

QUEENSTOWN LAKES DISTRICT COUNCIL

Hearing of Submissions on Proposed District Plan

Report 17-8

Report and Recommendations of Independent Commissioners Regarding
Mapping of Coneburn Valley, Queenstown Park, Jacks Point

Commissioners

Denis Nugent (Chair)

Jan Crawford

David Mountfort

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PART A: REMARKABLES PARK LIMITED

Submitter Remarkables Park Limited (Submission 807.76)

Further Submission

None

1. PRELIMINARY MATTERS

1.1. Subject of Submission

1. This submission relates to the extent of the Outstanding Natural Landscape on the northern bank of the Kawarau River adjacent to Remarkables Park, Frankton.

1.2. Outline of Relief Sought

2. The submitter sought that the ONL line along the Kawarau River near the Remarkables Park Zone (RPZ) be moved and placed along the foot of the slopes of the northern face of the Remarkables.

1.3. Description of the Site and Environs

3. The land is a steep bank rising out of the Kawarau River up to the plateau of the Frankton Flats. The bank is included in the Remarkables Park Zone but this portion of the RPZ is not owned by the submitter and is part of the river itself.

1.4. Discussion

4. The Remarkables Park Zone is not within Stage 1 of the PDP. It is an ODP zone and is to be considered in a later stage of the District Plan Review. It was shown on the PDP planning maps for information purposes only. In a Minute dated 12 June 2017 the Chairman of the Hearings Panel stated that submissions on such land would not be considered. In addition, all provisions relating to the RPZ have been withdrawn by the Council to the extent that they may have been in the PDP.¹

5. We therefore make no recommendation on submission Point 807.76 as the submission is not on the PDP.

¹ By resolution of the Council on 29 September 2016.

PART B: NOEL GUTZEWITZ AND J BOYD

Submitter Noel Gutzewitz and J Boyd (Submission 328)

Further Submissions

FS 1340.75 Queenstown Airport Corporation (QAC) - oppose

2. PRELIMINARY MATTERS

2.1. Subject of Submission

6. This submission relates to Sections 42 & 43, BLK XII Coneburn SD, Lots 4 & 5, DP 24790), a 10.7299 hectare site located between Boyd Road and the southern bank of the Kawarau River. This is shown on Figure 8-1 below.

2.2. Outline of Relief Sought

7. The submission sought the rezoning of the site, as shown on Planning Map 31a from Rural to Rural Lifestyle with a minimum lot size of 1 ha.

8. The further submission from the Queenstown Airport Corporation in opposition raised concerns with the possibility that if granted the relief would result in intensification of an activity subject to air noise (ASAN) establishing within close proximity to Queenstown Airport and may potentially result in adverse effects on QAC, and opposed the relief sought.

2.3. Description of the Site and Environs

9. The site is across the Kawarau River from the Remarkables Park Zone. It is zoned Rural within a Rural Character Landscape. There is a 20m strip of land between the site and the river that is shown on the Otago Regional Council webmap as being Crown land and this strip is within an ONL. Boyd Road reserve bisects the property in a zigzag shape and connects to the Crown land. The land to the east of the road reserve is split between an upper and lower river terrace, and there is an old quarry at the eastern end. The land to the west of the road reserve is predominately on the upper river terrace with a steep bank to the river. There is one dwelling beside the road reserve on the upper terrace and another dwelling on the lower terrace.

10. The land is potentially susceptible to a number of natural hazards including flooding, liquefaction and instability, particularly on the lower terrace. Evidence for the applicant included a high level summary of these and concluded that any future building platforms would likely be confined to the higher upper terrace.² The evidence concluded that further detailed geotechnical assessment would be necessary at time of subdivision to identify suitable building platforms but that development would be feasible on some parts of the site.

11. Land to the east and west is occupied by extensive rural activities, including the slopes of Peninsula Hill and the Remarkables Range. Across the Kawarau River to the north is the developing urban area of Frankton Flats.

² N Geddes, Summary Statement, 22 August 2017, paragraphs 18-19.



Figure 8-1: land requested to be zoned Rural Lifestyle

2.4. The Case for Rezoning

12. For the Council, Mr Buxton considered that the Rural Lifestyle spot zoning requested would amount to a small spot zone in a wider rural context and opposed it for that reason. For the applicant, Mr Nick Geddes considered that while spot zoning is generally undesirable, where it facilitates the most efficient use of the land and is confined to land which affords unique characteristics it should not be ruled out but indeed applied.³ He considered this site unique in character.

2.5. Discussion of Planning Framework

13. Objectives and policies in Chapter 3 require that the rural character and visual amenity values in identified Rural Character Landscapes are maintained or enhanced by directing new subdivision, use or development to occur in those areas that have the potential to absorb change without materially detracting from those values.⁴

3. ISSUES

14. We have identified the following key issues raised by this submission:
- a. Rural character
 - b. Landscape
 - c. Natural hazards
 - d. Land use efficiency
 - e. The Water Conservation (Kawarau) Order 1997.
 - f. Infrastructure
 - g. Airport issues

4. DISCUSSION OF ISSUES AND CONCLUSION

4.1. Rural Character

15. We are not concerned about spot zoning in the locality. In fact, we consider that both this site and other rural land in the vicinity could well be considered for future urban development due

³ N Geddes, EIC, paragraphs 9.4 and 9.5.

⁴ Objective 3.2.5. and Policies 3.2.5.2, 3.3.22, 3.3.24 and 3.3.26

to its proximity to the built-up area of Queenstown, notably the Kelvin Peninsula and Frankton Flats. However, we are aware from hearing other submissions that the adjoining land, which is part of Remarkables Station, is likely to be retained by its owners for farming for the foreseeable future, and the present site may be too small to be developed at urban densities in isolation.

4.2. Natural hazards

16. We accept that natural hazards can be assessed at time of subdivision and any unsuitable areas excluded.⁵

4.3. Land use efficiency

17. Mr Geddes considered that the land is unable to be used for any economic form of farming, and it would be more efficiently used for the rural lifestyle activity being proposed. The former use of a tree nursery has now ceased trading. We accept that due to size, location and variable topography the property may be difficult to operate as an economic unit. On the other hand, it may be that it would be even more efficiently used for full residential development, if developed in conjunction with adjoining lands.

4.4. Landscape

18. The land adjoins the Outstanding Natural Feature of the Kawarau River. Dr Read, for the Council, considered that the site could easily absorb the level of development proposed without adversely affecting the landscape. We accept that evidence.

4.5. The Water Conservation (Kawarau) Order 1997

19. The site is close to the Kawarau River, which is subject to the Water Conservation (Kawarau) Order 1997. Mr Geddes, in his summary statement of evidence discussed the qualities that this order seeks to protect, including wild and scenic characteristics, natural characteristics in particular the return flow towards the lake which occurs in flood conditions, scientific values and recreational values. In regard to wild and scenic values, it was his opinion that this section of the river above the Shotover River confluence is much more human-influenced and less wild than the lower sections which are narrower, steeper and fast flowing, and mostly in gorges. He did not consider that the rural lifestyle development of the subject site would adversely affect this or any of the other values specified in the Order, and we accept that opinion. In fact, on reading the Order, its protections are all to do with the management of the actual waters in the river and its tributaries and nothing in it directly refers to adjacent land use or requires the territorial authority to have regard to the Order when managing land use or processing subdivision applications adjacent.

4.6. Compatibility with adjacent activities (reverse sensitivity) or other relevant matters

20. We consider that rural lifestyle development on this block would have few if any adverse effects with the farming activities on adjacent land.

4.7. Infrastructure:

21. There would be a need for the site to be self-contained for water supply and wastewater disposal and this would need to be thoroughly assessed before subdivision could be consented. Mr Geddes considered that in his experience this would be achievable. In any case, if this proved not to be feasible no subdivision could take place.

⁵ Report 17-1; see discussion re Natural Hazards

4.8. Airport Noise issues

22. Consistent with our approach to similar cases close to Queenstown Airport but outside the Outer Control Boundary, we consider it would be unfair to the landowners to apply a more restrictive regime than that recently established under Plan Change 35 to the ODP.⁶

4.9. Minimum Lot Size

23. Mr Geddes' evidence on the request for a reduced minimum lot was based on his assessment that more sites could be accommodated on this land than the 1 lot per 2 ha average allowed for the Rural Lifestyle Zone with careful design of the subdivision. In our view, such an approach is better dealt with through a resource consent application rather than zoning.

4.10. Conclusion

24. We accept the evidence of Dr Read that the landscape and rural character of the area is capable of absorbing rural lifestyle development of this site. However we do not think the case has been made for development at closer densities than the standard Rural Lifestyle zone allows. We heard no detailed evidence about this and consider that it could be pursued at consenting stage subject to satisfactory evidence. We agree with Mr Geddes that natural hazards can be assessed in more detail at the time of subdivision. It is apparent that at least some parts of the site would not be affected by natural hazards. We consider Rural Lifestyle development would be a more efficient use of the land than the present Rural zoning. The values to be protected by the Water Conservation (Kawarau Order) would not be affected. We do not intend to impose airport noise restrictions outside the presently-defined Outer Control Boundary in the absence of any formal process to amend those.

5. RECOMMENDATION

25. For the reasons set out above, we recommend that:
- a. Submission 328 be accepted in part; and
 - b. Further Submission 1340.75 be rejected; and
 - c. The subject land be zoned as Rural Lifestyle as shown on Planning Maps 31a and 33.

⁶ Refer Report 17-1, Section 5.3

PART C: N T McDONALD

Submitter NT McDonald (Submission 409.2)

6. PRELIMINARY MATTERS

6.1. Subject of Submission

26. The subject site is a rural property on Kingston Road (Lot 1 DP 443946, Assessment No 2913100605), which is immediately south of the Remarkables Ski Field access road.

6.2. Outline of Relief Sought

27. The submitter seeks that the PDP Landscape Category Boundary is amended to reflect the most recent Environment Court Decision.

6.3. Description of the Site and Environs

28. The location of the land to which the submission relates is the site identified on the Figure 8-2 below. The land lies at the foot of the western face of the Remarkable Mountains Range. The site includes land which has been significantly modified by quarrying, commercial activities, rural living subdivision and development, and exotic tree planting.

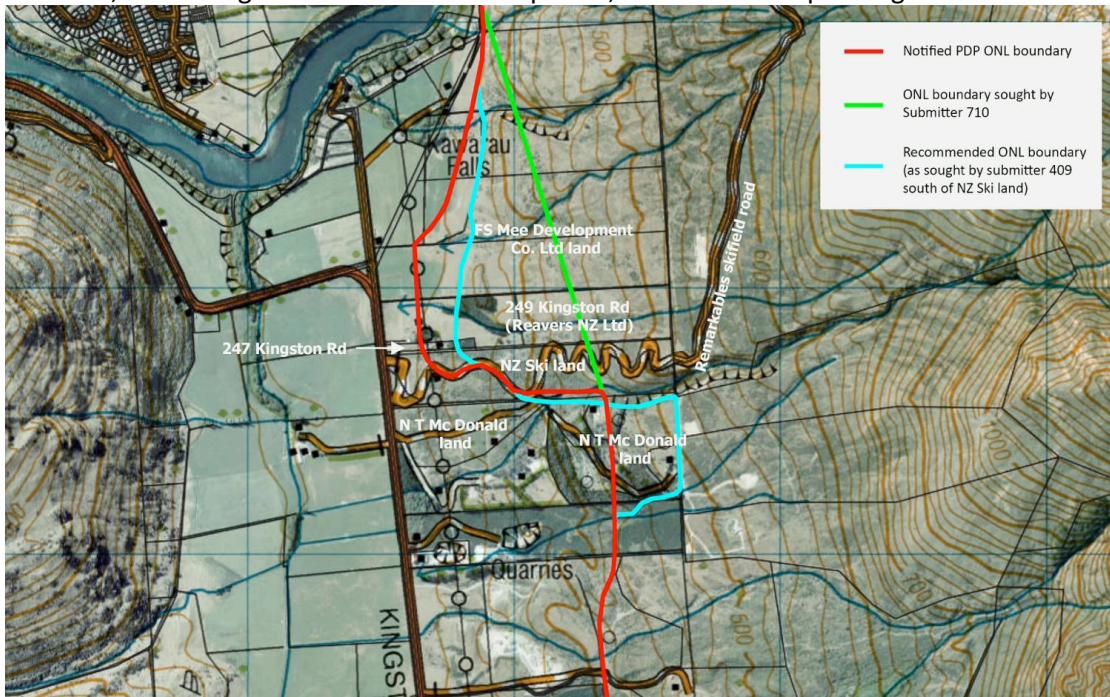


Figure 8-2: location⁷ of Submission 409 site. Note: Submission 710 sites also shown.

6.4. The Case for Rezoning

29. The Council's landscape expert, Ms Mellsope carried out a site visit and identified that the landscape in this vicinity is significantly modified by human activities within the area shown as ONL on the PDP and ODP planning maps. These maps differ from the ONL set by the Environment Court in its decision C203/2004 in 2004, which lies further uphill to the east of the PDP/ODP line and excludes the modified land. Ms Mellsope considers that the Environment Court's location is appropriate given the extent of modification of the land.⁸

⁷ Sourced from H Mellsope evidence.

⁸ H Mellsope, EIC, 24 May 2017, paragraph 5.15

6.5. Discussion of Planning Framework

30. Key objectives and policies of the PDP require the identification and protection of Outstanding Natural Landscapes in the district.⁹

7. ISSUES

31. We have identified the following key issue raised by this submission:
- a. The most appropriate location for the ONL line on the submitter's property.

8. DISCUSSION OF ISSUES AND CONCLUSION

32. We accept the evidence of Ms Mellsop about the extent of the modification of the land below the proposed line. We conclude that the location of the ONL line set by the Environment Court for this property is appropriate and should be adopted. This would achieve the objectives and policies we have recommended in Chapter 3 for the protection of ONL's. A map of the proposed amendments in this vicinity was included in Ms Mellsop's evidence and is reproduced in Figure 8-2. This map also includes the amendments recommended for the following submission.

9. RECOMMENDATION

33. For the reasons set out above we recommend that:
- a. Submission 409.2 be accepted; and
 - b. The Landscape Classification line be moved to the location shown on Figure 8-2.

⁹ Objective 3.2.5, and policies 3.2.5.1, 3.3.29, 3.3.30, and 6.3.12

PART D: REAVERS NZ LIMITED

Submitter **Reavers NZ Limited (Submission 710.2)**

10. PRELIMINARY MATTERS

10.1. Subject of Submission

34. This submission relates to Lot 2, DP 300643, a property on the Kingston Highway south of the Kawarau Falls Bridge immediately to the north of the Remarkables ski field access road. However the submission also requested relief on six additional properties to the north, as shown on Figure 8-3 below.

10.2. Outline of Relief Sought

35. Submission 710 requested that the boundary between the Rural Landscape Classification (RLC) and the ONL of the Remarkables mountains on seven adjacent properties be relocated further up the mountain slopes (refer Figure 8-3 below). The submitter considered that the notified boundary is arbitrary and did not reflect topographical or landscape features.

10.3. Description of the Site and Environs

36. The seven sites are rural land at the base of the northern end of the Remarkables mountain range. Four of these sites are in mostly improved pasture, which changes to rough pasture as the slopes steepen. The fifth site, owned by the submitter is in rougher pasture and contains a conifer plantation and a dwelling house. The sixth site is the site of the NZ Ski access road. The existing ONL line follows the base of an escarpment.

37. The location of the land to which the submission relates is identified on the map below (Figure 8-3). This is the land from the NZ Ski land to the top of the map.

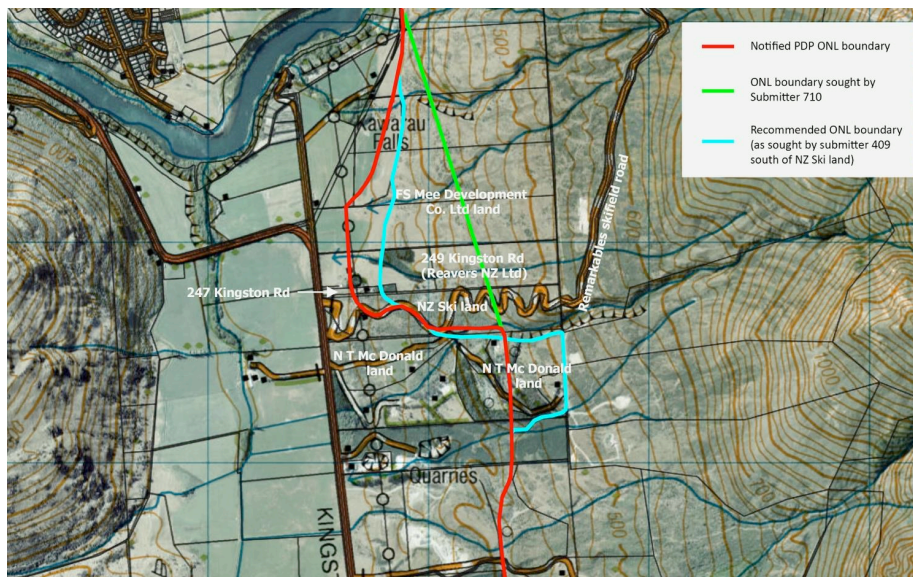


Figure 8-3: location of submission site. Note: Submission 409 land NT McDonald also included south of NZ Ski site.

10.4. The Case for Rezoning

38. Ms Mellso considered that there was little point in including the modified lands within the ONL in this vicinity, especially when the Environment Court excluded them on parts of the NZ Ski and McDonald sites just to the south.¹⁰
39. The photograph below taken from Ms Mellso's evidence illustrates the relationship of improved and modified land to the unmodified Remarkables Range.



Photograph 8-1 – Existing and Recommended ONL boundaries

10.5. Discussion of Planning Framework

40. Key objectives and policies of the PDP require the identification and protection of Outstanding Natural Landscapes in the district.¹¹ For the reasons already given we consider the ONL line recommended by Ms Mellso to be more appropriate than the line in the PDP or the land identified in the 2004 decision of the Environment Court.¹²

11. ISSUES

41. We have identified the following key issues raised by this submission:
- a. The location of the ONL line on the submitter's property.

¹⁰ C203/2004

¹¹ Objective 3.2.5, policies 3.2.5.1, 3.3.29, 3.3.30 and 6.3.11

¹² H Mellso, EIC, 24 May 2017, section 5

12. DISCUSSION OF ISSUES AND CONCLUSION

42. We accept Ms Mellsoy's advice and conclude that the ONL line should be relocated as shown on Figure 8-3 above.

13. RECOMMENDATION

43. For the reasons set out above we recommend that:
- a. Submission 710.2 be accepted; and
 - b. The Landscape Classification line be moved to the location shown on Figure 8-3.

PART E: QUEENSTOWN PARK

Submitter: Queenstown Park Limited (Submission 806 points 1, 2, 5, 7, 76, 94, 95, 147, 206)

Further Submissions

- FS1057.1 Mandy Kennedy – Support
- FS1085.8 Contact Energy Limited – Support
- FS1229.29/30/32 NZSki Ltd - Support
- FS1313.57/58/59/60 Darby Planning LP – Oppose
- FS1340.145 Queenstown Airport Corporation –Oppose
- FS1341.18 Real Journeys Limited – Support
- FS1371 Queenstown Park Limited and Remarkables Park Limited– Support

14. PRELIMINARY MATTERS

14.1. Subject of Submissions

44. These submissions related to an area of approximately 2000 ha, predominantly on the south bank of the Kawarau River extending from opposite Remarkables Park, at Frankton, downstream for approximately 14 km. It also included land on the north bank, including a proposed gondola corridor (which was also over the river in part) and the location of a gondola station on the north bank.

14.2. Outline of Relief Sought

45. There is a complex history regarding the submissions and further information process which is summarised as follows.
46. The submitter sought originally that the subject land be rezoned from Rural to a new Queenstown Park Special zone. The "Additional map provided" (without a legend) included in the initial submission showed development areas, a gondola corridor which would extend from the Remarkables Park in Frankton along the Kawarau River and then up to the Remarkables Ski field as well as jetties and bridges over the Kawarau River. The submission stated that the gondola corridors were to be part of the Special Zone, although that was not clear from the map.
47. The original submission included an Appendix A that set out the wording for the Queenstown Park Special zone. The essence of the zone was "comprehensive multi-use of the site" providing "a playground for visitors and residents" with a high level of connectivity for walking and cycling access and gondola access to the ski field.
48. By letter dated 15 December 2015 the submitter clarified the area requested to be included in the proposed Queenstown Park Special zone and the location of the gondola corridor.
49. A further submission (1371) by the submitter dated 18 December 2015 stated that consideration should be given to either rezoning the corridors or other mechanism such as an overlay. That further submission included a plan of the corridors with an amendment to the alignment. The use of a further submission to alter the original submission was addressed in Council's legal submission, where the Council accepted that the amendments amounted to clarification and that no natural justice issue would arise.¹³

¹³ S Scott, Opening Legal Submissions for the Council, 21 July 2017, paragraphs 17.2 – 17.5

50. The Hearings Panel Chairman then issued a Direction on 11 February 2016 requiring further information about the land to which the submission applied including land not owned by the submitter, the areas from which the submitter sought the removal of the ONL and the extent of the Structure Plan and the various Activity Areas within it.
51. The submitter provided this information on 10 May 2016, and included also the location of several proposed bridges and jetties within the Shotover River.
52. This information was publicly notified by the Council for further submissions on 24 November 2016.
53. A letter from the submitter on 24 March 2017 provided a high-level overview and clarified the general intent of the requested zone. Clarification included: changing the name of the zone to "Queenstown Park Station"; identifying the development areas (or pods) as being either Rural Residential or Rural Visitor pods and the maximum number of dwellings being set at 90 in total; use of the balance land for commercial recreation, including a remote glamping pod; and access for vehicles and walking/cycling.
54. We note that the effect of showing the gondola corridor appeared to be to make the construction of the gondola itself within the corridor a controlled activity.
55. The other aspects of the submission related to the main request for the proposed zone as follows:
 - a. remove the ONL from the river and the river terraces and exempt the gondola corridor from the ONL.
 - b. if the requested zone was rejected, remove the SNAs from the submitter's land.
56. A revised Structure Plan and set of zoning provisions were submitted at the hearing of this submission.
57. In addition, the submitter requested the expansion of the Remarkables Ski Area Sub-Zone south to the Doolans and/or the renaming of the subzone to "Remarkables Alpine Recreation Area". No plan was provided to show the extent of this expanded subzone. From the associated requested amendments to the Rural Zone it would appear that the Remarkables Alpine Recreation Area was proposed to include the corridor from Remarkables Park to the ski field, although this was not clearly identified and the request to expand the Ski Area subzone south to the Doolans made no mention of the gondola.
58. At the hearing of the submission, the submitter withdrew two activity areas which had been proposed high on the Remarkables Range adjacent to the ski-field access road and did not pursue the aspects of the submission relating to removal of the ONL from the property or the expansion of the Remarkables Ski Area Subzone.
59. At the hearing the submitter also told us that there was no decision as yet as to whether or not the gondola would have an intermediate station at Lake Hayes Estate, necessitating a total of 3 crossings of the Kawarau River, or whether it would proceed directly from Remarkables Park, predominately down the south side of the Kawarau River to the large tourist village referred to as RV3 opposite Lake Hayes Estate. The proposed gondola corridor sought to be identified was wide enough to allow for both options.

