

Section 32 Evaluation Report: Urban Development

1. Purpose of the report

Section 32 of the *Resource Management Act 1991* (the Act) requires plan change proposals to be examined for their appropriateness in achieving the purpose of the Act, 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 Urban Growth Management Framework; and outlines the decision making process which has been undertaken by Council.

The Urban Growth Management Framework will be positioned within the Part 2 – Strategic matters section of the Proposed District Plan; and as such, forms one of the high level strategic goals of the District Plan which has been taken into account when formulating the provisions of other chapters.

Section 32(1)(a) of the Act requires that a Section 32 evaluation report must examine the extent to which the proposed District Plan provisions are the most appropriate way to achieve the purpose of the Act (Part 2 - Purpose and principles). Accordingly, this report provides the following:

- An overview of the applicable **Statutory Policy Context**
- Description of the **Non-Statutory Context** (strategies, studies and plans) which inform proposed provisions
- Description of the **Resource Management Issues** which provide the driver for proposed provisions
- An **Evaluation** against Section 32(1)(a) and Section 32(1)(b) of the Act
- Consideration of **Risk**

2. Statutory Policy context

2.1 Resource Management Act 1991

The purpose of the Act requires an integrated planning approach and direction, as reflected below:

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.

The assessment contained within this report considers the proposed provisions in the context of advancing the purpose of the Act to achieve the sustainable management of natural and physical resources. The Queenstown Lakes District is one of the fastest growing areas in New Zealand. Recent estimates predict that the District will continue to experience significant population growth over the coming years. A strategic policy approach is essential to manage future growth pressures in a logical and coordinated manner to avoid the adverse effects of ad hoc and sprawling urban settlements.

The Urban Growth Management Framework establishes the principles for managing future urban growth within the District which is experiencing significant population growth. By this means, the provisions will serve to sustain the potential of natural and physical resources, and avoid, remedy or mitigate potential adverse effects on the environment.

Section 31 of the Act outlines the function of a territorial authority in giving effect to the purpose of the Act:

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

Section 31 provides the basis for objectives, policies, and methods within a District Plan, to manage the effects of development. With regard to urban growth management, the provisions outlined in this report have been developed in accordance with QLDC’s function under Section 31 to manage the potential adverse effects of urban development on the Districts natural amenity, rural landscapes and infrastructure.

Consistent with the intent of Section 31, the proposed provisions enable an integrated approach to the multiple effects associated with urban development, and integrated mechanisms for addressing these effects through the hierarchy of the District Plan. Section 31 reinforces the proposed multi-faceted approach to urban development, which is based upon the establishment of defined urban limits, integrating land use and infrastructure, and promoting density in strategic locations.

2.2 Otago Regional Policy Statement 1998 (RPS, 1998)

Section 74 of the Act requires that a district plan prepared by a territorial authority must “give effect to” any operative Regional Policy Statement. The operative *Otago Regional Policy Statement 1998* (RPS, 1998), administered by the Otago Regional Council, is the relevant regional policy statement to be given effect to within the District Plan.

The operative RPS 1998 contains a number of objectives and policies that are relevant to this review, namely:

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
Ensuring the sustainable provision of water supply	6.4.1	6.5.5
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

The provisions of the Urban Development framework serve the intent of the objectives and policies listed above through ensuring urban development occurs in a way and at a rate which is consistent with anticipated demand. The provisions seek to move towards a more compact urban form, which is able to optimise the provision of public infrastructure and services, and minimises the encroachment of urban activities on the regions outstanding natural features.

2.3 Review of the Otago Regional Policy Statement

Section 74 of the Act requires that a District Plan must “have regard to” any proposed regional policy statement.

It is noted that the ORC is currently in the process of reviewing the RPS 1998. The first stage of the RPS review has already been undertaken and in May 2014 Otago Regional Council (ORC) published and consulted on the RPS ‘*Otago’s future: Issues and Options Document, 2014*’ (www.orc.govt.nz).

The issues identified of particular relevance to the development of policies for the Medium Density Residential Zone in particular, included:

- **“Encouraging compact development:** *Poorly planned or scattered development leads to costly and less efficient urban services such as roads and water supply or health and education services, and can increase environmental effects”.*
- **“Having quality and choice:** *The quality of our built environment can affect our quality of life. Poorly planned settlements do not serve the interests of the community in the long term”.*
- **“Managing our infrastructure:** *We depend on reliable energy and water supplies, good quality roading, wastewater services and telecommunications...Development of these structures can be affected by sensitive development such as housing”.*

An option suggested by ORC to facilitate a more compact urban form and more efficiently utilise infrastructure could be to “*prioritise development in locations where services and infrastructure already exist over those that require new or extended services and infrastructure*” and “*avoid any development that would impact negatively on the use of essential infrastructure*”.

In providing an urban environment which is well planned and provides choice, the discussion document suggested to “*ensure new urban areas provide a range of housing choice, recreation and community facilities*”.

The Proposed RPS was released for formal public notification on the 23 May 2015, and contains the following objectives and policies relevant to the Urban Development framework:

Matter	Objectives	Policies
Otago’s significant and highly-valued natural resources are identified, and protected or enhanced	2.2	2.2.4
Good quality infrastructure and services meets community needs	3.4	3.4.1
Energy supplies to Otago’s communities are secure and sustainable	3.6	3.6.6
Urban areas are well designed, sustainable and reflect local character	3.7	3.7.1, 3.7.2
Urban growth is well designed and integrates effectively with adjoining urban and rural environments	3.8	3.8.1, 3.8.2, 3.8.3
Sufficient land is managed and protected for economic production	4.3	4.3.1

The proposed Urban Development framework provisions have had regard to the Proposed RPS by more readily facilitating a compact and efficient urban form through the establishment of strategic principles to manage future growth pressures. Urban Growth Boundaries are established as a tool to contain urban development within defined limits, supporting the efficiency of infrastructure, aiming to increase the viability of public transport and minimise reliance on fossil fuels, and avoiding sprawling into rural or natural landscapes.

The Urban Development framework seeks to achieve a coordinated approach to urban development and infrastructure, and supports the issues and direction identified by the Draft RPS.

The Proposed RPS will be finalised following the completion of public notification. Amendments to this evaluation may be required to accommodate any changes that may occur to the operative version of the RPS.

2.4 Queenstown Lakes District Council Operative District Plan

Urban growth is identified as a District Wide Issue under the operative District Plan. The provisions highlight the unique growth pressures experienced in the District, and the need to manage urban growth in a manner that avoids the adverse effects of development on natural and physical resources.

4.9 Urban Growth

4.9.1 Introduction

The manner and rate in which urban growth occurs has a major bearing on resource use, social and economic well being and environmental quality. The District has faced major changes in the past as a result of cyclical urban growth pressures.

The District is a desirable place to live and work in, as witnessed by continued population growth. The people and communities who make up the District are facing new and different challenges. The fundamental consideration is to ensure continued growth is managed in a way which sustains the District's resources, character and amenities.

