

Section 32 Evaluation Report: High Density Residential Zone

1. Purpose of the report

Section 32 of the RMA requires proposals to be examined for their appropriateness in achieving the purpose of the RMA, and the policies and methods of those proposals to be examined for their efficiency, effectiveness and risk (MFE, 2014).

Accordingly, this report provides an analysis of the key issues, objectives and policy response to be incorporated within the QLDC District Plan Review for the High Density Residential Zone.

2. Statutory Context

Section 74 of the Resource Management Act 1991 states

(1) A territorial authority must prepare and change its district plan in accordance with—

- (a) its functions under section 31; and*
- (b) the provisions of Part 2; and*
- (c) a direction given under section 25A(2); and*
- (d) its obligation (if any) to prepare an evaluation report in accordance with section 32; and*
- (e) its obligation to have particular regard to an evaluation report prepared in accordance with section 32; and*
- (f) any regulations.*

(2) In addition to the requirements of section 75(3) and (4), when preparing or changing a district plan, a territorial authority shall have regard to—

- (a) any—*
 - (i) proposed regional policy statement; or*
 - (ii) proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and*
- (b) any—*
 - (i) management plans and strategies prepared under other Acts; and*
 - (ii) [Repealed]*
 - (iia) relevant entry on the New Zealand Heritage List/Rārangī Kōrero required by the Heritage New Zealand Pouhere Taonga Act 2014; and*
 - (iii) regulations relating to ensuring sustainability, or the conservation, management, or sustainability of fisheries resources (including regulations or bylaws relating to taiapure, mahinga mataitai, or other non-commercial Maori customary fishing), to the extent that their content has a bearing on resource management issues of the district; and*
- (c) the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.*

Section 31 states:

31 Functions of territorial authorities under this Act

(1) Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:

- (a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district*

The zoning of land for High Density Residential purposes helps to achieve integrated management through:

- Assisting in minimising private transport use with its resulting impacts of congestion, air pollution.
- Providing for more intensive land use in areas already well serviced by infrastructure (albeit sometimes requiring upgrades to capacity).

- Assisting in protecting the District's valuable rural land resource with its productive, environmental and landscape values.

Section 32(1)(a) of the *Resource Management Act 1991* requires that a Section 32 evaluation report must examine the extent to which the proposed objectives are the most appropriate way to achieve the purpose of the Act.

The purpose of the Act also promotes an integrated planning approach and direction:

5 Purpose

(1) The purpose of this Act is to promote the sustainable management of natural and physical resources.

(2) In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—

(a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and

(b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and

(c) avoiding, remedying, or mitigating any adverse effects of activities on the environment.

The remaining provisions in Part 2 of the Act provide a framework within which objectives are required to achieve the purpose of the Act, and provisions are required to achieve the relevant objectives.

Sections 14(c), (g) and (h) of the Local Government Act 2002 are also of relevance in terms of policy development and decision making:

(c) when making a decision, a local authority should take account of—

(i) the diversity of the community, and the community's interests, within its district or region; and

(ii) the interests of future as well as current communities; and

(iii) the likely impact of any decision on the interests referred to in subparagraphs (i) and (ii):

(g) a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets; and

(h) in taking a sustainable development approach, a local authority should take into account—

(i) the social, economic, and cultural interests of people and communities; and

(ii) the need to maintain and enhance the quality of the environment; and

(iii) the reasonably foreseeable needs of future generations

As per Part II of the RMA, the provisions emphasise a strong intergenerational approach, considering not only current environments, communities and residents but also those of the future. They demand a future focussed policy approach, balanced with considering current needs and interests. The provisions also emphasise the need to take into account social, economic and cultural matters in addition to environmental ones.

Section 14(g) is of relevance in so far as a planning approach emphasising urban intensification in areas well served by existing infrastructure generally represents a more efficient and effective use of resources than a planning approach providing for more greenfield zoning and development.

3. Regional Planning Documents

The operative *Otago Regional Policy Statement (RPS) 1998* contains a number of objectives and policies that are relevant to this review, as detailed below:

Matter	Objectives	Policies
To protect Otago's outstanding natural features and landscapes from inappropriate subdivision, use and development	5.4.3	5.5.6
Sustainable land use and minimising the effects of development on the land and water	5.4.1	5.5.3 to 5.5.5
To promote sustainable management of the built environment and infrastructure, as well as avoiding or mitigating against adverse effects on natural and physical resources.	9.4.1 to 9.4.3	9.5.1 to 9.5.5
Recognise and understand Natural Hazards, and avoid or mitigate the adverse effects of natural hazards to acceptable levels.	11.4.1, 11.4.2	11.5.1, 11.5.2 and 11.5.3

The Proposed RPS was notified in May 2015. In the preparation of the Proposed District Plan, Council must have regard to any proposed Regional Policy Statement, pursuant to Section 74(2) of the RMA.

Of particular relevance is Objective 3.7 'Urban areas are well designed, sustainable and reflect local character' and Objective 3.8 'Urban growth is well designed and integrates effectively with adjoining urban and rural environments'. Supporting policies pertain to promoting good urban design principles, low impact design, and compact development.

The proposed High Density provisions are consistent with the direction set by both the Operative and Proposed Regional Policy Statement.

4. Resource Management Issues

The operative District Plan 'Residential Areas' chapter identifies High Density Residential Zones within Queenstown and Wanaka.

To understand the issues and potential changes that need to be undertaken in the District Plan Review a number of studies have been undertaken and others referred to, to give a full analysis of the residential issues.

The resource management issues set out in this section have been identified from the following sources:

- Medium to High Density Housing Study: Stage 1a – Review of Background Data (Insight Economics, 2014)
- Medium to High Density Housing Study: Stage 1b – Dwelling Capacity Model Review (Insight Economics, 2014)
- Brief Analysis of Options for Reducing Speculative Land Banking (Insight Economics, 2014)

- Analysis of Visitor Accommodation projections (Insight Economics, 2015)
- High Density Residential Zone Study (2014)
- Queenstown Lakes Housing Accord (2014)
- The Queenstown High Density Residential Zone Monitoring Report (2011)
- A Growth Management Strategy for the Queenstown Lakes District (2007)
- 'Tomorrows Queenstown' Community Plan (2002)
- Urban Design Strategy 2009
- The New Zealand Productivity Commission's Inquiry into the supply of land for housing 2014
- The New Zealand Productivity Commission's Housing Affordability Inquiry, 2012
- Alluvial Hazard Report, Opus International Consultants Ltd
- 'Wanaka 2020' Community Plan (2002)
- 'Wanaka Structure Plan' (2007)
- Arrowtown Community Plan (2002)
- Shaping our Future 'Visitor Industry Task Force' report 2014
- Otago Regional Council consultation on proposed RPS 2014/2015

The key issues of relevance to the High Density Residential Zone are:

Issue 1: Urban Form

In July 2014, Queenstown Lakes District Full Council endorsed the Strategic Directions chapter of the District Plan Review. The strategic direction forms the back bone of the District Plan, setting very specific clear and direct goals, to provide a relevant framework for administrators and decision makers.