14.3. Description of the Site and Environs

60. The site lies generally along the south bank of the Kawarau River over a length of approximately 14 km from Boyd's Rd to Chard Farm. The area includes terraces, fans, escarpments, incised stream gullies and the northern slopes of the Remarkables/Ben Cruachan mountain range.
61. The corridor sought for the gondola extended outside the submitter's land to cross the Kawarau River at three locations, and extended in part over land on the north bank of the river at Lake Hayes Estate. It was also shown extending into the Remarkables Park Zone which is outside the PDP and beyond the scope of the submission.
62. As notified, all the land the submission sought to be rezoned or have the gondola corridor applied to was zoned Rural, except for an area of unformed road which had no zoning. The Stage 2 Variations, notified after the hearing, propose zoning part of the land on the north bank of the river which would underlie the proposed gondola corridor as Informal Recreation.
63. The site is shown on Figure 8-4 below.



Figure 8-4 - the submission site. Note that the area shown in red was not part of the area sought to be rezoned.

14.4. The Case for Rezoning

64. The case for the submitter was essentially that the proposed development would be highly beneficial for the area, the whole district and the nation economically. At the same time any adverse environmental effects were considered to be no more than minor, and appropriate. To support this, the submitter presented evidence as follows.

14.5. Introductory and General

65. Mr Alastair Porter, the CEO of the submitter company, is an experienced property developer and development consultant. He gave evidence about the vision and concept of the proposal. He described how the site sits within an environment highly appealing to tourists and within close proximity to many other tourism facilities and activities. He discussed the run-down and declining state of the existing farming operation, how it could not be improved without outside support, and the desirability of not intensifying agricultural activity because of the

environmental impacts of this. He outlined the linkages possible between the site, the Remarkables Park Town Centre at Frankton, the publicly owned land south of Lake Hayes Estate and the Remarkables Alpine Recreation Area, which includes the ski field. He said that it had been possible to determine a highly scenic, albeit low visibility, alignment of the proposed gondola that could link all of the foregoing locations.

66. He discussed the range of activities proposed to be provided, including the gondola, a diverse range of tourist and local accommodation, food and beverage, tourist shopping, arts and crafts, mini-conferencing, wedding facilities, environmental education and agricultural production and recreational activities including extending the cycle trails. He described the advantages of the safe, high volume access that would be enabled to the ski field area, reducing pressure on the existing difficult road access and providing opportunities for year round activities in the Alpine Area.
67. With reference to the gondola he said that this would, in terms of views afforded to the rivers and landscapes, the excitement of its ride particularly on the uphill section, safety benefits, and access to Queenstown Park's accommodation/ environmental tourism facilities, and its commuter potential, present a potentially enormous addition to Queenstown's facilities infrastructure.

14.6. Landscape

68. **Mr Stephen Brown**,¹⁴ a landscape architect, categorised the proposal as two interrelated projects, being:
- a. A gondola system running for some 10km from the Remarkables Park Zone, near Queenstown Airport, down the Kawarau River valley, then up the northern side of The Remarkables to The Remarkables Ski Area; and
 - b. The creation of a series of nodes designed to accommodate both tourism / visitor activities and rural-residential development – to be located on the southern side of the Kawarau River, extending from near Lake Hayes Estate and past Morven Hill, towards Chard Farm.
69. He said that, importantly, the gondola project would not affect the iconic, western faces of The Remarkables, but would instead focus on the Kawarau River valley and the range's more peripheral, northern slopes around the Rastus Burn stream catchment. These extend upwards to culminate in the existing Remarkables Ski Area. The various tourism and rural-residential nodes proposed would primarily occupy the terraces next to the Kawarau River, well below the main slopes of the northern Remarkables. However he agreed that the entire site was an ONL the boundary of which was on the north bank of the Kawarau River.
70. He said that the gondola proposal had the potential to be seen from a large number of receiving environments and by a broad range of both public and private audiences. However, it would have a low to very low level of impact on most areas exposed to the system. Viewed at quite close range – from areas including Lake Hayes Estate and the Arrowtown / Gibbston Valley cycle trail – it would remain a relatively lightweight, even ephemeral, component of the Kawarau River valley. Even where elevated well above the river corridor, traversing the higher slopes that flank the Rastus Burn, the gondola system would float relatively lightly above its alpine setting and would have little impact on public perception and appreciation of the Remarkables.

71. He said that the proposed Rural Visitor¹⁵ and Rural Residential development areas would be more substantial. Yet, they would also be more discretely located within the river corridor below the Remarkables' main slopes and more elevated tussock grasslands. As such, they would primarily impact productive rural land close to the river and would – with the exception of the RV3 tourist village – be substantially buffered from most areas of significant public activity. Although visible from Lake Hayes Estate, in particular, he said, views of the proposed tourist village would frequently be seen in the same context as the existing residential properties and dwellings next to most vantage points. Existing riverside trees, terrace banks above and lining the Kawarau River, together with a range of other factors, would further contribute to both screening of the proposed development and its integration into parts of the valley.
72. Finally he offered some proposed changes to the zone provisions to address some of the issues raised by Ms Mellsop, the Council's landscape witness.
73. **Mr Tim Johnson**,¹⁶ an expert in preparing visual simulations, presented visual simulations he had prepared of the proposed gondola systems which Mr Brown had relied on in reaching his conclusions. These simulations showed that the system would be difficult to see except at close range and have minimal visual impact except at very close distances. In answers to questions from the Panel, Mr Johnson expressed confidence in the accuracy of the modelling but said that he had not had the opportunity to "ground truth" any projects he has done using this methodology that are similar to this one by comparing the appearance of the finished project with the pre-construction simulations.
74. **Ms Rebecca Skidmore**,¹⁷ a landscape architect and urban designer, gave evidence focussing particularly on the Rural Visitor and Rural Residential Activity Areas, and the proposed rules that were designed to integrate these into their rural and landscape setting. She agreed that the entire site was within the ONL.
75. A large tourism hub known as RV3 was proposed located on two terraces opposite Lake Hayes Estate, at the point where the gondola would cross back to the south bank and then climb up the Rastus Burn to the Remarkables Ski field. This would contain visitor accommodation, retail and recreation activities and a gondola station where visitors and residents could get on and off the gondola. She expected that the coverage enabled would be 41,000m² for the lower terrace and 23,000m² for the upper terrace. She discussed the proposed rules and assessment matters intended to mitigate adverse visual effects. Her opinion was that, in the context of the expansive and dramatic rural setting, the built environment would be subservient to, and its character strongly influenced by its setting. Together with the requirements for the Comprehensive Development Plans and matters for control for new buildings, in her opinion, the village would have a rural rather than an urban character.
76. With regard to the rural residential activity areas, Ms Skidmore said that in her opinion, the two critical factors to consider in combination were, first, that the overall total number of residential sites across the zone was limited to 90 and secondly, that the minimum lot size would be 4,000m². In her opinion, these controls would ensure that the intensity of residential activity is suitable to ensure a rural character is achieved. She noted that the 4,000m² minimum lot size is comparable with the operative District Plan Rural Residential Zone.

¹⁵ Not to be confused with the ODP Rural Visitor Zone discussed in reports on other submissions.

¹⁶ T Johnson, EIC, 9 June 2017

¹⁷ R Skidmore, EIC, 9 June 2017; Supplementary Statement, 28 August 2017

77. Ms Skidmore also discussed the improvements proposed for the existing access road into the site which is at present a narrow, unsealed farm road. She understood that only minor widening and amendments would be necessary to accommodate vehicular access to the intended uses. As the gondola would provide a primary transport connection to the zone, traffic generation and requirements for parking will be limited. In her opinion, these features would be subservient to the wider landscape setting and would not serve to diminish the rural character or landscape values of the zone.
78. In his transport evidence, **Mr Tony Penny**,¹⁸ a traffic engineer discussed the improvements that would need to be made to the existing access road along the south bank of the river corridor, and confirmed that some limited widening and improvements would need to be made, but major upgrading was not anticipated, because the gondola was expected to be the primary means of transport into the area. This was to counter any suggestion that the road would become obtrusively visible, for example because of the formation of large cuts.
79. Landscape evidence was given for the Council by **Ms Helen Mellsop**, a landscape architect.
80. She summarised her views on this submission in her evidence in chief as follows:

In relation to the Queenstown Park Limited (806) submission, a rezoning and ONL boundary change:

- a. *the alluvial fans of the Rastus Burn and Owens Creek, and the adjacent terraces and floodplains within Queenstown Park Station are correctly classified as part of the ONL of The Remarkables and Ben Cruachan;*
 - b. *the Kawarau River between Lake Wakatipu and Chard Farm is appropriately classified as an Outstanding Natural Feature (ONF) within a wider ONL; and*
 - c. *the Queenstown Park Station Special Zone in this area would not be consistent with the landscape-related objectives and policies of the PDP. It would not protect the rural surrounds of Lake Wakatipu and the Wakatipu Basin from sporadic development and it is likely to result in significant degradation of the landscape quality, landscape character and visual amenity of the prominent and highly valued ONL of The Remarkables/Ben Cruachan and the Kawarau River.*¹⁹
81. She did not depart from this view after hearing the submitter's presentations at the hearing.

14.7. Economic Evidence

82. **Mr John Ballingall**²⁰ is an economist, and the Deputy Chief Executive of the New Zealand Institute of Economic Research Incorporated (NZIER). He presented the outcomes of economic modelling of the gondola proposal. His conclusion was the gondola would:
- a. create a present value of additional tourism spending over 35 years of \$1.43 billion, even under conservative estimates of the additional per-day spending of visitors split between spending on gondola tickets (\$280 million) and other tourism activities in the regional economy (\$1.15 billion);
 - b. Create a present value due to the gondola construction over two years of \$72million, and a present value of visitor accommodation construction over ten years of be \$84 million; and that
 - c. The construction of the gondola would expand Queenstown's real GDP by \$29.9 million from 2016 to 2019, and add 148 jobs;

¹⁸ A Penny, EIC, 9 June 2017; amended 14 June 2017

¹⁹ H Mellsop, EIC, 24 May 2017, paragraph 3.2

²⁰ J Ballingall, EIC, 9 June 2017; Supplementary Statement, 28 August 2017

- d. Household spending would increase by \$14.1 million over this period due to the construction creating more jobs and lifting the average wage in the Queenstown economy;
 - e. The gondola construction phase would benefit a wide range of industries, including non-residential construction, construction services, rental and hiring businesses, metal manufacturing, non-metallic mineral manufacturing, fuel and transport support services;
 - f. Other parts of the Queenstown economy would also benefit from higher levels of economic activity and household incomes during the gondola construction phase, such as accommodation, real estate services, wholesaling and retailing;
 - g. This additional tourism spending would boost economic activity in accommodation, sport and recreation services, travel agency and tour arrangement services, heritage and artistic activities, retailing; gambling activities and food and beverage services;
83. The economic model assumed that the presence of the gondola would result in all visitors to Queenstown staying an extra day, but that 50% of the spending on gondola tickets would be spent on other attractions if the gondola did not exist. He also carried out a sensitivity analysis assuming that visitors would only stay an additional half day due to the gondola. This still resulted in considerable economic benefit.
84. He concluded that building and operating the gondola as proposed would have a significant positive impact on the Queenstown economy, through additional spending on the gondola and its associated activities, and also in the wider regional economy.
85. In answers to questions from the panel, Mr Ballingall estimated the additional contribution of the gondola to the Queenstown economy.
86. He estimated that the gondola would generate:
- a. \$29.9 million of additional real GDP across the economy during the construction phase; and
 - b. \$20.4 million of additional real GDP across the economy annually once it is operational and bringing in tourists and when the visitor accommodation was constructed.²¹
87. By our calculation from Mr Ballingall's figures, the latter would be an increase of 6.9% annually to the Queenstown tourism-related real GDP economy of \$393m.
88. **Mr Stephen Hamilton**²² is a tourism consultant specialising in advice to hotels and other forms of commercial accommodation, visitor attractions and activities, events, and public assembly venues and, in particular, in undertaking market demand and supply analysis for new tourism projects, and preparing financial projections for new and existing tourism businesses. His evidence largely centred on the accommodation sector in Queenstown, and also discussed trends in new tourism activities around the world.
89. He said that there was an urgent need for additional tourist accommodation in Queenstown, and that this should be dispersed throughout out the region not confined in tight geographical areas such as central Queenstown. He said that there was a need for more boutique forms of accommodation, as well as luxury accommodation. While the overall number of units proposed by Queenstown Park would be relatively small, nevertheless it would satisfy the need for dispersed, boutique and luxury accommodation. He also foresaw a need for more "soft adventure" activities which would have the capability of handling significant visitor numbers and were not weather dependent and he saw the proposal as an example of this. He

²¹ J Ballingall, Supplementary Statement, 28 August, paragraphs 7-8.

²² S Hamilton, EIC, 9 June 2017

said that the gondola and village would add a significant new dimension to the overall Queenstown visitor experience.

90. Professor **Simon Milne**²³ is a Professor of Tourism in the School of Hospitality and Tourism, Auckland University of Technology. His speciality is tourism research and consultancy. His main conclusions were
- a. Global evidence points to gondolas being relatively effective ways to generate direct and indirect economic benefits for communities and tourism destinations. While there are inevitable costs, these can be largely mitigated with effective planning and management.
 - b. The features of the proposed Queenstown Park gondola suggest it would deliver the positive economic benefits associated with many international examples: it would be located proximate to a major tourist hub, and create a link to an iconic winter attraction that faces transport capacity challenges. The gondola would open up opportunities to expand existing non-winter season visitor experiences and introduce new product dimensions to Queenstown, including the gondola itself, which would be an attraction in its own right.
 - c. The gondola would be well placed to meet critical shifts in demand for New Zealand from international tourism source markets and from the domestic market. The proposed offering would open up new experiences to a growing segment of the market who were seeking 'soft-adventure' opportunities and seeking to travel in an environmentally responsible fashion. The proposed gondola also represented a relatively sustainable and safe way for visitors to travel to an area currently serviced by a challenging road – something that would become even more important as visitor numbers grow.

14.8. Recreation

91. **Mr Rob Greenaway**²⁴ is an independent consultant, planner and researcher in recreation and tourism. His main conclusions were as follows:
- a. Tourism is fundamental to the Queenstown economy and community and is experiencing substantial growth beyond national averages. He relied on evidence Mr Philip Osborne had presented to the Hearings Panel on behalf of Council (6 April 2016). Mr Greenaway considered this growth was a cause of local traffic, accommodation and activity congestion, which could lead to visitor dissatisfaction and a negative commercial and community spiral. Congestion and access limits could either be used as a deliberate mechanism for controlling growth, and/or innovative methods could be used to accommodate growth while limiting its adverse effects. He considered the QPSZ proposal to be of the latter ilk.
 - b. The QPSZ proposal had very limited potential for adverse effects on existing local recreation values, while offering benefits by, for example, extending the regional trails network.
 - c. The proposal would respond well to local tourism congestion issues by creating a significant attraction with very little dependence on the local road network, while increasing the capacity of existing tourism infrastructure near Queenstown airport as a summer and winter destination.
92. He recommended some changes to the assessment criteria to strengthen opportunities for public access and to mitigate any effects on public access

²³ S Milne, EIC, 9 June 2017

²⁴ R Greenaway, EIC, 9 June 2017

93. **Mr Paul Anderson**²⁵ is the Chief Executive of NZ Ski Ltd, which owns and operates the Remarkables Ski Field in the Rastus Burn at the top of the proposed gondola. He gave evidence that the proposal would:
- a. Provide an alternative access to the ski field, relieving congestion on State Highway 6 at Frankton;
 - b. Improve safety by providing an alternative evacuation route if required;
 - c. Provide potential for expansion of the ski field area and reduce the need for parking on the mountain;
 - d. Provide opportunities for off-season recreation activities such as sightseeing, and mountain biking, which would improve the economic viability and performance of the ski field;
 - e. Enable opportunities for staff housing in the Lake Hayes Estate as well as provide more direct access to the ski field from that vicinity.

14.9. Transport evidence

94. **Mr Tony Penny** is a traffic engineering and transport planning consultant. His main conclusions were as follows:
- a. The proposed rezoning of a corridor through Queenstown Park to enable the installation of the gondola would result in reduced transportation effects associated with the movement of people up to and down from the top of the mountain.
 - b. The proposed rezoning of rural visitor and rural residential pods within Queenstown Park could be provided with convenient and safe access via the gondola and/or via a new road largely within the existing road reserve along the south side of the Kawarau River and/or via jet boat ferries and/or walking and cycling tracks.
 - c. Car parking and drop-off facilities for private and public transport could be provided for the Remarkables Park Town Centre Base Station and for the Lake Hayes Estate Residential Transit Station.
 - d. The gondola could be used as an effective alternative form of public transport particularly for commuters and school children travelling between Remarkables Park and Lake Hayes Estate.
 - e. Overall, he concluded that the proposed rezoning was generally consistent with the transportation objectives and policies of the Proposed District Plan (**PDP**) and the regional planning documents. He expected that the infrastructure and development enabled by the rezoning could be designed to be compatible with the transportation rules in the District Plan, with the appropriate design codes and with the projects included in the respective transport strategies. Accordingly, the rezoning could be supported from a transportation perspective. He considered that there would be no need to introduce any new transportation objectives or policies. However, there would need to be a new rule regarding the possible upgrading of the intersection at State Highway 6 (SH6) and Boyd Road.
95. For the Council, Mr Denis Mander expressed concern about the lack of information presented about the intersection of the access road with State Highway 6, but this was written before the evidence of Mr Penny was received.

14.10. Geotechnical evidence

96. Geotechnical and natural hazards evidence was presented by **Mr Paul Faulkner**²⁶ for the gondola route and **Mr Robert Bond**²⁷ in respect of the activity areas. Their main conclusions were that any geotechnical or natural hazards that existed were capable of being managed by

²⁵ P Anderson, EIC, 9 June 2017

²⁶ P Faulkner, EIC, 9 June 2017

²⁷ R Bond, EIC, 9 June 2017

engineering techniques and the development would not exacerbate any existing natural hazards.

14.11. Gondola Route Selection

97. **Mr Rick Spear**²⁸ gave evidence discussing criteria for gondola route selection, various options that had been considered, and the reasons why the selected route corridor had been adopted. In particular he outlined why initial route options up the western slopes of the Remarkables were not pursued due to visibility and technical considerations and how the low level route down the Kawarau River came to be selected.

14.12. Agricultural Sustainability

98. **Ms Alison Dewes**,²⁹ an agribusiness specialist, provided written evidence³⁰ about farming sustainability issues on the Queenstown Park property. She said that prior to being taken over by the current submitter, the farm was an uneconomic unit. To improve profitability, it would be necessary to intensify farming activity on the terraces that are able to be irrigated or cropped. This would lead to a significant additional and detrimental load of sediment, pathogens and phosphorus, and nitrogen losses to the Kawarau River. In her opinion with a more flexible zoning, this would not be necessary, and the Queenstown Park Special Zone would be a better use of these areas.

14.13. Ecology

99. **Mr Simon Beale**³¹ is a consultant ecologist. In his summary of evidence, he said that:

- a. despite the significant modifications to the indigenous vegetation cover since human settlement, dryland plant communities and habitats of ecological value persisted on the site. These were associated with extensive areas of grey shrubland and the numerous cliff faces and rocky outcrops mostly contained within the Rastus Burn and Owen Creek catchments.
- b. The distinctive landforms and extensive areas of shrubland and tussock land contributed significantly to the scenic and recreational appeal of the site.
- c. A large proportion of shrubland on the site was contained within SNAs.
- d. The PDP provided for grazing in SNAs as a permitted activity. Cattle grazing was considered to have an adverse effect on shrublands. Sheep grazing, however, could be beneficial to SNAs and other area of indigenous vegetation cover by controlling invasive herbaceous weed species.
- e. Development of activity areas and a gondola on the site presented opportunities to maintain and enhance ecosystem health and indigenous biodiversity through active planting programmes and pest and weed management programmes.
- f. The proposed provisions of the QPSZ, including a Comprehensive Development Plan, involved a range of ecological maintenance and enhancement measures within the activity areas and across the balance of the site including the gondola corridor.
- g. The QPSZ provisions would be better than the PDP provisions in bringing about positive ecological outcomes because:
 - i They included provisions to implement ecological maintenance and enhancement measures including management of invasive plant/weed species, extensive indigenous plantings and advocacy measures aimed at promoting the ecology of the site; and

²⁸ R Spear, EIC, 9 June 2017

²⁹ A Dewes, EIC, 9 June 2017

³⁰ We had no questions of Ms Dewes' evidence and excused her from attending the hearing.

³¹ S Beale, EIC, 9 June 2017 (amended)

- ii They would better protect the SNAs by prohibiting cattle grazing, whereas the PDP allowed for grazing in the Rural Zone as a permitted activity, including within SNAs; and
- iii They would provide for grazing limits on the land above 600m between the Owen Creek and Rastus Burn.

100. For the Council, **Mr Glenn Davis**,³² an environmental scientist consultant gave evidence. He did not oppose the rezoning of the activity areas on the flatter more developed parts of the site because any indigenous vegetation had been removed from these areas. He did not oppose the gondola route, because its footprint did not affect any significant natural areas. However he was concerned about the proposed rezoning of the balance of the station because he considered this to be a more permissive planning regime that could adversely affect remnant ecological areas.

