

Before the Queenstown Lakes District
Council

In the matter of The Resource Management Act 1991 (RMA)

And The Queenstown Lakes Proposed District Plan Stage 3; Stream
18; Settlement Zone

**Statement of evidence of Timothy Turley Williams for Universal Developments
(Hāwea) Limited #3248**

29 May 2020

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Qualifications and experience

- 1 My full name is Timothy Turley Williams. I hold the Qualifications of Bachelor of Resource Studies from Lincoln University and Masters of Urban Design and Development with Distinction from The University of New South Wales. I reside in Queenstown.
- 2 I have practiced in the planning and urban design field in the Queenstown Lakes District since 2003. I am a director of Williams & Co a Queenstown based planning and urban design consultancy.
- 3 I have 16 years experience in planning, resource management and urban design roles. I have been involved in a wide range of planning and design based matters throughout the District, this has included SHA applications, master planned developments, subdivisions of a variety of scales, policy development and other resource management consultancy services. I have worked in both local government and private sector roles.
- 4 My involvement with this project commenced when consideration was being given to development of the subject site. This involvement has included consideration of Stage 1 appeals and subsequent mediation, assessment of the notified Stage 3 provisions, the preparation of submissions and further submissions for Universal Developments. I have also led the planning and urban design for the SHA process from inception to resource consent which relates to a 32ha parcel of land within the 'subject site' being considered in this evidence.

Code of Conduct for Expert Witnesses

- 5 I confirm that I have read the Code of Conduct for expert witnesses contained in the Environment Court of New Zealand Practice Note 2014 and that I have complied with it when preparing my evidence. Other than when I state I am relying on the advice of another person, this evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

Scope of evidence

- 6 In preparing this evidence I have reviewed:
 - a) The reports and statements of other experts giving evidence relevant to my area of expertise, including:
 - a. Mr Espie

- b. Mr Waite
 - c. Mr Hocking
 - d. Mr Carr
 - e. Mr Davis
 - f. Mr Forrest
 - g. Mr Copeland
- b) The s42A reports, Strategic Overview and Chapter 20 Settlement including infrastructure evidence from Mr Powell and Chapter 18 General Industrial Zone including evidence of Ms Hampson in respect of NPS-UDC Capacity and Economic matters in relation to General Industrial and Three Parks Zone. I have also read Council's s32 reports: Townships and General Industrial along with associated expert reports.
- c) The relevant submissions made in respect of the zoning of this area.
- 7 This evidence has been prepared to address the appropriate zoning of the seven properties comprising 'the Site' being 140ha. A plan identifying the Site and these seven properties is also attached to my evidence, **Appendix [A]**. These properties are described below:
- a. Universal Developments Hāwea Limited - Lot 1 DP 343855 (RT 180127) – 29.5ha
 - b. Universal Developments Hāwea Limited – Lot 2 DP 343855 (RT 180128) – 34.4ha. I note this is the land an SHA application currently relates to.
 - c. LAC Property Trustees Limited - Lot 1 DP 541414 (RT 909889) – 55.4ha. This land was previously part of Lot 3 DP 343855 (RT 180129) which was subdivided pursuant to RM181582.
 - d. Streat Group Ltd – Lot 1 DP 304937 (RT 19606) – 16.6ha
 - e. YTP Nominees Limited, Catharine Stuart, Roger Stuart – Lots 1 and 2 DP 8474 (RT OT385/83, RT OT393/230 – 1214m² & 2132m²)
 - f. Hallie Ruth Buckley & David Smith – Lot 2 DP 53897 (RT897996) – 2.4ha
 - g. Bruce, Stuart & Suzanne Roy – Lot 2 DP 477596 (RT 663301) – 0.98ha
 - h. Keith Stubbs – Lot 1 DP 538397 (RT 897996) – 4000m²

Re-Zoning Proposal

- 8 As will be discussed in greater detail in my evidence the comprehensive re-zoning of the Site guided by a Structure Plan (Figure 1 below) is proposed. A copy of the Zoning/Structure Plan is also attached to my evidence **Appendix [B]**.
- 9 In summary the rezoning proposal includes.
- Relocating the Urban Growth Boundary (UGB) to Domain Road and the southern and eastern boundaries of the Universal/LAC land.
 - Utilising a Building Restriction Area in the form of a green buffer to reinforce the UGB.
 - Provisions for a Water Race Reserve and associated walking/cycle trails providing connectivity through and around the Site.
 - Re-zoning of land within the Site providing for:
 - 9.2ha of General Industrial Zoning – Yielding a potential of 72 (1000m²) sections.
 - 3.5ha of Local Shopping Centre Zone – Yielding a potential of 16,800m² GFA.
 - 3.5ha for a future school
 - 5.2ha of Medium Density Residential Zone – Yielding a potential of 145 sections.
 - 110.3ha of Lower Density Suburban Residential Zone (including 29.1ha approved as an SHA) – Yielding a potential of between 881 & 1137 sections plus the 465 sections approved via the SHA.

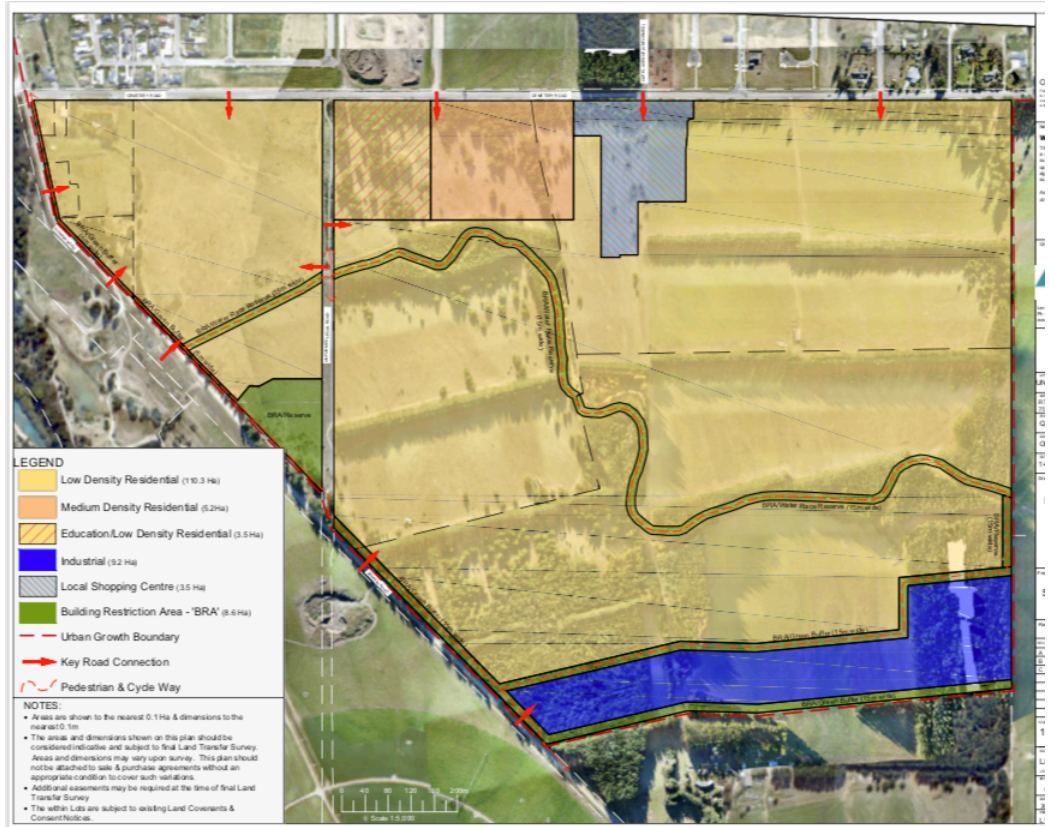


Figure 1: Zoning/Structure Plan

10 An indicative master plan illustrating this future development in line with landowners submissions and the approved SHA is also illustrated below in Figure 2 to provide for an understanding of the overall structure plan and zoning framework. A copy of this plan is also attached to my evidence, **Appendix [C]**.

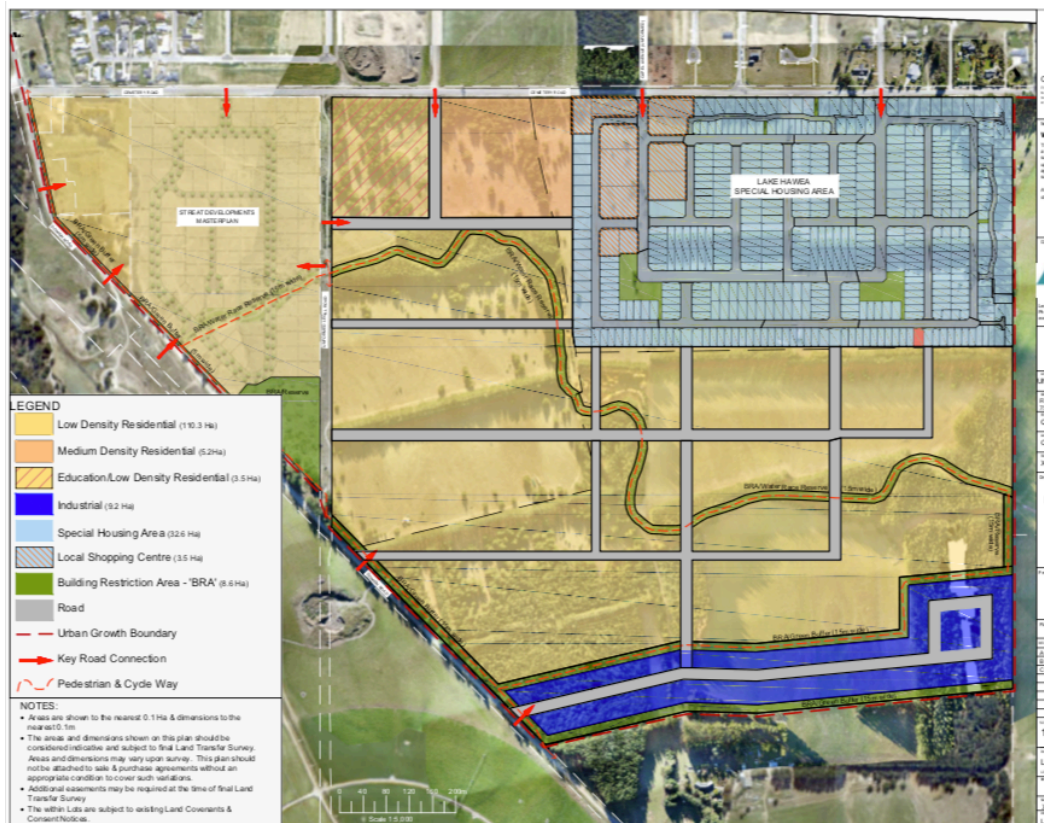


Figure 2: Indicative Master Plan

Executive Summary

- 11 This evidence has been prepared to address the appropriate zoning of the area south of Cemetery Road comprising the Site (described above).
- 12 The Site is ideally situated to accommodate growth of the Hāwea township whilst a structure plan approach can ensure a comprehensive plan and zoning for the area within defensible and logical boundaries that will not detract from landscape values in particular ONLs. In landscape terms a location such as this where urban expansion can occur without impacting on ONLs whilst providing for growth of an existing settlement are limited in this District.
- 13 In terms of national policy guidance, the NPS-UDC provides no upper limit in terms of feasible development capacity and any capacity analysis should be treated with caution given the various modelled outputs and assumptions as highlighted in the evidence of Mr Hocking and Mr Copeland. This is against an NPS policy framework that emphasises the importance of competition and the requirement to consider market indicators and market forces to encourage and enable increased capacity.
- 14 In the case of the QLDC, the Housing Taskforce report has illustrated the disconnect between a theoretical capacity of zoned land and actual supply in the

market, where land banking and major landowners of large areas of greenfield zoned land play a significant factor in reducing competition and flow of zoned land into actual supply of sections into the market as illustrated by increases in prices. The NPS-UDC summarises this well where it states:

Competition is important for land and development markets because supply will meet demand at a lower price when there is competition. There are several key features of a competitive land and development market. These include providing plenty of opportunities for development. Planning can impact on the competitiveness of the market by reducing overall opportunities for development and restricting development rights to only a few landowners.¹

- 15 The moving of the UGB to incorporate the Site and comprehensive re-zoning will contribute positively to the competitiveness of the market and finds strong support in the NPS-UDC.
- 16 Typically infrastructure is an important factor and potential cost associated with a potential increase of zoned land. However in this case major upgrades to the Hāwea township are already proposed or will be required to accommodate the growth Council is seeking to promote in Hāwea.
- 17 The Development infrastructure definition in the NPS-UDC means network infrastructure for water supply, wastewater, stormwater, and land transport as defined in the Land Transport Management Act 2003, to the extent that it is controlled by local authorities. Evidence presented by Universal Developments shows that the proposed rezoning can be serviced by Development Infrastructure. Therefore infrastructure is not a limiting factor. Increased development contributions and rates will be provided to help the cost.
- 18 Community considerations appear to be a determining factor for QLDC in assessing the appropriateness or otherwise for growth in Hāwea. However, in a policy context this must be balanced against a full range of policies relevant to consideration of any re-zoning and growth considerations. In my opinion this plan review process enables public and community participation and is an appropriate process for making decisions around growth. I also consider both the Hāwea and broader communities' views should inform decision making and it is evident the cost to the community of rising unaffordability in housing, constrained supply and increased traffic congestion and commuting to employment opportunities is placing significant cost on the Community.
- 19 In my assessment growth can occur in a planned and coordinated manner that has positive effects for the Hāwea community by bringing greater employment

¹ NPS UDC 2016 – Preamble

and live work play opportunities. Providing for growth through an expansion of the UGB will also provide a more realistic likelihood of increased supply at more affordable price points than QLDC's current approach of emphasising and relying on significant infill within the existing township.

