

4 February 2025

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The Governance Team  
Palmerston North City Council  
Private Bag 11034  
**PALMERSTON NORTH**

[submission@pncc.govt.nz](mailto:submission@pncc.govt.nz)

Dear Madam/Sir,

**SUBMISSION: PROPOSED PLAN CHANGE I – INCREASING HOUSING SUPPLY AND CHOICE.**

Thank you for the opportunity to provide feedback on Proposed Plan Change I: Increasing housing supply and choice.

Horizons Regional Council (Horizons) is responsible for managing natural resources across our region, which includes flood control, air and water quality monitoring, pest control, facilitating economic growth, leading regional land transport planning and coordinating the region's response to natural disasters.

Environmental planning is a key function. Horizons' integrated planning document, the One Plan, sets out four keystone environmental issues for the region – surface water quality degradation, increasing water demand, unsustainable hill country land use, and threatened indigenous biodiversity.

Horizons has no trade competition advantage in this submission. Our interest in the proposed plan change is primarily from our role as the regional authority for the area that is subject to the plan change. The submission reviews the proposed district plan change in regards to its alignment with the Regional Policy Statement component of the One Plan and seeking to ensure that the proposed change is consistent with the One Plan provisions.

**General Comment**

Proposed Plan Change I (PC I) generally aligns with the National Policy Statement on Urban Development (NPS-UD), Horizons' One Plan, the Future Development Strategy 2024 (FDS), Horizons' Regional Land Transport Plan (RLTP), and Horizons' Regional Public Transport Plan (RPTP). It enables housing intensification in Palmerston North City within identified constraints, and aligns the proposed medium density residential zone with current and proposed Public Transport routes in the city.

In this context, **Horizons supports PC I in principle**. However, we make the following submission points.

## Submission Points

### Infill Development Capacity and Development Pressure on Highly Productive Land (HPL)

1. The Housing and Business Capacity Assessment 2023 (HBA) indicates, as shown in its Table 25, that the commercially feasible and reasonably anticipated capacity for infill development is 7,884 units (short term: 1,408, medium term: 3,238, long term: 3,238). The Section 32 report states that PC I will apply to approximately 33% of the existing Residential Zone, and covers the area that suits best for housing intensification. However, PC I enables only 1,521 units total in the long term (short-medium term: 479, long term: 952), which does not deliver the infill capacity the HBA 2023 found is needed. It is unclear how the remaining infill development anticipated by the HBA is intended to be provided, if not by PC I, which we understand to be primary means of achieving housing intensification within Palmerston North.

We hold concerns that any unused development capacity may lead to unnecessary development pressure on Highly Productive Land, which should be avoided. The supporting documents for PC I do not indicate where the remaining infill development is expected to be enabled.

We note that the Future Development Strategy signals that rezoning of highly productive land will be required to provide sufficient development capacity for the city. We consider that this rezoning will need to give effect to clause 3.6 of the National Policy Statement for Highly Productive Land 2022, including demonstrating that greater intensification of the existing urban area is not reasonably practicable or feasible. Therefore, we consider that PC I should demonstrably allow for as much infill development capacity as is reasonably practicable and feasible.

### Relief Sought

Horizons requests:

- evidence on PC I's strategic approach to enabling sufficient infill capacity in the long-term, and enabling the maximum reasonably practicable and feasible infill capacity.
- clarification on other infill development potentials that could address the deficit in meeting the infill development targets identified in the HBA .
- PNCC to take necessary actions to amend PC I if there is any unused capacity to enable higher density development, including adjusting the spatial extent of and/or controls on the Medium Density Residential Zone to provide more development capacity.
- PNCC to resolve the misalignment between PC I and the HBA, and consequently the FDS, during the upcoming HBA and FDS reviews.

### PC I Objectives and Policies

2. Horizons **supports** MRZ-O1, MRZ-O2, MRZ-O6, MRZ-P1, MRZ-P2, MRZ-P3, MRZ-P4, MRZ-P5, MRZ-P10, MRZ-P13 as they align with the One Plan provisions; RPS-UFD-O1, RPS-UFD-

O3, RPS-UFD-O4, RPS-UFD-O5, RPS-UFD-P1, RPS-UFD-P2<sup>1</sup>, RPS-UFD-P4, RPS-UFD-P5, RPS-UFD-P6 and RPS-UFD-P8.

