



APPENDIX I

Section 32 Evaluation Report



HONEYCOMB DEVELOPMENTS LP

**PRIVATE PLAN CHANGE TO THE
WAIPĀ DISTRICT PLAN**

Section 32 Evaluation Report

24 November 2025

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1. INTRODUCTION

This Section 32 Evaluation Report has been prepared in support of a Private Plan Change (“**PPC**”) request to the Operative Waipā District Plan (“**WDP**”) by Honeycomb Developments (“**Honeycomb**” or “**the Applicant**”).

The PPC relates to approximately 21.505 ha of land (the “**Site**”) located at the southern end of Ōhaupō, south of Hamilton (refer **Figure 1**) at 4336 Ōhaupō Road and 5, 7 & 13 Ryburn Road, Ōhaupō. The land is bound by Ryburn Road to the north, State Highway 3 to the east, farmland to the south and the North Island Main Trunk Railway Line to the west. A number of residential properties are north of the site as well as the small number of businesses that make up the Ōhaupō Township.

The Site is approximately 17 km from Hamilton and 10 km from Te Awamutu.



Figure 1: Location of the land subject to this PPC

To achieve its purpose (as described above), this PPC proposes to make changes to the following sections of the WDP:

- > Planning Maps (i.e., the change of zoning from Rural Zone to Large Lot Residential Zone (with an area of Reserve Zone and removal of the State Highway 3 Scenic Corridor Landscape Overlay); and
- > Appendix SXX – Ōhaupō South Structure Plan.

Further details of the Proposed Plan Change are included in the plan change application and supporting reports, which should be read alongside this evaluation report.

1.1 STRUCTURE PLAN

It is proposed to introduce a new Structure Plan for the land that is subject to the Proposed Plan Change as a new Appendix SXX¹ to the WDP. It is called the “Ōhaupō South Structure Plan” and is presented in **Figure 2**.

The key elements of the Structure Plan are:

- > Land development area for large lot residential use;
- > Protection and enhancement of natural features and areas of ecological value; and
- > Identification of a local road and the point of connectivity to the wider roading network.