- 20 Overall, having conducted a s32 evaluation, a re-zoning of the Site guided by a structure plan is considered the most appropriate option for the Site, Hāwea Township and Upper Clutha.

Context & Opportunities

The Site

- 21 The land owned by Universal Developments Hāwea Limited contains an approved building platform (RM030820) on Lot 1 DP 343855 accessed from Domain Road. No dwelling has been built on the platform. Lot 2 DP 343855 also contains an approved building platform (RM030820) accessed from Cemetery Road and an existing farm building (RM170075).
- 22 In accordance with the HASHAA 2013 and the Housing Accords and Special Housing Areas (Queenstown – Lakes) Amendment Order 2019, Schedule 3 *Lake Hāwea special housing area* Lot 2 DP 343855 (34.4ha) has been declared a Special Housing Area “the SHA Land”. A resource consent for a qualifying development SH190005 has been lodged with QLDC, a hearing held and a decision issued approving the development on this land. The resource consent provides for subdivision to create 465 residential allotments, reserves, a childcare centre, commercial building and a bulk title to provide for future consideration of commercial and community uses within an area of 2.6ha. Reticulated servicing via extension of the Council network is proposed to service the development.
- 23 In association with the SHA, a Deed (*Hāwea Special Housing Area Deed (Infrastructure & Affordability)*) has been entered into between Universal Developments, QLDC and Queenstown Lakes Community Housing Trust (QLCHT). This amongst other things requires 12.5% of serviced sections and land to be gifted to the Trust. I note the Deed requires the development to proceed in accordance with the consent i.e. there would not be an opportunity for re-zoning of the land to circumvent Universal's obligations to deliver the development in accordance with the resource consent and associated conditions and requirements of the Deed. In particular the 12.5% contribution to the Trust. Mr Hocking has also reiterated this within his evidence.
- 24 A residential building platform is located within the LAC Property Trustees Limited site with access from Domain Road. As noted above this property was subdivided from Lot 3 DP 343855 pursuant to RM181582.

- 25 The Streat Group Ltd land is zoned Rural Residential and is currently being developed in accordance with subdivision consent RM060010 which provides for 36 lots and associated roading and services. It is noted a subsequent purchaser of two of those lots has lodged subdivision consent seeking to further subdivide the two sites into 8 lots (RM200335).
- 26 The Roy property contains an existing building as does the Buckley/Smith property.
- 27 The entire northern boundary of the Site has frontage to Cemetery Road. In a central position off Cemetery Road, Capell Avenue is an unformed legal road that enables direct connection back into the established part of Hāwea. At present Capell Avenue provides a formed pedestrian and cycle route. The Site is also opposite Sentinel Park, a recently completed residential subdivision, with Grandview Drive at its north eastern end. Grandview Drive connects to Sarges Way which provides connection north into Hāwea. At the north-western end the Site is directly opposite Timsfield, a residential subdivision.
- 28 An unformed legal road runs north south from Cemetery Road to Domain Road between the Streat and Universal land which currently contains a pedestrian and cycle trail that provides connection to the Hāwea Domain and Hāwea Flat school. It is noted the Hāwea township does not currently have a primary school, children travel to Hāwea Flat for schooling.
- 29 An open water race runs through the LAC, Universal and Streat sites.
- 30 To the east is productive farm land and the Gladstone Gap hazard flow whilst to the west is the Hāwea River. South of Domain Road is productive irrigated dairy farmland.
- 31 Figure 3 below illustrates this context as described above. A copy of this plan is also attached to my evidence **Appendix [D]**.

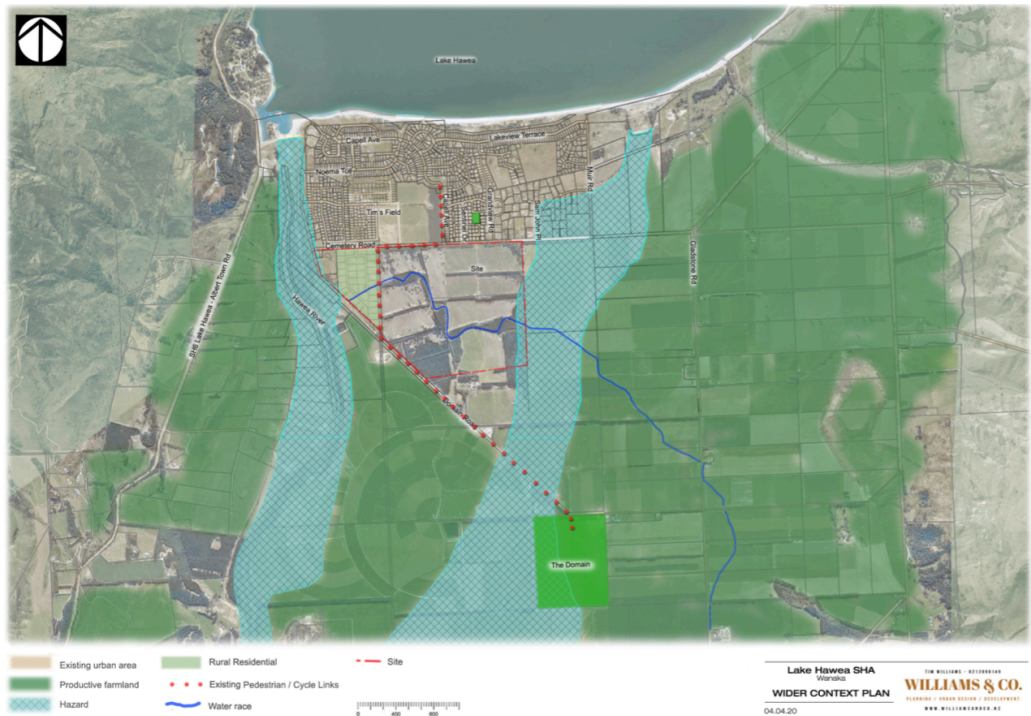


Figure 3: Site Context

32 This context is considered advantageous in providing for a logical expansion of the township. In this regard the following characteristics of the Site are considered relevant:

- A majority of the land was pine covered and unproductive (the pines are currently being removed).
- The Site does not contain LUC class 1 -3 High Class Soils.
- The Site is not sensitive in a landscape/visual sense.
- The nature of land to the east being productive farmland and being increasingly affected by the overland flow path from the Gladstone Gap means the eastern edge of the Site is a logical boundary.
- The Site is bound to the south by Domain Road and productive irrigated dairy farm land.
- The Site already contains elements of urban development in the form of roading and street lights etc associated with the subdivision of the Street land.
- The Site is bound by Cemetery Road to the north, which already provides access to urban development.
- The Site is located on the natural pedestrian and cycle path from the township to the domain and Hāwea Flat school as provided for via the pedestrian and cycleway within the unformed legal road that runs through the Site.
- The land is flat and therefore easy and cost-effective to develop.
- A water race runs through the site and provides an opportunity to create interest, recreation, and open space within the urban expansion of the township.
- Council's reticulated service networks easily service the Site as services already run along Cemetery Road and within the unformed legal road. Wider

upgrades of the servicing for Hāwea will ensure adequate capacity can be planned to accommodate additional growth.

Hāwea Township Context

- 33 The Township has experienced significant change in recent years with developments like Sentinel Park and expansion of Timsfield introducing a more typical suburban form of housing to the township. The locations of these areas on the flatter land south of the distinct terrace defining the 'old township' is also relevant in that this has provided for growth without overly apparent changes to the lakeside setting and character of the township. The locations of these areas away from the main entrance of the township also assist to manage ongoing change.
- 34 The township currently has a hotel and small grocery store called Sails. The area around Sails was rezoned to Local Shopping Centre Zone through Stage 1 of the PDP providing for 4500m² of capacity. No primary school is provided in Hāwea with children going to the school at Hāwea Flat. With limited employment nor services, cafes etc in Hāwea a majority of residents commute to Wanaka for day to day needs and employment.
- 35 The QLDC's proposed re-zoning of the township to Low Density is signalling that the Council expects significant further growth in the population of Hāwea. The current township zoning provides for minimum lot sizes of 800m² whereas the Lower Density Suburban zoning would allow a minimum lot size of 450m² and further density down to 1 dwelling per 300m² where the houses are built first.

Opportunities

- 36 Taking into account the above Site and context analysis the Site is well placed to contribute to the logical expansion of the township with the key opportunities including:
- Providing for urban expansion within a contained area defined by defensible and physical boundaries as discussed above that is directly adjacent the existing urban area.
 - The Site having a significant frontage to Cemetery Road that already provides access to residential housing can ensure development integrates into the existing urban fabric of Hāwea.
 - The Site being adjacent to the newer development within the township can enable further urban development to provide for growth without detracting from the 'older township' character and amenity.

- The Site is not visually sensitive, ecologically sensitive, productive nor located along the main entry or lakefront of Hāwea.
- Given the limited existing amenities, schooling etc within the township against a backdrop of significant anticipated growth, the Site can contribute to employment and services within the township making it more sustainable and self-sufficient.
- The ownership of the southern property by LAC Property Trustees Limited an entity owned by Mr Hocking provides the opportunity to provide a coordinated and defensible southern boundary to the township.

Statutory Considerations

37 Given the background of both natural and physical resources present or affected by the Site, the following are considered to be the Statutory Documents with particular relevance to any zoning outcome for this land, noting the National Policy Statement for Freshwater Management 2011 (NPSFM), and the Operative Regional Policy Statement are also applicable²:

- (a) The National Policy Statement on Urban Development Capacity 2016 – s.74(1)(ea) and s.75(3)
- (b) The Partially Operative Otago Regional Policy Statement (2019) – s.74(2)
- (c) The Operative Regional Policy Statement
- (f) The Objectives of the Proposed District Plan – s.32(1)(b)

National Policy Statement on Urban Development Capacity 2016

38 The National Policy Statement on Urban Development Capacity (the ‘NPS’) came into force in November 2016. The purpose of the NPS is to give policy guidance that local authority planning should provide enough opportunities for development to meet the feasible housing and business needs of people and communities – both current and future.

39 The Queenstown Lakes District is a High Growth Area for the purpose of the NPS. As identified in Mr Barr’s Strategic overview evidence³ the Council has approached the Wanaka Urban Environment as compromising Wanaka, Albert Town, Luggate and Lake Hāwea Township.

² In terms of these documents I agree with the analysis provided in Mr Barr’s s42a Strategic Overview

³ QLDC-pdp-s42a-Strategic-overview-18-03-2020 pg17 para 6.6

- 40 The preamble to the NPS is helpful to understand the purpose of the NPS and matters particularly pertinent to this proposal:

It recognises the national significance of well-functioning urban environments, with particular focus on ensuring that local authorities, through their planning, both:

. enable urban environments to grow and change in response to the changing needs of the communities, and future generations; and

. provide enough space for their populations to happily live and work. This can be both through allowing development to go “up” by intensifying existing urban areas, and “out” by releasing land in greenfield areas.

- 41 Both the concepts stated; recognising urban environments need to grow and change, and the potential to provide for growth through allowing development to go ‘out’ by releasing land in greenfields areas are particularly relevant concepts to the development of the Site.

- 42 The preamble also identifies matters particularly relevant to consideration of this Site and providing for growth as follows:

This national policy statement aims to ensure that planning decisions enable the supply of housing needed to meet demand. This will contribute to minimising artificially inflated house prices at all levels and contribute to housing affordability overall. Currently, artificially inflated house prices drive inequality, increase the fiscal burden of housing-related government subsidies, and pose a risk to the national economy.

Competition is important for land and development markets because supply will meet demand at a lower price when there is competition. There are several key features of a competitive land and development market. These include providing plenty of opportunities for development. Planning can impact on the competitiveness of the market by reducing overall opportunities for development and restricting development rights to only a few landowners.

Providing a greater number of opportunities for development that are commercially feasible will lead to more competition among developers and landowners to meet demand.

Relevant objectives of the NPS are:

Objective Group A – Outcomes for planning decisions

OA1: *Effective and efficient urban environments that enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing.*

OA2: *Urban environments that have sufficient opportunities for the development of housing and business land to meet demand, and which provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses.*

OA3: *Urban environments that, over time, develop and change in response to the changing needs of people and communities and future generations.*

Objective Group D – Coordinated planning evidence and decision-making

OD1: *Urban environments where land use, development, development infrastructure and other infrastructure are integrated with each other.*

OD2: *Coordinated and aligned planning decisions within and across local authority boundaries.*

43 These objectives illustrate that the NPS is primarily an enabling policy direction encouraging flexibility and choice to be provided in the supply of land for housing and business activities. As the preamble highlights this is premised on the basis of encouraging opportunities for supply of land given the benefits it provides in creating a competitive market which assists with supply meeting demand at a lower price point and the risks that planning regulation can have on reducing opportunities for competition by restricting development rights to only a few landowners.

44 It is considered this proposal for comprehensive re-zoning of the Site will align with, and promote, these objectives by enabling greater competitiveness in the market. It is evident as pricing for housing and business land has continued to increase against a backdrop of theoretical zoned capacity that zoned capacity doesn't represent supply in the market. Mr Hocking and Mr Copeland's evidence also highlight this issue.