14.14. Planning

101. **Mr David Serjeant**³³ presented planning evidence for the submitter. We note that as with any planning expert, his opinions were heavily reliant on the assessment of adverse effects carried out by the technical experts.

102. Somewhat unusually, Mr Serjeant chose to frame his evidence around an issue he identified, in the following terms;

*With reference to the above evidence, it is evident that Queenstown has an excess demand for visitor activities based on the rural and open space resources of the district. The issue I identify for Queenstown and to be tested on the objectives for the QPSZ is therefore: Where is this demand to be met, and how can supply of the product be increased so as to ensure the quality of the resources on which it is based are sustainably managed?*³⁴

103. We will return to this later.

104. Mr Serjeant discussed the objectives and policies of the various higher level planning instruments and the PDP itself, with particular reference to the critical landscape issue and concluded that the proposed development would be consistent with these, while addressing the issue he had identified.

105. He discussed an alternative means of addressing the issue he had identified, which was attempting to proceed with the development under the provisions of the Rural Zone and concluded the creation of a dedicated zone was the more appropriate mechanism and consistent with the way the PDP deals with other major tourism activities, e.g. the Millbrook Resort.

106. He then presented a revised set of provisions for the QPSZ designed to respond to some of the concerns expressed by the reporting officers and also identified by him and the other witnesses.

107. For the Council Mr Robert Buxton opposed the rezoning, relying primarily on the conclusions of Ms Mellsop. He also pointed out that with regard to the proposed rules limiting cattle

³² G Davis, EIC, 24 May 2017, paragraphs 5.55 – 5.60; Rebuttal Evidence, 9 July 2017, paragraphs 3.10 – 3.18

³³ D Serjeant, EIC, 9 June 2017 (replacement); Supplementary Statement, 28 August 2017

³⁴ At paragraph 6.143 of his evidence in chief

grazing in the Significant Natural Areas, firstly that grazing would be protected by existing use rights, and secondly that the proposed rules would be difficult to enforce. He was also concerned that activities within the river corridor, including the gondola crossings, footbridges and jetties could adversely affect the values set out in the Water Conservation (Kawarau River) Order 1997.³⁵

15. DISCUSSION OF PLANNING FRAMEWORK

15.1. National Policy Statements

108. Both Mr Serjeant for the submitter and Mr Buxton for the Council said that the National Policy Statements (NPS) on Urban Development Capacity, Freshwater Management, Renewable Electricity Generation, and Electricity Transmission must be given effect to. We agree. Ms Dewes' evidence indicates that the QPSZ delivers good outcomes in relation to water quality thereby giving effect to National Policy Statement for Freshwater Management (Objective A1 and A2). These comments are equally relevant to the Regional Plan: Water. Nothing about this proposal would be inconsistent with the other National Policy statements mentioned.

109. The Section 42A Report also referred to the proposed NPS on Indigenous Biodiversity. We agree with Mr Serjeant that the QPSZ provisions, supported as they are by the specific assessment of indigenous biodiversity by Mr Beale, emphasise avoidance of Significant Natural Areas and the enhancement of biodiversity, and would give effect to the NPS, even though it is only proposed.

15.2. The Operative and Proposed Otago Regional Policy Statements

110. The Operative Otago Regional Policy Statement must be given effect to³⁶. This states:

5.4.3 To protect Otago's outstanding natural features and landscapes from inappropriate subdivision, use and development.

111. The related policies identify the characteristics of ONFs and landscapes, but do not identify what is inappropriate. Effectively this restates s6(b) of the RMA, but it remains necessary to determine what is inappropriate, and there is no mandatory guidance here as to what the outcome of the case should be.

112. The Proposed Regional Policy Statement takes a very similar approach. Objective 2.2 and its related policies are;

Objective 2.2

Otago's significant and highly-valued natural resources are identified, and protected or enhanced

Policy 2.2.4

Managing outstanding natural features, landscapes, and seascapes Protect, enhance and restore the values of outstanding natural features, landscapes and seascapes, by:

- a. Avoiding adverse effects on those values which contribute to the significance of the natural feature, landscape or seascape; and*
- b. Avoiding, remedying or mitigating other adverse effects on other values; and*

³⁵ Robert Buxton, Supplementary Reply Evidence, 11 October 2017, paragraphs 4.1-4.3

³⁶ Section 75(3)(c) of the RMA

- c. *Assessing the significance of adverse effects on values, as detailed in Schedule 3; and*
- d. ...
- e. ...
- f. *Encouraging enhancement of those areas and values.*

113. Schedule 3 contains a set of criteria for assessing the significance of adverse effects.
114. As the Proposed RPS is not yet operative, and is subject to appeal, we do not consider it should be given significant weight. In any case, it contains no specific direction that would determine this case. It will still be necessary to consider whether the proposed development would be appropriate in the ONL. At most, the Schedule 3 criteria might assist in that consideration.

15.3. The Water Conservation (Kawarau River) Order 1997

115. Mr Buxton for the Council and the legal submissions for the submitter referred to this Order. A district plan must not be inconsistent with a water conservation order.³⁷

116. The site is adjacent to the Kawarau River, which is subject to the Water Conservation (Kawarau) Order 1997. Proposed jetties and footbridges would span the river, as would the gondola corridor. The qualities that this order seeks to protect are its wild and scenic characteristics, natural characteristics, in particular the return flow towards the lake which occurs in flood conditions, scientific values and recreational values. In fact, on reading the Order, its protections are all to do with the management of the actual waters in the river and its tributaries and nothing in it directly refers to adjacent land use or requires the territorial authority to have regard to the Order when managing land use adjacent. At most, it might be relevant to assessing the effects of the gondola crossings and the footbridges and jetties. For the Council, Ms Mellsop considered these crossings would be visually very prominent from the perspective of users of the river and adjacent trails and would detract from the natural character of the river. We do agree with the submitter that if the proposal reduced nutrient run-off into the river, that would be consistent with the Order.

15.4. Objectives and Policies of the Proposed District Plan

117. At a wider, strategic level, the following provisions of Chapters 3 4 and 6 are relevant.

Objectives

3.2.1 *The development of a prosperous, resilient and equitable economy in the District.*

3.2.1.1 *The significant socioeconomic benefits of well-designed and appropriately located visitor industry facilities and services are realised across the District.*

3.2.1.6 *Diversification of the District's economic base and creation of employment opportunities through the development of innovative and sustainable enterprises.*

3.2.1.8 *Diversification of land use in rural areas beyond traditional activities, including farming, provided that the character of rural landscapes, significant nature conservation values and Ngāi Tahu values, interests and customary resources, are maintained.*

3.2.2 *Urban growth is managed in a strategic and integrated manner.*

3.2.2.1 *Urban development occurs in a logical manner so as to:*

³⁷

Section 75(4) of the RMA.

- *promote a compact, well designed and integrated urban form;*
- *build on historical urban settlement patterns;*
- *achieve a built environment that provides desirable, healthy and safe places to live, work and play;*
- *minimise the natural hazard risk, taking into account the predicted effects of climate change;*
- *protect the District's rural landscapes from sporadic and sprawling development; and*
- *ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in;*
- *contain a high quality network of open spaces and community facilities; and.*
- *be integrated with existing and planned future, infrastructure.*

Strategic Policies

- 3.3.13 *Apply Urban Growth Boundaries (UGBs) around the urban areas in the Wakatipu Basin (including Jack's Point), Wanaka and Lake Hawea Township.*
- 3.3.14 *Apply provisions that enable urban development within the UGBs and avoid urban development outside of the UGBs.*
- 3.3.15 *Locate urban development of the settlements where no UGB is provided within the land zoned for that purpose. (*
- 3.3.22 *Provide for rural living opportunities in areas identified on the District Plan maps as appropriate for Rural Residential and Rural Lifestyle development.*
- 3.3.24 *Ensure that cumulative effects of new subdivision and development for the purposes of rural living does not result in the alteration of the character of the rural environment to the point where the area is no longer rural in character.*
- 4.2.1.3 *Ensure that urban development is contained within the defined Urban Growth Boundaries, and that aside from urban development within existing rural settlements, urban development is avoided outside of those boundaries.*
- 4.2.1.7 *Contain urban development of existing rural settlements that have no defined Urban Growth Boundary within land zoned for that purpose.*
118. A question to be determined in respect of these provisions is whether some or all of the development would amount to urban development. We note that the Stream 10 Hearing Panel (differently constituted) is recommending that "urban development" be defined in the Chapter 2 of the PDP as:
- Means development which is not of a rural character and is differentiated from rural development by its scale, intensity, visual character and the dominance of built structures. Urban development may also be characterised by a reliance on reticulated services such as water supply, wastewater and stormwater and by its cumulative generation of traffic. For the avoidance of doubt, a resort development in an otherwise rural area does not constitute urban development.*

119. We have considered whether what is being proposed would be a resort, and therefore outside the definition of urban development. The Stream 10 Panel is recommending that “resort” be defined as:

Means an integrated and planned development involving low average density of residential development (as a proportion of the developed area) principally providing temporary visitor accommodation and forming part of an overall development focused on on-site visitor activities.

120. Much of the residential development proposed is described as rural residential. As such this could be permanent accommodation, or perhaps holiday homes rather than visitor accommodation. Nor can we assume that residents would be primarily focussed on on-site activities. Some of the proposed activities would qualify as resort development, but there is probably too much permanent residential development (up to 90 units) and the potential site coverage in some of the pods has been calculated as up to 39%, which is an urban rather than a rural density. Therefore we do not consider this proposal qualifies as a resort under these definitions and therefore the provisions quoted above are applicable.

121. In relation to landscape matters, the following PDP objectives and policies from Chapters 3 and 6 are applicable:

Objectives

3.2.5 *The retention of the District’s distinctive landscapes.*

3.2.5.1 *The landscape and visual amenity values and the natural character of Outstanding Natural Landscapes and Outstanding Natural Features are protected from adverse effects of subdivision, use and development that are more than minor and/or not temporary in duration.*

Policies

3.3.29 *Identify the District’s Outstanding Natural Landscapes and Outstanding Natural Features on the District Plan maps.*

3.3.30 *Avoid adverse effects on the landscape and visual amenity values and natural character of the District’s Outstanding Natural Landscapes and Outstanding Natural Features that are more than minor and or not temporary in duration.*

Managing Activities in Outstanding Natural Landscapes and on Outstanding Natural Features

6.3.12 *Recognise that subdivision and development is inappropriate in almost all locations in Outstanding Natural Landscapes and on Outstanding Natural Features, meaning successful applications will be exceptional cases where the landscape or feature can absorb the change and where the buildings and structures and associated roading and boundary changes will be reasonably difficult to see from beyond the boundary of the site the subject of application.*

6.3.13 *Ensure that the protection of Outstanding Natural Features and Outstanding Natural Landscapes includes recognition of any values relating to cultural and historic elements, geological features and matters of cultural and spiritual value to Tangata Whenua, including Tōpuni and Wahi Tūpuna.*

6.3.14 *Recognise that large parts of the District's Outstanding Natural Landscapes include working farms and accept that viable farming involves activities that may modify the landscape, providing the quality and character of the Outstanding Natural Landscape is not adversely affected.*

122. The Stage 2 Variations were publicly notified on 23 November 2017, after the lodging of the submissions on Queenstown Park and after the hearing of the submissions. Stage 2 includes a new Chapter 29 which deals with transport. Submissions have closed on it with further submissions pending at the time of preparing this report. We have considered this new chapter, although it is at a very early stage and we would not be able to give it a great deal of weight had this submission raised issues that were inconsistent with or contrary to it.

123. Chapter 29 contains objectives and policies which seek to achieve safe and efficient roading and other transport systems, and to ensure land use is consistent with those. In particular Objective 29.2.1 seeks:

29.2.1 Objective:

An integrated, safe, and efficient transport network that:

- *provides for all transport modes and the transportation of freight;*
- *provides for future growth needs and facilitates continued economic development;*
- *reduces dependency on private motor vehicles and promotes the use of public and active transport;*
- *contributes towards addressing the effects on climate change; and*
- *reduces the dominance and congestion of vehicles in the Town Centre zones.*

124. Objective 29.2.4 seeks:

2. An integrated approach to managing subdivision, land use, and the transport network in a manner that:

- *supports improvements to active and public transport networks;*
- *increases the use of active and public transport networks;*
- *reduces traffic generation;*
- *manages the effects of the transport network on adjoining land uses and the effects of adjoining landuses on the transport network.*

16. ISSUES

- a. Landscape
- b. Transport
- c. Ecology and sustainability
- d. Economic issues, Tourism and Recreation
- e. Urban Development

17. DISCUSSION OF ISSUES AND CONCLUSIONS

125. Overall, we accept most of the evidence put forward by the submitter, except in regard to landscape, planning, and to a very minor extent transport. In particular, we accept that the proposal would bring very significant benefits to the economy and employment, with spin-off

benefits to numerous other businesses. We do consider Mr Ballingall was perhaps a little too enthusiastic in describing the economic benefits of the proposal. The monetary amounts are impressive but a 6.9% increase in Queenstown's tourism-related GDP needs to be kept in perspective, especially considering how well that part of the economy is already doing, and the considerable difficulties Queenstown is experiencing with supporting infrastructure for the burgeoning tourism sector. We doubt his assumption that all visitors would stay an extra day in Queenstown or even half a day because of the presence of the gondola. Some would simply not be in a position to do that, or have the time or inclination to do so and would instead be choosing which of Queenstown's offerings to attend, but that is not a significant detraction from his overall conclusions. We accept that the proposal would produce substantial benefits for recreation, and would have excellent synergy with the Remarkables ski field and the Queenstown Trails network.

126. With regard to transport, our only quibble is that we thought the sketch of the proposed parking and drop-off area at the road end at Lake Hayes Estate would be unworkable, with the critical dimensions of the parking being far short of what would normally be expected for such a busy combination of vehicles and people on foot. However, if the proposal proceeded, no doubt that could be resolved with the Council through the acquisition or leasing of some of its adjoining reserve land. We accept that further detail of the access road, including its intersection with State Highway 6 would need to be provided as part of subsequent consent processes and that the proposed provisions could satisfactorily manage this.
127. We accept that the proposal, if instituted as put to us, would better protect the significant natural areas better than the PDP regime which would allow for unrestricted grazing, although we do question how effectively this could be monitored and enforced.

17.1. Landscape

128. With regard to the ONL, all three expert witnesses, including those appearing for the submitter agreed that the entire site is within an Outstanding Natural Landscape, the boundary of which is on the north side of the Kawarau River. Therefore the case has to be assessed as to whether it is the type of development that would be appropriate in the ONL, as allowed for in the objectives and policies of the PDP, the RPS and section 6(b) of the RMA.
129. The case for the submitter, as presented by Mr Brown and Ms Skidmore, was that the effects of the gondola, and the Rural Visitor and Rural Residential Activity areas would be no more than minor. They examined the site from all the places where it could be seen, including the Kawarau River, the Lake Hayes Estate residential area, the Queenstown Trail where it runs past the site adjacent to Lake Hayes Estate, more elevated parts of the Queenstown Trail, State Highway 6 north of Lake Hayes Estate, and lookouts on the Crown Range Rd and the Remarkables Ski Field Rd. Their conclusion was that from all these viewpoints the visual effects would be minor or less and that the landscape would be able to absorb the developments without adverse effect.
130. With regard to the gondola, Mr Brown described this as "ephemeral" and that it would "float lightly" above the landscape".
131. With regard to the Activity Areas, both witnesses considered that the proposed landscaping and tree planting would substantially assist in absorbing the development into the landscape.

132. They relied heavily on what was described as context, i.e. that from all the viewpoints the development would be viewed either across or alongside and in the same view as the Lake Hayes Estate development

133. Ms Mellsop assessed the proposal from all of the same viewpoints and reached completely different conclusions. She wrote that:

From the vantage points described above, development within the proposed 'rural visitor' and 'rural residential' activity areas on the fans and terraces would be visible as isolated sporadic areas of urban or dense rural living at the base of the mountains. Development would detract from the visual integrity and perceived naturalness of the mountainous landforms and from closer viewpoints would adversely affect the pleasantness, aesthetic coherence and perceived naturalness of views towards the mountains.³⁸

134. With regard to the gondola, she accepted that the length along the river valley would be less intrusive from some of the more distant viewpoints. However she considered it would be significantly more visually intrusive from closer viewpoints, and in the section where it would ascend the mountain to the ski field, writing:

6.33. *The gondola access corridor has been located so that a gondola would not impinge on the line and form of the western face of The Remarkables. The relatively low elevation of the section of gondola between Remarkables Park and the Rastus Burn would limit the visual prominence of the structures. In my opinion this section of a gondola, if appropriately designed, would have moderate to low adverse effects on the amenity of views from SH6, Shotover Country and Lake Hayes Estate. The gondola pylons would be lower than the existing electricity pylons within the view, but moving gondola cabins would attract the eye and increase the prominence of the development.*

6.34 *Adverse effects on visual amenity would be greater from closer viewpoints in Remarkables Park and on the Eastern Access Road. I consider that a gondola within the proposed corridor is likely to have significant adverse effects on the visual amenities of people on the Kawarau River itself and those using the public walkways on the true left bank. The pylons, cables and gondola cabins would be viewed at close proximity and would be prominent human modifications in the otherwise relatively unmodified environment.*

6.35 *Where the gondola access corridor ascends the mountain, structures would be widely visible from much of the Wakatipu Basin. The cables, pylons, service structures and moving cabins would form an incongruous straight line up the mountain slope and would in my assessment significantly detract from the amenity of views towards The Remarkables. The adverse effects on the aesthetic coherence and perceived naturalness of the mountains would be cumulative with those of the skifield road.³⁹*

135. Because of this very clear disagreement, we have considered this matter very carefully. As well as considering the evidence, we have visited the various lookouts and walked the trails on the north bank of the river on several occasions.

³⁸ H Mellsop, EIC, 24 May 2017, paragraph 6.32

³⁹ H Mellsop, EIC, 24 May 2017, paragraphs 6.33 – 6.35

136. As a result, we agree with Ms Mellsoop that the Activity Areas in particular would be prominent and intrusive from all the viewpoints and would degrade the Outstanding Natural Landscape. We considered whether the Activity Areas would be considered at all appropriate in the absence of the gondola, noting that this is a plausible outcome of the proposed zoning, as nothing in the package makes the Activity Areas dependent on the presence of the gondola. The gondola would be a much more expensive development to construct than the Activity Areas and may yet prove uneconomic. In answer to a question, Ms Skidmore said this would be a “less appropriate” outcome. Noting in particular Objective 3.2.5.1 and Policies 3.3.30 and 6.3.11 set out above, we consider the visual effects would be more than minor, would not be temporary, and that in such circumstances such activities would almost always be considered inappropriate in an ONL according to these provisions. Put another way, we consider it would be almost inconceivable that an application simply for dense commercial and rural residential activities on this scale without the gondola would succeed in this area.
137. We do not accept the assessment based on context. We consider the separation afforded by the river corridor and associated public lands on the north bank is simply too wide for this and creates a clear perceptual cut-off from every viewpoint, but particularly from the Queenstown Trail. We note that the Queenstown Trail is used by many thousands of people per annum. We note also that the south bank of the river and the mountain sides are almost completely undeveloped other than for low-intensity agricultural use and the skifield road, from Boyds Rd through to Chard Farm, a distance of 14 km.
138. Turning to the gondola, we briefly considered whether it would be able to be supported on a standalone basis. We do accept that at least in its lower portions along the river valley it would be much less intrusive than the built form of the Activity Areas. We note that Ms Mellsoop considered it would be more intrusive after it turns to ascend the mountain side. We are a little cautious about the visual simulations of the gondola, and surprised that in many of the images it would be almost invisible, and we note that the computer technique employed to create these images has not been verified on a before and after basis with a comparable project. These images are of course two dimensional and do not demonstrate the constant movement of a gondola. We consider that the gondola would be much more prominent, in fact dramatically so where it crosses the river.
139. We concluded that there might have been a case for a standalone gondola with a scaled back Visitor zone. However it was not presented to us on that basis, and indeed Mr Porter made it clear that the gondola would be uneconomic without the Activity Areas, so we take that no further.
140. We also note that as a result of hearing submissions in Hearing Streams 2 and 11, the Panel is recommending that Passenger Lift Systems (which would include gondolas), except for terminal buildings, outside of Ski Area Sub-Zones be classified as a restricted discretionary activity in the Rural Zone. Thus, our recommendation on this submission will not preclude Queenstown Park Limited from applying for a gondola largely on the route they proposed.
141. Mr Brown also attempted to develop an argument that this part of the ONL is less “iconic” than the western face of the Remarkables and therefore more capable of absorbing the development. The trouble with that suggestion is that probably almost every part of the District’s outstanding natural landscape is less iconic than that western face, except perhaps the remote alpine areas along the Main Divide and in the National Parks. Accepting that argument would degrade most of the District’s outstanding natural landscape to a secondary

status. There is no support for such an approach in the PDP objectives and policies either. Even if it were possible to regard matters that way, we would not apply it in this setting.

17.2. Transport

142. Issues in relation to transport include ensuring a satisfactory connection of the access road to State Highway 6, and the adequacy of the access to the gondola at Lake Hayes Estate. The present access road does not connect directly to Boyds Rd but crosses private land and in any case the intersection of that road with the State Highway would need to be upgraded. We do not regard either of these issues as fatal flaws and consider that they would be able to be addressed if the proposal was to proceed. We also accept that the gondola would provide alternative access to the skifield and reduce traffic on what is a high and difficult alpine road in winter conditions, and would provide alternative public transport opportunities linking Lake Hayes Estate and Frankton, should that part of the proposal proceed.

143. We do note that there was no assessment provided to us of any transport-related effects within the Lake Hayes Estate roading system, such as safety and any potential for congestion, should the proposed gondola station there proceed. Obviously this could be an attractive option for residents in the Ladies Mile, Wakatipu Basin and Arrowtown area for access to the Remarkables ski field, and for residents of Lake Hayes Estate for public transport to Frankton, on a dropoff or park and ride basis. Therefore we consider an assessment of any such effects should have been provided.

144. With regard to the new Chapter 29 Transport in the Stage 2 Variations discussed above under the Planning Framework heading, we accept that the public transport aspects of the proposal would give effect to these provisions. We did not learn enough about effects on the local Lake Hayes Estate roading network to judge whether or not the proposal would satisfy those provisions. Regardless of the status of Chapter 29, we regard these as effects we should consider, whether or not they are referred to in that Chapter.

