

BEFORE THE HEARINGS PANEL FOR THE QUEENSTOWN LAKES PROPOSED DISTRICT PLAN

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of Stage 3 of the Queenstown Lakes Proposed District Plan

AND

IN THE MATTER Submission of Pounamu Holdings 2014 Limited (3307)

STATEMENT OF EVIDENCE OF SCOTT ANTHONY FREEMAN

INTRODUCTION

- 1.1 My name is Scott Anthony Freeman and I reside in Queenstown. I am a Director of Southern Planning Group Limited, a Queenstown based resource management planning consultancy. I hold the degree of Bachelor of Planning from the University of Auckland. I have 22 years' experience in the field of resource management planning.
- 1.2 I have previously worked for the Queenstown Lakes District Council ("Council") and later Civic Corporation Limited from 1997–1999. During this period I was employed as a consents planner responsible for processing a variety of land use and subdivision consents on behalf of the Council.
- 1.3 Since late 1999, I have been practicing as a resource management planning consultant, primarily within the Queenstown Lakes District. I formed Southern Planning Group in 2003.
- 1.4 Throughout my professional career, I have been involved in a range of resource consent and policy matters. I have made numerous appearances in front of various district and regional councils and the Environment Court.
- 1.5 From the variety of working roles that I have performed as described in the preceding paragraphs, I have acquired a sound knowledge and experience of the resource management planning issues that are faced in the Queenstown area and the wider District.

EXPERT WITNESS CODE OF CONDUCT

- 2.1 I have been provided with a copy of the Code of Conduct for Expert Witnesses contained in the Environment Court's Consolidated Practice Note dated 1 November 2014. Although this hearing is not before the Environment Court, I confirm that I have read and agree to comply with that Code. This evidence is within my area of expertise, except where I state that I am relying upon the specified evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

SCOPE OF EVIDENCE

- 3.1 I have been engaged by Pounamu Holdings 2014 Limited ("Pounamu") in relation to its submission on Stage 3 of the Proposed District Plan ("PDP"). The submission by Pounamu has the reference number of 3307.
- 3.2 My evidence is set out as follows:
 - Executive Summary
 - Site Description
 - Background Information
 - Operative District Plan ("ODP")

- Relief Sought by the Submitter
- Council Recommendations - Section 42A Reports
- Analysis

3.3 Within my evidence, I rely or refer to reports or evidence that address matters such as planning and economics. Such reports and evidence emanates from both the Council representatives (Ms Devlin and Ms Bowbyes) and representatives of the applicant (Mr Brainerd and Mr Colgrave).

EXECUTIVE SUMMARY

4.1 In the context of the Glenorchy township, Pounamu is a major landowner with interests in visitor accommodation, commercial activities, and residential accommodation (accommodation for Pounamu staff). Pounamu is also a large employer of people that live in the Glenorchy community.

4.2 Pounamu developed the visitor accommodation operation referred to as Camp Glenorchy, which is consented to provide accommodation for up to 140 overnight guests. Camp Glenorchy is a unique development with environmental sustainability being the core foundation in its construction and day to day operations.

4.3 Pounamu own and operate the General Store that adjoins Oban Street on its western side. Since Pounamu acquired the General Store, the store has been significantly upgraded in terms of the products and services available to locals and visitors to Glenorchy.

4.4 Pounamu also established a temporary camping ground next to the General Store. This camping ground will operate until the site is redeveloped.

4.5 The PDP submission by Pounamu addressed a number of provisions in the notified Settlement Zone. The primary focus of the submission was supporting Visitor Accommodation Sub-Zone ("VASZ") applying in the Settlement Zone, extending the VASZ over the site that contains the General Store and the temporary ground, and imposing the Commercial Precinct on this site.

4.6 The extension of the VASZ over the site containing the General Store and the temporary camping ground will enable Pounamu to undertake a comprehensive development in an efficient manner from a consenting perspective, while the controls in the Settlement Zone will ensure that effects on the surrounding residential amenity will be satisfactorily controlled or mitigated.

4.7 The imposition of the Commercial Precinct on the General Store and the temporary camping ground will allow a reasonable level of commercial activity to operate in conjunction with Pounamu's existing and proposed visitor

accommodation activities, and enable the provision of facilities, goods and services to the local Glenorchy community and visitors to the township. The additional commercial zoning will complement and support the existing commercial activities that are established on and adjacent to Mull Street.