Of particular relevance within the Strategic Direction is 'Urban Form' and Goal 2: The strategic and integrated management of urban growth, along with Objective 1: To ensure urban development occurs in a logical manner. This ties in with the Proposed RPS which promotes a compact urban form, avoiding sporadic or ad hoc developments that may detract from rural amenity and landscape values in the countryside. Therefore, new housing is sought in and around existing settlements that are already well serviced by transport links and amenities. Higher density development in close proximity to town centres will provide extra housing and visitor accommodation supply whilst minimising impacts on transport and other infrastructure, and the higher costs in providing this to greenfield locations.

The Growth Management Strategy 2007 (a non-statutory document) is intended to guide community planning for future growth and development of the district. Developed from community based planning workshops, community plans and council growth studies, it identifies six 'growth management principles'. The strategy highlighted the need for consolidating development in high density areas to support new growth, infrastructure supporting high quality development in the right places and good design to improve the quality of the environment.

Further streams of statutory and non statutory work and forums involving community input have reinforced this growth management approach.

These are highlighted and summarised below:

Wanaka 2020

The original Wanaka Structure Plan, prepared in 2004, was subject to a comprehensive review in 2007. The Structure Plan was widely circulated for community input in August / September 2007.

Three growth management responses were proposed in the Plan. Option 1 was to retain current development patterns, with a mix of infill and new greenfield growth. Option 2 was to accommodate all required development within existing zones. And Option 3 – the preferred option - was a mixed approach.

The Plan encourages more medium density developments near retail nodes and centres.

Plan Changes 20 and 21

Consultation and analysis on these proposed Plan Changes relating to urban growth boundaries for Queenstown and Wanaka occurred in 2007.

For Queenstown, a Discussion Document was prepared and consulted on. Three options were outlined in the document:

- Limit capacity: a tight boundary around the current urban zones to restrict growth
- Manage modest growth: providing for growth at Frankton Flats
- Enable significant growth – potentially merging Queenstown with adjacent settlements of the Wakatipu Basin to create a larger conurbation

These plan changes were subsequently abandoned, with a view to progressing policy in the District Plan Review.

Plan Change 30 – Urban Boundary Framework

Plan change 30 was notified in 2009 and made operative in 2012. It introduced the concept of urban growth boundaries as a strategic growth management tool into the District Plan.

The Plan change sought that the majority of urban growth be concentrated in the urban areas of Queenstown and Wanaka, and it enabled the use of Urban Growth Boundaries 'to establish distinct and defensible urban edges'.

Urban Design Strategy 2009

The strategy strongly promotes urban intensification and good quality urban design.

Methods to address the issue:

- *Confirm existing extent of High Density zone*
- *Liberalise rules to enable better realisation of intensification objectives and policies*

Issue 2: Development potential and housing affordability

The Queenstown Lakes District is recognised as one of the five least affordable housing areas in New Zealand, and the median house price is the second highest in the country.

Home ownership is unaffordable in the Queenstown Lakes District, with the second highest median house price in the Country coupled with relatively low median incomes. This makes mortgages 101.8% of the median take-home pay of an individual, to meet weekly mortgage payments and the median multiple (median house price divided by gross annual median household income) is 8.61. (Source Queenstown Housing Accord)

The district has some unique characteristics to its housing challenge. The district has a high number of homes owned for holiday purposes or rented out as visitor accommodation, and there is high rental housing demand from people who work in the tourism and hospitality industries. The District is also one of the fastest growing regions, with population growth since 2006 exceeding the national average. A study undertaken by Insight Economics (*Medium to High Density Housing Study Stage 1a – Review of Background Data*) predicts that the district will continue to experience high population growth over the next 20 years.

The supply of land for urban development can be affected by a range of factors that are outside the scope of the District Plan. However, restrictive planning systems increase cost

and time in the planning process and can limit the supply of land and housing. Additionally, the supply of land is influenced by the extent of land zoned for urban development; and the potential effects of landbanking.

The impact of overly restrictive planning regulation is firmly in the sights of Central Government, and in November 2014 the New Zealand Productivity Commission launched an Inquiry into the supply of land for housing.

In their 2012 report, the Commission stated:

“A more balanced approach to urban planning is required in the interests of housing affordability. Land for housing can come from the development of brownfields sites, by infill development in existing suburbs, and by making suitable greenfields sites available, ideally in a complementary manner and in a way that provides for substantial short-, medium- and long term capacity.”

The findings of the Commission highlight the need for the planning system to allocate sufficient land for urban development, and that this zoning should be supported by a policy framework which provides for a mix of urban forms.

Outside of the planning process, landowners / developers can also potentially withhold land with potential for future high values (referred to as ‘landbanking’). Landbanking limits developable land being brought to market, and therefore restricts the available land supply. This speculative behaviour is often incentivised by restrictive and burdensome planning regulation and process which contributes to higher land value inflation, which incentivises land banking. It is also incentivised where a large proportion of potential dwelling capacity is held in a relatively small number of ownerships, such as is the case in Queenstown.

Insight Economics ‘*Analysis of Options for Reducing Speculative Land Banking*’ (2014) prepared for QLDC identified a number of planning and non-planning options the Council could consider to help reduce speculative land banking and thereby help address housing supply and affordability.

There is a significant and credible academic literature on the impact that restrictive planning regulation has on housing costs. ‘Restrictive planning regulation’ can refer both to limits on urban expansion (ie. urban growth boundaries) and limits on development within urban areas (and procedural difficulties).

The preeminent Harvard University economics Professor Edward Glaeser, and Wharton School of Business (University of Pennsylvania) professor Joseph Gyourko have been particularly prolific and influential researchers. In 2005 they concluded:

“Measures of zoning strictness are highly correlated with high prices.”

Glaeser and Gyourko have always been clear to point out that notwithstanding such impacts, strong planning controls can also provide benefits. Clearly, cost/benefit analysis is always required by policy makers when weighing up the competing benefits and costs of planning regulation.