4.9.2 Issues

The Council can play an important role in the sustainable management of growth as it relates to other important District wide issues, including protection and enhancement of the landscape and avoiding the adverse effects of development on the natural and physical resources of the District. It is not possible to be precise about the level of growth to be planned for, but increased growth is anticipated in:

- i tourism and visitor numbers*
- ii hotels and visitor accommodation*
- iii housing demand*
- iv increased range and scale of retail activity*
- v increased demand for educational and recreational facilities such as schools.*

The District Plan anticipates that most of the growth will occur within the existing and proposed residential zoned areas. This growth will comprise both residential and visitor accommodation units. Urban growth will result in changes to the natural and built environment and has the potential to affect the character of the District in terms of its impact on landscape amenity, provision of infrastructure, and the social and economic well being of the community.

The principal issues identified are:

- (a) the management of urban growth in order to protect water resources and ground water recharge, safeguard the life supporting capacity of soils, wetlands and air, avoid natural hazards including sheer slopes and flood plains and protect and enhance landscape values and visual amenity.*
- (b) the lifestyle preferences of the District's present and future population.*
- (c) the effects of urban growth on the identity, cohesion, and economic and social well being of the existing residential, farming and settlement communities.*
- (d) the effects of expanding visitor accommodation development on the retention of residential housing and neighbourhoods.*
- (e) the provision of efficient public transport services for the benefit of both residents and visitors.*
- (f) how best to accommodate urban growth.*
- (g) the effect on energy use.*
- (h) the effect on access to facilities and services, i.e. health, education and shops.*
- (i) the effect on the major infrastructure resources such as the airports, sewerage, treatment works, landfills, recreation facilities.*
- (j) the needs of the takata whenua.*

The above provisions, as intended, outline the issues relating to urban growth which warrant a policy response. The District Plan further identifies potential implementation methods to address the above issues as:

i District Plan

- (a) Comprehensive policy and rules to ensure protection and enhancement of the District's important natural resources and amenities.*
- (b) Identification of a pattern of land uses through zoning and policy supporting a strategy of urban consolidation.*

- (c) Subdivision and development policies which safeguard the life supporting capacity of the District's soils and outstanding landscape areas.
- (d) Residential and urban zones which protect the existing urban areas.
- (e) To provide strong policy direction to ensure opportunities exist for new urban growth.

It is noted that District Wide issues are to be removed from the Proposed District Plan, to be replaced by the Part 2 - Strategic matters section. The current Urban Development framework will form part of Part 2 – Strategic matters section.

The proposed provisions of the Urban Development framework are consistent with, and seek to advance the issues statement above by adopting further implementation methods (including Urban Growth Boundaries) to manage identified issues and consolidate urban development within defined limits.

2.5 Plan Change 30 (Urban Boundary Framework) and Plan Change 29 (Arrowtown)

Plan Change 30 (Urban Boundary Framework) was notified in August 2009 and sought to formally establish a policy basis within the District Plan to manage the scale and location of urban growth on a District wide scale. This was notified alongside Plan Change 29 (the proposed Arrowtown Boundary), Plan Change 21 (the proposed Wakatipu Urban Growth Boundary), and Plan Change 20 (the proposed Wanaka Urban Boundary) which each sought to establish defined UGB's for the respective areas.

Plan Change 20 and 21 were subsequently put on hold until the current District Plan review. Plan Change 30 was made operative in November 2010, and Plan Change 29 (Arrowtown) was only recently made operative in May 2015 after numerous years of appeals in the Environment Court.

Plan Change 30 introduced a new objective into the District Wide Issues of the District Plan (*Objective 7 Sustainable Management of Development*) and supporting policies which enabled the use of Urban Growth Boundaries as a tool to:

- Establish a Settlement Hierarchy
- Provide a process for maintaining a long term land supply for urban growth
- Prioritise urban development within Urban Boundaries
- Promote effective urban design and integration of new urban growth areas
- Establish criteria for defining Urban Boundaries
- Provide a Definition of Urban Growth and Urban Zones

Plan Change 29 has recently been made operative, and establishes an Urban Growth Boundary for Arrowtown, as facilitated by the outcomes of Plan Change 30.

The current District Plan review seeks to formalise the Urban Development framework on a District wide level, and integrate the various plan changes to establish urban growth boundaries for Arrowtown, Wanaka and Queenstown.

2.6 QLDC 10 year plan (2015-2025) Consultation Document

The 10 Year Plan (2015-2025) Consultation document highlights the significant growth pressures experienced in the District contributed by both residents and visitors, and identifies anticipated population growth to 2025. The 10 year plan is relevant to the development of policy for urban growth management as it provides the mechanism for funding allocation and expenditure, in line with the expectations of the community. In order to ensure that development and infrastructure programmes are effectively integrated there is a need to ensure that there is co-ordination between the LTCCP and District Plan.

The implementation of a clear direction for urban growth, and particularly the formalisation of urban growth boundaries, will ensure that the Councils priorities can be better integrated with the District Plan direction.

3. Non statutory policy context

The following non-statutory documents have also been considered in identifying resource management issues relating to urban growth management:

Community Plans

- 'Tomorrows Queenstown' Community Plan (2002)
- Urban Design Strategy (2009)
- 'Wanaka 2020' Community Plan (2002)
- 'Wanaka Structure Plan' (2007)
- Arrowsmith Community Plan (2002)

Strategies

- Queenstown and Wanaka Growth Management Options Study (2004),
- A Growth Management Strategy for the Queenstown Lakes District (2007)
- Economic Development Strategy (2015)
- Wakatipu Transportation Strategy (2007)
- Wanaka Transportation and Parking Strategy (2008)
- Queenstown Town Centre Draft Transport Strategy (Consultation Document 2015)

Studies

- Shaping our Future 'Visitor Industry Task Force' report 2014
- 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)

Other relevant sources

- 'Does Density Matter – The role of density in creating walkable neighbourhoods', discussion paper by the National Heart Foundation of Australia
- 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
- *Cities Matter - Evidence-based commentary on urban development (2015)*, Phil McDermott, <http://cities-matter.blogspot.co.nz/>

4. Resource Management Issues

Overview

The community's desire for a strategic approach to the management of urban growth has been articulated over more than a decade, from the development of small community plans, to the *Queenstown and Wanaka Growth Management Options Study (2004)*, and the development of *the Growth Management Strategy (2007)*. The consistent message through each of these documents is a concern regarding the relatively unplanned growth of urban areas, and the desire to contain urban growth for the Districts key urban areas (Queenstown, Wanaka and Arrowsmith) within defined limits. Acting on this mandate from the community, QLDC has progressed a number of plan changes over recent years.

The current District Plan review seeks to formalise the Urban Development framework on a District wide level, and integrate the various plan changes to establish urban growth boundaries for Arrowsmith, Wanaka and Queenstown. The Urban Development framework sets Councils clear direction for the location and form future urban growth; based on the principles of urban containment.

The key issues of relevance to the Urban Development framework are:

Issue 1 - Pressure for urban growth is predicted to continue

Issue 2 - Occurrence of resource consents and plan changes for intensive forms of subdivision in the Rural General and Rural Living areas

Issue 3 – The sustainable management of natural and physical resources

Issue 4 – Urban containment: A compact urban form is necessary to manage population growth and avoid sprawling into rural areas and important landscape features

Issue 5 - Better coordination of infrastructure and services and forward planning

Each of these issues is discussed in further detail below.

