

**BEFORE THE HEARINGS PANEL
FOR THE QUEENSTOWN LAKES PROPOSED DISTRICT PLAN**

UNDER THE Resource Management Act 1991 ("**Act**")
IN THE MATTER OF Stage 3 Proposed District Plan - Settlement Zone
BETWEEN **KINGSTON LIFESTYLE PROPERTIES LIMITED**
Submitter 3297 and Further Submitter 3439
AND **QUEENSTOWN LAKES DISTRICT COUNCIL**
Planning Authority

**EVIDENCE OF TIMOTHY ADAM GRACE IN SUPPORT OF
THE SUBMISSION OF KINGSTON LIFESTYLE PROPERTIES LIMITED**

29 MAY 2020

Counsel instructed:

JGH BARRISTER

J D K Gardner-Hopkins

Phone: 04 889 2776

james@jghbarrister.com

PO Box 25-160

WELLINGTON

EXECUTIVE SUMMARY

- A. Kingston Lifestyle Properties Limited (“**KLP**”) has broadly requested the following in its submission on the Settlement Zone at Kingston:
- (i) For the “core” Kingston Flyer land to have the Settlement Zone (“**SETZ**”) applied to it (if not already so zoned) together with the Commercial Precinct overlay.
 - (ii) For the SETZ and Commercial Precinct to be applied to the balance of the Kingston Flyer rail corridor, as opposed to the current zoning as Rural Zone.
 - (iii) For the importance of the Kingston Flyer operations to be recognised through site-specific plan provisions, including new objectives and policies, and amended rules.
- B. Aspects of KLP’s rezoning request have been recommended to be accepted, in the report of Ms Devlin. These recommendations are supported for the same reasons as set out in the report of Ms Devlin.
- C. There are three areas of the Kingston Flyer land that have not been recommended for rezoning as requested by KLP. These are:
- (i) The Kingston Flyer land that is closest to the wharf (“**Northern-most KLP land**”), which contains Kingston Flyer buildings to store trains, but which also includes some crown land;
 - (ii) The balance of the Kingston Flyer land (“**balance Kingston Flyer land**”) within Section 1 SO 10898; and
 - (iii) The Kingston Flyer Railway corridor.
- D. It is considered that this land should also be zoned SETZ with a Commercial Precinct as:
- (i) The Northern-most KLP land currently contains the Kingston Flyer engine shed, which is used for the parking of the steam locomotives and the rolling stock. The land is therefore clearly used for the purposes of the Kingston Flyer railway. It would not be appropriate to have part of the land used for this purpose zoned as Rural, while the entire extent of the rest of the land used for this purpose is zoned SETZ with a Commercial Precinct.
 - (ii) The balance Kingston Flyer land contains the end of the Kingston Flyer railway line and is likely to be developed in a comprehensive manner for commercial activities and visitor accommodation activities in conjunction with the other Kingston Flyer land. The nature and characteristics of this land does not lend itself to low density residential dwellings as provided by the SETZ.
 - (iii) The Kingston Flyer railway can be operated lawfully, without resource consent, for private use under the PDP. Applying the Settlement Zone with a Commercial Precinct to this land consistent with the other Kingston Flyer land would therefore be a good fit for the Kingston Flyer railway corridor.

- (iv) The SETZ with a Commercial Precinct would be an efficient and effective framework for any future resource consent processes for the reinstatement of the Kingston Flyer as a tourist attraction.
 - (v) The zoning of the Kingston Flyer railway corridor as SETZ with a Commercial Precinct will more appropriately recognise the existing use of this land, and the current permitted use of the Kingston Flyer railway corridor under the PDP for the operation of trains for private purposes.
- E. KLP maintains its request for additional height. Should there be any zone-wide increase in the permitted height standard, KLP would also take the benefit of that. However, at this stage, and in absence of specific urban design evidence, it is accepted that it is difficult to sustain a request for an increase in the permitted height limit for the KLP SETZ land to 12m.
- F. It is considered appropriate (or “most appropriate”) for the Kingston Flyer and its operations to otherwise have specific recognition in the PDP through the “site-specific” changes requested to the SETZ provisions.
- G. The Kingston specific changes requested by KLP will not result in a proliferation of such provisions in the SETZ and will not increase the complexity of the administration of the PDP. The changes requested are a continuation of the approach that is already taken in the SETZ to address settlement specific matters. It is considered that building on this method will provide for a more effective and efficient approach to the consenting of development at Kingston, especially given the existence for many years of the Kingston Flyer at this settlement.
- H. A consolidated version of the changes requested is attached to the evidence. The number of changes sought has been able to be refined based on the recommendation that most of the Kingston Flyer land be included within the SETZ and the Commercial Precinct. The requested changes include:
- (i) A new purpose statement in 20.1 – Purpose to recognise the unique amenity and historic values of the Kingston Flyer and the comprehensive development potential of the Kingston Flyer land for mix of small-scale retail, commercial, commercial recreation, community, visitor accommodation and more intensive residential activities;
 - (ii) A new objective and policies in 20.2 – Objectives and Policies to recognise the unique amenity and historic values of the Kingston Flyer and the comprehensive development potential of the Kingston Flyer land for mix of small-scale retail, commercial, commercial recreation, community, visitor accommodation and more intensive residential activities;
 - (iii) Provision of residential activities in the Commercial Precinct under Rule 20.4.7 as a Restricted Discretionary Activity;
 - (iv) Provision of the use and operation of the Kingston Flyer as a Permitted Activity in the SETZ;
 - (v) Exclusion of residential activities in the Commercial Precinct from the density standard 20.5.1;

- (vi) Provision for buildings to be built to the road boundary in standard 20.5.7; and
 - (vii) Consequential changes to subdivision standards.
- I. The site-specific changes requested to the provisions will allow for a more appropriate consenting pathway to be provided for the type of comprehensive development that may be progressed on the Kingston Flyer land, in conjunction with the reinstatement of the Kingston Flyer as a tourist attraction. This will allow for this somewhat unique land resource to be better utilised in a more efficient manner, preserve and enhance the surrounding natural character and amenity values and provide for the continued protection of the Kingston Flyer heritage resources. This is consistent with the strategic direction of the PDP.