The OECD Economics Department have also carried out a number of studies researching the impact of planning regulation and other factors on housing supply and prices. Sanchez and Johansson (2011) state:

“Land use and planning policies are intended to reduce negative externalities that can be associated with new housing construction, but if they are poorly designed they may also restrict supply responsiveness”

A further paper by the same authors in 2011 found that:

“Badly designed policies can have substantial negative effects on the economy, for instance by increasing the level and volatility of real house prices and preventing people from moving easily to follow employment opportunities”.

The following is a particularly relevant policy conclusion by the authors:

Land-use policies and regulations and policies towards the construction sector should ensure a more efficient use of land, as well as speeding up cumbersome licensing processes so as to facilitate a flexible adjustment of housing supply. In areas with a shortage of rental housing, reducing restrictions on the construction of multi-family dwellings consistent with urban planning rules may raise rental supply..

The literature consistently emphasises that responsiveness (or ‘elasticity’) of housing supply to demand is critical – more so than theoretical supply capacity.

Some of the key determinants (all interrelated) of this responsiveness include:

- Planning regulation (ie. the availability of land zoned for urban development, and rules applying to development)
- Planning process (time, cost and risk)
- Competitiveness and scale of construction sector

Capacity in the High Density Residential Zone must take into account the high prevalence of visitor accommodation that establishes in the zone and will continue to establish in the zone, and detracts from permanent housing supply.

Methods to address the issue

- *Liberalise District Plan bulk and location rules*
- *Simplify and streamline provisions*
- *Emphasise in policies a forward looking perspective with an emphasis on providing greater balance between development rights and amenity values*

Issue 3: Growth pressures: Residential and Visitor Accommodation

Insight Economics report ‘Stage 1a – Review of Background Data’ presents key demographic information for the Queenstown Lakes area. It concludes “...that the district will continue to experience high population growth and...demand for new dwellings will also be strong.”¹ It also highlights that levels may be exceeded if the tourism industry continues to grow at a high rate.

The report notes high growth in dwelling demand and numbers of one person households and couples without children, which in turn require short / flexible accommodation options. It reports a strong growth in detached dwellings, but that home ownership rates are lower than the national average, which could indicate affordability issues / lack of suitable housing as well as a transient population. Strong growth in tourism, hospitality and associated industries is likely to see growth in the numbers of younger people living and working temporarily in Queenstown, and this will create greater demand for centrally located and relatively affordable rental townhouses and apartments.

Insight’s analysis is backed by a report issued in May 2015 “Assessing Tourism Labour Market Needs” which projects a 46.2% increase in employment in the Otago region between 2014 and 2025. Much of this growth will occur in Queenstown and will be in the tourism and hospitality sector, and this is likely to create significantly higher demand for centrally located housing in Queenstown.

¹ Insight Economics. Medium to High Density Housing Study: Stage 1a – Review of Background Data (2014), Page 21

Related to this is the strong projected growth over the next 20 years in visitor numbers, which will generate the need for a significant increase in the supply of commercial (hotels, motels, backpackers) and non-commercial (rental of private residences) accommodation. Strong demand is likely to continue for such visitor accommodation to be located near the Queenstown and Wanaka Town centres in the High Density zone, and this further creates a need for more liberal planning controls to provide for this.

Insight Economics undertook projections for guest nights and then translated that into projections for additional visitor accommodation capacity in Queenstown up to 2035. Very significant growth in demand is forecast. For example, an additional 3970 hotel guest rooms are forecasted to be required in the Wakatipu Basin. Even if it were conservatively assumed that only half of these hotel beds were to be provided in or adjacent to Queenstown town centre (as opposed to other locations in the Wakatipu Basin), this still amounts to 2000 additional hotel rooms which equates to around 15 mid sized hotels.

The planning controls of the Operative District Plan are too restrictive and are unlikely to enable anywhere near the required provision of hotel bedrooms.

Methods to address the issue

- *Liberalise District Plan bulk and location rules*
- *Simplify and streamline provisions*
- *Emphasise in policies a forward looking perspective with an emphasis on providing greater balance between development rights and amenity values*

Issue 4: Dwelling Capacity

A supplementary report by Insight Economics, 'Stage 1b – Dwelling Capacity Model Review' assessed whether the current Council dwelling capacity model logic was sound and whether the inputs and assumptions were reasonable. Prior to the review, the Council model assumed that 100% of high density zoned land could be brought forward for development, however Insight Economics review of this model proposed new feasibility factors that show only 39% of high density zoned land is likely to be realised for new residential development over the next 20 years. This is a significant reduction in previously estimated capacity. This is clearly a significant issue for the Council when reviewing the District Plan and the report notes that this "...will have direct implications for future rezoning requirements"²²

Further anecdotal evidence suggests that housing supply – in particular centrally located rental housing supply – is not keeping pace with demand. Matthew Paetz, District Plan Manager at Queenstown Lakes District Council, spoke to Queenstown Accommodation Centre's managing director Allan Baillie, on 18 February 2015. Mr Baillie advised that there is a "dire shortage" of rental properties. There is insufficient supply to meet demand and room sharing, and sometimes overcrowding, is starting to proliferate.

Trademe data shows that average rents in the District increased 16% in the year February 2014-2015, which is strongly suggestive of a lack of rental supply.

Methods to address the issue

- *Liberalise District Plan bulk and location rules*
- *Simplify and streamline provisions*

²² Insight Economics. Medium to High Density Housing Study: Stage 1b – Dwelling Capacity Model Review (2014), Page 8.

Issue 5: The impact of height, recession plane, private open space and other development controls on housing supply and urban growth management objectives

The New Zealand Productivity Commission's inquiries have identified the negative impact that development controls can have on the realization of housing supply:

"Councils should ensure that their planning policies, such as height controls, boundary setbacks and minimum lot sizes, are not frustrating more efficient land use. Such policies put a handbrake on greater density and therefore housing supply." New Zealand Productivity Commission, 'Housing Affordability Inquiry', 2012.

The height and recession plane controls of the High Density Residential zone in the Operative District Plan are overly restrictive, and in many situations make complying development to even 2 storeys (low rise) difficult to achieve, especially on flat to moderate sloping land. This results in a significant misalignment between the Operative District Plan's objectives and policies of the High Density zone and the development that is enabled by the rules.