45 It is well documented that the Queenstown Lakes District has an affordability issue. In 2016, Infometrics reported the median salary for the district was \$49,780; the median house price in this same year was \$803,241. This provides a ratio of house price to income (liveability ratio) of 15, this compares to

Auckland's liveability ratio of eight for the same period.⁴ Within this pricing framework the median house price for Hāwea was \$381,000 in 2013 rising to \$650,000⁵ in 2017, a 70% increase. Mr Hocking in his evidence also discusses and highlights the price escalation that has occurred.

46 As The Mayoral Housing Affordability Taskforce Report 2017 highlights there is need for both scale and innovation if we are to address what the report highlights as '*potentially the greatest challenge our District faces*'⁶.

47 The significant increase in property prices that the District has experienced is against a backdrop of theoretical capacity within existing zoned areas, Hāwea is no different. Given that prices have continued to rise rapidly it is apparent other factors such as land banking, lack of competition, family ownership structures, fragmented land parcels etc all influence the timing that land is brought to the market.

48 The Taskforce report also identifies this issue where it states:

*While there appears to be sufficient zoned land, actual supply of sections is limited by a range of factors including land banking by current land owners and the time it takes to get land to the market. Unless substantially more land is provided, the cost of sections as they are slowly released onto the market is likely to continue to increase. The market is currently constrained as indicated by the unavailability of land for housing at the present time.*⁷

49 Again, Hāwea is no different, with the existing urban area having been zoned for various forms of residential development since 1977 and land either contained within a single ownership or fragmented small ownerships making access and development timing uncertain. Recent significant increases in median house and section prices illustrate this principle very well - simply relying on existing zoned areas will not have any meaningful impact on the supply and affordability issues the District is facing.

50 In this regard I note the following in terms of existing supply in Hāwea:

- The majority of greenfield residential land is owned by Willowridge Developments Ltd contained within the remaining Timsfield land (Lot 999 DP 533255 – 22.8ha) and Koreke Rise (Lot 2 DP 536086 – 8.5ha).

⁴ QLDC 10 Year 2018 - 2028 Plan Volume 2 p39

⁵ www.qv.co.nz/suburb/lake-hawe

⁶ The Mayoral Housing Affordability Taskforce Report 2017 p3

⁷ The Mayoral Housing Affordability Taskforce Report 2017 p19

- Willowridge Developments Ltd is also a major landowner of greenfields capacity in Wanaka and Luggate.
- The only provision for business zoned land in Hāwea is a Local Shopping Centre Zone of 4556m² around the existing Sails Café and Dairy.

- 51 QLDC has prepared a Housing & Business Development Capacity Assessment (10 May 2018) that is understood to have been prepared in response to the requirements of the NPS and in particular policies PB1-PB7. As part of the Township review ME Consulting has reviewed potential plan enabled capacity as part of Council's recommendation to re-zone land within Hāwea from Township zone to Low Density⁸.
- 52 Of relevance the development capacity assessment has highlighted a shortfall, and considerable demand growth in the lower value bands, generally under \$580,000⁹. Pricing in Hāwea is typically at the lower price points within the housing market in the District and therefore additional capacity in Hāwea has a greater opportunity to contribute to this part of the market.
- 53 In terms of the capacity analysis and further plan enabled analysis undertaken as part of the Stage 3 Review the analysis identifies significant additional capacity within the existing township. However, as noted above a majority of this Greenfields land is held in one ownership. In terms of the infill capacity, as discussed above the extent to which this is delivered to the market at any scale or speed is very uncertain. I note in this regard Mr Fairgray also emphasises the same point in Section 5.6 Take-up of Feasible capacity¹⁰ where he notes *'the expected take-up of feasible development capacity is what determines development over a particular time period. Actual development is what really matters'* and *'generally, it is expected that only a proportion of both plan-enabled and feasible development capacity will be taken up'*.
- 54 There is also a significant cost to the community in an under supply to the market as identified in the Housing Task Force Report but also by the fact the Queenstown Lakes Community Housing Trust (QLCHT) waiting list for housing assistance continues to grow due to lack of affordability and supply of housing.
- 55 I note in terms of the consideration of business capacity it appears limited consideration has been given to what might contribute to making Hāwea more sustainable and provide greater employment opportunities alongside growth in

⁸ Plan Enabled Capacity in Hāwea and Albert Town 14 August 2019

⁹ QLDC Housing & Business Development Capacity Assessment 10 May 2018 para 38

¹⁰ QLDC HDCA 2017 – Section 5.6 pg 211

residential housing and therefore a growing population in Hāwea. It is evident even under the Council assumed capacity analysis it expects Hāwea to grow significantly but limited consideration has been given to employment opportunities and other land needs associated with growth such as, provision of schools, churches and business land in general. In my opinion in planning for the growth of Hāwea, a significant opportunity provided by the Site exists to contribute to making the township more self sufficient with live, work and play opportunities.

56 Specifically, in terms of Industrial land supply I note the evidence of Ms Hampson highlights a potential shortfall or marginal surplus in vacant capacity for industrial land supply in Wanaka¹¹. Ms Hampson notes the importance of the greenfields areas, Tussock Rise Limited (TRL) 6.1ha and land south of the oxidation ponds Site (8.36ha¹²) to this residual supply. Notably, TRL is seeking to rezone its land from industrial to BMUZ and the land south of the oxidations ponds is owned by Willowridge Developments therefore potentially further reducing industrial land supply and competition. Accordingly, the Site provides a strategic opportunity to provide additional greenfields supply.

57 Policy PA3 is also relevant and states:

When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:

a) Providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses;

b) Promoting the efficient use of urban land and development infrastructure and other infrastructure; and

c) Limiting as much as possible adverse impacts on the competitive operation of land and development markets.

58 The policies also address infrastructure and specifically PA2 which states:

PA2: Local authorities shall satisfy themselves that other infrastructure

¹¹ Evidence in Chief of Natalie Dianne Hampson – NPS_UDC Capacity and Economic matters relating to the General Industrial & Three Parks – 18 March 2020 para 16.29 pg 94

¹² Evidence in Chief of Natalie Dianne Hampson – NPS_UDC Capacity and Economic matters relating to the General Industrial & Three Parks – 18 March 2020 para 16.18 pg93

required to support urban development are likely to be available.

- 59 Provision of infrastructure can often be constraining on development capacity however as confirmed in the evidence of Mr Waite and to a large extent the evidence of Mr Powell for QLDC the land can be serviced with infrastructure. It is considered this provides further support to re-zoning of the Site. I also note servicing and future upgrades must already be well understood and provided for by QLDC given it has recommended up-zoning of the existing township.
- 60 Policies PB1 to PB7 *Evidence and monitoring to support planning decisions* are also considered particularly relevant. Specifically PB2c) Market indicators monitored under PB6 and PB7. In this respect these matters are covered in Section 6.6 Market and Price Efficiency Indicators of ME Housing Development Capacity Assessment 2017. Section 7.5 covers the equivalent within the Business Development Capacity Assessment 2017 also prepared by ME Consulting.
- 61 In my opinion *PB3 d) The rate of take up of development capacity, observed over the past 10 years and estimated for the future* is particularly relevant. In my experience having been involved in development process within the district since 2003 there does not appear to be a strong relationship between feasible capacity i.e land zoned and serviced, and that land actually being developed. There are large areas of zoned land within the district that have been zoned for 10 years or more that have had little actual development brought to the market. On the other hand, examples such as Shotover Country in Queenstown and Northlake in Wanaka have exhibited significant delivery and uptake of product in the market. Both the above cases were developer led private plan changes that Council opposed in part on the grounds that there was already enough capacity for housing. Therefore, in my opinion even if a 20% additional margin is provided to feasible development capacity¹³ if this 20% equates to land where a landowner has historically not delivered product to the market this margin may still not ensure sufficient capacity exists.
- 62 As discussed above it is considered there is a disconnect between the theoretical modelled capacity and that this is not materialising as supply in the market at the rates or levels that the modelling produced by ME would suggest. In my opinion, as required by PB6 and 7, QLDC is not placing sufficient weight and consideration on these matters when making planning decisions as required by the NPS. Increasing prices are evidence of this e.g. supply not equal to demand. Various other reports produced by Council including the Housing Task Force Report also highlight this, with land banking and the difficulties in realising infill

¹³ Barr Strategic Overview s42a Report pg 18.

development being key identified issues. As noted above, Mr Fairgray also acknowledges this point but considers *'it is not certain that rezoning more land will prevent the potential for this phenomon to occur'*¹⁴. However, the approach taken by QLDC in up zoning land within Hāwea has to date continued to provide the majority of the additional capacity to a smaller number of existing landowners particularly Willowridge Developments. Stage 1 of the PDP upzoned approximately 20ha of Willowridge land from Rural Residential to Lower Density Suburban Residential and Stage 3 now proposes up-zoning a further 6ha in Timsfield, next to the 20ha up-zoned in Stage 1 and 8.5ha at Koreke Rise. This represents a majority of the greenfields land in Hāwea. In my opinion this does not assist to address the rate of uptake issues identified by Mr Fairgray nor does it find support in the NPS-UDC which seeks to create a competitive market.

- 63 The price indicator guidance states that a ratio greater than 1.5 suggests a land supply constraint with the current ratio being 1.75¹⁵. Whilst the Rural-Urban Differentials is only available for Queenstown it is also showing a large difference again indicating a significant shortfall of residential land zoned and available for development.¹⁶ The ME report notes the following in this regard *'this cost at \$337per sqm and therefore on a 600m² section this would equate to \$202,485 of additional costs that could be avoided by freeing up the urban boundary'*¹⁷. The ME report cautions against using or relying on these indicators and in part points to the HDCA modelled capacity and that these indicators are contrary to the HDCA modelled capacity as justification for not relying on the indicators.
- 64 In my opinion the purpose of these policies and indicators is to 'ground truth' the theoretical modelling and when set alongside the Council's reporting such as the Housing Task Force Report it is evident that having enough or even an over supply of theoretical capacity does not mean further land should not be zoned or that in doing so the proposal would not align with the NPS. In my opinion the NPS seeks to achieve the opposite, in enabling supply and a competitive market.
- 65 In terms of industrial supply as noted above there is limited greenfields capacity remaining in Wanaka and it is primarily held by two landowners; Tussock Rise Limited who as indicated by its submission is seeking re-zoning away from industrial use, and Willowridge Developments Ltd. In my opinion there is a real risk of a lack of competition and choice (noting choice is also an important factor in terms of the definition of business land and demand in this NPS) of industrial land supply and therefore providing for industrial zoning within the Site will promote PA3.

¹⁴ ME - HDCA 2017 - pg213

¹⁵ ME - HDCA 2017 - pg258

¹⁶ ME – HDCA 2017 – pg 261

¹⁷ ME – HDCA 2017 – pg 261

NPS-UDC Summary

- 66 Overall, it is considered the comprehensive rezoning of the Site will contribute to creating a more competitive residential housing market and business land opportunities for a growing community. In my opinion the NPS-UDC is inherently enabling and the implications for the community from a lack of competition and under supply of housing and business capacity (e.g house price escalation, overcrowding) are much more severe than those of an oversupply of enabled capacity.
- 67 There is always a level of uncertainty around projections and capacity assessments. It is important to note that these numbers (and others used in the discussion of capacity) are modelled outputs, so while appearing to present a level of precision, they are indicative only. The NPS further seeks to emphasise this point through the need to monitor the market and that theoretical capacity and even sufficiency of feasible capacity, which are all sensitive to the assumptions used in the modelling. These modelled figures do not equate or necessarily reflect that actual development that occurs, just because the models suggest there should be enough does not mean there is. Figure 4 below is illustrative of this concept as emphasised in the NPSUDC Guide on Evidence Monitoring 2017.

Figure 5: Dimensions of development capacity

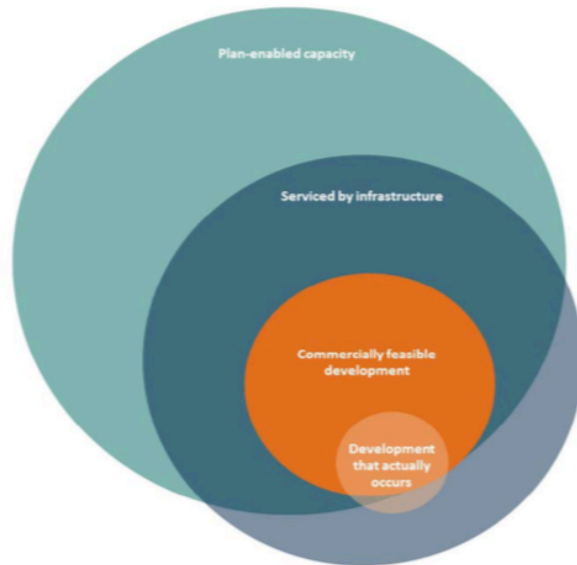


Figure 4: Dimensions of Development Capacity¹⁸

¹⁸ NPSUDC Guide on Evidence Monitoring 2017 - Figure 5 pg 37

- 68 This is against a backdrop of known supply constraints, land banking and lack of competition as identified in Mr Hocking's and Mr Copeland's evidence. Therefore, the comprehensive re-zoning of the Site will promote the NPS.

