plan to avoid potential conflicts between MRZ-R1 which is considered to be a more appropriate subdivision standard; and MRZ-S1 in interpreting anticipated density requirements.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
	<p>Has the potential to result a residential unit being located on sites of 200m<sup>2</sup> if only the rule MRZ-S1 (Density) is required to be complied with, with associated possible economic effects associated with reduced amenity for residents and visitors.</p> <p><b>Social</b></p> <p>Nil</p> <p><b>Cultural</b></p> <p>Potential effects of increased density on the amenity and quality of Lake Tekapo and environs, such as through establishment of inappropriate activities in close proximity or as a result of stormwater discharge.</p>	<p>anticipated in the zone, providing for increased housing capacity and economies of scale.</p> <p><b>Social</b></p> <p>May result in social benefits through enabling realisation of the anticipated higher density of residential use anticipated in the zone, providing for increased a range of housing types and increased choice.</p> <p><b>Cultural</b></p> <p>Nil</p>	
	<p><b>Alternative options</b></p> <p>The rule could be retained unmodified. However, the 400m<sup>2</sup> site area requirement appears to be a subdivision standard and if unmodified, could result in unnecessary confusion in plan interpretation between two conflicting density provisions; and may result in unnecessary duplication of rules when the subdivision chapter is reviewed in a later stage.</p>		

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
<b>MUZ – Mixed Use Zone</b>			
<p>Amendment to Mixed Use Zone (MUZ) 'Introduction' to replace the word 'small' with 'discrete' and include reference to 'Takapo/Lake Tekapo' to reflect the rezoning relief sought.</p>	<p><b>Environmental</b> Gives effect to the rezoning relief sought by applying the MUZ to areas within Takapo/Lake Tekapo, resulting in potentially different built form and land use outcomes to the notified zone, with associated potential environmental effects.</p> <p><b>Economic</b> Administrative costs to Council associated with the amendment to provisions and inclusion of new land areas in the MUZ.</p> <p><b>Social</b> Nil</p> <p><b>Cultural</b> Nil</p>	<p><b>Environmental</b> Gives effect to the rezoning relief sought by applying the MUZ to areas within Takapo/Lake Tekapo, and may support the creation of a high-quality streetscape and interaction with the public realm and adjacent lakefront reserve - resulting in positive aesthetic conditions.</p> <p><b>Economic</b> The provisions give effect to the rezoning relief by applying the MUZ; which will enable the development of a variety of mixed-use activities in a high amenity lakeside urban setting, and may provide opportunities for economic growth through inclusion of commercial activities and enhancing the visitor experience.</p> <p>Enables a mix of activities to occur adjacent to Lake Tekapo and in a popular tourist location,</p>	<p>The proposed amendments are efficient and effective as they support application of the MUZ to Takapo/Lake Tekapo; and clarify that these areas are not 'small' but are defined areas that have particular characteristics and settings appropriate for a mix of activities.</p>