As the Productivity Commission state in their 2015 Inquiry (page 125):

The cumulative effect of multiple rules can also lead to disconnects between the stated objectives of a District Plan and its actual impacts on development capacity:

While most RMA plans endorse some degree of residential intensification, many plans contain provisions that can act as disincentives to achieving this aim. These include provisions such as requiring a minimum area of land per dwellings (irrespective of dwelling size), open space requirements per dwelling, car parking rules and restrictions on converting existing houses into flats. (New Zealand Transport Agency, sub. 73, p. 12)

Private open space requirements can impact on development viability, and do not necessarily offer significant amenity benefits. For example, a balcony requirement can add substantially to the sale price of an apartment, and may offer minimal benefit if the development site is located in a dense urban setting or on a highly trafficked and noisy transport corridor. In addition, in a cooler climate such as Queenstown balconies arguably have generally less utility than in warmer climates, and Body Corporate rules often prevent their use for functions such as clothes drying. Requirements for deep balconies (ie. more than 1.5m) can also negatively impact on winter sunlight admission into units which can also have winter heating cost implications.

A recent (January 2015) paper prepared for Treasury and the Ministry of Business, Innovation and Employment (MBIE) by economists Motu - 'Impacts of Planning Rules, Regulations, Uncertainty and Delay on Residential Property Development' – quantified some of the economic impacts of rules such as balcony requirements. Motu found that balconies (ranging in area from 5 to 8 square metres; fairly typical minimum balcony area dimensions imposed by many Councils, although they are sometimes higher: the minimum balcony area in the Operative Queenstown District Plan is 8 square metres) would typically add \$40,000 to \$70,000 to the selling price of an apartment. This is a major cost implication, especially for studio, one or two bedroom apartments.³ For example it could mean the difference between a studio unit selling for say \$200,000, rather than \$250,000, which could have a fundamental impact on development viability (based on realistic rental return).

The MOTU report also quantified housing cost implications of a range of other planning rules for apartments, with the additional costs (specified as a range) set out as follows:

- Building height limits: \$18,000 to \$32,000
- Floor to ceiling heights: \$21,000 to \$36,000
- Mix of dwelling units: \$6000 to \$15,000
- Other urban design considerations: \$1,500 to \$8,000

³ Motu Economic and Public Policy Research, Impacts of Planning Rules, Regulations, Uncertainty and Delay on Residential Property Development, January 2015

It should be emphasized that the Motu study focused on the financial costs of planning rules and not potential benefits, and was explicit in acknowledging this. However, with regard to private open space it is considered that more flexibility is required and that generally speaking the market is best able to determine the need, depending on site location, views, aspect etc. Avoiding a requirement for balconies may help better realize the delivery of affordable rental studio apartments in central locations.

Furthermore the Productivity Commission's recent inquiry report (2015) concluded that the costs of imposing minimum private open space requirements were likely to exceed the benefits, citing the Motu study and work by MRCagney and recommended that Councils dispense with such requirements.

In central Queenstown and Wanaka there is very good access to parks, reserves, trails and lakes within a compact geographic area unlike in many large and dense urban centres. This mitigates against the lack of balcony provision.

The Productivity Commission in its 2015 report also critically assessed the use of height limits. They stated:

Height limits can significantly reduce development capacity. This has implications not just for housing supply, but also for individual incomes and wellbeing and for the environment (as cities are forced to move outwards, increasing transport times).

The report cites a number of studies that quantify the costs of building height limits.

However the report goes on to acknowledge the potential benefits of building height limits:

Building height limits do have a role to play in managing negative externalities created by development, such as overshadowing of neighbouring properties or the creation of wind tunnels in streets.

But that these potential benefits, which are often localised, must be balanced with "bigger picture" community-wide considerations:

However, many of the benefits created by height restrictions are likely to be private and/or localised. Donovan and Munro (2013) state that building height limits:

often become a tool through which local residents seek to block new development. In these cases building height limits effectively get hijacked by pecuniary local interests (ie homeowners) who have a vested interest in constraining the supply of new development in their surrounding areas because of negative localised effects (perceived or real). (p. 49)

In comparison, as noted in the studies cited above, the costs of reduced development capacity, higher housing and transport costs are felt across a city and can be large, particularly for some members of the community. Donovan and Munro concluded that while "tall buildings no doubt do have negative impacts, we have not found any evidence to suggest that the economic costs imposed by building height limits outweigh the economic benefits of increased density"

The costs of the Operative District Plan height limits are considered to far outweigh the benefits. The proposed height provisions seek to better balance the costs and benefits associated with on the one hand applying overly restrictive controls (ie. Operative District Plan), and on the other hand providing far more liberal height limits (ie. more than 4 storeys).

Checks and balances are provided by complementary rules such as recession planes and Floor Area Ratio controls.

Methods to address the issue

- *Liberalise District Plan bulk and location rules, but provide controls to balance extra development rights with reasonable amenity protection*
- *Simplify and streamline provisions*

Issue 6: Urban Design and Amenity Values

With higher density development, it is important that development achieves good quality urban design outcomes. Whilst the District Plan needs to become more enabling, it also needs to ensure that good quality urban design outcomes are achieved.

Whilst the Operative District Plan contains a large number of urban design criteria, these need to be reframed into a more concise and direct format consistent with the revised structure of the Proposed District Plan.

More intensive development can impact on amenity values, including outlook and views, sunlight access and privacy. As discussed above, balance should be struck between enabling more intensive development with its overall community wide and environmental benefits, and providing a reasonable degree of amenity value protection in terms of private, localized adverse effects.

Methods to address the issue

- *Frame policies and rules in a manner that better balances development rights and amenity values*
- *Continue Operative District Plan's strong emphasis on urban design but in a more streamlined and focussed manner*

5. Purpose and Options

The purpose of the High Density zone is to facilitate higher density development – generally of up to three or four storeys on “flat” land in Queenstown, but potentially higher on “sloping” land (where development excavates below the slope it can achieve an additional one, sometimes two, storeys) in order to:

- Provide greater housing supply to respond to strong demand for centrally located housing
- Provide greater diversity of housing
- Place less pressure on the District's road transport network by providing housing close to town centres where walking and cycling to the centres as places of employment, retail and entertainment is readily achievable
- Reduce pressure for residential development on the urban fringes and beyond
- Provide for more visitor accommodation development close to town centres, where the demand is typically strongest and is predicted to grow significantly

Whilst the Operative District Plan shares many if not all of these objectives, there is poor translation of these objectives into regulation that is sufficiently enabling to facilitate the density of development required, and within a process that is not associated with substantial risk and cost.

In addition, the Operative District Plan employs an overly complex zoning framework, with three High Density subzones. This is considered an unnecessary level of complexity for a district with such a small urban area and permanent urban population.

