APPENDIX 3 – SECTION 32AA EVALUATION

SECTION 32AA EVALUATION

- 1. As required by Section 32AA of the Resource Management Act, this report further evaluates changes to District Plan amendments proposed in the notified Plan Change 4 document since the s32 evaluation was undertaken. This evaluation should be read in conjunction with Plan Change 4 document, Section 32 evaluation and Section 42A submissions report. Refer to these documents for detailed analysis of submissions and other options considered.
- 2. Changes to proposed amendments since the s32 evaluation are assessed in Table 1 below. In evaluating the effects of the changes in accordance with 32AA, the following questions have been considered. Do the changes recommended:
 - a. make a significant difference to the conclusions of the s32 evaluation?
 - b. have significant effects on their own or in combination with the other amendments?
 - c. address the identified problems?
- 3. Further evaluation under s32AA shows the changes to the proposed amendments do not affect the conclusions of the s32 evaluation. The proposed provisions are the most appropriate way to achieve the objectives of the District Plan.

Table 1 – Evaluation of recommended changes

Changes to PC 4 proposed amendments	Effects and evaluation of changes
Policy 14.2.9.1	<u>Benefits</u>
The changes make amendments to the policy wording to reduce the threshold of effects on commercial centres before a resource consent can be granted for visitor accommodation in a residential unit for more than 60 nights a year in most residential zones. The notified version required that adverse effects on commercial centres be "minimised" while the amended version requires that the effects not be inconsistent with the centres-based approach.	Economic: The proposed changes retain the ability to consider impacts of larger-scale/longer-term unhosted visitor accommodation in residential units on nearby commercial centres particularly in areas where there is a risk that clusters of full-time unhosted visitor accommodation in residential units erodes the distinction between commercial and residential zones and reduces demand for commercially-zoned land in commercial centres.
	Some proposals that would not be able to minimise their impacts on commercial centres but which are still consistent overall with the centres-based strategy in terms of their scale and effects (including consideration of cumulative effects) could be approved creating economic benefits for the operator. The applications for these proposals would be less costly to prepare and assess because they would not have to establish that they are having minimal impact on commercial centres.
	Costs Economic:
	Potentially reduced vitality and vibrancy in commercial centres from a less restrictive approach to unhosted visitor accommodation in a residential unit for more than 60 nights a year that does not

14.2.9.1 Policy – Visitor Accommodation in a Residential Unit c. Avoid visitor accommodation in a residential unit at a scale, duration and/or frequency that:

- i. cannot be managed in a way that minimises adverse effects on commercial centres or the residential character, coherence and amenity of the site and its immediate surroundings; or
- ii. having regard to the cumulative effects of visitor accommodation and other non-residential activities offered in the same commercial centre catchment, would be inconsistent with the centre-based framework for commercial activities in Objective 15.2.2; or
- iii. that would be likely to give rise to reverse sensitivity effects on strategic infrastructure.

have a significant impact on commercial centres. The risk of this is reduced however by retaining a requirement to be consistent with the centres-based approach and other requirements to minimise adverse effects on residential coherence, amenity and character.

Social:

Some additional unhosted visitor accommodation in residential units for more than 60 nights a year may be able to be granted in residential zones which could potentially have impacts on residential coherence but I think this is unlikely because the application would also need to get past the other limbs of the policy to minimise adverse effects on residential character, coherence and amenity.

Effectiveness and Efficiency

Compared with the preferred option in the PC4 proposal, the changes may enable some units with negligible effects on commercial centres but which are still on the whole consistent with Policy 6.3.6 of the CRPS to primarily direct new commercial activities to the Central City, Key Activity Centres and neighbourhood centres where these activities reflect and support the function and role of those centres or in circumstances where locating out of centre, will not give rise to significant adverse distributional or urban form effects.

Visitor accommodation does reflect and support the function and role of commercial activities and, in my view, visitor accommodation in a residential unit where the predominant activity is no longer the residential component is a "commercial activity" or at least has a commercial character which makes it more appropriate to locate in commercial centres.