PROFESSIONAL DETAILS

Qualifications and experience

1. My full name is Timothy Adam Grace.
2. I am employed as Technical Director – Planning at Lands and Survey Ltd.
3. I hold the qualification of Bachelor of Resource and Environmental Planning from Massey University. I am a full member of the New Zealand Planning Institute. I have some twenty two years experience in the fields of planning and resource management in New Zealand and the United Kingdom, working in both the private and public sector.
4. I have been involved in a variety of projects over the years involving private plan change requests, plan reviews and resource consent applications in respect to development and subdivision matters in rural and urban environments. These have included:
 - (a) Preparation of submissions on various topics for the Proposed Auckland Unitary Plan and presentation of the evidence on the submissions at the hearings, including requests to expand the rural urban boundary, amend precincts and rezoning of land for countryside living and medium density housing purposes.
 - (b) Management of the consenting of a Comprehensive Development Plan for the Hobsonville village centre and the development of the retail core of this new town centre on behalf of Progressive Enterprises Limited, including appearances at the Environment Court hearings, and the subsequent consenting of medium density housing development of the residual land zoned for residential purposes.
 - (c) Preparation of a private plan change request on behalf of Progressive Enterprises Limited to rezone rural land on the edge of the Beachlands settlement from rural to a new business zoning to provide for retail and commercial development, including appearance at the Environment Court hearing.
 - (d) Consenting of medium density housing projects for a range of Clients, including duplexes, terraces and low-rise apartments, utilising the combined land use and subdivision consent processes available under the Auckland Unitary Plan to achieve increased density of development.
 - (e) Preparation of Assessment of Effects on the Environment to support resource consent applications for a variety of development projects in rural areas, including lifestyle subdivision, industrial activities, rural service activities, water takes for public water supplies and damming and diversion of water courses for irrigation purposes.
 - (f) Processing of private plan change requests on behalf of the Hastings District Council for the rezoning of land from rural to rural residential including preparation of the further Section 32

assessments required to support recommendations on requests to the Hearings Committee.

- (g) Processing of the Ocean Beach private plan change request on behalf of the Hastings District Council which sought the rezoning of a sensitive rural and coastal resource to allow for the development of a sustainable village of some 1000 new dwellings.
- (h) Management of the plan change development process on behalf of the Hastings District Council for the new Irongate industrial area, which involved the rezoning of some 100 hectares of plains zone land (high quality soils) on the fringe of Hastings for industrial purposes.
- (i) Preparation of a issues and options report on rural development and subdivision in the Whakatane district, including consideration of the latent subdivision potential of the rural areas, case studies of rural subdivisions for lifestyle purposes, identification of the key resource management issues, assessment of the high level actual and potential effects associated with rural subdivision and recommendations of statutory and non statutory methods for the management of rural subdivision.

Code of conduct

- 5. Although this is a Council hearing, I confirm that I have read the Code of Conduct for Expert Witness contained in the Environment Court Practice Note and that I agree to comply with it.
- 6. I confirm that I have considered all the material facts that I am aware of that might alter or detract from the opinions that I express, and that this evidence is within my area of expertise, except where I state that I am relying on the evidence of another person.

BACKGROUND INVOLVEMENT

- 7. I prepared the submission and further submission made by KLP in respect of this hearing topic, #3297 and #3439.

SCOPE OF EVIDENCE

- 8. My evidence addresses the following:
 - (a) In broad terms, confirms that KLP seeks, unless otherwise identified, the outcomes sought in its original submission and further submission (together “**submissions**”).
 - (b) Reply to the section 42A report and evidence on behalf of QLDC relating to the KLP submissions, and in particular:
 - (i) the s42A Report of Ms Bowbyes, Topic 9;
 - (ii) the s42A report of Ms Devlin, Group 6(c); and
 - (iii) the evidence of Mr Barr (strategic overview for all of Stage 3).

9. In simple terms, KLP seeks:
- (a) For the core Kingston Flyer land to have the Settlement Zone (“**SETZ**”) applied to it (if not already so zoned) together with the Commercial Precinct overlay.
 - (b) For the SETZ and Commercial Precinct to be applied to the balance of the Kingston Flyer rail corridor, as opposed to the current zoning as Rural Zone.
 - (c) For the importance of the Kingston Flyer operations to be recognised through site-specific plan provisions, including objectives, policies, and amended rules.

Rezoning requested

10. Aspects of KLP’s rezoning request have been recommended for rezoning, in the report of Ms Devlin, as follows:
- (a) at [34.5] “the car park near the café and the railway corridor towards the wharf” which is accepted as being “clearly part of the Kingston Flyer land” and recommended to be rezoned settlement.
 - (b) at [34.10] and [34.11], extension of the Commercial Precinct overlay as follows:

In regard to the buildings and structures on Kent Street around the café and including the turntable and water tank, I consider that there may be benefit in extending the notified Commercial Precinct to encompass all of the existing lawfully established development associated with the Kingston Flyer, and to avoid future non-compliances where commercial activities are not anticipated by the underlying Settlement zoning.