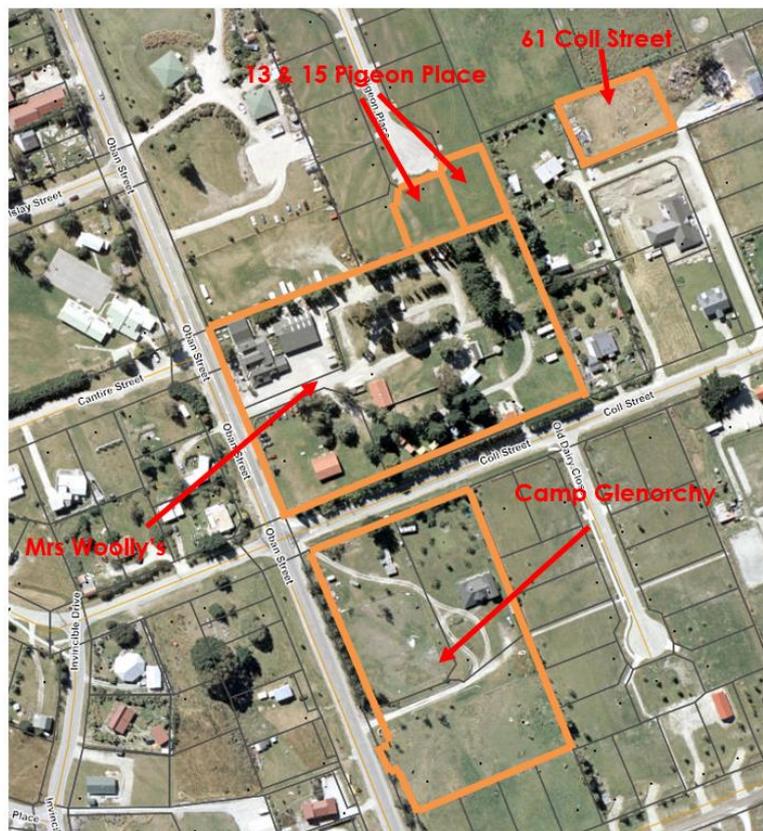
4.8 The zoning requests by Pounamu, if successful, will enable Pounamu to develop its land in an efficient manner, which in turn will provide various economic, social and environmental benefits to the local community and visitors to the area.

SITE DESCRIPTION

5.1 Pounamu owns a number of sites within the Settlement Zone as contained in Stage 3 of the PDP. The sites are as follows:

- Lot 5 DP 381643 (13 Pigeon Place)
- Lot 6 DP 381643 (15 Pigeon Place)
- Lot 1 DP 501026 (61 Coll Street)
- Lot 1 DP 26928 (64 Oban Street)
- Lot 2 DP 26928 (51 Oban Street/62 Coll St)
- Lot 3 DP 26928 (60 Oban Street)
- Lots 1-2 DP 435250 & Lot 3 DP 501488 (42 Oban Street)

5.2 The sites are indicated on the aerial map below:



- 5.3 As described in the Pounamu submission and below, the sites are presently used for a mixture of commercial, visitor accommodation and residential activities. Some of the land is vacant of built form.

13 & 15 Pigeon Place and 61 Coll Street

- 6.1 The sites located at 13 and 15 Pigeon Place are currently vacant land, while the site at 61 Coll Street has been developed to provide staff accommodation for persons that work for various Pounamu entities in Glenorchy.

51, 60 & 64 Oban Street and 62 Coll Street (Mrs Woolly's)

- 6.2 These sites (which I refer to collectively as the Mrs Woolly's site) are located to the north of Coll Street and to the east of Oban Street. The combined area of this site is 1.6186 hectares. The previous and existing uses are described in summary below.

Former Camping Ground

- 6.3 Prior to Pounamu acquiring the site in 2014, a traditional New Zealand camping ground had operated from the site since the early 1970's. The initial camping ground was authorised by a Specified Departure on the 14th of December 1970 under the then Town and Country Planning Act 1953. The Specified Departure also authorised a restaurant within the camping ground. It is understood that this land has never been used for residential purposes.
- 6.4 The camping ground contained standard facilities such as caravan/campervan parks, tent sites, bunkroom type accommodation, with associated services areas such as cooking and ablution facilities. After Pounamu acquired the site, the camping ground was closed down, and a variety of visitor accommodation buildings were removed from the site, together with some established vegetation.
- 6.5 Pounamu closed the camping ground due to the general dilapidated state of the facilities, the uneconomic nature of the business model (the model was highly seasonal), and to allow it to redevelop the site through a different business model that included financial, sustainability and community outcomes.

