

PLANNING REPORT PURSUANT TO SECTION 104 OF THE RESOURCE MANAGEMENT ACT 1991 ('THE ACT')

SUBJECT: A non-complying application for a combined land use and subdivision consent

for 30 golf course residential/lifestyle lots associated with the Wairakei

International Golf Course.

APPLICANT: Wairakei International Golf Course Limited (the Applicant)

LOCATION: Wairakei Drive, Taupo

LODGEMENT DATE: Original Application – 5 September 2023

Addendum/Revised Application lodged on 15 January 2024.

NOTIFICATION

DECISION: Public Notification (Requested by Applicant)

1 INTRODUCTION

Taupo District Council (TDC) has received an application for 30 golf course residential/lifestyle lots adjacent to the Wairakei International Golf Course (which is located on the same subject site). Following discussions between the Applicant and TDC and the relevant planning matters affecting the development proposal, the Applicant requested the application be publicly notified.

The application was duly notified with six submissions received. As there are no submissions in opposition to the application seeking a hearing, it is possible that the application can be determined under delegated authority. For this to occur, all planning issues need to be resolved and a common and accepted set of conditions agreed between the Applicant and TDC.

Since the submissions period, the Applicant has provided additional assessment of the potential landscape effects and has also provided suggested conditions to support the proposal. TDC has also engaged an independent landscape expert to provide input and assessment of landscape values.

Through the application process, one of the key planning matters which has been at the forefront of the application assessment is the policy direction within the Taupo District Plan to maintain rural character and to avoid urban development within rural areas.

After due consideration of the nature and scale of the proposed golf course residential/lifestyle lots, I have reached the opinion that the adverse effects of the proposed subdivision are acceptable in terms of the context and location of the site. In terms of the policy directives, I consider that the proposal is generally aligned with the provisions of the Operative District Plan and Plan Change 38 and 42. Where inconsistencies have been identified, I am satisfied that the proposal is a genuine exception based on its site context and development attributes such that it is neither contrary nor offensive to the plan provisions.

I therefore recommend the granting of consent subject to appropriate conditions which are set out in **Appendix** 1.

2 DESCRIPTION OF PROPOSAL

The Applicant is seeking subdivision and land use consent to provide for an enclave of 30 lots associated with the Wairakei International Golf Course. It is noted that the original application was lodged in September 2023 and is subject to an addendum to the application dated 15 January 2024. It is noted that some of the application plans included a Lot 31 however this is not part of the final application. Lot 31 therefore has not been assessed as part of this planning report and is also not therefore addressed in the proposed conditions.

The application proposes a subdivision of the 145.7187ha Wairakei Drive property into a golf course lot (Lot 300), 30 residential lots (Lots 1 to 30), a balance lot (Lot 200) and private road (Lot 100) and rights of way JOALs. A manager's home is shown on the site and scheme plan. Land-use consent is sought to construct one dwelling on each of Lots 1 to 30. The dwellings will not comply with the minimum allotment area, site coverage or boundary setback rules in accordance with the plan rules for the Rural Environment.

A building footprint of 400m2 (Lots 1 to 20 & 22 to 28) and 500m2 (Lots 21, 29 and 30) is proposed. This equates to a site coverage range of approximately 27% on a 1,500m² to 22% on the largest 2,239m² lots. Total building coverage over the entire site would equate to 1.3 hectares or 4.8% site coverage over the entire parent title. The dwellings would also not comply with the 15m boundary setbacks. An alternative setback of 5.0m is sought from the internal boundaries.

As part of the development, a predator proof fence, similar to the fence surrounding the golf course has been constructed to aid the native sanctuary which the Applicant is intending to be created within the balance Lot 200.

The subdivision scheme plan is provided in **Figure 1** with the masterplan and earthworks plan provided in **Figure 2** and **Figure 3** respectively. A more recent plan has also been submitted to clarify the extent of works to form the building sites – **Figure 4**.

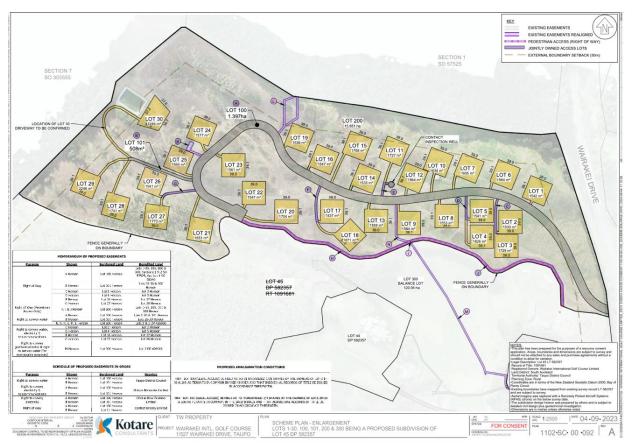


Figure 1: Proposed Scheme Plan



Figure 2: Concept Master Plan and Planting

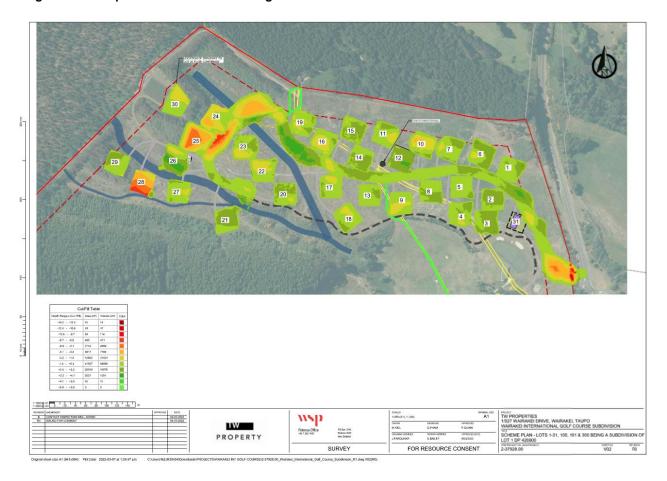


Figure 3: Earthworks Plan



Figure 4: Updated Design Surface Plan

The Application is supported by an AEE, and technical reports in terms of landscape assessment, engineering assessments, preliminary site contamination reporting, and geotechnical investigations. In addition, a legal opinion has been presented in terms of the relationship of the application with the objectives and policies of the District Plan and the consented baseline.

The Application is also supported by the written approval from Contact Energy Limited regarding the proposed development given its proximity near various geothermal operations of Contact's, including well pads, steam fields and power stations.

After the notification and submissions process, the Applicant has provided an updated Landscape Assessment and details on the building site works and planting mitigation and has also provided conditions which form part of the application proposal and therefore can be taken into account as part of the assessment of effects.

3 SITE AND SURROUNDS

The subject site at 1/527 Wairakei Drive, Taupo and is identified as Lot 1 DP 426900, record of title 505925 and is 145.7187ha's in size and is occupied by an internationally recognised golf course. The subject site is irregular in shape and consists of gentle to moderate sloping hills, with steep gullies and gentle rolling hills. The site is shown in **Figure 5**.

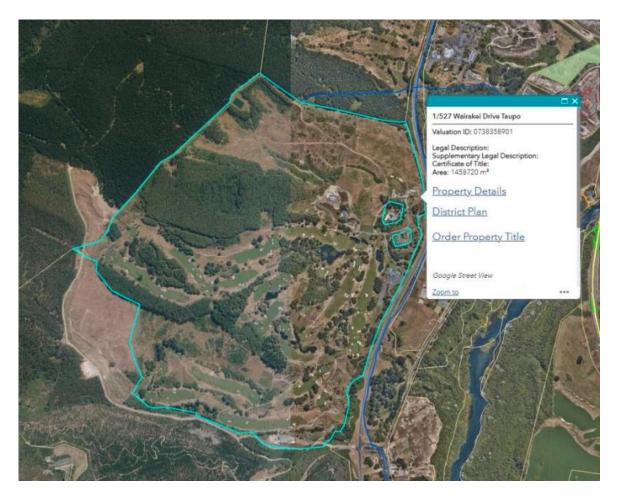


Figure 5: Property and Site Location – (Source : Application AEE)

The existing site is developed with an 18-hole international golf course, clubhouse and parking area. Driving, pitching and putting ranges are spread across the site along with several buildings associated with the recreational golfing activities. Four dwellings and sheds used for the maintenance and grounds keeping are also spread throughout the Wairakei Drive property. The Wairakei Drive property also supports native and exotic bush, including a large area of exotic forest. Except for the clubhouse and car park area, and the green keepers house in the southern corner, the entire Wairakei Drive property is encompassed by a large predator proof fence.

The site is accessed directly off Wairakei Drive, a dual lane Regional Arterial Road which forms part of the wider Taupō District Roading Network. The road services the tourism attractions and accommodation activities within the Wairakei Tourist Park, geothermal and hydrological power generation activities and wider rural community of the Taupō and the greater Waikato Region. Safety improvements to Wairākei Drive have recently been completed at the Karapiti Road-Huka Fall Road intersection with the construction of a new roundabout.

The Wairakei Drive property is bordered by rural, recreational, tourism and geothermal properties. To the north, the neighbouring property supports a block of forestry which runs the length of the northern boundary and a golf course, both associated within the Wairakei Thermal Resort located to the north of the site.

To the west of the Wairakei Drive property is a large property owned by Contact Energy which supports another large forestry block that borders the western boundary of the site and is also used for geothermal power generation activities.

To the south, the Wairakei Drive property adjoins another large forestry block. The legal road frontage with Wairakei Drive runs the length of the eastern boundary. Opposite the Wairakei Drive property, on Wairakei Drive, is a large high ropes course and Huka Honey Hive.

To the northeast, the neighbouring property is a large paddock used for grazing stock and to the southeast, the site is located opposite Helistar scenic flight and café.

Development Background and Consents

The site is the subject to several resource consents including a previous land-use and subdivision consent application approved in 2017 (RM170294 & RM170295) and 2018 (RM180138) allowing for the construction of a 20-room hotel with lodge/restaurant building, 40 standalone chalets, and a separate dwelling.