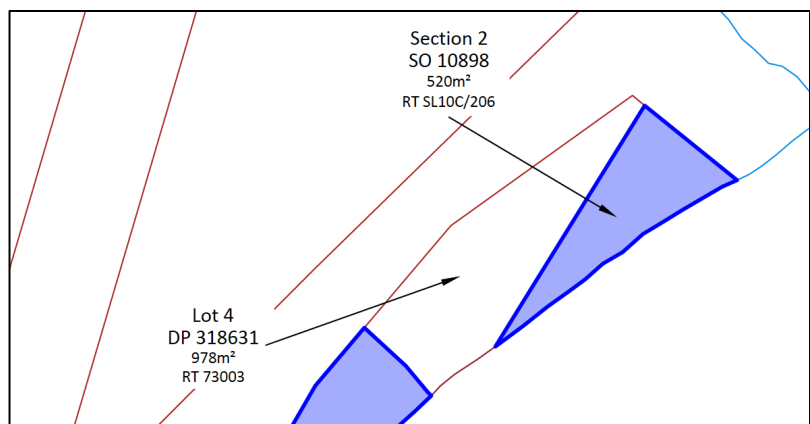
...I consider the four allotments with frontage to Kent Street, close to the café and lakefront, appear to be well-positioned to extend the Commercial Precinct by 1,820m², to enable commercial activities that limited in scale, provide for local and visitor convenience, and support the local economy.

11. This is shown graphically in Figure 30 of Ms Devlin’s report, as follows:



12. Yellow is the recommended SETZ, with the solid red indicating the extension of the Commercial Precinct overlay (the hatched red is the Commercial Precinct overlay as notified).
13. The recommended rezonings are supported by KPL, and I consider that they are appropriate from a planning perspective, as far as they go.
14. In particular, I agree with Ms Devlin:
 - (a) at [34.5] where she considers where land that has not been zoned under Stages 1 and 2 of the PDP and is clearly part of the Kingston Flyer land, that it should be zoned SETZ, to reflect the current use of the land;
 - (b) at [34.10] where she considers that there is benefit in extending the notified Commercial Precinct to encompass all of the existing lawfully established development and use of the land associated with the Kingston Flyer to avoid future non-compliances where commercial activities are not anticipated by the underlying SETZ;
 - (c) at [34.10] where she considers there is a limited area of Commercial Precinct available within Kingston, and provision does need to be made for commercial activities within the settlement;
 - (d) at [34.10] where she considers the Kingston Flyer land has historically been used for commercial activities, and therefore providing for the Commercial Precinct over this land will not result in a loss of housing supply within Kingston;

- (e) at [34.15] where she considers that extending the Commercial Precinct would be an appropriate outcome for this land, as the zoning would assist with future development through the resource consenting framework of the Settlement and Historic Heritage provisions; and
- (f) at [34.15] where she considers the rezoning would achieve the relevant objectives and policies of the Strategic Direction chapters of the PDP, in particular Policy 3.3.9 that supports the role township commercial precincts and local shopping centres fulfil in serving local needs by enabling commercial development that is appropriately sized for that purpose.
15. In my view the rezoning recommendations of Ms Devlin do reflect the current use of this land for activities that are related to the operation of the Kingston Flyer and the existence of the structures, buildings and infrastructure on this land that are commercial in nature. This land will be developed in the future for commercial activities and visitor accommodation activities consistent with the existing use of the land. The inclusion of this land within the Commercial Precinct therefore formalises the existing commercial activities at Kingston and provides for the future development of commercial activities and visitor accommodation activities at Kingston that can assist to support the local economy, reducing the need to travel significant distances for employment and provide access to local conveniences.
16. In terms of the requested rezoning that was not recommended by Ms Devlin:
- (a) The Kingston Flyer land that is closest to the wharf ("**Northern-most KLP land**"), which contains Kingston Flyer buildings to store trains, but which also includes some crown land, as identified as follows, has not been recommended for inclusion as SETZ or within the Commercial Precinct:

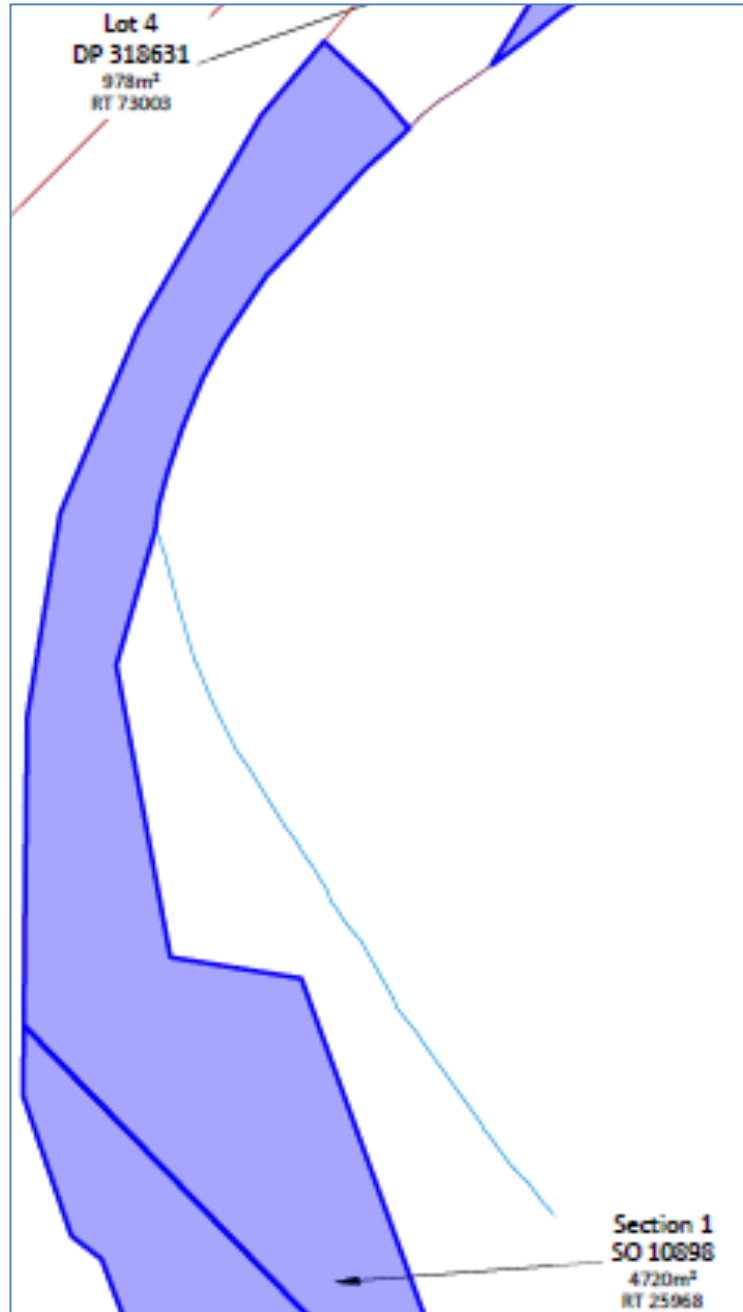


[Lot 4 DP 318631 is Crown Land, while Section 2 SO 10898 is owned by KLP]

- (b) Ms Devlin's explanation for this is [at 34.6]:
- The submitter seeks that the Settlement Zone be applied to Crown Land Lot 4 DP 318631. This allotment is near the wharf and contains Kingston Flyer buildings, although it is Crown owned and has a recreation reserve classification. I am unclear on the

status of the ongoing occupation of this land by what is now a privately owned train operation. The land was zoned Rural during Stage 1 of the PDP. Overall, I consider the existing Rural zoning is most appropriate for this land, and that relief 3297.2 should be rejected.

- (c) The balance of the Kingston Flyer land (“**balance Kingston Flyer land**”) within Section 1 SO 10898, as identified as follows, has not been included in the Commercial Precinct.



[Balance of Section 1 SO 10898 is owned by KLP and not included in the Commercial Precinct]

- (d) Ms Devlin does not appear to have provided a specific reason for not including the balance Kingston Flyer land within the Commercial Precinct.

- (e) Applying the SETZ to the Kingston Flyer Railway corridor is not recommended by Ms Devlin, at [34.16], as it is “not a good fit” for the railway corridor. She does not seem adverse to specific provision for the corridor, however, stating at [34.17]-[34.19]:

One way to provide for the Kingston Flyer Railway Corridor would be a set of site-specific provisions, which the submitter has requested and Ms Bowbyes has considered in her report.

As an alternative to applying the Settlement Zone and Commercial Precinct to the railway corridor, I consider that the submitter could consider applying for requiring authority status as a network utility operator...

If approved, the requiring authority could then apply for a notice of requirement to (re)designate the corridor for (tourism) railway purposes. ...

17. In my opinion, the Northern-most KLP land is appropriate for rezoning. This land currently contains the Kingston Flyer engine shed, which is used for the parking of the steam locomotives and the rolling stock. The land is therefore clearly used for the purposes of the Kingston Flyer railway. It would not be appropriate to have part of the land used for this purpose zoned as Rural, while the rest of the land used for this purpose is zoned SETZ with a Commercial Precinct.
18. The Crown land is gazetted as recreation reserve. However, the Crown has indicated to KLP that this reserve designation could be removed to enable the purchase of this land or the exchange this land for other land that would be more beneficial to the public as recreation reserve. This would regularise in the long term – from a property perspective – the existing use of this land for the storage and parking of the Kingston Flyer steam locomotives, shunting engines and rolling stock. This current use is permitted by the Crown without any lease being required or a license to occupy. From a practical perspective, it is unlikely to be put to any other use (having regard to its shape and the surrounding ownership by KLP). As such, it is considered the most appropriate zoning for this land is SETZ with a Commercial Precinct consistent with the zoning recommended to be applied to the remainder of the Kingston Flyer land at this location.
19. I also consider the Commercial Precinct should be applied to the balance of the Kingston Flyer land. This land contains the end of the Kingston Flyer railway line and is likely to be developed in a comprehensive manner for commercial activities and visitor accommodation activities in conjunction with the other Kingston Flyer land recommended to be located within the Commercial Precinct.
20. The nature and characteristics of this land does not lend itself to low density residential dwellings as provided by the SETZ. The land is more suited to be developed for visitor accommodation activities in conjunction with the commercial hub that will likely be developed at Kingston on the land recommended to be included in the Commercial Precinct. Visitor accommodation activities are not provided for in the SETZ, but are provided for as Restricted Discretionary Activities in the Commercial Precinct by Rule 20.4.7. In my view, the matters for discretion will allow for any potential for adverse effects that may be associated with any future visitor accommodation development to be appropriately avoided, remedied or mitigated through the resource consent process.