Existing Commercial Activities

- 6.6 The site presently contains a number of consented commercial activities, with the Mrs Woolly's General Store ("General Store") being the predominant commercial activity.
- 6.7 The General Store is located in the north-western corner of the site, in close proximity to Oban Street. To the rear of the General Store is a large storage/warehouse shed which is approximately 340m² in size.

6.8 The building that contains the General Store is approximately 503m² in area over two levels. This total area is broken down into the following sub-areas:

- Retail Space: 156m²
- Storage/Kitchen Space: 98m²
- Office Space: 55m²
- Residential Space: 172m²
- Stairs: 22m²

6.9 The General Store presently sells a variety of products that include takeaway food, fresh groceries (the only provider in Glenorchy), homeware gifts, outdoor gear and clothing and hardware. There is also the ability to sell limited alcohol via an off-licence. It is noted that the products sold from the General Store (for both locals and tourists, for instance the sale of fresh produce) has been significantly enhanced since Pounamu acquired this operation. The General Store also acts as a booking office for a range of other non-Pounamu commercial tourism activities in the Glenorchy area.

6.10 It is understood that the building that contains the General Store has sold goods and services to the general public since the 1970's, with this use being formalised in 1992. The General Store is now a larger commercial operation than that associated with the original store and former camping ground. It is noted that the General Store has the right to operate independently from the previous and current camping grounds on this site.

6.11 There are a number of other smaller existing consented commercial activities on the site. Such include an office portacom (36m²), potting shed (9m²) and hut (14m²). The potting shed and hut are used for retail activities. The office portacom is used by staff associated with the Pounamu operations.

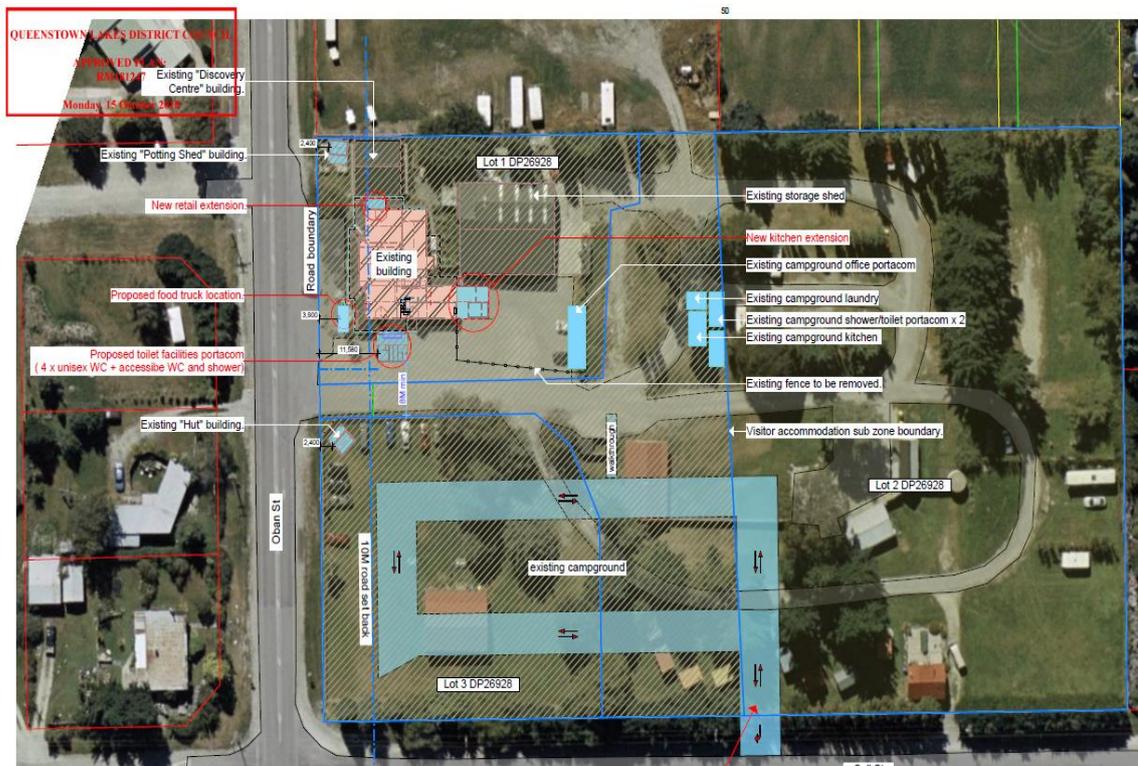
6.12 The total gross floor area of consented commercial activities that exist on the site is as follows:

Retail	156m ²
Storage/Kitchen:	98m ²
Office Space x 2:	91m ²
Potting Shed:	9m ²
Hut:	14m ²
Total:	368m²

6.13 As stated above, the large storage/warehouse (340m² in size) supports the existing commercial and visitor accommodation uses on the site. It is understood that this building was established on the site in the mid to late 1990's.

Temporary Camping Ground

- 6.14 A temporary camping ground is established in the south-western portion of the site, fronting both Oban and Coll Street, as illustrated on the aerial map below:



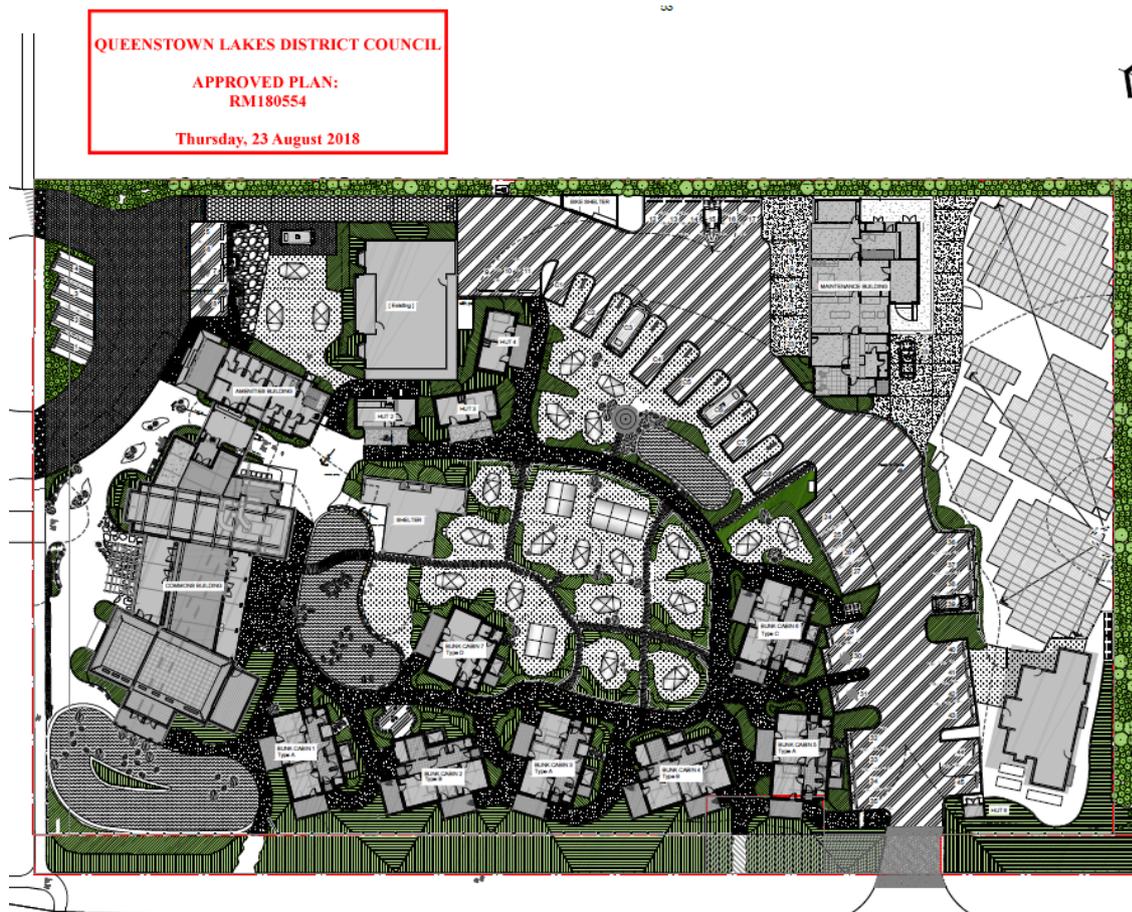
- 6.15 The camping ground (referred to as the Mrs Woolly's Camping Ground) is operating under a temporary resource consent (RM181247) that will expire on the 13th of November 2028.
- 6.16 The camping ground has the ability to accommodate up to 140 overnight paying guests via 35 tenting sites. The camping ground also has the ability to cater for sized campervans, caravans and tiny homes on wheels.
- 6.17 Pounamu established the camping ground as a temporary facility while plans are being worked on in terms of the wider redevelopment proposal for the site.
- 6.18 The mid to eastern portion of the site, which prior to 2014 was used as a camping ground, is presently vacant of built form.