Issue 1 – Pressure for urban growth is predicted to continue

The Queenstown Lakes District is one of the fastest growing areas in New Zealand. There is ongoing pressure for more housing, business and commercial development within the District. The District also supports around \$3 million visitors per year, and the demand for visitor accommodation and services is also predicted to increase considerably. Urban growth must be managed within the context of protecting the significant natural landscapes and amenities for which the population depends upon for social and economic wellbeing.

The current estimated resident population of the District is around 30,900 people, with a peak population (inclusive of visitors) of 96,500. According to the 2013 census, residential growth in the District exceeded the national average in all three wards (Arrowtown, Wakatipu and Wanaka) from 2006 to 2013, with Wanaka recording the highest growth rate of 3.7% per annum.

A range of population predictions exist for the District, each based on various growth rates and scenarios. Insight Economics report '*Stage 1a – Review of Background Data*' identifies the predicted growth rates based on a review of previous information, and various scenarios which are likely to influence future population growth. Their investigation indicates a predicted population growth of 3.4% per annum to 2031, and concludes "*...that the district will continue to experience high population growth and...demand for new dwellings will also be strong.*" It also highlights that such levels may be exceeded if the tourism industry continues to grow at a high rate, requiring a greater population base to support the industry. A growth rate of 3.4% represents an increase in population to 55,000.

In addition to resident population, tourism growth supported by the Districts natural amenities will continue to play a dominant part in the local economy, and will have a direct effect on the associated resident population growth (Economic Development Strategy, 2015). The tourism industry has experienced strong growth over recent years, with commercial accommodation nights and length of stay consistently exceeding national averages. It is predicted that total guest nights will continue to exceed the national average, increasing from a current value of 3.6 million per annum, to 6.9 million per annum in 2031 (based on a medium growth scenario) (Insight Economics). A number of proposed major projects, such as the airport expansion to cater for night flights and potential convention centres, if realised, will have a direct influence on the level of tourism growth, and in fact may exceed medium growth scenarios.

It is not the intent of the District Plan to limit growth, and such an approach is also not intended by the RMA. Rather, a strategic approach is necessary to manage the form and location of development in a sustainable manner. In the past some urban growth has occurred randomly and there has also been pressure to expand around the edge of settlements. The implementation of the Urban Growth Management Framework will identify locations with the capacity to accommodate growth, and to identify those parts of the District which are not suitable for urban development over the current planning period.

Issue 2 - Occurrence of resource consents and plan changes for intensive forms of subdivision in the Rural General and Rural Living areas

At present the District Plan has no defined urban boundaries. It currently relies on zoning to manage development, however zoning alone does not indicate where longer term growth should be located. As a result, various private plan changes have been implemented to subdivide rural land for more intensive residential density. The lack of defined boundaries has resulted in a policy gap, whereby

such proposals to subdivide rural land can be considered on their merits, giving rise to ad hoc or piece meal development.

The establishment of the Urban Growth Management Framework seeks to provide an additional policy layer, identifying the strategic goals for the management of growth and facilitating the containment of growth within defined limits. The establishment of defined urban boundaries provides the clear message that development outside these boundaries is not anticipated by the District Plan, providing the Council with greater control over proposed subdivision in rural zones which conflicts with these intentions.

Issue 3 – The sustainable management of natural and physical resources

The environment is revered nationally and internationally and is considered by residents as the District’s single biggest asset (Economic Development Strategy, 2015). The natural environment underpins recreational and tourism industries and is a significant contributing factor to economic and population growth within the District. In addition, rural landscapes within the District are valued by the community in maintaining ‘openness’, and play a significant role in defining the character of urban settlements and their entrance from rural land.

Continued growth in population and visitor numbers increases demand for land at ever increasing distances from town centres. A sprawling urban form places increased pressure on the Districts highly valued landscapes and features, and exacerbates the environmental effects associated with population growth. In the past, in the absence of defined urban limits within the District Plan has resulted in sporadic developments encroaching into rural areas.

Conversely, a compact urban form that reduces reliance on the private vehicle and maximises use of public transport, walking and cycling will reduce energy demand and minimise impacts to air quality. More intensive urban development can also help to minimise new housing development occurring in peri-urban locations which may be located on or close to significant natural environments. A compact urban form can also avoid the linear expansion of infrastructure such as roading and services into sensitive environments.

Issue 4 – Urban containment: A compact urban form is necessary to manage population growth and avoid sprawling into rural areas and important landscape features

There is ongoing pressure for the supply of greenfield land at the periphery of urban areas, leading to fragmented and disconnected settlements, and growing concern by the community at the lack of coordinated growth management. The need for urban containment to manage growth and protect the natural environment has been articulated by the community for decades. The key documents leading to the advancement of the current Urban Development chapter are included below.

Document	Extract
<i>Tomorrows Queenstown Community Plan (2002)</i>	<p><i>Efficient use of land resources is a key principle to protect the environment and the landscape from the effects of urban and rural sprawl.</i></p> <p><i>Contain urban development within defined boundaries. In general the landscape boundaries of rivers and mountains and the ability of the landscape to absorb development will be key determinants of the long term urban boundaries.</i></p> <p><i>Increasing the achievable density of large areas within existing urban areas is a key part of making this strategy work.</i></p> <p><i>Support the viability of frequent public transport by concentrating higher density development including visitor accommodation along transport corridors.</i></p>
<i>Wanaka 2020 Community Plan (2002)</i>	<p>Growth Management</p> <p><i>Workshop discussion recommended a long term boundary being defined within the rivers.</i></p>

	<p>Infrastructure <i>Planned growth means that infrastructure capacity is installed at the wrong rate. The benefit of a planned approach is that the capacity can be strategically designed in advance for the whole area and developed as required. Planning should look only as far as the proposed defined urban boundary.</i></p>
Arrowtown Community Plan (2002)	<p><i>That the boundary of Arrowtown be retained within the current zone boundaries.</i></p> <p>Infill: <i>Because it was confirmed that the current boundaries should be retained, the ability to absorb future development within the current zones needs to be considered. The purpose of providing for infill would be to enable future development, particularly for elderly, while retaining the character of the residential zone.</i></p>
Queenstown and Wanaka Growth Management Options Study (2004)	<p>Manage growth in a way that is sustainable <i>Landscapes should be a key determining factor in deciding the edge and location of urban development.</i></p> <ul style="list-style-type: none"> • <i>Contain urban growth to long-term certain boundaries.</i> • <i>Increase the achievable density of large areas within the existing and new greenfield urban areas.</i> • <i>Concentrate high-density development and visitor accommodation transport routes to support higher frequency public transport.</i>
A Growth Management Strategy for the Queenstown Lakes District (2007)	<p><i>All settlements are to be compact with distinct urban edges and defined urban growth boundaries.</i></p> <p><i>Greenfields development within the defined growth boundaries...is to be carefully managed to ensure that land is used to effectively balance the full range of desired community outcomes, and that a mix of activities can be accommodated. This includes encouraging a higher density form of development.</i></p>
Wanaka Structure Plan Review (2007)	<p><i>In order to provide for the more efficient use of land within Wanaka, the Council will provide for some development in new urban zones, while promoting consolidation of new dwellings into existing rural residential zones through rezoning of land for more intensive development ('upzoning') where this is considered achievable and appropriate (having consideration to potential landscape constraints).</i></p> <p><i>...this option...promotes slightly higher densities of development than are currently being achieved in Wanaka's urban zones. This aims to provide for a more diverse range of housing to meet the needs of the changing population while retaining the predominately low density character of Wanaka.</i></p>

It is evident that the issue of urban containment has been seen as the appropriate tool to manage growth pressures experienced at the three main centres of Queenstown, Arrowtown and Wanaka; and to protect the character for which each of these areas is recognised.

