

QLDC Council
30 June 2016

Report for Agenda Item: 14

Department: Planning & Development

Arrowtown Design Guidelines 2016 – Variation 1 to the Proposed District Plan

Purpose

To present the revised Arrowtown Design Guidelines 2016, the section 32 evaluation report and proposed amendments to the Proposed District Plan provisions for proposed Variation 1, for Council's endorsement and public notification.

Recommendation

That Council:

1. **Note** the contents of this report and in particular the tabled 'comments' received following the required consultation under Clause 34 of the First Schedule when proposing to incorporate a document by reference into the Proposed District Plan (Stage 1) prior to formal notification;
2. **Authorise** through the delegation of full Council, a Councillor to review any further changes to the Arrowtown Design Guidelines 2016, the Section 32 evaluation report and provisions without further recourse to the Council, where this is necessary to:
 - a) Amend Variation 1 and supporting documents as a consequence of the 'comments' received following consultation undertaken under Clause 34 of the First Schedule of the RMA when proposing to incorporate a document by reference into the Proposed District Plan (Stage 1);
 - b) Ensure consistent numbering and formatting of the amended Proposed District Plan and Arrowtown Design Guidelines 2016 text; and
 - c) To fix identified minor errors and/omissions; and
2. Following changes made under 2 above, **notify** Variation 1 in accordance with the 1st Schedule of the Resource Management Act 1991.

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15/06/2016

Reviewed and Authorised
by:



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15/06/2016

Background

- 1 The purpose of the Arrowtown Design Guidelines ('**ADG**') is to provide assistance to the community, landowners, developers, designers, planners, Council and decision makers where restoration, alteration, development or redevelopment is proposed within Arrowtown.
- 2 They focus on ensuring that development in the more sensitive areas (such as the Arrowtown Town Centre and the Arrowtown Residential Historic Management Zone ('**ARHMZ**')) is advanced in a manner that will protect and enhance the historic characteristics of the Arrowtown.
- 3 The existing ADG were prepared in 2006 and are referred to in the 'District Wide' chapter of the Operative District Plan. The new Proposed District Plan references the ADG 2006 in five separate chapters:
 - a. Urban Development,
 - b. Arrowtown Town Centre Zone,
 - c. the ARHMZ,
 - d. the proposed Medium Density Residential Zone ('**MDRZ**') and
 - e. Low Density Residential Zones ('**LDRZ**').
- 4 The need for a change to the ADG 2006 was identified following notification of the Proposed District Plan (Stage 1) in August of last year. The current guidelines are ten years old and require updating to reflect changes that have occurred in Arrowtown since they were prepared. They also do not consider the proposed MDRZ to be introduced to Arrowtown under the Proposed District Plan.
- 5 The task to update the Arrowtown Design Guidelines 2006 was initiated by officers following discussions with Councillors Gilmour and Stevens. Advice was received from David Clarke, Philip Blakely and Richard Knott. Richard Knott is an external consultant, specialising in urban design, heritage and planning matters. Messrs Clarke and Blakely represented the Arrowtown community.
- 6 The agreed goal when reviewing the 2006 guidelines was to retain much of the community led content from the existing ADG, whilst agreeing to update the guidance (to recognise the ten year gap) and incorporate new guidance to respond to the proposed MDR zoning.
- 7 The draft version of the Arrowtown Design Guidelines 2016 has been prepared in consultation with the Arrowtown Planning Advisory Group ('**APAG**'). Council officers have been in consultation with APAG since November 2015 to ensure that integrity of the ADG 2006 was being maintained and to ensure that updated Guidelines addressed the consequences of the proposed MDRZ and development more generally that has taken place over the last 10 years.

- 8 Feedback has resulted in a number of extensive amendments to both the layout and structure of the Guidelines and contents of the guidelines themselves, to ensure that they are user friendly and better respond to the development intensification within the proposed MDRZ.
- 9 A workshop with the Council was also held in Wanaka on 1 June 2016 where the draft Arrowtown Design Guidelines 2016 was discussed with Councillors.
- 10 Further, following the Councillor workshop the final version of the Arrowtown Design Guidelines 2016 attached to this agenda was discussed with David Clarke and Philip Blakely as representatives of APAG.
- 11 A copy of the ADG 2016 is appended as **Attachment A**. The section 32 assessment is contained in **Attachment B**.

