

PROPOSED VARIATION: PENINSULA BAY, WANAKA

Proposed Variation No. 25 to the Queenstown Lakes Partially Operative District Plan
regarding re-zoning of Rural General Land known as Peninsula Bay

Prepared for the Queenstown Lakes District Council
Dated 5 October 2005

EXECUTIVE SUMMARY

In May 2002 the Council undertook a major strategic planning exercise for Wanaka entitled Wanaka 2020. This community planning exercise assisted the community in identifying and planning for the management of future growth of the Wanaka area. The area of land that is subject to this proposed Plan Change (Peninsula Bay) was identified as suitable for accommodating part of this future growth.

Following Wanaka 2020, the Queenstown Lakes District Council commissioned more work to assist in managing urban growth issues in and around Wanaka. The preparation of the Wanaka Structure Plan ensued. The scope of this Structure Planning process was to:

“Undertake a study which investigates and makes recommendations as to the Future Zoning of Land (and the associated infrastructure issues) around the periphery of the existing urban area of Wanaka”.

The purpose of the resultant Structure Plan is to provide for the future growth of Wanaka for the next 20 years in a manner which ensures the appropriate and efficient use of the land and associated use of infrastructure to enable the growth, good urban design, protection of open space and landscape values, and the optimal rate of release of zoned land to ensure an adequate availability of land over time.

Peninsula Bay's proximity to existing residential zoned land, the suitability of most of the land in landscape terms and the ability to service it with appropriate infrastructure make the site ideal for rezoning to enable residential development.

The Peninsula Bay site is located at Beacon Point, Wanaka. The site comprises 75.484 hectares of land currently zoned rural general, extending in a rectangular shape from Rata Street through to the bluffs overlooking Lake Wanaka.

The land is currently rolling pastureland, gently rising up from the rural residential properties above Beacon Point Road, towards the forestry block that forms a tree covered skyline to the north east. It adjoins Hunter Crescent and Rata Street, while also backing on to rural residential scale subdivisions above Beacon Point Road.

As a result of Wanaka 2020, the Structure Planning Process and this section 32 analysis (required under the Resource Management Act 2003) rezoning this land from Rural General to enable residential development is considered to be appropriate and necessary. Using the Low Density Residential Zone provisions already established in the District Plan is considered effective for most of the site. In addition to the Low Density Residential Zoning, it is recommended that an additional rule be applied to the Peninsula Bay land requiring the outline development master plan for the site. This will enable the Council to consider matters such as access, roading pattern, allotment layout and size, and potential visibility from the lake to the north.

The areas of the site that have been identified as sensitive in landscape terms (north eastern corner and eastern boundary) have been excluded from the Low Density zoning, and given greater protection into the future through the application of an open space zone. This ensures that the landscape and ecological values are protected into the future through restricting any buildings and structures. Public access will be provided through easements.

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1. PURPOSE OF REPORT

This report is provided by the Queenstown Lakes District Council to fulfil the statutory requirements for a Plan Change in terms of section 32 of the Resource Management Act 1991 (the Act). The report relates to the Council's proposal to enable residential development of that land at Beacon Point, Wanaka, known as Peninsula Bay.

In brief:

- (i) The Peninsula Bay development area covers approximately 75 hectares of land adjacent to the existing northern edge of Wanaka's Low Density Residential Zone. It is inside the inner growth boundary identified within the Council's Wanaka Structure Plan.
- (ii) The existing zoning under the Partially Operative District Plan is Rural General.
- (iii) The Queenstown Lakes District Council has identified Peninsula Bay as being suitable for residential development over those areas of the site that are not sensitive in landscape terms in order to meet projected growth demand.

2. THE STATUTORY FRAMEWORK

This Plan Change has been prepared as a means of achieving the purpose of the Act, which is expressed in **section 5** as follows:

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, "sustainable management" means managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while –*
 - (a) *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonable foreseeable needs of future generations; and*
 - (b) *Safeguarding the life-supporting capacity of air, water, soil and ecosystems; and*
 - (c) *Avoiding, remedying or mitigating any adverse effects of activities on the environment.*

Considering a variation for this area of land is consistent with the Purpose of the Act. It enables the Wanaka community to provide for their social, economic and cultural wellbeing through providing for the future growth of Wanaka, providing open space and access through to the Lake margins. It achieves this while meeting the requirements of (a), (b) and (c).

Section 6 identifies matters of national importance. Part of the site subject to this variation has been identified as ONL; therefore section 6(b) is of particular relevance.

Through this variation development within those areas of the site deemed to be sensitive in landscape terms is to be avoided in perpetuity. The existing Rural

Zoning of this land provides no assurance that these landscape sensitivities can be protected so completely as the option that is enabled via this Variation.

Section 7 lists “other matters” that the Council must have particular regard to. The following sub-sections are of particular relevance to this Variation.

- (b) *The efficient use and development of natural and physical resources:*
- (c) *The maintenance and enhancement of amenity values:*
- (f) *Maintenance and enhancement of quality of the environment:*
- (g) *Any finite characteristics of natural and physical resources:*

Because of its location within the urban growth boundary of Wanaka, and the need for residential land to provide for Wanaka’s future growth, the rezoning of this land to provide for residential development is considered to be an efficient use of natural and physical resources. An assessment of the availability of services infrastructure completed by Paterson Pitts Partners has confirmed that existing services along with planned upgrades can cope with the ultimate demands placed by the proposed rezoning (Appendix 11). In fact some recent upgrades of services in the vicinity of the site (water for example) have already been sized to accommodate the projected Peninsula Bay demand. The use of the Peninsula Bay site for residential development brings with it the opportunity to utilise this existing infrastructure in an efficient manner. This is reflected in the Council’s Long Term Council Community Plan, which assumes that the site will be developed for residential purposes.

Following a detailed landscape assessment of this site, and the adoption of the recommendations within that assessment, it is believed that through the adoption of this Variation, the amenity values of the site and surrounding environment can be maintained and improved with appropriate re-zoning and other protection measures.

Likewise, the Variation meets section 7(f) of the Act by providing a logical extension to the Wanaka town, and ensuring that the development is undertaken in a manner consistent with the outcomes set out within the Low Density Residential zone, which seek to achieve high quality development outcomes and the maintenance of residential amenity values. Those more sensitive parts of the site are to be protected via the imposition of an open space zoning in order to retain the qualities that these areas currently provide.

Section 8 states that:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

There are no known Treaty principles that will be affected by this Variation Consultation with Kai Tahu will continue throughout the Variation process and there may be an opportunity to involve Kai Tahu in a kaitiaki role in the ultimate administration of reserves areas.

Section 31 of the Act lists “other matters” that the Council must have regard to. This plan change relates specifically to Council’s functions under 31(a), which reads:

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

Part 11 of this report provides an analysis of the existing and potential objectives, policies and methods relevant to this Variation.

Relevant clauses of **section 32** of the Act read:

- (3) An evaluation must examine—
 - (a) *the extent to which each objective is the most appropriate way to achieve the purpose of this Act; and*
 - (b) *whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives.*
- (4) *For the purposes of this examination, an evaluation must take into account—*
 - (a) *the benefits and costs of policies, rules, or other methods; and*
 - (b) *the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods.*
- (5) *The person required to carry out an evaluation under subsection (1) must prepare a report summarising the evaluation and giving reasons for that evaluation.*
- (6) *The report must be available for public inspection at the same time as the document to which the report relates is publicly notified or the regulation is made.*

This analysis meets the requirements identified above, and forms the report required by sections 32(5) and (6).

The Environment Court in ***Nugent Consultants Ltd v Auckland City Council*** [1996] NZRMA 481 succinctly summarised the statutory criteria as follows:

"In summary, a rule in a proposed district plan has to be necessary in achieving the purpose of the Act, being the sustainable management of natural and physical resources (as those terms are defined); it has to assist the territorial authority to carry out its function of control of actual or potential effects of the use, development or protection of land in order to achieve the purpose of the Act; it has to be the most appropriate means of exercising that function; and it has to have a purpose of achieving the objectives and policies of the plan.

The statutory purpose is broadly stated. The aspects of it that are relevant for the present purpose are enabling people to provide for their social and economic wellbeing, while avoiding, remedying or mitigating any adverse effects of activities on the environment."

Section 72 identifies the purpose of District Plans, and reads

The purpose of the preparation, implementation and administration of district plans is to assist territorial authorities to carry out their functions in order to achieve the purpose of this Act.

Section 73 provides for the preparation and change of District Plans. It states that variations and plan changes must be prepared in accordance with the First Schedule of the Act. The requirements of the First Schedule have been met in the preparation of this Variation.

Section 74 is of particular relevance, and identifies the matters to be considered by local authorities when preparing a change or variation to a district plan. Listed here are the clauses that are of relevance to this Variation.

- (1) *A territorial authority shall prepare and change its district plan in accordance with its functions under section 31, the provisions of Part 2, its duty under section 32, and any regulations.*
- (2) *In addition to the requirements of section 75(2), when preparing or changing a district plan, a territorial authority shall have regard to—*
 - (a) *Any—*
 - (i) *Proposed regional policy statement; or*
 - (ii) *Proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and*
 - (b) *Any-*
 - (ii) *Management plans and strategies prepared under other Acts; and*

to the extent that their content has a bearing on resource management issues of the district; and

2(A) A territorial authority, when preparing or changing a district plan, must—

- (a) *Take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on resource management issues of the district; and*

Through the development of this section 32 analysis, regard has been given to the Otago Regional Policy Statement (in the following section of this report). It also meets the requirements of Clause 2(b)(ii) by having regard to the Council's Long Term Council Plan, which is a management plan prepared under the Local Government Act. Clause 2(A)(a) is met through having regard to the Kai Tahu Ki Otago Resource Management Plan.

The following sections of this analysis identify the relevant provisions of the Regional Policy Statement for Otago, the Queenstown Lakes District Council's Long Term Council Community Plan, and the Kai Tahu Ki Otago Resource Management Plan. The provisions within these documents inform the Section 32 analysis.

2.1 REGIONAL POLICY STATEMENT FOR OTAGO

Section 75 of the Act specifies that the Variation must not be inconsistent with any Regional Policy Statement or Regional Plan. The Regional Policy Statement for Otago (Operative 1 October 1998) is of relevance to this Variation, in particular the following Chapters and areas of policy have been considered by Council:

4 Manawhenua Perspective Objectives

4.4.1 Waahi Tapu (Sacred places)

To recognise the spiritual and customary importance of waahi tapu (such as burial places) to Kai Tahu and to recognise and provide for the protection of waahi tapu from physical disturbance, erosion, pollution and inappropriate landuse.

Waahi Taoka (Treasured Resources)

To recognise and provide for the special significance that all taoka play in the culture of Kai Tahu.

Wai (Water)

To recognise the principle of wairua and mauri in the management of Otago's water bodies.

Mahika Kai (Places where food is produced or procured)

To maintain and enhance mahika kai and access to those traditional resources.

Kaitiakitanga (Guardianship)

To incorporate the concept and spirit of kaitiakitanga in the management of Otago's natural and physical resources in a way consistent with the values of Kai Tahu.

Whenua Papakaika (Ancestral Land)

To recognise the right of Kai Tahu to manage and utilise their whenua papakaika.

5 Land Objectives

*To promote the sustainable management of Otago's land resources in order:
To maintain and enhance the primary productive capacity and life-supporting capacity of land resources; and*

To meet the present and reasonably foreseeable needs of Otago's people and communities.

To avoid, remedy or mitigate degradation of Otago's natural and physical resources resulting from activities utilising the land resource.

To protect Otago's outstanding natural features and landscapes from inappropriate subdivision, use and development.

To ensure that public access opportunities exist in respect of activities utilising Otago's natural and physical land features.

Policies

5.5.2. *To promote the retention of the primary productive capacity of Otago's existing high class soils to meet the reasonably foreseeable needs of future generations and the avoidance of uses that have the effect of removing those soils or their life-supporting capacity and to avoid, remedy or mitigate the adverse effects on the high class soils resource where avoidance is not practicable.*

5.5.3. *To maintain and enhance Otago's land resource through avoiding, remedying or mitigating the adverse effects of activities which have the potential to, amongst other adverse effects:*

- (a) Reduce the soil's life supporting capacity*
- (b) Reduce healthy vegetative cover*
- (c) Cause soil loss*
- (d) Contaminate soils*
- (e) Reduce productivity*
- (f) Compact soils*
- (g) Reduce soil moisture holding capacity.*

5.5.4. *To promote the diversification and use of Otago's land resource to achieve sustainable landuse and management systems for future generations.*

To recognise and provide for the protection of Otago's outstanding natural features and landscapes which:

- (a) Are unique to or characteristic of the region; or*
- (b) Are representative of a particular landform or land cover occurring in the Otago region or of the collective characteristics which give Otago its particular character; or*
- (c) Represent areas of cultural or historic significance in Otago; or*
- (d) Contain visually or scientifically significant geological features; or*
- (e) Have characteristics of cultural, historical and spiritual value that are regionally significant for Tangata Whenua and have been identified in accordance with Tikanga Maori.*

To promote the provision of public access opportunities to natural and physical land features throughout the Otago region except where restriction is necessary:

- (i) To protect areas of significant indigenous vegetation and/or significant habitats of indigenous fauna; or*

- (ii) *To protect Maori cultural values; or*
- (iii) *To protect public health or safety; or*
- (iv) *To ensure a level of security consistent with the purpose of a resource consent or in circumstances where safety and security concerns require exclusive occupation; or*
- (v) *In other exceptional circumstances sufficient to justify the restriction notwithstanding the importance of maintaining that access.*

6 Water

6.4 Objectives

- 6.4.7.** *To maintain and enhance public access to and along the margins of Otago's water bodies.*
- 6.4.8.** *To protect areas of natural character, outstanding natural features and landscapes and the associated values of Otago's wetlands, lakes, rivers and their margins.*

Policies

To maintain and where practicable enhance existing well vegetated riparian margins and, where necessary, to promote the creation of further such margins:

To provide for the preservation of the natural character of wetlands, rivers, lakes and their margins; and

To maintain and enhance water quality; and

To maintain and enhance ecological, amenity, intrinsic and habitat values; while considering the need to reduce threats posed by flooding and erosion.

To maintain and enhance public access to and along the margins of Otago's water bodies through:

- (a) *Encouraging the retention and setting aside of esplanade strips and reserves and access strips to and along the margins of water bodies which will enhance access; and*
- (b) *Identifying and providing for other opportunities to improve access, except where restriction is necessary;*
 - (i) *To protect areas of significant indigenous vegetation and/or significant habitats of indigenous fauna,*
 - (ii) *To protect Maori cultural values,*
 - (iii) *To protect public health or safety,*

- (iv) *To ensure a level of security consistent with the purpose of a resource consent; or*
- (v) *In other exceptional circumstances sufficient to justify the restriction notwithstanding the national importance of maintaining that access.*

9 Built Environment

Objectives

To promote the sustainable management of Otago's built environment in order to:

Meet the present and reasonably foreseeable needs of Otago's people and communities; and

Provide for amenity values; and

Conserve and enhance environmental and landscape quality; and

Recognise and protect heritage values.

To promote the sustainable management of Otago's infrastructure to meet the present and reasonably foreseeable needs of Otago's communities.

To avoid, remedy or mitigate the adverse effects of Otago's built environment on Otago's natural and physical resources.

9.5 Policies

9.5.2 *To promote and encourage efficiency in the development and use of Otago's infrastructure through:*

(a) *Encouraging development that maximises the use of existing infrastructure while recognising the need for more appropriate technology; and*

(b) *Promoting co-ordination amongst network utility operators in the provision and maintenance of infrastructure; and*

Encouraging a reduction in the use of non-renewable resources while promoting the use of renewable resources in the construction, development and use of infrastructure; and

Avoiding or mitigating the adverse effects of subdivision, use and development of land on the safety and efficiency of regional infrastructure.

To promote and encourage the sustainable management of Otago's transport network through:

Promoting the use of fuel efficient modes of transport; and

Encouraging a reduction in the use of fuels which produce emissions harmful to the environment; and

Promoting a safer transport system; and

Promoting the protection of transport infrastructure from the adverse effects of landuse activities and natural hazards.

To minimise the adverse effects of urban development and settlement, including structures, on Otago's environment through avoiding, remedying or mitigating:

Discharges of contaminants to Otago's air, water or land; and

The creation of noise, vibration and dust; and

Visual intrusion and a reduction in landscape qualities; and

Significant irreversible effects on:

- (i) Otago community values; or*
- (ii) Kai Tahu cultural and spiritual values; or*
- (iii) The natural character of water bodies and the coastal environment; or*
- (iv) Habitats of indigenous fauna; or*
- (v) Heritage values; or*
- (vi) Amenity values; or*
- (vi) Intrinsic values of ecosystems; or*
- (viii) Salmon or trout habitat.*

To maintain and, where practicable, enhance the quality of life for people and communities within Otago's built environment through:

Promoting the identification and provision of a level of amenity which is acceptable to the community; and

Avoiding, remedying or mitigating the adverse effects on community health and safety resulting from the use, development and protection of Otago's natural and physical resources; and

Avoiding, remedying or mitigating the adverse effects of subdivision, landuse and development on landscape values.

10 **Biota**

Objectives

To maintain and enhance the natural character of areas with significant indigenous vegetation and significant habitats of indigenous fauna.

Policies

To maintain and where practicable enhance the diversity of Otago's significant indigenous vegetation and the significant habitat of indigenous fauna, trout and salmon which are:

Covered under a statute or covenant for protection; or

Habitat or vegetation that support the maintenance or recovery of indigenous species that are uncommon or threatened with extinction (rare, vulnerable or endangered) regionally or nationally; or

Vegetation that contains associations of indigenous species which are rare or representative regionally or nationally; or

Vegetation that contains a substantially intact, uninterrupted ecological sequence of indigenous species which are rare or representative regionally or nationally; or

Important for soil and water values or have functions in natural hazard mitigation; and to promote and encourage, where practicable, the retention, enhancement and re-establishment of indigenous ecosystems within Otago.

11 **Natural Hazards**

Objectives

To avoid or mitigate the adverse effects of natural hazards within Otago to acceptable levels.

To avoid, remedy or mitigate the adverse effects of hazard mitigation measures on natural and physical resources.

11.5 Policies

To restrict development on sites or areas recognised as being prone to significant hazards, unless adequate mitigation can be provided.

To avoid or mitigate the adverse effects of natural hazards within Otago through:

Analysing Otago's natural hazards and identifying their location and potential risk; and

Promoting and encouraging means to avoid or mitigate natural hazards; and Identifying and providing structures or services to avoid or mitigate the natural hazard; and

Promoting and encouraging the use of natural processes where practicable to avoid or mitigate the natural hazard.”

In summary, some key issues relevant to the assessment of this Variation are dealt with within the Regional Policy Statement. These include objectives and policies that are intended to:

Recognise the special relationship that Manawhenua has with land and water resources.

Maintain and enhance the primary productive capacity and life supporting capacity of land resources. Relevant provisions focus on the retention of high-class soils for productive purposes and to avoid, remedy or mitigate degradation of land that can sometimes result from activities utilising land.

Meet the reasonably foreseeable needs of the regions' people and communities via development which is efficient and is consistent with meeting expectations regarding amenity values.