¹ Waipa District Council to insert appendix number



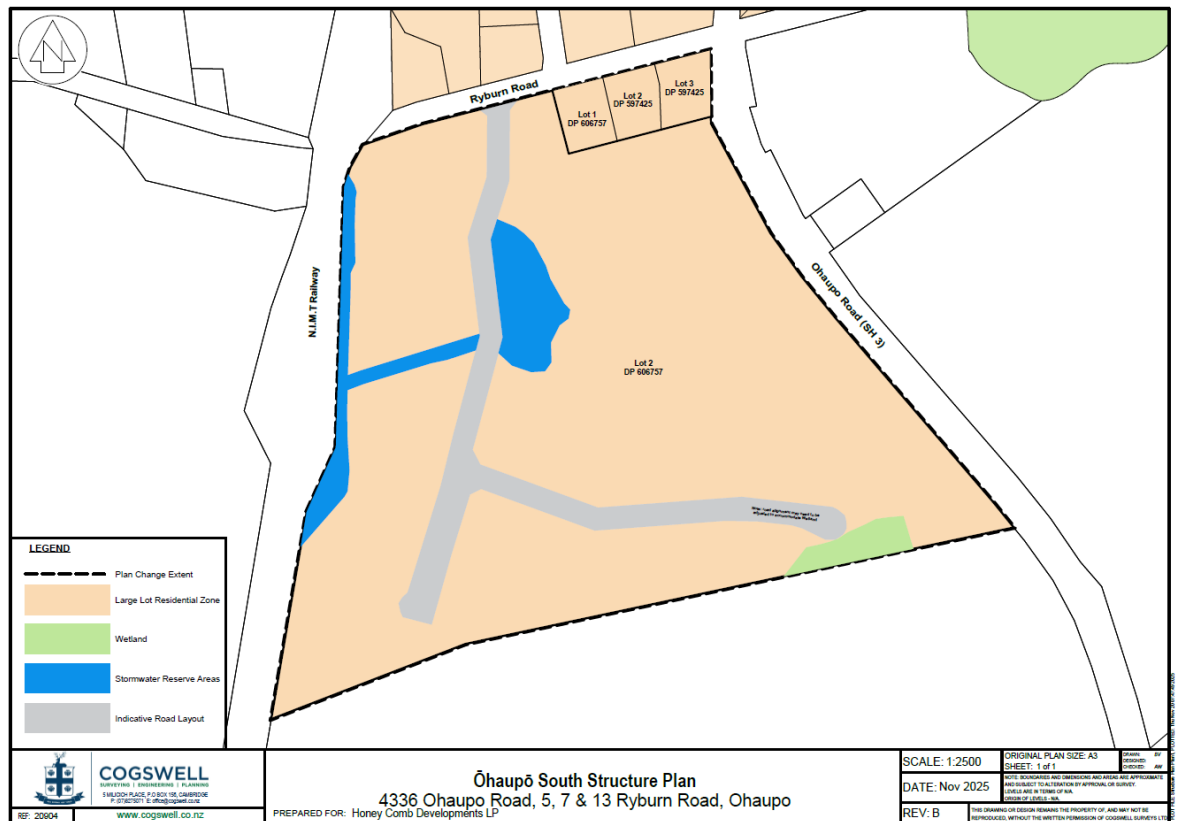


Figure 2: Ōhaupō South Structure Plan

1.2 REGULATORY REQUIREMENTS

The request to advance this PPC has been made in accordance with the requirements of Sections 32, 74 and 75, and Schedule 1 of the RMA. The assessment has:

- Demonstrated that the objectives of the PPC are the most appropriate way to give effect to the purpose of the RMA and the proposed provisions are the most appropriate way to achieve the objectives;
- Demonstrated that the PPC will have positive environmental, social and economic effects and that any potential adverse effects can be managed through the amended District Plan provisions and subsequent resource consent applications; and
- Found that the request will give effect to the relevant National Policy Statements and the Waikato Regional Policy Statement.

Section 32(1) of the RMA requires an evaluation report for the PPC to:

- > Contain detail that corresponds to the scale and significance of the anticipated effects of the implementation of the proposal;
- > Examine whether the objectives of the proposed plan change are the "most appropriate" way to achieve the purpose of the RMA; and

- > Examine whether the proposed provisions are the "most appropriate" way of achieving the plan change objectives, having regard to efficiency and effectiveness and other reasonably practicable options for achieving the objectives.

Examining whether the proposed provisions are the "most appropriate" way of achieving the plan change objectives requires:

- > Identification and assessment of the benefits and costs of the effects anticipated from the implementation of the provisions, including opportunities for economic growth and employment;
- > If practicable, quantification of the benefits and costs referred to directly above; and
- > Assessment of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

The following sections of this report provide an evaluation prescribed by section 32 of the RMA as follows:

- > Section 2 describes the objectives of the PPC and assesses the appropriateness of the proposal to achieve the purpose of the RMA.
- > Section 3 assesses the appropriateness of the proposed provisions to achieve the objectives of the PPC. It does this by identifying reasonably practicable alternatives to achieve the objectives and then assessing the efficiency, effectiveness, costs, and benefits of the preferred option. This section also includes an assessment of the risks of not acting and the reasons for deciding on the provisions.

For completeness, it is noted that this assessment is undertaken at a scale corresponding to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the PPC.

Further details of the PPC are included in the plan change application and supporting reports, which should be read alongside this evaluation report.

2. PLAN CHANGE OBJECTIVES

2.1 OVERALL OBJECTIVE OF THE PRIVATE PLAN CHANGE

The overall objective of the PPC is:

To enable residential development within the Ōhaupō Township while ensuring the effects of the land-use change can be appropriately managed.