The existing consents and the application of consented baseline assessment is discussed further in Section 5.1 of this report.

4 NOTIFICATION AND SUBMISSIONS

The application was publicly notified in January 2024 with copies of the public notice served on statutory bodies, adjacent landowners and mana whenua.

Six submissions were received to the public notification. These are summarised in the following table and have been taken into account as part of the assessment of effects and recommendation presented in this report. It is noted that none of the submitters sought a hearing.

Submitter	Support/Oppose and Decision Requested	Matters raised in submission
Sam Coxhead (Project Manager for Applicant) 19 Ramsay Drive, RD 5, Taupo	Support Grant Consent	 The site is suitable for development. Significant economic benefit to the local construction industry, and will create wide reaching benefits for our community in terms of business investment and international interest. Will bring high value new residents to our District. Residential development as an extension of an International Golf Course and wildlife sanctuary will be globally significant.
Trudi McHale 7 Grey Ghost Lane, Nukuhau, Taupo	Progress/Grant Consent	 Economic benefits for Taupo. Will also bring high value new residents to our District that will have much wider benefits in terms of business investment and international interest in Taupo.
Stephen Roach 42 Mere Road, Taupo	Support/Approve the rules/ standards in the District Plan	 High end value homes that will have a huge benefit to the construction industry. Will also bring high value new residents to our District that will have much wider benefits in terms of business investment and international interest in our town.
Warren Collett 5 Ernest Kemp Rise, Wharewaka,	Support Grant Consent	 The site is suitable for development. Low density housing in a rural environment will benefit the Taupo region including retail, businesses, local building contractors, and tourism operators. The development will attract high end residents who will get to reside next to an International golf course and sanctuary.
Contact Energy	Support Grant consent subject to term and conditions agreed with Contact/Applicant.	 The site is located within a geothermal field. Contact has concerns regard reverse sensitivity effects on its geothermal fields and operation. Contact has provided a written approval to the proposal subject to conditions. Consent is supported subject to the agreed conditions
Luke Hight 8 Keehan Drive Taupo	Support Grant consent.	 Will support demand for rural living close to town. Boost for local economy and investment opportunities. Unique combination of golf course and high end residential development will promote Taupō as a desirable destination.

3 TAUPŌ DISTRICT PLAN

3.1 Plan Changes

Plan Changes 38-43 to the Taupō District Plan were notified in October 2022 with decisions recently issued on 14 June 2024. As such, there are rules which now have legal effect and must therefore be taken into account as part of the S.104 assessment and determination. In addition, greater weighting can now be afforded to the objectives and policies which have been amended or introduced through the plan change process.

The following section details the relevant rules and activity status provisions of the Taupō District Plan as originally applied to the application at the time of lodgement and the amended rules as determined through the decisions on Plan Changes 38-43.

3.2 Environment / Zoning

The site is zoned Rural Environment as identified on Planning Maps B11 and B15 of the District Plan and is within the Wairakei Tourist Park. The site is also within Area X on Planning Map D3 - Geothermal Subdivision, and within the Wairakei-Tauhara Geothermal Steam field. Wairakei Drive is classified as a Regional Arterial Road under the District Plan Roading Hierarchy. In accordance with the decisions on Plan Change 42, the site is now located within the General Rural Zone. The planning map is shown in **Figure 6**

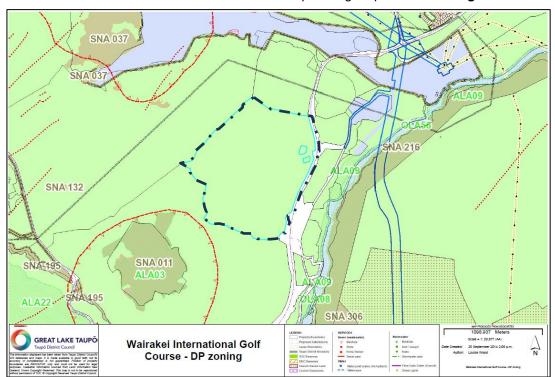


Figure 6: District Plan Zone

The proposal fails the following rules/performance standards in the Operative Taupō District Plan refer Table overpage:

Taupo District Plan – Activity Status and Rule Assessment Criteria				
Operative Plan Provisions	Plan Change Provisions (Decisions 14 June 2024)	Activity Status and Comment		
4b.1.2 Maximum Building Coverage 2.5% aggregate total of all buildings or 1,000m² ground floor area of a single building whichever is the more restrictive.	4B.2.2 Maximum Building Coverage 10% of total allotment.	The proposed coverages range from 400m² to 500m² for each proposed allotment which results in building coverages ranging from 22% to 27% and average 4.8% across the large parent allotment. Discretionary in accordance with Rule 4b.2.9 (Operative Plan). Discretionary in accordance with Rule 4B.2.2. (Plan Change 42).		
4b.1.4 Minimum Building Setback from All other Boundaries - 15m	4B.4.2.2 15m for dwellings.	The proposed dwellings will be set back 5m from internal boundaries, or 10m within the 15m minimum building setback. Discretionary in accordance with Rule 4b.2.9 (Operative Plan). Discretionary in accordance with Rule 4B.4.2.2 (Plan Change 42).		
4b.1.5 Rural Effects Area Radius of 50m from an allotment boundary	No equivalent rule.	Each dwelling will be located within its own allotment, ranging in size from 1500m² to 2239m² and will be up to 5m from this internal boundary and as such will be up to 45m inside the REAR. Note all proposed dwellings will meet the 50m REAR to all external boundaries of WIGC. Restricted Discretionary in accordance with Rule 4b.1.5 (Operative Plan).		

4b.1.22 Nominal Allotments – The second and subsequent dwelling shall be located within its own 10 hectare nominal allotment.	4B.2.4 One primary residential unit per 10ha.	Each dwelling will be located within its own allotment, ranging in size from 1500m² to 2239m² and will add an additional 30 dwellings to the 145ha site which has three dwellings already built (four owners' dwellings and one greenkeepers dwelling) and one more consented (the managers dwelling), taking the total number of built and proposed dwellings to 36. Discretionary in accordance with Rule 4b.2.9 (Operative Plan). Discretionary in accordance with Rule 4B.2.4 (Plan Change 42).
	Taupo District Plan – Subd	ivision Criteria
Operative Plan Provisions	Plan Change Provisions (Decisions 14 June 2024)	Activity Status and Comment
4b.3.3 Any subdivision of rural land that is located within an Outstanding Landscape Area or in Area X on Planning Map D3 where the resulting lots are 4 hectares or larger, or is located in Area Y on Planning Map D3 where the resulting lots are between 4 hectares and 10 hectares, is a discretionary activity.	4B.5.7 Subdivision of lots less than 4ha within the General Rural Environment and within Area X (Geothermal Subdivision Rule)	The proposed subdivision is within Area X on Planning Map D3. Non-complying in accordance with Rule 4b.3.6 and Rule 4b.3.3 (Operative Plan). Non-complying in accordance with Rule 4B.5.7 (Plan Change 42).
4b.3.6 Unless specifically provided for by another rule in this plan any subdivision of land in the Rural Environment where the resulting allotments are smaller than 4 hectares is a non-complying activity.	4B.5.1 Subdivision of Lots smaller than 10 ha.	The individual proposed rural lifestyle lots are all under 4ha with sizes ranging from 1500m² – 2239m². Non-complying in accordance with Rule 4b.3.6 (Operative Plan). Non-complying in accordance with Rule 4B.5.1 (Plan Change 42).

4b.3.12

Any subdivision of land where more than twelve (12) allotments share a single common access in the Rural Environment is a discretionary activity.

4B.5.11

Any subdivision of land where more than twelve (12) allotments share a single common access in the Rural Environment is a discretionary activity. There will be up to 30 dwellings constructed off the proposed private road from Wairakei Drive.

Discretionary in accordance with Rule 4b.3.12 (Operative Plan). **Discretionary** in accordance with Rule 4B.5.11 (Plan Change 42).

It is noted that the assessment of the activity status relies on the large parent title with reference to building coverage and to the nominal allotment assessment.

Overall, the application had a **non-complying** activity status at the time of lodgement and the application retains a **non-complying** status under the decisions version of Plan Change 42.

3.3 Plan Changes 38-43

As discussed above, decisions on Plan Changes 38 - 43 were notified on 14 June 2024 with the decisions currently open to appeals. The full set of plan changes is as follows:

- 38 Strategic Directions replaces the 'Significant Resource Management Issues' chapter with six key strategic or significant resource management matters for the Taupo District: (Tangata Whenua, Fresh Water Quality, Urban Form and Development, Climate Change, Strategic Infrastructure and Natural Values and Landscapes)
- 39 Residential Building Coverage increases maximum building coverage limit in most residential environments from 30% to 35% (now operative).
- 40 Taupo Town Centre Changes to building height provisions, temporary activity rule and verandah requirements over service lanes
- 41 Deletion of Fault Lines
- 42 General Rural and Rural Lifestyle Environments full review of Rural Environment and removal of the Mapara Valley Structure Plan Area and Environments
- 43 Taupo Industrial Environment zoning of additional land for Taupo Industrial Environment

Along with the changes to rules which now have legal effect, Plan Change 38 and Plan Change 42 provides changes to the objectives and policies which are directly relevant to the assessment of the proposal. These are assessed in Section 8 of this report.

4 NATIONAL ENVIRONMENTAL STANDARDS

There are six National Environmental Standards (NES) that have been prepared under sections 43 and 44 of the Resource Management Act 1991 and are in force as regulations. These cover air quality, human drinking water, telecommunications facilities, electricity transmission, plantation forestry and management of contaminants in soil.

National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health

This NES addresses the assessment and management of the actual and potential adverse effects of contaminants in soil on human health from particular activities. The proposal only involves minor site works for the building extensions and formation of the new parking and manoeuvring areas. Subdivision and Soil disturbance is considered as an activity under the NES, when it takes place on a piece of land described under Regulation 5(7) which reads:

- (7) The piece of land is a piece of land that is described by 1 of the following:
 - (a) an activity or industry described in the HAIL¹ is being undertaken on it:
 - (b) an activity or industry described in the HAIL has been undertaken on it:
 - (c) it is more likely than not that an activity or industry described in the HAIL is being or has been undertaken on it.