Partially Operative Otago Regional Policy Statement 2019

- 69 The objectives and policies contained within the Partially Operative Otago Regional Policy Statement 2019 (PORPS) are relevant.
- 70 Objectives in Chapters 1 and Chapter 2 address integrated management and Kai Tahu values. Chapter 1 is high level and the comprehensive consideration of the Site and growth at Hāwea is considered to align with an integrated approach.
- 71 Chapter 3 address natural resources and ecosystems and the rezoning of the Site is considered to align with relevant objectives and polices. Based on the evidence of Mr Espie the Site is not located within an ONL and is within a part of the rural environment with potential to absorb change and therefore aligns with Policies 3.2.5 & 3.2.6 relating to landscape values.
- 72 Chapter 4 addresses natural hazard risk, infrastructure, urban growth and contaminated land issues. The expert evidence of Mr Forrest has addressed geotechnical matters and potential natural hazard risk to the Site and confirms the Site is suitable for urban development.
- 73 Objective 4.3 and associated policies relate to infrastructure but have a primary focus on national and regional significant infrastructure and protecting these services. Therefore the urban development of the Site is considered to align with and does not offend these matters.
- 74 Objective 4.5 relates to urban growth and development; the objective states:
- Urban growth and development is well designed, ~~reflects local character~~ occurs in a strategic and coordinated way, and integrates effectively with adjoining urban and rural environments.*
- 75 A number of policies sit with this objective with those considered particularly relevant noted below.

Policy 4.5.1⁴⁶ Managing Providing for urban growth and development

Manage Provide for urban growth and development in a strategic and co-ordinated way, including by all of the following:

- a) Ensuring future urban growth areas are in accordance with any future development strategy for that district.
- ba) Ensuring there is sufficient Monitoring supply and demand of residential, commercial and industrial zoned land capacity, to cater for the demand for such land, over at least the next 20 years;
- c) Ensuring that there is sufficient housing and business land development capacity available in Otago;
- d) Setting minimum targets for sufficient, feasible capacity for housing in high growth urban areas in Schedule 6
- eb) Coordinating urban growth and the development and the extension of urban areas with relevant infrastructure development programmes, to provide infrastructure in an efficient and effective way.
- fe) Identifying future growth areas and managing the subdivision, use and development of rural land outside these areas to achieve all of the following Having particular regard to:
 - i. Providing Minimise for rural production activities by minimising adverse effects on significant soils and activities which sustain food production rural activities and significant soils;
 - ii. Minimising Minimise competing demands for natural resources;
 - iii. Maintaining Maintain high and outstanding natural character in the coastal environment; outstanding natural features, landscapes, and seascapes; and areas of significant indigenous vegetation and significant habitats of indigenous fauna or enhance significant biological diversity, landscape or natural character values;
 - iv. Maintaining Maintain important cultural or historic heritage values;
 - v. Avoiding Avoid land with significant risk from natural hazards;
- d) Considering the need for urban growth boundaries to control urban expansion;
- ge) Ensuring efficient use of land;
- h) Restricting urban growth and development to areas that avoid reverse sensitivity effects unless those effects can be adequately managed;
- if) Encouraging Requiring the use of low or no emission heating systems where ambient air quality is:
 - i. Below standards for human health; or
 - ii. Vulnerable to degradation given the local climatic and geographical context;
- g) Giving effect to the principles of good urban design, in Schedule 5;
- h) Restricting the location of activities that may result in reverse sensitivity effects on existing activities.
- j) Consolidating existing coastal settlements and coastal urban areas where this will contribute to avoiding or mitigating sprawling or sporadic patterns of settlement and urban growth.

76 The above policy seeks to ensure sufficient supply is available and that urban growth occurs in a planned and coordinated manner whilst ensuring urban expansion occurs in those areas of the rural environment which minimise adverse effects on rural productive land and landscape values.

- 77 The urban zoning of the Site is considered to align with, and promote, this policy through the provision of additional supply of housing and business land whilst providing for this urban growth in a planned and coordinated manner. The opportunity to comprehensively consider zoning of the Site can ensure it integrates with the existing urban area. As has been demonstrated by the environment and context analysis the location is a logical place for urban growth to occur whilst ensuring productive land is not lost and landscape values, particularly ONL values are not adversely affected.

Policy 4.5.27~~27~~ Integrating infrastructure with land use

Achieve the strategic integration of infrastructure with land use, by undertaking all of the following:

- a) Recognising and providing for the functional needs of infrastructure ~~of regional or national importance~~;
- b) Locating and designing infrastructure to take into account all of the following:
 - i. Actual and reasonably foreseeable land use change;
 - ii. The current population and projected demographic changes;
 - iii. Actual and reasonably foreseeable change in supply of, and demand for, infrastructure services;
 - iv. Natural and physical resource constraints;
 - v. Effects on the values of natural and physical resources;
 - vi. Co-dependence with other infrastructure;
 - vii. The effects of climate change on the long-term viability of that infrastructure;
 - viii. Natural hazard risk.
- ~~e) Locating growth and development :~~
 - ~~i. Within areas that have sufficient infrastructure capacity; or~~
 - ~~ii. Where infrastructure services can be upgraded or extended efficiently and effectively;~~
- ~~cd)~~ Coordinating the design and development of infrastructure with land use change in growth and redevelopment planning.

- 78 The re-zoning of the Site can provide for the efficient extension of existing infrastructure with reticulation already existing in Cemetery Road or nearby as discussed in Mr Waite's evidence. Mr Waite's evidence demonstrates the Site can be serviced by the extension of the Council infrastructure network with major upgrades of the wastewater network through connection to Project Pure providing an appropriate time to consider urban development expansion options to ensure infrastructure is coordinated. Accordingly, urban development of the Site can achieve the strategic integration of infrastructure with land use.

Policy 4.5.3⁴⁹ Urban design

~~Design new urban development with regard to: Encourage the use of Schedule 5 good urban design principles in the subdivision and development of urban areas.~~

- ~~a) A resilient, safe and healthy community;~~
- ~~b) A built form that relates well to its surrounding environment;~~
- ~~c) Reducing risk from natural hazards;~~
- ~~d) Good access and connectivity within and between communities;~~
- ~~e) A sense of cohesion and recognition of community values;~~
- ~~f) Recognition and celebration of physical and cultural identity, and the historic heritage values of a place;~~
- ~~g) Areas where people can live, work and play;~~
- ~~h) A diverse range of housing, commercial, industrial and service activities;~~
- ~~i) A diverse range of social and cultural opportunities.~~

79 The comprehensive re-zoning of the Site will support this policy by providing greater opportunities for people to live work and play within Hāwea and provide for a diverse range of housing, commercial and industrial activities. By considering the Site comprehensively it can be ensured that the future built environment relates well to the surrounding environment and with the provision of good connectivity and integration with the existing urban environment of Hāwea.

80 Objective 4.6 and associated policies addresses contaminated land. The evidence of Mr Davis addresses these matters and confirms the land is suitable for residential development.

81 Objective 5.3 relates to land supply for economic production and states:

Sufficient land is managed and protected for economic production

82 Relevant policies include:

Policy 5.3.1⁵⁷ Rural activities

Manage activities in rural areas, to support the region's economy and communities, by ~~all of the following:~~

- ~~a) Enabling primary production and other rural activities that support the rural economy that production;~~
- ~~b) Providing for mineral exploration, extraction and processing;~~
- ~~c**)** Minimising the loss of significant soils;~~
- ~~d**e)** Restricting the establishment of incompatible activities in rural areas that may are likely to lead to reverse sensitivity effects;~~
- ~~e**d)** Minimising the subdivision of productive rural land into smaller lots that may result in rural residential activities a loss of its productive capacity or productive efficiency;~~
- ~~f**e)** Providing for other activities that have a functional need to locate in rural areas, including tourism and recreational activities that are of a nature and scale compatible with rural activities.~~

Policy 5.3.23⁵⁸ Distribution of commercial activities

Manage the distribution of commercial activities by:

- a) Enabling a wide variety of commercial, social and cultural activities in central business districts, and town and commercial centres;
- b) Enabling smaller commercial centres to service local community needs;
- c) Restricting commercial activities outside of a) and b) when such activities are likely to undermine the vibrancy and viability of those centres;
- d) Encouraging the adaptive reuse of existing buildings.

83 The environment context assessment above has identified the Site is a logical place for urban growth whilst ensuring wider rural values are maintained, no productive land will be lost. The urban zoning of the Site also provides the opportunity to provide for commercial zoning to support the community's needs and provide greater employment opportunities within Hāwea alongside the growth of the townships residential population.

Strategic Directions Policies, Proposed Queenstown Lakes District Plan

84 The proposed rezoning is to be assessed as to whether it will give effect to relevant objectives of the plan¹⁹. The strategic chapters²⁰, 3 Strategic Direction, 4 Urban Development, 5 Tangata Whenua, 6 Landscapes – Rural Character and 29 Transport are relevant.

Chapter 3 - Strategic Directions

3.2.1 The development of a prosperous, resilient and equitable economy in the District (addresses Issue 1)

3.2.1.2 *The Queenstown and Wanaka town centres²¹ are the hubs of New Zealand's premier alpine visitor resorts and the District's economy.*

3.2.1.4 *The key function of the commercial core of Three Parks is focused on large format retail development.*

3.2.1.5 *Local service and employment functions served by commercial centres and industrial areas outside of the Queenstown and Wanaka town centres², Frankton and Three Parks, are sustained.*

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

¹⁹ s.32(1), Resource Management Act 1991

²⁰ Where relevant I have assessed the proposal against the objectives and policies used in Council's s42a Reports

²¹ Defined by the extent of the Town Centre Zone in each case

3.2.1.9 Infrastructure in the District that is operated, maintained, developed and upgraded efficiently and effectively to meet community needs in a sustainable way, and to maintain the quality of the environment. (also elaborates on SO 3.2.2 following)

85 The comprehensive re-zoning of the Site will contribute to the prosperity, resilience and equitability of the economy through greater housing choice and business land in closer proximity to where people currently live in Hāwea. Policies 3.2.1.4 and 3.2.1.5 are centres focussed and therefore business zoning at Hāwea would not want to undermine the primary role of these centres and Three Parks for large format retailing. Policy 3.2.1.5 both recognises and supports commercial centres and industrial areas outside of Queenstown and Wanaka and therefore in this case in Hāwea. Policy 3.2.1.9 promotes sustainable and efficient provision of infrastructure and given upgrades already occurring or required to support the growth QLDC is promoting for Hāwea any additional capacity necessary for re-zoning of the Site can be efficiently and sustainably provided along side these large-scale upgrades already planned to occur. Consideration of opportunities for business and industrial zoning within the Site also finds support with Policy 3.2.1.6 which seeks to promote diversification of the economic base and employment opportunities which are two matters with limited representation in the existing Hāwea township.

3.2.2 Urban growth is managed in a strategic and integrated manner. (addresses Issue 2)

3.2.3.1 Urban development occurs in a logical manner so as to:

- a. promote a compact, well designed and integrated urban form;*
- b. build on historical urban settlement patterns;*
- c. achieve a built environment that provides desirable, healthy and safe places to live, work and play;*
- d. minimise the natural hazard risk, taking into account the predicted effects of climate change;*
- e. protect the District's rural landscapes from sporadic and sprawling development;*
- f. ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in;*
- g. contain a high quality network of open spaces and community facilities; and*
- h. be integrated with existing, and planned future, infrastructure. (also elaborates on S.O. 3.2.3, 3.2.5 and 3.2.6 following)*

86 The comprehensive consideration of the Site can promote a compact and well designed and integrated urban form by providing greater opportunities to live work and play within the Hāwea community without having to travel to Wanaka. As the Site is already on an existing pedestrian and cycle desire line it can continue to promote a compact walkable urban form. The urbanisation of the Site can also occur whilst avoiding natural hazard risk and provides the opportunity to ensure a co-ordinated approach to development at Hāwea and therefore avoiding sporadic or sprawling development within the rural landscape. The scale and

comprehensive nature of the Site can also ensure additional opportunities for a mix of housing types and through the integration of the water race and other landscape treatments promote a high quality network of open spaces and community facilities. These are features that a growing community such as Hāwea needs and are currently not well provided for.

3.2.3 A quality built environment taking into account the character of individual communities. (addresses Issues 3 and 5)

- 87 The comprehensive consideration of the Site will positively contribute to this policy. The development of the Site can integrate with the existing street pattern and provide a strong urban edge to the township. The planned urban expansion of the township by providing for development of the Site will respond to and take in account the character of the community by not impacting the existing lakefront setting or the larger residential lots characteristics of more established areas of the township. The location of the Site adjoining more recent suburban development such as Timsfield will ensure development of the Site is complementary to the more recent areas of development within the township and its opportunities including natural features and available land can enable a quality built environment.

3.2.5 The retention of the District's distinctive landscapes. (addresses Issues 2 and 4)

3.2.5.2 Within Rural Character Landscapes, adverse effects on landscape character and visual amenity values from subdivision or development are anticipated and effectively manage through policies and rules so that:

- a. landscape character is maintained; and*
- b. visual amenity values are maintained or enhanced.*

3.2.5.iv In Rural Character Landscapes, new subdivision, use and developments in proximity to any Outstanding Natural Feature or Outstanding Natural Landscapes does not compromise the landscape values of that Feature or Landscape.

3.2.5.v In Rural Character Landscapes of the Upper Clutha Basin:

- a. Priority Areas of the Rural Zoned Rural Character Landscapes are identified, including by mapping; and*
- b. associated landscape character and visual amenity values are identified.*

88 The development is not located within or proximity to an ONL and the Site has been demonstrated as being an area of the rural environment that has the ability to absorb change. The Site is directly adjacent to the existing urban extent of Hāwea and as identified in proceeding sections of this report the development can occur in a manner that integrates with the existing township. The evidence of Mr Espie, and Mrs Gilbert for the Council also confirms this whilst maintaining the character of the wider landscape and amenity values. It is understood in terms of 3.2.5v this mapping and value identification is still to take place.