It has been identified there is a short-fall in land available within Ōhaupō for residential development and it is understood from discussions with the landowners that the identified² existing growth cells for Ōhaupō are not going to be developed in a manner that responds to the growth of the area.

The acceptance of this PPC will support Waipā District Council (“**WDC**”) to give effect to the National Policy Statement on Urban Development 2020 (“**NPS-UD**”), which requires the District Council to provide a sufficient development capacity in its district to meet expected demand for housing. The PCC is also consistent with the existing objectives of the WDP, including:

- > Objective 1.3.1 which seek that the health and well-being of the Waikato River is restored and protected and Te Ture Whaimana is realised;
- > Objective 1.3.2 which endeavours for development and subdivision to occur in a way and at a rate that is consistent with anticipated settlement patterns, maximises the efficient use of land, and is co-ordinated with cost-effective infrastructure provision;
- > Objective 3.3.3 which seeks to maintain and enhance the key aspects of character within the Large Lot Residential Zone;
- > Objective 3.3.5 which seeks to maintain and enhance amenity values in the Large Lot Residential Zone;
- > Objective 24.3.1 which seeks to enhance the existing level of biodiversity within the District; and
- > Objective 26.3.1 Ensure that activities that occur on and adjacent to lakes and water bodies are managed to avoid, and where possible enhance, natural character and water quality.

An assessment of the objectives above, and other relevant objectives and policies from the WDP is provided in Section 7.11 of the PPC.

² Refer Appendix S1 of the WDP.

2.2 PROPOSED CHANGES TO THE DISTRICT PLAN

The proposal seeks to rezone the land parcel from “Rural Zone” to “Large Lot Residential” to align with the zoning to the north of the land parcel. This zoning will enable residential development at a low density that still provides for a rural feel. An update to the Waipā District Plan maps will be required to facilitate this change.

It is also proposed to remove the “State Highway 3 Scenic Corridor Landscape Overlay” from applying to the land parcel. This is considered appropriate based on the Landscape and Visual Effects (**Appendix F** of the PPC) undertaken in support of the PPC by Boffa Miskell.

No updates or new objectives, policies or rules are proposed to be inserted into the District Plan as part of this PPC.

2.3 ASSESSMENT OF THE OBJECTIVES AGAINST PART 2 OF THE RMA

The purpose of the RMA is to promote the sustainable management of natural and physical resources.

As outlined in section 2.1 above and Section 7.11 of the PPC, the PPC objective is consistent with WPD objectives Objective 1.3.1, 1.3.2, 3.3.3, 3.3.5, 24.3.1 and 26.3.1. These existing objectives of the WPD have been subject to a Schedule 1 process under the RMA and their appropriateness in achieving the purpose of the RMA is not challenged by this PPC. It is noted that their retention will ensure development under this PPC will align with the development of other Large Lot Residential zoned land within Ōhaupō.

As such it is considered the PPC is consistent with the purpose of the RMA.

3. APPROPRIATENESS OF THE PROVISIONS

Sections 32(1)(b), (2) and (3) set out the matters that must be considered when assessing the appropriateness of the provisions in achieving the objectives, including:

- > Identification and assessment of the benefits and costs of the effects anticipated from the implementation of the provisions, including opportunities for economic growth and employment;
- > If practicable, quantification of the benefits and costs referred to directly above;
- > Assessment of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions;
- > Assessing the efficiency and effectiveness of proposed provisions; and
- > Summarising the reasons for deciding on the proposed provisions.

The objectives of the District Plan are given effect through the updating of the WDP to show the rezoning of the land from Rural Zone to Large Lot Residential (with a small area of Reserve Zone) and the removal of the Landscape Overlay from the Site.

Section 32(2)(b) also requires an assessment of the risk of acting or not acting if there is uncertain or insufficient information. In this case, there is considered to be sufficient information to determine the range and nature of effects of the options set out, and so that assessment has not been undertaken.