17.3. Ecology and sustainability

145. We accept the evidence of the ecologists and Ms Dewes that the proposed development would be beneficial in better protecting remnant indigenous vegetation on the site and would help to avoid intensification of farming on the terraces with attendant run-off and water quality issues. We note however that water quality is the primary responsibility of the Otago Regional Council, and any such intensification would be subject to its regulatory regime. We observe also that this property is a very small fraction of the total catchment of the Kawarau River and its contribution to water quality would be correspondingly small.

17.4. Economic issues, Tourism and Recreation

146. We accept that the proposal would be a highly attractive destination which would be beneficial to the growth of the tourism sector, with spin-off benefits across the Queenstown economy. As noted above, this does need to be kept in proportion, as that sector is already prosperous and growing rapidly, and that the area is experiencing quite severe growth pains particular in regard to infrastructure and housing

17.5. Urban Development

147. As discussed above under the Planning Framework heading, aspects of the development in our view amount to urban development, particularly the larger activity areas, and thus would be inconsistent with the objectives and policies cited above. We do not think in its present form this proposal qualifies for the exemption for resorts because of the extent of rural residential development, as discussed above.

148. We think the key factor with respect to the definition of urban development is the height and intensity of commercial development enabled in RV3. We gained the impression from the evidence of Mr Porter and Mr Brown that the proposed provisions are intended to enable a significant amount of commercial development in RV3, the village at the gondola switch station.

149. Mr Brown said at para 8.22:

Looking at the proposed village and residential development more holistically, it is clear that the proposed QPZ would establish some urban and peri-urban type development on the south side of the Kawarau River. However the QPL land, as a whole, would still retain a pronounced rural to rural-residential aesthetic, while the proposed development activities would primarily affect land that is already hallmarked by agricultural uses. In other words the landscape change anticipated would remain within that part of the Kawarau River valley landscape that is already very markedly characterised by cultural elements and patterns – even if its wider setting is predominantly natural to highly natural.⁴⁰

150. The only land available for urban (or resort) development within QP Station is the river terraces. The rest of it is steep. If the land available for development on the south side of the river is developed into a village and Rural residential pods, then in our view this is likely to look urban. In our opinion, Mr Brown can only say that a “rural to RR aesthetic can be retained” by encompassing the whole west face of the Remarkables in this frame of reference.

151. The proposed zone provisions specify limits on the number of residential units in the RR areas but are silent on the maximum gross floor area/extent of commercial activity enabled in RV3. These provisions are open-ended and therefore there is a real possibility that development on the terraces could be of an urban intensity and character as a result.

152. We think that the proposed development around RV3 is highly likely to be ‘urban’ and there is the potential for the RR areas to become similarly ‘urban’ because they can have quite a lot of ‘commercial’ activity given the proposed rules. If the RR areas were solely residential and RV3 was excised, then we would acknowledge that the proposal could be characterised as rural residential. But that is not the case under the proposed rules.

17.6. Rural Residential Development

153. Strategic policies are clear that rural living opportunities are to only to be located in areas able to absorb such development. Policies 3.3.30 and 6.3.11 require that adverse effects of development in ONL’s be limited to those that are minor or temporary in nature. We consider the Strategic Direction set by Chapters 3 and 6 is such that rural living is not appropriate in areas identified as ONL.

17.7. Overall conclusion on the planning framework

154. Our conclusions on how the proposal fits within the overall planning framework are as follows

- a. Nothing in the proposal, except perhaps the footbridges and jetties is inconsistent with or contrary to any of the National Policy Statements or the Water Conservation (Kawarau River) Order 1997.
- b. The tests under the Operative and Proposed Otago Regional Policy Statements with regard to landscape are essentially the same, and similar to those in the PDP and Section 6(b) of the RMA, i.e. is the proposal appropriate in an ONL? We have concluded that it is not.

⁴⁰ S Brown, EIC, 9 June 2017

- c. The proposal would give effect to the objectives and policies in the PDP relating to economic development, especially the development of the tourism sector including visitor activities and visitor accommodation. It would also give effect to provisions relating to ecology and transport.
- d. The proposal is not consistent with objectives and policies relating to urban development or rural living.

17.8. The Overall Judgement

155. Despite our finding that the proposal would be contrary to such an important set of objectives and policies relating to landscape, we have considered whether this is one of those cases where we should exercise an overall judgement under Part 2 of the RMA in favour of the submission.

156. We acknowledge that we were not explicitly asked to do this by the submitter, because its case was based on demonstrating that any adverse effects would be minor or less and could be satisfactorily mitigated. However we think it was implicit, particularly in Mr Serjeant's evidence, that this would be a possibility if we did not accept the evidence on effects.

157. This brings us to the issue identified by Mr Serjeant, which is;

With reference to the above evidence, it is evident that Queenstown has an excess demand for visitor activities based on the rural and open space resources of the district. The issue I identify for Queenstown and to be tested on the objectives for the QPSZ is therefore: Where is this demand to be met, and how can supply of the product be increased so as to ensure the quality of the resources on which it is based are sustainably managed?⁴¹

158. The evidence referred to is that of Mr Ballingall, Mr Hamilton, Professor Milne and Mr Greenaway. However, as we read it, none of that evidence actually identifies an excess of demand over supply. All of them agree that the proposal would be a highly valuable addition to the existing range of tourist facilities in Queenstown and we accept that. However, none of them took the additional step of identifying an undersupply of visitor activities. In fact, all of them discussed a large and appealing supply of attractions and continuing growth in visitor numbers. Undersupply of visitor accommodation was discussed by Professor Milne, but in fact this proposal would add only a relatively small supply of that and would probably put additional pressure on accommodation rather than resolving the problem, in our view.

159. Mr Ballingall identified that the addition to the tourist sector economy would be in the order of 6.9%. In our opinion, that would be valuable, but is far from essential or necessary, in the context of what is already a prosperous and growing economy.

160. Another problem with Mr Serjeant's issue is that it is likely to be self-perpetuating. Increasing the supply of visitor activity would be likely to generate further visitor growth, leading to need for yet more facilities and even more pressure on infrastructure and housing. We were reminded of the well-known adage about the effects of adding extra lanes on the Auckland Harbour Bridge. In answer to a question, Professor Milne accepted that this would eventually become a problem and that growth would be unable to continue indefinitely in Queenstown.

161. Also, as presented, the issue was very convenient for the submission, because it jumped straight from the issue to the identification of this proposal as the best solution to the problem. At the very least we would have thought it appropriate to examine the extent to which other

⁴¹ D Serjeant, EIC, 9 June 2017, paragraph 6.13

growth in visitor activities might satisfy the perceived demand, or whether, because of costs and adverse effects, it might even be more appropriate not to address this issue at all. To us, that is what section 32 requires.

162. For all these reasons, we did not find this issue as identified to be helpful.
163. We note that it was not necessary to identify this issue at all. It is not required under the RMA to prove necessity for development proposals. The sustainable management purpose of the RMA under section 5 accepts economic activity and development subject to safeguards, and we prefer to examine it on that basis, as we think the other evaluative experts, such as Mr Brown, Ms Skidmore, Mr Penny and Mr Beale all did.
164. However, evidence of compelling need or appropriateness can be a trigger for exercise of an overall judgement that favours development over environmental protection. For the reasons we have stated, we do not consider this to be such a case.

17.9. The Alternative Requests

165. For completeness we note that as summarised in Mr Buxton's Section 42A Report, the submissions before us also included two alternative forms of relief. Mr Buxton's comments were as follows:

The alternative request for a "Remarkables Alpine Recreation Area" is not clearly defined and is not supported for the same reasons as the requested zone.

The other alternative request for the deletion of the Significant Natural Areas is not supported by the evidence on the significant values of these SNA's.

166. Neither of these matters was pursued at the hearing by the submitter and we agree with Mr Buxton and take them no further.

18. RECOMMENDATION

167. For the reasons set out above, we recommend that:
- a. Submission points 806.1, 806.2, 806.5, 806.7, 806.76, 806.94, 806.95, 806.147, 806.206 be rejected; and
 - b. Further Submissions FS1057.1, FS1085.8, FS1229.29/30/32, FS1341.18 and FS1371 in support be rejected; and
 - c. Further Submissions FS1313.57/58/59/60 and FS1340.145 in opposition be accepted.

PART F: CONEBURN INDUSTRIAL

Submitter Grant Hylton Hensman, Sharyn Hensman and Bruce Hebert Robertson, Scope Resources Limited, Grant Hylton Hensman and Noel Thomas Van Wichen, Trojan Holdings Limited (Submission 361)

Further Submissions

FS1229.1, FS1229.3 NZ Ski Limited – Support
FS1277.3 Jacks Point Residents and Owners Association – Oppose
FS1275.90 "Jacks Point" – Oppose

19. PRELIMINARY MATTERS

19.1. Subject of Submission

168. These submissions related to an area of approximately 114 ha situated on the Kingston Highway to the south of the Remarkables ski field access road and across the road from the Jacks Point zone.

19.2. Outline of Relief Sought

169. The submitters requested that the area be rezoned from Rural to Industrial B with specific provisions included into the zone for what they labelled as Industrial B – Coneburn (IBC).

19.3. Description of the Site and Environs

170. The site is shown on Figure 8-5 below. Note this shows the property boundaries and not the zone boundary.



Figure 8-5 – Site location

171. The land is at the base of the Remarkables range and slopes gently upwards from the highway to the base of the mountains. It contains several existing quarries and contractors' yards. The land is hummocky and several streams pass through it.

19.4. The Case for Rezoning

172. The key method for the requested zone is a structure plan as shown below. Of the 63 ha in the IBC, more than half of the zone (36 ha) is shown in the structure plan as being open space

(green shading) between the state highway and requested industrial activity areas. There are two Activity Areas for the industrial activities; 5.32 ha of Area 1 which would provide for large lots (outlined in pink in the structure plan) and 21.93 ha of Area 2 which would provide for smaller lots (outlined in blue).



Figure 8-6 proposed Structure plan.

173. The case for the submitter was presented by Ms Macdonald, legal counsel, with evidence from Mr Jason Bartlett, traffic engineer, Ms Michelle Snodgrass, landscape architect, Mr Michael Copeland, economist, Mr Glenn Davis, ecologist, Mr Anthony Steel, infrastructure engineer and Ms Allyson Hutton, Planner.

19.5. Transport

174. Mr Bartlett said that access to the new zone would be via two new roads with T-intersections at existing entrances to State Highway 6. He described modelling that he had prepared and discussions about this with NZTA, which is the controlling authority for State Highway 6, and which would have to approve the new intersections before development could proceed. At this stage modelling has identified that there will be minimal delay or queuing on SH6. He said that detailed modelling is still to be completed and is likely to include refinement of the proposed Outline Development Plan and the traffic generation to reflect this plan. He was comfortable that through further detailed traffic modelling the proposed access intersections would be acceptable to NZTA and will have minimal traffic and safety effects on the adjacent SH6.⁴²

175. NZTA in its submissions on the PDP did not discuss this proposed development.

176. For the Council, Mr Denis Mander initially opposed the submission because of lack of information about traffic matters. However this was resolved in later discussions between the Council and the submitters.⁴³

19.6. Natural Hazards

177. For the Council, in his Section 42A Report Mr Robert Buxton said that:

There does not appear to be a report on geotechnical stability of the site and above the site. The report by Royden Thomson (Appendix C to the Water Infrastructure Option Viability Report included in the submission) provides a desktop study of the "hazards posed by stream systems",

⁴² J Bartlett, EIC, 9 June 2017

⁴³ D Mander, EIC, 24 May 2017, section 13

but not the stability of the land per se. A report for the whole site should be provided to give the Council a reasonable level of comfort that the land is suitable for what will be a reasonably dense urban development, in land that is reasonably close to a major mountain range. In addition to the stability of the site in general, two aspects that may need to be covered are the stability of the quarried area and stability of the un-engineered landfill above the site.⁴⁴

178. This was responded to by Ms Macdonald in legal submissions and Ms Hutton in her summary of evidence at the hearing. They said that there had been preliminary consultation with the Otago Regional Council on this issue and no concerns had been raised. They pointed to an assessment that had accompanied an earlier resource consent for much of this site. That assessment investigated landslide movement, rockfall, liquefaction, stability of cut and fill on the quarry site and flooding from Stoney Creek which passes through the site, and concluded hazard mitigation techniques were feasible and did not prevent development⁴⁵. The position of the submitter was therefore that there is sufficient information to support development of the site and detailed investigation can be left until a later consenting stage.

19.7. Economics

179. The evidence of Mr Copeland⁴⁶ for the submitter regarding the need for more industrial land, provided an assessment that referred to previous reports undertaken for the Council. Estimates of commercial land needs for the Wakatipu- Arrowtown Wards was last undertaken in November 2013 by McDermott Miller Strategies Limited in their report "Review of District Plan Business Zones Capacity and Development of Zoning Hierarchy" which was an update of the Hill Young Cooper report "Commercial Land Needs – Queenstown Lakes District" August 2006. The 2013 report noted that a potential shortage of Industrial land may develop after 2026 under the three higher demand growth projections.

180. For the Council, Mr Buxton noted that the evidence of Mr Philip Osborne, economist, identified that the demand for industrial land in the Wakatipu area may exceed supply by 2030 and consideration did need to be given to providing additional industrial zoned land. Mr Buxton therefore considered that, given the approximate 2030 timeframe, the provision, location and release of industrial land should be strategically planned for.

19.8. Landscape

181. For the submitter, Ms Michelle Snodgrass⁴⁷ said that the site is embedded in the wider Rural Landscape (RL) of the Coneburn Valley. The potential landscape effects of the new Zone would be on the landscape character of the surrounding RL. The Coneburn Valley is a glacially formed landscape with a cultural overlay of rural lifestyle development, the Remarkables Ski field access road, Jacks Point Zone, Lakeside Estates, Remarkables Station and pastoral farming. The elements of the site and wider landscape that are potentially affected by rezoning the land are the natural landforms, particularly those of obvious glacial origin, and vegetation cover, both indigenous and exotic. There is also an effect on the ONL of the adjacent Remarkables Mountains, particularly as the boundary between the RLC and ONL landscape classification is close to the northern part of the subject site and includes a small area of the site at its southern end.

182. She said that the proposed zone would introduce an urban area in a central, less sensitive part of the Rural Zone, with the protection of natural landforms and vegetation on the more

⁴⁴ R Buxton, Section 42A Report, 24 May 2017, paragraph 27.18

⁴⁵ Resource Consent RM070294, report by Tonkin and Taylor

⁴⁶ M Copeland, EIC, 9 June 2017; Summary Statement, 12 September 2017

⁴⁷ M Snodgrass, EIC, 9 June 2017

sensitive parts of the site, around the exterior of the zone to the north and west and particularly adjacent to SH6. The proposed activities would be enclosed by the hummock areas, gullies, sloping terraces and natural water courses all maintained as part of the Open Space areas.

183. The activity areas of the zone would be a completely different character to that of the embedding landscape – an urban character as opposed to a natural and pastoral character. Between the urban character of the activity areas and the RLC outside of the activity areas is the proposed Open Space Area which functions as a landscape buffer comprising the most sensitive parts of the site – the most visible areas, the most elevated, the areas with a natural topography and exotic and indigenous plant cover.
184. Further mitigation is proposed through undertaking earthworks to lower the base ground level of the activity areas; by specifying building heights for different areas within the zone; and proposed objectives, policies and rules specifying additional screening via native planting and restoration of grey shrubland including the removal of exotic wilding species such as Douglas Fir.
185. She said that there would be a cumulative effect on the landscape character because of the developing Jacks Point Zone on the opposite side of SH6.
186. The visual effects would be to views from Kingston Road, Remarkables Skifield Road, Marina Heights, Remarkables Shopping Centre, Frankton township and Lake Wakatipu, and the effect on visual amenity experienced by observers at these viewpoints.
187. The degree of visibility of the zone would be mitigated in four ways:
 - a. Location of activity areas in the topographically least visible parts of the site
 - b. Quarrying activities which will result in a lower base ground level of the activity areas
 - c. Height restrictions in the activity areas to minimise visibility
 - d. Policies and rules to require further mitigation screening in the event it is required using native species.
188. For users and occupiers of Kingston Road (SH6) travelling north, buildings within parts of the site would be visible. The eventual visual effect, with native planting to screen development, is likely to be slight to moderate.
189. For users and occupiers of Kingston Road travelling south, from the entrance to Wilsons Contracting, views would be obtained for a short distance into the current contracting site, which is proposed to be Activity Area 2a. This is the only point within the zone where the activities areas meet SH6. Rules for the use of native vegetation to assist visual screening of the development would be effective to reduce and minimise the degree of visibility at this viewpoint. The visual effect would be slight.
190. For users of Remarkables Ski Field access Road, at Windy Point, views would be likely to be gained into the proposed activity areas within the site. This would be at a distance of approximately 2.3km. The visual effect would be negligible to slight to moderate.
191. For users and occupiers of Marina Heights, views from Cresta Lane, a no exit street in the Marina Heights subdivision, are likely to be gained of small areas of the site. At the viewing distance of greater than 5km, and with the use of recessive colours, it is likely that the activity areas may be missed by a casual observer. The view will remain complex and detailed with

the Remarkables and Frankton Arm dominating the view. The visual effect would be negligible to slight.

192. For users of Remarkables Park, Stoney Creek, which is proposed open space, will continue to screen views into the site. Views of the activity areas are likely to be minimal. The visual effect would be negligible to slight.
193. For users and occupiers of Frankton township, Activity Areas within the existing quarry would be likely to be partially visible from north-south oriented roads within Frankton. The visual effect would be slight.
194. 35. The proposed additional road access from Kingston Road (SH6) would lead to decreased visual amenity as it would indicate the presence of development, as would the significant increased vehicle use of both roads, signs and street lights. This would reduce visual amenity as it would indicate that the use of the site is not contiguous with that outside of the site, and the perceived natural and pastoral landscape character would not be contiguous across the zone. The effect on visual amenity from vehicle movements cannot be mitigated completely, however it can be minimised by reducing the amount of road ways that are visible from outside of the site. In this case, the entrance roads as far as the hummocks on the western side of the zone will be visible. It is unlikely that internal roads and parking areas would be visible from outside of the site.
195. From SH6, what would be visible and indicate a change in use of the site and landscape character would be the significant increase in vehicles, signage and night lighting. Individually lit buildings would be minimally visible, except at viewpoints at the entrance roads. The development as a whole may produce a glow of collective night lighting, from street lights and buildings. The source of the light is unlikely to be visible, and the overall effect of night lighting from wider views will be seen in conjunction with the Jacks Point/Hanley Downs development. This will also have an effect on the visual amenity experienced from Jacks Point and Hanley Downs, however as the full development of Jacks Point and Hanley Downs will also produce a significant level of night lighting, it is unlikely to have more than a slight effect.
196. The effect on visual amenity of Jacks Point and Hanley Downs would be on the current rural character as experienced from the entrance to Jacks Point. The development of the activity areas will not be highly visible from the Jacks Point entrance, and would maintain the natural and rural character of the landforms and vegetation cover as seen from the entrance, and the wider views to the Remarkables and rural land either side of the site.
197. In conclusion she said that the broader landscape that the site sits in, is a landscape with a pastoral and natural character and a peri-urban character. The land proposed for rezoning has some natural and pastoral character, together with a modified and light industrial character. There would be a change to existing landscape character. The change would be contained within the existing modified areas with a present low density industrial character. The rezoning would have an effect on the character of the broader landscape in that it would intensify an existing peri-urban character created by the Jacks Point Resort Zone. The effect would be unlikely to degrade the broader landscape quality.
198. There would be a cumulative effect on the ONL of the Remarkables by changing the character of a small area at the base of the mountain range. The use of landscape buffers and other methods to minimise visibility would maintain the dominance of the natural character of the

ONL. The peri-urban character of this part of the Coneburn Valley would still be subservient to the ONL character of the Remarkables Mountains.

199. The slight to moderate effect of the proposed development would be consistent with the objectives and policies of the PDP and with section 7 of the RMA.
200. Overall, she considered that the landscape and visual effects of the proposed zone could be mitigated and appropriately absorbed by the landscape. There would be positive landscape and visual character effects associated with the maintenance and protection of the natural character of the western faces of the hummocks, the gullies and Stoney Creek. There would be some residual visual effects as experienced particularly from Kingston Road.
201. For the Council Dr Marion Read in her initial evidence⁴⁸ considered that the site was capable of absorbing some development. This was largely because of the naturally hummocky topography which had been exaggerated by the effects of quarrying, and by its existing industrial use. She also considered that the protection of open space, particularly along the state highway, is a positive aspect of the proposal. She was concerned, however, that the proposal would allow for a considerable amount of built form, the effects of which had not been adequately determined in the information provided.
202. Having heard the evidence of Ms Snodgrass, in her rebuttal evidence Dr Read said that she accepted Ms Snodgrass' assessment that buildings within the zone would not be prominent in views from the State Highway, but considered this to be the case only in relatively close proximity to the site. She said that buildings within the proposed zone would be visible from a wider visual catchment and that Ms Snodgrass underestimated the effect of this visibility,
203. While she agreed that the area in which the proposed zone is to be located is visually complex now, the proposed zoning would increase this complexity, making the area of the zone stand out more from its context than is now the case. It would appear as an urban area within a rural landscape. She considered that this would have an adverse effect on both the character of the landscape which is a part of the foreground of Remarkables, and on the visual amenity enjoyed of views of the Remarkables. She considered these adverse effects would be moderate to moderately significant in extent. As a consequence, she remained of the opinion that the relief requested should not be granted.
204. Dr Read adhered to this view in her Reply Evidence.⁴⁹
205. We note that Dr Read, in addressing another submission⁵⁰, proffered the opinion that urban development on the opposite side of SH6 from Jacks Point to the Kawarau River, would be acceptable in landscape terms⁵¹.

19.9. Ecology

206. For the Council, its expert Dr Lloyd did not oppose the request to create an Industrial Zone for the Coneburn site, provided that policy and rules controlling use of the land promote retention and enhancement of existing ecological values, restoration of ecologically appropriate indigenous forest, and control of exotic woody weeds. The site is important for ecological

⁴⁸ Dr M Read, EIC, 24 May 2017, paragraphs 12.8 – 12.19

⁴⁹ Dr M Read, Reply Evidence, 6 October 2017, paragraphs 4.1 – 4.3

⁵⁰ Submission 501, which we address below

⁵¹ Dr M Read, EIC, 24 May 2017, paragraph 11.21

restoration due to the extensive loss of indigenous cover from the land environments on which it sits.