42 Oban Street (Camp Glenorchy)

- 6.19 This site is located on the corner of Coll and Oban Street, with vehicular access points from the site onto these streets. The site has an area of 1.1976 hectares. Pounamu acquired this site in 2014.
- 6.20 Since 2015, Pounamu has obtained a number of resource consents for the site. The resource consents relate to a visitor accommodation operation, with the

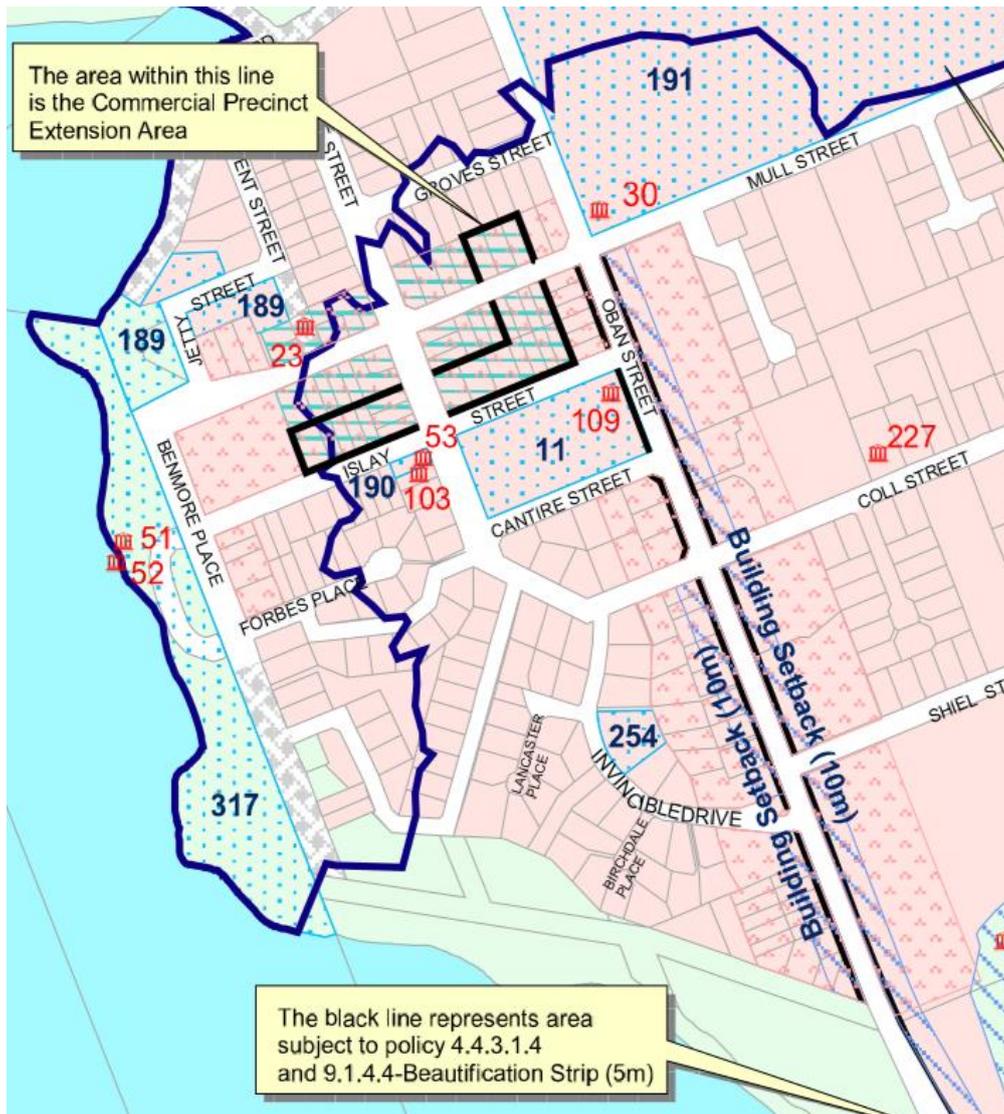
operation being known as Camp Glenorchy Eco Retreat ("Camp Glenorchy"). Camp Glenorchy opened in 2018.