3.1 OPTIONS IDENTIFICATION AND EVALUATION

Section 32(1)(b)(i) of the RMA, requires this report to identify “other reasonably practicable options” to promote sustainable management, including retaining the status quo, non-regulatory methods, and plan changes.

We have identified four reasonably practicable options that could have been utilised to achieve the objectives of the District Plan.

Option 1: Maintaining the status quo (or the “do nothing” option);

Option 2: Lodging non-complying activity resource consents;

Option 3: Waiting for the next review of the District Plan and making submissions to seek the rezoning; and

Option 4: Rezoning the land via a private plan change (preferred option).

Each option is discussed in the sections below.

3.1.1 Option 1: Do Nothing

The do-nothing option would not allow for residential development and therefore would not achieve the objective of the PPC and those objectives of the WDP that it achieves consistency with.

The current land use (rural) would be undertaken on the land until such time as the land is rezoned. Although retaining the land as Rural Zone under the 'do nothing option' would achieve consistency with the WDP Rural Zone objectives it would not enable the benefits that the proposed rezoning to Large Lot Residential will achieve, these being:

- > Increased residential land capacity for Ōhaupō and Waipa District;
- > The restoration and protection of the water quality in the Waipa River catchment through the reduction in diffuse discharges from farming activities;
- > Ecological benefits in respect of riparian planting of the ponds and streams within the site; and
- > Ecological benefits in maintaining the existing natural wetlands within the plan change area; and
- > Residential development opportunity with Mana Whenua support from Waikato-Tainui, Ngāti Korokī-Kahukura, Ngāti Hauā and Ngā Iwi Tōpū o Waipā.

3.1.2 Option 2: Resource Consents

This option involves retaining the existing Rural Zone and progressing the consenting for the subdivision as either a restricted discretionary activity under Rule 15.4.1.1(e) or non-complying activity subject to compliance with the relevant standards.

Restricted discretionary activity subdivision of the site (which is 21.5ha in area) could not occur under Rule 15.4.1.1(e) as this rule requires compliance with Part C, which in turn requires compliance with rule 15.4.2.1 which sets a minimum net lot area of 40ha for subdivision in the Rural Zone.

If a non-complying activity, any resource consent application would need to pass one of the two section 104D gateway tests - that the adverse effects on the environment will be minor, or that the activity will not be contrary to the objectives and policies of relevant plans or Proposed Plans. Demonstrating that either of these tests has been met could be challenging as the cumulative effect of developing 21.505 ha of rural land for large lot residential has the potential to give rise to adverse effect that are more than minor in a Rural Zone context and the relevant plan provisions are focused on maintaining rural character and amenity. Additionally, non-farming activities are limited to those that have a functional or compelling reason to establish in the area and do not result in the loss of rural primary production land (for example, Objective 4.3.12).



3.1.3 Option 3: Rezone through a District Plan Review

For this option, the applicant could seek to advance the rezoning sought by way of a submission on a wider District Plan review (or change) process. This option would be similar to the private plan change option in that any submission would need to be supported by technical evidence confirming that the land is suitable for the intended land use.

This option would result in the realisation of the many benefits of the private plan change option due to the integrated and holistic nature of District Plan reviews, and the opportunity to achieve a rezoning through that process.

The timeframes for this option, however, are uncertain as it is unclear when the next District Plan review will occur. As the District Plan was made fully operative in 2017, it is unlikely that a full District Plan review will occur in the near future, or at least until after 2027.

3.1.4 Option 4: Rezone through a Private Plan Change

The preferred option is to re-zone the land parcel from Rural Zone to Large Lot Residential Zone, and to insert a structure plan into the District Plan, via a private plan change process. For this option, the applicant pays for the private plan change process, making it cost neutral to Waipa District Council and its rate payers.

The structure plan will guide future development of the site, which will be refined during the subdivision consent process.