It is proposed that the two most intense subzones – Subzones A and B – be merged into one High Density Zone. And that the least intense of the subzones – Subzone C – become subsumed into the new Medium Density zone that is proposed in the District Plan Review.

Strategic Directions

The following goals and objectives from the Strategic Directions chapter of the draft District Plan are relevant to this assessment:

<p><i>Goal 2: Strategic and integrated management of urban growth</i></p> <p><i>Objective 1: To ensure urban development occurs in a logical manner:</i></p> <ul style="list-style-type: none"><i>to promote a compact, well designed and integrated urban form;</i><i>to protect the District's rural landscapes from sporadic and sprawling development</i> <p><i>Objective 2: To manage development in areas affected by natural hazards</i></p>
<p><i>Goal 3: A quality built environment taking into account the character of individual communities</i></p> <p><i>Objective 1: To achieve a built environment that ensures our urban areas are desirable places to live, work and play</i></p>
<p><i>Goal 4: The protection of our natural environment and ecosystems</i></p> <p><i>Objective 8: To respond positively to Climate Change</i></p>
<p><i>Goal 5: Our distinctive landscapes are protected from inappropriate development</i></p> <p><i>Objective 3: To direct new subdivision, use or development to occur in those areas that have potential to absorb change without detracting from landscape and visual amenity values</i></p> <p><i>Objective 4: To recognise there is a finite capacity for residential activity in rural areas if the qualities of our landscape are to be maintained</i></p>
<p><i>Goal 6: To enable a safe and healthy community that is strong, diverse and inclusive for all people.</i></p> <p><i>Objective 1: To encourage access to housing that is more affordable</i></p> <p><i>Objective 2: To ensure a mix of housing opportunities</i></p> <p><i>Objective 4: To ensure planning and development maximises opportunities to create safe and healthy communities through subdivision and building design</i></p>

In general terms and within the context of this review, these goals and objectives are met by:

- Enabling development of high density zones close to existing town centres and urban communities
- Avoiding and mitigating in areas affected by natural hazards
- Promoting quality developments with a range of housing options to meet the needs of the community
- Reducing environmental effects within developments

- Promoting efficient use of existing services and infrastructure

As required by section 32(1)(b) RMA, the following section considers various broad options considered to address each issue and makes recommendations as to the most appropriate course of action in each case.

6. Broad options considered to address issues

Option 1: Retain the operative provisions

Option 2: **(Recommend)**: Increase maximum height limit in Queenstown, liberalise some other rules, but largely retain existing location of high density zones close to existing town centres to retain a compact urban form

Option 3: Comprehensive review of height and location of high density zoning over a much wider area with consideration of pockets of higher rise (five storeys plus) development

	Option 1: Status quo/ No change	Option 2: Largely retain existing High Density Zone boundaries but increases height limits, revises other rules, streamline and consolidate provisions	Option 3: Comprehensive review of zoning over a wider area, with potential expansion of zones and higher building in specific areas
Costs	<ul style="list-style-type: none"> • Does not enable further opportunities to increase development capacity. • Would continue to negatively impact upon development feasibility • Takes a short-term view – i.e. growth opportunities would be limited to development of a limited number of undeveloped sites, and redevelopment of existing building stock. • Does not adequately respond to projected visitor growth and a significant projected need for additional visitor accommodation • Does not contribute to the vibrancy and economic prosperity of the sites in close proximity to town centres. • May stifle opportunities for economic development, thereby limiting ability for the town centre to prosper. 	<ul style="list-style-type: none"> • Has costs associated with going through the District Plan Review process (but this is required by legislation). • Greater development potential has the potential to generate greater impacts on the amenity values of existing properties • The limited increases in height / development potential may not go far enough to address projected visitor and residential growth 	<ul style="list-style-type: none"> • Has costs associated with going through the District Plan Review process (but this is required by legislation). • Intensification and expansion may change the character of the wider area and lose focus • Inconsistent with the approach set out in the Strategic Directions Chapter.

	<ul style="list-style-type: none"> Does not give effect to the relevant goals and objectives of the proposed Strategic Directions chapter. Does not achieve the goal for a streamlined and more coherent District Plan. 		
Benefits	<ul style="list-style-type: none"> Retains the established approach which parties are familiar with. Low cost for Council Maintains strong planning regulation limiting scale of development therefore ensuring strong protection of existing amenity values 	<ul style="list-style-type: none"> Better delivers on the longer term goal of delivering a compact form that is consistent with the Council's Strategic Directions Chapter and ORC's RPS. Simplifies the District Plan making it easier for laypeople as well as RMA practitioners to interpret and apply. Acknowledges that the District Plan takes a long-term view by enabling future development opportunities as the population increases over time. Enables economic development and investment opportunities. 	<ul style="list-style-type: none"> Would allow a comprehensive review of the Residential provisions. Potential for more development and housing options. Provides greater certainty than Option 2 that projected growth, particularly in visitor accommodation, will be provided for
Ranking	3	1	2

7. Scale and Significance Evaluation

The level of detailed analysis undertaken for the evaluation of the proposed objectives and provisions has been determined by an assessment of the scale and significance of the implementation of the proposed provisions in the High Density Residential chapter. In making this assessment, regard has been had to the following, namely whether the objectives and provisions:

- Result in a significant variance from the existing baseline.
- Have effects on matters of national importance.
- Adversely affect those with specific interests, e.g., Tangata Whenua.
- Involve effects that have been considered implicitly or explicitly by higher order documents.
- Impose increased costs or restrictions on individuals, communities or businesses.

8.Evaluation of proposed Objectives Section 32 (1) (a)

Section 32(1)(a) requires an examination of the extent to which the proposed objectives are the most appropriate way to achieve the purpose of the Act. The following objectives serve to address the key High Density Zone issues. Reference is made back to the Strategic Directions chapter of the Proposed District Plan which seeks to give effect to the purpose of the RMA (Section 5) in terms of the Queenstown Lakes District Council context:

<i>Proposed Objective</i>	<i>Appropriateness</i>
<p>Objective 1 High-density housing development and visitor accommodation will occur in urban areas close to town centres, to provide greater housing diversity and respond to strong projected growth in visitor numbers.</p>	<p>Sets a broad goal of achieving high density zones close to town centres for residential and visitor accommodation.</p> <p>Consistent with Goals 2 and 5 of the Strategic Directions chapter.</p> <p>Gives effect to RPS objective 5.4.3</p> <p>Gives effect to RPS policies 5.5.3 and 5.5.5</p> <p>The objective enables people and communities to provide for their social and economic wellbeing (S5(2) RMA) by providing for greater development opportunity and associated employment growth.</p> <p>However it does not in isolation address Section 5(2) in terms of avoiding, remedying or mitigating any adverse effects pertaining to impacts on amenity values and infrastructure, and this is where the objective must be read in conjunction with the other objectives which provide the counter balance.</p>
<p>Objective 2</p> <p>High density residential and visitor accommodation development will provide a positive contribution to the environment through design that</p>	<p>Acknowledges the importance of the built and natural environments and for developments close to town centres to adhere to this through high quality design.</p>