A compact urban form can provide the following benefits:

- Coordinated delivery of infrastructure and services (refer further detail below)
- Provision for increased density, with associated benefits for:
 - Increasing the viability of public and active transport networks
 - Improving housing diversity and affordability
 - Improving social interaction
 - Reducing reliance on private motor vehicle and promotion of walking and cycling.

The operative district plan refers to the principles of urban containment as a District Wide Issue relating to Landscape and Visual Amenity (Section 4.2.5) and Urban Growth (Section 4.9). However these existing provisions do not carry sufficient weight without the establishment of urban boundaries. Therefore, seeking add weight to this policy, Plan Change 30 (Urban Boundary Framework) was progressed, alongside Plan Change 29 (Arrowtown).

To date, the principles sought by Plan Change 30 have been limited in application in the absence of defined urban growth boundaries being implemented for Arrowtown, Wanaka and Queenstown. The absence of defined boundaries has resulted in the occurrence of private plan change requests to

subdivide land within the rural general zone, on occasions leading to poorly connected urban settlements and the ad hoc provision of water, wastewater and stormwater infrastructure with significant lifecycle costs. During a period of considerable growth experienced prior to the Global Financial Crisis in 2008, a number of peri-urban settlements were established at increasing distances from town centres. Whilst meeting a demand for greenfield housing, these settlements are a product of a lack of guiding policy and the market controlling the form and location of growth.

The ability of Council to appropriately manage urban growth with any conviction has been limited by the absence of a firm policy approach, hindered by the significant delays of legal challenges associated with Plan Change 29 and 30.

The establishment of Urban Growth Boundaries will help to provide certainty as to where urban development should take place, including future growth and expansion. They can enable provision to be made to achieve effectively designed urban edges that respond to the characteristics of local areas. It is however recognised that these are only one of the tools necessary to manage urban growth and that these must be supported by an overall policy framework which enables the right type of development to occur within these boundaries.

Issue 5 - Better coordination of infrastructure and services and forward planning

In the past, the lack of strategic guidance within the District Plan about where future development should be located has resulted in a number of subdivisions and commercial developments occurring in isolation, with little consideration to the impact on urban land use. This disconnected development pattern has considerable impacts to costs associated with infrastructure provision, particularly where such settlements occur at increasing distances from a town centre.

In order to ensure that development and infrastructure programmes are effectively integrated there is a need to ensure that there is co-ordination between the LTCCP and the District Plan. The establishment of urban boundaries and supporting policies will enable forward planning for infrastructure within defined limits; and provide the Council with greater control over development proposals with long terms maintenance liability to the community.

5. Evaluation

5.1 Purpose and options

In serving the function of a territorial authority provided by Section 31(1) of the Act, the Urban Development chapter has the purpose to implement policy and tools to manage the effects of urban growth. The provisions form part of the overarching strategic direction of the proposed District Plan, which governs the high level intentions for resource management and informs the policy direction down to the zone and activity level of the District Plan.

The provisions seek to:

- provide the strategic framework to manage the form and location of future growth
- promote a compact, well designed and integrated urban form
- to ensure the efficient provision of infrastructure
- to protect the District's rural landscapes from sporadic and sprawling development
- to protect the encroachment of urban development on sensitive environments
- establish urban growth boundaries for areas subject to growth pressures (Queenstown, Wanaka and Arrowtown) as the tool to provide for the coordinated management of growth

Whilst the Operative District Plan shares many of these objectives, there is poor translation of these objectives into regulation that carries sufficient weight to facilitate the outcomes sought. In particular, control over sporadic growth has been limited by the lack of growth boundaries in Wanaka and Queenstown.

Strategic Directions

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

Goal 2: Strategic and integrated management of urban growth

Objective 1: To ensure urban development occurs in a logical manner:

- *to promote a compact, well designed and integrated urban form;*
- *to protect the District's rural landscapes from sporadic and*

sprawling development

Objective 2: To manage development in areas affected by natural hazards

Goal 3: A quality built environment taking into account the character of individual communities

Objective 1: To achieve a built environment that ensures our urban areas are desirable places to live, work and play

Goal 4: The protection of our natural environment and ecosystems

Objective 1: To promote development and activities that sustain or enhance the life-supporting capacity of air, water, soil and ecosystems.

Objective 8: To respond positively to climate change

Goal 5: Our distinctive landscapes are protected from inappropriate development

Objective 1 To protect the natural character of Outstanding Natural Landscapes and Outstanding Natural Features from subdivision, use and development.

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

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

Goal 6: To enable a safe and healthy community that is strong, diverse and inclusive for all people.

Objective 1: To encourage access to housing that is more affordable

Objective 2: To ensure a mix of housing opportunities

Objective 4: To ensure planning and development maximises opportunities to create safe and healthy communities through subdivision and building design

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

- establishing urban growth management as one of the four strategic matters at the highest policy level within the hierarchy of the District Plan, affording appropriate control in decision making
- the establishment of urban growth boundaries as the tool to manage the potential adverse effects of urban growth on:
 - the natural environment and ecosystems
 - distinctive landscapes
 - rural amenity and productivity
 - character and amenity
 - sustainability
- establishing policy to ensure urban development occurs within urban growth boundaries and is avoided outside of urban growth boundaries
- promoting a compact urban form and higher density to ensure a mix of housing opportunities, improving affordability and maximising opportunities to create safe and healthy communities

5.2 Broad options considered to address issues

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.

- ***Option 1: Retain the operative provisions***

Option 1 would involve retaining the operative objectives and policies relating to urban growth management, including applying only the recently confirmed urban growth boundary for Arrowtown.

- ***Option 2: (Recommend): Comprehensive review. Establish a new chapter (including drafting of new objectives and policies) within 'Part 2 – Strategic' focusing on urban growth management and formalising urban growth boundaries for Queenstown, Wanaka and Arrowtown.***

Option 2 raises urban growth management to the strategic hierarchy of the proposed District Plan, and integrates the various policies in existence. This lifts this important resource management issue out of the array of other policies and objectives and places it at the head of the plan in its own right. Urban growth boundaries would be established for Queenstown, Wanaka and Arrowtown to provide an additional policy layer to assist in the management of growth in line with strategic objectives.

- ***Option 3: Retain urban growth management policy but remove urban growth boundaries all together***

Option 3 involves retaining urban growth management policy and removing urban growth boundaries as a tool. This approach would result in the market having greater control over the location and form of growth.

The table below provides an assessment of the costs and benefits associated with the three options above.

Option 1: Retain the operative provisions

Option 2: (Recommend): Comprehensive review. Establish a new chapter (including drafting of new objectives and policies) within 'Part 2 – Strategic' focusing on urban growth management and formalising urban growth boundaries for Queenstown, Wanaka and Arrowtown.