207. For the submitter, Mr Glenn Davis responded to Dr Lloyd, accepting his conclusions and outlining the ways in which the proposed provisions of the zone would give effect to them.

19.10. Infrastructure

208. For the submitter Mr Anthony gave brief evidence that he was confident water supply and stormwater could be adequately handled on site following a design process at the consenting stage, in a similar fashion to the nearby Hanley Downs development. He did not discuss sewerage.

209. For the Council Mr Glasner did not oppose the rezoning from an infrastructure perspective if the site was serviced privately at the developer's cost because there would be no increase in the QLDC infrastructure requirements (as the 3 waters would be serviced onsite).

19.11. Planning

210. Ms Alyson Hutton gave evidence for the submitter.⁵² She discussed why this submission was made in Stage 1 of the PDP review rather than at a subsequent stage when Industrial zoning will be considered. That is because that stage is likely to be considering the actual text of the provisions for industry, rather than the location or the planning maps. It may not be possible to put this proposal forward at that stage. She outlined objective and policy support for the provision of sufficient industrially-zoned land to meet anticipated demand in both the Proposed Otago Regional Policy Statement and the PDP.

211. She provided a draft of provisions for the proposed zone.⁵³ Significantly, this removed any provision for standalone offices and general retail, apart from food and beverage premises of less than 50m² to serve the needs of occupants of the zone. She discussed natural hazards (as discussed above) and considered there was sufficient information available to support a rezoning, with more detailed assessment able to be undertaken at the subsequent consenting stage.

212. She discussed rules for building heights, which set limits based on topography to significantly restrict visibility from outside the zone. She discussed transport matters, including a proposed two-tier system for assessing the effects of building coverage on parking demand and congestion within the zone.

213. She said that in her experience it was difficult to find sites for industry, because it can be considered detrimental to amenities. The site is able to be folded into the undulating topography so that it would be largely screened from public view.

214. She said that there were a number of industrial activities already operating on the site under resource consents.

215. She discussed the proposal against the zoning principles the Council had set out at the commencement of these hearings and which we have discussed in our introductory report. In summary, with respect to these principles, she said that

- a. The proposal would be consistent with the objectives and policies of the PDP and consistent with Council's intentions when it created the Industrial B zone, and described how the proposed provisions would achieve this.
- b. The proposal is more appropriate than the existing Rural Zoning in the PDP.

⁵² A Hutton, EIC, 9 June 2017; Summary Statement, 13 September 2017

⁵³ Exhibits 13.20a, 13.20b and 13.20c, 12 September 2017, provided at the hearing

- c. The change is consistent with and does not compromise PDP Strategic chapters and in particular the Strategic Direction, Urban Development, and Landscape Chapters.
 - d. The overall impacts of the rezoning would give effect to the OPRS.
 - e. Economic costs and benefits have been considered, relying on the evidence of Mr Copeland.
 - f. There are no overlays or constraints on the planning maps relating to the land.
 - g. The proposed change takes into account the location and environmental features of the site (e.g. the existing and consented environment, existing buildings, significant features and infrastructure)
 - h. The zone recognises the availability or lack of major infrastructure (e.g. water, wastewater, roads);
 - i. The zone change takes into account effects on water, wastewater and roading network capacity, and are not just limited to the site specific effects of extending infrastructure;
 - j. Rezoning would be more efficient than attempting to achieve the submitters' aims through resource consent applications, and the review of the district plan is the appropriate time to carry this out.
216. Therefore she considered the proposal consistent with all the Council's zoning principles.
217. She discussed section 32 of the RMA and said that she did not believe that section 32 was met by leaving this land zoned Rural. She believed there was a need for future industrial zoning for Queenstown and that this was an appropriate time to zone this land and provide for this expected growth.
218. For the Council, Mr Buxton, in his Section 42A Report, considered that there was merit in the requested rezoning. However he considered the submitter needed to redesign the zone to provide security for those industrial activities that are typically forced out of urban industrial zones and to ensure that the zone did not become a general business/retail node. It would need to fully address the effects of the zone and suitability of the land (including an assessment of the natural hazards, noise, light spill, infrastructure, traffic and building height). If those matters were addressed a recommendation would be that the land is considered in a variation in a later stage alongside the Industrial B zone provisions, subject to a strategic review of the supply, location and release of further industrial land.
219. After hearing the submitters' evidence, Mr Buxton remained unsatisfied about critical aspects of the proposal, including natural hazards, the visibility of the development, the failure to ensure that genuine industrial activities that have difficulty finding locations are not squeezed out by the likes of trade suppliers retail outlets, the provisions for ancillary offices and the workability of the transport rules aimed at preventing internal congestion within the site.
220. Following the hearing we requested Mr Buxton and Ms Hutton to confer to see if these issues could be resolved. They did so and produced a Joint Witness Statement outlining a raft of changes to the proposals to address the concerns raised by Mr Buxton and by ourselves at the hearing. Virtually all of those matters were resolved. In particular the purpose of the zone was to be for industrial activities and almost all forms of residential, retail and offices were excluded. At the end of this process Mr Buxton remained concerned only about the lack of a full natural hazards report, and lack of information about visual effects of buildings under the proposed height limits rules. We are grateful to Mr Buxton and Ms Hutton for this because it has resulted in a much more considered proposal targeted towards those industrial activities that tend to be excluded from sites by higher-earning activities, and which addresses most of the issues more effectively than the original proposal.

19.12. Discussion of Planning Framework

221. As this is a request to change the zoning, the Strategic Chapters of the PDP which contain objectives and policies relating to economic development, urban growth and landscape are considered to be relevant. For reasons discussed in our introductory report we consider these provisions are consistent with the higher level planning instruments, including the Operative and proposed Otago Regional Policy Statements and the National Policy Statement on Urban Development Capacity, and we will not discuss those documents further in relation to this submission. The land is in a Rural Landscape Classification, with a very small part of the site in the ONL, which would not be able to be developed because it is in the proposed Open Space Area.

222. Relevant objectives and policies include:

Economic Development

Strategic Objective 3.2.1

The development of a prosperous, resilient and equitable economy in the District.

Policy 3.2.1.6 - Diversification of the District's economic base and creation of employment opportunities through the development of innovative and sustainable enterprises.

Urban Growth

Strategic Objective 3.2.2

Urban growth is managed in a strategic and integrated manner.

Policy 3.2.2.1

Urban development occurs in a logical manner so as to:

- promote a compact, well designed and integrated urban form;*
- build on historical urban settlement patterns;*
- achieve a built environment that provides desirable, healthy and safe places to live, work and play;*
- minimise the natural hazard risk, taking into account the predicted effects of climate change;*
- protect the District's rural landscapes from sporadic and sprawling development; and*
- ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in;*
- contain a high quality network of open spaces and community facilities; and.*
- be integrated with existing, and planned future, infrastructure.*

Strategic Objective 4.2.1

Urban Growth Boundaries used as a tool to manage the growth of larger urban areas within distinct and defensible urban edges.

Policy 4.2.1.1

Define Urban Growth Boundaries to identify the areas that are available for the growth of the main urban settlements.

Policy 4.2.1.2

Focus urban development on land within and at selected locations adjacent to the existing larger urban settlements and to a lesser extent, accommodated urban development within smaller rural settlements.

Policy 4.2.1.3

Ensure that urban development is contained within the defined Urban Growth Boundaries, and that aside from urban development within existing rural settlements, urban development is avoided outside of those boundaries.

Strategic Objective 4.2.2A

A compact and integrated urban form within the Urban Growth Boundaries that is coordinated with the efficient provision and operation of infrastructure and services.

Strategic Objective 4.2.2B

Urban development within Urban Growth Boundaries that maintains and enhances the environment and rural amenity and protects Outstanding Natural Landscapes and Outstanding Natural Features, and areas supporting significant indigenous flora and fauna.

Ecology

Strategic Objective 3.2.4

The distinctive natural environments and ecosystems of the District are protected.

Policy 3.2.4.1

Development and land uses sustain or enhance the life-supporting capacity of air, water, soil and ecosystems, and maintain indigenous biodiversity

Policy 3.2.4.2

The spread of wilding exotic vegetation is avoided.

Landscape

Strategic objective 3.2.5

The retention of the District's distinctive landscapes.

Policy 3.2.5.2

The rural character and visual amenity values in identified Rural Character Landscapes are maintained or enhanced by directing new subdivision, use or development to occur in those areas that have the potential to absorb change without materially detracting from those values.

Policy 3.3.32

Only allow further land use change in areas of the Rural Character Landscapes able to absorb that change and limit the extent of any change so that landscape character and visual amenity values are not materially degraded.

20. ISSUES

223. We have identified the following issues for this submission
- a. Landscape
 - b. Ecology
 - c. Natural hazards
 - d. Transport
 - e. Infrastructure

- f. Urban growth
- g. Industrial land needs

21. DISCUSSION OF ISSUES AND CONCLUSIONS

21.1. Landscape

224. The two issues discussed by the landscape witnesses are effects on the landscape character, and visual effects. With regard to the character of the landscape, both Ms Snodgrass and Dr Read accepted that there would be a change from a rural landscape character to an urban character if this proposed development proceeds, and that this would be a cumulative effect with the nearby expansion of the Jacks Point on the opposite side of SH6. They differed on the significance of this, with Dr Read considering it to be more significant than Ms Snodgrass.
225. With regard to visual effects, they agreed that there would be both localised and more widespread effects. Ms Snodgrass considered these would be mostly insignificant or minor, with the single exception of brief and limited views of the site up the entrance road to highway users, which would be moderate but momentary. From other local areas where the site might be seen, the development would be substantially screened by the topography, lowered elevation and proposed planting. From more distant viewpoints such as parts of Frankton, Queenstown or the lake she said any adverse visual effects would be substantially reduced by distance and the dominance of the Remarkables Range above the site. She also considered the landscape would be enhanced by the removal of wilding and exotic species, especially stands of Douglas Fir.
226. Dr Read on the other hand thought that the adverse visual effects would be moderately significant because the density of activities would draw attention to the site when viewed from a distance. However, she did not attempt to reconcile this opinion with her opinion that urban development on the opposite side of SH6 was acceptable.
227. We have viewed this site from the locations described by the witnesses and agree with Ms Snodgrass as to the significance of the adverse effects, both visual and on landscape character. As a result, we consider the proposed rezoning would be consistent with the landscape objectives and policies listed above, and that the effects would be acceptable noting that the alternative option of retaining the rural zoning would also be consistent with these provisions. For reasons we will outline later in this report when considering the submission by Woodlot Properties Ltd, we consider that in the medium to long term it is almost inevitable that the lower portions of the Coneburn Valley, from Jacks Point to the Kawarau Falls Bridge will become urbanised. However, from distant viewpoints the appearance will remain dominated by high features such as the Remarkables, Peninsula Hill and Jacks Point, and by Lake Wakatipu

21.2. Ecology

228. We accept the advice of Dr Lloyd and Mr Davis. Consequently, we consider there would be only positive effects on the ecology, and the relevant objectives and policies of the PDP would be satisfied.

21.3. Natural Hazards

229. While we would have been more comfortable with a more detailed assessment on the site's susceptibility to natural hazards, we have concluded that there is enough information in the submission and in the earlier resource consent assessment to indicate that it is likely that any issues with natural hazards are likely to be able to be dealt with in the detailed design and

consenting process. If not, then the Council will be in a position to decline subdivision and building consent applications.

21.4. Transport

230. We accept the evidence of Mr Bartlett that it is likely that satisfactory entrances to the site can be designed in consultation with NZTA, whose approval is necessary under the Limited Access Road provisions. We accept that the modified rules would be effective in preventing unacceptable congestion within the site.

21.5. Infrastructure

231. Although we have received only very broad information on infrastructure, there appears to be no obvious reason why this would not be able to be satisfactorily provided. Therefore this also can be left to a later detailed design and consenting stage.

21.6. Urban Growth

232. It is our opinion that the Coneburn Valley in which this site is located, is a significant area that is suitable for the future urban growth of Queenstown. We understand and appreciate that this is not the view of some of the landowners in the area, but that may change over time. In a practical sense, the only obstacle in terms of the objectives and policies of the PDP is the absence of a defined Urban Growth Boundary around the site, as required by Objective 4.2.1 and its related policies, cited above. We think any wider changes in this area should be the subject of further consideration by the Council.

233. In response to a question from us, Ms Kim Banks in her Reply Evidence on Strategic matters, wrote:

I consider that the relatively unique characteristics of this location (it is one of few areas of flat rural land, not within the Outstanding Natural Landscape (ONL), with high amenity and in close proximity to urban areas) are likely to strongly favour a higher density development (e.g. Low Density Residential (LDRZ) or greater). This is because it is a significant area of flat land, which is relatively unconstrained, and in close proximity to services.

Given the scope of submissions before the Council that don't allow this land to be rezoned, and the Council's evidence on dwelling capacity, it would in my view be more appropriate to review this land comprehensively, along with other possible greenfield sites in the Queenstown basin, as part of the District's Future Development Strategy, which is required to be completed by December 2018 under the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC). This strategy is also required to be publicly notified with input from infrastructure providers and the community. Therefore, I do not recommend extending the UGB in this area.⁵⁴

234. In general, we agree with and endorse this approach, subject to the caveat that the Council does need to ensure the opportunity for urban development of this land is not foreclosed by inappropriate subdivision or development. However we were prepared to make an exception for this particular site by zoning it as Industrial Coneburn, subject to an amended package of provisions based on those recommended by Mr Buxton and Ms Hutton, and placing a UGB around it. Scope for the latter is provided by Submission 501, which we discuss next. We note that Ms Banks was contemplating residential development of this whole area west of SH6. We agree that most of the area would most likely become residential, as is the case with most of the urban growth in and around Queenstown. However for all the reasons already given, we consider that there is a medium term need for further industrial land and that it can be "folded

into the topography” here as Ms Hutton aptly put it without creating unacceptable adverse effects.

21.7. Recommended Coneburn Industrial Zone

235. Ms Hutton prepared a draft set of provisions for a Coneburn Industrial Zone⁵⁵ and associated subdivision provisions to be inserted in Chapter 27 Subdivision which were presented to us at the hearing. As noted above, we directed Ms Hutton and Mr Buxton to confer to see if they could agree on a set of provisions if we concluded the land should be rezoned, and the result of that conferencing was provided in a Joint Witness Statement.
236. We have reviewed the provisions provided and have made some further amendments to them. We have changed the chapter number to 44, rather than occupy one of the few numbers available for standard industrial zones. We expect the Council can alter this later once it has reviewed the industrial zones.
237. There are several minor formatting changes made to be consistent with how we have recommended other chapters be adopted. Those have been made for consistency.
238. We have split the Objective into two. The JWS objective comprised two sentences, each seeking a different outcome. We recommend each outcome be its own objective. As a consequence of this JWS Policies 18.2.1.2 and 18.2.1.5 have been moved under the second objective to be 44.2.2.1 and 44.2.2.2 respectively. We have also made some minor wording changes to the policies to make them more action focussed.
239. We have inserted an additional policy (44.2.2.3) to provide policy support for the rules restricting the rate of development to be commensurate with the rate of landscaping the open space areas.
240. We have made changes to JWS Rules 18.4.10 and 18.4.12. As we understood them, they intended that landscaping of the Open Space Area (shown on the Structure Plan) occur in accordance with an approved Ecological Management Plan, and that subdivision and development in the Activity Arras could only advance at a rate commensurate with the rate of compliance with the Ecological Management Plan. We did not consider the two rules as drafted actually achieved that outcome. To better implement the intentions we have divided JWS Rule 18.4.10 into an activity rule (Rule 44.4.8) which requires a restricted discretionary consent for landscaping the Open Space Area, and a standard (Rule 44.5.2) which requires that landscaping of the Open Space Area can only occur in accordance with an Ecological Management Plan, with minimum requirements. In addition, JWS Rule 18.4.12 has been changed into a standard (Rule 44.5.1) limiting the rate of development of Activity Areas and Rule 27.7.7.2 controlling the rate of subdivision.
241. We have changed the activity status of Custodial Units from non-complying (JWS Rule 18.4.16) to discretionary (Rule 44.4.9) to reflect the fact that the activity was supported by a policy (Policy 44.2.1.6).
242. The JWS listed two rules with a non-compliance status as restricted discretionary, but listed no matters of discretion (18.5.1 and 18.5.2). We have changed to non-compliance status to discretionary to avoid ambiguity (Rules 44.5.3 and 44.5.4 respectively).

⁵⁵ See Exhibits 13.20A, 13.20B and 13.20C

243. We attach as Appendix 1 Chapter 44 as recommended. Our recommended changes to Chapter 27 are contained in Appendix 1 to Report 7.

22. RECOMMENDATION

244. For the reasons set out above, we recommend that:

- a. Submission points 361.1, 361.3, 361.6, 361.7, 361.8, 361.9 and Further Submissions FS1229.1 and FS1229.3 be accepted in part; and
- b. Further submissions FS1277.3 and FS1275.90 be rejected; and
- c. The subject land be zoned Coneburn Industrial as shown on Map 13 and the PDP be amended by inserting Chapter 44 and the amendments to Chapter 27 as set out in Appendix 1 to this report.

PART G: URBAN GROWTH BOUNDARY

Submitter Woodlot Properties Limited (Submission 501.16)

Further Submissions

FS1270.96 - Hansen Family Partnership - support

FS1289.16 - Oasis In The Basin Association – oppose

23. PRELIMINARY MATTERS

23.1. Subject of Submissions

245. This part of this submission relates to the whole of the Queenstown Lakes District and seeks that the Urban Growth Boundary be expanded to enable the expansion of urban zones into areas that can absorb it.⁵⁶

23.2. Outline of Relief Sought

246. The submission requested that the Urban Growth Boundary be expanded to enable the expansion of urban zones into areas that can absorb it.

23.3. Description of the Site and Environs

247. The site is the whole of the Queenstown Lakes District.

23.4. The Case for Extending the UGB

248. The submitter did not appear at the hearing. The case for changing the UGB in the Coneburn Valley was discussed in the S42A Strategic Report by Kim Banks and is summarised as follows;

Opposes the proposed UGB line. States that the existing UGB, while enabling some urban expansion, does not go far enough for the future generations in the Wakatipu basin. Sustainable management will therefore not be achieved. Submits that an example of an area that can absorb future urban zoning is between Jacks Point and Frankton as shown on the plan attached to submission 501.

Requests that if the UGB is to be retained in the District Plan, then it should be expanded to enable the expansion of urban zones in the future into areas that can absorb urban development.

249. Ms Banks expressed some support for the submission. However she was concerned that placing an Urban Growth Boundary around the area now could lead to a rush of applications for rural residential development in the interim, while the Operative District Plan and the PDP Rural zoning remains in force, which could be detrimental to the most efficient development of the area if it was ever to be rezoned for full urban development. She said it would in her view be more appropriate to review this land comprehensively, along with other possible greenfield sites in the Queenstown Basin, as part of the District's Future Development Strategy, which is required to be completed by December 2018 under the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC).⁵⁷

⁵⁶ Note, the submission refers as an example to a particular area between Jacks Point and Kawarau Falls and includes a map of that area. We do not take that map as being definitive and regard it as an example only of the request being made.

⁵⁷ K Banks, Reply Evidence - Strategic Overview and Common Themes Group 1B Queenstown Urban – Frankton and South, 6 October 2017, paragraphs 2.6-2.13

23.5. Discussion of Planning Framework

250. We have outlined above in our discussion of Submission 361 the strategic approach of the PDP to Urban Growth. In summary the objectives and policies seek that urban growth is managed in a strategic, integrated and logical manner to promote a compact, well designed and integrated urban form which builds on build on historical urban settlement patterns, and amongst other things minimises the natural hazard risk and protects the District's rural landscapes from sporadic and sprawling development. Urban development is to be contained within the defined Urban Growth Boundaries, and avoided outside of those boundaries.⁵⁸

24. ISSUES

a. Urban Growth

25. DISCUSSION OF ISSUES AND CONCLUSIONS

251. There is a UGB boundary surrounding the developing Jacks Point Area on the western side of SH6 south of Kawarau Falls. As we have decided that land opposite this on the eastern side of SH6 would be suitable to zone for a new Industrial Coneburn zone, it is appropriate and necessary under the objectives and policies to extend the UGB around this new zone. Without a UGB the proposed rezoning would be contrary to Policy 4.2.1.3.

252. With regard to the rest of this immediate area, and most other areas that may be suitable for future urban growth, we agree with Ms Banks that it would be more appropriate to complete the Future Development Strategy under the NPSUDC before extending Urban Growth Boundaries.

26. RECOMMENDATION

253. For the reasons set out above, we recommend that:

- a. Submission 501.16 and FS1270.96 Oasis In The Basin Association (re 501.16) be accepted in part; and
- b. Further Submission FS1289 be rejected; and
- c. An Urban Growth Boundary be placed around the Coneburn Industrial Zone as shown in Appendix 2.

⁵⁸ See Objectives 3.2.2 and 4.2.1, 4.2.2A, 4.2.2B and their related policies.

PART H: JACKS POINT LODGE ACTIVITY AREAS

Submitter Wild Grass Partnership, Wild Grass Investments No 1 Limited and Horizons Investments Trust (Submission 567)

Further Submission

FS1275 – “Jack’s Point” - support

27. PRELIMINARY MATTERS

27.1. Subject of Submissions

254. This submission related to the Lodge Activity Areas in the Jacks Point Zone.

27.2. Outline of Relief Sought

255. The submission supported the continued exclusion of the Lodge Activity Areas from being located within an ONL located as shown in Figure 8-7.

Aerial Photograph of the site



Aerial photograph of the land subject to that part of submission 567 is shown outlined in blue. The site is located within the Jacks Point Zone as proposed in the PDP.

Figure 8-7 – Aerial photograph of the submission site located within the Jacks Point Zone

27.3. Discussion and Conclusions

256. The provisions of the Jacks Point Zone were considered in Stream 9. All but one of the submission points in Submission 567 have been addressed in Recommendation Report 12.

257. This remaining submission point does not request any zoning change however it does relate to a mapping issue therefore it has been addressed here.