The Guidelines

- 12 Under the *Operative* District Plan the ADG 2006 is referenced in the 'District Wide' chapter. The Guidelines can therefore be considered as part of any resource consent application but the focus has been on the Arrowtown Town Centre and the ARHMZ as these are bespoke Arrowtown zones, rather than the Low Density Residential parts of Arrowtown.
- 13 Under the *Proposed* District Plan, the application of the Guidance has widened, with specific consideration now required to be given to the ADG 2006 as a matter of discretion for any Restricted Discretionary Activity resource consent to:
 - a) Construct or undertake alterations to buildings¹ or construction of new buildings within the ARHMZ and the Arrowtown Town Centre; and
 - b) Construct two or more dwellings on a site in the proposed MDRZ and LDRZ (where this relates to Arrowtown).
- 14 The 2016 ADG are strongly based upon the 2006 ADG. In particular they:
 - a. Retain reference to the three main 'character areas' in Arrowtown (including the Town Centre (Section 3), Residential Old Town (now referenced ARHMZ) and New Town (now proposed MDRZ and LDRZ).
 - b. Retain the Neighbourhood Areas and associated guidance relating to the above character areas (refer Section 2.0).
 - c. Retain and update the Arrowtown Town Centre Guidance (Section 3.0) to reflect the level of new development that has occurred within the Town Centre over the last 10 years.
 - d. Retain the Appendix section, however amends the Approved Lists of trees and materials to link back to the Arrowtown Town Centre, ARHMZ and New Town (encompassing the MDRZ and LDRZ). Wilding species identified under the PDP have been removed.

¹ An exemption is proposed for building maintenance.

- e. Comprehensively update photos and supporting diagrams to reflect changes within the three main character areas over the last 10 years and as a consequence of the proposed MDRZ.

15 Key changes made include:

- a. Integrates both the Old and New Town Sections into one section (Section 4.0) and provides more guidance for new developments in the proposed MDR and LDR zones that trigger the need for resource consent.
- b. Encourages positive design responses through new guidance that seeks to ensure:
 - New developments are designed to incorporate elements which contribute to the character of the ARHMZ into developments within the proposed MDR and LDR zones;
 - New developments within the proposed MDR and LDR zones to reflect the sense of spaciousness and simplicity seen within the ARHMZ;
 - Subdivision and lot layout within the proposed MDRZ and LDRZ to reflect the character of the ARHMZ;
 - New buildings within the proposed MDRZ, whether at the front or rear of a site, are orientated parallel to boundary lot lines, or similar to that of historic building orientations in the vicinity of the ARHMZ.

16 In order to use the Guidelines, there are five steps:

- a. **Step 1** - Identify what character area your property is located within (Town Centre, Old Town Residential, or New Town)
- b. **Step 2** - Identify the relevant Neighbourhood Area that your property falls within and any identified constraints or heritage features of relevance;
- c. **Step 3** – Identify the zoning of your property and are there any resource consent requirements for proposed development;
- d. **Step 4** – With reference to 1-3 above, assess the proposed development against either Section 3 (Town Centre) or Section 4 (Old Town/New Town Areas) and consider how the proposal responds to the identified historic character and values of Arrowtown.
- e. **Step 5** - Determine whether any changes are required to the proposal in light of Steps 1 to 4 above.

Process

17 The RMA sets out the process for initiating a Variation to a Proposed District Plan.

18 The process is unique when you are proposing to incorporate a document 'by reference' into a Proposed District Plan, as Council is with the ADG 2016. Prior

to notifying a formal variation, Clause 34 of the first Schedule requires Council to seek 'comment'. Comments can be provided online or in writing.

- 19 An advertisement in *The Mirror* and *Wanaka Sun* sought 'comments' on the ADG 2016 between 8 and 24 June 2016. These will be presented at Council, and the resolution sought is that changes can be made to the ADG 2016 in response to these comments.
- 20 Should Council accept the resolution proposed, the process would be to formally notify the ADG 2016 and the text changes to the Proposed District Plan as Variation 1 to the Proposed District Plan.
- 21 Any person can then lodge a submission. As with plan changes, there is then a further submission process. The submission and further submissions would be considered at a hearing before the Hearings Panel appointed by Council to hear submissions on the Proposed District Plan. The Panel would be chaired by Denis Nugent with final composition to be determined.
- 22 The intention is to hear the submissions on Variation 1 after the Residential hearing stream, as many submissions were received against the proposed Medium Density Zone in Arrowtown.

Comment

- 23 The resolution seeks authority to initiate the first Variation to the proposed District Plan. A Variation is the same as a plan change and requires public notification, submissions, further submissions, and a hearing.
- 24 As noted above, the key change was actually introduced when the PDP was notified, in that the application of the 2006 Guidance has widened, with consideration now specifically required to be given to the ADG 2006 as a matter of discretion for any restricted discretionary activity resource consent.
- 25 The proposed variation replaces reference to the 2006 ADG with the 2016 ADG. This means that the document appended as **Attachment A** will be specifically considered by the consent planner processing a resource consent application in Arrowtown.
- 26 Council officers also currently seek input from the APAG when considering applications. This is likely to continue as the local knowledge and experience of Arrowtown that APAG provides is helpful when assessing resource consent applications.
- 27 Returning to the purpose of the guidelines, they focus on ensuring that development in the more sensitive areas (such as the Arrowtown Town Centre and the ARHMZ) is advanced in a manner that will protect and enhance the historic characteristics of the Arrowtown.
- 28 If development intensification provided for under the proposed MRDZ is not appropriately designed to respond to the sensitivity of the adjoining ARHMZ, there is the potential for the historic character and high amenity values of the ARHMZ to be eroded over time.