A Golf Course is an identified HAIL activity and the Applicant has prepared Preliminary Site Investigation for the broader site – EAM NZ Ltd Report 2202-01 dated November 2021. The specific site for the development area has been assessed as not having any historic HAIL activity and site testing has not identified any elevated presence of contaminants. As such, it is considered that the site is not a piece of land to which the NES applies and no further testing or consents are required.

No other NES's are applicable to the proposed development.

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¹ The current edition of the Hazardous Activities and Industries List

NATIONAL POLICY STATEMENTS

5

5.1 National Policy Statement – Highly Productive Land (NPS-HPL)

The only National Policy Statement of any potential relevance is the National Policy Statement – Highly Productive Land (NPS-HPL) which came into effect on 20 September 2022 and seeks to protect New Zealand's most favourable soils for food and fibre production. The intent is to stop development and urbanisation of highly productive land, and ensure that food and fibre production is protected for future generations.

Regional Councils must map out highly productive land indicated by land categories LUC 1, 2 or 3 and Territorial Authorities must give effect to the NPS by restricting urban rezoning and development of classified land.

The NPS is not applicable to this application as the area of development is not on land recognised as being highly productive based on the Landcare Research baseline maps as shown below in **Figure 6** with a LUC Classification of 6e10. These maps are to be used until the Regional Council have undertaken their own identification and mapping process.

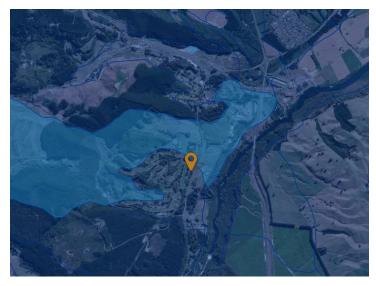


Figure 6 - LUC map.

5.2 National Policy Statement for Renewable Energy Generation

The objective of the National Policy Statement for Renewable Electricity Generation (NPS) is to recognise the national significance and benefits of renewable electricity generation. It requires decision makers to have regard to a range of matters including the avoidance of reverse sensitivity effects on existing and consented renewable generation activities, the protection of assets and the need to locate the generation activity where the renewable resource is located.

The proposal has received a written approval from Contact Energy subject to conditions which have been agreed with the Applicant. This includes significant acoustic treatment and design considerations in relation to the internal environment of the new residential units. As such the proposal is considered to address the potential reverse sensitivity effects in relation to Contact Energy's future reinjection operations and therefore is consistent with the NPS.

6 STAUTORY PROVISIONS FOR ASSESSMENT

The Resource Management Act 1991 (RMA) sets out the statutory process for land use consents.

Section 104 sets out the matters the consent authority must have regard to. They are subject to the overriding provisions of Part 2 with the caveat now being that an assessment under Part 2 is only required if there are deficiencies in the planning instruments (Davidson Decision²). The relevant matters in S.104 can be summarised as:

- The actual and potential effects on the environment of allowing the activity;
- Any relevant provisions of a national environmental standard;
- Any relevant provisions of a plan or proposed plan;
- Any relevant provisions of a regional policy statement or proposed regional policy statement; and
- Any other matter the consent authority considers relevant and reasonably necessary to determine the application.

All assessments of consent applications are subject to Part 2 in accordance with Section 104. As discussed earlier, case law has confirmed the legal framework and relationship between S.104 and Part 2. In summary, the legal position following the Court of Appeal's decision is that it is now permissible to have recourse to Part 2 in resource consent applications. However, doing so is only required to advance matters where it is clear that the plan is "competently prepared" with a "coherent set of policies" such that there is no need to refer to Part 2.

Section 104B provides for all effects of a non-complying activity to be assessed as part of determination of the application.

For a non-complying activity, the proposal must also be first assessed in accordance with the 'threshold tests of S.104D of the RMA.

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² R J Davidson Family Trust v Marlborough District Council [2018] NZCA 316

7 ASSESSMENT OF EFFECTS

I have elected to address the actual and potential effects of the proposed subdivision and associated land use consent under nine topics, as follows;

- Consented Baseline,
- Positive Effects
- Rural Landscape and Amenity,
- Boundary Interface/Reverse Sensitivity
- Transportation
- On-site Services and Infrastructure
- Natural Hazards
- Cultural Values/Sites
- Loss of Rural Land/Highly Productive Soil

7.1 Consented Baseline

One of the consenting issues that has been raised through the processing of the application is the weighting and relevance of the consenting baseline in terms of the assessment of actual and potential effects.

The site currently holds a series of resource consents which is set out in Section 2.0 of the AEE and summarised as follows;

- The site is subject to a land-use and subdivision consent application approved in 2017 (RM170294 & RM170295) allowing for the construction of a 20-room hotel with lodge/restaurant building and 40 standalone chalets. The parallel subdivision consent application (RM170295) was also submitted to create allotments around the chalets and dwelling (Lot 44), the hotel and two balance lots over six stages. To date the consent holder has not given effect to the commercial accommodation activities approved, but as a 10-year consent it does not lapse until August 2028.
- In 2018 (RM180138 & RM180139) a further Land Use and Subdivision consent was granted which allowed for the subdivision of Lot 44 and the construction of a new dwelling. This included infringements on building coverage, setbacks, Rural Effects Area Radius, and allotment size for a new owners dwelling. This consent has been given effect with the house being completed and 224(c) issued for the subdivision.
- In 2022 (RM220357) was granted as a Land Use consent for a new Manager's Residence on the large balance Golf Course to enable better management and oversight of the general golf facilities and future development. This consent has not yet been given effect to.

The original application and AEE placed significant weight on the consented baseline as a starting point for the assessment of any effects arising from the proposed lifestyle/golf holiday subdivision. Given the planning issues associated with the nature of the application and the strategic policy directives set out in the Taupo District Plan, TDC sought a legal opinion on the consented baseline. The legal advice³ provided to TDC includes the following analysis;

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³ James Winchester opinion dated 30 October 2023.

The application of the consented environment concept to this proposal would, in my view, be an error of law and would likely lead to the Council wrongly disregarding relevant effects. The existence of the current unimplemented hotel and chalet consent is however potentially relevant under section 104(1)(c) of the RMA⁴.

To summarise, the case law on what is properly part of the existing or consented environment is relatively straightforward. If the applicant does not wish to give effect to the consent that it already holds for the site, then it cannot be used as a basis to say that the effects of a development that the applicant has no intention of giving effect to are "real" or existing.⁵

The TDC legal opinion was shared with the Applicant who then received their own legal advice on the consented baseline with further discussion on the how the application could navigate through the policy directions within the Taupō District Plan. The Applicants legal opinion⁶ largely concurs with the TDC legal opinion in terms of the consented baseline, stating as follows;

Mr Winchester has advised TDC not to rely on the previous chalets consent to the extent suggested in the AEE. I generally concur with that advice, not least because I do not think this is necessary where it seems generally accepted by all parties that the proposal does not have any relevant adverse effects (rural amenity, landscape, infrastructure and reverse sensitivity etc)⁷.

Based on the legal advice and analysis provided to TDC, including the Applicant's own opinion, any reliance or assessment of a consented baseline as part of the effects assessment is set aside. In addition, the legal analysis has helped to frame the assessment of the application with regards to the objectives and policies of the Taupō District Plan.

7.2 Positive Effects

Section 7.2 of the AEE describes the positive effects of the proposal which primarily point to the economic benefits for the Taupō district and economy. Reference is made to approximately \$45m of building work being enabled by the granting of consent and that the subdivision will also support additional visitors and high-end investment into the area.

The positive economic and community benefits are also a strong reason for support of the application which is shared across the six submissions which have been received through the public notification process.

While a formal economic assessment has not been prepared to support the application, it is very much accepted that granting consent will enable construction work for high end residential properties along with all the additional landscaping and site works which are proposed as part of the development. This will provide economic benefits for the Taupō district including likely investment from international parties. This will also help to promote Taupō as a tourist destination and is a positive effect.

7.3 Rural Landscape and Amenity

The site is located within a rural environment albeit one which does not reflect the typical nature and character of rural areas and activities. The subject site includes the Wairakei International Golf Course, is adjacent to a major road corridor and is part of a node of tourism related activities to the east and north of the site.

⁴ Ibid, para 11.

⁵ Ibid, para 35.

⁶ Mulligan Legal opinion dated 5 December 2023.

⁷ Ibid, para 21.

The landscape attributes of the site and the surrounding area are subject to expert assessment and analysis. The significance of potential and actual effects on landscape values is tied into the assessment of whether the proposed development introduces urban levels of development into a rural area which is part of the key directives assessed in Section 8 of this report.

The Applicant prepared a landscape assessment for the proposed development which originally took into account the consented baseline of the existing chalet consent. Following the legal opinions discussed above, the landscape report was updated and finalised as the *WSP-The Residences at Wairakei Golf and Sanctuary Addendum Assessment* dated 9 April 2024. The Landscape Assessment also referred back to Masterplan Assessment prepared for the site and proposed activity (WSP dated 14 December 2021).

The landscape assessment includes an analysis of landscape qualities and effects from a series of vantage points around the site. The final assessment of effects is presented in Table 3.1 which is replicated below.