Proposed provisions	Costs	Benefits	Effectiveness and efficiency
		<p>enabling greater economic opportunities than compared to a purely residential zone.</p> <p><b>Social</b></p> <p>The application of the MUZ to Tekapo may support a variety of urban and community uses to occur, contributing to vibrancy and opportunities for social connection.</p> <p><b>Cultural</b></p> <p>Supports a high standard of environmental outcomes to protect the natural landscape for future generations.</p>	
	<p><b>Alternative options</b></p> <p>The amendments are necessary to apply the rezoning relief sought for the MUZ in Takapo/Lake Tekapo. However, if the MUZ zone is not accepted by the Hearing Panel, the above amendments will not be necessary.</p>		
<p>Amendment to MUZ-S1 (Density) to include a density control of 200m<sup>2</sup> in the</p>	<p><b>Environmental</b></p> <p>Applies the MUZ to areas within Takapo/Lake Tekapo, resulting in potentially different built form</p>	<p><b>Environmental</b></p> <p>Applies the MUZ to areas within Takapo/Lake Tekapo, and applies a consistent density standard to that specified for the notified MRZ</p>	<p>The proposed amendment is effective in ensuring consistent density outcomes are provided for</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
<p>Tekapo MUZ, consistent with the notified MRZ provisions.</p>	<p>and land use outcomes to the notified zone, with associated potential environmental effects.</p> <p><b>Economic</b></p> <p>Administrative costs to Council associated with the amendment to provisions.</p> <p><b>Social</b></p> <p>Nil</p> <p><b>Cultural</b></p> <p>Nil</p>	<p>over this land. The inclusion of this standard supports the rezoning relief sought and ensures consistent land use outcomes. This may support the creation of a high-quality interactions with the public realm and adjacent lakefront reserve resulting in positive aesthetic conditions.</p> <p><b>Economic</b></p> <p>The provisions enable the development of a variety of mixed-use activities and an increased residential density, providing opportunities for economic growth and efficient land use.</p> <p><b>Social</b></p> <p>The application of the MUZ to Tekapo with increased residential density will enable a range of housing types to be provided, which may contribute to vibrancy and opportunities for social connection.</p> <p><b>Cultural</b></p>	<p>if the land is rezoned from (notified) MRZ to MUZ.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
		Nil	
	<p><b>Alternative options</b></p> <p>The amendments are necessary to apply the rezoning relief sought for the MUZ in Takapo/Lake Tekapo. However, if the MUZ zone is not accepted by the Hearing Panel, the above amendments will not be necessary.</p>		
<p>Amendment to MUZ-S4 (Setbacks) to increase setback requirements to 10m from the Rec P Zone and 4.5m to Lakeside Drive.</p>	<p><b>Environmental</b></p> <p>Nil</p> <p><b>Economic</b></p> <p>Increased setback requirements to the Rec P Zone and Lakeside Drive will effectively reduce the available land area for development, with possible reduced economic opportunities.</p> <p><b>Social</b></p> <p>Nil</p> <p><b>Cultural</b></p> <p>Nil</p>	<p><b>Environmental</b></p> <p>The proposed amendments seek to replicate existing additional setback controls for the development of land adjoining the Rec P zone and Lakeside Drive, which are currently existing in the OMDP. They seek to provide additional controls to mitigate potential environmental effects on these more sensitive locations with associated environmental benefit.</p> <p><b>Economic</b></p> <p>The proposed amendments provide additional controls to mitigate potential environmental effects on these more sensitive locations, which may improve economic outcomes.</p>	<p>The proposed amendment is efficient and effective as it provides additional controls to mitigate potential environmental effects on these more sensitive locations.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
		<p><b>Social</b></p> <p>The increased setback distances will allow sufficient land to be retained undeveloped, to limit potential adverse effects on valued community and social spaces.</p> <p><b>Cultural</b></p> <p>Supports a high standard of environmental outcomes to protect the natural landscape for future generations and protect the amenity of Lake Tekapo.</p>	
	<p><b>Alternative options</b></p> <p>This is a proposed provision; it would be possible to not incorporate these amendments and retain the standard setback applicable to the MUZ of 2m from the internal boundary and 3m from the road boundary. However, the alternative option is not considered to suitably manage potential environmental effects, which were not anticipated based on the notified MUZ locations.</p>		
<p>Amendment to MUZ-S7 (Landscaping) to remove this rule from applying to</p>	<p><b>Environmental</b></p> <p>Removes the requirement to establish landscaping along the boundary of adjoining</p>	<p><b>Environmental</b></p> <p>Removes the requirement to establish landscaping along the boundary of adjoining (notified) MRZ zones, with potentially improved environmental and amenity outcomes where</p>	<p>The proposed amendments are considered effective in recognising the different character expectations appropriate for the Lake Tekapo MUZ.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
the Lake Tekapo MUZ.	<p>(notified) MRZ zones, with potentially reduced environmental and amenity outcomes.</p> <p><b>Economic</b></p> <p>Nil</p> <p><b>Social</b></p> <p>Removes the requirement to establish landscaping along the boundary of adjoining (notified) MRZ zones, with potentially reduced privacy and screening outcomes to adjoining properties.</p> <p><b>Cultural</b></p> <p>Nil</p>	<p>this dense boundary planting up to 1.8m in height may be inconsistent with the anticipated visual character.</p> <p><b>Economic</b></p> <p>Nil</p> <p><b>Social</b></p> <p>Nil</p> <p><b>Cultural</b></p> <p>Nil</p>	
	<p><b>Alternative options</b></p> <p>This is a proposed provision; it would be possible to not incorporate these amendments and require the same boundary landscaping requirement adjoining the MRZ boundary. This alternative is considered to result in an inefficient use of land with potential limited benefit.</p>		