Option 3: Retain urban growth management policy but remove urban growth boundaries all together

	Option 1: Status quo/ No change	Option 2: (Recommend): Comprehensive review, formalising urban growth boundaries for Queenstown, Wanaka and Arrowtown	Option 3: Retain urban growth management policy but remove urban growth boundaries all together
Costs	<ul style="list-style-type: none"> Does not address identified issues in sufficient detail, retains ambiguity and lack of clarity around the location of future growth for Queenstown and Wanaka. Does not afford urban growth sufficient weight as an issue in its own right. Does not act on the outcomes of community planning processes which sought to establish defined urban limits for Queenstown and Wanaka Strength of policies is compromised due to the absence of defined urban growth boundaries for Queenstown and Wanaka Does not adequately address potential adverse effects of uncontrolled urban growth Lacks integration with policy for increased density, limiting opportunities to improve the vibrancy and social connection of urban areas Urban sprawl may compromise the achievement of a viable public and 	<ul style="list-style-type: none"> Limits available land supply for urban development within urban growth boundaries Reduced role of the market Reduced availability of greenfield land Potential increase in plan change requests seeking to amend urban growth boundaries, or develop outside boundaries, with associated litigation costs to Council. Land allocation may not be sufficient to address demand for low density housing Requires a change in thinking about the form of urban development Limits reliance on the private motor vehicle in lieu of public transport, which requires a radical change in commuter behaviour and requires action by others (such as the regional council) outside of the District Plan Increased density has the potential to generate greater impacts on the amenity values of existing properties 	<ul style="list-style-type: none"> Lead to uncontrolled urban sprawl governed by short term commercial interests Lack of supply control may lead to an oversupply of land for housing Increasing loss of greenfield/rural land to provide forms of low density housing, resulting in continuing urban sprawl and lack of coordinated infrastructure delivery. Risk to loss of character of major urban areas due to fragmented boundaries with a lack of defined edge. Limited effect on changing public perception/acceptance of density Costs associated with the installation and maintenance of public assets at increasing distances from town centres. Encroachment of urban development on sensitive environment and landscapes Potential impact on heritage values and the 'surprise' effect of Arrowtown Reduce social connectivity Compromise the economic viability of town centres Promotes inefficient low density land use, compromising future growth opportunities

	Option 1: Status quo/ No change	Option 2: (Recommend): Comprehensive review, formalising urban growth boundaries for Queenstown, Wanaka and Arrowtown	Option 3: Retain urban growth management policy but remove urban growth boundaries all together
	active transport network <ul style="list-style-type: none"> Does not promote the goal of a compact urban form 		and further intensifying urban sprawl.
Benefits	<ul style="list-style-type: none"> Retains the established approach which the community is familiar with. Protection of Arrowtown character and 'surprise' effect of entrance to the town Protection of rural land and amenity outside of the Arrowtown boundary Does not restrict development rights in Queenstown and Wanaka 	<ul style="list-style-type: none"> Raises urban growth management to the strategic hierarchy of the proposed District Plan, and integrates the various policies in existence. Provides greater weight to decline proposals which result in poor planning outcomes and compromise urban growth boundaries. Certainty over the future pattern of growth Growth managed in accordance with planning principles and not commercial interests Better integration of land use and infrastructure planning May improve housing affordability through support for increased density and diversity of housing supply within urban growth boundaries. Protection of natural environment and landscapes Protection of rural amenity through limiting the spatial extend of development Increased viability of public infrastructure achieved through support for increased density, and associated increases in patronage which may lead to reduced fees 	<ul style="list-style-type: none"> Provides high level policy to guide the location and form of growth. Proposals can be assessed on their merits. Provides flexibility over land supply Supports low density housing forms which remain desired by the public Avoids potential economic impacts of reduced land supply Does not restrict development rights whilst maintaining high level growth management principles

	Option 1: Status quo/ No change	Option 2: (Recommend): Comprehensive review, formalising urban growth boundaries for Queenstown, Wanaka and Arrowtown	Option 3: Retain urban growth management policy but remove urban growth boundaries all together
		<ul style="list-style-type: none"> • Increased vibrancy and social connectivity due to consolidation of urban areas • Requires innovative design approaches to maximise development yields • Potential for reduced private plan change requests associated with a strengthened multi-layer policy approach • Amenity impacts can be managed through sensitive design controls 	
Ranking	2	1	3

5.2 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 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.

5.3 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 Urban Growth Management 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 4.2.1 - Urban development is coordinated with infrastructure and services and is undertaken in a manner which protects the environment, rural amenity and outstanding natural landscapes and features.</p>	<p>Sets the broad principles for sustainable urban growth which is consistent with the availability of infrastructure, and utilises land efficiently and with higher density in appropriate locations. The objective also recognises the potential for additional urban growth in the Districts smaller urban townships which may not have defined growth boundaries. Development of these areas must also adhere to overarching principles of sustainable and coordinated urban growth.</p> <p>Consistent with Goals 2, 3, 4 and 5 of the Strategic Directions chapter.</p> <p>Gives effect to RPS (operative) objective 9.4.1 to 9.4.3</p> <p>Gives effect to RPS (operative) policies 9.5.1 to 9.5.5</p> <p>Gives effect to RPS (proposed) objectives 2.2, 3.4,3.7, 3.8, 4.3 and policies for the management urban growth in a strategic and co-ordinated way (3.8.1).</p>

Proposed Objective	Appropriateness
	<p>This objective is considered appropriate in meeting the purpose of the RMA as it promotes the sustainable management of the Districts natural and physical resources (5(2)), through ensuring land is used efficiently to achieve maximum benefit to the community (5(2)(a)).</p> <p>The objective also seeks to avoid adverse impacts to the natural environment (5(2)(c)) and safe guarding the life supporting capacity of soil ((5(2)(b)) through avoiding development which would adversely impact the natural environment, rural amenity or landscape values.</p> <p>The promotion of an integrated urban form also enables people and communities to provide for their social and economic wellbeing (S5(2) RMA) through improving connectivity and accessibility to services.</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 remaining objectives which together seek to achieve the purpose of the Act.</p>
<p>Objective 4.2.2 – Urban Growth Boundaries are established as a tool to manage the growth of major centres within distinct and defensible urban edges</p>	<p>Establishes the role and function of urban growth boundaries in providing for future urban development. Sets the firm intention that urban development should be directed to land within urban growth boundaries.</p> <p>Consistent with Goal 2 of the Strategic Directions chapter.</p> <p>Gives effect to RPS (operative) objectives 5.4.3</p> <p>Gives effect to RPS (operative) policies 5.5.6</p> <p>Gives effect to RPS (proposed), in particular objective 3.8 and policies 3.8.1, 3.8.2 which support the use of urban growth boundaries to control urban expansion and ensure the efficient use of land. The Proposed RPS also considers that urban growth boundaries can be used to stage development</p>