21. Mr Barr at [8.7] has outlined the assessment rezoning principles (“**Rezoning Assessment Principles**”) that can be used to determine the most appropriate zoning for land. I have reviewed these principles, and consistent with the other Kingston Flyer land recommended to be included in the SETZ and Commercial Precinct, it is my view that the inclusion of the Northern-most KLP land in the SETZ and the application of the Commercial Precinct over the Northern-most KLP land and the balance Kingston Flyer land will be in line with these principles.
22. In my view the reasons for the rezoning of the other Kingston Flyer land provided by Ms Devlin at [34.15] also apply to the Northern-most KLP land and the balance Kingston Flyer land. The zoning will assist with the KLP future development plans through the resource consenting framework of the Settlement and Historic Heritage provisions. The requested rezoning would also achieve the relevant objectives and policies of the Strategic Direction chapters of the PDP, in particular Policy 3.3.1 that supports provision for the visitor industry to maintain and enhance attractions, and Policy 3.3.9 that supports the role township commercial precincts and local shopping centres fulfil in serving local needs by enabling commercial development that is appropriately sized for that purpose.

Providing for the Kingston Flyer Railway Corridor

23. I note that Ms Devlin incorrectly states that “railway operations” would be non-complying on the railway corridor, under its current (Rural) zoning, as “any other activity not otherwise provided for” (Rule 21.4.34).
24. On my analysis, the private use (i.e. not for any commercial recreation use) of the Kingston Flyer railway (existing transport infrastructure) by trains (i.e. locomotives (or engines) and carriages (or rolling stock)) is a Permitted Activity under the PDP for the following reasons:
- (a) “Transport infrastructure” is defined to include:
 - ... **any other structures required for transport activities on land in relation to** the establishment of roads, cycleways, walkways, **rail**, or any other means.
 - (b) Accordingly, the Kingston Flyer Railway is “Transport infrastructure”.
 - (c) Use of the Kingston Flyer railway by trains (i.e. locomotives (or engines) and carriages (or rolling stock)) is a Transport activity.
 - (d) Rule 29.4.2 of the PDP provides for the Transport activity outside a road as a Permitted Activity:

	Table 29.1 – Transport related activities outside a road	Activity Status
29.4.2	Transport activities that are not listed in this Table.	P

- (e) Rule 29.4.14 provides for the Activity within a road as a permitted activity:

	Table 29.2 - Activities within a road	Activity Status
29.4.14	Construction of new transport infrastructure and the operation, use, maintenance, and repair of existing transport infrastructure.	P

- (f) The Activity meets all standards in Table 29.3 as no other activities or works are being undertaken, and does not involve any other activities that trigger any other consent requirements in Chapter 29 (e.g. car parking).
- (g) Noise associated with the Activity is permitted under Rule 36.1:

	36.4 Rules – Activities Table 1 - Permitted Activities	Activity Status
36.4.1	Sound from vehicles on public roads or trains on railway lines (including at railway yards, railway sidings or stations).	P

- (h) The Kingston Flyer Railway, including the railway turntable, water tank and crane; the railway line from Kingston to Fairlight (up to the QLDC District boundary); the Kingston Railway Station; and the water weir is listed in the PDP as a category 2 heritage feature (Ref no. 411, Map Ref 39). The Activity does not involve total demolition or relocation (Rule 26.5.3), partial demolition (Rule 26.5.4), relocation with the site (Rule 26.5.5), external alterations or additions (Rule 26.5.7) or internal alterations (26.5.8) to the Kingston Flyer Railway. The Activity does not therefore involve any activity that triggers any other consent requirements in Chapter 26.
- (i) All the rules identified above are beyond challenge and must therefore be treated as operative and all previous rules as inoperative under section 86F of the RMA. Accordingly, any previous rules under the Operative District Plan relating to the use of the Kingston Flyer railway by trains are irrelevant and of no legal effect.
- (j) Accordingly, the Kingston Flyer railway can be operated lawfully for private use under the PDP without a resource consent being required.
25. As the Kingston Flyer railway can be operated lawfully, without resource consent, for private use under the PDP, I do not agree with Ms Devlin at [34.16] that applying the Settlement Zone with a Commercial Precinct would not be a good fit for the Kingston Flyer railway corridor.
26. I understand Ms Devlin's suggestion at [34.17] that a set of site-specific provisions could be used. However, given the Kingston Flyer railway corridor and associated infrastructure is existing, I consider it is more appropriate to use the SETZ and the Commercial Precinct provisions, consistent with the zoning provisions that are being used for the other Kingston Flyer land. This would mean any commercial recreation use of

the railway lines and other infrastructure located within corridor would require a resource consent in conjunction with and consistent with the resource consent requirements for such activity on the other Kingston Flyer land. This will ensure a more integrated and efficient resource consent process.

27. I also understand Ms Devlin's suggestion at [34.19] that KLP could become a requiring authority and designate the Kingston Flyer railway corridor for tourism railway purposes. This is an option that is available to KLP. However, given the corridor is linked to the other Kingston Flyer land that is to be zoned SETZ with a Commercial Precinct, it is my view that it is more appropriate to take a consistent zoning approach for the entire extent of the Kingston Flyer land, which will more appropriately recognise the current use of this land. A designation process would be an inefficient option, from a statutory process perspective.
28. As outlined in the submission KLP intends to restore the steam locomotives, rolling stock, buildings and infrastructure and re-commence the operation of the Kingston Flyer as a tourist attraction. KLP has completed the first stage of this restoration process, which included the refurbishment of AB 795 and the completion of repair and maintenance works on the railway lines. This work has resulted in a new licence being issued to KLP by the New Zealand Transport Agency (NZTA) under the Railways Act 2005 to operate the Kingston Flyer.
29. If the Kingston Flyer railway corridor is zoned SETZ with a Commercial Precinct consistent with the other Kingston Flyer land a resource consent (Controlled Activity) would be required under 20.4.5 of the PDP for the use of the Kingston Flyer as a commercial recreation activity. If the activity involved any buildings, the resource consent would be a Restricted Discretionary Activity under Rule 20.4.6 of the PDP. As the Kingston Flyer railway corridor only contains the existing railway tracks, this resource consent process would effectively just be to address any effects arising from activities associated with the boarding and disembarking of passengers, and associated access and parking. The matters for control or discretion will allow these issues to be considered and addressed, as appropriate.
30. In my view, the SETZ with the Commercial Precinct provides an efficient and effective framework for any future resource consent processes for the use of the reinstatement of the Kingston Flyer as a tourist attraction. I consider that in order to ensure an effective and efficient resource consent process the Kingston Flyer railway corridor does need to be zoned the same as the other Kingston Flyer land. The zoning of the Kingston Flyer railway corridor as SETZ with a Commercial Precinct will also more appropriately recognise the existing use of this land, and the current permitted use of the Kingston Flyer railway corridor under the PDP for the operation of trains for private purposes.