In areas with high demand for unhosted visitor accommodation in residential units (e.g. suburbs near the airport, coastal suburbs and the Central City Residential Zone) I think there are risks of significant adverse urban form effects from enabling an activity with a predominantly commercial character in residential zones. This is particularly the case if enabling this activity creates a permitted baseline argument for other non-residential activities.

On that basis, I consider the changes proposed would be more effective in balancing the outcomes sought in Policy 6.3.6 of the CRPS, Strategic Directions Objective 3.3.7(a)(v) and Objective 15.2.2 to primarily direct new commercial activities to commercial centres while better acknowledging that some activities will be in locations or at scales where they will not have significant adverse distributional or urban form effects.

As there are likely to be a relatively small number of proposals that fit into this category and which also have minimal effects on residential coherence and amenity, I think the efficiency of the amended version of the Policy is likely to be comparable to what was assessed in the s32 report.

Definition of "hosted visitor accommodation in a residential unit"

Changes enabling hosts to be in residence in a different residential unit on the same site in some circumstances

Hosted visitor accommodation in a residential unit

means a residential unit that is also used for visitor accommodation where:

a. at least one permanent resident of that residential unit is in residence in the residential unit for the duration of the stay

b.a individual bookings by visitors are for less than 28 days each; and

e.b any family flat is not used for visitor accommodation-; and

c. at least one permanent resident of that residential unit is in residence in the residential unit for the duration of the stay: or

<u>d. there are two residential units on the same site and:</u>

- the residential units are in the same ownership and are not in strata titles;
- ii. the permanent resident of one unit is in residence on the site for the duration of the stay and is employed in a supervisory capacity by the visitor accommodation activity.

Hosted visitor accommodation in a residential unit includes a bed and breakfast but excludes hotels, resorts, motels, motor and tourist lodges,

Benefits

Economic:

Enables hosts who live on the same site as guests but in a different residential unit to operate under the more permissive standards for hosted visitor accommodation instead of requiring a resource consent as unhosted visitor accommodation in a residential unit.

Simpler to enforce because there are a number of arrangements where hosts are providing accommodation in a second unit on their site but still supervising the activity and enforcement officers will not need to spend as much time determining whether or not they are self-contained units and how many kitchens/kitchenettes the site contains.

Social/Cultural:

Enables more hosts to experience the social and cultural benefits of offering hosted accommodation on their sites

Costs

Environmental:

The changes do potentially enable more hosted visitor accommodation in residential units which could cause amenity effects but because the activity

backpackers, hostels, farmstays and camping grounds.

is still supervised by an on-site host, these effects would be managed

Social:

More sites will be able to be operated as hosted visitor accommodation in a residential unit without requiring a resource consent

Efficiency and Effectiveness

As discussed in Issue 4 above, the proposed changes would be more effective at balancing the objectives sought by the Plan and s7(b) and s7(c) of the RMA to enable the efficient use of the housing stock in Christchurch while maintaining amenity values in residential areas. The changes are more consistent with the rationale behind distinguishing hosted and unhosted visitor accommodation in residential units to the extent that have on-site supervision mitigates the potential amenity impacts on neighbours. Whether or not the host lives in the same residential unit or in another residential unit on the same site, I think a comparable level of supervision for the activity would be achieved. So the changes would be effective in meeting Objective 14.2.4 for high quality residential environments with a high level of amenity. They are also more consistent with proposed Policy 14.2.9.1 to permit visitor accommodation in a residential unit where at least one permanent resident of the site is in residence for the duration of the stay.

Limits on the number of units that could be used for this purpose in a multi-unit residential complex would manage the risk of impacts on residential coherence from multiple owners in the complex letting out adjacent units.

The proposed changes would be more efficient because they are easier for applicants and plan administrators to understand and require less interpretation of what is considered a self-contained unit or a kitchen for the purposes of determining how many residential units are on the site for the majority of hosts who would likely be using these rules.