Protect outstanding natural features and landscapes from inappropriate subdivision, use and development.

Ensure public access opportunities are maintained or enhanced to and along the margins of the region's water bodies, including lakes.

Protect areas of natural character, outstanding natural features and landscapes and the associated values of Otago's wetlands, lakes, rivers and their margins.

Ensure efficiency of urban development and the efficient use of infrastructure by maximising the use of existing infrastructure. Consolidation and improved use of this existing resource prior to extensions or new development is emphasised.

Minimise adverse effects of urban development and settlement on the region's environment. Such effects include pollution, loss of productive land to urban development and increased energy consumption.

Maintain and enhance the quality of life for people and communities. This is to be achieved via the identification and provision of an acceptable level of amenity, avoiding, remedying or mitigating adverse effects on community health and safety, and the adverse effects of subdivision, land use and development on landscape values.

Maintain and enhance natural character of areas with significant indigenous vegetation and/or fauna.

Promote and encourage the retention, enhancement and re-establishment of indigenous ecosystems in the region.

Avoid or mitigate the adverse effects of natural hazards and avoid or restrict development on hazard prone land.

2.2 QUEENSTOWN LAKES DISTRICT COUNCIL'S LONG TERM COUNCIL COMMUNITY PLAN

The Long Term Council Community Plan (CCP) for the Queenstown Lakes District has been prepared under the Local Government Act 2002. It identifies key community outcomes for the District. The following excerpt from the CCP identifies how those outcomes were established:

Over a period of two years, beginning in 2001, the Council went to its individual communities to hold a series of 2020 workshops. The communities looked ahead to the future and made decisions about the desired look and feel of their environments in 20 years time.

The community outcomes that arose out of this process are included on page 12 of Volume 1 of the CCP. Those of relevance to this Variation read:

- *Sustainable growth management;*
- *Quality landscapes and natural environment and enhanced public access;*
- *A safe and healthy community that is strong, diverse and inclusive of all age groups;*
- *Effective and efficient infrastructure that meets the needs of growth;*
- *High quality urban environments that meets the needs of growth;*
- *A strong and diverse economy;*
- *Preservation and celebration of the district's local cultural heritage.*

On page 14 of Volume 1 of the CCP, the Council has identified the work in progress (as at June 2004) and the work proposed to achieve each of the above community outcomes. Wanaka Structure Planning for future zoning is identified as a project underway to achieve 'Growth managed in a sustainable way'.

On page 16 of Volume 1 of the CCP, the Council identifies how the community outcomes relate to other key strategic planning documents and processes. Of particular relevance to this Variation, the second and third bullet points read:

Progressively developing the District Plan to reflect the community's expectations in the CCP. Changing the Plan is a complex process which will take a considerable period to complete.

Managing and planning for growth.

Parks and recreation facilities

Page 54 of Volume 2 of the CCP provides an overview of the Council's provision of recreation facilities and parks. It identifies that the Council owns and maintains 230 hectares of designated reserve areas throughout the District.

The purpose of the Council's parks function is to provide accessible passive recreation and beautification areas throughout the District. The CCP identifies that the Residents Survey indicated that parks and reserves are essential. It also

identifies the importance of parks in contributing to the health of the community, and providing a positive visual impact.

The principal objective is to promote the health and wellbeing of the community through the provision of facilities for sporting, leisure and recreational purposes.

Utilities

The modelling used in the CCP for services was based on an assumption that Peninsula Bay would be developed for residential purposes. Development of the Peninsula Bay site is recognised in the sizing of infrastructure already developed. Further detail of services and the issue of inclusion of the Wanaka Structure Plan within the CCP is provided in Appendix 1 to this report.

The detailed analysis of service requirements and development contributions required will be provided at the subdivision stage.

2.3 KAI TAHU KI OTAGO RESOURCE MANAGEMENT PLAN

Section 75 of the RMA requires that the District Plan 'takes into account' iwi management plans.

The Kai Tahu Ki Otago Resource Management Plan (KTKO) is the principal planning document for Kai Tahu ki Otago (Kai Tahu ki Otago is used to describe the four Papatipu Runanga and associated whanau and ropu of the Otago Region).

Section 10 of the Plan outlines the issues and policies for the Clutha/Mata-au catchments. The Clutha Mata-au catchment centres on the Clutha/Mata-au River and includes all sub-catchments within this main catchment. It includes Lake Wakatipu, Lake Wanaka and Lake Hawea, including all the headwaters and tributaries. Peninsula Bay is located on land to the south of the margin of Lake Wanaka, where the Clutha River exits.

Relevant issues identified in the Plan are related to land use, and are:

Lack of reticulated community sewerage schemes.

Existing sewage schemes are not effectively treating the waste and do not have the capacity to cope with the expanding population.

Increase in the lifestyle farm units is increasing the demand for water.

Sedimentation of waterways from urban development.

Relevant policies are:

Sediment and siltation

- 5. To discourage activities that increase the silt loading in waterways or reaches of waterways*

Land use

9. *To encourage the adoption of sound environmental practices, adopted where land use intensification occurs.*
10. *To promote sustainable land use in the Clutha/Mata-au catchment.*
11. *To encourage all consents related to subdivision and lifestyle blocks are applied for at the same time including, land use consents, water consents, and discharge consents.*
12. *To require reticulated community sewerage schemes that have the capacity to accommodate future population growth.*

The Peninsula bay plan change is likely to enable intensification of the site, which will involve increased stormwater run-off, water demand and sewage disposal. These services can be provided within the town's reticulation scheme.

The above policies can be achieved through the assurance that Peninsula bay can be provided for through the existing or planned infrastructure. In addition, any subdivision is a controlled activity. The provision of services is dealt with comprehensively within Section 15 of the Plan, and would be applied at the time of subdivision.

Lake Wanaka and the Clutha River (Mata-au) are both identified as statutory acknowledgement areas (SAA). Resource consents for activities within these SAA's must be forwarded to Ngai Tahu for comment. This will occur at the time of subdivision, and if required, land use consent.

3. BACKGROUND

VARIATION 15

The rezoning of Peninsula Bay was first considered in 2001, when a variation to the Proposed District Plan was notified for submission. Variation 15 proposed a special zone over the entire Peninsula Bay site, with the core areas of the Site rezoned for Low Density Residential purposes, and rural residential densities located on the fringes. The special zone also provided for reserve areas throughout the site.

A total of 24 submissions were received to the Variation. Of these, 12 were in opposition, 9 in support subject to amendments to the Variation, and 3 in general support.

The hearing to the Peninsula Bay variation was held on 26 February 2003 in Wanaka, where 9 submitters presented their submissions. The Council decision on submissions was then notified on 30 April 2003. Two appeals were received; one from Infinity Investments Limited, and one from Dennis Thorn. The Upper Clutha Environmental Society became a party to Mr Thorn's appeal under section 271A of the RMA.

An Environment Court hearing was held on 21-25 June, and reconvened on 20-24 September 2004. The Court's decision C010/2005 was issued on 26 January 2005 rejecting the Variation in its entirety.

4. FINDINGS OF ENVIRONMENT COURT DECISION C010/2005

Environment Court decision C010/2005 found that the Peninsula Bay Variation should be cancelled. This section of the report identifies the key points raised in the decision, and then identifies how the process adopted for this plan change addresses those matters raised by the Court.

The reasons for the Court rejecting the Variation are set out in the decision. The following paragraphs set out the essence of the Court's findings:

[139] *In summary, we find that the northern part of the site beyond the ridge above the lake is correctly classified as ONL; and the rest of the site is correctly classified as VAL.*

[148] *We accept that the development provided for elsewhere on the site than in Areas 2 and 5 would not have significant adverse landscape and visual amenity effects. However we do not accept that the potential effects of development in Areas 2 and 5 would or could be adequately or appropriately avoided, remedied or mitigated by the controls on the height, bulk, location or appearance of buildings, nor by requirements to retain vegetation.*

[152] *We bear in mind that Area 5 is largely in an ONL, in which development would be visible from public places, and detract from views of otherwise natural landscape. Area 2 is part of the VAL, and development would be visible from public places and affect the naturalness of the landscape. We find that both areas are vulnerable to change, and neither is capable of absorbing the development the variation would provide for.*

[171] *In short, the zoning may be favourable for those taking part in the development, whether as developer, or as purchasers of residential lots or dwellings, or as users of the recreational facilities to be provided. However we have not been persuaded that residential development of the site is needed now to accommodate the growth of Wanaka, or to enable the community to provide for its social or economic well-being.*

[172] *In our judgement, Variation 15 is not necessary to achieve the purpose of the Act, even giving the word "necessary" the meaning of desirable or expedient. The environmental and ecological outcomes would not be improved by upholding the variation rather than by cancelling it.*

[177] *We find that the Council's function of controlling effects of the use and development of the site would be assisted by the provisions of the variation identified by Mr Kyle, as far as they go. But they do not go far enough to assist it to control development so that it avoids adverse effects on the landscape and visual amenity values of the environment of development at the northern and eastern edges of the site.*

[191] *Reviewing the evidence as a whole, we do not find in it an adequate foundation for finding that the revised provisions of the Peninsula Bay Zone (as proposed at the Court hearing) would be the most appropriate means of exercising the Council's function of controlling actual and potential effects of the use development and protection of land in order to achieve the Act's purpose.*

- [200] *From the findings we have already stated, we do not accept that the development that the variation would authorise would, in respect of the northern end and the eastern edge, achieve the objective or Policy a(a), corresponding to items (a) and (b) in the previous paragraph. To that extent we find that Variation 15 does not have a purpose of achieving the objectives and policies of the plan.*
- [201] *We now expand our focus to include all the objectives and policies of protecting natural resources, including the natural character of lakes, outstanding rural landscapes, and visual amenity values. In our judgement, development of the northern and eastern edges of the site, that would be visible from the surface of the lake and elsewhere, would not serve those policies either. Nor would development of the site, even where the development itself is higher density, achieve the objectives and policies of promoting urban consolidation and compact urban forms. On the contrary, it would extend the town further.*
- [202] *In short, we judge that the variation would not achieve the settled objectives and policies of the plan about protecting natural resources, nor the thrust of settled objectives and policies about promoting urban consolidation and compact urban form.*
- [205] *However the variation is not necessary (in the sense of desirable or expedient) in achieving the purpose of the Act; it would not be the most appropriate means of controlling the actual and potential effects of the use, development and protection of land in order to achieve the Act's purpose; and it would not achieve the settled objectives and policies of the plan about protecting natural resources, nor the thrust of settled objectives and policies about promoting urban consolidation and compact urban form.*
- [264] *Earlier in this decision we stated our findings that the variation would provide for the development in Area 5 that would have significant adverse effects on landscape and visual amenity of Lake Wanaka and its shores. Based on those findings, we hold that the variation would not recognise and provide for the preservation of the natural character of the lake and its margin. In our judgement, development of parts of the site that would be visible from the surface or the margin of the lake, even if existing kanuka or other vegetation did not exist, would not be appropriate; and the variation would not sufficiently protect the natural character from it, nor protect the outstanding natural feature and landscape of the lake from it. It would not fulfil the Council's duty under section 6(a) and (b).*
- [272] *On paragraphs (b) and (g), the Council does not appear to have examined options for growth of Wanaka adequately. Nor did it explain the limit on the number of residential units, be it 240 or 400. We would have expected a comprehensive assessment of the development capability of a site of this size. However we consider that it would be disproportionate to find that the Council had failed to have particular regard to the efficient use of land and of existing service infrastructure, or of the finite characteristics of the land resource in that regard.*
- [277] *The main resources concerned are the land of the site, the lake and its margins, the landscape and visual amenity values, and the significant native kanuka vegetation. The physical resources, particularly roads and other service infrastructure are in this case less important.*

Judgement

[278] *Earlier in this decision, we reviewed the evidence and gave our reasons for finding that Variation 15:*

- (a) *Is not necessary to achieve the purpose of the Act;*
- (b) *Has not been shown to be the most appropriate means of exercising the Council's functions to achieve the Act's purpose;*
- (c) *Would not achieve the settled objectives and policies of the partly operative district plan about protecting natural resources; and*
- (d) *Would not sufficiently protect the natural character of the lake (an outstanding natural feature and landscape) from inappropriate development.*

[279] *On those bases, it is our judgement that the variation would not serve the purpose of the Act of promoting sustainable management (as described) of natural and physical resources.*

In summary, four key issues emerge from the decision. These relate to the effect that the proposed development promoted within Variation 15 would have had on landscape qualities and visual amenity values, particularly in AA 5 (the northern part of the site) and AA 2 (the eastern margin);

The lack of demonstrated need for the residential sections that would have been enabled by Variation 15;

The adverse effect that would have resulted from development within AA 5 on the natural character of the Lake and its margin; and

Inconsistency with policy calling for compact urban form and urban consolidation.

These key issues are addressed as follows.

Landscape and visual amenity values

The Court identified this as the main issue in these proceedings, and stated that the issue was limited to development of two discrete areas of the site: Areas 2 and 5.

In deciding the classification of the landscape, the Court determined that while the site is adjacent to an urban area to the west and south, because it is rural in appearance, and is adjacent to a rural area to the east and the Lake to the north, it is not part of the urban landscape.

In terms of landscape classification, it was found that the northern part of the site beyond the ridge above the Lake is correctly classified as ONL and the rest of the site correctly classified as VAL.

In terms of Activity Areas 2 and 5, the Court found that the potential effects of development could not be avoided, remedied or mitigated.

How is this matter overcome?

This can be overcome by the exclusion of Activity Areas 2 and 5 from rezoning, and instead protecting these areas from development into the future through zoning this land as open space or vesting it as reserves. Either option would provide stronger protection than the current rural general zoning.

Is the development necessary to achieve the purpose of the Act?

The Court found that the purpose of the Act could best be served by retaining current zoning, and that the Variation was not necessary on the basis of the lack of evidence to support the case that the zoning of the site for residential use was indeed needed. In the absence of this demonstrated need, rejecting the Variation was preferred in order to avoid the adverse effects on significant indigenous vegetation, landscape and amenity values that would otherwise occur.

How is this matter overcome?

Since Variation 15 was first notified, a significant amount of work has been undertaken by the Council in order to forecast the future population for Wanaka, identify the dwelling capacity, establish future growth options, and to formulate a structure plan that provides a framework for the future development of the Town. Part 6 of this analysis refers to these projections, the growth options study and to the dwelling capacity model. This section of the report sets out the place of the proposed plan change in assisting the Council to meet projected residential demand in Wanaka.

Brown and Copeland Limited (Copeland) has been engaged to provide independent verification of the Council's growth projections for Wanaka. The Copeland report is attached as Appendix 2, key findings are as follows. These findings support the proposition that use of the Peninsula Bay land for residential purposes is necessary.

"On the basis of a review of the available data and information published by the QLDC relating to:

Population forecasts;

Persons per dwelling;

*Unoccupied dwellings (i.e. second houses) as a percentage of occupied dwellings;
Visitor accommodation apartment requirements; and*

A buffer of residential land to avoid shortages of choice and price distortions

This study has estimated future land requirements must be sufficient for an average of at least 200 new dwellings per annum, or at least 3,400 new dwellings between 2004 and 2021.

The residual capacity for new dwellings estimated by the QLDC dwelling capacity model to be available in Wanaka under current District Plans is an estimate for the maximum available capacity and not an indication of the supply of residential sections, which will become available in any particular future time frame. It is unrealistic to assume that the land available within Wanaka's existing residential zones will be subdivided down to the maximum extent possible as has been assumed in the model's residual residential capacity calculations.

Constraining the supply of land for new residential dwellings substantially below that required to meet demand will slow economic development in Wanaka with potentially negative consequences for community economic wellbeing and economic efficiency. Not only will restricted supply of residential land lead to higher prices and reduced choice for new section buyers, but higher housing and accommodation costs and slower economic development will put upward pressure on prices for both public and private sector provided goods and services generally.

Effects on the natural character of the Lake and its margins

The Court held that the variation would not recognise and provide for the preservation of the natural character of the lake and its margin. In its judgement, development of parts of the site that would be visible from the surface or the margin of the lake would not be appropriate; and the variation would not sufficiently protect the natural character from it, nor protect the outstanding natural feature and landscape of the lake. This concern was largely derived from the proposal to develop within AA 5.

How is this matter overcome?

This can be overcome by the exclusion all of Activity Areas 2 and 5 from rezoning for residential purposes, and instead protecting these areas from development into the future through zoning this land as open space or vesting it as reserves.

Does Variation 15 have a purpose of achieving the objectives and policies relating to compact urban form and consolidated development?

The Court found that development of the northern and eastern edges of the site would not serve the policies. In addition, it was found that development of the wider site, even where it is proposed for higher density, would not achieve the policies of promoting urban consolidation and compact urban forms.

How is this matter overcome?

In order to provide for the projected growth for Wanaka, the Council has recognised that land needs to be made available to enable orderly development consolidated at and around the existing urban edge. In order to guide this future development the Council has committed a great deal of time and resources to establish appropriate approaches in close consultation with the Wanaka community via such initiatives as Wanaka 2020, the Growth Options Study and the Wanaka Structure Plan. The formulation of the Wanaka Structure Plan is viewed by the Council as a key guiding document for meeting the demands of projected growth and comprises a significant first step in planning how Wanaka will ultimately grow. In approaching the Structure Plan some key principles were adopted. These include:

Appropriate and efficient use of land and infrastructure to enable growth;

Good urban design;

Protection of open space and landscape values;

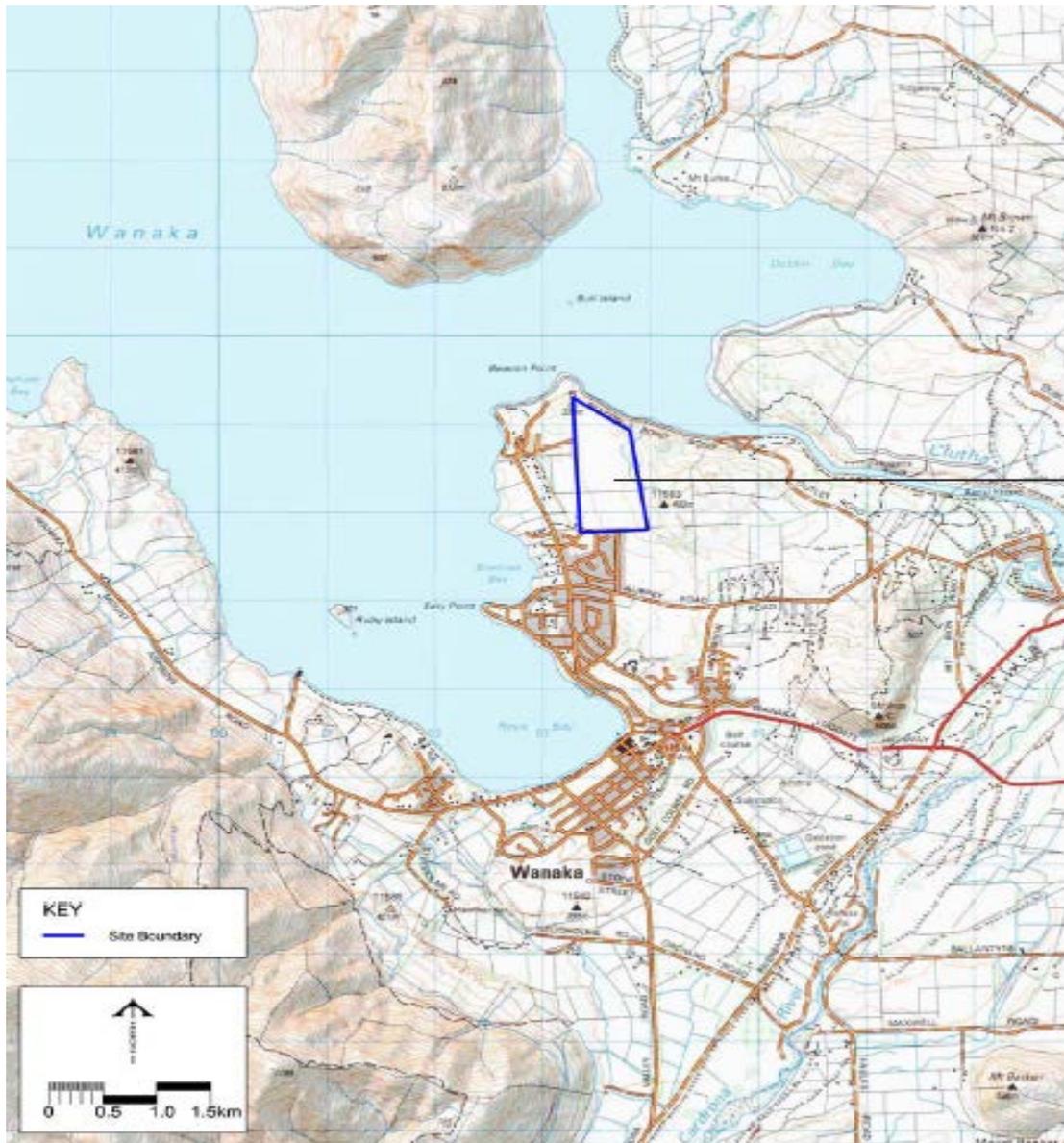
Optimal rate of release of zoned land.