The SETZ provisions

31. At [11.5], Ms Bowbyes appears resistant, in general, to any "site-specific" Plan provisions. She also seems to consider that a "consent pathway" exists under the SETZ for most of what KLP might wish to achieve.

32. The exception identified by Ms Bowbyes at [11.8] relates to the request to extend the permitted height limit on the KLP SETZ land to 12m, compared to 7m elsewhere. She states:
- ... No planning or urban design evidence is included with the submission specifically assessing the potential effects of the additional building height. In my view, careful consideration of a range of matters (including the specific design of the development) would need to be considered to ensure that the adverse effects of increased height do not impact on residential amenity. In my view the increased height would directly conflict with objective 20.2.3 and policy 20.2.3.4.
33. I understand that KLP maintains its request for additional height. Should there be any zone-wide increase in the permitted height standard, KLP would also take the benefit of that. However, at this stage, and in absence of specific urban design evidence, I accept that it is difficult to sustain a request for an increase in the permitted height limit for the KLP SETZ land to 12m.
34. However, I remain firmly of the opinion that it is appropriate (or “most appropriate”) for the Kingston Flyer and its operations to otherwise have specific recognition in the Plan through the other changes requested.
35. Put another way, I disagree that it is not appropriate to provide for site-specific provisions for the reasons set out below.
36. In general, the changes requested to the SETZ are consistent with the approach that is already taken for this zone. The SETZ is proposed to be applied to the settlements of Makarora, Luggate, Glenorchy, Kinloch, Kingston and now Cardrona. These settlements all have their own unique character, features and amenity based on their location within the district. This is recognised under 20.1 Purpose which states:
- ... however over time they have diversified to comprise a range of uses and activities that increasingly provide for the day-to-day needs of both residents and visitors. Settlements can provide opportunities for unique visitor experiences due to their location within distinctive landscape settings, and their relative isolation from the District’s major urban centres.
37. The SETZ already provides for the specific recognition of the unique character, features and amenity of some the individual settlements by providing for policies, rules and standards that only relate to a specific settlement.¹
38. In my view the Kingston specific changes requested by KLP will not result in a proliferation of such provisions in the SETZ and will not increase the complexity of the administration of the Plan. The changes requested are a continuation of the approach that is already taken in the SETZ to address settlement specific matters. I consider that building on this method will provide for a more effective and efficient approach to the consenting of development at Kingston, especially given the existence for many years of the Kingston Flyer at this settlement. The requested changes will provide for the continuation of this established planning approach within the framework of the SETZ.
39. As an alternative, a new “Kingston Flyer” precinct for the Settlement Zone could be adopted that provides appropriate objectives, policies, rules and

¹ Refer to paragraph 3 and 4 of 20.1; Policy 20.2.2.4; Rule 20.4.6; Standard 20.5.1; Standard 20.5.2; Standard 20.5.5; Standard 20.5.7 and Standard 20.5.9 of the SETZ.

standards for the comprehensive development of the precinct for a mix of small scale retail, commercial, community, visitor accommodation and more intensive residential activities that maintain and enhance the unique amenity and historic heritage values associated with the Kingston Flyer land. However, in my view, with the changes requested, the SETZ with the Commercial Precinct already provides an efficient and effective framework for any future resource consent processes.

Specific changes requested

40. The set of site-specific amendments sought are contained in KLP's original submission #3297. I have produced a consolidated version attached as **Appendix 1** to this evidence. I have been able to refine the number of changes sought based on the recommendation that most of the Kingston Flyer land be included within the SETZ and the Commercial Precinct. This does provide a consenting pathway for the type of comprehensive development that may be progressed on this land, in conjunction with the reinstatement of the Kingston Flyer as a tourist attraction.
41. It should be noted that the recommended site-specific amendments for the SETZ for Kingston are based on the relief sought in respect to the inclusion of all the Kingston Flyer land within the SETZ and the Commercial Precinct. In other words, it is based on a comprehensive, integrated, approach.
42. In my opinion, it is most appropriate to recognise the Kingston Flyer through the site-specific amendments to the provisions sought in **Appendix 1** for the reasons set out below.
43. I have recommended that a statement recognising the importance of the Kingston Flyer to the settlement be included within 20.1 – Purpose. In my view the SETZ does not currently recognise the unique amenity and heritage values of the Kingston Flyer resource or the ability of appropriate future development of the Kingston Flyer land to sustain the viability of the Kingston Flyer operation into the future. As the Kingston Flyer and the associated buildings and infrastructure is an established historic, community and tourist resource within Kingston, that is unique to this settlement, I consider it is appropriate to provide for this recognition in the SETZ provisions. In my view, only having this recognition in Chapter 26 – Historic Heritage of the PDP does not appropriately reflect the importance of this historic recreation resource to the community of Kingston.
44. The Kingston Flyer land provides opportunities for development of a commercial and visitor accommodation hub at a key location within the Kingston settlement. Such development:
 - (a) could be contained within the existing urban extent of Kingston, so the change will not impact adversely on the established character and amenity of Kingston (i.e. will not significantly dilute the 'village feel');
 - (b) can occur in a way that is consistent with the capacity of the service infrastructure planned for Kingston;
 - (c) will provide the required density to support the provision of reticulated wastewater and water supply services to the north-western end of Kingston;