3.2.6 The District's residents and communities are able to provide for their social, cultural and economic wellbeing and their health and safety. (addresses Issues 1 and 6)

89 A key driver of considerations around re-zoning of the Site has been the opportunities to support Hāwea becoming more self sufficient with live, work, play opportunities which are currently not available even though there is a growing residential population. Provision of a competitive housing market is also considered important to the wellbeing of the district and Hāwea community and the development of the Site will also positively contribute to this.

Town Centres and other Commercial and Industrial Areas

3.3.3 Avoid commercial zoning that could undermine the role of the Queenstown and Wanaka town centres as the primary focus for the District's economic activity. (relevant to S.O. 3.2.1.2)

3.3.9 Support the role township commercial precincts and local shopping centres fulfil in serving local needs by enabling commercial development that is appropriately sized for that purpose. (relevant to S.O. 3.2.1.5)

3.3.10 Avoid commercial rezoning that would undermine the key local service and employment function role that the centres outside of the Queenstown and Wanaka town centres, Frankton and Three Parks fulfil. (relevant to S.O. 3.2.1.5)

3.3.11 Provide for a wide variety of activities and sufficient capacity within commercially zoned land to accommodate business growth and diversification (relevant S.O 3.2.1.1, 3.2.1.2, 3.2.1.5, 3.2.1.6 and 3.2.1.9)

90 The evidence of Mr Copland has confirmed the extent of commercial zoning proposed would not undermine Queenstown or Wanaka town centres. Commercial zoning within the Site has the opportunity to support Policy 3.3.9 by

reinforcing the self-sufficiency of Hāwea and ensure commercial activity growth occurs along side the increasing residential population.

- 91 The additional commercial zoning will complement the existing local shopping centre zone for Hāwea ensuring a commensurate increase in commercial zoning relative to the growth in residential population in Hāwea. The commercial and industrial zoning opportunities within the Site will also provide for business growth and diversification within the Hāwea township therefore being supported by Policy 3.3.11.

Urban Development

3.3.13 Apply Urban Growth Boundaries (UGBs) around the urban areas in the Wakatipu Basin (including Jack's Point), Wanaka and Lake Hāwea Township. (relevant to S.O. 3.2.2.1)

3.3.14 Apply provisions that enable urban development within the UGBs and avoid urban development outside of the UGBs.

- 92 As part of providing for urban development of the Site the UGB at Hāwea is proposed to align with that promoted in this proposal whilst provisions including a structure plan will provide for coordinated urban development within the UGB.

Landscapes

- 93 The Site has been confirmed as being located within the Rural Character Landscape. Policies 3.3.31x – 3.3.32y relate to identification of priority areas of the Rural Character Landscape and identification of associated values and provision for potential Rural Living. It is understood the process for identification of priority areas, values and therefore application of these policies is still to be resolved through the appeal process.

- 94 However, I would note the Site is not located within or adjacent to an ONL and the particular Site is considered to be an area of the rural environment with potential to absorb change. As discussed in Mr Epsie's evidence locations such as this within the Queenstown Lakes District where the landscape is considerably less sensitive to landscape change are limited.

Chapter 4: Urban Development

4.2.1 Objective - Urban Growth Boundaries used as a tool to manage the growth of larger urban areas within distinct and defensible urban edges. (from Policies 3.3.12 and 3.3.13)

Policies

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

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

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

95 The comprehensive re-zoning of the Site will provide a framework to support a planned and defensible UGB for the Hāwea township.

4.2.1.4 Ensure Urban Growth Boundaries encompass a sufficient area consistent with:

a. the anticipated demand for urban development within the Wakatipu and Upper Clutha Basins over the planning period assuming a mix of housing densities and form;

b. ensuring the ongoing availability of a competitive land supply for urban purposes;

c. the constraints on development of the land such as its topography, its ecological, heritage, cultural or landscape significance; or the risk of natural hazards limiting the ability of the land to accommodate growth;

d. the need to make provision for the location and efficient operation of infrastructure, commercial and industrial uses, and a range of community activities and facilities;

e. a compact and efficient urban form;

f. avoiding sporadic urban development in rural areas;

g. minimising the loss of the productive potential and soil resource of rural land.

96 In summary, the comprehensive re-zoning of the Site is aligned with, and will promote, this policy for the following reasons:

- The significant increase in section and house pricing and shortage of house and/or sections at affordable price points both district wide and within Hāwea illustrates significant demand and constraints on the existing supply of housing within the current urban extent of Hāwea

- The Site is not landscape sensitive nor at the entry/gateway to town, nor within an Outstanding Natural Landscape or adjoining the existing lakefront.
- The Site comprises unproductive rural land.
- The Site directly adjoins the existing urban extent of Hāwea and would be accessed from existing roads that service the existing township.
- The site is topographically similar to newer developments within Hāwea, being Timsfield and Sentinel Park.
- The Site directly adjoins the more recent urban development within Hāwea - Timsfield and Sentinel Park and therefore provides for a logical connection to the form and character of this newer part of the township.
- Being located behind the older parts of Hāwea and lakefront development of the site will preserve the character of these areas.
- The Site is located where it would provide for the logical growth of Hāwea and efficient use of reticulated infrastructure.
- The Site is located in the position which avoids natural (lake, river) and natural hazard impediments.
- The Site offers major opportunities to positively contribute to the social infrastructure and amenities of Hāwea so the town can be more self-sufficient and therefore more sustainable through additional commercial and industrial opportunities alongside growth in the residential population.
- Significant upgrades to services to Hāwea are already planned and therefore additional growth can ensure an efficient use of this additional infrastructure.

4.2.1.5 When locating Urban Growth Boundaries or extending urban settlements through plan changes, avoid impinging on Outstanding Natural Landscapes or Outstanding Natural Features and minimise degradation of the values derived from open rural landscapes.

- 97 The urban development of the Site and location of the UGB can ensure development aligns with this policy.

4.2.1.6 Review and amend Urban Growth Boundaries over time, as required to address changing community needs.

- 98 The policy recognises the need to revisit historically set boundaries in recognition of change and planning for changes over time. The location of the UGB as proposed along with the comprehensive re-zoning of the Site will ensure that alongside growth in the residential population greater live, work and play opportunities exist to support the community needs.

4.2.2 Objective - Urban development within Urban Growth Boundaries that maintains and enhances the environment and rural amenity and protects Outstanding Natural Landscapes and Outstanding Natural Features, and areas

supporting significant indigenous flora and fauna. (From Policy 3.3.13, 3.3.17, 3.3.29)

- 99 The re-zoning of the Site and resetting of the UGB will be aligned with this objective as the development of the Site protects ONLs and does not impact any significant indigenous vegetation. The Site is considered an appropriate location so will therefore assist to reduce pressure on other areas where greater pressure may exist to create impacts ONL's and significant indigenous vegetation.

Upper Clutha Basin Specific Policies

4.2.2.22 Define the Urban Growth Boundaries for Wanaka and Lake Hāwea Township, as shown on the District Plan Maps that:

- a. are based on existing urbanised areas;*
 - b. identify sufficient areas of urban development and the potential intensification of existing urban areas to provide for predicted visitor and resident population increases in the Upper Clutha Basin over the planning period;*
 - c. have community support as expressed through strategic community planning processes;*
 - d. utilise the Clutha and Cardrona Rivers and the lower slopes of Mt. Alpha as natural boundaries to the growth of Wanaka; and*
 - e. avoid sprawling and sporadic urban development across the rural areas of the Upper Clutha Basin.*
- 100 For the same reasons as identified in respect of Policy 4.2.1.4 above the comprehensive re-zoning of the Site and location of the UGB as proposed is considered to align with and promote this policy. The UGB and associated zoning will provide for integrated expansion of Hāwea in a planned and coordinated manner. This expansion is considered critical to ensure sufficient urban development to promote a competitive housing market and provision of live work play opportunities in Hāwea which are currently not available.
- 101 In terms of community support it is evident the community has a preference for utilising existing zoned land efficiently but also a concern over the potential for infill development to undermine the existing character of Hāwea. The comprehensive zoning of the Site can address these points through introduction of complementary zoning to support a growing community, increased green space and trail and cycle networks within a coordinated and planned framework.
- 102 The Hāwea Community Plan 2003 (HCP 2003) and subsequent review 'Hāwea Community Plan Review and Recommendation for the Upcoming District plan Review 2015' are two community based planning documents that are applicable to Hāwea. The HCP 2003 showed a UGB line on Cemetery Road, while the 2015

Review promoted an amended UGB location acknowledging the need to re-consider the line given the position on Cemetery Road was for a planning horizon up to present date (2020). The line promoted in the 2015 Plan²² shows the UGB encompassing Part of the Site as depicted below Figure 5.



Figure 5: HCP 2015 UGB Line

103 The HCP 2003 sought to plan for a time horizon of 2020, now being present day. Accordingly given the age of this document it needs to be considered within that context and in my opinion the *principles* as articulated in the HCP 2003 are therefore more relevant than any specific conclusions provided in the plan. In this regard the following assessment is provided.

104 The relevant extract from the vision stated:

Development occurs in the Hāwea area, but only where it is well planned, and is within the capacity of the receiving environment. Development is largely contained within current zoning to ensure efficient service provision, and the retention of the surrounding rural character. There is no ribbon development, and the township and rural residential areas are distinct from the surrounding rural areas.

105 The comprehensive consideration of the UGB location, and structure plan to accompany growth is considered to support how the HCP 2003 envisages development occurring. Given that this document's timeframe has now been reached (2020), it is entirely logical that future planning is recast, and expansion

²² Hāwea Community Plan Review and Recommendations 2015 – Figure 3 pg7

of zoning may be considered. With significant upgrades of infrastructure already planned and landscape evidence from Mr Espie and Mrs Gilbert for Council confirming that Site is a suitable area of the rural landscape to accommodate urban expansion and provide a more logical and defensible urban boundary; opportunity exists to provide for growth without undermining these principles.

106 The vision statement also noted the following:

The Domain is a central focal point for community activities, it is linked to the residential areas by pedestrian and cycle tracks. There are extensive pedestrian and cycle ways linking the community. Importantly, there is access along the Hāwea River between Lake Hāwea Township and Wanaka, and there is a walkway between Lake Hāwea Township and John's Creek.

107 A proposed relocation of UGB, and provision of pedestrian and cycle trails can positively contribute to and enhance the connectivity and relationship of the township with the Domain whilst supporting and enhancing pedestrian and cycle connections.

108 Industrial zoning is also considered and is further articulated in the 2015 review with a preference for a location accessed off Domain Road²³. In this respect the Site provides an opportunity to align with this community aspiration.

109 Overall, I find that there is support in the principles of these community planning documents for the strategic rezoning of the Site. In my opinion it is not unsurprising that a community may have a level of resistance to growth and change within its community. However significant growth is signalled to occur in Hāwea and in my opinion providing for more of that growth in Greenfields development (and therefore reducing pressure for sporadic infill) will better preserve the character and amenity of the township.

110 The comprehensive consideration of the Site also provides the opportunity to reduce and remove pressure for sporadic urban development by providing a focused location for urban development to occur at a sufficient scale (Policy 4.2.2.22(e)).

4.2.2.23 Rural land outside of the Urban Growth Boundaries is not used for urban development until further investigations indicate that more land is needed to meet demand for urban development in the Upper Clutha Basin and a change to the

²³ Hāwea Community Plan Review and Recommendations 2015 – pg9

Plan amends the Urban Growth Boundary and zones additional land for urban development purposes.

- 111 It is evident the Site and comprehensive zoning of it for urban development is needed to meet demand and provide a competitive supply of housing and business land over the long term as supported by the evidence of Mr Copeland. The opportunity to provide room for future schooling, employment and green space alongside a growth in residential housing in Hāwea is also considered needed to meet the demand of a growing community and avoid it becoming a very large residential suburb where residents have to commute to Wanaka for their daily needs.

Chapter 5: Tangata Whenua

5.3.1 Objective - Consultation with tangata whenua occurs through the implementation of the Queenstown Lakes District Plan Policies

5.3.2 Objective - Ngāi Tahu have a presence in the built environment

5.3.3 Objective - Ngāi Tahu taonga species and related habitats are protected.

5.3.4 Objective - The sustainable use of Māori land.

5.3.5 Objective - Wāhi tūpuna and all their components are appropriately managed and protected

- 112 The proposal is not expected to impact Tangata Whenua values. The Site is not identified within a Wahi Tupuna site as recently identified through Chapter 39. Given the wide ranging nature of Wahi Tupuna sites through Chapter 39 including areas of the existing Hāwea Township the fact the Site is not identified as such an area is of significance and favourable in terms of the urban development of the Site.

Chapter 6: Landscapes & Rural Character²⁴

- 113 Policies 6.3.1 to 6.3.3 set out the framework for landscape classification and zoning. As confirmed in the landscape evidence of Mr Espie and the PDP

²⁴ Decisions Version. Interim Decision version on Topic 2 is still subject to change through Courts directions and UCESI High Court Appeal

planning maps the proposed Site is not within or adjacent to an ONL and therefore is classified as Rural Character Landscape (RCL)

- 114 Policies 6.3.4 to 6.3.11 relate to managing adverse effects with a particular focus on any potential effects on indigenous vegetation and ONLs. As has been discussed previously in this assessment the Site is considered to represent an area of the RCL that can absorb change. As the Site sits directly adjacent to the existing urban extent of the township and taking into account the constraints to the north, east and west of the township, the Site is a logical location for urban expansion into the rural environment.
- 115 The Site being located outside of the ONL means that the activity will not offend and supports Policies 6.3.12 to 6.3.18 relating to ONLs.