258. We accept and rely on the evidence of Ms Vicki Jones⁵⁹ and Dr Marion Read⁶⁰ and conclude that the existing Lodge Activity Area is not within the ONL.

28. RECOMMENDATION

259. For that reason we recommend that:

- a. Submission 567 be accepted in part;
- b. FS1275 be accepted in part; and
- c. No changes be made to the mapping in the Jacks Point Zone in response to this submission as shown on Planning Map 13.

⁵⁹ V. Jones, Section 42A Report, 24 May 2017, paragraphs 4.1 – 4.3

⁶⁰ Dr M. Read, EIC for Stream 9, 17 January 2017, paragraphs 14.13 – 14.29

PART I: JACKS POINT – HOMESTEAD BAY EXTENSION

Submitter **Jardine Family Trust, Remarkables Station Limited and Homestead Bay Trustees Limited⁶¹ (Submission 715)**

Further submissions

In support

FS1277 – Jacks Point Residents and Owners Association

FS1145 – John Martin Management Company Limited

In opposition

FS1073 - Greig Garthwaite

FS1096 - Peter & Carol Haythornthwaite

FS1103 - Ben and Catherine Hudson

FS1108 - Christine and Neville Cunningham

FS1114 - Lingasen and Janet Moodley

FS1116 - Stephen and Karen Pearson

FS1192 - Murray and Jennifer Butler

FS1218 -Grant and Cathy Boyd

FS1219 - Bravo Trustee Company

FS1225 - David Martin and Margaret Poppleton

FS1227.58 - James and Elisabeth Ford

FS1237 - Kristi and Jonathan Howley

FS1247 - Mark and Katherine Davies

FS1250 - Sonia and Grant Voldseth and McDonald

FS1252 - Tim & Paula Williams

FS1277 - Jacks Point Residents and Owners Association

FS1283 - MJ and RB Williams and Brabant

FS1284 - Lakeside Estate Homeowners Association Incorporated

FS1293 - Joanna and Simon Taverner

FS1299 - Thomas Ibbotson

FS1316 - Harris-Wingrove Trust

FS1321 - John and Mary Catherine Holland

FS1345 - Skydive Queenstown Limited

FS1092 - NZ Transport Agency

29. PRELIMINARY MATTERS

29.1. Subject of Submissions

260. This submission related to the Homestead Bay part of the Jack's Point Zone and the adjacent rural land. The properties are legally described as Lot 8 DP 443832 (Remarkables Station Limited), Lots 1- 5 DP 452315 (Jardine Family Trust) and Lots 6 & 7 DP 504891 (Homestead Bay Trustees Limited).⁶²

⁶¹ P. Page, Legal Submissions for Jardine Family Trusts and Remarkables Station Limited, dated July 2017, paragraph 2 stating that Homestead Bay Trustees Limited purchased Lots 6 and 7 DP 504891 from Jardines in 2016 therefore this company is the successor to Jardines under s2A of the Act.

⁶² Exhibit 13.3, Sheet 1, Quickmap, 8/08/2017

29.2. Outline of Relief Sought

261. Broadly, the submission sought to enable residential development of the land within the notified Rural Zone (Lot 8 DP 443832) and more intensive development within the existing Homestead Bay portion of the Jacks Point Structure Plan.
262. Specifically, the submission sought:
- a. Rezoning of Lot 8 DP 443832 from Rural to Jacks Point Zone;
 - b. That the Jacks Point Structure Plan be extended to cover this land in a manner that provides for education and innovation-related business (noting that this part of the submission was later withdrawn) and residential densities at a mix of densities interspersed by open space areas as shown on Attachment B to the submission; and
 - c. Extension of the UGB to include the entire area to be rezoned.⁶³
263. Subsequently the submitter formally withdrew submission points 715.1 and 715.6 and no longer sought the Education and Innovation Campus (EIC) activity area shown on the Structure Plan attached to the submission. Instead, the submitter requested an Open Space Landscape (OSL) activity area classification for that area.⁶⁴
264. On 15 May 2017, the submitters filed a memorandum on behalf of Jardines which included:
- a. A version of Chapter 41, including all the requested revisions;
 - b. A plan of the proposed earthworks in relation to development of Activity Areas R(HB-SH)-A-C;
 - c. A plan of the height limits proposed for requested Area R(HB-SH)-A;
 - d. An amended Structure Plan.⁶⁵
265. The amendments proposed by the submitter primarily related to Activity Areas R(HB-SH)-A-C of their proposed Structure Plan.
266. At the hearing, Mr Geddes relied on the recommended Structure Plan as amended following the filing of the memorandum dated 15 May 2017. His evidence referred only to this plan.⁶⁶
267. Based on the version of the relief that accompanied the memorandum dated 17 March 2017, Ms Jones calculated that the amendments to the planning map, the Structure Plan and the Jacks Point provisions would enable up to an additional 541 residential unit equivalents (including visitor accommodation). This would result in a total yield for the Homestead Bay area of 785 units. Of this total figure, 501 units resulted from intensifying land use within the notified Jacks Point Zone and 284 resulted from the proposed extension to the Jacks Point Zone.⁶⁷
268. We found Ms Jones' analysis of what the submitters sought to be the most helpful and reliable source of information.

⁶³ V. Jones, Section 42A Report, 24 May 2017, paragraph 3.9

⁶⁴ Ibid, paragraph 3.2 which refers to Memoranda of Counsel for the submitter dated 8 February 2017 and 17 March 2017. In addition, Mr Geddes advised the Council that the submitter no longer wished to pursue the EIC activity area in a memorandum dated 14 March 2017 and requested it be treated as Highway Landscape Protection Area. Mr Geddes confirmed this action in his EIC dated 5 June 2017, paragraph 4.3

⁶⁵ Memorandum from Neil McDonald dated 15 May 2017 on behalf of the submitters

⁶⁶ N. Geddes, EIC, 5 June 2017, paragraph 4.6 and Appendix 1

⁶⁷ V. Jones, Section 42A Report, 24 May 2017, paragraph 3.10 and Appendix 6. Mr Geddes said that Appendix 6 accurately described the yields sought (EIC, 5 June 2017, paragraph 4.4).

29.3. Description of the Site and Environs

269. The site bounds SH6 to the east, Lakeside Estate to the south, Lake Wakatipu to the south-west and west and Jack's Point subdivision to the north.
270. Lot 8 DP 443832 (163.46 ha) is owned by Remarkables Station Limited which is a company owned by Jardines. This lot includes the NZone airstrip which is leased to NZone until 2031 and used as a skydiving base. The vast majority of Remarkables Station lies on the eastern side of State Highway 6 (Kingston Road), in an area that is within the ONL. Lot 8 is in the notified Rural Zone and a Rural Character Landscape.
271. The seven lots in Homestead Bay are within the Jacks Point Zone and are bounded by the Jacks Point subdivision to the north, Lake Wakatipu to the west and Remarkables Station to the east and south.
272. We understand a 12 lot subdivision has been consented in the ODP OSR area (Lots 6 & 7) pursuant to a resource consent granted to Homestead Bay Trustees Limited (RM161288).
273. Access to Homestead Bay is provided via Maori Jack Road which serves the Jacks Point subdivision. There is also a separate access from SH6 to the airstrip.
274. The site has a generally concave topography sloping towards the south-west. Two deeply incised valleys run through the south-west of the site towards the lake edge and another overland flow path with an open channel runs through the northern portion of the site (see Figure 8-8).



Figure 8-8 - Aerial photograph of the land subject to the submission outlined in dark blue

29.4. The Case for Rezoning

275. In the submission, it is stated that Lot 8 is the last remaining remnant of Remarkables Station below the State Highway and that this land is not significant to the balance area of the farm in terms of productivity or viability. The future management of this land was said to be more appropriately linked to the Jacks Point Zone.

276. The submission also stated that the extension to the Homestead Bay part of the Jacks Point structure plan would provide additional housing in accordance with the directives set out in the policy sections of the Jacks Point, Strategic Direction, Urban Development and Subdivision chapters of the PDP. It was also stated that many of these policies seek to intensify existing urban areas while the expansion of residential development adjacent to already approved residential zones reduces isolated development in the rural area.
277. The intention of the Homestead Bay extension was to promote similar design and location philosophies as the notified provisions of the Jacks Point Zone.
278. The submission said that the OSL land within Lot 8 should be managed as a single small farm, with one associated residential building platform and accessory farm buildings.
279. In his legal submissions, Mr Page described the history of the Jacks Point Zone which is operative in three parts; Henley Downs, Jacks Point and Homestead Bay. He said that with the development of the Jacks Point Zone and the imminent development of lots 6 & 7, the Jardines must now confront the future of Lot 8 which has ceased to play an economically useful role in the performance of Remarkables Station as a farm.⁶⁸
280. He addressed the legal principles set out in the Council's opening submissions for Stream 13 and concluded that how those principles were applied in the context of the Jardine's case was really an evidence-based exercise. Mr Page referred to the proposition that Part 2 of the Act remained relevant to the consideration of Stream 13 submissions because the higher order provisions remained unsettled. In his submission, it might be safely assumed that the commissioners' decisions would follow the same 'top down' sequence inherent in sections 73 and 32 of the Act. That approach has been confirmed by the Court of Appeal in *Man O'War* (in relation to the identification of ONLs). By the time decisions are made on Stream 13 matters, the higher order decisions would have been made (albeit subject to rights of appeal). It would seem incoherent to depart from that sequence and return to Part 2 unless something arises that identifies an omission in the higher order provisions.⁶⁹
281. Mr Page said that the Jardines do not say that there is any omission in the PDP's framework but rather that the proposed activities within the notified zone boundaries represent a more efficient use of that land and that the land to be brought within the Jacks Point Zone, sandwiched as it is between existing development, more appropriately "fits" the objectives and policies of the Jacks Point Zone than the Rural Zone, subject to an appropriate structure plan being devised.⁷⁰
282. He summarised the Council's position as being that "*land should not be rezoned for development if;*
a. The service requirements of development cannot be met; or
b. The provision of such development would place a financial burden on the Council that it has not agreed to accept (e.g., through provision in the LTP)."
283. In his submission, the Jardines' case was that all of the land subject to its submission can be entirely self-served without any assistance of Council. Alternatively, access to Council-owned infrastructure is something to be managed outside of the district plan and on terms entirely under the control of the Council.

⁶⁸ P. Page, Legal Submissions, July 2017, paragraph 7

⁶⁹ P. Page, Legal Submissions, July 2017, paragraph 9

⁷⁰ Ibid, paragraph 10

Mr Page then said:

“The Jardines are not reliant on the Jacks Point Residents and Owners Association for access to services. The use of Maori Jack Road requires an agreement to be reached on maintenance and upgrade requirements and that is a private matter between Jardines and JPROA. That is why an alternative access point to SH6 has been proposed.”⁷¹

284. His legal submissions canvassed the interpretation of higher order policy and planning documents with respect to strategic direction, urban development and landscapes and the PDP rules in relation to the airstrip and noise.⁷² These are relevant issues and are further considered in the context of the evidence presented.
285. Finally, Mr Page addressed an issue raised by Mr Ferguson for JPROA i.e., the visual effects of future development, including the appropriateness of the proposed mitigation on the characteristics of the landscape. He submitted that this issue would only arise if the proposed development were to occur in the Rural Zone. The relevant policies (41.2.1 – 41.2.14) were all externally focused and seek to manage externalities rather than within-zone effects. This means that Jacks Point residents have no legitimate expectation to a rural view from their houses.⁷³
286. Additional comments were made in respect of the evidence presented for Jardines on geotechnical matters (Mr Rider), infrastructure services (Mr Hansen), transport (Mr Bartlett), landscape (Mr Espie) and planning issues (Mr Geddes).
287. Submissions were presented by several further submitters in opposition to Jardines.
288. For the Council, evidence on infrastructure services, ecology, transport, landscape and planning matters was presented. We address this evidence in our discussion of the issues below. In summary, the Council’s position was that there was insufficient evidence to support extension of the Jacks Point Zone into Lot 8 however a small extension of the JPZ, some intensification within the existing JPZ and amendment to the Structure Plan were agreed. The Council also identified the need to adjust the ONL boundary in the vicinity of Jacks Point Hill to align with the OSR-North boundary.
- 29.5. Discussion of Planning Framework**
289. The purpose of the Jacks Point Zone is to provide for residential, rural living, commercial, community and visitor accommodation in a high quality sustainable environment comprising residential areas, two mixed use villages, and a variety of recreation opportunities and community benefits including access to open space and amenities.
290. Recommendation Report 12 describes the planning framework that applies in the Jacks Point Zone and provides the recommended version of Chapter 41. The revised Structure Plan is included in Chapter 41 (41.7).
291. There is an ONL around Jacks Point Hill however Homestead Bay and Lot 8 are not within the ONL. Lot 8 is within the Rural Character Landscape.

⁷¹ Ibid, paragraphs 12 - 15

⁷² Ibid, paragraphs 16-20 re landscape and paragraphs 26 – 32 re noise from the airstrip

⁷³ P. Page, Legal Submissions, July 2017, paragraphs 34 & 35

30. ISSUES

- a. Strategic direction - the role of structure planning and adequacy of the evidence in that regard, capacity enablement, timing etc
- b. Provision of infrastructure services – stormwater, potable water and wastewater
- c. Noise effects associated with use of the airstrip
- d. Traffic effects
- e. Landscape
- f. Natural hazards
- g. The most appropriate zoning and plan provisions

30.1. Discussion of Issues and Conclusions

292. In our view, the case for intensifying development of the Homestead Bay area within the JPZ and rezoning Lot 8 to enable housing development was not made out by the submitters. We were somewhat frustrated by the submitters' approach because it failed to take full advantage of the opportunity to revisit the overall vision for the JPRZ and Structure Plan in the context of this plan review. We were also hamstrung by critical gaps and/or shortcomings in the evidence therefore our ability to recommend significant changes to the extent of the JPZ, the Structure Plan and Chapter 41 was curtailed.

293. Overall, we agree with the recommendations of Ms Jones for the Council as set out in her Reply Statement for the reasons given therein.⁷⁴ Her recommendation supported the adoption of 'Scenario A' which provides for a small increase in the extent of the JPZ to enable 27 additional residential units in OSR-South and minor changes to the plan provisions and Structure Plan. Ms Jones did not support any significant extension of the JPZ into Lot 8. We return to her recommendations later in this report but first we address the future of the submitters' land at the strategic level. A strategic assessment is necessary to establish whether the submitters have demonstrated that further urbanisation of their land is warranted.

30.2. Strategic planning for urban growth

294. Strategically, we consider that the Coneburn Valley is suitable for urbanisation and would be a logical area for expansion of Queenstown long term. We include the submitters' land in this statement because it is easily developed due to the topography, is well-served by roads, has high amenity values and is not within an ONL. In our opinion, it should not be developed at this time nor in the manner proposed in evidence because there is a real possibility of under-utilising this valuable resource. We think that the future of this land should be considered in the context of the growth needs of the district long term. In this context, several options for urbanisation would be tested before selecting the optimal development.

295. Structure planning provides the framework for long term planning under the LGA and RMA. A structure planning exercise is designed to address the fundamentals of large scale land use change and development. The process should result in a comprehensive, integrated proposal covering matters such as infrastructure provision, transport and roading, provision of community facilities and dwelling capacity enablement as well as management of natural

⁷⁴ V. Jones, Reply Statement, 6 October 2017, paragraph 2.4 re wastewater and paragraph 2.5 re noise effects

hazard risk, protection of historic and natural heritage and other physical resources. Its success is dependent on cooperation among land owners and between land owners, the Council and public authorities e.g., NZTA. In our view, there is a need to carry out structure planning for the submitters' land as part of the process for determining the optimal type of development and land use pattern long term. This is rather more than just drawing a subdivision layout plan and calling it a structure plan.

296. The submitters' proposal adopted the Jacks Point concepts to some extent but also sought medium density housing within Homestead Bay. The Jacks Point Zone and Structure Plan has been in place for more than twenty years. Henley Downs is currently under development and provides for a quite different type of housing style and density to that available in the Jacks Point subdivision. It is anticipated that Henley Downs will increase the supply of medium density housing in Queenstown and provide housing within an affordable price range (by Queenstown standards). Whether it is better for Jardines to emulate the Jacks Point planning model or the Henley Downs approach or to come up with a 'third way' is an open question that should be answered by a 'first principles' planning study.
297. In our view, there is time to carry out this study and prepare a new structure plan for Jardines land because the notified PDP has zoned sufficient land to meet Queenstown's growth needs for the medium and long term. The structure planning process would also enable the submitters to address various matters that need to be resolved before an urban zoning could be recommended e.g., delivery of infrastructure services in relation to density and noise effects associated with use of the airstrip. Objective 4.2.1 and Policy 4.2.1.4 provide the planning framework for evaluating options and selecting the optimal type and intensity of development.

30.3. Evidence

298. In the following sections of this recommendation report, we evaluate the evidence received before, during and after the hearing relating to the key issues, namely infrastructure services, noise effects associated with the use of the airstrip, traffic effects, landscape and natural hazards. We find that there is insufficient evidence concerning the effects of the onsite wastewater disposal field on the environment and noise effects associated with the use of the airstrip to recommend the submitters' proposal. While provision of access to SH6 from an expanded JPZ was addressed to our satisfaction, gaps remained in the transport evidence. We were however satisfied that there was sufficient evidence to recommend the adoption of 'Scenario A' as supported by Ms Jones.⁷⁵

30.4. Infrastructure services

299. The Jardines' case was that all of the land subject to its submission could be entirely self-served without any assistance of the Council. In their submission, if alternatives to self-servicing the development became available, access to Council-owned infrastructure was something to be managed outside of the district plan and on terms entirely within the control of the Council.⁷⁶
300. It was also the Jardines' position that development within their land was not dependent on the JPROA for access to services. Use of Maori Jack Road depended on agreement being reached on maintenance and upgrade requirements which is a private matter between the Jardines and JPROA. The need for such an agreement was the reason for seeking an alternative access point to SH6.⁷⁷

⁷⁵ V. Jones, Reply Statement, 6 October 2017, see Appendix 3 for the amended Structure Plan

⁷⁶ P. Page, Legal Submissions for Jardines, July 2017, paragraphs 13 & 14 and paragraphs 21 - 25

⁷⁷ Ibid, paragraph 15

301. We accept that there are several options available for servicing the proposed development (715 dwelling equivalents) including shared services with the Council and/or JPROA. We also accept that it is the submitters' prerogative to privately fund and provide stormwater, water supply and wastewater disposal services for the whole development. Given this, we must be satisfied that the submitters' proposed infrastructure services are feasible and acceptable in terms of their environmental effects in order to recommend rezoning land for development of the intensity requested.
302. Mr Hansen's evidence addressed infrastructure provision. For stormwater, his recommended strategy was to provide an integrated treatment train approach to water management. The concept design was aimed at replicating the pre-development runoff scenario for undeveloped areas. The developed areas would be serviced using a hybrid LID/SUD/Big Pipe design incorporating swales, kerbs, pipework and detention areas. In the development area, separate pipe networks were proposed for sub-catchments discharging directly to Lake Wakatipu. Secondary overflow paths would be provided for in swales or road ways and discharge to the same locations as the pre-development scenario.⁷⁸
303. Mr Glasner agreed that this concept was an acceptable stormwater design solution for the proposal. He agreed that overflows should discharge to the same locations as the pre-development scenario. The runoff would ultimately discharge to Lake Wakatipu which was acceptable in his view.⁷⁹
304. For JPROA, Mr Gousmett identified a concern that stormwater runoff from the urban development could pollute the existing water intake for the Coneburn Water Supply. This is because stormwater runoff has the potential to pollute the lake shore area and there would be no easy way to protect the water supply if lake water quality deteriorates. Protection is best provided by comprehensive stormwater design and operation. He said that stormwater pipeline and open channel discharges must be directed well away from the Coneburn Water Supply intake. He noted that this issue would be addressed when resource consent to discharge to Lake Wakatipu was sought from Otago Regional Council. Mr Gousmett held this concern throughout.⁸⁰ The submitters (Jardines) did not address this matter directly in evidence.
305. With respect to water supply, the submitters were in the process of developing a new 300mm water bore adjoining Lake Wakatipu in the lead up to the hearing. Mr Hansen said that preliminary bores and testing indicated excellent quantity of water at secure depths. He anticipated that an 'on-demand' system similar to that used to supply water to Shotover Country would be developed. Mr Hansen said that a new reservoir could be established on Jacks Point Hill to the west of the development at a suitable level to service the development and at a similar elevation to the Coneburn reservoir.⁸¹ The plan provisions relating to establishing water tanks on Jacks Point Hill were considered by Ms Jones for the Council and Mr Ferguson for JPROA and we deal with this evidence later in this report.
306. Mr Glasner agreed with Mr Hansen's approach but considered that further information was required to ensure the proposed land wastewater disposal would not affect the water quality

⁷⁸ C. Hansen, EIC, 4 June 2017, paragraphs 6.3 & 6.4

⁷⁹ U. Glasner, Rebuttal Evidence, paragraphs 3.2 & 3.3

⁸⁰ K. Gousmett, Rebuttal Evidence, 7 July 2017, paragraphs 8-10; Supplementary Evidence, 15 September 2017, paragraph 5

⁸¹ C. Hansen, EIC, 4 June 2017, paragraphs 7.1 – 7.13 describes the likely water supply system

at the bore site.⁸² Mr Gousmett accepted the information provided on water bore pump tests and water quality results however he held to his opinion that the Lowe Environmental Impact Limited report⁸³ on wastewater had not considered pollution from treated wastewater of the proposed bore water supply for the Homestead Bay development.⁸⁴ It would appear that the submitters did not address this issue directly in evidence.