- 6.21 Camp Glenorchy has the ability to accommodate up to 140 overnight paying guests at one time, via a range of accommodation options that include cabins, tenting sites and powered sites for campervans. The Humboldt Room is contained within the main Commons Building. The Humboldt Room is a multi-purpose space. The latest site plan for Camp Glenorchy is illustrated below:



OPERATIVE DISTRICT PLAN - BACKGROUND

- 7.1 Under the ODP, all of the Pounamu sites are contained in the Township Zone.
- 7.2 The Mrs Woolly's site and Camp Glenorchy are affected by the following additional planning provisions under the ODP as demarcated on Planning Map 25 below:



Visitor Accommodation Sub-Zone

- 7.3 The VASZ is located on both sides of Oban Street, south of Mull Street (excluding the Glenorchy School site).
- 7.4 In terms of the Mrs Woolly's site, the front half of the site is contained in the VASZ, while the back half is solely contained in the Township Zone. Specifically, the portion of the 1.6186 hectare site contained in the VASZ is 8,328m² in area (or approximately 51.4% of the entire area). The portion of the site located solely in the Township Zone is 7,858m² in area (or approximately 48.6% of the entire area).
- 7.5 The land contained within the Camp Glenorchy site is wholly contained within the VASZ.

Building Setback (10m)

- 7.6 A 10m building setback restriction is indicated along the length of Oban Street on the eastern side, and for approximately half of Oban Street on its western side. It is noted that the hatching on Planning Map 25 that indicates the setback is incorrect in terms of its width, as a 25m setback is shown, when in fact it should be 10m.

5m Beautification Strip

- 7.7 Planning Map 25 indicates a 5m beautification strip that largely adjoins Oban Street.

RELEIF SOUGHT BY THE SUBMITTER

- 8.1 Pounamu, via its submission 3307, supported and opposed a number of provisions as contained in the PDP Settlement Zone.
- 8.2 There are two key threads to the Pounamu submission, being divided between residential activities and non-residential activities in the form of commercial activities and visitor accommodation activities.
- 8.3 In terms of the residential component of the Pounamu submission, Pounamu supports Rule 20.4.8 (status of residential flats), Rule 20.5.4 (maximum building coverage), Rule 20.5.7 (road and internal setbacks) and Rule 20.5.14 (recession plane). The building bulk and location rules that deal with coverage, setbacks and recession planes provide a slightly relaxed approach when compared to the ODP equivalent provisions, while the relaxation dealing with residential flats will enable further accommodation options in Glenorchy.
- 8.4 In terms of the non-residential component of the Pounamu subdivision, the key requests from Pounamu are as follows:
- a) That Camp Glenorchy remains within the VASZ.
 - b) That the VASZ remains on the Mrs Woolly's site, and further, the VASZ is extended over the entire Mrs Woolly's site (in an easterly direction).
 - c) That the Commercial Precinct is imposed over the portion of the Mrs Woolly's site that is contained in the current VASZ (with an additional restriction as addressed below).
- 8.5 The planning framework for the Mrs Woolly's site is illustrated below:



- 8.6 In relation the extension of the VASZ over the entire Mrs Woolly's site, the rationale is based on the historic use of this land for visitor accommodation purposes, combined with the desire of Pounamu to redevelop this land for visitor accommodation purposes in the near future. Including all of the Mrs Woolly's site within the VASZ now will provide certainty for Pounamu and enable a more efficient and integrated approach to be taken to developing the back half of the Mrs Woolly's site for visitor accommodation purposes.
- 8.7 In relation to the request to impose the Commercial Precinct on the front half of the Mrs Woolly's site (some 8,328m²), the Pounamu submission has proposed an additional control when compared to the notified provisions of the Settlement Zone.
- 8.8 Under Rule 20.5.5 of the Settlement Zone, a maximum building coverage of 80% is enabled in the Commercial Precinct. Based on an area of 8,328m², 80% building coverage would equate to a building footprint of 6,662m².
- 8.9 The limitation that Pounamu is promoting for the proposed Commercial Precinct land within the Mrs Woolly's site (via a bespoke rule) is the provision of a considerably reduced maximum building coverage limit of 12% for commercial buildings (this restriction would not apply to visitor accommodation activities undertaken within the VASZ within this site). This restriction would also not apply to any basements associated with commercial

buildings. This limitation will include the existing commercial activities associated with the General Store (being approximately 368m²) and future commercial activities. In total, if the proposed 12% building coverage limit is adopted, there will be the ability to develop up to approximately 999m² (ground floor area) of commercial built form within the proposed Commercial Precinct within the Mrs Woolly's site.