Managing Activities in Rural Character Landscapes

6.3.19 Recognise that subdivision and development is unsuitable in many locations in Rural Character Landscapes and successful applications will need to be, on balance, consistent with the objectives and policies of the Plan. (3.2.1.1, 3.2.1.7, 3.2.5.2, 3.3.20-24, 3.3.32).

6.3.22 Have particular regard to the potential adverse effects on landscape character and visual amenity values where further subdivision and development would constitute sprawl along roads. (3.2.1.1, 3.2.1.7, 3.2.5.2, 3.3.21, 3.3.24-25, 3.3.32).

6.3.23 Ensure incremental changes from subdivision and development do not degrade landscape quality or character, or important views as a result of activities associated with mitigation of the visual effects of proposed development such as screen planting, mounding and earthworks. (3.2.1.1, 3.2.1.8, 3.2.5.2, 3.3.21, 3.3.24, 3.3.32).

6.3.26 Avoid adverse effects on visual amenity from subdivision, use and development that: is highly visible from public places and other places which are frequented by members of the public generally (except any trail as defined in this Plan); or forms the foreground for an Outstanding Natural Landscape or Outstanding Natural Feature when viewed from public roads. (3.2.1.1, 3.2.1.8, 3.2.5.1, 3.2.5.2, 3.3.20-21, 3.3.24-25, 3.3.30, 3.3.32).

6.3.28 In the Upper Clutha Basin, have regard to the adverse effects from subdivision and development on the open landscape character where it is open at present. (3.2.1.1, 3.2.1.8, 3.2.5.2, 3.3.20-21, 3.3.24-26, 3.3.32).

6.3.29 Encourage development to utilise shared accesses and infrastructure, and to locate within the parts of the site where it will minimise disruption to natural landforms and to rural character. (3.2.1.1, 3.2.1.8, 3.3.21, 3.3.24, 3.3.32).

- 116 The above policies primarily relate to managing effects of individual subdivisions or applications for development and the comprehensive urbanisation of the Site and coordination with the UGB will ensure these policies are not offended. In broad terms, as confirmed in Mr Espie's evidence, the Site is a part of the rural landscape that has greater ability to absorb change and is ideally suited to provide for urban expansion.

Chapter 29: Transport

29.2.1 Objective - An integrated, safe, and efficient transport network that:

- a. provides for all transport modes and the transportation of freight;*
- b. provides for future growth needs and facilitates continued economic development;*
- c. reduces dependency on private motor vehicles and promotes the use of shared, public, and active transport;*
- d. contributes towards addressing the effects on climate change;*
- e. reduces the dominance and congestion of vehicles, particularly in the Town Centre zones; and*
- f. Enables the significant benefits arising from public walking and cycling trails.*

- 117 The evidence of Mr Carr has assessed and confirmed urbanisation of the Site can occur whilst providing for an integrated, safe and efficient transport network. Where upgrades may need to occur in the future, these can be adequately accommodated within the physical road widths and can be considered at the time of future subdivision. Therefore from a transport perspective there is no impediment to the rezoning. The ability for the Site to tie into existing key street connections such as Capell Avenue, Grandview Road will ensure the Site integrates with the existing network. The focus of the around existing and proposed pedestrian and cycle trails will ensure a compact walkable urban form continues to be maintained and is enhanced by zoning of the Site.

- 118 The opportunity to provide for business and employment zoning in close proximity to housing also provides the ability to improve the overall efficiency of the transport network in Hāwea by reducing dependency on trips to Wanaka and reduce vehicle dependency within the township by providing greater opportunities to provide amenities within walking distance of the expanding urban area.

29.2.2 Objective - Parking, loading, access, and onsite manoeuvring that are consistent with the character, scale, intensity, and location of the zone and contributes toward:

- a. providing a safe and efficient transport network;*
- b. compact urban growth;*
- c. economic development;*
- d. facilitating an increase in walking and cycling and the use of public transport;*
- and*
- e. achieving the level of residential amenity and quality of urban design anticipated in the zone.*

119 A number of these detailed matters would be addressed at the time of subdivision however a structure planned and comprehensive consideration of the Site can ensure key street connections and pedestrian/cycle desire lines are established early in the development of the Site. The overall arrangement of zoning for the Site can also establish the foundation for a walkable and compact urban form.

29.2.3 Objective - Roads that facilitate continued growth, are safe and efficient for all users and modes of transport and are compatible with the level of amenity anticipated in the adjoining zones.

120 Key future road connections such as the extension of Capell Avenue can be identified and connectivity ensured to signal the importance of these streets for future transport and amenity for all future users.

29.2.4 Objective - An integrated approach to managing subdivision, land use, and the transport network in a manner that:

- a. supports improvements to active and public transport networks;*
- b. promotes an increase in the use of active and public transport networks and shared transport;*
- c. reduces traffic generation; and*
- d. manages the effects of the transport network on adjoining land uses and the effects of adjoining land-uses on the transport network.*

121 As discussed in respect of Objective 29.2.1 above the location of the Site directly adjoining the existing residential extent of the township can ensure an integrated approach to future subdivision and development. In particular a structure planned approach can ensure key street connections and the foundations are established for the continuation and extension of key pedestrian and cycle networks. The opportunity to strategically locate business and industrial zoning can also improve the efficiency of the existing network through reduced dependency on travel to Wanaka.

Evaluation

122 Taking into account the analysis of the provisions from each of the relevant statutory documents, the suitability of any UGB and urban zoning for the Site needs to take into consideration a number of constraints and opportunities. Objective 4.2.2 and associated policies relating to urban development and urban

growth boundaries are particularly relevant to guiding the location of the UGB and subsequent zoning.

- 123 Accordingly a zoning framework and UGB location guided by a structure plan has been prepared for the Site and is attached to my evidence (**Appendix [B]**). An indicative master plan (**Appendix [C]**) has also been prepared illustrating this structure plan in context of approved and development promoted within the Site and to provide context to the shape of various zones proposed.

UGB Location

- 124 The proposed UGB runs along the northern side of Domain Road to the southern end of the LAC land from which point it follows along this property boundary before heading north along the eastern boundary of the LAC and then Universal land. It then re-joins the UGB running east along Cemetery Road.
- 125 As has been discussed above this alignment generally follows the naturally defining elements to the west being the river, the south being the productive farmland and to the east the productive farmland and Gladstone Gap Hazard Zone.
- 126 The decision to draw the line along the southern boundary of the LAC land also ensures support for a defensible boundary within the Site through zoning / land use restrictions (General Industrial and a Building Restriction Area/Landscape buffer) can be assured due to the ownership of this land. In my opinion these elements assist to inform a logical and long term defensible location to delineate the UGB for the Hāwea Township. Mr Espie's landscape assessment also supports this conclusion.
- 127 The proposed zoning framework then complements and re-enforces this defensible boundary through the following mechanisms:
- a. Providing a green buffer in the form of a Building Restriction Area (BRA) to the southern edge of the township. The BRA (reserve/buffer) is typically 15m but further northwest along Domain Road reduces to reflect that the smaller existing lot sizes and that the risk of development jumping Domain Road is reduced in this location as the land on the other side of the road has a reserve type function already.
 - b. Provision of industrial zoning at the southern extent of the UGB as a bookend to the urban extent of the township.
 - c. Limiting access from Domain Road through structure plan controls (identification of road connection points) and policies to avoid other street connections.

Connectivity/Walkability

- 128 Ensuring a compact and integrated urban form is a key theme promoted through relevant objectives and good urban planning in general and the UGB and zoning framework proposed provides for this in the following ways:
- a. Focussing the urban development around the existing pedestrian and cycle path to the Hāwea Domain and Hāwea Flat School ensuring the Hāwea township remains compact and walkable.
 - b. Complementing the existing pedestrian network by extending it along Domain Road through the Site and along the water race providing a connected network within the Site and with the existing township. A water race reserve of 15m wide is proposed. These elements being secured through provision of BRA's
 - c. Ensuring key streets, Capell Ave and Grandview Road which provide connection back up into older parts of the township are extended into the Site through identification of these locations as key road connections on the Structure Plan. A future connection is also shown in line with a proposed street alignment within Timsfield, east of the unformed legal road.
 - d. Location of additional business zoning (Local Shopping Centre Zone) on Capell Avenue so it is located on a key pedestrian desire line and provides for additional business activity within walking distance of the growing residential community to complement the walking catchment of the existing LSCZ.

Landuse

- 129 Providing for a mix of housing types and commercial and industrial zoning is considered a key opportunity to strengthen the identity and self-sufficiency of Hāwea. The structure plan and zoning provides for this as follows:
- a. Land for a Primary school – 3.5ha - has been identified adjoining Cemetery Road within a central location to service both the existing and growing Hāwea community. Noting currently no school is provided in Hāwea. The size of this area is equivalent to the areas currently being developed by the Ministry of Education at Three Parks in Wanaka and Hanley Farms in Queenstown.
 - b. Medium Density Zoning - 5.2ha - located adjacent to Cemetery Road so centrally located to the growing area of Hāwea and adjacent to both the future Primary School and Local Shopping Centre zone to ensure density is located within easy walking distance of amenities including adjacency to the

water race reserve that provides pedestrian and cycle connectivity throughout the Site.

- c. Local Shopping Centre Zone – 3.5ha – This is located centrally on a future extension of Capell Ave given Capell Ave will form a key street connection back into the existing township. This will ensure the commercial area integrates with the existing and future community. This zoning can complement the existing zoning in the township providing additional capacity alongside a growing residential population. An indicative bulk lot and road layout is illustrated below in Figure 6 to provide context to the proposed shape of the zoning.



Figure 6: Indicative Local Shopping Centre Zone Layout

- d. General Industrial Zone – 9.2ha – This, as discussed previously, is strategically located to support and reinforce a defensible southern boundary to the township. Access from Domain Road can ensure heavy traffic can access the zone without conflict issues with traffic from the township. Buffers are proposed to manage localised reverse sensitivity effects whilst also contributing to the integrated pedestrian network. The shape of the zone enables a loop road to be provided as indicated by the indicative street layout below, Figure 7.

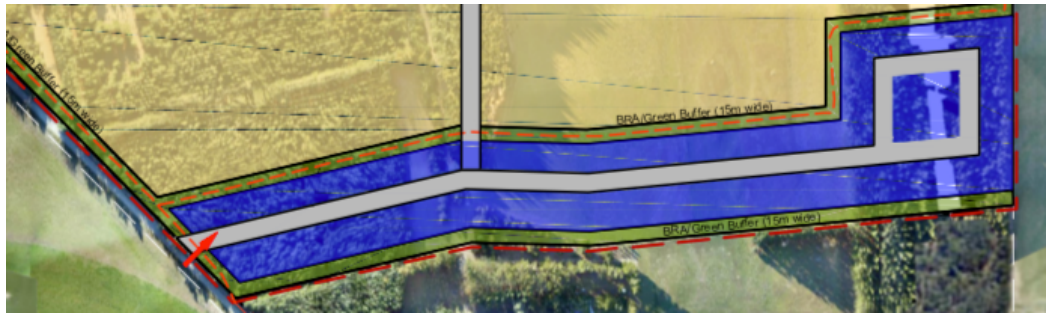


Figure 7 – Indicative Industrial Road layout

- e. Lower Density Residential Zone – 110 ha – this zoning will span the 7 landowners within the Site therefore significantly contributing to the competitive supply of greenfields land within the Township and Upper Clutha. Provision of the water race reserve will provide an integrating green space element to tie the residential area together as will extensions of the roading and existing pedestrian networks as discussed above. The integration with other land use will ensure a compact and walkable urban form.

Indicative Yield

130 Table 1 below provides an outline of potential yields within each zoning based on the structure plan as proposed and submissions of other submitters within the Site.

Zone	Gross (ha)	net	Yield Calc	No. Lots/GFA
LDSR - Universal/LAC	61.5	43ha @ 70%	43000/450	956 lots @ 450m ²
			43000/600	716 @ 600m ²
Universal Land	SHA 29.1			465
LDSR - Streat Developments	16.6	119 lots per scheme plan attached to submission		
LDSR - Land West of Streat Block	4.1ha	2.8ha @ 70%	28000/450	62 lots @ 450m²
			28000/600	46 lots @

				600m²
			Total LDSR	1346 – 1602 lots
Medium Density	5.2ha	3.64ha @ 70%	36400/250	145 lots @ 250m ²
			Total Residential	1491-1747 lots
Industrial	9.2	7.2ha (as per road layout)	72000/1000	72 lots @ 1000m ²
Local Shopping Centre	3.5ha	2.8ha (as per indicative layout)	28,000x30%=8400x2 levels of development. 30% building coverage allowing for parking and landscaping	16,800m ² GFA

Table 1: Potential Development Yields

131 As Table 1 identifies the residential yield for the Site could be between 1491 – 1747 including the 465 approved in the SHA.

Identification of other reasonably practicable options for achieving the objectives s.32(1)(b)(i)

132 The QLDC Township s32 includes a number of reasonably practicable options in terms of the UGB location in Hāwea and the Site as follows:

- a. Option 1: Apply the Settlement Zone and retain the ODP Township 800m² minimum net site area density; retain the UGB in its current location
- b. Option 2: Apply the Settlement Zone with a specific density for Hāwea that is higher than 800m²; retain the UGB in its current location.
- c. Option 3: Apply the Lower Density Residential Zone to Hāwea; retain the UGB in its current location.
- d. Option 4: Apply the Settlement Zone and retain the ODP Township 800m² minimum net site area density; extend the UGB and the Settlement Zone.

133 Option 3 was identified as the most appropriate by QLDC.

134 Option 4 did provide for a possible extension of the UGB although no detail is given to what that may have looked like.