Through the Structure Plan process the Council has, in consultation with the Wanaka community, established an appropriate outer edge to the Town and it is envisaged

that land inside this outer edge will be progressively released to meet future population demands. Peninsula Bay is considered to be a first order priority to assist in meeting demand because it is readily serviced by roading and infrastructure and can be developed in a manner that respects its natural and landscape attributes. The importance of the Wanaka Structure Plan is considered further in Part 7 of this analysis, which identifies the most appropriate urban form for this location, and assesses the plan change against the District Wide objectives and policies as they relate to urban consolidation and urban form.

5. SCOPE OF VARIATION

The scope of this variation is limited to the Rural General zoned land identified on the map below.



This variation provides for the change in zoning from Rural General to zoning that provides more effectively for residential development, while ensuring that the

landscape and ecological values of the site are maintained into the future. Its scope is restricted to that land known as Peninsula Bay in Wanaka.

6. RELEVANT NON STATUTORY DOCUMENTS

6.1 WANAKA 2020 (MAY 2002)

Wanaka 2020 was produced in 2002 following a community workshop between 24 and 28 May 2002. The full report can be found on the Queenstown Lakes District Council's website, www.qldc.govt.nz, and from District Council and CivicCorp offices in Queenstown and Wanaka.

The objective of the Wanaka 2020 workshop was to develop a growth management strategy for Wanaka that is environmentally, socially and economically sustainable, and provides:

A vital town centre, servicing the daily needs of Wanaka.

Protection of key landscapes and views.

Accessibility and ease of movement throughout the town area, by car and on foot.

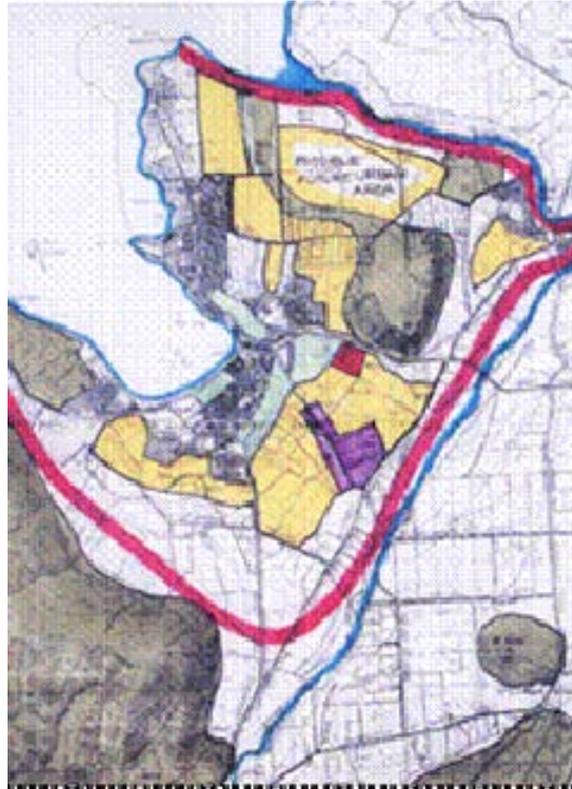
Access to natural recreational amenities, through walkways, cycle ways, public open space surrounding the town and access to the lakes and rivers.

A clear statement of the desired character of the town, and of some of the surrounding rural area and a clear definition of the transition from town to rural areas.

The workshop highlighted the following key points relating to growth management:

The long term growth boundary should remain inside the Clutha and Cardrona Rivers. A short term boundary should be clearly defined inside the long term, and the boundary should only be extended towards the long term limit as the expanded area is filled – and to avoid the scattered development outside a clear boundary. A clear distinction between the town and surrounding rural area was seen as a priority.

The Peninsula Bay land was shown as an urban area within the inner growth boundary. A copy of the plan drawn at the workshop is shown below. This is included within the CCP (page 22, volume 1)



A network of linked walkways and cycleways was seen as highly desirable for both locals and tourist use.

Wanaka 2020 addressed issues of urban expansion on pages 18 and 19. Of relevance, it stated:

Workshop discussion recommended a long term boundary being defined within the rivers (the red line shown on Map Figure A), but the growth boundary must be progressively defined, not all opened at once. Progressive stages of orderly growth must be defined, both to retain the clear town boundary definition favoured by the community and for efficient servicing through infrastructure etc.

Ensuring that the urban growth boundary moves progressively, and is maintained within the area shown as providing for the projected 20 year growth will also meet the community's wishes in preserving a surrounding of rural land, as well as preserving clear entrances to the town.

New development areas shown within the extended town boundary are proposed at urban density. This does not mean that existing rural residential and rural lifestyle dwellers will be forced to change, but that choices will exist.

Some rural living zones are retained for environmental protection and other reasons. On Map Figures A and B1&2, the yellow area shows the main new proposed growth areas:

Around the town to the South East.

Along Beacon Point to the northern end up to the ridge in the first instance (protecting the sensitive ridge line).

Albert Town is proposed to be retained as an independent town. Some growth potential is identified there. The town still kept separate from Wanaka, but with linking roads, and a green break is preserved, protecting views to Mt Iron.

700 hectares is available in the yellow zoned areas.

A possible further future extension zone identified on the Clutha side of the Beacon point ridge for further investigation as a potential area of development. This is not required during the development period of the current review.

Benefits of that area are that it is in few ownerships, and could be suitable for urban development. Whether and when such development might be pursued are questions for the future beyond the timeframe of this review. A preliminary step might be to protect it so that it is not broken up into ad hoc development. The area is approximately 200 hectares, ie it would yield a potential 1000 dwellings. It needs to have roading access secured to have that future potential.

The new sustainable urban extension zone which is proposed is not just the same as the existing urban zone but has much higher demands applied to it. It should provide for flexibility of lot size, encourage sustainable infrastructure provision and require the provision of interconnected roads and other public amenity. The integration of these features is critical in achieving success in defining the proposed expanded town boundary.

In terms of growth, Wanaka 2020 was generally neutral on the amount of growth that should occur, but the community identified that it wanted to manage the location and effects of growth. The statement most relevant to Peninsula Bay is underlined.

6.2 GROWTH OPTIONS STUDY (FEBRUARY 2004)

The Growth Options Study was completed for the Queenstown Lakes District Council on 6 February 2004. Its purpose was to identify how Queenstown and Wanaka will look and feel in 20 or 30 years time given current growth pressures and trends. It can be found on the Council's website (www.qldc.govt.nz). The most relevant provisions are identified and discussed in the following.

The report identifies the current state and expected growth pressures for Wanaka, and identified that in 2001:

- there were 3300 permanent residents in Wanaka, living in 1400 dwellings, and in addition to these occupied dwellings, there were 1 100 unoccupied dwellings.
- There were 1700 full time equivalent jobs in the area.
- On an average day there were likely to be around 2700 visitors.

In terms of growth, the report identifies that between 1996 and 2001:

- Employment grew by 15%
- Visitor numbers grew by 7.32% per year
- The usually resident population grew by 5.6% per year.

It is identified that whereas Queenstown's growth appears to stem from growth in the tourism market, Wanaka's growth appears to result from a residential boom. This in turn creates growth in the construction and services sectors.

The report then questions whether without growth in the base economy (such as that associated with tourism), such high growth rates in the residential population will continue. The report concludes that it is likely that the growth rates will continue for the following reasons:

Better transport links and a larger accommodation sector mean that tourism is likely to create its own growth path.

As Queenstown grows, Wanaka's attractiveness as an alternative mountain and lakeside destination will also develop.

There are a large number of self employed people moving to the area.

The report identifies that Statistics New Zealand's high growth projection for Wanaka assumes an average annual growth rate of 5%. Under this assumption, Wanaka's population will reach 9600 by 2021. The report then identifies that by 2021, on a peak day there could be up to 25 000 people in town.

The report then identifies future employment growth, stating that the projected growth of employment will generate demand for another 25 to 30 hectares of land for light industrial and service jobs, as current industrial land is fully allocated. This issue is addressed in the Wanaka Structure Plan, which recommends the rezoning of land behind the town centre for a mixed use zone containing industrial, service, and residential uses.

The Growth Options report identifies the likely demand for visitor accommodation, claiming that there is likely to be a need for another 2000 visitor beds between 2001 and 2021.

On page 74, the Growth Options report considers the provision of reserves and recreation facilities, and demand into the future. The table on page 74 shows that there is unlikely to be a great need to acquire open space passive reserves into the future. In terms of sports reserves, the table indicates that additional land will be needed for these facilities by 2021.

The report then considers the future of Wanaka under 2 different scenarios:

- Business as usual;
- Staging growth within the long term growth boundary.

Following the consideration of implications from continuing with a business as usual approach, the report identifies that for most outcomes, while there may be adequate land supply for 20 years, plan changes put in place now that provide for residential, mixed use, commercial and industrial uses will make a difference to when development pressures will start to challenge the long term growth boundary.

Under a business as usual approach, the main challenge is how to ensure urban growth and development stays within the long term urban growth boundary identified by the Wanaka 2020 workshop without using the plan change approach to manage location and type of growth effectively. For instance, if plan changes are not used to

provide for urban growth within the long term growth boundary, we are likely to see ad hoc development that extends beyond.

The report identifies three ways of keeping Wanaka's growth within the long term boundary; slow the growth, grow other settlements, and structure planning and staged release of planning.

Slow the growth

Under this scenario, the Council would need to down-zone current urban zones. The report also suggests that slowing growth could be achieved by failing to zone more land for industrial and service uses. However, it identifies that this is unlikely to work, and as a result, instead of the Council planning the locations of future industrial uses, they would occur in haphazard locations through either resource consents or private plan changes.

Grow other settlements

The report identifies that Wanaka has Hawea and Luggate close by, and it is likely that as Wanaka grows, so too will these towns. The towns are identified as having little capacity for growth, and therefore there is limited benefit to Wanaka in attempting to direct growth to them. The report suggests that a whole new settlement would be needed, which while being a very large undertaking for the Council, would be needed to manage growth pressures if growth around the existing township of Wanaka were not provided for.

Structure planning and staged release of land

The Growth Options report finds that a structure plan should be developed for the undeveloped land which is within the long term urban growth boundary that was identified in the Wanaka 2020 process. It is suggested that the structure plan should provide an approach whereby new development areas are released for growth in a logical, staged manner. The staging would have to be tied to the availability of adequate infrastructure and roading. The structure plan process is discussed further in Part 6 of this analysis.

6.3 DWELLING AND INFILL CAPACITY (2002)

The Queenstown Lakes District Council developed a model to determine the capacity of existing zones within the Queenstown Lakes District. The model was first designed in 2002 to model the "number of residential units an area is estimated to absorb within a set time period". It is re-run on a six monthly basis.

The model was reviewed, and some of its assumptions were revised in June 2005.

The report attached as Appendix 2 (Copeland report) provides an analysis of the findings of the dwelling capacity model, and the Growth Options Study. The Report finds that the future land requirements must be sufficient for an average of at least 200 additional dwellings per year, or at least 3 400 new dwellings before 2021. The report finds that if we are conservative, we would still need 100 dwellings per year.

Other issues that need to be considered with respect to determining the capacity of Wanaka:

Plan changes to Wanaka's residential zones

A number of plan changes to the residential zones of the District are currently being considered, and will likely be notified before the end of 2005. These are:

- Car parking;
- Access widths;
- Residential Amenity;
- Residential flats.

Combined, these plan changes reduce the potential capacity of land in the High Density Residential Zone by (in summary).

Reducing potential site coverage and density by increasing landscaped area on site, reducing building site coverage and imposing restrictions on multi unit developments.

Limiting the use of residential flats to ensure that they are smaller than the unit to which they are attached.

Increasing on-site car parking requirements.

Increasing private access widths.

These plan changes are the result of issues raised in public consultation, and reflect the Wanaka community's wish to retain high amenity values within the residential areas of Wanaka. The Wanaka community has expressed a wish to preserve the local character of the town, by ensuring that lot sizes are not reduced, and density is not increased. Because the dwelling capacity model assumes a certain level of infill, limiting the supply of new residential land so that infill increases will act against the wishes of the community to retain the current character of Wanaka.

In addition, the Council is considering a plan change to redefine visitor accommodation. This may have implications on the future provision of visitor accommodation units within Wanaka.

Overall, the consequence of these plan changes is to reduce the available dwelling capacity within the current zones of Wanaka.

As discussed in the report attached as Appendix 2 (Copeland report), restricting the supply of residentially zoned land has economic implications. It also has environmental implications, because it places development pressure on those areas outside the urban growth boundary or into areas which are not yet adequately serviced with infrastructure and roads. Providing residentially zoned land in a planned manner reduces the risk of planning approvals for urban development in areas that are considered less suitable by the Community. The Wanaka Structure Plan identifies a phasing of development that ensures development is undertaken in a comprehensive manner, in appropriate locations, and only once service infrastructure is made available. There is a risk that by limiting the supply of residentially zoned land, more pressure will be imposed on the rural areas that are not considered appropriate for such development.

Due to the need to provide for a projected demand for 100 residential units per year, there is a need to rezone immediately. New zoning must be established through the plan change process. Development of a plan change from its initiation through to operative status can take a significant amount of time. For example, Variation 15 for Peninsula Bay was first notified in September 2001, and the Environment Court decision was released in 2005. In general, it can be estimated that each plan change would take around 3 to 4 years to complete. Once operative, an application for subdivision consent would then be made. This process in itself can take more than a year and often more than two because of the need to obtain consents, carry out earthworks, construct services and roads and complete all legal formalities inherent in obtaining final Council certification and issue of titles.

Given the above, it is estimated that if the rezoning proceeds, the yield made available by the Peninsula Bay development is unlikely to be realised for another 3 to 4 years, under an optimistic scenario. If there is an estimated demand of 100 new dwellings per year, by the time there are dwellings completed, there would be a demand for 300 or 400 new units.

Lake Hayes Estate in Queenstown can be used as an example of the length of time between plan approval and the establishment of residential dwellings. Provisions for Lake Hayes Estate were first considered in 1995, when a submission was lodged to the Proposed District Plan. Following decisions on submissions, and the resolution of a reference, the new zone was finally approved in 2000. The certificates of title were then issued in March 2004, and residential units were occupied later that year.

Therefore, in total, Lake Hayes Estate took 9 years between the time it was first identified as a potential change to the Plan, to being able to provide for additional dwelling capacity.

This analysis clearly shows that the Council needs to look ahead when considering plan changes that create additional zoning for residential purposes. The provision of new dwellings takes a significant amount of time, and therefore it is pertinent to set the processes in motion to provide additional supply sooner rather than later. This avoids the use of the resource consent process to provide supply in an ad hoc manner.

Following the recommendations of the Wanaka Structure Plan, the Council is considering one other 'phase 1' plan change. This is called 'Kirimoko', and is located adjacent to the south eastern corner of the Peninsula Bay site. It is estimated that this will provide an additional 200 Low Density Residential lots.

A further consideration is whether the Council should become involved in regulating supply and even if it should, whether it can, given resource consent and private plan change processes. It is believed that the market will determine whether land is made available for residential development. However, it is considered important that land is rezoned for residential purposes before it is needed, to ensure that the land identified by the community, and able to be supplied efficiently and effectively by infrastructure, is used before land less suitable is proposed for redevelopment.

6.4 WANAKA STRUCTURE PLAN (NOVEMBER 2004)

In order to address the growth issues that Wanaka is experiencing the Council resolved to undertake a planning study to investigate and make recommendations as to the future zoning of land, and associated infrastructure issues around the periphery of the existing urban area of Wanaka. This built on the findings of Wanaka

2020, the Growth Options Study and the Dwelling Capacity Study. The Structure Plan was adopted by the Council in November 2004; it is available from the Queenstown Lakes District Council website (www.qldc.govt.nz), and CivicCorp and QLDC offices in Wanaka and Queenstown.

In developing the study a number of alternatives were considered. As a result of this analysis and associated public consultation, the conclusion was reached that the most appropriate growth management tool for Wanaka is structure planning.

The scope of the brief for this project was to:

Undertake a study which investigates and makes recommendations as to the Future Zoning of Land (and the associated infrastructure issues) around the periphery of the existing urban area of Wanaka.

The purpose of this is to ensure that there is adequate land zoned for residential and other uses to cater for future growth.

Key principles that underline the project are:

- Appropriate and efficient use of land and infrastructure to enable growth;
- Good urban design;
- Protection of open space and landscape values;
- Optimal rate of release of zoned land.

The written results of the Wanaka Structure Planning Process are provided as Appendix 3 of this report. The following provides a summary of its key findings.

The Structure Plan identified a range of options for the future management of the Wanaka area, including:

- Business as usual
- A landowner cooperative
- Design guidance through regulation and panels
- Private covenants

Structure planning and rezoning.

The study determines that the best way to successfully implement growth management, in particular, the demand for future urban land, is through a formal structure planning process supported by:

- Appropriate zonings for the various activities;
- A clear determination of servicing needs;
- Equitable funding.

On Page 18 of the Structure Plan, it is identified that it is a high level, indicative document, and is not intended to be a detailed micro zoning tool. Instead, the Plan itself is the first step in the zoning process.