8.10 In addition to the above:

- a) Pounamu supported various objectives, policies and standards (with certain caveats) that dealt with visitor accommodation and commercial activities in the Settlement Zone.
- b) Pounamu opposed Policy 20.2.3.2 and Rule 20.5.3 which restricts individual retail and office activities to a gross floor area of 200m² and 100m² respectively. This was on the basis that all associated office, storage, staffroom and bathroom facilities should be excluded from these limitations.
- c) Pounamu also opposed the mapping error of the 25m building restriction that applies to certain land that adjoins Oban Street.

COUNCIL RECOMMENDATIONS – SECTION 42A REPORTS

9.1 I have assessed the recommendations contained in the two Section 42A Reports that deal with the Settlement Zone drafted by Ms Devlin (Mapping) and Ms Bowbyes (Settlement Zone provisions). I will deal with each Section 42A report separately below.

Section 42A Report - Mapping

9.2 Ms Devlin's Section 42A Report addresses four mapping requests from Pounamu, and I address each request in summary below.

Confirming the notified VASZ

9.3 Ms Devlin agrees that the notified version of the VASZ should remain on both the Mrs Woolly's site and Camp Glenorchy. I agree with this approach, as Camp Glenorchy contains a fully consented visitor accommodation operation, while Mrs Woolly's has historically been used for visitor accommodation purposes, and presently contains a temporary camping ground. Maintaining the VASZ on this land provides the ability to alter and/or extend the existing visitor accommodation activities, or alternatively, build new visitor accommodation facilities within the VASZ located in the front half of the Mrs Woolly's site.

Extension of the VASZ on the Mrs Woolly's site

- 9.4 Ms Devlin considers that it is appropriate to place the VASZ over the portion of the Mrs Woolly's site that was not included in the notified VASZ.
- 9.5 Ms Devlin forms her view based on the historical visitor accommodation use of the land located outside of the notified VASZ on the Mrs Woolly's site, the potential difficulties in obtaining non-complying activity resource consents in the future (for visitor accommodation located outside of a VASZ) and finally, the fact that this land has never been used for residential purposes in the past.
- 9.6 Ms Devlin notes that should the VASZ be confirmed for the entire Mrs Woolly's site, then any new visitor accommodation development will require a restricted discretionary activity consent pursuant to Rule 20.4.7, with this rule providing a range of matters of discretion. Further, any new visitor accommodation development will be required to meet relevant standards that govern building height, location, and coverage (as examples).

Commercial Precinct on the Mrs Woolly's site

- 9.7 Ms Devlin raises a number of issues as to why Pounamu's request to place the Commercial Precinct on the front half of the Mrs Woolly's site should be rejected.
- 9.8 Ms Devlin considers that the establishment of a Commercial Precinct on the Mrs Woolly's site would degrade the small commercial 'heart' of the Glenorchy township.
- 9.9 Ms Devlin notes that the notified PDP Commercial Precinct in Glenorchy is presently under-utilised, and that it is important to avoid any further spreading or sprawling of the Commercial Precinct within the remainder of the Settlement Zone. Reference is made to the s.32 report which states that Commercial Precincts under the ODP have been successful in encouraging the clustering of non-residential activities. In Ms Devlin's view, as the Pounamu site would form a new and reasonably large area that is removed from the notified PDP Commercial Precinct, such an outcome would not maintain a small commercial 'heart' in Glenorchy.
- 9.10 Ms Devlin considers that the use of a bespoke 12% building coverage limit for the Commercial Precinct on the Mrs Woolly's site:
- a) signals that this zoning overlay is not suited to the site, if there is the possibility of an inappropriately large commercial activity taking place;
 - b) would result in an unnecessary administrative burden;

- c) there is an adequate consenting regime should Pounamu seek to develop further appropriate commercial activities on the Mrs Woolly's site in the future; and that
- d) the imposition of the Commercial Precinct on the Mrs Woolly's site would be inconsistent with the relevant objectives and policies of the Strategic Direction Chapter of the PDP.