135 In my opinion in addition to these options a 5th option considering the UGB as discussed in this evidence and accompanied by a structure plan and comprehensive re-zoning of the Site alongside the re-zoning of the existing township to Lower Density Suburban should be considered.

136 The Benefits of Option 5 can be summarised as follows:

- The proposed UGB location provides a logical location taking into account landscape, rural productivity capacities, hazards.
- The structure plan and associated framework can ensure a defensible urban boundary is developed.
- The Site is not landscape sensitive nor at the entry/gateway to town, nor within an Outstanding Natural Landscape or adjoining the existing lakefront.
- The Site directly adjoins the existing urban extent of Hāwea and would be accessed from existing roads that service the existing township. It provides for the logical location for Hāwea to grow.
- It is rare to find flat land directly adjoining an existing urban environment in this District that is not landscape sensitive and therefore ideally suited for urban expansion.
- The Site is topographically similar to newer developments within Hāwea, being Timsfield and Sentinel Park.
- The site directly adjoins the more recent urban development within Hāwea, Timsfield and Sentinel Park and therefore provides for a logical connection to the form and character of this newer part of the township.
- Being located behind the older parts of Hāwea and lakefront development of the Site will preserve the character of these areas.
- The Site avoids natural (lake, river) and natural hazard impediments.
- The development provided for by this option offers major opportunities to positively contribute to the social infrastructure and amenities of Hāwea so the town can be more self-sufficient and therefore more sustainable through additional commercial and industrial opportunities alongside growth in the residential population.
- Significant upgrades of services to Hāwea are already planned and therefore additional growth can ensure an efficient use of this additional infrastructure.
- Greenfield provision of both residential and business zoned land has the greatest opportunity to contribute to supply and affordability in the market.
- Zoning of the Site will contribute to the competitiveness of the market by providing greenfield development opportunities to a broader range of developers than is currently provided.

- Providing suitable locations for industrial zoning is particularly challenging in this District and the opportunities to provide this in a location where it can also contribute to the form and fabric of an existing community is even more rare.
- Most other growing townships have historically had an industrial zone as part of their town fabric located toward the periphery of the urban form, (Butel Park in Arrowtown, Glenda Drive in Queenstown and Ballantyne Road in Wanaka). The Industrial zoning proposed will continue and support this pattern.
- The inclusion of the Site provides the opportunity to add further business opportunities and density of housing without adversely impacting the character of the existing community contributing to the township becoming more self-sufficient.

137 In terms of the cost of Option 5 it is worth examining those costs identified by QLDC in respect of Option 4. These were:

The 800m² minimum net site area is inefficient compared to the option of up-zoning to a lower minimum site size.

Redevelopment of older housing stock could only be developed to the current density – opportunity for site redevelopment resulting higher density housing would be missed.

Would not achieve the PDP Strategic policies regarding intensification within UGBs.

138 These three costs primarily relate to not up-zoning the existing township whereas Option 5 would still provide for this.

Would not provide for or encourage diversification of housing choices.

139 Option 5 is considered to provide for a wide range of housing choices both in terms of greenfields, infill, and medium density zoning across a wide range of landownerships.

Extension of the UGB would not be consistent with the Hāwea Community Plan (2003).

140 I have previously assessed the HCP 2003 and as outlined above I considered that while Option 5 can promote the principles as expressed in this document, it is entirely logical and appropriate to now be looking toward a time horizon beyond that established in the HCP 2003 of 2020. We are now in 2020 and as such it is not necessarily appropriate to evaluate options for the future back against a 2020 benchmark.

- 141 In terms of Council's preferred option I would also have concerns that the extent to which infill is promoted to accommodate future growth will be less likely to align with the HCP 2003 as it will result in potentially uncertain and negative outcomes for the character and amenity of the township. In my experience infill development on a site-by-site basis does not often result in good amenity outcomes and can result in significant changes in character. Given the existing minimum lot size within the township of 800m² infill is more likely to come via the 1 per 300m² outcome than a straight split in lots given the 450m² minimum lot size cannot be achieved on an 800m² site. Accordingly the overall density of development and lot sizes will significantly change from the current 800m². Option 5 provides the opportunity to spread growth more widely and therefore reduce pressure on infill.
- 142 The HCP 2003 and subsequent review in 2015 also highlighted the preference for potential industrial zoning. While this has yet to be achieved, Option 5 will promote that outcome. In my opinion Option 5 will better align with the HCP 2003 than QLDC's preferred option.
- 143 I also considered retaining the UGB in its current position comes with significant costs in terms of competitive housing supply so while it might be supported by the existing resident community, this is the part of the wider Upper Clutha community that doesn't bear the cost of constrained housing supply and price escalation. In fact the opposite is likely as any landowner within the existing community could see a lack of competition and constrained supply as a benefit to their individual property values. Given supply at Hāwea has a greater opportunity to supply housing at the lower price brackets in my opinion caution is necessary and too greater emphasis is being placed by QLDC in its s32 and s42a reporting on a lack of support within the Hāwea community as justification for not expanding the UGB. Putting this in the context of the policy framework, community support is only one policy in a set of policies and objectives.
- 144 The remaining costs identified for Option 4 were:
- Would not provide intensification opportunities within walking distance of the Local Shopping Centre Zones and the Hāwea Community Centre and library.*
- Would promote less efficient use of the land resource compared with the up-zoning options.*
- 145 Option 5 would continue to provide opportunities for intensification near the existing Local Shopping Centre Zone and would continue this approach by providing medium density zoning adjacent the additional Local Shopping Centre zoning provided in this option.

- 146 The Council preferred option, Option 3 and associated benefits have also been considered:

Facilitating and encouraging increased residential density within the existing urban areas would assist with achieving the PDP strategic policies that encourage intensification within UGBs, and would support the rationale for applying the UGB.

- 147 Option 5 seeks to expand the UGB alongside intensification and comprehensive zoning of the Site. Therefore there is a cost if intensification without an expansion were considered the appropriate strategic approach. However, any costs in this regard are considered limited as the land can be serviced, will contribute positively to the supply of housing and employment opportunities and provides a more logical and defensible UGB location than the present location.

Would reduce potential pressure to extend the UGBs during the life of the PDP (ten years from operative date).

- 148 In my experience relying on infill will not facilitate sufficient housing to meet demand and the limited ownership of greenfields opportunities associated with Option 3 further limits the benefits associated with this option. Given Option 5 provides a comprehensive structure plan to support a defensible location for the UGB accompanied by greenfield zone capacity promoting a range of residential and business opportunities, it will reduce pressure for further extensions of the UGB.

Significant additional residential capacity would be enabled, whilst retaining the existing well-defined and compact urban form.

- 149 As has been discussed previously in this evidence the additional capacity provided is either greenfield capacity largely related to one entity or infill which is historically slow to deliver supply into the market. The current urban form at Hāwea is not well defined as confirmed in the evidence of Mrs Gilbert on behalf of QLDC, urban style development already exists south of Cemetery Road. Option 5 provides the opportunity to provide a well-defined and logical extent to the southern edge of Hāwea.

- 150 In terms of 'compact urban form' it appears too literal an interpretation of this meaning is being applied. The policy framework provides for potential expansion of urban areas over time and therefore greenfield expansion is not necessarily contrary to achieving a compact urban form. A compact urban form will be retained by focusing the urban expansion around the existing walking and cycle path to the Domain and Hāwea Flat School, integration with the existing street network and mix of landuse types supporting the self-sufficiency and overall work,

live play opportunities within the township. Therefore in my opinion Option 5 will result in a more well-defined and compact urban form than Option 3.

151 Overall, taking into account my assessment of the relevant objectives and cost and benefits when evaluated against the other options, Option 5 is the most appropriate.

Assessment of efficiency and effectiveness of provisions s.32(1)(b)(ii) and s.32(2)(a)

152 As above I have considered Option 5 is the most appropriate which includes moving the UGB and providing comprehensive structure planned approach to zoning of the Site alongside the re-zoning of the township to Lower Density Suburban Residential. To provide for this structure planned outcome, where possible existing zones and structure plan tools have been adopted from the existing PDP framework. The PDP already establishes as a method Structure Plans for a variety of locations throughout the district. Accordingly the following amendments to the PDP provisions are proposed:

Chapter 7 – Lower Density Suburban Residential

153 Given the QLDC s32 report recommendation to re-zone the township to LDSR, further changes are not considered necessary to provide for the LDSR proposed for the Site. A structure plan would guide development and this would be provided for in Chapter 27 discussed further below.

Chapter 8 - Medium Density Residential

8.1 Zone Purpose

The zone is situated in locations in Queenstown, Frankton, Arrowtown ~~and~~ Wanaka and Hāwea that are within identified urban growth boundaries, and easily accessible to local shopping zones, town centres or schools by public transport, cycling or walking

8.4.9	Commercial Activities in Queenstown, Frankton or Wanaka <u>and Hāwea</u> :100m2 or less gross floor area	<i>Non-compliance status:</i> RD
8.5.1	Building Height (for flat and sloping sites) 8.5.1.1 Wanaka and Arrowtown <u>or</u> <u>Hāwea</u> : A maximum of 7 metres.	<i>Non-compliance status:</i> NC

154 The medium density zoning being located between the potential school site and Local Shopping Centre Zone provides a logical location for future medium density

housing and also aligns it with the purpose of the zone and existing objectives and policies. Only minor amendments are necessary to reference the zoning at Hāwea in addition to that in Queenstown, Wanaka and Arrowtown. Accordingly these amendments are considered both efficient and effective.

Chapter 15 - Local Shopping Centre Zone

155 Given LSCZ is already provided at Hāwea no changes are necessary to provide for the additional LSCZ provided on the Site.

Chapter 18A - General Industrial Zone

18A.5.9	<p>Fencing</p> <p>a. Any site adjoining a residential zone (including the Meadow Park Special Zone or the Large Lot Residential Zone) shall establish a solid fence at least 2m in height, or dense planting that shall achieve the same height, along the site boundary</p> <p>b. In the General Industrial Zone in Wanaka and <u>Hāwea</u>, the following additional standards shall apply in regard to Building Restriction areas shown on any structure plan shown in Chapter 27 (Subdivision and Development):</p> <p>i. Fences on or within 4m of the open space areas shall be no higher than 1.2m</p> <p>ii. This standard shall not apply to fences which are at right angles to the boundary of the open scape area.</p> <p>c. No razor wire or barded wire shall be used on any fencing</p>	<p><i>Non-Compliance Status:</i></p> <p>RD</p>
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156 The addition of reference to Hāwea in Rule 18A.5.9 b along with the existing rule framework will ensure an appropriate interface at the GIZ at Hāwea. The need to adjust the provisions to ensure the outcomes as provided for in similar GIZ zones that have interfaces with residential and other zonings is limited and will ensure the provisions remain efficient and effective when applied in Hāwea.

Chapter 27 – Subdivision and Development

157 In addition to the district wide objectives and policies in Part 27.2, the following amendments to objectives and policies related to subdivision in specific locations are proposed.

27.3 *Location-specific objectives and policies*

Hāwea Structure Plan

Objective 27.3.X – High quality urban subdivision and development of the land on the northern side of Domain Road Hāwea, that is planned around,

and integrated with, the water race reserve, key road connections and provides a strong green edge to the southern extent of the township.

Policies

27.3.X.X Ensure subdivision and development at Hāwea is undertaken in accordance with the Hāwea Structure Plan (Schedule 27.13.X) to provide integration and coordination of access to properties and the wider road network.

27.3.X.X Ensure integrated and safe transport connections by providing for key road connections (as shown on the Hāwea Structure Plan (Schedule 27.3.x)) and limiting new access from Domain Road.

27.3.X.X Ensure subdivision and development at Hāwea provides (as shown on the Hāwea Structure Plan (Schedule 27.3.x)) Building Restriction Areas to:

- a. Provide a green edge/buffer to the Hāwea Industrial Area, Domain Road and the southern extent of the Township via a landscape planted reserve, and
- b. Provide a water race reserve and associated pedestrian and cycle trail.

	Zone and Location Specific Rules	Activity Status
27.7.x	<p><u>Hāwea</u></p> <p><u>27.7.x.x In addition to those matters of control listed under Rule 27.7.1 when assessing any subdivision consistent with the Hāwea Structure Plan shown in schedule 27.3.x, the following shall be additional matters of control:</u></p> <ul style="list-style-type: none"> a. <u>the comprehensive landscape design and planting of the building restrictions areas and timing for construction of the pedestrian and cycle trails.</u> 	<u>C</u>
27.7.X	<p><u>Hāwea</u></p> <p><u>27.7.X.X Any subdivision that is inconsistent with the Hāwea Structure Plan contained in Section 27.13</u></p> <p><u>In terms of consistency with the structure plan:</u></p> <ul style="list-style-type: none"> a. <u>the key Road connections on Domain road may move however no more than the number of connections shown shall be provided.</u> b. <u>Other Key Road connections may move by up to</u> 	<u>D</u>

	<p><u>50m.</u></p> <p>c. <u>Other than in relation to Domain Road additional road connections may be provided in addition to the key road connections shown on the structure plan</u></p>	
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158 In line with other locations where structure plans are provided, the proposed objective, policies and rules for the Hāwea structure plan seek to articulate the key elements of the structure plan and in particular in this case the comprehensive treatment of the UGB. These provisions are considered efficient and effective.

S.42a Report

Infrastructure

159 The evidence of Mr Waite has confirmed that the site can be serviced and I note the evidence of Mr Powell for QLDC only raised a question in respect of water supply due to no modelling having been undertaken. Mr Waite’s evidence confirms options exist to address any water supply requirements.