Standards and assessment matters for visitor accommodation

- a. Remove "maintenance of the exterior of the property" from the list of matters of control for Controlled activities (Unhosted visitor accommodation in a residential unit for less than 60 nights a year)
- b. Amend the parking and transport standards requiring mobility car parks and commercial standard for parking gradient and design and access design. The notified version of the plan exempted hosted visitor accommodation in a residential unit for up to six guests, unhosted visitor accommodation in a residential unit for up to 60 nights per year in a residential zone and all visitor accommodation in a residential zone for up to ten guests. The proposed changes simplify the exemption to any visitor accommodation for up to ten guests.

Benefits

Economic:

Reduced consenting costs where there are fewer matters to consider and does not require mobility carparks on smaller sites that may not have space for a dedicated carpark

Continuing to apply commercial carparking and access standards to visitor accommodation for more than ten guests will improve the safety and reduce the risk of damage to vehicles and neighbouring sites from a larger number of vehicle movements from people who are not familiar with the site

Reduced consenting costs for applicants not needing to consider maintenance of the exterior of the property.

Social:

Continues to provide a range of accommodation options for people with disabilities including in residential units, albeit generally in larger units that can accommodation more guests

Costs

Economic:

People offering visitor accommodation for more than ten guests will still need to meet the costs of adding a mobility carpark and updating the grading of the carparking and accessways offered on the site to meet commercial standards

Social.

Does not require mobility carparks for smaller scale residential units which may limit options for people wanting studio or one-bedroom units however those types of accommodation are most similar to the formal accommodation option which will generally have more than ten guests so will still be required to provide mobility carparks and will still be available as an accommodation option for people with disabilities

Effectiveness and Efficiency

Removing the matter of control related to the maintenance of the exterior of the property would be equally as effective as the notified version of the

rule at achieving Objective 14.2.4 high quality residential neighbourhoods with a high level of amenity. Hosts have an incentive to maintain the property because they need to keep marketing it so I think the risk of the property falling into disrepair or the gardens not being maintained are relatively small. The change is more efficient because it simplifies the process for resource consent applicants and reduces costs.

Changing the threshold for applying commercial standards for mobility carparks and design and gradient standards for vehicle accesses and carparking areas to be based on the number of guests rather than how frequently the unit is used for unhosted visitor accommodation in a residential unit would be more effective at achieving Objective 7.2.1 a transport system that is safe and efficient for all transport modes but that is also responsive to current recovery needs and enable economic development. It balances providing for access with a pragmatic approach for small units where it would not be economically feasible to dedicate a car park for mobility parking.

It is consistent with Policy 7.2.1.3 to provide for vehicle access and manoeuvring which ensures the safety and efficiency of the transport system and Policy 7.2.1.5 to require carparking areas that operate safely and effectively and are accessible for people whose mobility is restricted.

The changes would require upgrades to carparking and accessways when the activity is at a scale that it would be pragmatic to provide them.

The changes would be more efficient because they would reduce the requirement for commercial style carparks for small units that may be on sites that do not have space to feasibly provide for them.

Non-notification clauses

Add clauses to the Discretionary and Non-Complying levels of "unhosted visitor accommodation in a residential unit" activities in residential and other urban zones stating that applications cannot be publicly notified but can be limited notified.

Benefits

Economic:

Increased certainty and potentially reduced costs for resource consent applicants

Costs

Social:

Members of the wider community (as opposed to neighbours) would not be able to make submissions on applications for unhosted visitor accommodation

in a residential unit for more than 60 nights a year unless they were identified as affected parties or there were special circumstances.

Effectiveness and Efficiency

The amendments would be equally as effective at achieving the Plan objectives and policies and the purpose of the Act because the impacts of a proposal for unhosted visitor accommodation in a residential unit in residential zones will in almost all circumstances be limited to the local area of the proposal. It is unlikely that submissions from the wider community would raise issues that were not raised by local residents who are more directly impacted.