Proposed Objective	Appropriateness
	<p>through controlling the spatial release of land. The Proposed RPS policy 3.8.2 would specifically identify areas within the District subject to urban growth boundaries within Schedule 8, and is therefore intended to directly integrate with the QLDC District Plan in this regard.</p> <p>This objective meets the purpose of the RMA through its function in managing the way and the rate of the development of natural and physical resources (5(2)). It provides the tool to ensure the rate of growth is consistent with anticipated demand.</p>
<p>Objective 4.2.3 - Within Urban Growth Boundaries, provide for a compact and integrated urban form which limits the lateral spread of urban areas, and maximises the efficiency of infrastructure use and provision.</p>	<p>Identifies the desired land use and built form outcomes for land within urban growth boundaries; and sets the intention to achieve a compact urban form to maximise the efficient use of land.</p> <p>Consistent with the Purpose, and Goal 2 and 3 of the Strategic Directions chapter.</p> <p>Gives effect to RPS (operative) objectives 6.4.1, 9.4.1 to 9.4.3</p> <p>Gives effect to RPS (operative) policies 6.5.5, 9.5.1 to 9.5.5</p> <p>Gives effect to RPS (proposed), in particular objective 3.4 and policy 3.4.1 which seeks to achieve the strategic integration of infrastructure with land use, and coordinating infrastructure delivery with the staging of land use change.</p> <p>This objective indirectly supports the purpose of the Act through the relationship of a compact urban form in sustaining the life supporting capacity of soil and avoiding, remedying, or mitigating any adverse effects of activities on the environment.</p>
<p>Objective 4.2.4 – To manage the scale and location of urban growth in Queenstown within the Urban Growth Boundary illustrated on planning map XX and shown below.</p>	<p>Sets the objective enabling the establishment of specific policies to apply to land within the Queenstown Urban Growth Boundary, to support the achievement of objectives 1 to 3 for development in Queenstown.</p>

<i>Proposed Objective</i>	<i>Appropriateness</i>
Objective 4.2.5 – To manage the scale and location of urban growth in Arrowtown within the Urban Growth Boundary illustrated on planning map XX, and shown below.	<p>Sets the objective enabling the establishment of specific policies to apply to land within the Arrowtown Urban Growth Boundary, to support the achievement of Objectives 1 to 3 and implement the outcomes of Plan Change 29 (Arrowtown Boundary).</p> <p>Advances the purpose of the Act through establishing a mechanism to preserve and enhance the Arrowtown character, which contributes to the social, economic, and cultural well-being of the community.</p>
Objective 4.2.6 - To manage the scale and location of urban growth in Wanaka within the Urban Growth Boundary illustrated on planning map XX and shown below.	Sets the objective enabling the establishment of specific policies to apply to land within the Wanaka Urban Growth Boundary, to support the achievement of Objectives 1 to 3.

5.4 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. The proposed provisions are grouped by issue for the purposes of this evaluation.

<u><i>Use of urban growth boundaries</i></u>			
<ul style="list-style-type: none"> • Objective 4.2.2: Urban Growth Boundaries are established as a tool to manage the growth of major centres within distinct and defensible urban edges • Objective 4.2.3 – Within Urban Growth Boundaries, provide for a compact and integrated urban form which limits the lateral spread of urban areas, and maximises the efficiency of infrastructure use and provision. 			
Summary of proposed provisions that give effect to these objectives:			
<ul style="list-style-type: none"> • Application of urban growth boundaries as a tool to manage the location and pattern of future urban development • Clear policy intention that future urban growth is located within defined urban growth boundaries, and is not located outside of these boundaries 			
<i>Proposed</i>	<i>Costs</i>	<i>Benefits</i>	<i>Effectiveness & Efficiency</i>

<i>provisions</i>			
<p><u>Policies:</u></p> <p>4.2.2.1 to 4.2.2.6</p> <p>4.2.3.1 to 4.2.3.8</p>	<p><i>Environmental</i></p> <p>Urban growth boundaries may intensify land use to a level which exacerbates environmental effects associated with traffic congestion (if reliance on the private motor vehicle remains unchanged), water quality due to increases in impermeable surfaces which increases stormwater runoff to water bodies.</p> <p><i>Economic</i></p> <p>An effect on property values may be experienced due to the effect of urban growth boundaries on limiting greenfield land supply. However this effect can be mitigated through a more enabling policy framework which seeks to increase land supply within the urban growth boundaries.</p> <p>Minor infrastructure upgrades may be required to support increased density within urban growth boundaries. This effect may be counterbalanced with the increase in rate payers which is also achieved with higher density.</p> <p><i>Social and cultural</i></p> <p>Potential adverse social effects</p>	<p><i>Environmental</i></p> <p>The policies support the protection of significant ecological features and landscapes through ensuring sensitive areas are not identified within urban growth boundaries. The policy also recognises that within urban growth boundaries there may still be land which should not be developed due to environmental constraints, and places the onus on the developer to undertake a site specific investigation, and a design which is reflective of the local environmental context.</p> <p>Urban growth boundaries seek to protect the Districts important natural landscapes from the impacts of urban sprawl.</p> <p>Policies which support the relationship of urban growth boundaries with increased density may reduce air emissions through reduced private vehicle usage.</p> <p>Productive capacity of rural land is protected from urban sprawl.</p> <p><i>Economic</i></p> <p>Policies for increased density may decrease development costs and improve housing affordability.</p> <p>Urban growth boundaries provide a clear signal where land may be considered</p>	<p>The use of urban growth boundaries is considered to provide the means to manage urban growth in an efficient and effective manner. Efficiency in land use requires mechanisms to ensure urban land supply is consistent with demand, and supporting infrastructure is effectively integrated with the intended land use. The policy overall, (and further supported by the provisions of urban zones) aims to avoid the inefficient use of land, which leads to unsustainable outcomes and adverse environmental, economic and social impacts. Direct and unambiguous policy detailing the function of urban growth boundaries, and the avoidance of growth outside of urban growth boundaries, affords urban growth boundaries with the necessary strength to prevent development which is inconsistent with these objectives.</p>

	<p>associated with perceived change in amenity due to effect of intensification within urban growth boundaries. However this effect can be mitigated through the inclusion of policies and rules within zone chapters such as setbacks, height limits and maximum site coverage.</p>	<p>appropriate for urban development, thus increasing development certainty.</p> <p>A strong policy direction may reduce the occurrence of private plan changes and associated costs for Council and developers.</p> <p>Coordinated approach to infrastructure planning within urban growth boundaries can reduce capital and lifecycle costs for the Council and wider community.</p> <p>Support for increased density as a result of urban growth boundaries also has a range of economic benefits (addressed further in the table below).</p> <p><i>Social and cultural</i></p> <p>Urban growth boundaries implement the expectations of the community as expressed through various plans and strategies. The establishment of defined urban limits ensures the protection of elements contributing to local character and impression of a place (such as the 'surprise' effect of Arrowtown, and the natural boundaries of Wanaka provided by the Cardrona and Clutha Rivers).</p> <p>Policies seek to provide the clear direction that urban development outside of defined boundaries is inconsistent with the strategic intentions of the District Plan. This will avoid of disconnected urban settlements at increasing distances from town centres, which generally</p>	
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		lead to reduced opportunities for social and cultural interaction; and increased reliance on the private motor vehicle with associated health impacts.	
Alternative options considered less appropriate to achieve the relevant objectives:			
<i>Option 1: Do not apply urban growth boundaries</i>		<ul style="list-style-type: none"> • Retains ambiguity and lack of clarity around the location of future growth • Does not act on the outcomes of community planning processes which sought to establish defined urban limits for Arrowtown, Queenstown and Wanaka • Strength of policy is compromised due to the absence of defined urban growth boundaries • Does not adequately address potential adverse effects of uncontrolled urban growth 	
<i>Option 2: Include urban growth boundaries, but adopt a more flexible drafting approach, allowing development outside urban growth boundaries to be assessed on its merits.</i>		<ul style="list-style-type: none"> • Lacks certainty • Limits robustness/viability of urban growth boundaries • Does not sufficiently control recognised issues associated with urban sprawl • Does not sufficiently protect the Districts natural and rural landscapes 	