An important feature of the Structure Plan is the inner and outer growth boundaries. It identifies that these are critical if growth is to be managed successfully. Peninsula Bay is located within the inner growth line, which is a short term boundary put in place to guide future development in a manner that prevents sprawl and keeps Wanaka contained within the next few years.

On page 23, the Structure Plan discusses the need to stage development, and states that the staging of growth for Wanaka is necessary in order to achieve:

Community assurance that there is a Council commitment to a long term Wanaka development plan.

An orderly progression of growth linked to the detailed design of, and investment in, new infrastructure.

Certainty of zoned land supply for the next 5-10 years.

A means of triggering a future urban development zone in the longer term (possible 10 years +), which in the interim makes future rural residential and lifestyle subdivision a prohibited activity.

Within the future urban zone, larger footprint land uses such as comprehensive tourism, recreational and healthcare facilities could be discretionary activities.

Links between the sequence of growth development and infrastructure servicing.

District plan rules which reduce current community concerns about the quality and location of higher density residential development.

Lower compliance costs for developers who can proceed by way of permitted and controlled activity rules provided District plan standards are met.

The retirement of the current private plan change approach to managing growth.

The Structure Plan identifies the following criteria for determining the order of the release of land for development:

- the ability to achieve logical servicing catchments;
- the demand for the proposed zoned land;
- the need to prevent further residential subdivision which will compromise the future pattern of urban growth;
- the provision of sufficient zoned land available to avoid price distortions through shortage of supply;
- the avoidance of non-complying activity consent applications;
- avoiding log jams by initiating too many plan changes;

- an ability to successfully conclude an agreement between Council and a developer to undertake a plan change.

When the Structure Plan was being established, an assumption was made that Peninsula Bay was already in train to become residential, based on Variation 15 (which at that time was in front of the Environment Court). This means that it was not considered as part of the staging of future plan changes, because it was assumed by the authors of the Structure Plan that it would be ratified by the Court.

Given the above staging criteria, it is suggested that Peninsula Bay should be Stage 1, i.e. a plan change initiated in 2005.

Through the consultation on this plan change, the question of the staging of plan changes in Wanaka was raised. It was confirmed through this process that Peninsula Bay should be a stage 1 plan change.

A strategic review of Wanaka's infrastructure was included with the Structure Plan (attached as Appendix 4). The rezoning of Peninsula Bay from rural to residential was assumed as a given, and the ability to provide infrastructure to the site has been confirmed and provided for within the CCP.

6.5 AFFORDABLE HOUSING STRATEGY (JULY 2005)

The Affordable Housing Strategy was adopted by the Council in July 2005. The Strategy identifies a range of actions that the Council is proposing to undertake over the next 5 to 10 years. The Strategy was adopted by the Council in August 2005, and can be found on the Council's website (www.qldc.govt.nz).

Of relevance to this plan change, the Strategy identifies the following actions

13. *Encourage developers to enter into voluntary agreements to provide affordable housing as part of larger scale subdivision and housing developments, and ensure that the affordability of any such housing is retained into the future.*
14. *Investigate the potential for the adoption of incentives such as density bonuses for affordable housing, in any proposals for up-zoning and particularly when zoning new urban areas and, if appropriate, include in the District Plan. Tie the provision of affordable housing to a suitable retention mechanism, and introduce location criteria to ensure affordable housing is located close to activities and transport.*
15. *Support increases in opportunities for affordable housing in lower density residential areas through the provisions for residential flats (for long term rental) in the District Plan.*
16. *Extend the current assessment criteria for comprehensive residential development in lower density residential areas to include the provision of affordable housing as consideration in whether to grant consent to the development. Improve the implementation of the assessment criteria, to ensure all criteria are assessed. Tie the provision of affordable housing to a suitable retention mechanism.*
17. *Identify any unnecessary constraints in the District Plan on non-traditional housing forms in locations that are otherwise appropriate for seasonal workers' housing, and, if so identified, work towards their removal.*

18. *Continue to improve the design standards of intensive housing developments so that they are attractive to permanent residents.*
19. *Introduce affordable housing into the policies of the District Plan so that it can become a relevant matter when plan changes/applications are considered, for example in relation to discretionary activities. This is so the impacts of planning changes on affordability, both positive and negative, are addressed.*

The Plan Change is being considered at a time when this strategy has been publicly released, and has identified key actions, but its implementation has not been commenced. It is therefore important to recognise and provide for the goals of the strategy as much as possible, but recognise that a significant amount of work is still required before the above goals are able to be implemented.

Peninsula Bay, with its lake and mountain views is unlikely to provide affordable housing. Instead, the landowner has volunteered a contribution to affordable housing in Albert Town. The amount of affordable housing provided will be calculated on the amount of land developed in both Peninsula Bay and Albert Town. This achieves Action 13 identified above.

This is considered an excellent outcome for providing opportunity to supply affordable housing, given that the implementation of the affordable housing strategy has not yet fully begun.

7. CONSULTATION PROCESS

7.1 VARIATION 15

In the preparation of Variation 15, a significant amount of public consultation was undertaken in 2001, prior to its public notification. This included two public meetings, and various media releases. 25 submissions were received to the Variation.

7.2 WANAKA 2020

As part of the Wanaka 2020 strategic planning process three public meetings were held prior to the workshop. The workshop was then held from 24-28 May 2002.

7.3 OPTIONS 2020

Workshops were held in Queenstown on 21 and 27 of March 2004, and in Wanaka on 1 and 3 April. The comments received from these workshops helped feed into the Wanaka Structure Plan, and the Residential Issues Study completed by the Council in November 2004.

7.4 WANAKA STRUCTURE PLAN

As part of this process numerous public meetings have been held:

March 2004 – Stakeholders Meeting

May 2004 Open Days for the General Public

June 2004 Public meeting to discuss the Structure Plan

Submission period for general comments about the Structure Plan until 1 October 2004.

Throughout this process consultation has been undertaken with the landowners in and around Wanaka.

The Wanaka Structure Plan and associated reports to the Council's Strategy Committee have been available on the Council's website.

7.5 CONSULTATION SPECIFIC TO THIS VARIATION

The possibility of preparing a plan change for the Peninsula Bay land was first presented to the Strategy Committee in public forum at its April 2005 Strategy Committee meeting. A draft discussion document and consultation strategy was then presented to the Committee's August 2005 meeting. These agenda reports are available on the Council's website.

The discussion document (Appendix 5) was then distributed as follows:

Copy to relevant statutory bodies (Ministry for the Environment, Department of Conservation).

Copy to Ngai Tahu, Kai Tahu Ki Otago.

Copy to all adjacent landowners.

Copy to all submitters to Variation 15.

Copies made available at CivicCorp and QLDC offices in Wanaka, and at the Wanaka library.

Copy on the QLDC website

A public notice was placed in the Mirror and Wanaka Sun on 17 August 2005 (see Appendix 5), and a media release distributed in the week of 22 August, so that the issue was discussed on local radio, and in local papers.

A report was then presented to the Wanaka Community Board in public forum on 8 September. A public open day was convened in Wanaka on that same day between the hours of 4 and 7 pm.

The Wanaka Community Board recommended that the Peninsula Bay land should be rezoned for Low Density Residential purposes, with some Higher Density development also provided for, and the ability to provide for some small scale commercial land. In terms of the sensitive landscape areas identified in the Variation 15 Court findings, the Community Board recommended that they should be protected as reserves, and public access through the site enabling linkage to the lake should be promoted.

Around 35 people attended the open day to provide comment and gain clarification on key points.

Following the distribution of the discussion document and the public open day, 39 feedback forms and submissions/comments were received. These are summarised in Appendix 6.

The comments were unanimous that the sensitive landscape areas on the site should be excluded from development and vested as reserve. However, comments varied with respect to the remainder of land within the site. Many people suggested that rural lifestyle or rural residential should be provided as a buffer to the more sensitive landscape areas, and the surrounding development. Imposition of the Low Density Residential Zone was considered by most to be appropriate if located away from the sensitive landscape margins of the site. However, the level of density was queried; development that has occurred in other subdivisions throughout Wanaka is seen by some as being too intensive. This said, there were a significant number of people supporting some higher density development within the site, and some form of commercial development.

Suggestions were also made with respect to the location and size of the reserves.

The discussion document was sent to Kai Tahu Ki Otago on 12 August 2005. Comments were received on 26 September 2005. Comments are provided with respect to both the visual amenity landscapes and the outstanding natural landscapes. In general, the rezoning is supported by Kai Tahu. Their preferred option is to rezone the less sensitive areas Low Density and Rural Lifestyle. The comments are attached in full as Appendix 7.

8. THE ISSUE

Wanaka is facing significant population growth pressure, which is predicted to continue into the future. In order to effectively manage that growth, the Council needs to provide for future residential activity in a staged manner that provides certainty now and into the future.

If such an approach is not adopted, the community runs the risk of being faced with ad hoc and unplanned development through resource consents.

9. THE PURPOSE OF THE VARIATION

The purpose of the Variation can be summarised as follows:

To provide for some of the future residential growth of Wanaka by changing the zoning of that land known as Peninsula Bay to enable residential development, while:

Protecting the important landscape and ecological values of the site.

Retaining the amenity values of both the site and the surrounding landscape.

Enhancing public access through the site to the Lake.

10. THE CURRENT ZONING

Under the Partially Operative District Plan the site is zoned Rural General. Under the Rural General provisions any subdivision requires discretionary resource consent and is assessed against the District Wide Objectives and Policies, the Part 5 Objectives and Policies, and a range of assessment matters, in addition to being subject to a number of site and zone standards seeking to protect the rural amenity and landscape values of the site and its surroundings.

The objectives and policies of the Rural General Zone envisage rural based activities, and therefore do not effectively provide for the residential development that has been envisaged by the Wanaka Structure Plan for this location.

Most District Plan provisions relating to this land are operative. However, a Variation relating to scenic rural roads remains unresolved and provisions relating to ecological structure remain outstanding. At the time of preparing this section 32 analysis, the decisions on both these matters were pending.

Further discussion of the Rural General Zone provisions is provided in part 11 of this report.

11. RELEVANT PROVISIONS OF THE PODP - OBJECTIVES AND POLICIES

The following identifies the District wide objectives and policies that have relevance to consideration of this Variation to the Plan. They provide part of the framework under which each alternative for the future management of this site will be considered.

The objectives and policies of the Rural General Zone are not considered here. Instead, they will be considered in part 12 of this report, when options for the zoning of the Site are considered.

Nature Conservation Values.

Objective 4.1.4(1)

The protection and enhancement of indigenous ecosystem functioning and sufficient viable habitats to maintain the communities and the diversity of indigenous flora and fauna within the District.

The preservation of the remaining natural character of the District's lakes, rivers, wetlands and their margins.

The protection of outstanding natural features and natural landscapes.

The associated policies that are of relevance read:

- 1.1 *To encourage the long-term protection of indigenous ecosystems and geological features.*
- 1.2 *To promote the long term protection of sites and areas with significant nature conservation values.*
- 1.4 *To encourage the protection of sites having indigenous plants or animals or geological or geomorphological features of significant value.*
- 1.5 *To avoid the establishment of, or ensure the appropriate location, design and management of, introduced vegetation with the potential to spread and naturalise; and to encourage the removal or management of existing vegetation with this potential and prevent its further spread.*
- 1.6 *To allow development which maintains or enhances the quality of the environment in areas identified as having rare, endangered, or vulnerable*

species of plants or animals of national significance, or indigenous plant or animal communities that are of outstanding significance to the nation.

- 1.7 To avoid any adverse effects of activities on the natural character of the District's environment and on indigenous ecosystems; by ensuring that opportunities are taken to promote the protection of indigenous ecosystems, including at the time of resource consents.*
- 1.10 To maintain and, if possible, enhance the survival chances of rare, vulnerable or endangered species in the District.*
- 1.11 Encouraging the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna.*
- 1.16 To encourage and promote the regeneration and reinstatement of indigenous ecosystems on the margins of lakes, rivers and wetlands.*
- 1.17 To encourage the retention and planting of trees, and their appropriate maintenance*

A report was commissioned by the Council to identify the ecological values of the Peninsula Bay Site. This is attached as Appendix 8.

This report identifies that the most significant ecological value of the Peninsula Bay site is the kanuka dominated shrub lands and its association with the short tussock grassland species, hard tussock, silver tussock, and blue wheat grass. According to the references within the report, these are representative of a vegetation association that is acutely threatened in terms of a comparison between former and present distributions and under represented within the protected area network. Appendix 8 provides a map that identifies the location of these areas. This can be used to assist in determining where development should be avoided in order to protect these ecological values, and therefore ensure consistency with the above objectives and policies. The landscape assessment provided for the site builds on this ecological information, and provides recommendations with respect to both landscape and ecological values. This report is attached as Appendix 9.

Landscape and amenity

Objective 4.2.5:

Subdivision, use and development being undertaken in the District in a manner which avoids, remedies or mitigates adverse effects on landscape and visual amenity values

1 Future Development

- (a) To avoid, remedy or mitigate the adverse effects of development and/or subdivision in those areas of the District where the landscape and visual amenity values are vulnerable to degradation.*
- (b) To encourage development and/or subdivision to occur in those areas of the District with greater potential to absorb change without detracting from landscape and visual amenity values.*

- (c) *To ensure subdivision and/or development harmonises with local topography and ecological systems and other nature conservation values as far as possible.*

To achieve consistency with these policies, any residential growth should be situated within areas of the site that are able to absorb development. The Environment Court decision on Variation 15 provides useful direction on this matter. Consideration of the management of those areas of the site containing kanuka is also necessary in order to meet policy (c). By referring to 'District', Policy (b) also requires the consideration of the ability of this site to absorb development in comparison with other sites throughout the District. This will be considered further in the assessment of alternatives.

As discussed above, a landscape assessment has been completed for the site, and is attached as Appendix 9.

2. Outstanding Natural Landscapes (District-Wide/Greater Wakatipu)

- (a) *To maintain the openness of those outstanding natural landscapes and features which have an open character at present.*
- (b) *To avoid subdivision and development in those parts of the outstanding natural landscapes with little or no capacity to absorb change.*
- (c) *To allow limited subdivision and development in those areas with higher potential to absorb change.*
- (d) *To recognise and provide for the importance of protecting the naturalness and enhancing amenity values of views from public places and public roads.*

The Environment Court decision on Variation 15 determined that the northern ridge within the Peninsula Bay site is an Outstanding Natural Landscape (ONL). Therefore, in assessing the alternatives for future management of this site, consistency with the above policies comprises an important matter to be considered. These policies will be considered further when assessing the options for future management of the landscapes identified as ONL.

Coupling residential development with preclusion of development in the areas of the site that have been identified as ONL would be more effective in achieving the landscape imperatives inherent in the above policies than retaining the existing zoning.

4. Visual Amenity Landscapes

- (a) *To avoid, remedy or mitigate the adverse effects of subdivision and development on the visual amenity landscapes which are:*
- *highly visible from public places and other places which are frequented by members of the public generally; and*
 - *visible from public roads.*
- (b) *To mitigate loss of or enhance natural character by appropriate planting and landscaping.*

- (c) *To discourage linear tree planting along roads as a method of achieving (a) or (b) above.*

In its decision on Variation 15, the Environment Court determined that the area of the Peninsula Bay site that is not ONL is a Visual Amenity Landscape (VAL). Consequently, the above policies should be considered in the assessment of the effectiveness of alternative methods for this area of the site.

6. Urban Development

- (b) *To discourage urban subdivision and development in the other outstanding natural landscapes (and features) and in the visual amenity landscapes of the district.*
- (c) *To avoid remedy and mitigate the adverse effects of urban subdivision and development where it does occur in the other outstanding natural landscapes of the district by:*
- *maintaining the open character of those outstanding natural landscapes which are open at the date this plan becomes operative;*
 - *ensuring that the subdivision and development does not sprawl along roads.*
- (d) *To avoid remedy and mitigate the adverse effects of urban subdivision and development in visual amenity landscapes by avoiding sprawling subdivision and development along roads.*

When assessing the options that involve urban development within the site, the ability to achieve these policies should be considered. It is noted that policy (d) refers to 'avoid, remedy or mitigate', recognising that some urban development may be appropriate in terms of achieving this policy, if its effects can be remedied or mitigated.

7. Urban Edges

To identify clearly the edges of:

- (a) *Existing urban areas;*
- (b) *Any extensions to them; and*
- (c) *Any new urban areas*
- *by design solutions and to avoid sprawling development along the roads of the district.*

These policies are relevant when considering the alternatives for the site. The Wanaka Structure Plan is a useful guide in terms of determining the future urban edges of Wanaka, and identifies two future growth boundaries: an inner growth boundary, which includes Peninsula Bay, and an outer boundary, within which it is suggested that development will occur in the next 20 years. This boundary uses the Clutha and Cardrona Rivers as the future edges of Wanaka.

8. Avoiding Cumulative Degradation

In applying the policies above the Council's policy is:

- (a) to ensure that the density of subdivision and development does not increase to a point where the benefits of further planting and building are outweighed by the adverse effect on landscape values of over domestication of the landscape.*
- (b) to encourage comprehensive and sympathetic development of rural areas.*

The site is currently rural, and therefore when considering rezoning, these policies should be taken into account. Their relevance and the weight to be attached to them should account for the Council's work with the Wanaka Structure Plan, which identifies areas suited to become future urban areas. These future urban areas have been identified so that the future growth of Wanaka can be appropriately managed, staged and contained, rather than development occurring in an ad hoc manner throughout the rural areas.

9. Structures

To preserve the visual coherence of:

- (a) outstanding natural landscapes and features and visual amenity landscapes by:*
 - encouraging structures which are in harmony with the line and form of the landscape;*
 - avoiding, remedying or mitigating any adverse effects of structures on the skyline, ridges and prominent slopes and hilltops;*
 - encouraging the colour of buildings and structures to complement the dominant colours in the landscape;*
 - encouraging placement of structures in locations where they are in harmony with the landscape;*
 - promoting the use of local, natural materials in construction.*
- (b) visual amenity landscapes*
 - by screening structures from roads and other public places by vegetation whenever possible to maintain and enhance the naturalness of the environment; and*

Given that the site contains landscapes of both ONL and VAL, this set of policies is also relevant. Each of the options will be assessed in terms of their consistency with these policies.

10. Utilities

To avoid, remedy or mitigate the adverse effects of utilities on the landscapes of the district by:

- avoiding siting utilities in outstanding natural landscapes or features in the Wakatipu Basin (except on Slope Hill in the vicinity of the current utilities);*

- *encouraging utilities to be sited away from skylines, ridgelines, prominent locations, and landscape features;*
- *encouraging utilities to be co-located wherever possible;*
- *encouraging utilities to be located along the edges of landforms and vegetation patterns;*
- *encouraging or requiring the alignment and/or location of utilities to be based on the dominant lines in the landscape;*
- *requiring that structures be as unobtrusive as is practicable with forms appropriate for the landscape and finished in low reflective colours derived from the background landscape;*
- *requiring that transmission lines (where technically and economically feasible) be placed underground.*

It is probable that rezoning of the site will have implications in terms of the need to locate utilities within or nearby the site. Therefore, these policies may be relevant. However, the effects of such siting would be assessed at the time of resource consent, and these policies are not considered overly relevant when considering the plan variation itself.

