

**QLDC Council
30 June 2015**

Report for Agenda Item: 3

Department: Planning & Development

Plan Change 50 Queenstown Town Centre Zone – Ratification of Commissioners' Decision

Purpose

- 1 The purpose of this report is to provide the Commissioners' recommendation on submissions to Plan Change 50 Queenstown Town Centre Zone (PC 50) and to seek ratification as a Council decision for notification.

Recommendation

- 2 That Council:
 1. Note the contents of this report and in particular;
 2. Agree to adopt the Commissioners' further evaluation of PC 50 under s 32AA of the Resource Management Act 1991;
 3. Have particular regard to the further evaluation undertaken in accordance with clause 10(2)(ab) of Schedule 1 to the Resource Management Act 1991
 4. Agree to adopt the Commissioners' recommendations as Council decisions;
 5. Agree to adopt the reasons that the Commissioners give for accepting or rejecting the submissions and further submission on PC 50; and
 6. Direct staff to notify the decision in accordance with the Schedule of the Resource Management Act 1991.

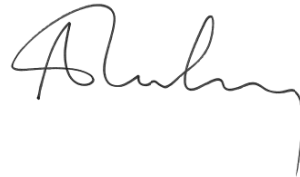
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19/06/2015

Reviewed and Authorised by:



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19/06/2015

Background

- 3 The purpose of PC 50 is to address an undersupply or shortage of land zoned as 'Queenstown Town Centre' that was originally identified in the McDermott Miller Strategies Ltd report (November 2013) commissioned by the Council.¹ The report signaled a clear need for an expanded Queenstown Town Centre in order to provide for and facilitate projected growth.
- 4 Council resolved to notify PC 50 in a meeting dated 11 September 2014.
- 5 PC 50 was notified for submissions on 15 September 2014. The period for further submissions closed on 30 October 2014. A total of 58 original submissions and 14 further submissions were received. It is noted that 12 of the further submissions were made by original submitters. Two additional further submissions were received by new submitters.
- 6 The hearing for proposed Plan Change 50 and submissions (including further submissions) took place at the Crowne Plaza, Queenstown on 17 November to Monday 24 November 2014. The Commissioners identified that there was a need for conferencing on a number of issues. Such conferencing was convened on 8 and 9 December, with Retired Environment Court Judge Kenderdine chairing the sessions. A further day of hearing was held on 16 January 2015, at the conclusion of which the Commissioners requested expert witness conferencing on issues identified in a Minute. Following the conferencing of expert witnesses on 9 and 10 February 2015, the hearing was reconvened on 23rd February 2015 to hear additional submissions on the identified issues from both the Queenstown Lakes District Council and submitters.

Comment

- 7 The fundamental matter is for the Council to determine independently whether or not PC 50 should proceed. In making this determination the Council must take into account the views and decisions of the Commissioners regarding amendments to the notified version of PC 50, and the comprehensive public submission process that was undertaken with interested members of the community. The Commissioners have considered PC 50, submissions and further submissions (including submissions and evidence presented at the hearing), the Section 32 evaluation, the Section 32AA re-evaluation and the Section 42A report and attachments. The Commissioners have concluded that the proposed plan change is appropriate, subject to a number of comprehensive amendments to the policy, rule and methods supporting activities located within the plan change area. The key amendments made to the Queenstown Town Centre Zone (QTCZ) provisions advanced by Plan Change 50 as a result of the Commissioners' decision include:
 - (a) A reduction in the extent of PC 50 area to be rezoned QTCZ, however this was agreed by Council during the hearing process. The western end of

¹ Refer page 5 of the section 32 evaluation report.

the Lakeview sub-zone known as the 'Lynch Block', is to be retained as High Density Residential Zone (HDRZ), with the exception that the Lakeview sub-zone bulk and location requirements will continue to apply over this area;