Use of urban growth boundaries – Location specific considerations (Arrowtown, Queenstown and Wanaka)

- **Objective 4.2.4: To manage the scale and location of urban growth in Queenstown within the Urban Growth Boundary illustrated on planning map **XX** and shown below.**
- **Objective 4.2.5: To manage the scale and location of urban growth in Arrowtown within the Urban Growth Boundary illustrated on planning map **XX**, and shown below.**
- **Objective 4.2.6: To manage the scale and location of urban growth in Wanaka within the Urban Growth Boundary illustrated on planning map **XX** and shown below.**

Summary of proposed provisions that give effect to these objectives:

- Adoption of the Arrowtown Urban Growth Boundary confirmed by Plan Change 29
- Adoption of the Wanaka Urban Growth Boundary reflected by the *Wanaka Structure Plan 2007* (with some variations to reflect changing urban context since 2007)
- Establishment of an Urban Growth Boundary for Queenstown

It is noted that the costs and benefits detailed below apply in addition to the more general costs and benefits identified by the table above.

Proposed provisions	Costs	Benefits	Effectiveness & Efficiency
<p><u>Policies:</u></p> <p>4.2.5.1, 4.2.5.2</p>	<p><u>Arrowtown</u></p> <p>Environmental</p> <p>Urban growth within defined boundaries may intensify land use to a level which exacerbates environmental effects.</p> <p>Economic</p> <p>May not address demand for additional housing supply. A study by Insight Economics (2015) predicts demand for an additional 730 to 920 additional dwellings over the next 20 years; with an existing theoretical capacity of only 152 new dwellings. However this effect should be mitigated by provision for increased density within the urban growth boundary.</p> <p>Reduction in greenfield land supply may require other urban settlements to make up the demand shortfall.</p> <p>May increase in house prices due to the effect of urban boundaries on limiting land supply, particularly in the absence of support for increased density within the</p>	<p><u>Arrowtown</u></p> <p>Environmental</p> <p>Protection of rural amenity values and retention of the effect of the golf courses, river and the mountains in providing a natural boundary.</p> <p>Economic</p> <p>Protection of heritage and character of Arrowtown, which underpins the local economy and contributes to the growth of ambience and recreational tourism.</p> <p>Increased viability of the town centre through containment, which may stimulate an expansion of local services within the town, avoiding the need for residents to travel to Queenstown.</p> <p>Social and cultural</p> <p>Protection of heritage and ‘ambience tourism’ values of Arrowtown through control over the location of development</p> <p>Protection of the ‘surprise’ element at the entrance to Arrowtown through retention of a</p>	<p>The District is predicted to continue to experience considerable growth in both resident population and temporary visitors. As indicated by the outcomes of various consultation processes undertaken over the past decade, and the development of the <i>Growth Management Strategy (2007)</i> action is required to control the form and location of growth for the Districts main centres.</p> <p>Wanaka, Arrowtown and Queenstown are experiencing considerable growth pressures, and the absence of a clear cut growth management strategy has the potential to impact on the enjoyment of these areas, affecting the social, economic and cultural wellbeing of the District.</p> <p>The adoption of urban growth boundaries for each of these areas provides the tool to maintain local character, heritage and amenity which underpins tourism and economic development; and to prevent fragmented and un-sustainable</p>

	<p>boundaries.</p> <p>Social and cultural</p> <p>Limited capacity to adapt to changing demographics and consumer preferences</p> <p>Limited ability to address anticipated demand for housing and services directly related to growth (such as schools).</p>	<p>defined urban edge and landscaped gateways.</p>	<p>development which may impact on the efficient operation of these centres.</p>
<p>4.2.6.1, 4.2.6.2</p>	<p><u>Wanaka</u></p> <p>Environmental</p> <p>Urban growth within defined boundaries may intensify land use to a level which exacerbates environmental effects.</p> <p>Economic</p> <p>May increase in house prices due to the effect of urban boundaries on limiting land supply, however this effect should be mitigated by support for increased density within defined boundaries.</p> <p>Reduction in market control over greenfield land supply.</p> <p>Social and cultural</p> <p>Support for increased density within urban boundaries may impact noise, traffic and open space amenity.</p>	<p><u>Wanaka</u></p> <p>Environmental</p> <p>Protection of rural amenity values and retention of the effect of the Clutha and Cardrona Rivers in providing a natural boundary.</p> <p>Protection of outstanding natural features and landscapes which surround the township.</p> <p>Provision for a sensitive transition between urban and rural land at the periphery of urban growth boundaries</p> <p>Protection of productive capacity of rural land</p> <p>Economic</p> <p>Support for increased density to maximise the efficiency of land use within defined boundaries</p> <p>Support for increased density may enable a diverse housing supply and ease housing</p>	

		<p>affordability</p> <p>Reduces speculative market influence on inducing supply of low density greenfield land.</p> <p>Facilitates integrated infrastructure delivery within defined boundaries.</p> <p>Social and cultural</p> <p>Retention of local character and avoidance of sprawling housing and visitor accommodation which can impact on appreciation and enjoyment of the town.</p>	
<p>4.2.7.1, 4.2.7.2, 4.2.7.3</p>	<p><u>Queenstown</u></p> <p>Environmental</p> <p>Urban growth within defined boundaries may intensify land use to a level which exacerbates environmental effects.</p> <p>Economic</p> <p>May increase in house prices due to the effect of urban boundaries on limiting land supply, however this effect should be mitigated by support for increased density within defined boundaries.</p> <p>Reduction in market control over greenfield land supply.</p> <p>Social and cultural</p> <p>Increase in town centre populations could</p>	<p><u>Queenstown</u></p> <p>Environmental</p> <p>Protection of internationally renowned landscape which underpins tourism and supports economic development within the District and wider regions.</p> <p>Minimises urban sprawl and associated need to travel increasing distances to main centres for services.</p> <p>Protection of outstanding natural features and landscapes</p> <p>Avoids loss of rural land for urban development.</p> <p>Economic</p> <p>Supports consolidation of the urban</p>	

	<p>have an impact on noise, traffic and crowding.</p>	<p>environment and increased density within urban boundaries. This may increase patronage and viability of public transport services; and support funding for the provision of new services (such as schooling, healthcare) triggered by increased population density.</p> <p>Maintains the character and role of Queenstown of the primary urban centre, and the appreciation and enjoyment of the town by residents and visitors is not affected by increasing travel times.</p> <p>Integrated infrastructure delivery will ensure efficiency of public spending, ultimately benefiting individual ratepayers.</p> <p>May improve housing affordability through enabling a diverse housing supply and limiting the gains to be achieved by landbanking.</p> <p>Social and cultural</p> <p>Creation of a more cohesive and integrated population, utilising existing infrastructure and amenity spaces.</p>	
<p>Alternative options considered less appropriate to achieve the relevant objectives:</p>			
<p><i>Option 1: Do not apply urban growth boundaries</i></p>	<ul style="list-style-type: none"> • Retains ambiguity and lack of clarity around the location of future growth • Does not act on the outcomes of community planning processes which sought to establish defined urban limits for Arrowtown, Queenstown and Wanaka • Strength of policy is compromised due to the absence of defined urban growth boundaries • Does not adequately address potential adverse effects of uncontrolled urban growth 		