Viewpoint	Visual Effect Rating with Mitigation (Original LVA)	Visual Effect Rating with Mitigation (Addendum)
Viewpoint 1	Low	Low
Viewpoint 2	Low	Low
Viewpoint 3	Very Low	Very Low
Viewpoint 4	Low	Low
Viewpoint 5	Low	Low
Viewpoint 6	N/A	Low
Viewpoint 7 (New viewpoint)	Low	Low
Viewpoint 8 (New viewpoint)	Low	Low

Table 3.1 from WSP Landscape Assessment:

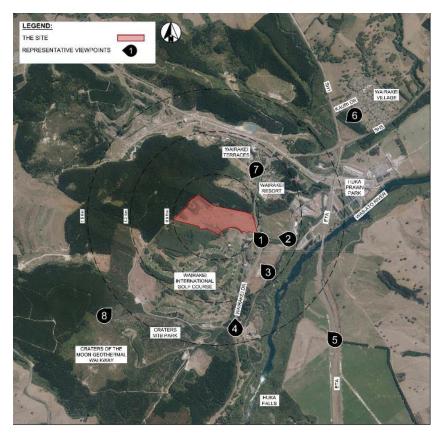


Figure 7: Viewpoints from WSP Landscape Assessment:

The conclusion of the Applicant's landscape report is;

It is my opinion that the proposed changes, with mitigation will not adversely affect the remaining rural character of the area and will be in keeping with the existing character and visual qualities of the landscape. The overall finding from this Addendum and in relation to the newly consented matters and effects of Cyclone Gabrielle can be equated to 'Low'.

TDC has engaged an independent landscape expert to provide a review of the Applicant's report and also to assist with the preparation of any conditions. The findings of the original landscape peer review are set out in the Isthmus (Simon Button) memo dated 18 April 2024. This largely supports the methodology and approach to the assessment, including viewing audience. However, some reservations are expressed in relation to the proposed earthworks details and the extent of planting as mitigation. The Applicant subsequently responded by providing additional modelling of the earthworks and planting details

The final peer review assessment is set out in the memo - Isthmus (Simon Button) dated 12 June 2024 which concludes;

Following review of the additional information, I am satisfied that the landscape effects arising from the proposed development can be managed through appropriately worded conditions of consent, and that the proposal will result in 'no more than minor' effects on landscape character or visual amenity values.

From the expert assessment provided by the Applicant and the independent peer review, I am satisfied that the adverse effects of the proposed development will be of a scale and nature which will not introduce inappropriate or more than minor adverse effects.

7.4 Boundary Interface/Reverse Sensitivity

Additional development of house sites and provision for residential/lifestyle activities within a rural area development has the potential to create adverse effects at the interface with adjacent properties including potential for reserve sensitivity effects.

The site has the following boundary/existing use interfaces as shown in Figure 8 and discussed below;

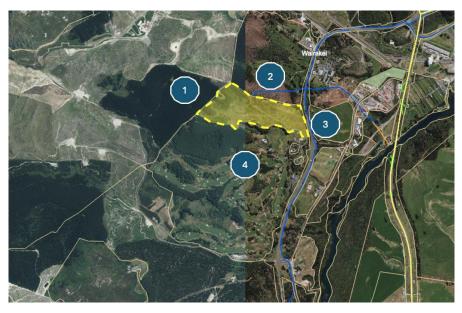


Figure 8: Boundary Interfaces:

Interface #1: The property to the west of the site is owned by Contact Energy Limited as part of its operation of geothermal fields and renewal generation activities. The Applicant has entered into an agreement (25 October 2023) with Contact Energy Limited to recognise and protect the operational requirements of the geothermal field (including monitoring wells on the subject site). Subject to the terms of this agreement including the registration of instruments of any new titles, Contact Energy Limited does not oppose the proposed subdivision and development.

The agreement and submission from Contact Energy establish that any reverse sensitivity issues or other adverse effects of the proposal have been resolved between the two parties. I therefore consider that no further assessment of reserve sensitivity/interface issues is required in relation to the property and geothermal land use to the west of the site.

Interface #2: The property to the north of the site is a *rural* block which is partly developed with a golf course as part of the Wairakei Thermal Resort. The property has an undulating contour that rises towards the subject site. The development consent plan provides for a 50m set back to the proposed house sites with planting around the property boundary.

The contours and differential in elevation across the boundary interface and building site set back will largely mitigate any views or impacts of the residential lots on the property to the north. The controls on bulk and location, design standards and planting mitigation will assist in maintaining a high standard of amenity and design for the individual building sites and a buffer to external boundaries.

I also note that the owner was served as part of the notification process and no submission was received.

Taking the above matters into account, I am satisfied that there are no outstanding issues with regards to boundary interface/reverse sensitivity issues with the property to the north.

Interface #3: The eastern boundary interface is to Wairakei Drive and then with various other rural and tourism related activities further to the east.

The proposed lots apart from Lot 1 are set back more than 50m from the Wairakei site boundary and the road corridor provides a buffer and separation to other activities across from Wairakei Drive. These properties were also served notice of the application with no submissions received.

Given the design and set back of the development proposal and that no issues of reverse sensitivity or interface effects have been received, I am comfortable that there are no issues arising which could lead to inappropriate effects.

Interface #4: The southern boundary of the primary development site (Lots 1 to 30 and the common area Lot 200) adjoins the golf course which is on the same underlying title. As such, there are no issues arising given that the Applicant also owns and operates the golf course.

Taking into account the design standards, site layout, agreed conditions along with the proposed planning and mitigation measures, I am satisfied that any boundary interface issues will be managed and mitigated resulting in less than minor effects.

7.5 Transportation

The proposed development concept is for a private road to provide access to each of the residential lots with a new intersection onto Wairakei Drive. Additional traffic generation will be created through the construction period and also from the final use and occupation of the residential lots.

A new road crossing with tapers similar to ECoP Plan 12: Private Road Intersection has been proposed to maintain the safe and functional management of Council's roading network. The final design can be confirmed as part of the engineering design, with agreement from Council Roading Department.

The design concept and provision of a private road and the new intersection have been reviewed by Council's Development Engineers and generally accepted. Conditions have been proposed to require detailed design approval from Council.

One matter that has also been identified is that upgrade works are proposed for Wairakei Drive and it has been agreed with the Applicant that any new intersection formation will not take place until after the upgrade works are completed.

There are no outstanding matters associated with the proposed traffic generation or the internal road design concept. Appropriate conditions have been imposed for final engineering design approval and it is considered that any adverse effects will be less than minor.

7.6 On-site Services and Infrastructure

Wastewater

With respect to wastewater, the Applicant has proposed that each lot will have a proprietary secondary treatment system designed in accordance with AS/NZS1547 and AS/NZS1546. This system will require a disposal field of $40m^2$ and a reserve of $20m^2$. The allotments will be large enough to support disposal onsite. However, the Applicant has also advised that they would like to use the drip-feed lines to irrigate the native plantings within the balance lot. The exact location of the disposal fields and any necessary easements to dispose the water over the boundaries would be confirmed as part of the Detailed Engineering Design and Section 223 certification process.

The Applicant will be required to obtain any necessary discharge consents from the regional council.

Water Supply

Water is proposed to be fed from the main in Wairakei Drive to a holding reservoir at the top of the site. The water will then be fed via a restricted supply to the allotments. The design of the network will provide for the average daily demand required for each lot and to provide sufficient supply of water for firefighting purposes in accordance with the New Zealand Fire Service Firefighting Water Supplies Code of Practice (SNZ PAS 4509:2008). The detailed design will be determined and approved as part of the conditions process.

Stormwater

The Applicant has prepared a stormwater design methodology which details measures to manage the discharge of stormwater to the gully and baffles within the gully to control downstream flood effects.

The discharge and works within the gully are subject to rules within the Waikato Regional Plan. The Applicant has advised that the stormwater design and discharge will need to be finalised to determine whether consents from the Regional Council will be required.

Overall, the Applicant's proposal for servicing and level of detail presented in the AEE and technical reports is sufficient to demonstrate that each of the residential lots can be adequately serviced.

7.6. Natural Hazards

The subject site is not subject to any planning layers or other methods that identify specific natural hazard issues for the site (noting that the site is within Area X -Geothermal Area).

The Applicant has prepared a preliminary geotechnical report (Appendix H to AEE – WSP Project Ref: 2-37928.00 dated 21 February 2022). This report sets out the method to assess natural hazards including a review of available data and published information, the field-testing including CPT and bore holes and the development of a model to assess and quantify any natural hazard risk.

It is noted that the preliminary report includes commentary that additional geotechnical investigations will be required to ensure that the final building site and foundation design is acceptable.

The conclusion of the preliminary geotechnical report as follows;

Item	Summary and Uncertainty
Ground model	The soil conditions predominantly consist of a 5-6m thick layer loose of pumiceous sand with some fine pumiceous gravels underlain by medium dense to dense pumiceous sand with fine pumiceous gravels extending to at least 20m depth. There is low uncertainty in the ground model. Refer to Section 5.3 for more information
Groundwater	Groundwater monitoring from wells installed within the site for a period of three weeks indicate a static groundwater table located at least 20m below ground level. Refer to Section 5.4 more information
Seismicity	Based on the available information the site is assessed as being of 'Seismic Class C'. Assuming that buildings within the proposed development will have an Importance Level IL2, design PGAs of 0.1g SLS and 0.39g ULS have been determined. Refer to Section 6.1 for more information
Liquefaction	Based on our assessment the site has a very low liquefaction susceptibility and a negligible risk of liquefaction related land damage. Refer to Section 6.2 for more information
Slope Stability	It is considered that there is a low risk of slope stability issues impacting the site. Based on a preliminary assessment, building setbacks of 10m or 0.5x the slope height are recommended for natural, cut and fill slopes. Refer to Section 6.3 for more information

Foundations and 'Good Ground'	Ultimate bearing capacity will vary across the site. For the type of ground conditions inferred to be present, it can be expected that some areas indicating the presence of 'Good Ground' (bearing capacity >300kPa), permitting the adoption of standard NZS 3604 foundations, will be present whilst other areas will require SED foundations
	It is unlikely that expansive soils will be present.
	Settlements of more than 25mm are possible due to the Wairakei settlement bowl and seismic effects.
	Standard foundations such as a reinforced concrete raft or 'waffle slab' on a compacted gravel layer are likely to be suitable for residential dwellings.
	Refer to Section 6.4 for more information
Gully Erosion	Management of the gully with additional vegetation and baffles / check dams is recommended to minimise erosion risks.
	Refer to Section 6.3.5 for more information
Assessment of	Changes to on-lot infiltration patterns are likely to have negligible effects provided good practice is followed regarding location of on site soakage devices.
geotechnical effects	The on site stormwater pond is likely to have negligible effects provided that an engineered design is prepared with suitable mitigations to minimize the risk of erosion and tomo formation.
	Refer to Section 6.6 for more information
Further investigations	Further investigations are recommended at the engineering design stage for residential dwellings and stormwater ponds.

