

MEMORANDUM

TO: Jeremy Butler – TDC Team Leader Urban
FROM: Mark Tollemache (Consultant Planner) and Claire McKeever (Consultant Eliot Sinclair)
DATE: August 2025
RE: Medium Density Residential Provisions of Plan Change 81

1. Purpose of this memorandum

This memorandum supports the section 32 evaluation for Plan Change 81 by explaining the planning rationale, method selection, and implementation logic for the proposed Medium Density Residential Zone (MDRZ).

Its purpose is to describe why the MDRZ framework has been structured as it has, including:

- the role of the Medium Density Residential Design Matrix (the Matrix);
- the relationship between land-use and subdivision controls; and
- the differentiated treatment of intensification and greenfield development areas.

This memorandum explains the planning logic and justification that underpins the MDRZ provisions and supports their appropriateness under section 32.

2. The planning problem to be addressed

Tasman District Council is seeking to promote and enable medium- and higher-density housing in appropriate locations in order to:

- increase housing supply and housing choice;
- respond to housing affordability pressures;
- make more efficient use of existing urban land and infrastructure; and
- give effect to the Future Development Strategy (FDS).

The Richmond Intensive Development Area (RIDA) was introduced as an earlier response to intensification pressures around the Richmond town centre. Monitoring shows that uptake within RIDA has been low to moderate, and Council has identified that its relatively conservative rules and conditions are unlikely to enable the level or quality of intensification required to meet future housing needs.

At the same time, the FDS identifies a number of greenfield growth areas where medium-density housing is expected to play a role, provided development is coordinated and infrastructure is delivered in an integrated way.

The core planning challenge is therefore not simply enabling more dwellings, but doing so in a way that:

- avoids poor urban design outcomes;

- provides certainty for developers, the community, and decision-makers;
- is workable within Council's processing and resourcing context; and
- can operate effectively across different development contexts.

3. Limitations of common planning approaches

In developing the MDRZ framework, Council considered a range of commonly used approaches to enabling medium-density housing, including:

- highly permissive rule sets with little or no planning oversight;
- broad discretionary assessment regimes supported by open-ended assessment matters;
- non-statutory design guidelines; and
- design review panels operating outside the statutory consent framework.

Experience nationally shows that highly permissive approaches can result in poor built-form outcomes and strong community opposition, while heavily discretionary approaches can create uncertainty, inconsistent decision-making, increased costs, and prolonged processing timeframes.

Council also recognises that Tasman District does not have in-house urban design staff and that intensive reliance on expert urban design peer review would not be sustainable or practical. These factors led to the conclusion that neither purely permissive nor heavily discretionary approaches were appropriate to achieve the desired outcomes.

4. The MDRZ approach – one zone, two spatial contexts

The MDRZ has been deliberately structured as a **single zone** applying across two distinct spatial contexts:

1. Existing urban areas, where development is primarily focused on intensification and redevelopment; and
2. Greenfield growth areas, where development occurs on undeveloped land subject to Outline Spatial Plans (OSPs).

While the physical form and sequencing challenges differ between these contexts, Council has deliberately adopted:

- a unified land-use framework across both contexts; and
- a differentiated subdivision framework where coordination and infrastructure delivery are critical.

This distinction is central to understanding the MDRZ approach.

5. Unified land-use framework (intensification areas only)

Residential development within the MDRZ is enabled through a unified land-use framework in existing urban areas that are not subject to an Outline Spatial Plan (OSP).

In these intensification contexts:

- comprehensive residential development is provided for as a restricted discretionary activity;
- applications are assessed against clearly defined built-form standards; and
- proposals may elect to use the Medium Density Residential Design Matrix to demonstrate acceptable urban design outcomes.

Where the required Design Matrix score is achieved, Council must grant consent. This approach is deliberately focused on enabling new residential development to fit within existing, generally lower-density urban environments, where managing interface effects, neighbourhood amenity, and streetscape outcomes is critical.

The Design Matrix does not apply within greenfield areas subject to OSPs. In those areas, urban design outcomes are established through the OSP framework and supporting subdivision controls.

This distinction reflects the different nature of urban design challenges between existing urban intensification and coordinated greenfield development.

6. The Design Matrix – an “avoid the worst” approach to urban design

The Medium Density Residential Design Matrix is a core innovation of the MDRZ framework in existing urban intensification areas.

The Matrix is not intended to prescribe ideal or exemplary urban design outcomes, nor to mandate a single preferred design response. Instead, it is deliberately designed as an “avoid the worst” mechanism, focused on establishing clear and measurable bottom lines for urban design outcomes in lower-density urban environments.

The Matrix comprises a series of acceptable design solutions across key urban design themes (such as neighbour interface, street engagement, and site functionality). Each acceptable solution is assigned a number of points, reflecting its relative importance or effectiveness in achieving sound urban design outcomes.

Applicants may pick and choose from the available acceptable solutions to assemble a proposal suited to their site and design approach. Where a proposal achieves the required minimum overall points score, and any applicable minimum category thresholds, it is deemed to demonstrate an acceptable urban design outcome.

By using this points-based framework, the Matrix provides:

- certainty for applicants about obtaining resource consent;
- flexibility to achieve outcomes in more than one way; and
- a transparent method for avoiding poor-quality development outcomes without relying on subjective judgement.

The Matrix operates within a restricted discretionary framework, retaining flexibility for alternative design responses where effects can be assessed and appropriately managed.

7. Novelty of the Matrix and targeted testing

The Design Matrix represents a novel approach in the New Zealand planning context. Council acknowledges that introducing a new assessment mechanism of this kind warrants careful testing prior to notification.