307. The feasibility of onsite wastewater disposal was an issue during the hearing due to the submitters' staged approach to provision of evidence. An initial report on wastewater options investigated 130 of the proposed 715 dwelling equivalents proposed and was appended to Mr Hansen's Evidence in Chief.⁸⁵ Mr Glasner accepted this report's recommendation that either a Sedimentation Tank Effluent Pumping Unit or pressure reticulation system connected to a treatment plant and discharging to an area of 3.4 ha for land treatment would be satisfactory.⁸⁶ However he pointed out the need to identify a suitable area of land available for the disposal of treated wastewater at a larger scale to cater for 715 dwelling equivalents.
308. Mr Hansen responded to Mr Glasner's comments by stating that approximately 14.3 ha of land would be required based on the findings of the LEI report (May 2017). He identified the 'Highway Landscape Protection Area' within Lot 8 as being suitable for a disposal area. This area measures approximately 30 ha.⁸⁷ Mr Hansen did not further refine the location proposed for the wastewater disposal field.
309. Mr Gousmett was initially concerned about the lack of evidence indicating that 715 dwellings could be serviced by on-site wastewater treatment and disposal.⁸⁸ Subsequently, he identified the lack of evidence addressing the effects of onsite wastewater disposal from the full development particularly the potential pollution of the Coneburn Water Supply and the implications of the total Nitrogen leaching to ground. Only Nitrogen had been considered with no mention of E. coli or Phosphorous.⁸⁹ It would appear that he accepted the feasibility of onsite wastewater disposal in principle at this scale of development.
310. During the hearing, we asked questions about the effects of onsite wastewater disposal in relation to regional rules and the Water Conservation (Kawarau) Order 1997 for Lake Wakatipu. The submitter undertook to provide an answer to these questions by Friday, 1 September 2017.⁹⁰
311. The question on regional rules asked:

"If disposal to land could be achieved in accordance with the ORC discharge rule for nutrients, including whether the original report LEI had completed for the 130 lots was based upon the

⁸² U. Glasner, Rebuttal Evidence, paragraphs 3.8 & 3.9; Reply Statement, 6 October 2017, paragraph 2.2

⁸³ This memorandum from LEI to Clark Fortune McDonald Associates was supplied after the hearing on 22 August 2017 in response to questions from the Panel.

⁸⁴ K. Gousmett, Supplementary Evidence, 15 September, paragraph 4

⁸⁵ C. Hansen, EIC, 4 June 2017, Appendix 2 (or Attachment B) – report by Lowe Environmental Impact May 2017

⁸⁶ U. Glasner, Rebuttal Evidence, 7 July 2017, paragraph 3.5

⁸⁷ C. Hansen, Summary Statement, 4 August 2017, paragraph 2 and Appendix A

⁸⁸ K. Gousmett, Rebuttal Evidence, 7 July 2017, paragraph 11

⁸⁹ K. Gousmett, Summary Statement, 24 August 2017, paragraph 2(b) and paragraph 5

⁹⁰ Minute concerning additional information to be provided by Submitter 715: Jardine Family Trust & Remarkables Station Limited, 15 August 2017.

*new standards which were to come into effect in relation to the maximum level of soil nitrogen.*⁹¹

312. In reply, the LEI memorandum⁹² said:

“Homestead Bay is proposed to be used for residential land and for the discharge of treated domestic wastewater to land. The Otago Water Plan Change 6A (Water Quality) seeks to maintain or improve water quality, through control of contaminants discharging from rural land and not the discharge of human sewage it provides for a permitted activity Nitrogen leaching of 15 kg N/ha/yr. When applied across the proposed site this equals 3,000 kg N/yr. N leaching below the land treatment area is estimated to equal 1,340 (and possibly as high as 1,936 kg N/yr) which is below Plan Change 6A rural land permitted baseline.”

313. The question on the Water Conservation Order asked:

“If the disposal to land would be in accordance with the Water Conservation (Kawarau) Order 1997 for Lake Wakatipu.”⁹³

314. In reply, the LEI memorandum said:

“...is it assessed that Homestead Bay re-zoning is consistent with Kawarau Water Conservation Order as it will not cause the water quality in Lake Wakatipu to breach Class AE, CR, F or FS water standards in Schedule 3 of the RMA, and does not affect fish passage.”⁹⁴

315. In addition, the LEI memorandum said that *“for 715 lots, the total dispersal area required to have the same inputs as the 130 lots would be 16.55 ha.”⁹⁵* However the precise location of the dispersal area was not identified. We accept that this was not necessary to answer the specific question however it leaves a gap. Mr Hansen identified the “Highway Landscape Protection Area” as the likely location of the dispersal field. In our opinion, a general indication of the area to be used for dispersal is not sufficient to enable a comprehensive assessment of environmental effects.

316. For the Council, Mr Glasner considered LEI’s new information and the MWH/Stanton Groundwater Take report.⁹⁶ He remained of the opinion that:

“there is insufficient evidence to assure the Council that the wastewater from the full extent of residential development enabled by the rezoning (i.e., in the order of around 541 residential units in addition to those enabled by the notified PDP) can be appropriately disposed of without adverse effects on the environment. Specifically, the assessment around the groundwater bore supply by MWH/Stanton has not addressed the risk from a wastewater treatment facility in close proximity.”⁹⁷

⁹¹ Memorandum from Lowe Environmental Impact Limited to Clarke Fortune McDonald & Associates, 22 August 2017 re Homestead Bay – Answers to Commissioner Nugent’s questions, section 1 Scope

⁹² Ibid, section 5 Summary

⁹³ Memorandum from Lowe Environmental Impact Limited to Clarke Fortune McDonald & Associates, 22 August 2017 re Homestead Bay – Answers to Commissioner Nugent’s questions, section 1.1 Scope

⁹⁴ Ibid, section 5 Summary

⁹⁵ Ibid, section 2 Re-zoning effect on Nitrogen Loading

⁹⁶ MWH/Stanton Groundwater Take report, 1 August 2017

⁹⁷ U. Glasner, Reply Statement, 6 October 2017, paragraphs 2.1 & 2.2

317. Mr Gousmett also responded to the additional information provided by the submitter. He said that the scope of the work was:

“very narrow being limited to the two questions asked by Commissioner Nugent. No mention was made of the existing Coneburn Water Supply intake and potential pollution from wastewater disposal or the standard of water treatment. Only Nitrogen has been considered with no mention of E.Coli or Phosphorous. The water quality standard under the Kawarau Water Conservation Order has only been applied to contact recreation and fisheries, not to drinking water.”⁹⁸

318. His concern regarding pollution of the Coneburn Water Supply intake from wastewater and stormwater runoff/seepage remained.
319. We agree with Mr Glasner and Mr Gousmett that the submitters have provided insufficient evidence that wastewater from the full extent of the proposed development can be appropriately disposed of without adverse effects on the environment. To their reasons, we add that the precise extent and location of the dispersal field had not been identified which meant that a comprehensive assessment of effects was not done.
320. We consider that there were other gaps in the evidence. For example, the Water Conservation (Kawarau) Order 1997 identifies several outstanding characteristics of Lake Wakatipu including ‘significance in accordance with tikanga Maori’. Although Mr Geddes addressed the plan provisions in relation to Ngai Tahu values in evidence, there was no consultation with Tangata whenua during the process of structure plan preparation therefore we have no direct knowledge of the effects of this proposal on their interests.
321. In summary, Strategic Objective 3.2.1.9 requires that infrastructure in the District is operated, maintained, developed and upgraded efficiently and effectively to meet community needs and to maintain the quality of the environment. Strategic Objective 3.2.2.1 requires that urban development occurs in a logical manner so as to be integrated with existing, and planned future, infrastructure. Chapter 41 recommended Policy 41.2.1.4(c) seeks to “ensure efficient provision of sewage disposal, water supply and refuse disposal services which do not adversely affect water quality or other environmental values.” We did not have sufficient evidence to be satisfied that wastewater disposal would not have adverse effects on the environment. A coherent picture of infrastructure provision and its effects on the environment was not presented by the submitters.
322. While we accept that self-servicing the development of Homestead Bay is the submitters’ prerogative, we have been left wondering whether a thorough investigation of alternatives might have resulted in the opportunity to develop this land more intensively in future. A comprehensive planning approach underpins the purpose of Strategic Objective 3.2.1.9 and it was lacking in this case.

30.5. Noise effects associated with use of the airstrip

323. Airstrips are defined as ‘informal airports’ in Chapter 2 and provided for as permitted activities (subject to strict standards) or as full discretionary activities in the Rural Zone (Chapter 21). Chapter 36 Noise includes controls on the noise effects of using aircraft associated with informal airports.

⁹⁸

K. Gousmett, Supplementary Evidence, 15 September 2017, paragraphs 3 & 5

324. The purpose of this planning framework is to maintain amenity values and protect informal airports from incompatible activities as stated in recommended Objective 21.2.11:

“The location, scale and intensity of informal airports is managed to maintain amenity values while protecting informal airports from incompatible activities.”

325. Policy 21.2.11.3 states:

“Protect lawfully established and anticipated informal airports from incompatible activities.”

326. The airstrip is sited on Lot 8 in the notified Rural Zone and leased to NZone for a skydiving venture until 2031.⁹⁹ NZone operates in accordance with a resource consent granted in 1996 (RM960447). Any increase in scale or intensity of the NZone operation beyond the consented use, or the use of the airstrip by any other party (including farm aircraft use) would require a discretionary activity consent due to the proximity of the zone boundary, regardless of whether it could meet the other standards in Chapter 21 or the noise standards and regardless of whether any new dwellings are built in the vicinity.¹⁰⁰ Ms Jones confirmed that if the NZone airstrip were included in the Jacks Point Zone, it would be subject to Chapter 41 which provides for airport activity, aerodromes or informal airports as non-complying activities.¹⁰¹ Noise contours around the airstrip would be required for these provisions to work effectively.
327. Consent to extend the skydiving operations was refused by the Environment Court in 2014.¹⁰² In reference to that decision, Mr Williams said that *“consideration of existing residents amenity, outlook, privacy and rural amenity were all key components of why NZONE’s application to expand the operation was declined...”*¹⁰³
328. The matters identified by Mr Williams primarily pertain to the airstrip’s effects on the existing Jacks Point Zone and notified Rural Zone. We considered these effects were relevant to our evaluation of the submitters’ rezoning request and revised structure plan.
329. The submitters’ structure plan showed several residential areas near to the skydiving airstrip and the preferred arrivals flight path which is over the Lodge area (from the west). This proposal raised reverse sensitivity issues such as the effects of aircraft noise on the amenity values of outdoor areas associated with dwellings and use of recreational areas in an expanded Jacks Point Zone.
330. During the hearing, a lot of attention was given to the airstrip and the effects of its usage. However, Dr Chiles for the Council was the only acoustic engineering expert to provide evidence.¹⁰⁴ The submitters and further submitters did not provide expert acoustic evidence on this issue, however the further submitters did highlight several matters that needed to be addressed e.g., whether it is appropriate to adopt the 55dB Ldn contour as the basis for land

⁹⁹ R. Brabant, Submissions for Joan Williams and Richard Brabant (FS1283), 15 August 2017, paragraph 53

¹⁰⁰ V. Jones, Reply Statement, 6 October 2017, paragraph 4.9

¹⁰¹ Ibid, paragraph 4.10

¹⁰² *Re Skydive Queenstown Limited* [2014] NZEnvC108

¹⁰³ T. Williams, Summary Statement, 7 September 2017, paragraph 5.1

¹⁰⁴ Dr S. Chiles, EIC, 24 May 2017. Dr Chiles’ evidence was tabled because the Panel did not have any questions.

use controls.¹⁰⁵ Legal submissions for the Jacks Point Residents and Owners Association pointed out that there was an obvious lack of any evidentiary basis and substantive section 32 analysis determining appropriateness.¹⁰⁶ After the hearing, the Panel gave the submitters additional time to provide acoustic engineering evidence but this was not provided nor was any explanation given for the failure to provide it.

331. In our view, the lack of acoustic evidence supporting the submitters' various proposals for the airstrip was a significant shortcoming because it hampered our ability to consider how best to give effect to the purpose of Objective 21.2.11 in this context. We did not have the information necessary to assess effects on amenity values within existing and proposed residential areas arising from the airport's operations or to evaluate the likelihood of adverse effects on the operation of this informal airport due to potentially incompatible activities being established nearby. In other words, we did not have sufficient evidence demonstrating that the submitters' proposal satisfied Objective 21.2.11 and Policy 21.2.11.3.
332. For the Jacks Point Residents and Owners Association¹⁰⁷, Mr Ferguson considered that the submitters' approach to the airstrip (i.e., inclusion within the OSL Activity Area) failed to address and reconcile the significant issues Jacks Point residents have with the existing airstrip. We agree. Mr Ferguson preferred the planning framework applicable in the Rural Zone and sought its retention.¹⁰⁸
333. In our opinion, addressing the future of the airstrip and its operations was a fundamental task in the preparation of the rezoning proposal and revised structure plan. In the absence of this work, we have recommended only minor amendments to the extent of the Jacks Point Zone and the Structure Plan in reliance on the evidence of Dr Chiles and Ms Jones.
334. Dr Chiles concluded that new residential areas should be avoided within the 55dB Ldn sound contour level from the skydiving airstrip.¹⁰⁹ His evidence was not contested therefore we accept and rely on it.
335. Ms Jones consequently recommended that R(HB-SH)-A, R(HB-SH)-B AND R(HB)-D Areas should not be urbanised in the absence of such a noise contour.¹¹⁰
336. Ms Jones recommended retention of Rural zoning for the airstrip and land to its north and east. Her recommendation was partly due to the potential adverse effects that would arise from enabling residential activity within R(HB-SH)-A, R(HB-SH)-B AND R(HB)-D Areas within close proximity to consented aircraft operations on the airstrip and the fact that given the lack of any noise modelling data, it was not possible to amend the boundaries of these residential activity areas in order to mitigate such adverse effects.¹¹¹ We agree.
337. In addition, Ms Jones recommended the inclusion of a new rule in Chapter 27 Subdivision requiring that any subdivision in OSR-North (lower part of Jacks Point Hill) should identify the 55dB Ldn noise contour and restrict any ASAN from occurring within that contour. This rule would be efficient and effective in avoiding reverse sensitivity effects because only ten dwellings were enabled in OSR-North compared to 466 dwellings in Areas A, B and D. In her

¹⁰⁵ R. Brabant, Submission, 15 August 2017, paragraph 46 citing the Environment Court's 2014 decision

¹⁰⁶ M. Baker-Galloway, Legal Submissions, 24 August 2017, paragraph 6

¹⁰⁷ FS1277

¹⁰⁸ C. Ferguson, Rebuttal Evidence, 7 July 2017 paragraph 11 and paragraphs 31 - 35

¹⁰⁹ Dr S. Chiles, EIC, 24 May 2017, paragraph 5.2

¹¹⁰ V. Jones, Reply Statement, 6 October 2017, paragraph 4.15(a)

¹¹¹ Ibid, paragraph 4.11

opinion, none of the other development enabled by her recommended amended Structure Plan would receive noise levels greater than 55dB Ldn.¹¹² We accept and rely on her evidence in this regard. Accordingly, we recommend that the following rule be inserted in Chapter 27 Subdivision:

- 27.7.5.4 *Subdivision within the OSR-North Activity Area of the Jacks Point Zone* NC
that does not, prior to application for subdivision consent being made:
- a. *provide to the Council noise modelling data that identifies the 55dB Ldn noise contour measured, predicted and assessed in accordance with NZS 6805:1992 Airport Noise Management and Land Use Planning and NZS 6801:2008 Acoustics – Measurement of Environmental Sound, by a person suitably qualified in acoustics, based on any consented operations from the airstrip on Lot 8 DP443832: and*
 - b. *register a consent notice on any title the subject of subdivision that includes land that is located between the 55 dB Ldn contour and the airstrip preventing any ASAN from locating on that land.*

338. A minor amendment to Rule 36.3.2.5 was recommended by Ms Jones to clarify the relationship between rules in Chapter 36 Noise and rules in other zones e.g., Chapter 21 Rural Zone. We agree with Ms Jones that clarification is required and that her recommended amendments are minor. For that reason, we recommend the following amendments under clause 16(2) of the Act:

36.3.2.5

Notwithstanding compliance with Rules 36.5.13 (Helicopters) and 36.5.14 (Fixed Wing Aircraft) in Table 3, informal airports shall also be subject to the rules in the chapters relating to the zones within which the activity is located.

30.6. Traffic effects

339. Evidence concerning traffic effects was presented by Mr Jason Bartlett for Jardines,¹¹³ Mr Andy Carr for Jacks Point Residents and Owners Association et al, Mr Antony Sizemore for NZTA, and Ms Wendy Banks for the Council. Ms Jones, Mr Geddes and Mr Anthony MacColl for NZTA presented planning evidence on this matter.

340. The key issue in contention was vehicular access to SH6 for the additional dwellings enabled by more intensive development in Homestead Bay and the proposed JPZ extension. As notified, the JPZ provided for 244 residential unit equivalents in Homestead Bay and the submitters' proposal enabled a further 541 residential dwellings, making a total of 785 dwellings. NZTA and the Council sought to limit access to Maori Jacks Road and avoid the creation of any new accesses to SH6.

341. This issue was the subject of expert conferencing and resulted in a memorandum recording agreed outcomes. NZTA, the Council and Mr Bartlett participated however Mr Carr was not a party to the conference or a signatory to the memorandum.

¹¹² Ibid, paragraph 4.12-4.13

¹¹³ Mr Bartlett disclosed that he is a resident of Jacks Point and a member of the Jacks Point Residents and Owners Association.

342. The agreed outcomes were:
- a. *That the preferred approach is that the full development of Homestead Bay is to be served via Maori Jack Road.*
 - b. *If access via Maori Jack Road is not legally possible a new access could be constructed at, or about, the location identified in the evidence of Mr Bartlett.¹¹⁴*
 - c. *That any access from the SH6 must be approved by NZTA at the time of development (Discretionary/Restricted Discretionary). Approvals are required either; to form a new access, or to upgrade the existing Maori Jack Road intersection.*
 - d. *Approval from NZTA shall be required at;*
 - i. *The time any access is to be formed from SH6;*
 - ii. *The time of development when more than 244 residential dwellings will be enabled at Homestead Bay; and*
 - iii. *The time of development when more than 500 residential dwelling equivalents will be enabled at Homestead Bay.*
 - e. *Approvals from NZTA will require:*
 - i. *Confirmation of the type of intersection, or intersection improvements, to be constructed at SH6;*
 - ii. *Demonstration that the intersection, or intersection improvements, will be able to meet current design standards; and*
 - iii. *Modelling of the proposed intersection, or intersection improvements, including and (sic) the downstream effects on the wider Jacks Point/Hanley Downs Zones State highway intersections. Modelling should be for an appropriate design year and a realistic expectation of growth to that design year.¹¹⁵*
343. Ms Wendy Banks explained that updated traffic modelling provided by Mr Bartlett did not include predicted flows for Hanley Downs and the Jacks Point village. Hanley Downs was not included because it has a different State Highway access and there is no agreed internal link between Hanley Downs and Jacks Point. The commercial aspects of the village were considered by him to be trip neutral. It was agreed that it would be more realistic to model the effects in 10 years, rather than the ultimate development.¹¹⁶
344. Based on the reply evidence of Ms Wendy Banks, the other traffic evidence presented at the hearing and the Memorandum of Traffic Conferencing, Ms Jones considered that traffic effects were no longer an impediment to approving the additional zoning and intensification sought by Jardines. In the event that the Panel recommended expanding the zone, she proposed the inclusion of a ‘trigger’ rule in both Chapter 27 Subdivision and Chapter 41 Jacks Point Zone providing for development that enables a total of over 244 residential or visitor accommodation units within the Homestead Bay Village (V(HB)), Homestead Bay Residential (R(HB)) or Open Space Activity (OSR) Activity Areas as a restricted discretionary activity. Discretion would be restricted to “*effects on the transport network, including traffic generation effects on the local roading network and the adjacent State Highway.*” It would be open to the Council to serve notice on NZTA. Ms Jones did not support inclusion of a further trigger rule providing for discretionary activity status when 500 or more dwelling equivalents are developed at Homestead Bay because there was no evidence underpinning that threshold.¹¹⁷

¹¹⁴ The location referred to is well south, near the boundary with Lakeside Estate.

¹¹⁵ Memorandum of Traffic Conferencing, 5 September 2017, paragraphs 13 - 17

¹¹⁶ W. Banks, Reply Statement, 6 October 2017, paragraphs 5.2 – 5.4

¹¹⁷ V. Jones, Reply Statement, 6 October 2017, paragraphs 2-6 – 2.12

345. We note that any new access to a State Highway requires the consent of NZTA under the Government Roading Powers Act 1989. This consent is independent of the district plan's provisions.
346. We accept and rely on the Memorandum of Traffic Conferencing insofar as it addresses the issue of access to SH6. We agree with Ms Jones that a trigger rule would ensure assessment of traffic effects at the point when more than 244 residential equivalents were proposed. We are not clear how this rule would work cumulatively i.e., if a series of staged developments were proposed following on from the granting of the first consent to exceed 244 residential equivalents.
347. We were concerned by the lack of evidence assessing the effects on the internal JPZ road network and the JP residents due to increased use of Maori Jack Road (beyond the 244 residential equivalents enabled within Homestead Bay by the notified JPZ i.e., for Scenario B). This lack of evidence was raised by Mr Carr and has not been addressed by the submitter or the Council.¹¹⁸ It was also addressed in evidence by Mr Ferguson.¹¹⁹ Essentially, the proposed trigger rule, if adopted, would postpone consideration of potential traffic effects on internal roads until a development exceeding 244 residential equivalents is proposed. In our opinion, the submitters' evidence should have considered this matter given this is a rezoning request.
348. If we had been minded to recommend an extension of the JPZ, we would have also recommended an amendment to the Structure Plan to show the additional access point, and a change to the rules to provide for four access points in total.
349. We have concluded that use of Maori Jacks Road for access to SH6 is assured for development that adheres to the intensity enabled by the notified Structure Plan in Homestead Bay. We agree that if there is any significant extension of the Structure Plan area, then use of Maori Jacks Road would remain the preferred access to SH6. We are satisfied however that if Maori Jacks Road is not available, then a new access to SH6 is possible subject to NZTA's approval. The likely need to seek this approval with urbanisation of Lot 8 is a further reason why we favour a comprehensive structure planning approach to the development of the submitters' land.