12. Transport Infrastructure

To preserve the open nature of the rural landscape by:

- *encouraging the location of roads, car parks and tracks along the edges of existing landforms and vegetation patterns.*
- *by encouraging imaginative roading designs including a range of carriageway widths, different surface materials, grass berms and protection of existing mature trees where these can enhance the quality of design and the visual experience.*
- *discouraging roads and tracks on highly visible slopes.*
- *requiring that all construction be with minimum cut and fill batters and that all batters be shaped in sympathy with, existing landforms.*
- *requiring that all disturbed areas be revegetated at the end of construction.*
- *encouraging where appropriate car parks to be screened from view.*
- *requiring the adverse effects of large expanses of hard surface car parks be avoided by planting and earthworks.*

These policies would generally be considered at the time of subdivision, although in considering the future zoning of the site it is necessary to hold assurance that the land and the ultimate development pattern that emerges from rezoning can be adequately served by roading infrastructure. It is therefore important to identify where roading might be located when considering the different options for the site. Also, it is important to ensure that there are adequate performance standards within

the subdivision rules that would ultimately apply such that when earthworks are undertaken, it can be ensured that there is consistency with these policies.

Policies 13 (Mining) and 14 (Soil Conservation planting) are not considered relevant.

15. Retention of Existing Vegetation

To maintain the visual coherence of the landscape and to protect the existing levels of natural character by:

- (a) *Encouraging the retention of existing indigenous vegetation in gullies and along watercourses;*
- (b) *Encouraging maintenance of tussock grass-lands and other nature ecosystems³ in outstanding natural landscapes.*

This policy encourages Council to consider the ability to retain existing vegetation within the site. The most significant indigenous vegetation is located on and around the northern ridge of the site. Therefore when considering options for this area, the effectiveness of each option will need to be assessed in terms of its ability to assist in achieving this policy. There are no watercourses within the site.

16. Wilding Trees

To minimise the adverse effect of wilding trees on the landscape by:

- *supporting and encouraging co-ordinated action to control existing wilding trees and prevent further spread.*

There are no wilding species within the Site. It is logical that the rule applying to Wanaka that prohibits the planting of species with wilding potential also apply to this land.

17. Land Use

To encourage land use in a manner which minimises adverse effects on the open character and visual coherence of the landscape.

This policy encourages Council, when considering the most appropriate zoning for the site, to adopt a form of land use that respects the existing open character and visual coherence of the landscape.

Part 4.3: Takata Whenua

Objective 1 - Kaitiakitanga (Guardianship)

Recognition and provision for the role of Kai Tahu as customary Kaitiaki in the District.

Objective 2 - Cultural Proprietary Rights

The use and interpretation of Tribal history remaining under the kaitiakitanga of iwi, Kai Tahu.

Objective 3 - Waahi Tapu and Waahi Taoka

Recognition and protection of places of burial, other waahi tapu, and all waahi taoka, as places of cultural and traditional importance to Kai Tahu.

Objective(s) 4 - Mahika Kai

- 1 The retention of the high quality of the mountain waters, and the retention and improvement of the water quality of the tributaries and water bodies of the District through appropriate land management and use.**
- 2 The limitation of the spread of weeds, such as wilding trees.**

Objective 5 - Wai (Water)

The management of the land resource and associated waste discharges in such a way as to protect the quality and quantity of water in the District to a standard consistent with the human consumption of fish, swimming and protects the mauri (life force) of the lakes and rivers.

Objective 8 - Rakau (Trees)

The protection of specific native trees that are of cultural importance to Kai Tahu.

Objective(s) 9 - Protection of Water Resources

- 1 The collection, treatment, storage and disposal of wastes in a way that minimises the adverse effects on the natural resources of the District.**
- 2 Minimising the quantities of waste requiring disposal within the District.**
- 3 To continue to implement programmes to reduce the discharge of untreated or partially treated waste to lakes and rivers.**
- 4 To avoid, remedy or mitigate the adverse effects of eutrophication.**

Consultation has occurred with Kai Tahu ki Otago, and in addition, relevant provisions of the Kai Tahu Ki Otago Resource Management Plan have been considered in this analysis. The comments from Kai Tahu confirm that this area is not a Waahi Taoka. Resultant residential development within Peninsula Bay would be serviced by a reticulated scheme; therefore waste discharges would be treated adequately to avoid degradation of water quality.

Part 4.4: Open space and recreation

Objective 4.4.3(1) - Reserves Contributions

Avoid, remedy or mitigate the adverse effects on public open spaces and recreational areas from residential growth and expansion, and from the development of visitor facilities.

Objective 4.4.3 (2) - Environmental Effects

Recreational activities and facilities undertaken in a way which avoids, remedies or mitigates significant adverse effects on the environment or on the recreation opportunities available within the District.

Objective 4.4.3 (3) - Effective Use

Effective use and functioning of open space and recreational areas in meeting the needs of the District's residents and visitors.

Objective 4.4.3 (4) - Esplanade Access

A level of public access to and along the District's rivers, lakes and wetlands, adequate to provide for the current and foreseeable recreational and leisure needs of residents and visitors to the District.

These objectives are relevant when considering the Peninsula Bay land in terms of the options associated with the more sensitive areas of landscape, and the ability to set aside land for recreation purposes.

Part 4.5 Energy

Objective 1 - Efficiency

The conservation and efficient use of energy and the use of renewable energy sources.

Policies:

- 1.1 *To promote compact urban forms, which reduce the length of and need for vehicle trips and increase the use of public or shared transport.*
- 1.2 *To promote the compact location of community, commercial, service and industrial activities within urban areas, which reduce the length of and need for vehicle trips.*
- 1.3 *To encourage residential sites to be large enough to enable buildings to be constructed to take the greatest advantage of solar energy for heating, both active and passive.*
- 1.4 *To control the location of buildings and outdoor living areas to reduce impediments to access to sunlight.*
- 1.5 *To encourage and support investigations into alternative and further public transport options both within the urban areas and throughout the District.*
- 1.6 *To promote increased awareness of the need for energy conservation and efficient use of energy resources, particularly solar energy, active and passive.*
- 1.7 *To encourage the use of energy efficient and non-air polluting heat sources in existing and new dwellings and workplaces (e.g. solar energy, effluent enclosed fireboxes).*
- 1.8 *To promote "carbon sinks" by encouraging the retention of remaining areas of indigenous forest vegetation and minimising the restrictions on the plantings of exotic trees to those necessary to avoid any significant adverse visual effects on the environment.*

These policies are relevant when considering the future zoning of the site. A review of the site in terms of urban design principles is attached as Appendix 10, and will be useful to consider when assessing the effectiveness of different zoning options against these policies. In addition to considering whether the site promotes a

compact urban form, these policies direct us to consider the exposure of the site to sun, so that solar gains can be achieved.

4.8 Natural Hazards

Objective 1

Avoid or mitigate loss of life, damage to assets or infrastructure, or disruption to the community of the District, from natural hazards.

The hazard register shows no known hazards (flooding or subsidence) on the Peninsula Bay site. It is noted that the Patterson Pitts Partners report attached as Appendix 11 appends a geotechnical report identifying that the site is not prone to any natural hazards.

4.9 Urban Growth

Objective 1 - Natural Environment and Landscape Values

Growth and development consistent with the maintenance of the quality of the natural environment and landscape values.

Policies

- 1.1 *To ensure new growth occurs in a form which protects the visual amenity, avoids urbanisation of land which is of outstanding landscape quality, ecologically significant, or which does not detract from the values of margins of rivers and lakes.*
- 1.2 *To ensure growth does not adversely affect the life supporting capacity of soils unless the need for this protection is clearly outweighed by the protection of other natural or physical resources or important amenity values.*

These policies are important when considering the future management of this site. Policy 1.1 directs Council to ensure that urbanisation of land which is of outstanding landscape quality does not occur. Policy 1.2 is also of relevance. However, because of the size of the site, and its location (surrounded by residential uses on two sides, and forestry and the lake on the others), use of the site for rural purposes is not economically feasible.

Objective 2 - Existing Urban Areas and Communities

This objective and associated policies is not considered relevant.

Objective 3 - Residential Growth

Provision for residential growth sufficient to meet the District's needs.

Policies

- 3.1 *To enable urban consolidation to occur where appropriate.*
- 3.2 *To encourage new urban development, particularly residential and commercial development, in a form, character and scale which provides for higher density living environments and is imaginative in terms of urban design and provides for an integration of different activities, e.g. residential, schools, shopping.*

In order to provide for the projected growth the Council has recognised that land needs to be made available to enable the orderly development of Wanaka consolidated at and around the existing urban edge. In order to guide this future development the Council has committed a great deal of time and resources to establish appropriate approaches in close consultation with the Wanaka community via such initiatives as Wanaka 2020, the Growth Options Study and the Wanaka Structure Plan. The formulation of the Wanaka Structure Plan is viewed by the Council as a key guiding document for meeting the demands of projected growth and comprises a significant first step in planning how Wanaka will ultimately grow.

Objective 4 - Business Activity and Growth

A pattern of land use which promotes a close relationship and good access between living, working and leisure environments.

Consideration of this objective and its associated policies has been provided by the Wanaka Structure Plan, which considered the location of commercial, visitor accommodation and residential activities into the future.

4.10 Earthworks

To avoid, remedy or mitigate the adverse effects from earthworks on:

- (a) ***Water bodies.***
- (b) ***The nature and form of existing landscapes and landforms, particularly in areas of Outstanding Natural Landscapes and Outstanding Natural Features.***
- (c) ***Land stability and flood potential of the site and neighbouring properties.***
- (d) ***The amenity values of neighbourhoods.***
- (e) ***Cultural heritage sites, including waahi tapu and waahi taoka and archaeological sites.***
- (f) ***The water quality of the aquifers.***

This objective and its associated policies is relevant when considering the earthworks that may be required if the site is rezoned for residential purposes. However, such consideration would be provided through resource consent process when detail of the earthworks, and their associated effects could be assessed.

12. ASSESSMENT OF BROAD ALTERNATIVES

This section of the analysis works through the general options for the site. This meets the requirements of Section 32(3) and 32(4) of the Act, which read:

- (3) *An evaluation must examine—*
 - (a) *the extent to which each objective is the most appropriate way to achieve the purpose of this Act; and*

- (b) *whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives.*
- (4) *For the purposes of this examination, an evaluation must take into account—*
- (a) *the benefits and costs of policies, rules, or other methods; and*
 - (b) *the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules, or other methods.*

12.1 Option 1: Retain status quo

Explanation

Under this option, the Rural General Zoning of the site would be retained. Any future proposal to develop the site would be assessed against the District Wide Objectives and Policies identified above, in addition to the Objectives and Policies of Part 5.

Effectiveness

In determining the effectiveness of this option, the provisions of the Rural General Zone need to be considered. Of relevance, these read:

Objective 1 - Character and Landscape Value

To protect the character and landscape value of the rural area by promoting sustainable management of natural and physical resources and the control of adverse effects caused through inappropriate activities.

Policies:

- 1.1 *Consider fully the district wide landscape objectives and policies when considering subdivision, use and development in the Rural General Zone.*
- 1.2 *Allow for the establishment of a range of activities, which utilise the soil resource of the rural area in a sustainable manner.*

Ensure land with potential value for rural productive activities is not compromised by the inappropriate location of other developments and buildings.

- 1.4 *Ensure activities not based on the rural resources of the area occur only where the character of the rural area will not be adversely impacted.*
- 1.5 *Provide for a range of buildings allied to rural productive activity and worker accommodation.*
- 1.6 *Avoid, remedy or mitigate adverse effects of development on the landscape values of the District.*
- 1.7 *Preserve the visual coherence of the landscape by ensuring all structures are to be located in areas with the potential to absorb change.*

- 1.8 *Avoid remedy or mitigate the adverse effects of the location of structures and water tanks on skylines, ridges, hills and prominent slopes.*

Policy 1.1 refers us to the district wide landscape objectives and policies, which have been identified in section 11 above. Retaining the site as rural general zoning would mean that any proposed development would be assessed against the objectives and policies of Part 4.2.5. Consideration of the landscape values inherent in the site would need to be accounted for in assessing any proposal to develop the land.

These policies require a detailed consideration of the ability of a given landscape to absorb development and not impinge upon important or sensitive landscape values. Given the Environment Court's finding that areas within the site can absorb development (paragraph 148 of the decision states: "*the development provided for elsewhere on the site other than Activity Area 2 and 5 would not have significant adverse landscape and visual amenity effects.*") it is likely that under the Rural General Zone, some form of residential development could occur over parts of the site.

In planning for Wanaka's population growth it is preferred that a series of Plan Changes be adopted to progressively free up land for development once it has been shown that the land is able to be serviced and the development itself is able to be integrated with existing development in the town. Retention of the status quo is unlikely to curb development pressure. Rather it is more likely that individual landowners will pursue development opportunities through individual resource consent applications in an ad hoc fashion which lacks efficiency from a process perspective and means that planning for the necessary extension of reserves, roads and services cannot proceed with the necessary degree of certainty.

The resource consent option is most unlikely to be effective in achieving Policy 4.2.5(7) Urban edges because it runs the risk of creating urban creep whereby each consent is considered on its merits, and results in residential development creeping into the rural areas without a hard edge.

Policies 1.2 to 1.5 above are not considered relevant. The size and location of this site mean that farming or other rural based activities are not economically viable, particularly as Wanaka expands into the future to accommodate predicted growth.

Policies 1.6, 1.7 and 1.8 reflect the District Wide policies cited in section 11 above. The discretionary activity regime of the Rural General Zone would be effective in achieving these.

Objective 2 - Life Supporting Capacity of Soils

Retention of the life supporting capacity of soils and/or vegetation in the rural area so that they are safeguarded to meet the reasonably foreseeable needs of future generations.

Policies:

- 2.1 *Avoid, remedy or mitigate adverse effects of subdivision and development on the life-supporting capacity of the soils.*
- 2.2 *Enable a range of activities to utilise the range of soil types and microclimates.*

- 2.3 *Encourage the long-term retention of the capabilities of the District's soils through research and dissemination of relevant information to the community.*
- 2.4 *Encourage land management practices and activities, which avoid, remedy or mitigate adverse effects on soil and vegetation cover.*
- 2.5 *Encourage land users to monitor the condition of vegetation on their land by providing information and assistance, where practicable.*

As stated above, the location and size of this site mean that retaining the site as a productive unit is not viable. A valuation report on the site has been commissioned from Moore and Percy Limited (Appendix 12). This identifies that the following factors contribute to the site being unsuitable for farming purposes:

- Consists of fair to medium quality soils that are relatively shallow;
- Is exposed to prevailing winds;
- Is subject to a considerable summer dry period;
- Has no irrigation available;
- Is in close proximity to residential development.

The report identifies that the site would be uneconomic to farm. Historically it has been run with other land nearby as part of a larger but also uneconomic farming unit with a total land area of some 254 hectares.

Consequently, while residential development would not be effective in achieving the above policies, consistency with these policies is difficult to achieve anyway, given the physical characteristics of the site.

Objective 3 - Rural Amenity

Avoiding, remedying or mitigating adverse effects of activities on rural amenity.

- 3.1 *Recognise permitted activities in rural areas may result in effects such as noise, dust and traffic generation, which will be noticeable to residents in the rural areas.*
- 3.2 *Ensure a wide range of rural land uses and land management practices can be undertaken in the rural areas without increased potential for the loss of rural amenity values.*
- 3.3 *To avoid, remedy or mitigate adverse effects of activities located in rural areas.*
- 3.4 *To encourage intensive and factory farming away from Rural Residential, Rural Lifestyle, Urban, Residential, or Business Zones, in order to minimise the potential for conflict between these zones.*
- 3.5 *Ensure residential dwellings are setback from property boundaries, so as to avoid or mitigate adverse effects of activities on neighbouring properties.*

- 3.6 *To require acoustic insulation of buildings located within the airport Outer Control Boundary, that contain critical listening environments.*

Given the above findings with respect to the capability of this site to sustain agricultural uses, the policies associated with this objective are not considered relevant.

Objective 4 - Life Supporting Capacity of Water

To safeguard the life supporting capacity of water through the integrated management of the effects of activities

Policies

- 4.1 *In conjunction with the Otago Regional Council:*

To encourage activities, which use water efficiently, thereby conserving water quality and quantity.

To discourage activities, which adversely affect the life supporting capacity of water and associated ecosystems.

- 4.2 *To encourage buildings, earthworks and landscaping to be located or carried out a sufficient distance from irrigation infrastructure.*

- 4.3 *To encourage the piping and filling of existing open channel irrigation races where there is potential for buildings, earthworks or landscaping to interfere with the irrigation infrastructure.*

The policies associated with this objective relate to the management of effects of agricultural use. Given the finding that this site is not suitable for agricultural use, achieving consistency with these policies is difficult.

The remaining objectives and policies relate to mining, ski area sub zones and the provision of buffer land for airports. They are therefore not relevant.

In summary, retaining the Rural General Zoning of the land is likely to be effective in achieving those objectives and policies aimed at providing for the landscape values of the site. However, it is important to recognise that the policies relating to the ONL within the site may be better achieved through a rezoning that increases the level of protection over these sensitive areas.

Costs

A key disadvantage of the Rural General Zone is its uncertainty. The future management of the site would be determined through discretionary resource consent applications that would be assessed on a case by case basis against the objectives and policies of the Plan. Consequently, there would be no ability to consider the development and servicing of the site on a comprehensive basis.

This means that while residential development may be approved in those areas of the site where it can be absorbed, this does not mean that as a trade off the community is able to be assured of access through the site, or to ensure that those areas of the site that are sensitive in landscape and ecological terms can be protected into the future.

Applications for residential type development would be difficult to assess under the Rural General Zone provisions, because while such development is not envisaged by the Zone, it is a discretionary activity.

If approved, the implementation of the new consent could be complicated, given that each residential site would require a building platform approved at the time of subdivision, and any building outside that platform would require discretionary consent. Any building within an approved platform would still require controlled activity consent.

Retaining Rural General Zoning does not achieve the goals set out within Wanaka 2020 and the Wanaka Structure Plan, which identify that to meet anticipated growth projections, future development should be planned and zoned for in a comprehensive and staged manner.

The future infrastructure requirements of the site could not be planned for effectively, given that the discretionary activity regime is so uncertain.

Wanaka's growth projections show that additional land is needed for residential development. If this is not provided for through comprehensive plan changes, pressure may be imposed on other areas that are less suitable for development.

Failing to rezone land for residential purposes may result in the community being unable to provide affordable housing; a reduction in the available supply of housing usually equates to higher demand which in turn creates higher prices.

Benefits

One of the benefits of this option is that no further work would be required in terms of progressing a plan change.

The objectives and policies relating to landscape and visual amenity would be effectively achieved. However, it is noted that this is tempered by the fact that development would remain a discretionary activity, and therefore complete certainty that these areas will be protected can not be provided.

Efficiency

This option is not considered efficient.

Infrastructure planning would become extremely difficult and the Council's role in managing growth within Wanaka would be eroded.

Risk of acting or not acting

The risk of this option is that resource consents for residential development within the site would be likely. The outcomes of such consent would be uncertain. There is a risk that the areas of significance may not be protected in perpetuity or as well as might otherwise be the case via a specific open space zoning method. There is also a risk that through progressive consents urban creep occurs.