The changes proposed would also be more consistent with Strategic Directions Objective 3.3.2 to minimise requirements for notification. The amendments would be more efficient because they would give more certainty to potential applicants about the process that they would need to go through.

Residential zones on Banks Peninsula and in the Residential Large Lot Zone across the District

Amend the provisions for unhosted visitor accommodation in a residential unit in:

- residential zones around Akaroa Harbour and the Eastern Bays; and
- b. the Residential Large Lot Zone

from C for 1-60 nights a year; D from 61-180 nights a year; NC for 181+ nights a year to P for 1-180 nights a year; D for 181+ nights a year.

For residential zones around Lyttelton Harbour including Diamond Harbour, retain the notified version of the rules.

Benefits

Environmental:

Holiday houses would be used more efficiently potentially reducing the need for more development

Economic:

Supports commercial centres on Banks Peninsula that are heavily reliant on the visitor economy

Removes consenting costs for hosts wanting to offer unhosted visitor accommodation in a residential unit for up to 180 nights a year.

Social:

More frequent occupation of holiday houses that might otherwise be sitting empty could decrease the sense of loneliness and isolation and increase the sense of safety for neighbours

Costs

Environmental:

May put additional development and expansion pressure on small settlements and Akaroa as

holiday homes could be more affordable for a broader range of people.

Economic:

May increase demand for infrastructure and servicing in more remote parts of Banks Peninsula

May reduce the supply of affordable housing particularly for seasonal and service industry workers during peak demand times

Social:

More strangers attracted to residential neighbourhoods may decrease the sense of community and safety for permanent residents

Could exacerbate loss of residential coherence in some settlements where there is already a high proportion of holiday houses but some permanent residents remain

Effectiveness and Efficiency

Because of the high proportion of existing holiday homes in Banks Peninsula settlements around Akaroa Harbour and the Eastern Bays, a more permissive approach to unhosted visitor accommodation in a residential unit would still be effective at achieving Objective 14.2.4 high quality residential neighborhoods with a high level of amenity, CRPS Objective 6.2.1 maintaining the character and amenity of rural areas and settlements and Policy 14.2.6.1 to ensure that non-residential activities do not have significant adverse effects on residential coherence, character and amenity.

Policy 14.2.1.4 relates to residential development on Banks Peninsula and seeks to provide for "limited growth and changes to residential townships and small settlements that improves the long term viability of the townships, settlements and their communities".

While there is some risk that the proposed changes would spur additional demand for development in small settlements on Banks Peninsula, this is managed by retaining a requirement that the unit is still used for the majority of the time as a residence in order to be permitted.

The changes would be more effective at providing for the efficient use of the existing development on Banks Peninsula (which may also help to manage

demand) and would support the visitor economy in commercial centres there, particularly Akaroa. The proposed changes would be more efficient that the notified version of the rules because they would reduce consenting costs for hosts wanting to let units in those settlements part-time but would still achieve the higher order directions for high quality residential environments (within the context of coastal settlements with a high proportion of holiday homes).

Minor corrections

- a. Changes to the "residential unit" definition to clarify its relationship to the "residential activity", "hosted visitor accommodation in a residential unit" and "unhosted visitor accommodation in a residential unit" definitions
- b. Changes to the order of wording in the "sensitive activities" definition and the structure of the activity specific standards for visitor accommodation in the 50 dB L_{dn} Air Noise Contours in the Rural Urban Fringe and Rural Waimakariri Zones
- c. Changes to the names used for the airport noise contours

These are primarily administrative changes to improve the clarity of proposal (e.g. avoiding double negatives). They are more consistent with achieving Strategic Directions Objective 3.3.2 to use clear and concise language so that the District Plan is easy to understand and use. They do not have a notable impact on the assessment of the effectiveness and efficiency of the preferred option in the s32 report.