<p><i>Option 2: Include urban growth boundaries, but adopt a more flexible drafting approach, allowing development outside urban growth boundaries to be assessed on its merits.</i></p>	<ul style="list-style-type: none"> • Lacks certainty • Limits robustness/viability of urban growth boundaries • Does not sufficiently control recognised issues associated with urban sprawl • Does not sufficiently protect the Districts natural and rural landscapes
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A compact urban form

Objective 4.2.3 – Within Urban Growth Boundaries, provide for a compact and integrated urban form which limits the lateral spread of urban areas, and maximises the efficiency of infrastructure use and provision.

Summary of proposed provisions that give effect to these objectives:

- Support for a compact urban form within defined urban growth boundaries to provide the following benefits:
 - Higher density housing in appropriate locations
 - Coordinated and sustainable delivery of infrastructure and services
 - Maximise efficient use of land, public transport and community facilities
 - Improving housing diversity and affordability
 - Improving social and recreational connections

<i>Proposed provisions</i>	<i>Costs</i>	<i>Benefits</i>	<i>Effectiveness & Efficiency</i>
<p><u>Policies:</u> 4.2.3.1 to 4.2.3.8</p>	<p><i>Environmental</i> Intensified urban land may exacerbate environmental effects associated with stormwater runoff, waste generation, water and wastewater treatment, energy consumption and air quality.</p> <p><i>Economic</i></p>	<p><i>Environmental</i> Policies seek to contain urban growth within defined limits, therefore minimising encroachment to sensitive environments.</p> <p>Urban containment minimises the environmental effects of urban growth, in comparison with a sprawling scenario which allows a low density settlement pattern</p>	<p>Policies for a compact urban form are essential for ensuring the effectiveness and efficiency of urban growth boundaries. Without more liberal controls on density, urban growth boundaries could not achieve the efficiency in land use desired, and land may quickly be consumed for low density housing. Conversely, increased</p>

	<p>A compact urban form may require infrastructure upgrades to provide acceptable services with sufficient capacity to cater for an increased population density. However, typically these costs are less than for traditional low density development on the edges or urban areas.</p> <p>Potential impact of traditional low density housing options to minimise the achievable yield and compromises future use of the land for urban development. The inclusion of policy mitigating against such behaviour should mitigate this risk.</p> <p><i>Social and cultural</i></p> <p>Increase in town centre populations could have an impact on noise, traffic and crowding.</p> <p>Potential adverse social effects associated with perceived change in amenity due to effect of intensification within urban growth boundaries. However this effect can be mitigated through the inclusion of policies and rules within zone chapters to mitigate amenity impacts (such as recession planes, setbacks, height limits and maximum site coverage).</p>	<p>affecting a significantly larger development footprint.</p> <p>Increased population density within defined limits can improve infrastructure efficiency in favour of the expansion of linear infrastructure networks, which consumes significant land resources with associated environmental impacts.</p> <p>Policy which enables density in appropriate locations may support increased uptake of public transport and use of active transport networks, reducing reliance on the private motor vehicle.</p> <p><i>Economic</i></p> <p>Enabling higher density land uses will facilitate a diverse housing market and open up new supply options (including provision of smaller, low maintenance dwellings), therefore improving housing affordability.</p> <p>Policy which enables increased density within urban growth boundaries can increase uptake of community services and public transport, increasing their financial viability.</p> <p>Increased population density may generate funding for additional infrastructure and social services to meet community needs.</p> <p>Policy which limits the provision of infrastructure to land within urban growth</p>	<p>density in proximity to urban centres has many benefits, and ensures land within urban growth boundaries is released/developed in an efficient manner over the current planning period.</p> <p>Importantly, these policies appropriately integrate with the Proposed Regional Policy Statement (RPS) which has the objective to achieve well planned urban growth which uses land and infrastructure in an efficient and effective manner.</p> <p>It is recognised that these policies, to be truly effective, must also be supported by consistent policies at the zone and activity level. Accordingly, these policies have guided the strategic direction of the Proposed District Plan.</p>
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		<p>boundaries avoids capital and lifecycle costs associated with expanding networks, ultimately benefiting ratepayers.</p> <p>Social and cultural</p> <p>Policy for a connected urban settlement pattern will improve connections to recreational and community facilities, and enhance the amenity and vibrancy of urban areas.</p> <p>Increased density is recognised to improve health due to its relationship in increasing the uptake of walking and cycling, and relationship in localising services and amenities within walking distance to residences.</p>	
<p>Alternative options considered less appropriate to achieve the relevant objectives:</p>			
<p><i>Option 1: Apply urban growth boundaries, without consideration to the form of development within them</i></p>	<ul style="list-style-type: none"> • Compromises the purpose of the urban development principles through lack of integration with desired on the ground outcomes. • Risk of uncontrolled and inefficient land use, jeopardising the achievable development capacity • Lack of provision for high density may adversely impact on housing affordability and not address expected growth rates 		
<p><i>Option 2: Include urban growth boundaries, but adopt a more flexible drafting approach, allowing development outside urban growth boundaries to be assessed on its merits.</i></p>	<ul style="list-style-type: none"> • Lacks certainty • Limits the robustness/viability of urban growth boundaries • Does not protect local character • May enable progressive watering down of the boundaries • Allows speculative market behaviour which may adversely impact local economies • Does not sufficiently 		

5.5 Efficiency and effectiveness of the provisions

The Urban Growth Management chapter of the Proposed District Plan has the purpose to implement policy and tools to manage the effects of urban growth. The provisions form part of the overarching strategic direction of the proposed District Plan.

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.

By simplifying the objectives and policies and consolidating these into a single chapter, the subject matter becomes easier to understand for users of the Plan both as applicant and processing planner. Removal of ambiguous or confusing wording, also encourages correct use. With easier understanding, the provisions provide certainty to users of the plan, and will discourage proposals which seek to compromise the intentions of the policy.

6. 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 current review provides the opportunity to make bold changes in order to make a more noticeable difference. Not taking the more streamlined 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.

Specifically, the Urban Growth Management chapter provides one of the four strategic guiding chapters of the Proposed District Plan, and informs lower level provisions. The proposed amendments highlight urban growth as a particular resource management issue for the District, and raise this subject to the top hierarchy of the District Plan. This approach is considered to improve on the operative version whereby urban growth management is buried within a myriad of District Wide Issues.

The proposed changes also establish the use of urban growth boundaries, and clearly identify the development outcomes sought within these boundaries. This policy approach provides certainty and reduces the current ambiguity about the future location and pattern of growth.

These provisions have been developed to address the risk of ad hoc urban growth which is assessed on a case by case basis, with limited strategic foresight. Such development poses an unacceptable risk to the quality of the urban environment, with flow on effects to economic, social and cultural wellbeing.