The permitted baseline of the Rural General Zone enables activities such as viticulture, tree planting, one farm building per 50 hectares, and the clearance of indigenous vegetation where it is less than .5 hectares in size. Therefore, this option

has the risk that the landscape and ecological values of the site would be adversely affected through permitted or controlled activities.

Appropriateness

Given the above analysis, it is found that this option is not appropriate, and it is therefore recommended that this option is not adopted.

12.2 Option 2 : Rezone land for residential purposes

Explanation

This option considers in very broad terms the rezoning of the land to enable part of the Peninsula Bay site to be used for residential development into the future.

Effectiveness

By recognising that future development pressures on Wanaka mean that additional land will be needed for urban growth, this option is effective in achieving a number of the objectives and policies of Part 4. However, this is only the case if those areas within the site that are of significant landscape value are excluded from any potential development, and instead are protected through either zoning or other protective mechanisms.

Policies 4.2.5(1) (a) (b) and (c) are of particular relevance, and read:

- (a) *To avoid, remedy or mitigate the adverse effects of development and/or subdivision in those areas of the District where the landscape and visual amenity values are vulnerable to degradation.*
- (b) *To encourage development and/or subdivision to occur in those areas of the District with greater potential to absorb change without detracting from landscape and visual amenity values.*
- (c) *To ensure subdivision and/or development harmonises with local topography and ecological systems and other nature conservation values as far as possible.*

In order to effectively achieve Policy (a) above, development must be avoided in those areas of the site that are sensitive in landscape terms. This means that consideration needs to be given to the vulnerability of not only those areas identified as ONL, but also those areas of VAL that may not be able to absorb development.

Policy (b) requires that consideration be given to whether this site can better absorb development when compared to other sites within the District. When considering other sites within the District, only those that can contribute to the future residential growth of Wanaka should be taken into account. The Council has already determined the area of land that qualifies in this respect through the formulation of the Wanaka Structure Plan. Therefore, the only other sites that can be considered as realistic alternatives must be within the urban growth boundaries of Wanaka identified by the Wanaka Structure Plan. For example, identifying alternative sites in Cardrona, Luggate or Albert Town is not relevant given that they are not able to contribute to the growth of Wanaka, and are outside Wanaka's growth boundary. Those other areas are likely to contribute to satisfying some growth. However, they remain satellite towns; townships in their own right. If Council is to provide for growth

in Wanaka itself, additional land within and adjacent to the existing extent of the town needs to be made available.

There is a large area of land within the inner growth boundary of the Wanaka Structure Plan. It is envisaged by that Plan that this will be rezoned to enable residential, visitor accommodation, commercial and industrial uses in order to cater for Wanaka's future growth.

As discussed in section 6 above, the Structure Plan also addresses the phasing of development, identifying the order of rezoning that should occur based on availability of infrastructure, proximity to existing development and the town centre, and landscape values. Therefore, to a large extent, consideration of alternatives for future development has already occurred.

As stated above, while Peninsula Bay was not included as a Phase 1 Plan Change in the Structure Plan because at the time of preparing the Structure Plan it was already subject to Variation 15, it has been confirmed through public consultation that it should be a Phase 1 Plan Change.

Other sites within the inner growth boundary have been identified by the structure plan as phase 2 or 3 plan changes. Those areas behind Wanaka have also been identified for mixed use, industrial or visitor accommodation. This is because of their linkage with the existing industrial zone, their proximity to transport corridors, and the fact that development of these areas would not impinge upon significant landscape or visual amenity values.

Consistency with Policy (c) can be achieved through ensuring that those areas within the site that are of landscape or ecological significance are recognised and appropriately protected. Residential zoning should avoid areas of such significance and methods need to be employed to achieve the outcomes envisaged via the establishment of reserves or open space zones.

Policies 4.2.5(2) (a), (b), (c) and (d) can be achieved if the area of land identified as ONL is protected, particularly if the open character of that landscape is retained.

Policy 4.2.5(4)(a) requires that if the VAL of the site is to be rezoned residential, the effects of that zoning on the views from Lake Wanaka and any other public places is avoided, remedied or mitigated. An inter-visibility study of the site has been completed, and is included within Appendix 9.

Policy 4.2.5(b) can be met through ensuring that once rezoned, the site is landscaped effectively to ensure that the natural character of the more sensitive areas within the site is maintained.

Rezoning the land would not be consistent with policies directed at retaining rural character. For example, policy 4.2.5(6)(b) is to discourage urban development within the VAL. This land is VAL; therefore rezoning it for residential purposes will not be consistent with this Policy.

However, it would be effective in achieving Policy 4.2.5(6)(d) in that by providing for urban development within this site, it removes the pressure for such development to occur along roads from which important landscape vistas are obtained.

Rezoning the land for residential purposes would be effective in achieving Policy 4.2.5(7) and would align with the Wanaka Structure Plan, by providing a clear urban

edge. Policy 4.2.5(8) could be achieved through ensuring that no development occurs within the ONL on the site, and that the development that does occur within the VAL is in harmony with the line and form of the landscape in terms of location, density and design.

Policy 4.2.5(15) is of relevance, and could be achieved through ensuring that the existing indigenous vegetation within the site is protected into the future.

In summary, rezoning of the site for residential purposes would only be effective in achieving the objectives and policies of Part 4.2.5 Landscape and Amenity of the Plan if:

- those areas of the site that are either ONL or VAL that can not absorb development because of the topography or visibility from the lake are protected in their current form;
- the more significant areas of Kanuka within the site are retained and protected into the future;
- the rezoning of land for residential purposes does not adversely affect the more sensitive areas within the site.

Also of particular relevance is the consideration of the effectiveness of this option in achieving 4.9.3 Objectives and Policies, which provide for Urban Growth. Policies 4.9.3(1.1) and (1.2) (Natural environment and landscape values) are consistent with those of Part 4.2.5 of the Plan.

Rezoning the land residential would be effective in achieving Objective 3 - Residential Growth and its associated policies, by providing a supply of residentially zoned land to provide for future growth in a convenient, accessible and serviceable location. The site is within the inner growth boundary for Wanaka; therefore it is considered that it assists in achieving Policy 3.1, which is to enable urban consolidation.

Policy 3.2 encourages high density development, and encourages the location of new development where it can be serviced by schools etc. The site is close to the centre of Wanaka, in close proximity to the new catholic school on Aubrey Road, and on the same side of town as day care, primary school and high school. Consideration will be given to the appropriate mix of use within the site in section 13 of this report.

Costs

Costs associated with this approach are that there is the potential to adversely affect the sensitive areas of the site through location of residential development within or adjacent to those landscape areas.

The open pastoral landscape values currently enjoyed on the site would be removed.

Benefits

By providing residentially zoned land into the future, the pressure to rezone rural land elsewhere will be reduced. Supply of residentially zoned land may also have a positive effect in terms of affordability of housing.

The rezoning is consistent with the growth management goals set out within Wanaka 2020 and the Wanaka Structure Plan and the need to accommodate residential growth.

The proposal enables people to live in a fantastic location with views of the lake, and good solar gain.

Comprehensive rezoning of the site enables the community to ensure that those more sensitive areas within the site are protected into the future and provides for recreational values.

Avoids the application of resource consents for residential subdivision, and the difficulties these pose in terms of assessment, and then future management.

Rezoning through a plan change provides certainty into the future of what land use will occur within the site. It does not mean that all of the rezoned land will be developed at once, but gives certainty to the community that it will be into the future. This removes pressure from the rural areas surrounding Wanaka.

Efficiency

If the site is rezoned in a manner that respects the landscape and ecological values of the site, the benefits outweigh the costs. Enabling residential use to occur makes efficient use of existing service and roading infrastructure, without uneconomic extensions being necessary. The land is readily accessed from the town and has good access to existing and planned educational, recreational, service, employment and retail facilities. The site can be developed easily, is unencumbered by hazards and has excellent aspect to the sun.

Risk of acting or not acting

The risk of acting is that areas of landscape value within the site could be degraded, however this is clearly manageable through avoidance of residential development within those areas of the site that are significant in landscape terms.

The risk of not acting is that the land could be developed in an ad hoc manner through the resource consent process. This has the risk that consents would be approved, and because the site is not being considered comprehensively, those areas of sensitivity are not protected into the future. Therefore, the opportunity to trade off additional development rights for the protection of other areas would not be possible.

If the land is not rezoned there is also the risk that there will be pressure to develop other areas surrounding Wanaka. This would cause problems associated with servicing inefficiencies, adverse effects on landscape values, and the overall comprehensive development of Wanaka into the future.

It is therefore considered that the risk of not acting is greater than the risks associated with initiating a variation. It is a matter of ensuring that the development is such that those areas of the site sensitive to change are adequately protected now and in the future.

Appropriateness and necessity

The information used in the preparation of this report shows that each year, Wanaka will need an additional 100 dwellings. This is a significant level of demand which needs to be provided for in a planned manner. As discussed above, there is a fairly significant time delay between rezoning and the provision of housing. Therefore, it is likely that there will be around a 4-6 year lag between the zoning process being initiated and residential units being built and occupied. 4 years equates to a need of 400 dwellings. Areas such as Peninsula Bay are needed to meet the ongoing demand that will occur as a result of projected population growth.

There are clear advantages in developing areas that can be readily serviced with infrastructure and roading as an early priority to meet the emergent demand. Peninsula Bay achieves this.

Rezoning the land will enable greater protection over the areas within the site that are sensitive in landscape terms, and enables the protection of the indigenous vegetation. Such protection is considered necessary in order for the Council to achieve its objectives and policies.

13. DETAILED ALTERNATIVES- WHAT IS THE NATURE OF ZONING THAT SHOULD OCCUR ON THE SITE?

Following the above analysis, it has been found that Option 2, that is the Peninsula Bay site should be rezoned to enable residential development, is most appropriate and is necessary. This is subject to ensuring that those areas within the site that have been identified as sensitive in landscape terms are managed in such a way that the objectives and policies of the Plan are achieved.

The site can be considered in terms of two areas: that area that has been identified by the Environment Court as sensitive in landscape terms, and that which can accommodate residential activity. This part of the analysis considers the appropriate planning method for each of these areas of the site.

13.1 Landscape Sensitive areas

In the Environment Court decision, it was found that those areas identified as Activity Areas 2 and 5 within Variation 15 were sensitive in landscape terms. Following that finding, further landscape analysis has been undertaken to identify those areas within the site that should be protected into the future. These are shown below:

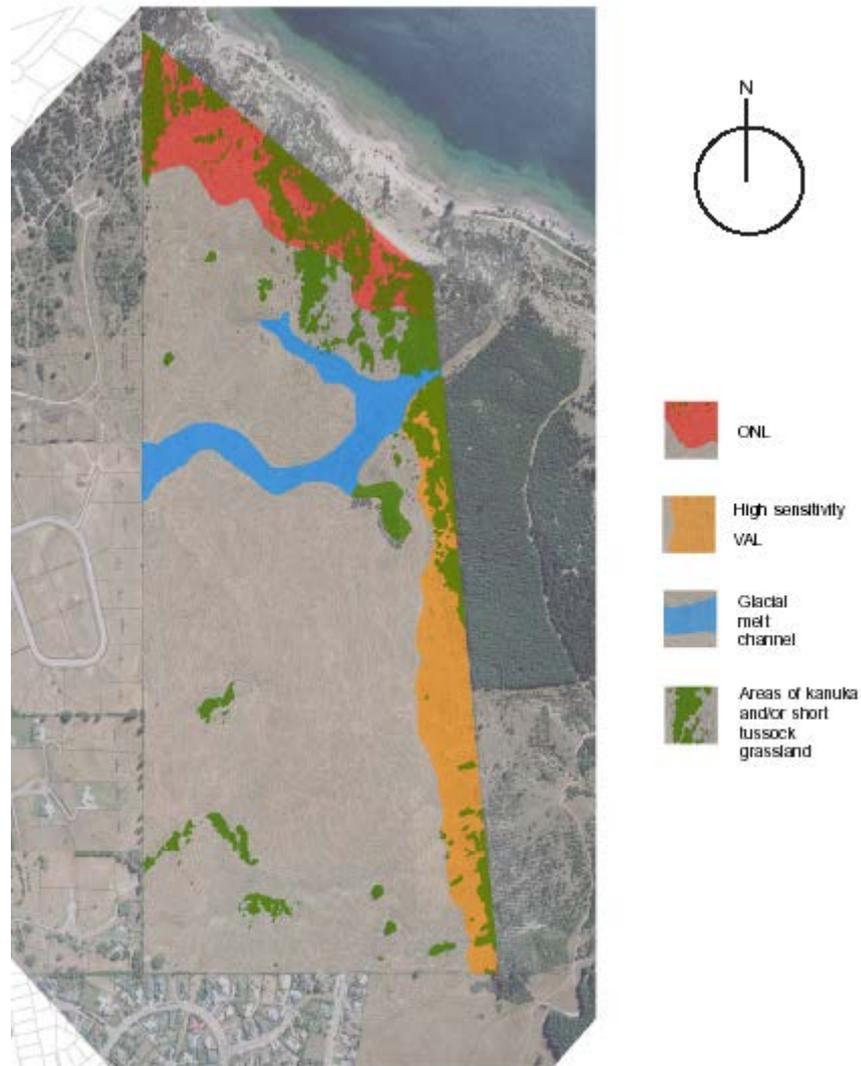


FIGURE 5
Landscape Features Plan - 1:7500 (A3)

13.1.1 Option 1: Vest as Reserve

Explanation

This option involves vesting those sensitive areas of the site as some form of reserve. This means that they would be managed by the Council into the future, and would be available to the public.

Effectiveness in achieving objectives and policies

This option would be effective in achieving the objectives and policies of part 4.2.5 of the Plan, because it ensures that the open, natural character of those areas of landscape sensitivity would be protected into the future.

Through protecting the areas of Kanuka, this option would be effective in achieving objectives and policies of 4.2.4 of the Plan.

Public access through these areas towards the Outlet and Lake Wanaka would help achieve Objective 4 - Esplanade access.

Costs

The community would be faced with the future costs of maintaining the land for public reserve. However, this may be offset through an agreement between Council and the current landowner at least at the outset and for a period of time beyond vesting.

The Council would be creating a precedent whereby through zoning, the Council obtains the land of landscape sensitivity, and becomes responsible for its management into the future. This would impose costs associated with maintenance of the land on future communities.

Benefits

The key benefit of this option is that these areas of the site are protected from development, ensuring that their landscape and ecological values are maintained and enhanced into the future.

Enabling public access is a benefit to the community; through the public consultation for Wanaka 2020 and the Wanaka Structure Plan there has been a clear desire by the community to ensure that as Wanaka grows, the level of amenity provided by public open space is retained. Feedback on the discussion document has shown clearly that the public see benefit in vesting this area as reserve, both to protect it from development, and to ensure that public access is enabled into the future.

Agreement between the landowner and the Council as to the future management of the site can avoid some costs being imposed on the community into the future, although this is unlikely to be able to continue in the medium to long term.

Efficiency

Given the above analysis, this option is not considered efficient.

Risk of acting or not acting

The risk of not acting is that this land could be subject to resource consent applications, which would be considered on their merits. Because of the discretionary regime, there is no certainty that resource consents would be declined.

There is a risk that this area of land would not be available to the public into the future, decreasing the recreational amenity values associated with the land.

A risk associated with the adoption of this option is that the Council would become responsible for managing large tracts of land throughout the District, which has an associated community cost.

Appropriateness and necessity

This option is appropriate. Protecting those important landscape and ecological values into the future is necessary in order to achieve the purpose of the Act, and the objectives and policies of the Plan.

However, because of the difficulties associated with vesting reserve in terms of imposing cost on future councils, other mechanisms to achieve the outcome of public access and protection need to be considered.

13.1.2 Option 2: Covenants

This option involves covenanting those areas of land having landscape and ecological sensitivity. The covenant would include the Council as a party, and would be to the effect that no development would be allowed. The covenant would be in perpetuity.

Effectiveness

Protecting the landscape and ecological values in perpetuity would be effective in achieving the objectives and policies of the Plan. However, this option would not guarantee the unencumbered provision of public access.

Costs

Potential lack of unencumbered public access.

Less certain than vesting as reserve, because in future, if agreed by the Council and the landowner, the covenant could be lifted. A covenant is a private agreement, therefore the community would have little influence (aside from its democratic interest in the affairs of Council) if it were to be lifted, and its existence may not be well publicised. (Unlike mapping of reserve areas or zoning on the District Plan maps)

The maintenance costs of the land would likely fall on the landowner.

Benefits

The costs of maintenance would not fall on the community.

Protection of the landscape and ecological values into the future.

Future councils may not be burdened with the maintenance costs of the reserve area.

Efficiency

This option would be efficient in terms of protecting landscape and visual amenity values but not completely so in terms of providing for unencumbered public access.

Risk of acting or not acting.

As above, when considering this option against doing nothing, in not acting there is a risk that the values of the site will not be adequately protected into the future.

The risk associated with a covenant is that into the future the covenant may be lifted, so that those values associated with the site would not be protected in perpetuity.

Appropriateness and necessity

This option is considered appropriate. However, if there is an opportunity to protect this area through reserve status or zoning as open space, then this option should be discarded in favour of these superior options. As stated above, the protection of this area of the site is considered necessary.

13.1.3 Option 3: Rural General with building line restriction

Explanation

This option involves retaining the Rural General zoning, but imposing a building line restriction, which would make any subdivision or development within the more sensitive locations a non-complying activity. Non-complying activity status means that development of this area would not be anticipated within the Plan, and would therefore be very unlikely.

Effectiveness

This option would be effective in achieving the objectives and policies of the Plan. However, whereas development is in effect prohibited if the land is vested as reserve or covenanted, this option does not preclude the approving of a resource consent in the future. If a development is proposed that proves the adverse effects are no more than minor, or meets the objectives and policies of the Plan, it may be approved. Thus, this option may not be effective in ensuring that the objectives of protecting this area into the future are achieved.

The land would be retained in private ownership, therefore the objectives of providing public access would not be achieved.

Costs

Maintenance costs would fall on the landowner.

Less certainty that the land will never be developed.

Does not enable public access.

Benefits

Development would be very unlikely.

The building line restriction would be shown on the District Plan maps, therefore to remove this protection would require a plan change to which the community could make submissions.

Costs of maintaining the land would not fall on the Council.

Efficiency

This option would not be efficient, because the costs outweigh the benefits.

Appropriateness and necessity

As stated above, the protection of this area is considered necessary. This option is considered less appropriate given that it does not give as much protection as either covenant, reserve or zoning as open space, and does not provide for public access.

Risk of acting or not acting

The risk of this option is that some development may occur, and therefore the risks of this option in terms of protection of the site and ensuring public access are greater than vesting as reserve or covenanting.

13.1.4 Option 4: Retain Rural General Zoning

Effectiveness

While the landscape and amenity policies of the Plan are strong and direct that development should not occur on those landscapes that are sensitive to change, and should be avoided on ONL unless the adverse effects can be avoided, remedied or mitigated, there is still the possibility that when assessed on a case by case basis, a resource consent may be approved.