- (b) Changes to Section 7 (Residential) of the District Plan to enable the existing HDRZ over the 'Lynch Block' to benefit from the more enabling height and coverage standards under the Lakeview sub-zone;
- (c) A revised zone map reflecting the amendment to the western-most part of the Lakeview sub-zone is proposed;
- (d) Amendments to Objective 10.2.4.3 and the supporting policy framework to more appropriately reflect ancillary retail and ancillary commercial activities that support the predominant uses within the Lakeview sub-zone are recommended;
- (e) Inclusion of the Council's preferred definition for 'Predominant uses', and also introduction of a new definition of "ancillary retail and ancillary commercial activity" which has been incorporated into the Lakeview sub-zone policy and rule framework;
- (f) The Commissioners have retained the non-notification clauses that related to a convention centre and visitor accommodation facilities within the Lakeview sub-zone. This was a feature of Plan Change as notified.
- (g) The Commissioners have not sought to include any provisions that require the identification of a convention centre within the Lakeview sub-zone, nor have they introduced 'location' as a matter of discretion for any future resource consent application.
- (h) A revised rule framework for predominant uses located within the Lakeview sub-zone has been formulated by combining the three previous Restricted Discretionary Activity rules proposed by Council. The predominant use rule now governs (i) a convention centre, (ii) visitor accommodation and (iii) commercial recreation and /or tourist activities with a gross floor area of more than 400m². Matters of discretion have been expanded to give clear guidance in relation to matters that are to be considered;
- (i) A new rule framework for non-ancillary retail and commercial activities within the Lakeview sub-zone that (i) fall below 400m² gross floor area per tenancy and (ii) commercial activities with a gross floor area of more than 400m² is recommended in order to manage impacts on the viability of the existing Queenstown Town Centre (including managing cumulative effects of non-ancillary retail and commercial activities where these exceed a maximum gross floor area of 6,500m² across the Lakeview sub-zone);
- (j) The Isle Street sub-zone has now been split into two with revised planning provisions supporting the Isle Street sub-zone (West) and the Isle Street sub-zone (East) now recommended. A revised zone map reflecting the amendment to the Isle Street sub-zones is proposed;
- (k) Amended rules supporting the Isle Street sub-zone (West and East), which are more responsive to the underlying resource management issues that apply to each sub-zone area are recommended. This includes the ability for development to be increased to a height of 15.5m within the Isle Street sub-zone (East) as a controlled activity where sites are greater than 2,000m² and front either Man Street or Isle Street;
- (l) Allowing 34 Brecon Street a height limit of 15.5m (with the provision of a 2m roof bonus, limited to 40m² in area and setback from adjoining roads

and the Queenstown Cemetery boundary);

- (m) That the Beach Street Block be incorporated into the QTCZ with amendments to the rules governing future development within the Beach Street Block;
- (n) A range of other amendments to the rule regime and supporting methods in order to give effect to the amendments set out above.

Options

8 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:

9 Option 1 Accept the Commissioners' recommendation

10 Advantages:

- The submission and hearing process gave people the opportunity to either support or oppose the proposal.
- The Commissioners have had the benefit of submissions and further submissions as well as professional assistance (in the form of the officer's recommendation), expert evidence and expert conferencing of transport, urban and planning witnesses to reach their decision.
- Should Council feel that some aspects of the recommendations are inappropriate, Council remains in the position to undertake a variation to the Plan Change.

11 Disadvantages:

- The Council may disagree with amendments to the version of the plan change approved for notification by Council.

12 Option 2 Reject the Commissioners' recommendation in whole or in part

13 Advantages:

- Council can reject amendments to the version of the plan that it disagrees with.
- Council will reserve the right to reopen the hearing process.

14 Disadvantages:

- Council cannot make changes to the Commissioners' recommendation as they have not heard the evidence presented at the hearing or read the submissions. To change the recommendations would be inconsistent with principles of procedural fairness and natural justice.
- All submitters will need to be re-heard at another hearing, which would result in delays.

- Additional Council and submitter resources will be required to re-hear the plan change.

15 This report recommends Option 1 for addressing the matter.

Significance and Engagement

16 This matter is significant as determined by reference to the Council's Significance and Engagement Policy given that the Commissioners' recommendation is considered significant under the following thresholds:

- Moderately affects a large number of ratepayers;
- Affects small number of ratepayers to a large extent;
- History of generating wide public interest in district;
- Involves ownership, control, construction, replacement or abandonment of a strategic asset (as defined in the Act and/or Policy);
- Affects capacity to carry out, or the cost of carrying out, activity identified in the LTP.

Risk

17 This matter relates to the strategic risk SR1 "Current and future development needs of the community (including environmental protection)", as documented in the Council's risk register. This is due to the fact that the matter relates to the District Plan. The risk is classed as high as a result of the fact that the District Plan is a critical document for the social, economic and environmental wellbeing of the District.

18 The risk of endorsing the Commissioners' recommendations is that of appeal. The recommendation is to reduce the size of PC50 from what was originally proposed. Other amendments have also been made through the process with a view to appeasing submitter concerns. It is considered that these amendments and the decision of the Commissioners mitigates the risk to an acceptable degree.

Financial Implications

19 Excepting the possibility of appeal, there are no additional anticipated costs associated with the rezoning of this site. Costs associated with subsequent development have not been considered as part of this paper.

Local Government Act 2002 Purpose Provisions

20 The recommended option:

- Will help meet the current and future needs of communities for growth of the Queenstown Town Centre, good-quality local infrastructure, local

public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by simplifying and streamlining the District Plan.

- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies.

Consultation: Community Views and Preferences

- 21 The persons who are affected by or interested in this matter are the residents and ratepayers located within the District, as well as submitters and further submitters who submitted on this plan change process.

Legal Considerations and Statutory Responsibilities

- 22 The Council has correctly consulted through RMA procedures.

Attachments

- A Report and Recommendations of Independent Commissioners Plan Change 50 Queenstown Town Centre Zone : 16th June 2015 (circulated separately)