This option enables the objective of the PPC to be achieved in a timely manner.

3.1.5 Reasons for Deciding on the Provisions

For the reasons outlined in this evaluation report and the other documents supporting the plan change request, Option 4 in relation to the rezoning of the land from Rural Zone to Large Lot Residential Zone is the most appropriate approach for achieving the relevant objectives.

3.2 EVALUATION OF PLAN CHANGE PROVISIONS

The following section assesses the appropriateness of the proposed provisions in accordance with sections 32(1)(b)(ii) and 32(2).

3.2.1 Cost Benefit Analysis

Table 1 provides an assessment of the costs and benefits of the environmental, economic, social and cultural effects that are anticipated from the implementation of the provisions as required under sections 32(2)(a) and (b) of the RMA.

Table 1: Cost Benefit Analysis

Evaluation Matter	Benefits	Costs
Environmental	The key environmental benefits of the proposed plan change include: > The restoration and protection of the water quality in the Waipa River catchment through the reduction in diffuse discharges from farming activities; > Ecological benefits in respect of riparian planting of the ponds and streams within the site; and > Ecological benefits in maintaining the existing natural wetlands within the plan change area. In addition, the structure plan has been developed to integrate with the existing residential activities on the northeastern boundary.	The proposal will result in the loss of productive soils³, although it is noted the wider district has approximately 77,443 ha of land identified as Highly Productive Land. This indicates that the district has extensive rural productive land that can contribute to its primary production both currently and in the future. On this basis, the loss of Highly Productive Land associated with the PPC is negligible (0.027%) and will not have a detrimental impact on the total level of the district's primary production. Amenity and character of the area will change from rural to urban, although it is noted that this is consistent with adjacent land uses of Ōhaupō village to the north and does not necessarily equate to an adverse effect. The development of the PPC Area, if undertaken in an inappropriate manner, could adversely affect the amenity of the surrounding environment. However, these effects can be managed (avoided and mitigated) through being developed in accordance with the proposed structure plan, with the design and layout of the future subdivision (being subject of a separate consent process) and which will require compliance with the relevant standards already included in the District Plan and any requirements of the Waikato Regional Plan associated with the wastewater and stormwater discharges.

³ Approximately 2 ha of LUC Class 2 Land and approximately 19 ha of LUC Class 4 Land



Evaluation Matter	Benefits	Costs
		In addition to the above, the removal of the scenic corridor is considered appropriate and will not result in an environmental cost (based on the expert landscape advice of Boffa Miskell) as the subdivision will be designed to integrate with the existing environment through measures such as single story dwellings and fence and hedge planting height limits along the SH3 interface.
Economic (including opportunities for economic growth and employment to be provided or reduced)	The economic benefits of the proposed plan change include: > Additional employment opportunities during construction activities; > Provision of additional residential land within Ohaupo to increase supply (which may have flow on effects in respect of housing / land affordability); and > The plan change being progressed (and paid for) by the applicant has benefits in ensuring that the cost is not carried by the rate payer. In addition, the infrastructure required to develop the PPC area will be installed by the developer with development contributions payable to cover increased demand on the wider network (again, to reduce economic effects on the rate payer).	There may be economic costs associated with changing the land use activities on site from productive rural activities to residential land uses. Such costs will include the loss of annual farm produce from the land. Reverse sensitivity effects could arise as a result of the plan change, which could have economic costs if land uses were constrained or curtailed. However, the location of the site being adjacent to existing residential land to the north and buffered by the railway to the west and state highway to the east, layout of the structure plan, and compliance with existing rules in the Waipā District Plan, will manage and minimise the potential for reverse sensitivity.
Social	There is a significant social benefit of providing additional residential land within the Waipā District, which assist with affordability. There are also social benefits through employment opportunities during construction activities.	It is anticipated that there may be a social effect of the proposed plan change on the existing residential neighbours that live adjacent to the plan change area, in that the rural character will be replaced with a residential character. The Large Lot sites will help ensure the retention of greater