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
<b>Takapō / Lake Tekapo Precinct (PREC-1)</b>			
<p>Amendment to Various provisions of the Takapō / Lake Tekapo Precinct (PREC-1) to include reference to the MUZ and also include reference to the Medium Density Design Guidelines.</p>	<p><b>Environmental</b> Nil</p> <p><b>Economic</b> Creates additional urban design regulation and standards required to be complied with for development proposals and resource consent applications, with associated economic costs.</p> <p><b>Social</b> Nil</p> <p><b>Cultural</b> Nil</p>	<p><b>Environmental</b> The proposed amendments support the rezoning relief sought and ensure the additional controls of PREC1 are also applied to the proposed Tekapo Mixed Use Zone, supporting positive environmental outcomes.</p> <p><b>Economic</b> The proposed amendments support the rezoning relief sought and ensure the additional controls of PREC1 are also applied to the proposed Tekapo Mixed Use Zone; ensuring appropriate urban design and land use outcomes to support the local economy.</p> <p><b>Social</b> Nil</p> <p><b>Cultural</b></p>	<p>The provisions are considered to be efficient and effective in ensuring the provisions are also applied to the proposed Tekapo Mixed Use Zone. Addition of reference to the Medium Density Design Guidelines reflects that residential activities may also occur within the precinct.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
		Supports a high standard of environmental outcomes to protect the natural landscape for future generations, and protect the quality of Lake Takapo/Tekapo.	
<p><b>Alternative options</b></p> <p>Alternative options include retaining the provisions unmodified. However, this would not support the rezoning relief sought. Additionally, if the Medium Density Design Guidelines are not included there is the possibility that residential developments could occur without consideration to the guidelines.</p>			
<b>Commercial Visitor Accommodation Precinct (PREC-2)</b>			
Amendment to Various provisions of the Commercial Visitor Accommodation Precinct (PREC-2) to reflect and enable existing commercial visitor accommodation	<p><b>Environmental</b></p> <p>Nil</p> <p><b>Economic</b></p> <p>Administrative costs associated with the amendments.</p> <p><b>Social</b></p> <p>Nil</p> <p><b>Cultural</b></p>	<p><b>Environmental</b></p> <p>The proposed amendments have the purpose to protect and enable the ongoing operation and maintenance of existing commercial visitor accommodation activities, such as the Lakes Edge Campground, and reflect the types of minor developments that may be anticipated within campgrounds. These may allow environmental benefits to people and</p>	<p>The proposed amendments are efficient and effective as they seek to protect and enable the ongoing operation and maintenance of existing commercial visitor accommodation activities, and avoid potentially onerous consenting requirements for minor activities.</p>

Proposed provisions	Costs	Benefits	Effectiveness and efficiency
activities in the precinct, and support minor extensions.	Nil	<p>communities and enable upgrades to cater to changing needs and environmental conditions.</p> <p><b>Economic</b></p> <p>The inclusion of additional scope for permitted minor extensions or alterations to existing activities may result in economic benefits through avoiding potential unnecessary consent requirements.</p> <p><b>Social</b></p> <p>May allow benefits to people and communities through enabling minor additions, alterations and upgrades to cater to changing social needs.</p> <p><b>Cultural</b></p> <p>Nil</p>	
	<b>Alternative options</b>		



<b>Proposed provisions</b>	<b>Costs</b>	<b>Benefits</b>	<b>Effectiveness and efficiency</b>
	Alternative options considered include retaining the rules unmodified. However, without modification the rules would require consent for any minor alteration or addition to existing Commercial Visitor Accommodation activities, including for example, the addition of new ablution or kitchen facilities, public amenities or minor ancillary office activities.		

### **Risk of Acting or Not Acting:**

6. Section 32(2)(c) requires an assessment of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

7. In the case of the rezoning and mapping amendments sought in the TL&GL submission area there is very limited uncertainty and sufficient information in order to make a decision on the submissions. The MUZ, PREC1 and PREC2 provisions have been developed by Council, and as such the zone and precincts are defined in scope and purpose. The subject land is located in an area which is anticipated to contain a mixture of activities with a combined visitor and residential function; and the MUZ zoning is able to be applied to the land utilising predominantly the provisions drafted by Council, with some minor amendments to reflect the differing characteristics of the Lake Tekapo environs.

8. The risk associated with the zoning sought is low as the zone and precinct mapping are sought to be applied to an area where a mix of land use activities already occurs, and commercial visitor accommodation is established.

9. The risk of not acting, however, has the potential to create ongoing uncertainties and complexities for the submitter as the future rezoning of the campground is unknown at this time, and the application of the notified MRZ (with a primary residential focus) may limit potential opportunities for the enhancement of commercial and community activities in this area where they could provide economic, cultural and social benefit.

10. With regard to the expansion of the MRZ boundary within Lot 401, the risk of acting is also considered to be low, as the provisions have been developed by Council and are known. The land also adjoins an existing residential area which is consented for the subdivision residential lots. In order to develop the additional MRZ land, a future subdivision or land use consent would likely be required. Appropriate subdivision standards appropriate for this land can be developed in the relevant stage of the review.