29 Policy 4.2.7.2² of the Urban Development Chapter seeks to “ensure that development within the Arrowtown Urban Growth Boundary provides:

- an urban form that is sympathetic to the character of Arrowtown, including its scale, density, layout and legibility in accordance with the Arrowtown Design Guidelines 2006 (and any adopted updates).
- opportunity for sensitively designed medium density infill development in a contained area closer to the town centre, so as to provide more housing diversity and choice and to help reduce future pressure for urban development adjacent or close to Arrowtown’s Urban Growth Boundary.” (underlining added).

30 In relation to underlined reference above, “and any adopted updates” in Policy 4.2.7.2, legal advice has been received that it is not lawful to include “and any subsequent amendments” or words to that effect. Any document that is incorporated by reference becomes part of the Proposed District Plan.

31 Consequently, to make any change to that document incorporated by reference requires a Plan Change. As the Proposed District Plan has been notified, this requires the equivalent process which is a Variation, which must follow the process in Schedule 1 of the Resource Management Act, including public notification.

32 References to the Arrowtown Design Guidelines 2006 were included in Hearing Stream 1B (Urban Development Chapter) and elsewhere, meaning that amending and updating reference to the Arrowtown Design Guidelines 2016 will not be resolved before one, if not more of the Chapters of the Proposed District Plan are heard.

Options

33 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.

34 Option 1 - Initiate Variation 1 to the Proposed District Plan (Stage 1) to incorporate by reference the Arrowtown Design Guidelines 2016

a. Advantages:

- i. Will more effectively respond to future development within the New Town area of Arrowtown (which includes both the proposed MDRZ and the LDRZ), and ensure new development is able to provide a more effective design response to the development intensification within these zones.

b. Disadvantages:

- i. Will require applicants for resource consent to consider the ADG 2016 and how their proposed development responds to the

² Section 42a Officer right of reply to Hearing Stream 1B to the Proposed District Plan Review.

guidelines. This could add extra cost as a design response might be required rather than a standard house design.

35 Option 2 – Retain the 2006 ADG and do not proceed to approve Variation 1 for public notification

a. Advantages:

i. Would retain the established 2006 guidelines that applicants and the community are familiar with.

b. Disadvantages:

i. The Proposed District Plan will not adequately manage development within Arrowtown as the existing references are to the 2006 ADG which is now out of date and does not cover the proposed Medium Density Residential zone.

ii. Would offer less targeted guidance for new development to be advanced within the MDRZ, which could lead to unsympathetic design responses close to the ARHMZ.

36 This report recommends **Option 1** for addressing the matter.

Significance and Engagement

37 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy, because (i) of the importance of Arrowtown's valued heritage and amenity resources and the benefits for the Arrowtown Community inhabitants, district and visitors social wellbeing from these nationally significant historic heritage values being maintained and (ii) and Council's statutory obligations.

Risk

38 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. The risk is classed as high. This matter relates to this risk because the Proposed District Plan, along with the 10 Year Plan and Asset Management Plans, is central to the current and future development needs of the community.

39 The recommended option considered above mitigates the risk by providing the necessary regulatory framework to provide for these needs.

Financial Implications

40 Costs associated with the recommended decisions are accounted for in operational budgets.

Council Policies, Strategies and Bylaws

41 The following Council policies, strategies and bylaws were considered:

- Proposed District Plan
- Operative District Plan
- Arrowtown Design Guidelines 2006
- Heritage Strategy, 2010 (comprising a non-statutory strategy aimed at protecting and managing heritage resources in the Queenstown Lakes District).

42 This matter is included in the 10-Year Plan/Annual Plan to the extent that it is aligned with several desired community outcomes.

Local Government Act 2002 Purpose Provisions

43 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

44 The persons who are affected by or interested in this matter are residents and ratepayers of Arrowtown and any submitters who have made a relevant submission or further submission to those chapters that contain reference to the existing Arrowtown Design Guidelines 2006.

45 The Council has undertaken consultation with the Arrowtown Planning Advisory Group. The extent of this feedback has been incorporated, as much as reasonably practicable, into the final version of the Arrowtown Design Guidelines 2016 attached to this agenda.

46 The Arrowtown Design Guidelines 2016 were notified for 'comment' as required under the RMA, prior to the Full Council meeting on 30 June. Comments received will be presented at the Full Council meeting.

47 Should the Council pass the resolution, formal notification of the variation would likely require communication to every landowner in Arrowtown so they are aware of the proposal.

48 Further consultation such as a public workshop or meeting in Arrowtown at the start of the submission period is also necessary to enable the proposed guidelines to be discussed in more detail.

Legal Considerations and Statutory Responsibilities

49 A number of legal and statutory considerations are relevant to this matter:

- In relation to referencing “*and any adopted updates*” in Policy 4.2.5.2, a Legal opinion has previously been obtained for wording of these types and it is understood that it is not lawful to include words to that effect. This matter is proposed to be addressed as part of Variation 1.
- This matter is subject to the process contained in Schedule 1 RMA.

Attachments

- A Arrowtown Design Guidelines 2016 (circulated separately)
- B Section 32 evaluation report