In order for the site to be rezoned in a comprehensive manner, the only way that any such rezoning can be effective in achieving the objectives and policies of the Plan is if this area of land is given greater protection than what currently exists. This ensures that there is a clear urban boundary to Wanaka, and that the areas of landscape value are protected in perpetuity.

Therefore, this option is not considered effective. Further analysis is not considered necessary.

13.1.5 Option 5: Open Space Zone with public access easements

Explanation

This option involves the creation of a new zone within the Plan that provides for the protection of the landscape and open space values of an area, ensuring that no development occurs. The land would remain in private ownership, but to ensure that public access is retained into the future, public access easements would be provided.

This means that the maintenance of the land would remain the responsibility of the landowner, but public access would be provided, and the landscape and ecological values would be protected into the future.

Effectiveness

If the provisions of the open space zone prohibit any development, and public access is provided over parts of the land in perpetuity, this option would be effective in achieving the objectives and policies of the Plan.

Costs

An easement would enable some access over the open space zone, but unless it is an easement in gross over the entirety of the land, it would be limited to specific areas within the site or identified walkways.

The landowner would have to maintain the open space area.

Open space zoning could be removed by plan change in the future, although given the sensitivity of the land this is likely to be difficult to achieve.

Benefits

The open space zoning would ensure that the landscape and ecological values are protected into the future.

Once established, an open space zone could be adopted in other areas for the purposes of protecting landscape values into the future.

The costs of maintaining a reserve would not be imposed on the Council if it is decided at the time of subdivision that the land will not be vested in Council. Negotiations with respect to vesting land as reserve could occur once the zone has been established.

Public access could be provided through the use of easements through the open space zone.

Efficiency

The costs of developing a new open space zone would be offset by the ability to retain landscape values and public access, and the ability to apply the zoning to other areas in the District. This option is therefore efficient.

Appropriateness and necessity

The protection of landscape values and provision of public access is considered necessary. This is an appropriate way of achieving that end.

Risk of acting or not acting

The risks of this option are that public access may not be achieved to the extent envisaged by the community.

CONCLUSIONS

Based on the analysis above, it is recommended that the area of landscape sensitivity is rezoned open space, with public access easements or vesting of some areas as reserve, or a combination of these two options. The decision over what land is to be vested as reserve would likely be made at the time of subdivision.

13.2 ZONING OPTIONS FOR THE LESS SENSITIVE AREAS OF THE SITE

The following analysis considers different zoning options for those areas of the site that have been identified as able to accommodate residential development.

13.2.1 Special Zone

Explanation

This option involves replacing the current Rural General zoning with a special zone for the site. Special zones are used where physical characteristics of the site or the nature of the development envisaged could not be provided for adequately by any of the existing zonings of the Plan.

Special zones generally require development adherence to a structure or master plan, within which there are specific sub-zones or activity areas that provide

prescriptive rules. This ensures that the site is developed in a comprehensive manner. Examples of special zones within the District are Millbrook, Jacks Point, Remarkables Park, and Penrith Park.

Effectiveness

Imposing a special zone can be effective in achieving the objectives and policies of the Plan by ensuring that the Plan provisions are such that landscape and ecological values are protected, and those areas that can absorb additional density are zoned effectively. Outcomes can be prescribed and assured.

Costs

One of the costs of the special zone approach is that it increases the complexity of the Plan. Often special zones are complicated, and while they build on the zones already used in the Plan, they add additional provisions to suit the specific zone.

Often resource consents within special zones are difficult to administer because the structure plan and provisions are difficult to interpret.

Structure plans are often inflexible to enable changes in land use into the future.

Benefits

Where the site and proposed development is such that none of the existing provisions within the Plan provide effectively for the objectives and policies, a special zone can be used to provide for future land uses that suit the specific site and community aspirations. Outcomes can be prescribed to ensure effects of development are minor.

Structure planning can be used to determine land use layouts and impose a certain pattern of development to ensure the implementation of a pre determined master plan or built form.

Special zones can impose performance standards on development to ensure that, for example, adequate landscaping is undertaken, and design and external appearance of dwellings can be managed in order to mitigate effects.

Efficiency

Given that the sensitive areas within the site can be protected via alternative means (because it has been recommended that they be protected through an open space zone that can be applied elsewhere in the District), the need to impose a special zone for the remainder of the site lacks efficiency, given the costs identified above.

Appropriateness and necessity

Given that it is recommended the sensitive areas of the site are protected through an open space zone, imposing a special zone over the balance of the site is not necessary. It is considered more appropriate that development within the site is consistent with that surrounding it.

However, consideration should still be given to the use of specific rules that can be used to ensure that adverse effects of development are avoided, remedied or mitigated as far as possible. For example, a small area of land within the proposed

Low Density Residential Area located at the north-western corner of the site has been determined as being potentially more susceptible to the generation of visual effects from housing. These effects can be readily avoided or mitigated by conducting site preparations in a manner that avoids such effects or via the imposition of building height limits. Appropriate performance standards need to be determined for this small area that account for this issue.

Risk of acting or not acting

The risks associated with a special zone are that the Plan provisions become overly complex, and create prescriptive provisions that are inflexible to change. However, the risks of applying the zoning that exists within the Plan is that it may not suit all the characteristics of the Site, or may cause adverse effects that could otherwise have been avoided.

13.2.2 Low Density Residential

Explanation

This option involves rezoning the non-sensitive areas of the site low density residential, consistent with the surrounding zoning to the south of the site. The existing Low Density Residential Zone in Wanaka provides for section sizes of 700m², and a density of one unit per 450m². These restrictions, coupled with site coverage, building height and setbacks, ensure that the zone provides for a low density style environment, generally with single residential units on each lot. The zone also enables the creation of residential flats. Visitor accommodation is a discretionary activity, respecting the fact that the zone is to provide for residential development.

The minimum lot size could be increased to ensure there is more space for planting and landscaping.

Effectiveness

Rezoning this land Low Density Residential is effective in providing for the future growth of Wanaka. Performance standards inherent in the zone assist to achieve a high level of residential amenity and a pleasant living environment.

In terms of meeting the objectives and policies of Part 4.2.5 of the Plan, this option is effective, as long as the development is restricted to those areas within the VAL that can absorb urban development.

By ensuring the protection of those more sensitive landscapes and the ecological values of the Kanuka stands, so that Low Density Residential zoning only applies to those areas of the site where it can be absorbed, Policies 4.2.5(b) and (c) can be achieved.

By ensuring that development is not highly visible from Lake Wanaka, or from the Mount Aspiring Road, this option is effective in achieving Policy 4.2.5(4)(a). Policy 4.2.5(4)(b) encourages the use of landscaping and planting to mitigate effects of development. Low Density Residential Zoning imposes no requirements on landowners to provide landscaping within their site. However, the building coverage and site density provisions do ensure that within each site there is adequate room for planting and landscaping. The existing development within Low Density Residential zones within Wanaka provides testament to the fact that landowners will use planting

and landscaping to help improve the amenity values of the Zone. As these areas mature, so will the amenity achieved from tree planting and landscaping.

Policy 4.2.5(6)(b) reads:

- (b) To discourage urban subdivision and development in the other outstanding natural landscapes (and features) and in the visual amenity landscapes of the district.

As stated previously in this report, rezoning the land to Low Density Residential does not achieve the second part of this Policy. However, this Policy must be weighed up against the need to provide for future residential growth, provided for in Policies 4.9.3, particularly Objective 4.9.3(3). Policy 4.9.3(3.1), which reads:

3.1 To enable urban consolidation to occur where appropriate.

Of relevance, the explanation to this policy reads:

“Consolidation can occur by peripheral expansion of the existing residential areas, increased density within the existing residential areas, or opportunities for new settlement. Consolidation is considered by the Council to be the most sustainable urban growth option as it enables the protection of landscape values, soil and water resources, low density living environments, the cohesion and character of existing towns and urban areas, the efficient use of energy and infrastructure and regard for major infrastructure such as airports and state highways.”

Rezoning the Peninsula Bay land for Low Density Residential purposes achieves this Policy.

Policy 4.2.5(6)3.2 reads:

- 3.2 To encourage new urban development, particularly residential and commercial development, in a form, character and scale which provides for higher density living environments and is imaginative in terms of urban design and provides for an integration of different activities, e.g. residential, schools, shopping.*

Rezoning the land Low Density Residential better achieves this policy than a rural residential option. The Wanaka Structure Plan and the urban design report commissioned by the Council both identify that the Peninsula Bay site is not suited to higher density development. Consultation with the Wanaka community has shown that densities higher than that enabled by the Low Density Residential Zone are generally not favoured.

Costs

Loss of open pastoral character.

There is one area within the site that may create visual effects when viewed from the Lake. The Low Density Residential Zone rules do not provide for such effects, and therefore amendments that provide specifically to this area of Peninsula Bay would need to be added.

Benefits

Rezoning this land Low Density Residential is effective in providing for the future growth of Wanaka.

Imposing the Low Density Residential Zone provisions on the Peninsula Bay site has the benefit of ensuring that the site is developed in a manner consistent with existing development to the south. Low density residential has been successful in creating high amenity values.

Low Density enables the provision of residential flats, as subsidiary to the residential unit. This enables landowners to provide a form of affordable housing, and the provision of a mixture of housing types.

Because of the building coverage and site density rules for Low Density, a high amenity can be achieved through enabling landscaping and tree planting.

The amenity values of the site would be created through enabling future residents to create their own amenity through individual design.

Risk of acting or not acting

The risks associated with this option are that Low Density Residential Zoning to the boundary of the sensitive landscape may spill over to adversely affect that open space landscape. However, the landscape assessment for the site has shown that such effects will not occur.

There is a risk, however, that dwellings in the north western corner of the site may be visible from the lake if built to 7meters. To overcome this risk, specific provisions would need to be included within Section 7 of the Plan.

Appropriateness and necessity

This option is considered appropriate. It provides the optimal solution for zoning the site in order to assist in meeting some of Wanaka's projected growth.

However, further consideration needs to be given to whether the low density zoning should extend to the edge of the more sensitive landscapes, and whether additional controls should be imposed on the zone to ensure future development does not adversely affect the landscape values of the site, in particular, the visual effects when viewed from the Lake.

13.2.3 Combination of Low Density Residential and Rural Residential

Explanation

Under this option, most of this area of the site would be rezoned low density residential. However, those areas bordering the more sensitive landscapes of the site would be rezoned rural residential. Rural Residential Zoning requires lot sizes of 4000m², 1 residential unit per 4000m², site coverage of 15%, and setbacks of 6m. Any building is a controlled activity, meaning that the location and external appearance of the buildings can be assessed. The location of boundaries between rural residential and low density residential would need to be established based on locality and topography.

This zoning is more consistent with that on the western boundary of the site, where section sizes are 1000m² to 3000m².

A number of the comments received during consultation identified this as the preferred option.

Effectiveness

This option would be effective in ensuring that effects on the sensitive landscapes are avoided as far as possible by providing a buffer of lower density development, with greater control on external appearance, lower building coverage and the ability to provide more landscaping on each site where development is located nearer to the more sensitive parts of the site.

However, it would be less effective in achieving Policies 4.9.3 for urban consolidation, or Policy 4.2.5(7) urban edges.

Costs

Reduced density and therefore the potential for increased pressure for development elsewhere. Less efficient utilisation of roading and servicing infrastructure.

Larger section sizes would increase the value of the land, therefore the ability to provide affordable housing within the site would be reduced.

Benefits

The provision of some rural residential development would provide a variety of section sizes and types.

Rural residential zoning enables control over location and external appearance of buildings. This could ensure that the development 'fits' within the site.

Rural residential zoning would be consistent with development in Penrith Park.

Decreasing overall density of the site would reduce potential effects on the roads accessing the site.

Efficiency

In terms of land use and optimum yield, this option is not efficient. However, the higher amenity values associated with larger land parcels could outweigh the decrease in density.

Risk of acting or not acting

The risk of this option is that there is a higher demand for residential development placed on other sites surrounding Wanaka. However, because of the location, solar access, and lake and mountain views afforded by this site, it is likely that sections within this site would be at the higher end of the market. Other sites within Wanaka's urban growth boundary would better provide for higher density development.

Appropriateness and necessity

For the foregoing reasons there may be justification in considering this as an option. It represents a less efficient use of land, services and roading. However, it would “feather” the edges of the developed area, where it adjoins those areas of the site deemed to be more sensitive in landscape and visual amenity terms. Given this dichotomy, it is difficult to definitively recommend this option, but at the same time it should not be universally rejected. It may be possible to achieve some of the benefits of the Rural Residential Zone through other techniques, which will be discussed in the following parts of this report.

13.2.4 Low Density Residential and High Density Residential

Explanation

This option provides for the rezoning of most of the property as low density residential, but also provides for some high density residential within areas of the site where it can be absorbed in landscape terms.

Effectiveness

In terms of achieving Policies 4.9.3 (3.1) and (3.2), this option would be effective, given that it provides for urban consolidation, and higher densities within the urban growth boundary. However, the urban design report commissioned by the Council (Appendix 10) identifies that this site is more suited to low density style development, given its location and topography.

Higher density development is less likely to achieve policies 4.2.5; increasing density reduces the opportunity to landscape to a sufficient scale, therefore causing adverse effects on landscape values.

The new provisions for HDR would be applied. These place greater controls on development than previously in place, and ensure that while the density will be greater than LDR, a significant amount of landscaping will be required, and buildings over a certain size would require resource consent.

Costs

Wanaka residents have expressed strongly their dissatisfaction with the development allowed by high density residential zoning. This option is therefore contradictory to the wishes of the community.

Higher density residential development reduces the ability to landscape effectively, therefore the development has greater potential to adversely effect amenity values of the site.

For efficiencies in infrastructure, particularly roading, reducing car usage and increasing the vibrancy of the town centre, higher density development should be located around Wanaka’s town centre. If higher density is added to the site increasing the number of residential units, locating higher density within this site imposes greater effects on the roads accessing the site.

Benefits

Enabling urban consolidation would reduce pressure on other areas and help retain Wanaka within its urban growth boundaries. It also makes optimal use of servicing and roading infrastructure.

This option would provide a mix of densities within the zone, providing variety in terms of housing choice and appearance of buildings.

Enabling higher density within some areas of the site could offset a reduction in density in other areas where visibility requires that more attention be given to landscaping.

Enabling higher density in a greenfields site may be less offensive to residents as it can be planned for correctly, and developed in a comprehensive manner, instead of infill as seen in other areas of Wanaka. In many cases it appears that the major concern with high density style development within Wanaka is that:

- (a) such development is not anticipated;
- (b) the development does not fit with the existing character of the area. For example, in most areas, the HDR in Wanaka contains single dwellings. The development of multiunit apartments alongside these existing dwellings alters the character of the area significantly.

Risk of acting or not acting

This risks associated with the adoption of this option are that development could occur that creates adverse effects on amenity values. However, risks associated with not providing this level of development are that additional pressure is placed on other areas.

Appropriateness and necessity

If some high density is allowed to offset a reduction in density in the more sensitive areas of the site, higher density development could be appropriate. However, locating higher density at Peninsula Bay goes against principles of urban design whereby higher density should be located nearer the centre of town for the purposes of transport and other infrastructure.

It is not considered necessary to enable higher density in this location. Sites closer to the town centre would be better suited to a higher level of density.

Low Density Residential with some commercial

Explanation

This option involves rezoning most of the land as low density, but also enabling some commercial development through either a sub-zone or commercial zoning. The commercial site or precinct would enable the location of a corner shopping area within a part of the site capable of absorbing that type of development, and within easy access from the rest of the site, and the surrounding development.

Effectiveness

This option would be effective in achieving Policy 4.9.3(3.2) to a certain extent. However, the urban design review commissioned by the Council does not support the location of commercial activities within the site, explaining that through the structure plan, other more suitable sites have been identified. The review finds that the future dwelling numbers within the site would not support commercial development, and because of the site's location, there would be no through traffic to increase demand to a level where commercial activities would be viable.

Consequently, this option is not considered effective. For this reason, its costs and benefits have not been assessed.

13.2.5 CONCLUSIONS

Following an assessment of the alternatives for this site, it has been found that it is necessary and appropriate to rezone the site as shown in the following Plan. This illustrates that those areas of landscape sensitivity will be zoned open space landscape protection, with public access easements, while those areas that can absorb development will be rezoned Low Density Residential. Via the submission process on the Variation it may be that there is strong support to feather the developed edge adjacent to the eastern area of open space by including a band of rural residential land. The Council is able to retain an open mind with respect to this option as the Variation process proceeds.

Given the above, it is also recommended that consideration be given to specific provisions for the site that would be implemented in conjunction with the existing provisions of the Low Density Residential Zone. The following section identifies suggested provisions, and assesses their necessity and effectiveness. This part of the report also provides an analysis of the provisions for an Open Space - Landscape Zone

13.3 SPECIFIC PROVISIONS FOR LOW DENSITY RESIDENTIAL ZONE

It is intended to rezone that part of the Peninsula Bay land capable of being developed "Low Density Residential". The reasons for doing so have been analysed earlier in this report. Given that this is a zoning method already widely used in the Partially Operative Plan there is no need to evaluate the specific provisions of the zone as part of this analysis. However, one new method is to be introduced as part of the Variation, being the use of an Outline Development Master Plan process. The following section of this report assesses this new method in terms of the requirements of section 32 of the Act.

13.3.1 Outline development master plan

Explanation

Rules requiring that an outline development master plan is lodged and approved prior to any development occurring within the site can be used to enable the Council to consider and assess the subdivision layout, including matters such as earthworks, staging of development, roading and pedestrian linkages and network, open space/neighbourhood reserves and any specific effects on visual or landscape values that might require additional and detailed mitigation.

It is proposed that a new rule is inserted into Chapter 7.5.3.3. (Restricted Discretionary Activity) that necessitates the preparation of an outline development master plan which details the subdivision design and configuration, allotment sizes, roading patterns, and proposed pedestrian and open space linkages. This plan would be assessed by Council as a discretionary activity (with the Council's discretion restricted to the matters described above) prior to the preparation of a subdivision consent application. Assessment of the outline development master plan is intended to enable the ultimate developer and the Council to arrive at an acceptable layout for the subdivision of the site, that respects the sites' location relationship with more landscape sensitive land to the north and the east, recognises and provides for amenity values inherent in the existing development to the south and the west, ensures a high standard of internal amenity is achieved and generally ensures a functional subdivision design, consistent with good urban design practices. Failure to adhere to this rule would mean that the subsequent subdivision or development would be non-complying rather than controlled.

It is anticipated that a site specific design response would be arrived at through this process to ensure that any potential visual effects created by housing within the area of land in the north-western corner of the Low Density Residential zone (shown on map A) would be successfully mitigated. It is likely that this will be achieved by appropriate earthworks, limitations on the siting and/or on the height of buildings.

It is anticipated that processing of this outline development master plan would occur without notification. A rule recognising this is proposed to be inserted into Rule 7.5.4 of the Part Operative Plan. This reflects the important role the Council has in verifying the ultimate layout of the subdivision.

Effectiveness

This method would be effective in ensuring that the subdivision design and layout is of a high quality that ensures good linkage for pedestrians and vehicles, appropriate section sizes, and adequate neighbourhood reserves. It also ensures that any potential residual effects on the values of the surrounding open space land and existing residential amenities can be addressed, before a final subdivision plan is confirmed.