For this reason, Council has commissioned targeted testing of the Design Matrix by a panel of independent practitioners, including architects and other development specialists. The testing considers how the Matrix performs across minimum, typical and higher-intensity development scenarios in existing urban intensification areas.

The outcomes of this testing will be reported separately in a supporting appendix to Plan Change 81. This work will provide additional evidence regarding:

8. Intensification areas (non-OSP land)

Within existing urban areas, the MDRZ primarily facilitates incremental intensification, typically on a site-by-site basis within an established urban structure.

In these contexts:

- infrastructure networks and transport systems are largely in place;
- development effects are primarily related to building scale, form, and interface with neighbouring sites; and
- coordination across multiple landholdings is generally not required.

Accordingly, development outcomes in intensification areas are predominantly managed through the land-use framework, including built-form standards and, where used, the Design Matrix. Subdivision in these areas typically follows, or is integrated with, the granting of land-use consent.

Because intensification sites do not require comprehensive spatial structuring, subdivision rules specific to Outline Spatial Plan areas do not apply in these locations.

9. Greenfield areas subject to Outline Spatial Plans

Greenfield MDRZ areas present a different set of planning challenges, including:

- the need to coordinate development across multiple land parcels and landowners;
- the staged provision of infrastructure, roads, reserves and neighbourhood structure; and
- the early establishment of an integrated urban form within which medium-density development can occur over time.

For these reasons, Outline Spatial Plans (OSPs) are required for greenfield MDRZ land. OSPs establish the spatial framework for development, including street networks, block structure, open space, servicing, and density expectations.

Urban design outcomes in greenfield areas are therefore front-loaded through the OSP and subdivision framework, rather than assessed through the Design Matrix. Subdivision rules within OSP areas are more specific and differentiated, including minimum density

requirements, requirements to give effect to the relevant OSP, and escalation of activity status where coordinated outcomes are not achieved.

10. Why land-use rules are unified, but subdivision rules are differentiated

The MDRZ deliberately applies:

- a unified land-use framework in existing urban intensification areas; and
- differentiated subdivision controls in greenfield areas subject to OSPs.

This reflects the different nature of:

- land-use effects, which relate primarily to built form, amenity, and site-level design outcomes; and
- subdivision effects, which relate to spatial structure, sequencing, and infrastructure delivery across wider areas.

Applying a consistent land-use framework where effects are similar provides clarity and certainty, while introducing additional subdivision controls only where coordination is critical avoids unnecessary regulation.

11. Alignment with objectives, policies, and methods

The MDRZ provisions give direct effect to the objectives and policies in Chapter 6.4A, particularly Objectives 6.4A.2 and Policies 6.4A.3, which collectively set out a framework for enabling housing capacity, intensification and design quality in appropriate locations.

Objective 6.4A.2 seeks to ensure that sufficient residential capacity is provided to meet demand, while requiring that intensification delivers a variety of housing types and sizes, is focused within identified locations close to centres, and achieves quality urban design outcomes. The MDRZ directly responds to this objective by:

- enabling higher-density residential development within a defined zone rather than through dispersed ad-hoc rezoning;
- supporting a mix of dwelling typologies suitable for different household types, life stages, and affordability considerations; and
- embedding mechanisms that link density with minimum design quality expectations.

Policy 6.4A.3.1 and Policy 6.4A.3.2 emphasise the need to enable a wide range of housing types and densities, and to focus medium-density development within walkable catchments of centres and other identified locations. The MDRZ gives effect to these policies by locating the zone where intensification is intended to occur, and by providing a clear pathway for comprehensive, land-use-led development rather than reliance on standard density subdivision.

Policy 6.4A.3.3 recognises that medium-density development must achieve a high standard of amenity and that successful outcomes cannot be achieved through development standards alone. This policy basis underpins the inclusion of the Design Matrix in intensification areas. The Matrix provides a transparent and consistent method for assessing amenity and urban design

outcomes, while recognising that multiple acceptable design solutions may exist for any given site.

Policy 6.4A.3.6 and related provisions require the use of Outline Spatial Plans for larger or strategically important greenfield MDRZ sites, in order to coordinate land use, subdivision layout, infrastructure, open space, and connectivity. The MDRZ implements this by differentiating subdivision controls in OSP areas, while retaining a consistent land-use framework across the zone.

Policy 6.4A.3.8 addresses MDRZ land that is not subject to an OSP, enabling comprehensive, land-use-led development supported by the Design Matrix, and discouraging subdivision patterns that would preclude future comprehensive development. This policy alignment explains why the MDRZ generally avoids enabling standard density subdivision in intensification areas unless it implements an approved land-use consent.

Taken together, these objectives and policies support a planning approach that:

- prioritises housing capacity and choice;
- directs intensification to appropriate and accessible locations;
- requires design quality to be addressed in a structured and transparent way; and
- balances flexibility for developers with certainty for the community and decision-makers.

The MDRZ objectives, policies, rules, Design Matrix, and OSP framework operate as an integrated package to give effect to this intent, and to achieve the outcomes anticipated by Chapter 6.4A of the Plan.

12. Conclusion

The MDRZ framework represents a deliberate and evidence-informed response to Tasman's housing and growth challenges. By combining a targeted land-use framework for intensification areas, a novel but disciplined Design Matrix, and a coordinated OSP-led subdivision framework for greenfield areas, the approach seeks to enable increased housing supply while avoiding poor urban outcomes.

This memorandum explains why the approach adopted is considered the most effective and appropriate means of achieving the objectives of Plan Change 81.