The preliminary geotechnical report has been reviewed by Council's Development Engineers and accepted as sufficient for the purpose of granting subdivision and land use consent and satisfying the specific criteria set out in Section 106 of the RMA.

Further geotechnical investigations will need to be undertaken as part of the detailed design of the civil works and building site and conditions to this effect have been included.

7.7 Cultural Values/Sites

The Applicant has provided details of their consultation and engagement with mana whenua which has included meetings with Te Kotahitanga o Ngati Tuwharetoa and invitations for hapu to attend a site meeting and walkover. The Applicant has also advised that there has not been any cultural concerns raised to date and that they remain committed to fostering a relationship with mana whenua through the development and construction process.

In addition, the application was served on Te Kotahitanga o Ngati Tuwharetoa and the Hikuwai hapū collective as part of the public notification process and no submissions were received.

Taking these matters into account, I am satisfied that there are no outstanding issues arising in terms of cultural values or sites. It will be appropriate to have a standard discovery conditions for the subdivision works and this has been agreed with the Applicant.

7.8 Loss of Rural Land/Highly Productive Soil

The need to protect rural production land and high quality soils has become more prevalent as a resource management issue within the introduction of the NPS-Highly Productive Land in October 2022. As discussed above, the site is not included as Class 1 -3 land and therefore it is not captured by the specific clause provisions within the NPS-HPL to avoid development on highly productive land. The recent changes to the policies of the Rural Environment Zone link to the NPS-HPL

The site has a variable topography with limited production value which is confirmed by the LUC Classification of 6e10 which currently applies to the site.

In my opinion, any loss of the rural land resource associated with development on the subject site is minor.

7.9 Summary

The proposed development of the site for 30 golf course residential/lifestyle lots will provide for a density of subdivision and residential built form that is not typically associated with a Rural Environment. However, the context and nature of the site including a predominance of tourist and visitor accommodation activities within the surrounding area establishes a particular nodal character to the Wairakei area which distinguishes it from other more rural environment. In my opinion, this provides a basis to consider that there is less sensitivity of the areas to the scale and nature of the development proposed.

In addition, the proposed development includes a series of design measures to assist with the integration of the 30 golf course residential/lifestyle lots into the area and to mitigate the off-site effects. This includes specific measures to ensure that any reverse sensitivity issues are mitigated in terms of the adjacent geothermal fields with written approval provided from Contact Energy.

Expert landscape assessment has been provided by the Applicant which has been independently reviewed by a landscape expert. There is a consensus opinion shared between the expert landscape specialists that the taken into account the nature of the site and surrounding land use, and with the design and mitigation measures proposed, that any adverse effects on the environment be no more than minor.

There are no other outstanding effects based issues that would prevent the application from being granted and it is also considered that the proposed development will provide positive economic and community benefits to the local district.

8 ASSESSMENT OF TAUPŌ DISTRICT PLAN PROVISION

As discussed above, the decisions on Plan Changes 38 - 43 have recently been issued with the appeal period currently in effect. As such, the objectives and policies of the Operative Plan provisions as well as the decisions versions of the plan change provisions require assessment.

8.1 Operative Taupo District Plan Provisions

The key Rural Environment objectives and policies which are relevant to the proposal are discussed below.

Objective 3b.2.1: The management of the Rural Environment to maintain and enhance rural amenity and character

Policies:

- i. Maintain and enhance the character and amenity of the Rural Environment by providing land use performance standards and subdivision rules to manage the scale and density of development.
- ii. Avoid urban development in the Rural Environment unless through a TD2050 structure plan process and associated plan change.
- iii. Maintain the open space and dispersed building character.
- iv. Provide for a range of productive land use activities within the Rural Environment while ensuring any adverse effects are avoided, remedied or mitigated.
- v. Protect the District's lakes and river margins from buildings that are visually obtrusive and/or result in a decline of the amenity of the margin area.
- vi. Avoid, remedy or mitigate adverse effects of subdivision, use and development of land on areas or features of cultural, historical, landscape or ecological value.
- vii. Recognise and provide for Infrastructure and Network Utilities in the Rural Environment, while ensuring any adverse effects on or arising from them are avoided, remedied or mitigated as far as practicable.
- viii. Recognise that the Rural Environment encompasses a range of landscape characteristics, amenity values and land use patterns and activities when considering the appropriateness of development within the zone.

The Rural Environment is intended by the District Plan to include a range of activities of a lower scale and intensity whereby open space is maintained. It is notable that Policy (ii) seeks to avoid urban development within the Rural Environment and is discussed in some detail below.

Policy (iii) seeks to maintain open space and a dispersed building character while Policy (viii) also recognises that there are a range of landscape qualities within the Rural Environment. As set out in Section 8 of the report, a substantive amount of assessment has been undertaken on the landscape and character values of the site and the surrounding catchment. The Applicant's landscape expert and the independent expert engaged by TDC have both agreed that there are no particular landscape and rural amenity effects that would prevent the application from being granted. This assessment takes into account the relatively intensive nature of the proposed layout and density of the golf course residential/lifestyle lots, the landscape qualities and attributes of the site and the potential effects in terms of the change of land use to the surrounding catchment.

It is also noted that the proposal is partly based on the premise that a 4ha average is maintained across the full development site which includes the golf course and balance lot of 120ha. Limited weight has been placed on this premise given that the proposed development establishes an enclave of lots which have more of an urban form and character than a more dispersed rural subdivision.

While it is difficult to reconcile the proposed 30 golf course residential/lifestyle lots with what may typically be characterised as 'rural character and amenity', I have reached the view that the proposal is reasonably aligned with the objectives and policies as set out above. The proposed development is located in an area which is characterised by recreational and visitor activities, and it does not have the typical attributes of a rural area where rural production activities and very low density of rural house sites predominate. As such, in terms of the rural character and land use activities specific to this area, the proposed development will constitute a compatible scale and nature of development with no more than minor effects on landscape qualities. Therefore, while there is a clear tension with Policy (iii), this is moderated by the policy direction in Policy (viii) and the attributes of the site and surrounding land use activities. In addition, the existing site has limited value in terms of rural productions (Policy iv).

The written approval of Contact Energy has been obtained, the proposal is consistent with Policy (vii).

The general area has historical and cultural value with its geothermal attributes and proximity to the Waikato Awa and Huka Falls. However, no specific issues have been identified through the application and submissions process that would rise raise a conflict with Policy (vi).

Policy (ii) is significant and requires specific attention and analysis. The policy directive is to avoid urban development and therefore an assessment of whether the proposal constitutes urban development must first be made. This issue has been addressed in the legal opinion⁸ prepared for TDC as referenced earlier in this report. The legal advice concludes with analysis that the proposal is urban development as follows;

In the present instance, even if broader factors are taken into account, the number of lots, their small size19, their intensity and proximity to each other, the roading and services proposed, and the clear residential purpose, are all strongly suggestive of and highly consistent with a form of urban development (irrespective of what the plan, PC38 and PC42 say). The application of the subdivision standards, activity status, and relevant objectives and policies simplify reinforce what is, in my view, already obvious as a matter of fact9.

I have adopted this position noting that the Applicant has not fully accepted this.¹⁰

The issue for the proposal and the avoid policy directive is whether specific or unique aspects exist which could enable the proposed development to be considered as a true exemption or sufficiently removed from the scope and intent of the policy directive. If this is not the case, then it would be held that the proposal is contrary to the policy directive, and this would then compromise the ability for consent to be granted under S.104D and S.104.

I have reached the opinion that the proposal does have specific attributes which allow it to be considered as a true exception after taking into account the following;

- The legal advice provided to TDC, a)
- The proposed 30 golf course residential/lifestyle lots are physically and functionally tied to the existing b) international golf course operation and activity,
- The proposal utilises a 4ha average from the balance golf course lot and the proposed lots will have a direct connection to the golf course as part of their development profile and ownership. While limited weight is placed on the 4ha average, it does provide some theoretical recognition of the planning framework,

⁸ James Winchester opinion dated 30 October 2023

⁹ Ibid, para 61.

¹⁰ Simpli Consulting – Addendum to Application dated 15 January 2024, Section 5.

- d) The established ecological sanctuary which forms part of the golf course will be recognised and integrated into the golf course residential/lifestyle lots with the extension of a predator proof fence and provisions to promote ecological values,
- e) The site and surrounding area does not reflect a rural environment area where rural production and low density rural dwelling/lifestyle activities predominate, and
- f) The site has previously been subject to a consent to develop visitor accommodation and chalets. While it is acknowledged that this is not a 'consented baseline' in terms of the assessment of effects, it is relevant in demonstrating that the nature and type of activities contemplated and consented for this site are distinct from other typical rural areas and sites.

On this basis, and even though the proposal in my opinion constitutes 'urban development', I am comfortable that this does not therefore determine that the proposal is contrary to the rural provision and specifically Policy (ii). In other words, I consider that it would be wrong to apply and interpret the policy (ii) as seeking to avoid the nature and context of *urban* development as proposed in this development.

I am also satisfied that there are no other ecological, cultural effects that would lead to a view that the proposal is contrary to the plan provisions.

Objective 3b.2.2: Manage the subdivision of rural land to reflect rural amenity values, rural land use and appropriate levels of infrastructure.