3. Horizons **supports** MRZ-O3, MRZ-O4, MRZ-O5, MRZ-P6, MRZ-P7, MRZ-P8 as they align with the One Plan provisions; RPS-UFD-O1, RPS-UFD-P1, RPS-HAZ-NH-O2, RPS-HAZ-NH-P12 and RPS-HAZ-NH-P13.
4. Horizons **supports** MRZ-O5 and MRZ-P11 as they align with the One Plan provisions; RPS-ETI-O1 and RPS-ETI-P2.
5. Horizons **supports** MRZ-P9 as it aligns with the One Plan provisions; RPS-LF-FW-O3, RPS-LF-FW-O4, RPS-LF-FW-P4 and RPS-LF-FW-P12.
6. Horizons **supports** MRZ-P10 as it aligns with the One Plan provisions; RPS-UFD-O5, ETI-O2, RPS-UFD-P8, and ETI-P5.
7. Horizons **partially supports** MRZ-P12 as it has an unexplored opportunity to align with NPS-IB Policy 14: *Increased indigenous vegetation cover is promoted in both urban and non-urban environments.*

The Section 32 Report states that PC I gives effect to the NPS-IB, particularly to Policy 1 and Policy 14. However, MRZ-P12 relates to urban vegetation, but it is not strongly aligned with the NPS-IB. The NPS-IB defines indigenous vegetation as *vascular and non-vascular plants that, in relation to a particular area, are native to the ecological district in which that area is located*. MRZ-P12 (b) encourages the use of *locally sourced species* as replacement planting. However, unless 'locally sourced species' is explicitly defined in the district plan to align with the NPS-IB's definition of "indigenous vegetation", we recommend adopting NPS-IB terminology to ensure the alignment with Policy 14 and Clause 3.22(4) of NPS-IB.

The Section 32 report states, "*A reference to indigenous species hasn't been included as there are circumstances where deciduous trees are preferred to support sunlight access during winter months.*" However, we find the use of the term "indigenous vegetation" is not overly restrictive, as the policy merely encourages the preferred type of replacement vegetation rather than mandating it.

#### Relief Sought

Horizons requests: Revise MRZ-P12(b) to reflect "indigenous vegetation" is the preferred type of replacement vegetation in the policy MRZ-P12 (b).

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<sup>1</sup> Subject to the submission point 1

8. Horizons **supports** SUB-MRZ-O1, SUB-MRZ-P1, SUB-MRZ-P2, and SUB-MRZ-P5 as they align with the One Plan provisions; RPS-UFD-O1, RPS-UFD-O3, RPS-UFD-P1, RPS-UFD-P2, RPS-UFD-P4, and RPS-UFD-P5.
9. Horizons **supports** SUB-MRZ-O1, SUB-MRZ-P1, SUB-MRZ-P3, and SUB-MRZ-P4 as they align with the One Plan provisions; RPS-UFD-O5, RPS-UFD-P8, RPS-HAZ-NH-O2, RPS-HAZ-NH-P12 and RPS-HAZ-NH-P13.
10. Horizons **supports** SUB-MRZ-P1 as it aligns with the One Plan provisions; RPS-ETI-O2, RPS-ETI-P4 and RPS-ETI-P5.

#### PC I Rules and Standards

11. Horizons **partially opposes** MRZ-R7 to MRZ-R15 as they do not address MRZ-P10.

MRZ-P10 *"Encourage the adoption of energy efficient design and site layouts that optimise solar access and manage solar gain"* has only been referred to as a matter of discretion under MRZ-R16. However, MRZ-R16 only applies to Marae-related development. To ensure alignment with the One Plan provisions RPS-UFD-O5, ETI-O2, RPS-UFD-P8, and ETI-P5, MRZ-P10 should be applied more broadly to other type of developments as well.

#### Relief Sought

Horizons requests: Revise MRZ-R7 to MRZ-R15 to ensure they give effect to MRZ-P10.