- (d) will provide a diversity of living opportunities at Kingston;
 - (e) will provide opportunities for local employment;
 - (f) will provide opportunities to support the efficient use of land in the existing urban area of Kingston by providing an opportunity for smaller housing forms while maintaining the existing amenity values;
 - (g) will contain the existing extent of the Kingston settlement which will limit adverse effects to the Outstanding Natural Landscapes and Outstanding Natural Features that surround the settlement; and
 - (h) will minimise the degradation of the value that is derived from the open rural landscapes.
45. The provision of more specific recognition of the Kingston Flyer and the associated development opportunities within 20.1 – Purpose will therefore be consistent with the wider direction provided by the strategic direction objectives and policies of the PDP, in particular Objective 3.2.2, Objective 3.2.3, Policy 3.3.1, Policy 3.3.3, Policy 3.3.9, Policy 3.3.10, Policy 3.3.11 and Policy 3.3.16.
46. KLP requested a suite of new objectives and policies be included in 20.2 – Objectives and Policies. This was intended to support the requested new statement in 20.1 – Purpose to recognise the importance of the Kingston Flyer to the settlement. In my view this suite of objectives and policies would be more appropriate for a specific precinct over the Kingston Flyer land. However, as the method to provide for recognition of the unique amenity and heritage values of the Kingston Flyer resource, and the ability of appropriate future development of the Kingston Flyer land to sustain the viability of the Kingston Flyer operation into the future, can alternatively be achieved through the rezoning of this land as recommended and requested (with appropriate site-specific provisions as requested by KLP), I have recommended simplified objectives and policies to more appropriately align with this approach.
47. I have included a reference to residential activities in respect to the Commercial Precinct and the Visitor Accommodation Sub-zone in Rule 20.4.7 as it is not certain from the SETZ provisions as to whether Rule 20.4.1 does intend to provide for residential units within the Precinct as Permitted Activities. It is expected that this is the case given the overriding Settlement zoning of the land.
48. To reinforce the provision already made for the Kingston Flyer railway to be operated lawfully for private use under the PDP without a resource consent being required, I have recommended that the “use and operation of the Kingston Flyer steam locomotives, shunting engines and rolling stock on the existing railway lines and other railway infrastructure within the Settlement Zone and Commercial Precinct at Kingston” be provided for as a Permitted Activity in Table 20.4 – Activities. This will provide for certainty in respect to resource consent processes that involve the Kingston Flyer land. It should be noted that any commercial, commercial recreation or community activities and buildings associated with the use Kingston Flyer railway would still be Restricted Discretionary Activities under Rules 20.4.5 and 20.4.6 of the SETZ.

49. I have recommended an exclusion to Standard 20.5.1 in respect to residential density to ensure the one residential unit per 800m² density requirement does not apply to residential activities within the Commercial Precinct at Kingston. However, in my view there should still be an 800m² minimum lot size for subdivisions within the Commercial Precinct at Kingston where the subdivision is a vacant lot subdivision. This will retain the overall intention of the SETZ.
50. This approach will provide for more intensive residential activities within the Commercial Precinct (such as above ground floor residential activities), which will provide the opportunity for people to have a home and income at Kingston or people to provide for worker accommodation at Kingston. The relative isolation of Kingston means it will be necessary for the owners of some commercial operations to live at Kingston or for owners to accommodate their staff at Kingston. The provision for smaller residential units to be provided in conjunction with commercial premises is a more appropriate way to achieve the sustainable management purpose of the RMA than requiring owners and / or staff of commercial premises at Kingston to live on another site or to travel from Queenstown.
51. The exemption I am recommending to the residential density standard would only apply to a residential development that is progressed as a Restricted Discretionary Activity in the Commercial Precinct. This will ensure that a design lead outcome is achieved for more intensive residential development on the Kingston Flyer land. The Restricted Discretionary Activity status will provide the opportunity to decline any applications that may result in adverse effects on the surrounding environment.
52. I have recommended sequential changes to Table 27.7 – Activities in 27 – Subdivision and Development to provide for subdivision around existing buildings and development and / or subdivision in accordance with an approved land use consent within the Kingston Settlement Zone as a Controlled Activity to provide a mechanism to create titles for approved residential developments in the Commercial Precinct.
53. The density and intensity of future residential development within the Commercial Precinct at Kingston will therefore be managed through the land use consent process. The subdivision consent process is effectively a mechanism to provide for the separate legal ownership of the consented commercial units, visitor accommodation units or residential units.
54. I have recommended changes to Standard 20.5.7 to allow buildings to be built up to the road boundary. An allowance for commercial and visitor accommodation buildings to be built up to the street frontage within the Commercial Precinct at Kingston will ensure that a pedestrian focused and active street environment can be achieved within the Precinct. A requirement for a 4.5 metre set back from the road for buildings within the Commercial Precinct will likely encourage parking to be provided along the frontage of the buildings as opposed to within a dedicated parking area or within the street. I do not consider this will result in the pedestrian focused environment that would be desired for development within the Kingston Flyer land, given the close proximity of this land to the Kingston wharf and the lake shore reserve areas.
55. I note that Ms Bowbyes has recommended an exemption to Standard 20.5.10 to ensure that the heavy vehicle storage requirement does not

apply to the Commercial Precinct. I support this change as it will address the anomaly that has the potential to restrict the storage and parking of the Kingston Flyer steam locomotives, shunting engines and rolling stock on the Kingston Flyer land.