160 Accordingly, the evidence confirms the rezoning can integrate with planned and future infrastructure and therefore is not contrary to the strategic direction of the PDP as Ms Devlin might suggest. In my opinion finding greenfields land where planned infrastructure can service the development is rare and therefore this provides a strong basis for re-zoning of the Site.

UGB

161 Mrs Devlin notes a preference for development of the existing capacity within the UGB before any expansion. As has been discussed in my evidence providing a competitive market and sufficient supply of land are key components of PDP strategic directions²⁵. Waiting for an existing developer or individuals to undertake infill achieves neither a competitive market nor will it deliver the supply of residential housing to the market that is needed as illustrated by the increases in house prices.

162 Mrs Devlin also appears to question the rigour of the district plan review process to consider the location of the UGB and zoning. However I would respectfully disagree and consider the District Plan Review process (this process) is the exactly the time to consider the strategic locations for growth of the district and its various communities. Given the length of time the district plan review has taken to date to wait for a further unknown process at some undefined time in the future would do little to serve the needs of the community. In my experience having

²⁵ PDP Chapter 4 - Urban Development Policy 4.2.1.4

been involved in a wide variety of matters across all stages of the district plan review I have seen high levels of involvement from individuals and groups so do not share Mrs Devlin's concerns this process is not rigorous enough.

Conclusion

- 163 In terms of the NPS-UDC, objectives OA1 –OC2 all emphasise providing opportunities for development to meet demand and ensuring an evidence based, market focussed analysis is utilised in coming to this conclusion. In my opinion Council appears to be placing too greater emphasis on PA1 in 'giving effect' to the NPS-UDC²⁶. However PA1 is not the only policy required to be addressed. PA2 – PA4 are just as relevant and these policies operate in a system encouraging feedback, monitoring and testing in deciding if PA1 is being met and the overall objectives achieved.
- 164 In terms of PA1, it is clear that the market is confirming there is not sufficient housing and business land development capacity, therefore in my opinion PA1 is not currently being met. In particular PC1 requires a margin of at least 20% this is a bottom line and more is required as directed by PC2 where market indicators identify a reduced uptake. As directed by PC3 in my opinion further development capacity and enabling of development is required.
- 165 QLDC current NPS-UDC framework appears to discount the market indicators primarily on the basis of the assumption that any further zoning of land is unlikely to be effective given the theoretical oversupply that already exists²⁷. However, in my opinion this is not what the NPS-UDC is seeking to achieve. In my opinion a theoretical sufficient or oversupply of development capacity is not a barrier or reason not to zone further land in seeking to give effect to the NPS.
- 166 Although additional zoning may not necessarily be effective in all situations it is the primary method available within the context of this process to achieve the objectives of the NPS-UDC and provide for growth of urban environments.
- 167 In my opinion additional zoning where it creates competition and can be serviced aligns with and will give effect to the NPS-UDC.
- 168 The expansion of the UGB at Hāwea and additional zoning as provided for on the Site will align with and promote the NPS-UDC and relevant strategic objectives by:

²⁶ Barr Statement of Evidence - Strategic Overview for All Stage 3– para 6.10

²⁷ ME - HDCA 2017 - pg213

- a. Creating greater competition in the market whereby 6 additional landowners are provided with urban zoning.
- b. Universal Developments as one of the key landowners has a proven track record of developing land and not land banking.
- c. Additional zoning in Hāwea will have the greatest opportunity to support the areas where housing development capacity analysis (including that of QLDC) identifies the greatest shortfalls that being the lower price brackets.
- d. The zoning can positively support an existing and growing community by providing greater opportunity for the community to become self-sufficient and reduce demand for travel to and from Wanaka.
- e. Providing a logical place for urban growth to occur taking into account strategic policies around landscape, hazards, infrastructure and productive land alongside opportunities to strengthen and define the overall urban growth strategy for Hāwea.
- f. Ensuring growth occurs within an area of the landscape that is less sensitive to change within a defensible UGB boundary that will ensure a compact urban form.

169 In my opinion finding the above set of circumstances and opportunities to provide for growth in the Queenstown Lakes District is very rare and therefore I support moving the UGB and urban zoning of the land via a structure plan for the Site.

Tim Williams

Dated this 29th day of May 2020

Appendix [A] - Site/Ownership Plan



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Notes

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APPLICANT
Universal Developments Hawea Ltd

COMPRISED IN
RT's 909889, 6749747, 6749746, 6538353, 8012377, 7540117, 8012376, OT385/83, OT393/230

TERRITORIAL AUTHORITY
Queenstown Lakes District Council

LAND DISTRICT
Otago

TOTAL AREA
XXXX ha

DATE
19/05/20

Drawing Title

Lot Ownership Plan

Prepared for

Discussion

Plan Revisions

REV.	DESCRIPTION	DATE
A	ORIGINAL ISSUE	19/05/20

SCALE
1:5000 @ A3

DATUM & LEVEL
Lindis Peak 2000

REVISION	DRAWING REFERENCE	Sheet	
A	U4266_S10	1 OF 1	
SURVEYED	DATE	CHECKED	DATE
X.X.	X.X.	L.W	19/05/20
DRAWN	DATE	APPROVED	DATE
N.K	19/05/20	L.W	19/05/20

Lot 1 & 2 DP 8474
Catherine Stuart,
Roger Stuart &
YBT Nominees Limited
OT393/230 & OT385/83

Lot 2 DP 538397
Hallie Buckley, David Smith,
T.D Scott &
Co Trustee Limited
897977

Lot 1 DP 538397
DPA Trustees C Limited &
Keith Stubbs
897996

Lot 1 DP 304937
Streat Developments Limited
19606

Lot 2 DP 477596
Bruce Roy, Stuart Roy &
Suzanne Roy
663301

Lot 1 DP 343855
Universal Developments Hawea Limited
180127

Lot 2 DP 343855
Universal Developments Hawea Limited
180128

Lot 1 DP 541414
LAC Property Trustees Limited
909889

Cemetery Road

Cemetery Road

Domain Road

Domain Road

NOTES:

- The areas and dimensions shown on this plan should be considered indicative and subject to final Land Transfer Survey. Areas and dimensions may vary upon survey. This plan should not be attached to sale & purchase agreements without an appropriate condition to cover such variations. Solicitor to refer to surveyor for appropriate wording for sale & purchase agreement
- Additional easements may be required at the time of final Land Transfer Survey

Appendix [B] - Zoning/Structure Plan



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TERRITORIAL AUTHORITY
Queenstown Lakes District Council

LAND DISTRICT
Otago

TOTAL AREA	DATE
140.21 ha	09/04/20

Drawing Title
Future Zoning Plan/Structure Plan

Prepared for
Evidence

Plan Revisions

REV.	DESCRIPTION	DATE
A	ORIGINAL ISSUE	31/03/20
B	BUFFERS ADJUSTED	09/04/20
C	MDR AREA ADJUSTED	12/05/20

SCALE
1:5,000 @ A3

DATUM & LEVEL
Lindis Peak 2000

LEVEL IN TERMS OF MSL (VD056) ORIGIN D 501 (MOW) RL = 346.1364

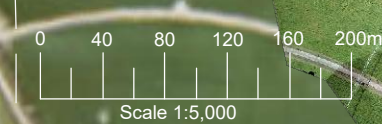
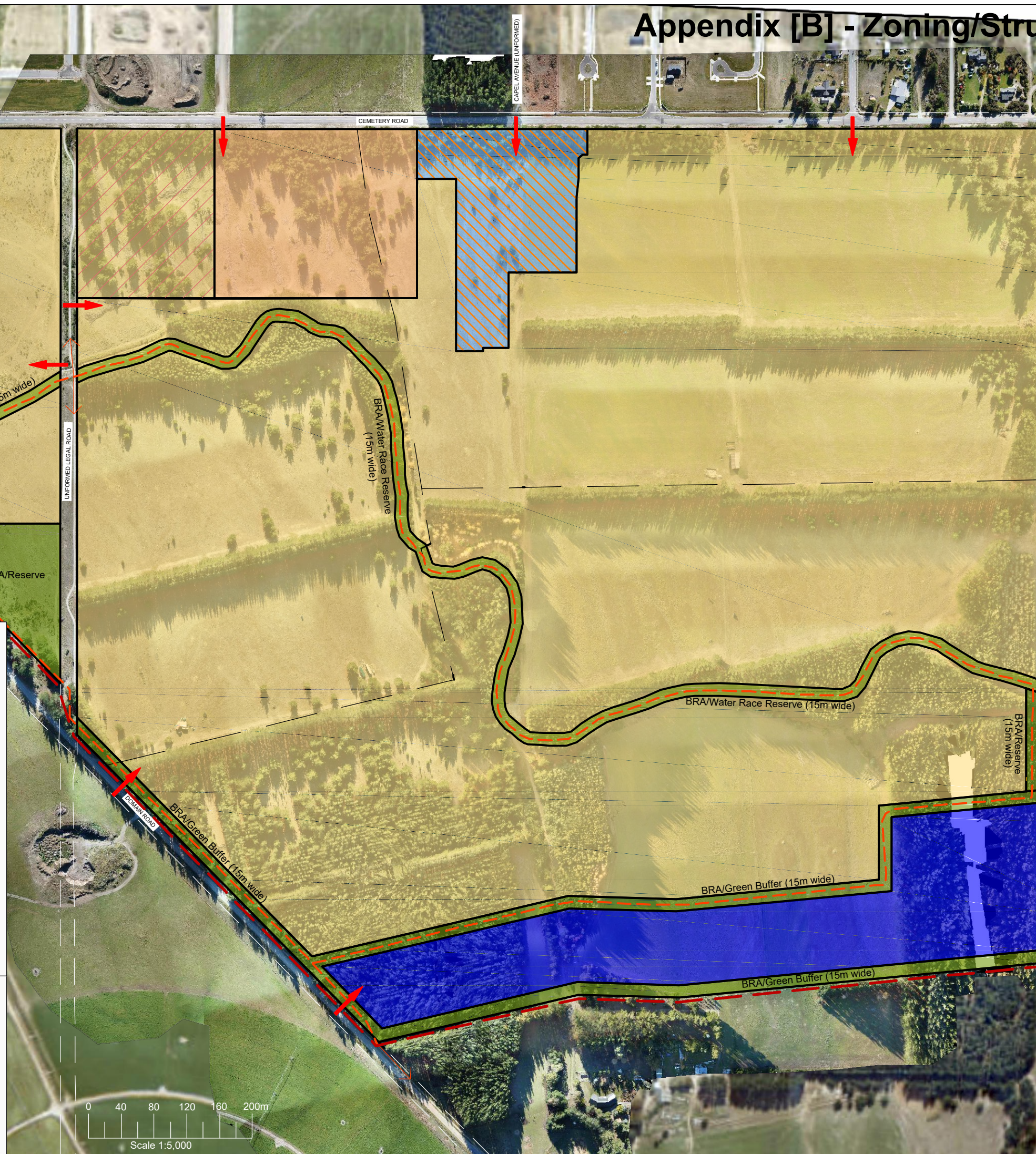
REVISION	DRAWING REFERENCE	SHEET	
C	U4266_S8	1 OF 1	
SURVEYED	DATE	CHECKED	DATE
XX	XX/XX/XX	LW	31/03/20
DRAWN	DATE	APPROVED	DATE
LW	31/03/20	LW	31/03/20

LEGEND

- Low Density Residential (110.3 Ha)
- Medium Density Residential (5.2Ha)
- Education/Low Density Residential (3.5 Ha)
- Industrial (9.2 Ha)
- Local Shopping Centre (3.5 Ha)
- Building Restriction Area - 'BRA' (8.6 Ha)
- Urban Growth Boundary
- Key Road Connection
- Pedestrian & Cycle Way

NOTES:

- Areas are shown to the nearest 0.1 Ha & dimensions to the nearest 0.1m
- The areas and dimensions shown on this plan should be considered indicative and subject to final Land Transfer Survey. Areas and dimensions may vary upon survey. This plan should not be attached to sale & purchase agreements without an appropriate condition to cover such variations.
- Additional easements may be required at the time of final Land Transfer Survey
- The within Lots are subject to existing Land Covenants & Consent Notices.



Appendix [C] - Indicative Master Plan



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TERRITORIAL AUTHORITY
Queenstown Lakes District Council

LAND DISTRICT
Otago

TOTAL AREA DATE
09/04/20

Drawing Title
Indicative Master Plan

Prepared for
Evidence

Plan Revisions

REV.	DESCRIPTION	DATE
A	ORIGINAL ISSUE	06/04/20
B	GREEN BUFFER AMENDED, UGB ADDED	09/04/20
C	MINOR EDITS	12/05/20

SCALE
1:5,000 @ A3

DATUM & LEVEL
Lindis Peak 2000

LEVEL IN TERMS OF MSL (VD056) ORIGIN D 501 (MOW) RL = 346.1364

REVISION	DRAWING REFERENCE	SHEET
C	U4266_S9	1 OF 1

SURVEYED	DATE	CHECKED	DATE
XX	XX/XX/XX	LW	06/04/20
DRAWN	DATE	APPROVED	DATE
LW	06/04/20	LW	06/04/20

LEGEND

- Low Density Residential (110.3 Ha)
- Medium Density Residential (5.2Ha)
- Education/Low Density Residential (3.5 Ha)
- Industrial (9.2 Ha)
- Special Housing Area (32.6 Ha)
- Local Shopping Centre (3.5 Ha)
- Building Restriction Area - 'BRA' (8.6 Ha)
- Road
- Urban Growth Boundary
- Key Road Connection
- Pedestrian & Cycle Way

NOTES:

- Areas are shown to the nearest 0.1 Ha & dimensions to the nearest 0.1m
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