Policies:

- i. Enable the subdivision of rural land in a manner that encourages a diversity of lot sizes that reflects the rural amenity and character of the area, and the landform.
- ii. Allow subdivision of rural land only where there is adequate rural infrastructure.
- iii. Allow as a controlled activity, the creation of allotments and nominal allotments with an area of 10 hectares or more as a means of maintaining rural amenity and character, managing rural infrastructure and allowing for a diversification of rural land uses.
- iv. Prevent urbanisation of the rural environment except as provided through the TD2050 Structure Plan Process and associated plan change process to prevent a dispersed pattern of settlement and the resulting inefficiencies in the management of resources.
- v. Avoid the subdivision of rural land where there are hazards, in particular, land affected by geothermal hazards and where land is unstable or prone to erosion or flooding.
- vi. Manage the subdivision of rural land overlying <u>Geothermal Areas</u> to avoid conflict with the resource use and development associated with geothermal electricity generation on identified Development and Limited Development Geothermal Systems.
- vii. Encourage the retirement of steep land where such land is not appropriate for more intensive farming or further development including buildings, <u>earthworks</u> or clearance of vegetation.
- viii. Provide for the creation of <u>Papakainga</u> housing where any adverse effects on amenity and rural character are internalised within the parent <u>allotment</u>; and where any other adverse effects on the wider Rural Environment are avoided, remedied, or mitigated.
- ix. Provide for the creation of smaller lots to provide for the development of infrastructure, or access lots.
- x. Any relevant guidelines should be taken into account in the design of any subdivision in the Rural Environment. In particular sensitive rural design should seek to achieve the following principles:
 - a. Maintain significant open space area and increase <u>net environmental gain</u> Encourage sensitive rural design in subdivision, use or development where areas of continuous open space predominate. In particular protect and enhance topographical, water, and vegetation features that contribute to the character of the Rural Environment.
 - b. Areas or features of cultural, historical, landscape or ecological value are protected and enhanced.
 - c. Appropriate Overall Density based on the level of development anticipated for the Rural Environment Maintain the expected level of built character in the Rural Environment, as anticipated by the District Plan.

- d. Site analysis Undertake a design process and rationale that includes, but is not limited to identification of sensitive areas such as dominant ridgelines, water courses (constant and ephemeral), existing vegetation that contributes to the rural character, and any important cultural, historical, natural or landscape values.
- e. Appropriate Building Design and Location Site and design buildings appropriately in a manner that is well integrated with the surrounding landform, maintains continuous areas of open space, and reduces any potentially adverse visual effects. Levels of infrastructure are minimised through appropriate siting of buildings and structures.
- xi. Recognise that development of land in the Rural Environment at higher densities may be appropriate where associated with recreation, commercial accommodation and tourism activities provided that adverse effects are avoided, remedied or mitigated and that granting consent will not lead to patterns of urbanisation and reverse sensitivity issues.

Objective 3b.2.2 adopts similar policy directive to Objective 3b.2.1 and the policy provision discussed above.

Following on from my assessment of Objective 3b.2.1 and the associated policies, I provide the following additional assessment of the 3b.2.2 provisions;

- a) In my opinion, the site and surrounding area is not typical of a rural environment. Tourism, recreational and visitor accommodation activities characterise the area and the proposed 30 golf course residential/lifestyle lots are compatible with this character and land use,
- b) The Applicant has demonstrated that each of the sites can adequately be serviced and developed,
- c) While it is appropriate to consider the scale and density of the proposal as urban development/urbanisation, the context of the site and attributes of this proposal are such that granting consent will not undermine or compromise the TD2050. TD2050 seeks to main a compact urban form and to ensure that any extension of the urban area is appropriately connected to the existing town centre and is appropriately served by infrastructure. The context of the site and functional relationship of the proposed lots with the Wairakei International Golf Course clearly distinguishes this development from other forms of urban development which in my opinion, the policy is designed to prevent. Given the specific nature and context of the proposed development, I also consider that a plan change is not required,
- d) The potential natural hazards have been identified and assessed by the Applicant. Conditions of consent and further geotechnical work will ensure that any natural hazard risk is appropriately managed and addressed,
- e) Contact Energy has provided written approval for the development subject to conditions which have been agreed by the Applicant,
- f) The proposal includes several design standards and provision for planting to ensure a high standard of development and integration with the existing site contour and landform consistent with Policy (x). This analysis takes into account that the site and surrounding area is not sensitive to additional built form, and
- g) The proposal is associated with a recreational and tourist activity and is therefore consistent with and in accordance with policy (xi). This policy specifically recognises that there may be circumstances where higher densities are appropriate and where the adverse effects of a proposal can be avoided, remedied and mitigated. In my opinion, the proposed 30 golf course residential/lifestyle lots will have no more than minor effects on the environment and that appropriate design and mitigation measures are available to further mitigate any off-site effects. For the reasons set out in this report, I consider that granting consent will not lead to patterns of urbanisation or reverse sensitivity issues and this is fully in accord with the policy directive of Policy (xi).

Objective 3b.2.4: The efficient and effective functioning of the Rural Environment by enabling the use and development of natural and physical resources, while ensuring appropriate environmental outcomes are achieved.

Policies:

- Control activities which may potentially restrict or compromise the operation of existing activities of the Rural Environment including the creation of new rural allotments that may lead to conflict between residential and rural activity.
- ii. Require potentially sensitive activities to provide mitigation methods to protect them from the effects of existing activities within the Rural Environment, in order to avoid the potential effects of reverse sensitivity.
- iii. Avoid subdivision and development of rural land that will put pressure on rural infrastructure and may require an increase in the level of service now or in the future.
- iv. Avoid creating a pattern of fragmented titles that reduces the potential for rural land use diversity.
- v. To recognise the important role of resource use and development in the Rural Environment, by providing for the continued operation and associated development of existing electricity generation facilities and network utilities by allowing their use, maintenance and minor upgrading where all additional significant adverse effects are avoided, remedied or mitigated.

In my opinion, there are no outstanding reverse sensitivity or infrastructure issues which could compromise the granting of consent. The Applicant has written approval from Contact Energy and no issues have been raised from the adjacent landowners with regards to the residential nature and occupation of the proposed lots. In addition, planting and setbacks form part of the proposal which provide further mitigation of any boundary interface issues. In terms of Policy (iv), I do not consider that the proposed layout and development of the 30 golf course residential/lifestyle lots represents fragmented titles that will lead to a reduction of rural land use diversity.

Objective 3e.2.1: Provide for and manage urban growth so as to achieve the sustainable management of the District's natural and physical resources.

Policies:

- i. Recognise the appropriateness of <u>Urban Growth Areas</u> as an important resource for providing for new urban land development and as the focus for future urban growth.
- ii. Ensure patterns of future urban development are consistent with the identified <u>Urban Growth Areas</u> as described in {Link,5189,Section 3e.6}
- iii. Prevent urban development in the rural environment outside of the identified <u>Urban Growth Areas</u>.
- iv. Avoid the cumulative effect that subdivision and consequent fragmented land ownership can have on the role of the *Urban Growth Areas* in providing the supply of land for urban development.
- v. Ensure that urban development of an identified Urban Growth Area occurs by way of a Taupō District Structure Plan Process and associated plan change process.

While the proposed 30 golf course residential/lifestyle lots is, in my opinion, correctly defined as urban development, I also consider that it does not have the form or function of urban growth that is caught by the plan provisions set out in Objective 3e.2.1 and the associated policies.

The proposed development has a distinct context, which includes a functional relationship between the proposed lots with the Wairakei Internal Golf Course and the wider tourism and visitor accommodation activities of the *Wairakei node*. As such, and in my opinion, the development is capable of being granted without compromising or interfering with the more generic policies associated with urban development, compact urban form and the need to direct urban development into the Urban Growth Areas.

Objective 3f.2.1: The safe and efficient operation of the roading network, and movement of traffic, including cyclists and pedestrians within the District.

Policies:

- i. Ensure activities avoid, remedy or mitigate any adverse effects on the operation and function of the roading network, including the movement of traffic, cyclists and pedestrians, as accordance with the Roading Hierarchy.
- ii. Encourage activities, including the design and location of new vehicle crossings, to provide for the safe and efficient movement of traffic, including cyclists and pedestrians.
- iii. Encourage the use of alternative modes of transport such as cycling and public transport.

The proposed development will create additional traffic movements throughout the construction period and then through the occupation of the 30 golf course residential/lifestyle lots. A new intersection for the private road access is proposed on to Wairakei Drive with internal roading providing access to each of the lots.

The design of the intersection access and private roading network has been assessed as appropriate for the design and nature of the development and safe and efficient access will be provided and maintained. There is unlikely to be high levels of cycle/pedestrian links to the site given its location.

Objective 3o.2.2: The avoidance of reverse sensitivity effects arising from incompatible land uses establishing or expanding on Geothermal Areas shown on the maps at the end of this section.

Policies:

- i. To discourage land uses which are or may be incompatible with the use and development of geothermal based industry in the Geothermal Areas shown on the maps at the end of this section.
- ii. To ensure that new activities are compatible with existing geothermal based industry.

The Wairakei International Golf Course has been on this site for around 44 years. Whilst the site is within the Wairakei-Tauhara Geothermal Area as noted on Map B of Section 30 of the District Plan, the site is not included in the area restricting residential activities within the Wairakei-Tauhara Geothermal Area under Rule 4e.15.1.

In general terms residential activities may not be compatible with geothermal operations particularly in regard to noise. In addition, generally additional subdivision is not favoured as it increases the number of users and owners to the industrial effects of geothermal power provision.

The Applicant has reached agreement with Contact Energy on appropriate conditions to ensure that any risk of reverse sensitivity and incompatible land use are managed and resolved. On this basis it is considered that the proposal is consistent with Objective 3o.2.2 and the associated policies.

Summary

The above assessment focuses on the key objectives and policies from the Operative District Plan.

In my opinion, the proposed development is consistent with the majority of the plan provisions with the design and scale of development suitable for the site and context of surrounding land use activities.

There are two key policy directives that have been assessed being the effects on rural/landscape character and whether the development constitutes urban development (which is to be avoided in the rural environment).

Expert opinion has been prepared on the landscape and rural character attributes of the site and surrounding area. The Applicant's landscape expert and the independent expert engaged by TDC both agree that the effects of the proposed development will be minor and that the design parameters and mitigation measures are appropriate.

The scale and nature of the development is such that it is reasonable and appropriate to classify it as 'urban development'. While the policy directive is to avoid urban development in rural areas, it is my opinion that the proposal is a true exception to the policy directive.