56. I have recommended amendments to Rule 20.6.2 in respect to non-notification of applications. It appears that the rule intends to ensure that any Controlled or Restricted Discretionary Activities are non-notified applications. However, the rule is uncertain, and it appears that residential units in the Precinct and visitor accommodation in the Precinct could be excluded from the provision for non-notification. In my view this provision should apply to all buildings and activities as the effects will be the same or similar.
57. Overall, I consider that the site-specific changes requested will allow for a more appropriate consenting pathway to be provided for the type of comprehensive development that may be progressed on the Kingston Flyer land, in conjunction with the reinstatement of the Kingston Flyer as a tourist attraction. In my view, this will allow for this somewhat unique land resource to be better utilised in a more efficient manner, preserve and enhance the surrounding natural character and amenity values and provide for the continued protection of the Kingston Flyer heritage resources. This is consistent with the strategic direction of the PDP.

CONCLUSION

58. For reasons set out in the foregoing parts of my evidence, it is my opinion that the relief sought by KLP in its submissions should be accepted, as may be varied by my evidence.

Tim Grace
29 May 2020

APPENDIX 1

Amendments Sought

Insert the following wording after the fifth paragraph in 20.1 – Purpose:

The Commercial Precinct at Kingston is centred on the Kingston Flyer land. The unique amenity and historic values of the Kingston Flyer, which is a significant historic heritage and tourist resource for Kingston and the region, will be maintained and enhanced through the comprehensive development of the precinct for a mix of small-scale retail, commercial, commercial recreation, community, visitor accommodation and more intensive residential (such as terraced housing or apartments) activities. This will sustain the viability of the Kingston Flyer operation into the future.

Insert the following new objectives and policies in 20.2 – Objectives and Policies:

Objective 20.2.4 – Mixed use development is provided for within the Commercial Precinct at Kingston to create a commercial and visitor accommodation hub at Kingston that is centred on the existing resources provided by the historic Kingston Flyer railway structures, buildings and infrastructure, the Kingston wharf and the Lake Wakatipu foreshore reserve.

Policy 20.2.4.1 Provide for a mix of retail, commercial, commercial recreation, community, visitor accommodation and residential activities within the Commercial Precinct at Kingston at a scale and intensity that is commiserate with the surrounding landscape.

Policy 20.2.4.2 Provide for the ongoing operation of the historic Kingston Flyer railway including the steam locomotives, shunting engines and rolling stock within the existing railway corridor.

Policy 20.2.12.3 Ensure that the development of the Kingston Flyer railway land, structures and buildings is managed through the provisions for the Commercial Precinct at Kingston.

Amend the relevant tables as follows:

	Table 20.4 – Activities located in the Settlement Zone	Activity Status
20.4.7	Within Commercial Precincts and/or Visitor Accommodation Sub-Zones identified on the Planning Maps: Visitor accommodation activities and <u>residential activities</u> (including ancillary activities and buildings) Discretion is restricted to: ...	RD
<u>20.4.19</u>	<u>Use and operation of the Kingston Flyer steam locomotives, shunting engines and rolling stock on the existing railway lines and other railway infrastructure within the Settlement Zone and Commercial Precinct at Kingston.</u> <u>For the avoidance of doubt, this activity is not required to comply with any of the Settlement Zone standards or other District Wide rules or standards.</u>	<u>P</u>

	Table 20.5 - Standards for activities in the Settlement Zone	Non-compliance Status
20.5.1	<p>Residential density (excluding Makarora)</p> <p>20.5.5.1 For sites with a net site area of 800m² or less, a maximum of one residential unit per site.</p> <p>20.5.51 For sites with a net site area greater than 800m², no more than one residential unit per 800m² net site area.</p> <p><u>Except that this standard shall not apply to residential activities within the Commercial Precinct at Kingston. There shall be no minimum site sizes in the Commercial Precinct at Kingston. Subdivision will be provided around existing buildings or development and / or in accordance with an approved land use consent.</u></p>	D
20.5.7	<p>Minimum boundary setbacks</p> <p>...</p> <p>20.5.7.2 All other boundaries: Buildings shall be setback a minimum of 2m.</p> <p>Exceptions to boundary setbacks:</p> <p><u>... Within the Commercial Precinct at Kingston buildings can be built up to the road boundary</u></p>	D

	Table 27.7 – Activities in 27 – Subdivision and Development	
<u>27.7.10</u>	<p><u>Kingston - Subdivision around existing buildings and development and / or subdivision in accordance with an approved land use consent within the Commercial Precinct at Kingston that complies with standard 27.7.10.1 and / or standard 27.10.2</u></p> <p><u>27.7.10.1 Prior to subdivision around existing buildings and development occurring, all development must meet one of the following matters:</u></p> <p><u>(a) have existing use rights; or</u></p> <p><u>(b) comply with the relevant Zone and District Wide rules; or</u></p> <p><u>(c) be in accordance with an approved land use resource consent.</u></p> <p><u>27.7.10.2 Any subdivision relating to an approved land use consent must comply with that consent, including all conditions and all approved plans.</u></p>	<u>C</u>

Amend Rule 20.6.2 as follows:

The following Restricted Discretionary activities shall not require the written approval of other persons and shall not be notified:

- a. Buildings located within a Commercial Precinct (Rule 20.4.6).
- b. Visitor accommodation **and residential dwellings** located within a Visitor Accommodation Sub-Zone or Commercial Precinct (Rule 20.4.7)
- c. Residential visitor accommodation (Rule 20.5.16)
- d. Homestays (Rule 20.5.17).