12. Horizons **supports in principle** MRZ-R10 subject to the matters raised in submission point 11, but **have concerns related to the way the rule is currently drafted**. The listed matters of discretion are overly broad and it is unclear what outcomes the rule seeks to achieve. PC I Section 32 Evaluation Report (p.11) states *"The purpose of rules MRZ-R10 and SUB-MRZ-R1.2 is to trigger a requirement to assess the potential effects of flooding within the Stormwater Overlay, to determine the required mitigation."* This broadly aligns with the matters of discretion under MRZ-R10. However, if that is the intended scope of rule MRZ-R10, it fails to adequately address the intentions of the policies MRZ-P3, MRZ-P4, MRZ-P10 and MRZ-P12.

#### Relief Sought

Horizons requests: Revise MRZ-R10 in accordance with the suggested amendments (in red) below (or similar) to align it with MRZ-P3, MRZ-P4, MRZ-P10 and MRZ-P12.

***MRZ-R10 – Construction, alteration or addition of buildings and structures within the Stormwater Overlay***

1. Activity status: *Restricted Discretionary*

*Council's\* discretion is restricted to:*

1. *The extent to which any **stormwater** effects, both on-site and off-site, are avoided or mitigated;*
2. *Whether the proposed mitigation measures can be effectively implemented and maintained;*
3. *The extent to which on-site mitigation measures will support and align with any catchment or sub-catchment plan to implement the city-wide Stormwater Strategy; and*
4. *The relevant matters in **MRZ-P3, MRZ-P4, MRZ-P6, MRZ-P7, MRZ-P8, MRZ-P10 and MRZ-P12.***

**Advice Note:**

*A site-specific stormwater management plan prepared to meet the requirements of SUBMRZ-R1.2 may be sufficient to meet the requirements of this rule, subject to the management plan being prepared based on the most up to date flood data.*

**Notification:**

*An application under this rule is precluded from being publicly notified in accordance with section 95A of the Resource Management Act 1991.*

13. Horizons **supports** MRZ-R23 and MRZ-R24 as they align with the One Plan provision LF-FW-P12.

### Other Comments

In addition to the submission points outlined above, we would like to highlight the following observations.

#### **National Adaptation Plan requirements**

The National Adaptation Plan directs councils to use the recommended climate change scenarios outlined in it as a minimum<sup>2</sup>. We noticed that chapter 5.4 of the Section 32 Assessment Report uses only derived downscaled climate projections for SSP 4.5.

According to the National Adaptation plan, councils should use both the middle-of-the-road scenario (SSP2-4.5) **and** the fossil fuel intensive development scenario (SSP5-8.5) where available. Where SSP5-8.5 projections are not yet available, Climate Projections Summary Dashboard (MfE) includes SSP3-7.0, which could be used as substitute for this purpose.

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<sup>2</sup> [Adapt and thrive: Building a climate-resilient New Zealand – New Zealand's first national adaptation plan](#) (pp 67-69)

## Section 32 Assessment Report – Appendix B: Horizons One Plan – relevant RPS objectives and policies

The RPS-UFD chapter of One Plan was revised through Plan Change 3 (PC 3), to align with the requirements of NPS-UD. PC 3 partially became operative on 16 December 2024<sup>3</sup>. However, Appendix B of the Section 32 report evaluates the pre-PC3 version of One Plan RPS-UFD chapter.

### Potential Increase of Water Demand

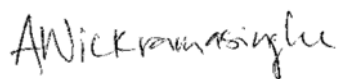
Regarding meeting the increased demand for water, any proposed water extraction requiring consent should align with the reasonable and efficient use policies outlined in the One Plan.

### Drinking Water Source Protection Zones

We observed that the proposed Medium Density Residential Zone overlaps with Palmerston North City Council's Drinking Water Protection Zones. Additional caution is necessary when regulating land use and development in and around these protection zones.

Horizons wishes to be heard in support of this submission. If others make similar submissions, Horizons would be open to presenting a joint submission to the hearing panel.

Yours sincerely,



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**SENIOR POLICY PLANNER**

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<sup>3</sup> One Plan RPS UFD-I3, UFD-O3 and UFD-P4 are subject to appeal.