Evaluation Matter	Benefits	Costs
	The cost of the plan change is borne by the applicant, rather than the District Council and ratepayers. This avoids an opportunity cost associated with funding a public plan change process that could be spent on providing for community well-being in the Waipā District.	areas of open space, which will assist in reducing the impact of the change in character.
Cultural	Engagement with mana whenua has been undertaken to determine the nature and extent of the cultural benefits. These are outlined within the Cultural Impact Assessment (“ CIA ”).	Ngāti Hauā Iwi Trust has undertaken a CIA that includes engagement with Waikato-Tainui, Ngāti Korokī-Kahukura, Ngāti Hauā and Ngā Iwi Tōpū o Waipā. With The implementation of the recommendations from the CIA, which the applicant has accepted, it is considered there are no negative cultural effects.



3.2.2 Efficiency and Effectiveness

This section assesses the efficiency and effectiveness of the provisions in achieving the relevant objectives in accordance with section 32(b)(ii) of the RMA.

Efficiency: it is considered that the provisions of the PPC are efficient in achieving the plan change objectives as the plan change rezones the land, and makes the land available for development immediately, subject to the development of infrastructure. It also relies on the existing district plan provisions rather than introducing new and different rules.

The plan change approach, which includes the development of a structure plan, ensures that development is co-ordinated under an appropriate plan for the underlying topography and undertaken in accordance with the WDP.

Effectiveness: it is considered that the plan change provisions are effective in achieving the objectives of the plan change for the following reasons:

- > The rezoning allows for residential development within Ōhaupō that is not currently being undertaken;
- > The proposed plan change is funded by the applicant;
- > The proposed plan change enables the land to be re-zoned in a timely manner (i.e. there is not reliance on a council led plan change or plan review process); and
- > The proposed plan change inserts a structure plan into the District Plan to guide the development but doesn't introduce new provisions that would affect other developments.

3.2.3 Risks of Acting or Not Acting

Section 32(2)(c) of the RMA requires, in the evaluation of the proposed policies and methods, the consideration of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter.

Part of the efficiency and effectiveness assessment is to identify if there is uncertain or insufficient information about the subject matter of the provisions. If there is uncertain or insufficient information, an assessment of the risk of acting or not acting in terms of the provisions is required.

For the purpose of section 32, risk relates to changes in circumstances or an unforeseen event. This circumstance or event may increase the potential economic, social, cultural, or environmental costs that may result from the proposed plan change.

Risk may also be associated with a failure of a provision to achieve or move significantly towards the benefits sought by the objective.

Uncertainty relates to possible changes in assumed circumstances which are unknown at the time of evaluation. Uncertainty also relates to a lack of scientific knowledge or other knowledge about the nature or scale of an issue. In this case, it is not considered that there is any uncertainty around the plan change provisions.

The information behind the method promoted in the proposed plan change is certain, and there is little risk associated with the plan change going ahead. The risk of not acting (not pursuing this plan change) is that the resource management issue remains unresolved, with a risk that there may not be sufficient residential development capacity available in the Ōhaupō / Waipā District to cater for residential growth (noting that the Waipā District has largely exceeded growth predictions / modelling in the past). In addition, having more sections available to the market is expected to positively impact housing affordability and choice.

4. CONCLUSION

The PPC seeks the rezoning of rural land to large lot residential (with an area of Reserve Zone) and the removal of the SH3 Scenic Overlay to allow for residential development within Ōhaupō that is not currently provided for. This assessment has demonstrated:

- > The objectives of the proposal are the most appropriate way to achieve the purpose of the Act;
- > The provisions of the Proposed Plan Change are the most appropriate way to achieve the relevant objectives and are preferred to alternative options;
- > The overall benefits of the proposal outweigh the costs on the community, the economy and the environment; and
- > The provisions are an efficient and effective way of achieving the objectives.