<p>demonstrates strong urban design principles</p>	<p>Consistent with Goal 6 of the Strategic Directions chapter.</p> <p>Gives effect to RPS objectives 9.4.1 to 9.4.3</p> <p>Gives effect to RPS policies 9.5.1 to 9.5.5</p> <p>The objective enables people and communities to provide for their social and economic wellbeing (S5(2) RMA) by seeking to ensure intensive development contributes positively to the environment and people's experience of it</p>
<p>Objective 3</p> <p>A reasonable degree of protection of amenity values will be provided, within the context of an increasingly intensified and urban zone where character is changing.</p>	<p>Sets a firm expectation that there will be change in the zone, to provide higher density housing near town centres to provide for the social, economic and cultural wellbeing of the District. However it also recognises that balance is required with regard to providing some protection of amenity values, especially in terms of building dominance and outlook.</p>
<p>Objective 4 – Provide for community facilities and activities in the High-Density zone that are generally best located in a residential environment close to residents.</p>	<p>Acknowledges that some non-residential activities that support a community purpose – such as medical centres, daycare and places of worship – can be appropriately located in residential areas, thereby helping provide for the wellbeing of people and communities.</p>
<p>Objective 5 – Generally discourage commercial development except when it is small scale and generates minimal amenity impacts.</p>	<p>Recognises that intrusion of commercial activities into residential areas is not desirable, as it dilutes the strength of town centres and can adversely impacts on amenity values. However, it also recognises that small scale commercial land use can serve a positive purpose if its impact on amenity values is minor.</p>

<p>Objective 6</p> <p>High-density residential development will efficiently utilise existing infrastructure and minimise impacts on infrastructure and roading networks.</p>	<p>Specifically acknowledges the need to reduce infrastructure costs and utilise existing services by developing close to town centres.</p> <p>Consistent with Goal 4 of the Strategic Directions chapter.</p> <p>Gives effect to RPS objectives 6.4.1 and 11.4.1</p> <p>Gives effect to RPS policies 6.5.5, 11.5.1, 11.5.2 and 11.5.3</p>
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The above objectives are considered to be the most appropriate methods of achieving the purpose of the Act, as they identify and give direction as to the how the specific issues that pertain to the high density residential are addressed.

9.Evaluation of the proposed provisions Section 32 (1) (b)

The below table considers whether the proposed provisions are the most appropriate way to achieve the relevant objectives. In doing so, it considers the costs and benefits of the proposed provisions and whether they are effective and efficient.

Changes to Section 32 of the RMA in 2013 place greater, explicit emphasis on the economic costs and benefits of provisions, including the impact of provisions on economic growth and employment, in addition to consideration of social and environmental matters.

(See also Table detailing broad options considered in Section 4, above)

<p>Objective 1: High-density housing development and visitor accommodation will occur in urban areas close to town centres ,to provide greater housing diversity and respond to strong projected growth in visitor numbers.</p> <p>Objective 2: High-density residential and visitor accommodation development will provide a positive contribution to the environment through design that demonstrates strong urban design principles and seeks to maximise environmental performance.</p> <p>Summary of proposed provisions that give effect to these objectives:</p>

- More liberal height and other development standards
- Building height 'bonuses' for development demonstrating higher environmental performance
- Clear and concise policies setting clear expectations on good urban design and the wider built environment
- Rules capturing development comprising more than 4 dwellings to be subject to urban design consideration

<i>Proposed provisions</i>	<i>Costs</i>	<i>Benefits</i>	<i>Effectiveness & Efficiency</i>
<p><u>Policies:</u></p> <p>8.3.1.1 8.3.2.1 to 8.3.2.6</p> <p><u>Rules:</u></p> <p>8.6.1.1 to 8.6.1.26 (inclusive) 8.7.1.1 to 8.7.1.11 (inclusive)</p>	<p><i>Environmental</i></p> <p>Increasing building heights may result in adverse effects on amenity values, such as increased shading and blocking some views. However, protection is still offered through recession plane controls and other methods.</p> <p>On flat sites, the ability to build to four storeys is subject to compliance with a Floor Area Ratio (FAR) control of 2.0. This effectively means that in order to build four storeys rather than two storeys, a lower site coverage will be required eg. 50% rather than 70%. Therefore the FAR control provides a compensatory mechanism with regard to amenity values in terms of provision for extra building height on flat sites.</p> <p>The provisions also enable potential for height greater than 7m on sloping sites, however the assessment focus is on</p>	<p><i>Environmental</i></p> <p>Better enables the urban areas of the District to develop a compact form that reduces reliance on private motor vehicle transport and promotes walking and cycling.</p> <p>Lower rise (3-4 storeys) higher density development is generally more energy efficient in terms of heating than low density development, and higher rise (5 storeys or more) development.</p> <p>High expectations around design quality as expressed in the objectives and policies should help ensure that new development makes a positive environmental contribution from a visual perspective.</p> <p>The height 'bonus' provisions for development that can demonstrate higher energy / environmental performance will lead to environmental benefits.</p>	<p>More enabling policy and rules are considered to be an effective and efficient method of enabling further capacity for high density development. Effectiveness of policy encouraging and enabling urban intensification can be significantly impacted by the extent and nature of rules such as bulk and location controls, private open space requirements and carparking. This fact has been central to the development of the rules and policy.</p> <p>Direct and unambiguous policies will aid effectiveness and efficiency, as will the concise and streamlined structure of the proposed provisions.</p>