Costs

This method would impose costs on the landowner, through the resource consent requirements.

Benefits

The Council would have control over the layout and design of the subdivision, and would therefore be able to ensure that it is of a high quality, with lot sizes, access and design that relates well to the characteristics of the site. It also provides the opportunity to ensure that any potential residual effects on the values of the surrounding open space land and existing residential amenities can be addressed through appropriate design and mitigation.

Efficiency

The benefits inherent in providing for this opportunity for Council to verify the design and layout of the subdivision outweigh the costs.

Risk of acting or not acting

The risk of not acting is the loss of an opportunity to ensure that the layout and design of the subdivision respects the sites' relationship with more landscape sensitive land to the north and the east, and the amenity values inherent in the existing development to the south and the west. It also ensures that a high standard of internal amenity is achieved, and a functional subdivision design, consistent with good urban design practices.

The risk of adopting this option relates to the imposition of time delays and increased cost to the landowner.

Appropriateness and necessity

In order to assist in ensuring that the subdivision of the site meets the aforementioned objectives it is appropriate and necessary to impose this method.

13.4 OPEN SPACE ZONE – LANDSCAPE PROTECTION

Explanation

This comprises a new zone intended to provide Council with a mechanism for retaining open space values where land is deemed to be worthy of protection for landscape, natural character, or ecological reasons. The zone includes provisions for restricting the development of buildings and structures, and enabling land to be retained in its existing open state. Provisions encourage the enhancement or retention of ecological values and indigenous vegetation. It is recognised that land within the Open Space zone has value to the community for passive recreational activities, such as walking, cycling, and picnicking etc.

The new Open Space zone includes two principal objectives. The first objective seeks to protect and maintain natural and ecological values and the open space appearance of land within the Open Space zone. The second objective seeks to enable the public use of land within the Open Space zone for passive or informal recreational activities. Methods of implementing these objectives include rules within the Plan and other methods such as public access easements, covenants, and deeds of agreement.

Rules enable passive or informal recreation to occur. In addition, the control of pest species and wilding trees is also permitted. Structures and facilities associated with enabling the public use of land within the zone are provided for either as a controlled activity or a restricted discretionary activity. Examples include car parking facilities, picnic and barbeque areas, cycling and walking trails. Light grazing activities are also envisaged, but only where this does not compromise any ecological maintenance or enhancement activities.

Residential activities, other buildings for commercial and visitor accommodation purposes, farm buildings and the planting of any wilding tree species are prohibited in the Open Space zone.

For reasons set out earlier in this report, it is envisaged that this zone will be imposed upon land on the northern and eastern margins of the Peninsula Bay site, due to the sensitivity of these areas in landscape terms. This zoning will also be imposed over the central reserve area and the area of reserve land running alongside the western

boundary of the Peninsula Bay site, due to the public access and recreational values that this land holds.

Effectiveness

This method would be effective in ensuring that land so zoned is retained in its open form and would ensure that landscape, natural character, and recreational values are preserved or enhanced. Rules clearly preclude the erection of buildings and structures unrelated to recreational use of the land in question. The use of other methods such as covenants, public access agreements, and agreements with landowners are encouraged in order to provide an appropriate balance between the public interest inherent in retention of open space areas, and the fact that some of these areas will remain in private ownership.

Costs

This method would impose some costs on the landowner where land within the Open Space zone is to be retained in private ownership. Such land cannot be utilised for development purposes, which invokes forgone opportunity cost.

Where land is to be retained in private ownership, costs of maintenance will be borne by the landowner.

Benefits

The Open Space zone provides an effective method for ensuring that land having landscape, natural character, and recreational value to the wider community is maintained or enhanced, without necessarily requiring the Council to acquire this land under the Reserves Act.

Zoning land for open space purposes retains a public good without all of the costs inherent in acquisition or ongoing maintenance having to be borne by the community.

The open space zone could be applied to other areas through the plan change process.

Efficiency

From the Council's perspective, this method is efficient in that it serves to ensure that land that has significant landscape, natural character, and recreational value can be retained for those purposes, without attendant costs in acquisition, or ongoing maintenance.

This method is not so efficient for those landowners who own land within the zone, who necessarily forego development opportunities, and are required to meet the ongoing costs of maintenance of this land.

Risk of acting or not acting

The risks inherent in not acting centre around the alternative methods that might be employed to achieve a similar outcome. The key alternative comprises setting aside such land as reserve areas in terms of the Reserves Act. This is an effective option in achieving similar outcomes to those expressed within the Open Space zone. However, this option brings with it ongoing costs to the community in terms of reserves maintenance.

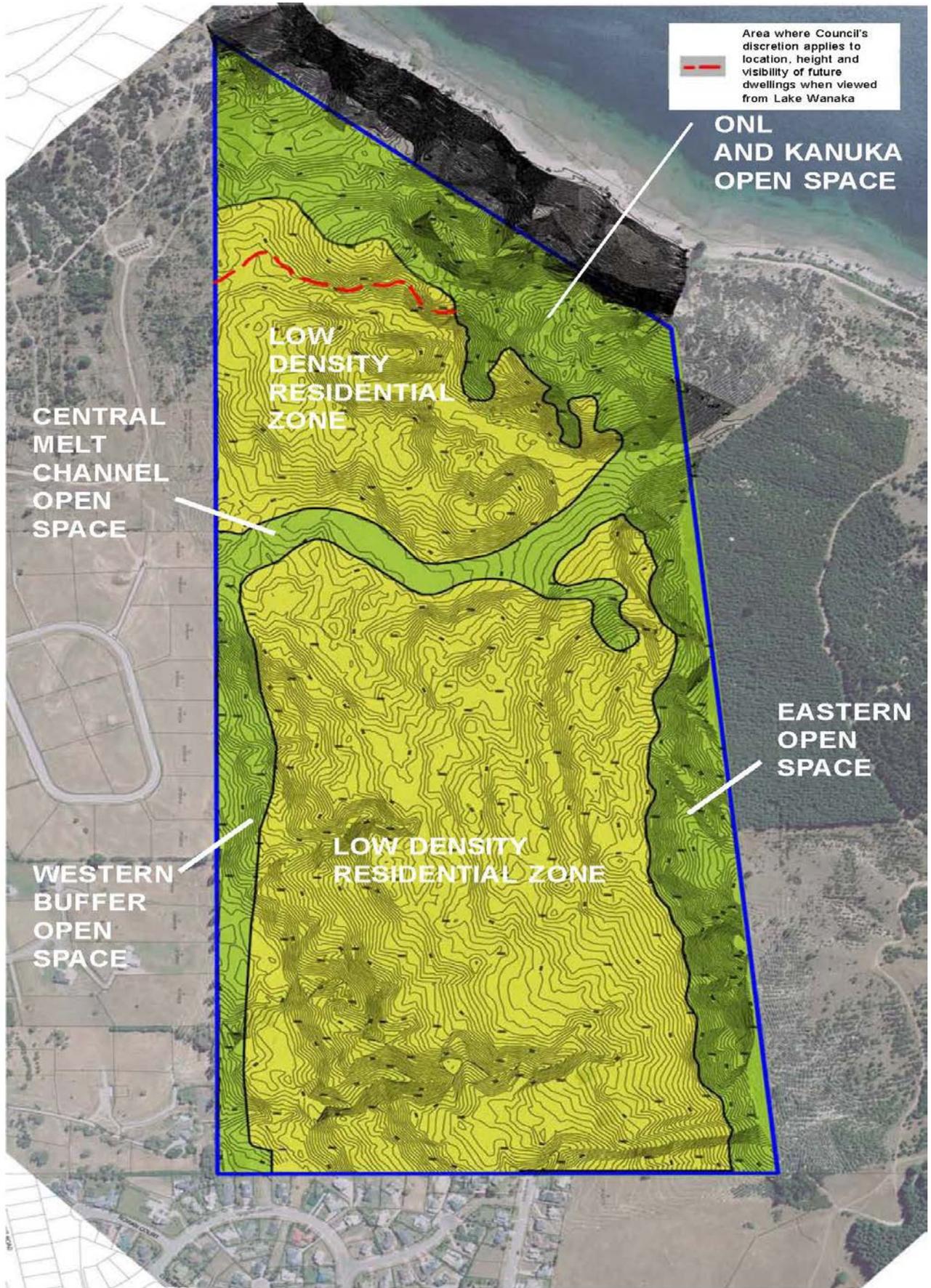
Alternative methods of protection such as retention of land in the Rural General zone, present risks in that such land can be the subject of applications for resource consent to develop it in some way. In terms of the current Rural General rules, the Council is not able to preclude resource consents.

Appropriateness and necessity

The imposition of the Open Space zone on the more sensitive lands around Peninsula Bay is an appropriate method. It enables these lands to be retained in their existing state, without the threat of any development occurring in the future. This is a necessary method due to the landscape, ecological values and to a lesser extent the recreational attributes that the land in question holds.

14. CONCLUSIONS

Following the above analyses, it has been determined that the most appropriate option for managing Peninsula Bay into the future is to rezone the site as follows:



MAP A: Proposed Zoning for Peninsula Bay

15. PLAN AMENDMENTS

Following the above analysis, it is recommended that the following amendments are made to the Partially Operative District Plan.

SECTION 7

The amendments to Section 7 are as follows (additions underlined, deletions struck through)

Insert the following new restricted discretionary activity Rule:

7.5.3.3

vi Outline development Master Plan- Peninsula Bay

Within the Low Density Residential Zone at Peninsula Bay, the Outline Development Plan of the Low Density Residential Zone lodged with the Council pursuant to Rule 7.5.5.2(xiii), in respect of:

- Roading pattern, including access to and car parking for the use of the adjacent open space zone;
- Indicative subdivision design and configuration, including allotment size;
- Proposed landscaping within any road reserve;
- Pedestrian linkages through the subdivision, and their relationship to the adjacent open space zone, the margin of Lake Wanaka and adjacent residential land;
- The location, height and visibility of future dwellings when viewed from the lake to the north of the site, particularly within the north-western corner of the zone (the area shaded xx on planning map yy).

Amend Section 7.5.4 Non-notification of applications as follows:

7.5.4 Non-Notification of Applications

Any application for a resource consent for the following matters may be considered without the need to obtain a written approval of affected persons and need not be notified in accordance with Section 93 of the Act, unless the Council considers special circumstances exist in relation to any such application:

- (i) All applications for **Controlled** Activities.
- (ii) Applications for the exercise of the Council's discretion in respect of the following **Site** Standards:
 - Access;
 - Outdoor Living Space;
 - Flood Risk;

- Outline development master plan- Peninsula Bay.

Insert the following Zone Standard

7.5.5.2

xiii Outline Development Master Plan- Peninsula Bay

No subdivision or development shall take place within the Low Density Residential Zone at Peninsula Bay unless it is consistent with an Outline Development Master Plan that has been lodged with and approved by the Council pursuant to Rule 7.5.3.2(vi)

PART 15

Insert the following additional controlled activity within 15.2.3.2

(ii) The subdivision of land for the purposes of creating an open space zone.

Insert the following additional non-complying activity within 15.2.3.4

(iv) Any subdivision within an Open Space Zone, further to the subdivision pursuant to 15.2.3.2(ii).

OPEN SPACE ZONE - LANDSCAPE PROTECTION

Insert the following new zone within the District Plan.

SECTION 20: OPEN SPACE ZONE- LANDSCAPE PROTECTION

1. Purpose of Zone

The purpose of the Open Space Zone is to protect landscape values, natural character and informal open space of the area. It is intended to keep such areas in a natural state and free of buildings or structures. Such areas may however, be utilised for types of passive recreation that do not require intrusive buildings or structures, such as walking, running and biking.

2. Objectives and Policies

Objective 1:

To protect and maintain natural and ecological values and the open appearance of the Open Space Zone.

Policies:

By restricting the development of buildings and structures and ensuring that those that are built do not detract from the open character of the zone.

By protecting, and where appropriate enhancing, ecological values and indigenous vegetation.

By protecting the open appearance of the Zone.

By limiting the types of activities that can take place within the Open Space Zone.

By ensuring effective maintenance, including pest control, is undertaken within the Open Space Zone.

Objective 2:

To enable public use of the Open Space Zone for passive or informal recreational activities.

Policies:

By ensuring public access is available to land within the zone.

By providing for the creation of a limited number of passive recreation facilities, e.g. walking and cycling trails, picnic and barbeque areas.

By limiting recreation activities to informal or passive type activities.

3. Implementation Methods

District Plan

- Rules

Other methods

- Public access easements
- Covenants
- Deeds of agreement

4. Rules

4.1 Cross Referencing

Attention is drawn to the following District Wide Rules that may apply in addition to any relevant Open Space Zone Rules. If the District wide Rules are not met, then resource consent will be required in respect of that matter.

4.2 Permitted Activities

The following activities are permitted activities in the Open Space Zone.

- Passive or informal recreation (e.g. walking, running, biking, picnics).
- Maintenance activities associated with permitted activities, or those activities that have a resource consent.

- iii Removal/control of weeds and wilding trees.
- iv Fencing of ecologically valued areas.
- v Fencing on the boundary of the Zone where it bounds privately owned land.

4.3 Controlled Activities

The following shall be **Controlled Activities** provided that they are not listed as a **Prohibited, Non-Complying** or **Discretionary Activity**. The matters in respect of which the Council has reserved control are listed with each Controlled Activity are no controlled activities within the Open Space Zone.

i Light Stock Grazing

The grazing of light stock (e.g. Sheep) in respect of all of the following:

Location of grazing areas

Type of stock to be grazed

Intensity and duration of grazing activity

ii Cycling and Walking Trails

The formation of cycling and walking trails (including boardwalks and viewing platforms) and associated earthworks in respect of all of the following:

- Location of trails and viewing platforms
- Size of viewing platforms and boardwalks
- Earthworks
- Cumulative effect of the number of other trails within the Zone

4.4 Restricted Discretionary Activities

The following shall be Restricted Discretionary Activities. The matters in respect of which Council has reserved discretion are listed with each Restricted Discretionary Activity.

i Picnic and Barbeque Areas

The forming or construction of any picnic or barbeque areas in respect of all of the following:

- Size and location of picnic or barbeque area
- Scale and siting of structures and seating
- Cumulative effect of the number of picnic or barbeque areas within the Zone

ii Car Parking Facilities and Associated Vehicle Access

The construction of car parking facilities up to 200m² in respect of all of the following:

- Location of facility and access
- Number, design and layout of car parks and associated manoeuvring areas
- Surface treatment of parking facility and access
- Landscaping
- Cumulative effect of the number of car parking facilities within the Zone

iii Fencing

Any fencing that is not listed as permitted activities in respect of all of the following:

- Location
- Type or form

Permanency or temporary nature of the fencing

Cumulative effect of the amount of fencing within the Zone

iv Stock Yards

The construction and use of any stock yards associated with Light Stock Grazing in respect of all of the following:

- Location
- Type or form
- Permanency or temporary nature of the yards
- Cumulative effect of the number of sets of yards within the Zone

4.5 Discretionary Activities

There are no Discretionary Activities within the Open Space Zone

4.6 Non-complying Activities

Earthworks not associated with the creation of cycling or walking trails as provided for in Rule 4.4(vi).

Vehicle access not associated with Car Parking Facilities as provided for under Rule 4.4(ii).

Heavy stock grazing (e.g. cattle, deer).

Forestry activities (except for the removal of wilding tree species).

Buildings and structures that are not listed as Permitted, Restricted Discretionary, Discretionary or Prohibited Activities.

Any other activities not listed as Permitted, Controlled, Restricted Discretionary, Discretionary or Prohibited Activities.

4.6 Prohibited Activities

Residential Units, Residential Flats and Accessory Buildings

- Airports
- Visitor Accommodation
- Commercial Buildings
- Telecommunication Facilities
- Farm Buildings
- Planting of any wilding tree species

5. Assessment Matters

In considering whether or not to grant consent or impose conditions, the Council shall have regard to, but not be limited by, the following assessment matters:

i Controlled Activity - Light Stock Grazing

Whether the grazing will have an adverse effect on the natural conservation values or ecological values within the Zone.

Whether the grazing is required as a maintenance measure to reduce weeds and overgrowth.

Whether the grazing is near water bodies and the extent to which this may contribute to bank erosion and sedimentation of the water body.

Whether the grazing is to occur on a permanent or continuous basis and the extent to which this may cause adverse effects on adjacent water bodies and ecological values of the Zone.

Whether the type of stock to be grazed can be contained within low fences and cause low effect on the environment.

ii Restricted Discretionary Activity - Cycling and Walking Trails

Whether trails, boardwalks and viewing platforms are located so that they do not detract from the open space appearance of the Zone.

Whether trails, boardwalks and viewing platforms are located so that they do not adversely affect nature conservation values or ecological values within the Zone.

Whether the trails provide for safe and convenient access for users, including connections to the existing roading network and car parking facilities.

The extent to which the size of any viewing platform or boardwalk adversely affects the open space character of the Zone.

The extent to which the volume of earthworks, exposed area, height of any excavations or fill adversely affects nature conservation or ecological values or open appearance of the Zone.

Whether the earthworks are in close proximity to water bodies and the extent to which this may contribute sedimentation of the water body.

Whether alternative picnic or barbeque areas are available in close proximity to the proposed site

iii Restricted Discretionary Activity - Picnic and Barbeque Areas

The extent of which picnic and barbeque areas adversely effect the open character of the Open Space Zone.

The extent of which picnic and barbeque areas affect natural conservation values or ecological values within the Zone.

Whether alternative picnic or barbeque areas are available in close proximity to the proposed site.

iv Restricted Discretionary Activity - Car Parking Facilities and Associated Access

Whether alternative car parking is available in close proximity to the proposed car park site.

Whether the parking will be primarily for the recreational users of the Open Space Zone.

Whether the car parking and manoeuvring areas complies with the standards set out in *Chapter 14 – Transport*.

The extent of which the car parking facility and access impose on the open character of the Open Space Zone.

The extent of which the car parking facility and access affect natural conservation values or ecological values within the Zone.

Whether suitable screening will be provided to prevent vehicle lights shining directly onto adjacent properties.

Whether any proposed landscaping is in keeping with the scale and character of the site.

v Restricted Discretionary Activity - Fencing

The extent to which the proposed fencing imposes on the open character of the Open Space Zone.

The extent to which the proposed fencing adversely affects natural conservation values or ecological values within the Zone.

Whether the fencing is of post and wire form or other similar type that has little effect on the open space character of the Zone.

Whether the fencing will be of a temporary nature.

Whether the fencing is necessary for the control of stock.

Whether the cumulative effect of fencing in the vicinity of the proposed fence detracts from the open space character of the Zone.

vi Restricted Discretionary Activity - Stock Yards

The extent to which the proposed stock yards impose on the open character of the Open Space Zone.

The extent to which the proposed stock yards adversely affect natural conservation values or ecological values within the Zone.

Whether the stock yards are of a low form that has little effect on the open space character of the Zone.

Whether the stock yards will be of a temporary nature.

- Whether the cumulative effect of the stock yards in the vicinity of the proposed fence detracts from the open space character of the zone.