8.2 Plan Changes 38 and 42

The decisions on Plan Changes 38 (Strategic Directions) and 42 (General Rural and Rural Lifestyle Environments) have been released with changes to the objectives and policies affecting subdivision and development within rural areas. The overall themes associated with avoiding urban development and maintaining rural character are maintained, however there have been some reframing of the provisions which need to be considered.

Plan Change 38 has introduced new Strategic Direction provisions which are relevant to the proposal and are set out and assessed as follows.

2.3.2 Objectives

- 1. The District develops in a cohesive, compact and structured way that:
 - a. contributes to well-functioning and compact urban environments that provide for connected liveable communities;
 - b. enables greater social and cultural vitality and well-being, including through recognising the relationship of tangata whenua with their culture, traditions, and taonga;
 - c. ensures <u>infrastructure</u> is efficiently and effectively integrated with land use;
 - d. supports emissions reduction through well planned urban form, design and location; and
 - e. meets the community's short, medium and long-term housing and business needs;
 - f. protects the productive capacity of rural land.
- 2. Subdivision, use and development of land will protect the effective functioning of the Rural Environment, maximise the efficient use of zoned and serviced urban land and is co-ordinated with the provision of cost-effective infrastructure.
- 3. Subdivision, use and development of land in appropriate locations which can demonstrate social and/or cultural benefits to the District's community is recognised and provided for.
- 4. Development is serviced by an appropriate level of <u>infrastructure</u> that effectively meets the needs of that development.
- 5. The Town Centre Environment is strengthened and reinforced as the primary commercial, <u>retail</u>, recreational, cultural and entertainment centres for Taupō District.
- 6. Subdivision, use and development will not detract from the planned urban built form and effective functioning of the environment in which it is located.
- 7. Subdivision, use and development is designed to avoid, remedy or mitigate adverse effects on the environment and occurs in a sequenced and coherent manner that protects or enhances the important natural, cultural and historic values of the environment where it is located.
- 8. The East Taupō Arterial will continue to act as an 'urban fence' generally separating urban activities from industrial, rural and renewable electricity generation activities.

2.3.3 Policies

- 1. Identify and zone appropriate areas of land for urban purposes to guide the future provision of <u>infrastructure</u> within the Taupō District.
- 2. Planning and development in urban environments will positively contribute to well-functioning urban environments.
- 3. Avoid the subdivision, use and development of land that does not maximise the efficient use of zoned and serviced urban land and is not co-ordinated with the provision of effective <u>infrastructure</u>.
- 4. Avoid fragmented urban development that results in inefficient:
 - a. use of land
 - b. provision and functioning of infrastructure, and
 - c. functioning of the Rural Environment.
- 5. Require urban subdivision and land development to be efficiently and effectively serviced by <u>infrastructure</u> (including Development <u>Infrastructure</u> and Additional <u>Infrastructure</u>), according to the capacity limitations of that <u>infrastructure</u>.
- 6. Support and encourage subdivision, use and development of land that can demonstrate positive social and/or cultural outcomes for the District's community.
- 7. Provide for the development of Papakāinga on Māori land to facilitate Māori occupation on their ancestral lands.
- 8. Maintain strong boundaries to Town Centres to consolidate and intensify <u>retail</u>, commercial and <u>office</u> activities within Town Centres and to protect the planned urban built form and use of residential environment.
- Restrict the location and development of <u>retail</u> and <u>commercial activities</u> within non-commercial areas of the
 District to ensure that the Town Centres continue to be the District's pre-eminent <u>retail</u>, commercial and
 mixed-use centres.
- 10. Manage subdivision use and development of land to ensure that it will not:
 - a. have an adverse effect on the functioning of the environment where it is located,
 - b. unduly conflict with existing activities on adjoining properties and the surrounding area,
 - compromise development consistent with the intent and planned urban built form of the environment where it is located, and
 - d. give rise to reverse sensitivity effects from existing uses.
- 11. Require the design and location of activities to avoid or mitigate natural hazards to an acceptable level of current and future risk to life, property and the environment.
- 12. Do not support subdivision and development which will inappropriately affect <u>sites of Historic Value</u> or areas of important natural and landscape values.
- 13. Ensure that new urban subdivision and land development is designed in a manner that enables effective and logical multi modal transportation links to the surrounding, including planned, urban areas.

The new provisions in 2.3.2 Objectives and 2.3.3 Policies provide a comprehensive suite of policy directives to manage and set the strategic direction of urban form and development across the Taupō district. There is a clear directive that urban development and growth should only occur in those areas which have been identified for urbanisation and that a compact urban form will be maintained. Within this broad policy direction there are directives to ensure that urbanisation can occur in an efficient manner that maintains the town centre and with appropriate infrastructure.

In my opinion, the nature and form of the proposed development for 30 golf course residential/lifestyle lots will not compromise the policy direction for a compact urban form and efficient development. The proposed development will be established as a site-specific development node with a locational and functional relationship to an existing international golf course.

In addition, there are several tourist and visitor activities including accommodation around the site that establishes this area a distinct destination/area which does not threaten or represent any extension of the urban limits. In addition, the private nature of development including roading and onsite stormwater and wastewater services will ensure that there is no demand for an extension of council services.

In my opinion, the proposed development within its specific site and functional attributes is consistent with the above objectives and policies.

In terms of the Rural Environment Provisions, the objectives and policies have been rewritten and replaced with new provisions which also give effect to the division of the rural areas into a Rural Environment Zone and a Rural Lifestyle Environment.

The key provisions for the Rural Environment which are relevant to the proposal are identified and assessed as follows;

Objective 3b.2.2 - Rural Character

Enable a range of activities in the General Rural Environment that are compatible with and cumulatively do not erode rural character.

Policy 3b.2.10 - Rural Character

Maintain the General Rural Environment character, as defined by:

- a. A predominance of Primary Production activities
- b. Renewable Electricity Generation Activities and electricity transmission and distribution, including geothermal areas
- c. Generally large open spaces between built structures
- d. A mix of buildings related Primary Production, visitor accommodation, tourism activity and Rural Industry
- e. Generally infrequent vehicle movements to and from a site
- f. Effects generated from rural activities including noise, vibration, odour, dust and light spill
- g. Limited signage that directly relates to the activity operating on the site.

Policy 3b.2.11 - Residential Units

Avoid the cumulative effects of rural lifestyle development by providing for these activities within the Rural Lifestyle Environment and otherwise limiting residential units that:

- a. Increase the demand for <u>community infrastructure</u> and services
- b. Result in the inefficient use of land or loss of future flexibility for productive uses
- c. Erode the general rural character through its density, scale and location.

Objective 3b.2.5 - Avoidance of Reverse Sensitivity

Reverse sensitivity effects on permitted, legally established, and/or consented activities within the General Rural Environment, including conflict with activities in neighbouring Environments, are avoided.

Policy 3b.2.14 - Avoiding Reverse Sensitivity

Any new activity must be managed so as to avoid Reverse Sensitivity effects on permitted, lawfully established and/or consented neighbouring activities.

Policy 3b.2.16 - Allotment Size

Maintain allotments at a size of 10 hectares or larger to allow flexibility for a wide range of productive land uses in the future.

The new provisions for rural character and reverse sensitivity that are proposed to replace the provisions of the Operative District Plan provide a more simplified policy framework with some key differences.

Policy 3b.2.11 is specific to residential units and directs that rural lifestyle development be undertaken in the Rural Lifestyle Environment. The policy is also framed to otherwise limit residential units that increase demand on community infrastructure, lead to an inefficient use of land or loss of productive uses, or erodes rural character. Given the locational and functional relationship between the proposed lots and the Wairakei International Golf Course, I consider that there is a distinction between the nature and attributes of the current proposal and the policy directive for general lifestyle development.

The criteria within the policy are also nuanced and overall, I consider these are not detrimental to the proposal. The proposed development for 30 golf course residential/lifestyle lots will not increase the demand for community infrastructure and the subject site has limited value in terms of rural production. In addition, the rural and landscape values of the site and surrounding area have been widely canvassed through expert assessment with the conclusion that any adverse effects will be minor.

Policy 3b.2.16 provides a policy directive that allotments of 10 hectares or more are maintained to allow a wide range of productive uses. The existing site contains a golf course, ecological habitat with the northern area where the proposed golf course residential/lifestyle lots are proposed having limited production value given the steep and undulating contour. That said, the proposed lots of between 1,500m² and 1,700m² clearly fall well short of the 10ha threshold and it would be difficult to consider the proposal as anything other than inconsistent with the policy directive. As with the Operative Plan provisions, I do however consider that there are attributes of the proposal and site context which allow the current proposal to be considered a true exception. These are set out above and apply equally to my assessment of Policy 3b.2.16. As such. I have reached the view that the proposal is not offensive or contrary to the policy directive.

Summary

As with my analysis of the Operative Plan provisions, I consider that the proposed development is consistent with the majority of the Plan Change provisions with the design and scale of development suitable for the site and context of surrounding land use activities.

The policy directives associated with rural/landscape character and maintaining a compact urban form and large lots for rural production follow similar themes from the operative provisions.

Expert opinion has been prepared on the landscape and rural character attributes of the site and surrounding area as discussed above. The consensus of expert opinion is that the landscape effects will be minor.

The context of the site and scale and nature of the development is such that it will not compromise the policy directives to maintain a compact urban form. The proposed lots are substantially less than 10ha and clearly designed for residential land use and occupation. In my opinion, granting consent will not be contrary to the policy directives and outcomes to maintain 10ha lots generally across the rural areas of the district for rural production.

9 OTHER PLAN PROVISIONS AND INSTRUMENTS

9.1 Regional Policy Statements and Plans

The Waikato Regional Policy Statement (RPS) recognises, among other matters, significant resource management issues to relate to land and soil, water, coast, air, geothermal, natural hazards, wastes, hazardous substances, plants and animals (biodiversity), energy, structures (infrastructure), minerals and heritage.

Through Taupō District Council 2050 Growth Management Strategy (TDC2050), Wairakei International Golf course has continued to be zoned Rural Environment. It is located within the Wairakei-Tauhara Geothermal Area however it is excluded from Planning Map D1 (and Rule 4e.15.1) in relation to residential and accommodation activities.