	<p>ensuring any impacts of the development – compared to a complying proposal – are minimal in terms of impact on outlook, views, sunlight. Therefore the provisions provide greater flexibility to construct taller buildings, but on the proviso that impacts are internalised.</p> <p>Economic</p> <p>Higher density development close to centres is not without infrastructure upgrade costs. However, typically these costs are less than for traditional low density development on the edges or urban areas. As development occurs, development contributions will be accrued to help fund infrastructure upgrades</p> <p>Requiring high design quality adds costs to development projects, but ensures amenity values are addressed.</p> <p>Provisions providing for higher rise development can have both positive and negative impact on property values. Generally and in a broad sense, upzoning (ie. providing greater height / density) tends to result in uplift in property values, however there can be variations in impacts. For example, if a site loses most or all of its views as a result of a development occurring on a neighbouring site, then the potential exists for a fall in</p>	<p>Economic</p> <p>Enabling greater development intensities close to town centres should help support the economy of the centres by creating more permanent and temporary (ie. visitor accommodation) population within easy access to the centres.</p> <p>In addition, it will be difficult for the wider economic development objectives of the district with regard to growth in visitor numbers, and in achieving higher yielding visitors, without the proposed provisions, as opportunities for new hotel development in Queenstown are strongly limited under the restrictive operative District Plan provisions.</p> <p>Enabling greater density and improving development viability will help support more construction activity and associated employment and economic benefits. The construction industry is a major aspect of the District's economy, with the Council's Economic Development Strategy demonstrating that in 2014 the industry provided estimated GDP of \$171 million, which was second behind 'Rental, hiring and real estate services', and higher than 'Accommodation and Food Services'. The more enabling provisions will help support all three of these major District industries, which despite the goal of diversifying the district's</p>	
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	<p>property value.</p> <p>The provisions have been designed to be more enabling, but with safeguards designed to reduce the regularity with which development may have more than minor adverse effects on views and outlook therefore negatively impacting on property values. For example, as noted above the opportunity for four storey development on flat sites is subject to compliance with the FAR control, which means four storey development will require lower site coverage than would otherwise be the case for 2 storey development.</p> <p>Similarly, the provision to enable consideration of proposals involving building height up to 10m as a restricted discretionary activity on sloping sites would require an assessment of the extent to which the additional height over and above the 7m permitted baseline impacts on views, outlook, and shading.</p> <p>A Westpac economist report in 2015 ('Home Truths Special Edition', 14 May 2015) supports the notion that higher density rezonings tend to increase land values:</p> <p><i>'But in the recent past there has been a strong push form both central and local</i></p>	<p>economy will remain major economic drivers.</p> <p>Better enabling higher density development in central locations will help minimise capital expenditure on road and infrastructure associated with a less compact urban form.</p> <p>High density development close to town centres can provide for more affordable living options. Whilst high density apartment living is unlikely to be affordable in terms of raw housing costs, transport and heating costs associated with such living on average will be significantly lower than traditional lower density housing located remote from town centres or places of employment. As a result, higher density development – in particular small studio apartments – can potentially represent a <i>relatively</i> affordable housing option, when total living costs are considered. By liberalising regulation and removing requirements such as mandatory balcony requirements, the provisions will better enable this form of housing.</p> <p>Social & Cultural</p> <p>Enabling the potential for more living options close to town centres helps respond to the housing issue in the District.</p> <p>Increased population and greater densities helps support the viability of cultural events and facilities, as well as attracting new events.</p>	
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	<p><i>government to liberalise housing supply rules...These recent regulatory changes – and perhaps an expectation of further liberalisation to come – may have created a perception that it will be easier and cheaper to subdivide today’s properties, and intensify Auckland’s housing, than it seemed in the past. This has boosted the perceived future value of the land upon which today’s houses stand – thus pushing property prices higher”.</i></p> <p>In order for developers to achieve the greater building heights enabled in the proposed provisions, Homestar certification is required. This adds some costs, however such costs are considered minor. Evidence demonstrates that achieving a 6 star Homestar rating adds minor costs to development, but provides significant operational cost savings. In addition, the minor (if any) additional costs are further mitigated by the significant additional development potential enabled through the “bonus” provisions.</p> <p>Social & Cultural</p> <p>Enabling further development capacity to higher density may generate some impact on the enjoyment of amenity values by existing property owners and occupants, with the potential for greater noise and</p>	<p>Increased population and greater densities – especially if within well designed built development - can help support community safety.</p>	
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	impacts on views and outlook.		
<p>Alternative options considered less appropriate to achieve the relevant objectives:</p>			
<p><i>Option 1: Retain the operative high density rules</i></p>	<ul style="list-style-type: none"> • <i>Do not sufficiently promote or enable high density development to achieve goals expressed in objectives</i> • <i>Lacks flexibility</i> • <i>Adversely impacts upon development feasibility and therefore potential realisation of high density development</i> 		
<p><i>Option 2: Adopt more liberal high density rules than proposed</i></p>	<ul style="list-style-type: none"> • <i>Would help achieve intensification goals but potentially at the cost of unacceptable impacts on amenity values</i> 		

Objective 3: A reasonable degree of protection of amenity values will be provided, within the context of an increasingly intensified and urban zone where character is changing.

Summary of proposed provisions that give effect to these objectives:

- Rules providing for height limits, recession planes, yards, Floor Area Ratio etc
- Policies stating key rules that will be used to provide reasonable amenity value protection
- Policies and rules providing an assessment basis for infringement of rules

<i>Proposed provisions</i>	<i>Costs</i>	<i>Benefits</i>	<i>Effectiveness & Efficiency</i>
<p><u>Policies:</u></p> <p>8.3.3.1, 8.3.3.2</p> <p><u>Rules:</u></p> <p>8.7.1.1 to 8.7.1.11</p>	<p><i>Environmental</i></p> <p>The rules seek to strike a balance between enabling development and providing amenity value protection.</p> <p>More restrictive rules than those proposed would provide more protection of amenity values.</p> <p>The rules will not guarantee all private and public views will be protected, nor</p>	<p><i>Environmental</i></p> <p>Provisions help find a balance between enabling development that realises a compact urban settlement form, whilst maintaining a reasonable degree of amenity value protection.</p> <p>Flexibility is provided by the rules, to respond to development requirements and amenity values. For example, the rules for flat sites allow four storey development, but this is subject to a FAR control which requires a</p>	<p>More enabling policy and rules are considered to be an effective and efficient method of enabling further capacity for high density development. Effectiveness of policy encouraging and enabling urban intensification can be significantly impacted by the extent and nature of rules such as bulk and location controls, private open space requirements and carparking. This fact</p>