30.7. Landscape

350. The Jardines' land is located within a Rural Character Landscape whereas Jacks Point Hill is an ONL. The Remarkables, Lake Wakatipu and the mountains on its western side are within the ONL. Accordingly, landscape values should be taken into account when considering any request to extend the JPZ. The planning framework provides guidance in this regard.
351. Strategic Objective 3.2.5.2 as recommended is relevant. This objective seeks that rural character and visual amenity values in identified RCLs are maintained or enhanced by directing new subdivision, use or development to occur in those areas that have the potential to absorb change without materially detracting from those values. Policy 3.3.23 gives effect to this objective by requiring the identification of RCLs that cannot absorb change and that residential development be avoided in those areas. Policy 6.3.18 states that subdivision and development is unsuitable in many locations in RCLs and successful applications will need to be, on balance, consistent with the objectives and policies of the Plan (3.2.1.1, 3.2.1.7, 3.2.5.2, 3.3.19, 3.3.20, 3.3.23, 3.3.31). When a significant new development is proposed, a plan change process

¹¹⁸ A. Carr, Rebuttal Evidence, 7 July 2017, paragraphs 30 – 32 and paragraph 44(e)

¹¹⁹ C. Ferguson, Rebuttal Evidence, 7 July 2017, paragraphs 15 - 19

seeking to remove the RCL classification would be precipitated enabling assessment against these policies.

352. In addition, Policy 6.3.25 ensures incremental changes from subdivision and development do not degrade landscape quality or character, or important views associated with mitigation of the visual effects of proposed development such as screen planting, mounds and earthworks. Policy 6.3.22 requires the avoidance of adverse effects on visual amenity from subdivision, use and development that is highly visible from public places and forms the foreground for an ONL when viewed from public roads. This policy is particularly relevant to the submitters' requested rezoning. We agree with Mr Geddes that Policy 6.3.21 is not relevant because the submitters' proposed development does not constitute sprawl.
353. In the Jacks Point Zone, Objective 41.2.1 as recommended requires, among other matters, protection of outstanding natural landscape. Policy 41.2.1.1 requires activities located in accordance with the Structure Plan to establish a coordinated spatial layout taking into account the protection of landscape and amenity values. Recommended Policy 41.2.1.7 seeks to *"maintain and protect views across the site to the mountain peaks beyond when viewed from the State highway"* zone-wide. In Residential areas, Policy 41.2.1.16 seeks to *"ensure that residential development in the Jacks Point Zone does not dominate views from the State Highway."*
354. The planning framework anticipates subdivision and development within RCLs however it also provides that the location and design of residential areas should maintain and protect views of ONLs particularly when viewed from the State Highway. Further, residential development should not dominate views from the State Highway. We agree with Mr Page that avoidance is a policy approach within the ONLs/ONFs only, a distinction reflecting section 6(b) of the Act.¹²⁰ Rather, RCLs are intended to give effect to section 7(c) of the Act.
355. The extent to which the submitters' amended relief¹²¹ satisfied the objectives and policies of the Plan concerning views of the ONL from the State Highway was in contention with respect to proposed Activity Areas R(HB-SH) A-C. Other aspects of the requested relief were not disputed e.g., R(HB)-D. In this recommendation report, we have not exhaustively catalogued the landscape and planning evidence presented in relation to proposed Activity Areas R(HB-SH) A-C because our overall recommendation is that the Jardines' land should not be urbanised at this time. The landscape issues were not determinative in coming to this recommendation.
356. We consider that Dr Read's Reply Statement captured the issues relating to landscape and visual effects issues very well.¹²² In summary, Dr Read considered that the proposed design of Areas A-C would obscure the lake surface from valued public views, namely from parts of the State Highway especially if account were taken of the effect of planting on top of the mounds. In her opinion, while development might not be visible from the State Highway, the proposed design would not promote an attractive and desirable living environment. We quote her concluding paragraph with approval:

"It is my opinion that Activity Areas A, B and C should not be advanced at this time as proposed by the submitter. I fully anticipate that the area in question will become urbanised in the future,

¹²⁰ P. Page, Legal Submissions, July 2017, paragraphs 19 & 20

¹²¹ Memorandum to the Hearings Administrator on behalf of Homestead Bay Trustees, Jardine Family Trust and Remarkables Station Ltd, 15 May 2017, amending the structure plan and Chapter 41 provisions.

¹²² Dr M. Read, Reply Statement, 6 October 2017, paragraphs 11.1 – 11.6

*connecting Lakeside Estate with Jacks Point. I believe that if the character and quality of the landscape were given adequate consideration an appropriate design response would be possible which would provide residents of the future subdivision with a pleasant living environment including a relationship with the lake (views, pedestrian and road connection, ecological corridors) and which would add to, or at least not detract from, the views from the State Highway.*¹²³

357. In his planning evidence, Mr Ferguson summed up the issues relating to visual effects in a similar vein and said that the method for dealing with the height of mounds was neither efficient, effective nor certain¹²⁴. We agree.
358. We would add that an appropriate design response would also have considered the effect of development on the amenity values of residents of Jacks Point as addressed by Mr Williams¹²⁵ and also on the Lakeside Estate. No evidence was presented to confirm the visibility or otherwise of development in Areas A – C from the JPZ.¹²⁶
359. For completeness, we refer to the evidence of Ms Taverner drawing our attention to the lack of any reference to the Coneburn Area Resource Study 2015 in the submitters' evidence. She stated that this is the only comprehensive landscape study for the zone and should have been referred to in this process. We agree. Ms Taverner did not support replication of the approach taken to development of Jacks Point and agreed with Dr Read that screening the development would compromise the long sweeping views of the surface of the lake which are possible from SH6 in this area. She expressed concern about the implementation and ongoing management of the proposed planting, if it were approved, due to the lack of any comparable role to that played by the JPROA.¹²⁷
360. Both Ms Taverner and Mr Ferguson were concerned about the effects of establishing a water reservoir on Jacks Point Hill. Ms Jones confirmed that Water and Wastewater Facilities are a discretionary activity therefore the changes proposed by Mr Ferguson were unnecessary.¹²⁸ We agree (recommended Rule 30.5.1.7).
361. In summary, we were not satisfied that the submitters had fully addressed landscape and visual effects in evidence but more importantly, we concluded that the overall approach to dealing with the visibility of the development and views to the lake surface from SH6 should be reconsidered.

30.8. Natural hazards

362. Mr David Rider provided geotechnical evidence for Jardines¹²⁹ and Mr Charlie Watts evaluated it for the Council.¹³⁰ There was general agreement between these witnesses and between the respective planning witnesses, Mr Geddes and Ms Jones.

¹²³ Dr M. Read, Reply Statement, 6 October 2017, paragraph 11.6

¹²⁴ C. Ferguson, Rebuttal Evidence, 7 July 2017, paragraphs 26 - 30

¹²⁵ T. Williams, Summary Statement, 7 September 2017, paragraphs 2.1 – 2.5

¹²⁶ Dr M. Read, Rebuttal Evidence, 7 July 2017, paragraph 7.18

¹²⁷ J. Taverner, EIC, 9 August 2017, paragraphs 5 - 22

¹²⁸ V. Jones, Reply Statement, 6 October 2017, paragraph 5.1

¹²⁹ D. Rider, EIC, 9 June 2017. This evidence was lodged but Mr Rider was excused from attending the hearing as the Panel had no questions of him.

¹³⁰ C. Watts, Rebuttal Evidence, 11 July 2017, paragraphs 12 & 13. Mr Watts was excused from attending the hearing because the Panel had no questions for him.

363. Mr Rider’s desktop study identified the following natural hazards that could potentially affect the site; liquefaction (Area A), alluvial fan floodwater dominated (Area B) and alluvial fans debris dominated (Area A). The areas affected by these natural hazards are shown in Appendix 1 to the Natural Hazards Assessment Report appended to his Evidence in Chief. In his opinion, the reporting reviewed to date indicated that each hazard could be mitigated.¹³¹
364. Where natural hazards had been identified but had not been subject to detailed investigation, Mr Rider expected that the Council would assess these hazards in accordance with the Code of Practice for Subdivision and Development and NZZ4404:2010. Provided this is done, he considered that adequate mechanisms would be in place for these hazards to be mitigated if they present adverse effects to the development.¹³²
365. Mr Watts, who also relied on desktop analysis, said:
- “I consider Mr Rider’s statements to be reasonable and I have no significant comments other than to advise that the current level of reporting provides only an overview of the geotechnical risks that exist on site. Targeted, site specific investigation and specific engineering design should be carried out to assess whether mitigation is needed for the risks listed at specific construction sites within the area...”*¹³³
366. Ms Jones accepted this expert evidence and agreed (in part) with Mr Geddes’ conclusion that the risks posed by natural hazards present onsite could be sufficiently mitigated. She accepted that standard investigation and design at the time of resource consent would mitigate the potential liquefaction hazard that exists over Area A, an approximately 2.3 ha portion of the recommended OSR–North Area (as shown in Appendix 1 of the RDAgritech report) provided that the relevant rule was amended to ensure that the Council retained control over hazard mitigation at the time of building.¹³⁴ This matter has been addressed to our satisfaction by the amendments made to Chapter 41 that provide for dwellings within an OSR as discretionary activities. Natural hazards and their attendant risks will be assessed at the time of consenting.
367. As the other land containing natural hazards is classified variously as OSL, OSG and Highway Landscape Protection Area in which building is quite restricted, Ms Jones considered that the Structure Plans associated with both Scenarios A and B would be appropriate from a natural hazards perspective.¹³⁵
368. We accept and rely on these opinions. Accordingly, we find that the risk posed by natural hazards on this site can be mitigated during the development process. There appears to be no impediment to rezoning this land for urban purposes arising from uncertainty about the nature and extent of natural hazards present. In the OSR-North where a potential risk has been identified, the activity status for dwellings ensures that any natural hazards risks will be assessed.

30.9. Recommendations: The most appropriate zoning and plan provisions

369. In our opinion, Scenario A as recommended by Ms Jones is the most appropriate planning approach to the development of the submitters’ land at this time. We accept and rely on the

¹³¹ D. Rider, EIC, 9 June 2017, paragraph 2.2. The areas subject to natural hazards are shown on the last page of Appendix 1 to the Natural Hazards Assessment Report prepared by RDAgritech dated 9 June 2017

¹³² Ibid, paragraphs 2.3 & 2.4

¹³³ C. Watts, Rebuttal Evidence, 11 July 2017, paragraph 11.4

¹³⁴ V. Jones, Rebuttal Evidence, 11 July 2017, paragraph 3.23

¹³⁵ V. Jones, Rebuttal Evidence, 11 July 2017, paragraph 3.25

reasons given by Ms Jones in support of her recommendation particularly her assessment of the statutory considerations.¹³⁶

370. In this section of our recommendation report, we specify the various amendments to the zoning map, Structure Plan and Chapter 41 provisions that flow from adopting Scenario A.
371. As shown on the revised Structure Plan attached to her Reply Statement (Appendix 3), Scenario A provides for an extension of the JPZ by 4 ha to allow for a slightly enlarged OSR-South Activity Area. Accordingly, the UGB has been aligned with the amended boundary of OSR-South. We agree with Ms Jones that no landscape, ecological, traffic or related issues would prevent this land from being used for rural living purposes.¹³⁷ We further agree that it is appropriate to align the UGB with the amended boundary of OSR-South.
372. A total of 39 dwellings should be enabled in OSR-South. Ms Jones recommended two dwellings less than was sought by the submitters in direct response to her recommended reduction in the size of the westernmost area of OSR-South for ecological reasons.¹³⁸ We agree.
373. The submitters requested that the Farm Building and Craft Activity Area (FBA) at the bottom of Jacks Point Hill be replaced with OSR. We agree that this change is desirable and recommend that the relevant rule be deleted (Rule 41.5.1.15 Council's Reply Version Stream 9). Reference to FBA is removed from Chapter 41i wherever it arises and including deletion of reference to 'craft activities' in the Zone Purpose, and FBA in Rule 41.5.4.6 Building Height, Rule 41.5.4.19 Earthworks and Rule 41.5.4.7 Residential Units. The area has been identified on the amended Structure Plan as OSR-North and ten dwellings have been enabled.¹³⁹
374. Ms Jones explained that the ONL line in the vicinity of Jacks Point Hill was corrected following receipt of a joint statement from Dr Read and Mr Geddes.¹⁴⁰ Consequently, the boundary of OSR-North was amended slightly to align with the new ONL line. We agree that aligning the boundary of OSR-North with the revised ONL line is desirable. We also recommend that the amended ONL line agreed by Dr Read and Mr Geddes be included on the Structure Plan and the Planning Maps as a consequential amendment.
375. In the OSR Activity Areas, residential units require discretionary activity consent pursuant to recommended Rule 41.4.5.13. We have split this rule into two rules to distinguish the development enabled in each OSR as follows:
Open Space – Residential (OSR) Activity Areas
41.4.5.13 No more than 39 residential units in OSR-South set within a regenerating foreshore environment.
41.4.5.14 No more than 10 residential units in OSR-North.
376. We recommend changes to the policy and rules dealing with maintenance and enhancement of native vegetation in the open space Activity Areas as proposed by Ms Jones.¹⁴¹ The amended Structure Plan shows the gully draining to Homestead Bay as OSF and the rules are recommended to be amended as follows:

¹³⁶ V. Jones, Section 42A Report, 24 May 2017, paragraph 3.39

¹³⁷ V. Jones, Section 42A Report, 24 May 2017, paragraphs 3.32 & 3.33

¹³⁸ Ibid, paragraph 3.48

¹³⁹ Ibid, paragraph 3.36; see also V. Jones, Reply Statement, 6 October 2017, paragraph 3.2 and footnote #3

¹⁴⁰ Exhibit 13.16, Joint Statement of Dr M. Read and Mr N. Geddes, 30 August 2017

¹⁴¹ V. Jones, Rebuttal Evidence, 11 July 2017, paragraphs 3.26 (a) & (b)

41.2.1.28 *Ensure substantial native revegetation of the gully within the lake foreshore (OSF) and the open spaces within Homestead Bay and Home site activity areas within the Tablelands Landscape Protection Area and encourage native planting of the open space Activity Areas (OSF, OSL, and OSG) within Homestead Bay.*

Open Space – Foreshore (OSF) Activity Area-

41.5.1.12 *The regeneration of native endemic species ~~over 80% of the land area,~~ and retention of open space.*

377. Scenario A replaced the northernmost part of the Open Space Foreshore (OSF) Activity Area (OSF) with Open Space Landscape (OSL) Activity Area as sought by the submitter.¹⁴² In addition, Ms Jones stated that the OSL on Jacks Point Hill had been replaced with OSG for landscape reasons.¹⁴³ We agree with these map changes.

378. Finally, we recommend the inclusion of a new rule in Chapter 27 Subdivision requiring that any subdivision in OSR-North (lower part of Jacks Point Hill) should identify the 55dB Ldn noise contour and restrict any ASAN from occurring within that contour.¹⁴⁴

27.7.5.4 *Subdivision within the OSR-North Activity Area of the Jacks Point Zone* NC
that does not, prior to application for subdivision consent being made:

- c. *provide to the Council noise modelling data that identifies the 55dB Ldn noise contour measured, predicted and assessed in accordance with NZS 6805:1992 Airport Noise Management and Land Use Planning and NZS 6801:2008 Acoustics – Measurement of Environmental Sound, by a person suitably qualified in acoustics, based on any consented operations from the airstrip on Lot 8 DP443832: and*
- d. *register a consent notice on any title the subject of subdivision that includes land that is located between the 55 dB Ldn contour and the airstrip preventing any ASAN from locating on that land.*

379. Pursuant to clause 16(2), we recommend the following amendment to Rule 36.3.2.5:

36.3.2.5 – Notwithstanding compliance with Rules 36.5.13 (Helicopters) and 36.5.14 (Fixed Wing Aircraft) in Table 3, informal airports shall also be subject to the rules in the chapters relating to the zones within which the activity is located.

380. Figure 8-9 below shows the recommended Structure Plan.

¹⁴² V. Jones, Reply Statement, 6 October 2017, paragraph 3.3.6(c)

¹⁴³ Ibid, paragraph 3.40

¹⁴⁴ V. Jones, Reply Statement, 6 October 2017, paragraphs 6.3 & 6.4

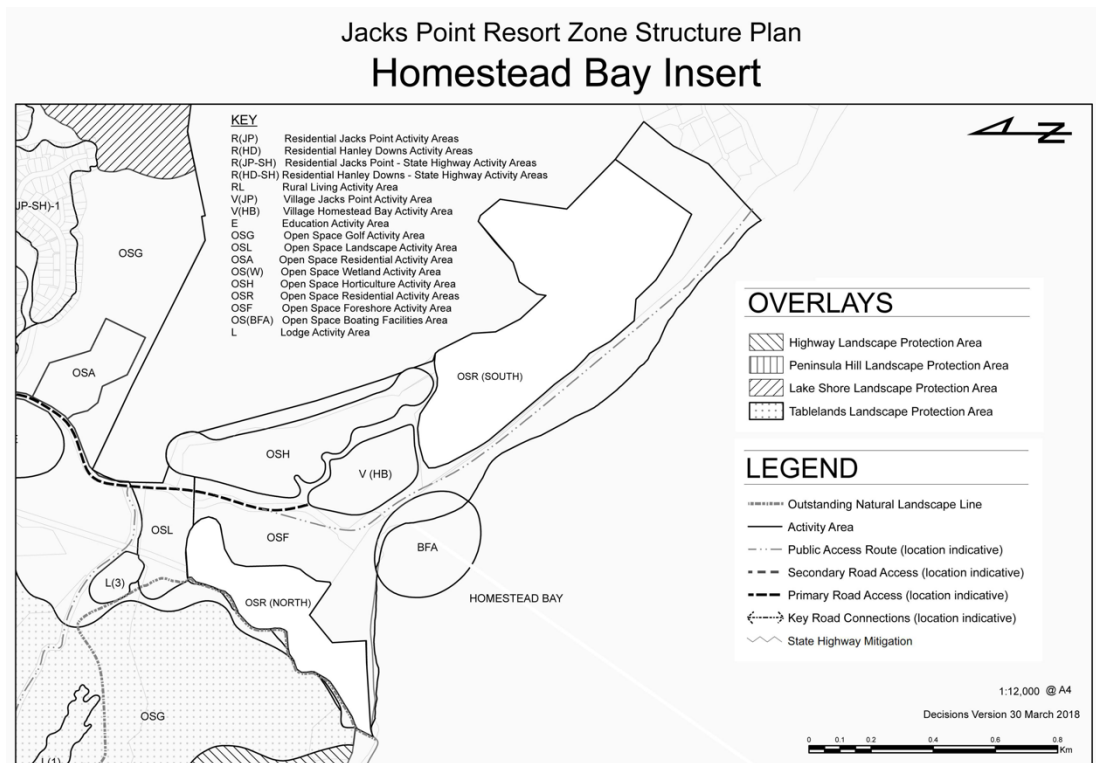


Figure 8-9: Jacks Point Structure Plan – Homestead Bay as recommended

381. For the reasons set out above, we recommend that:

- a. Submission 715 be accepted in part; and
- b. The following Further Submissions be accepted in part: 1073 - Greig Garthwaite, 1096 - Peter & Carol Haythornthwaite, 1103 - Ben and Catherine Hudson, 1108 - Christine and Neville Cunningham, 1114 - Lingasen and Janet Moodley, 1116 - Stephen and Karen Pearson, 1145 John Martin Management Company, 1192 - Murray and Jennifer Butler, 1218 - Grant and Cathy Boyd, 1219 - Bravo Trustee Company, 1225 - David Martin and Margaret Poppleton, 1227.58 - James and Elisabeth Ford, 1237 - Kristi and Jonathan Howley, 1247 - Mark and Katherine Davies, 1250 - Sonia and Grant Voldseth and McDonald, 1252 - Tim & Paula Williams, 1277 - Jacks Point Residents and Owners Association, 1283 - MJ and RB Williams and Brabant, 1284 - Lakeside Estate Homeowners Association Incorporated, FS1293 - Joanna and Simon Taverner, 1299 - Thomas Ibbotson, 1316 - Harris-Wingrove Trust, 1321 - John and Mary Catherine Holland, 1345 - Skydive Queenstown Limited and 1092 - NZ Transport Agency; and
- c. The ONL line in the vicinity of Jacks Point Hill be amended to align with the boundary of OSR-North; and
- d. Amendments be made to the zoning map, Structure Plan and Chapter 41 as set out in paragraphs 375-379 above to give effect to Scenario A as recommended (Figure 8-9).

PART J: SUMMARY OF RECOMMENDATIONS

382. For the reasons set out above, we recommend that:
- a. Submission 328 be accepted in part and Further Submission 1340.75 be rejected;
 - b. Submission 409.2 be accepted;
 - c. Submission 710.2 be accepted;
 - d. Submissions 806.1, 806.2, 806.5, 806.7, 806.76, 806.94, 806.95, 806.147, 806.206 and Further Submissions 1057.1, 1085.8, 1229.29/30/32, 1341.18 and 1371 be rejected, and Further Submissions 1313.57/58/59/60 and 1340.145 be accepted;
 - e. Submissions 361.1, 361.3, 361.6, 361.7, 361.8, 361.9 and Further Submissions 1229.1 and 1229.3 be accepted in part, and Further Submissions 1277.3 and 1275.90 be rejected;
 - f. Submission 501.16 and Further Submission 1270.96 be accepted in part and Further Submission 1289 be rejected;
 - g. Submission 567 and Further Submissions 1275 be accepted in part; and
 - h. Submission 715 and the Further Submissions in support and opposition be accepted in part.
383. As a consequence of those recommendations, we recommend that:
- a. land at the end of Boyd Road be zoned Rural Lifestyle as shown on Maps 31, 31a and 33;
 - b. the Landscape Classification line south of the Kawarau River and east of State Highway 6 be amended to be located as shown on Maps 31a and 13;
 - c. land east of State Highway 6 be rezoned Coneburn Industrial as shown on Map 13 and Appendix 2;
 - d. the Urban Growth Boundary be extended to include the land zoned Coneburn Industrial as shown on Map 13 and Appendix 2;
 - e. the new Chapter 44 Coneburn Industrial as included in Appendix 1 be adopted;
 - f. the amendments to Chapter 27 Subdivision and Development as included in Appendix 1 be adopted;
 - g. the Jacks Point Structure Plan be amended as described in Section 30.9 and shown in Figure 8-9 above, and the extent of the Jacks Point Zone be amended to correspond with the revised Structure Plan as shown on Maps 13 and 41; and
 - h. the Urban Growth Boundary be amended to include the extension to the Jacks Point Zone as shown on Maps 13 and 41.

For the Hearing Panel



Denis Nugent, Chair

Date: 3 April 2018

Appendix 1 – Provisions to be inserted into the Proposed District Plan relating to Submission 361

Appendix 2 – Extract From Planning Map 13