The primary issue is the matter of reverse sensitivity which the RPS seeks to address in relation to the use of land within the Geothermal Development Systems. The proposal includes acoustic treatment and design considerations agreed with Contact Energy. As such, the proposal is considered to be consistent with the RPS provisions relating to the geothermal resource.

The Regional Plan also provides for the use of the Geothermal Resource through its objectives, policies and rules. There are no specific rules within the Regional Plan limiting land use within a Development System to avoid effects on the geothermal resource as this responsibility falls to the District Council.

The Regional Plan also manages discharges and wastewater discharges. The Applicant will need to determine whether any regional consent are required as part of their detailed design phase.

9.2 TD2050 Growth Management Strategy

The TD2050 Growth Management Strategy provides guidance to District Plan changes and was reviewed in 2020 and many growth areas removed as part of that review that had either been implemented through subsequent plan changes or the growth area was no longer deemed as suitable or required for growth.

One of the key considerations in the TD2050 is the need to prevent urbanisation and fragmentation of rural land. The review led to a clear direction to enable more lifestyle development in appropriate areas while protecting other larger rural productive land. This has been given effect through Plan Change 42.

As discussed earlier and taking into the legal advice for TDC, it is appropriate to deem the proposal for 30 golf course residential/lifestyle lots development as urban development. However, given the context of the site and functional and locational connection of the proposed lots with the Wairakei International Golf Course, I am satisfied that the proposal is not a form of urban development which is contrary to TD2050.

I agree with the Applicant, that the proposal does not fragment rural land, and rather it is an alternative rural land use on land that has lower productive use and as such can be better utilised for development which is combatable and integrated with other tourism and recreation activities. This is also in accordance with action point 11 of the TD2050.

9.3 Iwi Planning Instruments

As discussed above, the application was served on Te Kotahitanga o Ngati Tuwharetoa and the Hikuwai hapū collective as part of the notification process and the Applicant has also provided a record of their consultation process with mana whenua.

It is appropriate to recogise the iwi management plans relevant to the area notwithstanding that no cultural values or outstanding issues have been identified.

<u>Tuwharetoa Environmental Management Plan</u>

The Tuwharetoa Iwi Management Plan provides guidance on matters of significance to iwi when it comes to the natural environment. The vision of the management plan is for Ngāti Tuwharetoa to 'assert their custodial and customary right of tino rangatiratanga over their respective taonga, and Tuwharetoa collectively, will sustain and protect the life force of all tribal and inherited taonga'. It is considered that the proposal is consistent with this plan.

Te Arawa Iwi Management Plan

This plan for the Te Arawa River Iwi Trust (TARIT) was written to support the aspirations of the Te Arawa River Iwi. The Plan advocates a more holistic and integrated approach to environmental management to reflect the Maori worldview of interconnectedness within, and between the natural environment and people. The TARIT vision is to support the Te Arawa River Iwi collectively and individually to assert mana awa and improve the health and wellbeing of the Waikato River, tributaries and environs.

It is considered that the proposal will not compromise any of the objectives of the TARIT Plan. The design of the on-site wastewater system will be confirmed at building consent stage however it is likely to be permitted and if not will be required to meet the requirements of Waikato Regional Council which will ensure the health and wellbeing of the Waikato River.

10 S.104D ASSESSMENT

Section 104D of the RMA contains the relevant matters relating to non-complying activities and states that a consent authority may grant resource consent only if the application can first satisfy one of the threshold tests being:

- the adverse effects of the activity on the environment (other than any effects to which section 104(3)(a)(ii) applies) will be minor, or
- the application is for an activity that will not be contrary to the objectives and policies of the district plan(s).

The proposed subdivision is a non-complying activity under the Operative Plan provisions and also the Plan Change 42 provisions. As set out in Section 7 and Section 8 above, I have reached the position that the adverse effects are no more than minor and that while there is some inconsistency with the plan provisions, the proposal is not contrary or offensive to the relevant objectives and policies.

I am therefore satisfied that the proposal satisfies both threshold tests under S.104D.

11 PART 2 ASSESSMENT

Part 2 consists of Sections 5-8 and establishes the purpose and principles of the Resource Management Act 1991. All assessments of consent applications are subject to Part 2 in accordance with Section 104. As discussed earlier, case law¹¹ has confirmed the legal framework and relationship between S.104 and Part 2. In summary, the legal position following the Court of Appeal's decision is that it is now permissible to have recourse to Part 2 in resource consent applications, however doing so is unlikely to advance matters where it is clear that the plan is "competently prepared" with a "coherent set of policies" such that there is no need to refer to Part 2.

In my opinion, there are no real deficiencies with the relevant planning instrument and I note that the recent decision on Plan Changes 38 – 43 has reviewed and updated the plan provisions for the Rural Environment.

For completeness, I have decided to provide a brief analysis of Part matters.

Section 5 – Purpose

Section 5 defines sustainable management as '.... 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 well-being and for their health and safety while - ...'.

Key policy directives within the operative and plan change versions of the District Plan seek to maintain rural and landscape character and also to ensure that urban development is only enabled in appropriate areas. The assessment and analysis set out in the report has concluded that the site and surrounding area has an atypical rural character given the make of tourism and visitor accommodation activities which characterise the *Wairakei node*. The scale and density of lots and substantive building areas are clearly not aligned with a low density and open space character of typical rural areas. However, the proposed development is able to co-exist within this area and will complement the existing context of land use with no more than minor adverse effects in terms of landscape values and rural character.

The distinct attributes of the site and the context of the proposed lots also distinguish this development from other forms of urban development and growth such that the overall integrity and policy direction to manage and restrict urban development is not compromised.

Section 5 is framed around three *well-beings* – social, economic and cultural. In my opinion this is noteworthy as it does not present a framework where any one of the *well-being* has precedence over the other and nor is it suggested that the *well-beings* are competing or mutually exclusive. Section 5 promotes the interdependence of the *well-beings* and coherent and collective outcomes across all three *well-beings*. In my opinion, the proposal will provide for positive economic benefits which will have broader benefits for the Taupō community. The adverse effects of the proposed development are managed and mitigated through the layout and design of the proposed lots and the mitigation methods and conditions proposed by the Applicant. In addition, a set of conditions has been agreed including the conditions requested by Contact Energy.

¹¹ R J Davidson Family Trust v Marlborough District Council [2018] NZCA 316

Section 6 - Matters of National Importance

Section 6 identifies a number of matters of national important of relevance to the proposal. In my opinion, there are no particular issues associated with landscape, ecological or cultural effects arising from the proposal which are caught by Section 6. Appropriate engagement with mana whenua has been undertaken through the consultation and submissions process and technical reports have been undertaken with respect to natural hazards.

Section 7 - Other Matters

Section 7 lists other matters which consent authorities shall have particular regard to in making decisions under the RMA. Matters relevant to the current proposal include;

- efficient use and development of natural and physical resources,
- · maintenance and enhancement of amenity values
- · finite characteristics of natural and physical resources, and
- the benefits to be received from renewable energy.

In my opinion, the site has limited value for rural production and the development of the site for 30 golf course residential/lifestyle lots represents an efficient use of the land resource.

The scale and density of lots/built form will have no more than minor effects on landscape values and the development plan provides for layout and design standards to manage the effects of the development around the boundary interface. It is also noted that the none of the surrounding neighbours oppose the development and Contact Energy has provided written approval. development as urban development.

I am therefore satisfied that the proposal is consistent with Section 7.

Section 8 - Treaty of Waitangi

There are no outstanding matters in relation to the principles of the Treaty that are relevant to the proposal.

It is therefore considered that the proposal is consistent with principles of Part 2 of RMA.

12 CONCLUSION AND RECOMMENDATION

The application for 30 golf course residential/lifestyle lots at Wairakei is a non-complying activity and is deemed to be *urban development*.

The application assessment and process has involved a critical assessment of the application in relation to the objective and policy directives of the District Plan, including legal analysis on the nature of the development and how its urban nature is appropriately assessed and considered across the urban growth policy directives.

Overall, it is considered that the context of the development, including is functional relationship with the Wairakei International Golf Course and the nodal land use and character of the Wairakei node distinguish the nature of this development from other forms of urban growth which have a greater nexus with the policy directives. In short, I am satisfied that the proposal for 30 golf course residential/lifestyle lots at Wairakei is a true exception to the policy directives.

Associated with the context and nature of the *urban development*, is the ability of the site and surrounding area to absorb the scale and intensity of development without inappropriate landscape and/or rural character effects. A consensus expert assessment between the Applicants landscape expert and an independent expert engaged by TDC has agreed that any adverse effects will be no more than minor. Appropriate urban design and landscape mitigation measures and conditions have been included in the proposed conditions.

The application was notified with six submissions received. As there are no submissions in opposition to the application seeking a hearing, it is possible that the application can be determined under delegated authority. For this to occur, all planning issues need to be resolved and a common and accepted set of conditions agreed between the Applicant and TDC.

I am satisfied that appropriate assessment and supply of infrastructure and transportation serving can be provided for the development and that the Applicant has provided appropriate analysis of natural hazard risk.

It is also noted that Contact Energy has provided a written approval for the development subject to conditions to protect the long-term operation of geothermal fields and infrastructure located adjacent to the site.

After due consideration of the nature and scale of the proposed golf course residential/lifestyle lots, I have reached the opinion that the adverse effects of the proposed subdivision are acceptable in terms of the context and location of the site. In terms of the policy directives, I consider that the proposal is generally aligned with the provisions of the Operative District Plan and Plan Change 38 and 42. Where inconsistencies have been identified, I am satisfied that the proposal is a genuine exception based on the site context and development attributes such that it is neither contrary nor offensive to the plan provisions.

Report prepared by

Todd Whittaker Consultant Planner 17 July 2024 Report and Recommendation Reviewed and a decision issued under delegated authority pursuant to Section 34 of the Resource Management Act 1991.

WAVIllians.

Heather Williams Resource Consents Manager 19 July 2024