	<p>guarantee sunlight access.</p> <p>However, such concessions are inherent in policy and rules facilitating urban intensification, with its wider community and environmental benefits. In this light, the provisions seek to find a balance between enabling intensification and providing a reasonable degree of protection of amenity values.</p> <p>Economic</p> <p>Whilst significantly more enabling than the Operative District Plan, the rules will provide limits on development potential thus potentially limiting the profitability of development as compared to an even more enabling set of provisions.</p> <p>The rules will not guarantee view and sunlight protection, which may potentially result in developments occurring which might reduce property values of neighbouring properties. However this potential is considered to be limited by the checks and balanced designed into the provisions.</p> <p>Social & Cultural</p> <p>Increase in intensity of development could generate noise and traffic impacts.</p>	<p>compensatory lower site coverage.</p> <p>Economic</p> <p>The rules provide for enhanced development opportunities and will improve development feasibility. They help enable the visitor accommodation requirements of the district, which are so important to the economic wellbeing of the district.</p> <p>Increased population near town centres will help support existing businesses and provide for the growth of new businesses, helping to facilitate employment growth .</p> <p>Social & Cultural</p> <p>The provisions are likely to enable economic growth and employment growth.</p> <p>The provision will enable greater population concentration close to town centres, which should help to support more cultural activity and a fuller range of social services.</p> <p>A more cohesive and integrated population, around existing town centres. Utilising existing infrastructure and amenity spaces.</p> <p>Strong development control policies to mitigate against noise and overdevelopment.</p>	<p>has been central to the development of the rules and policy.</p> <p>Direct and unambiguous policies will aid effectiveness and efficiency , as will the concise and streamlined structure of the proposed provisions.</p>
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Alternative options considered less appropriate to achieve the relevant objectives:			
<i>Option 1: Apply more restrictive rules</i>		<ul style="list-style-type: none"> • <i>Would better protected amenity values but at the expense of realising the residential and visitor accommodation development necessary to provide for the social, economic and community wellbeing of the district</i> 	
<i>Option 2: Apply less restrictive rules</i>		<ul style="list-style-type: none"> • <i>Would better provide for development potential but would be at the expense of reasonable amenity value protection</i> 	

<p>Objective 4: Provide for community facilities and activities in the High Density zone that are generally best located in a residential environment close to residents.</p> <p>Objective 5: Generally discourage commercial development except where it is small scale and generates minimal amenity impacts.</p> <p>Summary of proposed provisions that give effect to these objectives:</p> <ul style="list-style-type: none"> • Policies and rules enabling community activities • Policies and rules generally discourage commercial activities except where they are small scale and generate minor effects 			
Proposed	Costs	Benefits	Effectiveness & Efficiency

provisions			
<p><u>Policies:</u></p> <p>8.3.4.1, 8.3.5.1, 8.3.5.2</p> <p><u>Rules:</u></p> <p>8.6.1.6 to 8.6.1.9</p>	<p><i>Environmental</i></p> <p>The policies and rules seek to strike a balance between enabling community facilities and services and providing amenity value protection.</p> <p><i>Economic</i></p> <p>Environmental costs in terms of loss of amenity value are mitigated through rules requiring community activities to proceed through a discretionary activity resource consent process where impacts can be assessed.</p> <p>The provisions will place restrictions on the ability of landowners to develop their properties for commercial purposes.</p> <p>However, the provisions still enable the potential for small scale commercial activities to be established, provided they are low impact.</p> <p><i>Social & Cultural</i></p> <p>The need for resource consent approval for community activities increases the risk and cost for community activity providers, as compared to a regime that enabled community activities as a permitted or controlled activity.</p>	<p><i>Environmental</i></p> <p>Enabling consideration of community activities in the zone provides the potential for residents to access community services near their place of residence, therefore reducing car transport.</p> <p>Community and commercial activities will be subject to a resource consent assessment which will scrutinise impacts on amenity values, thus helping to minimise impacts.</p> <p><i>Economic</i></p> <p>The provisions will help to ensure any impacts on residential property values resulting from community or commercial activities establishing can be avoided or minimised.</p> <p>Whilst commercial activities are generally discouraged, they are not prohibited and small scale commercial activities that generate minimal impacts on residential amenity values and receive resource consent approval will provide for the wellbeing of land owners.</p> <p><i>Social & Cultural</i></p> <p>The provisions enable consideration of community activities and provided environmental effects are suitably addressed such activities are likely to be approved, providing for social and cultural wellbeing.</p>	<p>Direct and unambiguous policies will aid effectiveness and efficiency, as will the concise and streamlined structure of the proposed provisions.</p>

Alternative options considered less appropriate to achieve the relevant objectives:			
<i>Option 1: Apply more restrictive rules</i>		<ul style="list-style-type: none"> • <i>Would better protected amenity values but at the expense of realising the residential and visitor accommodation development necessary to provide for the social, economic and community wellbeing of the district</i> 	
<i>Option 2: Apply less restrictive rules to community and commercial activities</i>		<ul style="list-style-type: none"> • <i>Permitted or controlled activity status would better provide for ease of establishment of community activities but at the expense of less certainty in terms of residential amenity values.</i> • <i>Discretionary or Restricted Discretionary activity status would provide for greater ease of establishment of commercial activities but at the expense of less certainty in terms of residential amenity values.</i> 	

1. Efficiency and effectiveness of the provisions

The above provisions are drafted to specifically address the resource management issues identified with the current provisions, and to enhance those provisions that already function well. A number of areas of the existing chapter have been removed to aid the readability of the Plan by keeping the provisions at a minimum, whilst still retaining adequate protection for the resource.

By simplifying the objectives, policies and rules (the provisions), the subject matter becomes easier to understand for users of the Plan both as applicant and processing planner. Removal of technical or confusing wording, also encourages correct use. With easier understanding, the provisions create a more efficient consent process by reducing the number of consents required and by expediting the processing of those consents.

2. The risk of not acting

Within the monitoring reports that inform this evaluation, it is noted that the opportunity to rollover many of the existing provisions exists. This may also be improved by some minor amendments to the provisions in response to the resource management issues raised. Neither of these approaches reflect the current changing nature of the RMA with its drive to simplify and streamline. The District Plan is a forward planning mechanism and the opportunity to make bold changes in order to make a more noticeable difference. Not taking the more compact approach to this section and others, will not advance the usefulness of the District Plan in pursuit of its function in the sustainable management of natural and physical resources.

ATTACHMENTS

1. *Queenstown Visitor Accommodation Projections*, Prepared by Insight Economics for Queenstown Lakes District Council, 8 April 2015.
2. *Brief Analysis of Options for Reducing Speculative Land Banking*, Prepared by Insight Economics for Queenstown Lakes District Council, 6 August 2014
3. *Medium to High Density Housing Study: Stage 1a – Review of Background Data*, Prepared by Insight Economics for Queenstown Lakes District Council, 30 July 2014
4. *Medium to High Density Housing Study: Stage 1b – Dwelling Capacity Model Review*, Prepared by Insight Economics for Queenstown Lakes District Council, 13 March 2015