Building Restriction Area

- 9.11 The Pounamu submission noted that Stage 1 of the PDP incorrectly mapped the Building Restriction Area that adjoins Oban Street. In relation to the Building Restriction Area, the Pounamu submission stated the following:

The ODP Building Restriction Area is denoted as a 'Building Setback (10m)'. There is an apparent error concerning the actual width of the Building Restriction Area as illustrated on Planning Map 25. The words 'Building Setback (10m)' clearly indicates that the building setback is 10 metres, however, the diagonal blue lines that demarcates the Building Restriction Area indicate a width of 25 metres on Planning Map 25. Further, Rule 9.2.5.1(iii)(b) states that a 10m setback applies for certain portions of Oban Street. This error had been acknowledged in the Council's 2011 Monitoring Report that addressed the Glenorchy Township Zone.

It is understood that Stage 1 of the PDP mapped the Building Restriction Area along Oban Street incorrectly from the ODP (i.e. the hatched area was simply rolled over from the ODP and PDP, without checking the actual required width). This means that a 25m building restriction area applies to both sides of Oban Street. The error effects a number of properties that adjoin Oban Street, including the Mrs Woolly's site.

- 9.12 Ms Devlin agrees with the Pounamu submission point and recommends that the Building Restriction Area should be reduced to 10m, as per the ODP requirements.

Section 42A Report – Settlement Zone Provisions

- 9.13 Ms Bowbyes addresses a range of submission points that deal with the provisions of the Settlement Zone.
- 9.14 Ms Bowbyes has addressed the submission point of Pounamu that deals with Policy 20.2.3.2 and Rule 20.5.3 that restrict individual retail and office activities within Commercial Precincts to 200m² and 100m² gross floor area within the Commercial Precincts. Pounamu opposed Policy 20.2.3.2 and Rule 20.5.3 on the basis that the subject gross floor area restrictions should not include office space associated with retail activities, and areas associated with storage, reception, waiting rooms, staff rooms or bathroom facilities.
- 9.15 Ms Bowbyes has rejected these points on the basis that gross floor area restrictions implement the PDP strategic policy 3.3.3 which seeks to avoid commercial zoning that could undermine the role of Queenstown and Wanaka's town centres as the primary focus for the District's economic activity.

- 9.16 Ms Bowbyes also considers that Pounamu's relief would not implement PDP Strategic policy 3.3.9 which seeks to support the role Commercial Precincts fulfil in serving local needs and enabling commercial development sized for that purpose.
- 9.17 Finally, Ms Bowbyes considers that Pounamu's relief would not achieve the Settlement Zone objective 20.2.3 that provides for commercial activities at a limited scale.

ANALYSIS

- 10.1 The analysis below will deal with the following considerations:
- a) The imposition of the VASZ over the entire Mrs Woolly's site;
 - b) The imposition of the Commercial Precinct on a portion of the Mrs Woolly's site; and
 - c) The gross floor area restriction as contained in Policy 20.2.3.2 and Rule 20.5.3 that deal with individual retail and office activities in the Commercial Precinct.
- 10.2 I do not intend to address the submission points from Pounamu that deal with the residential activity provisions in the Settlement Zone, as such are not at issue in terms of the respective Section 42A reports. I also do not intend to deal with the mapping error in terms of the building setback from Oban Street, as there is agreement that the setback should be 10m as opposed to 25m.
- 10.3 As an aside, I note that Pounamu supports the recommended amendment to Rule 20.5.10 that deals with heavy vehicle storage within the VASZ and Commercial Precinct. In my opinion, it is logical to allow for storing/parking of heavy vehicles overnight in the VASZ and Commercial Precinct due to the potential reliance of commercial land uses on the availability of such vehicles.
- 10.4 The analysis below will collectively consider the views expressed by Ms Devlin and Ms Bowbyes.

Visitor Accommodation Sub-Zone

- 10.5 Firstly, I agree with Ms Devlin that the notified version of the VASZ in the Settlement Zone as applied to Glenorchy should be retained. Further, I agree with Ms Devlin that the VASZ should be applied over the full extent of the Mrs Woolly's site and with the reasons she cites for this opinion. I note that no submitter or further submitter has opposed such an extension.
- 10.6 I also consider the extension is appropriate for the reasons detailed below.

Historical Visitor Accommodation Considerations

- 10.7 The Mrs Woolly's site has historically been used for visitor accommodation purposes in the form of a traditional camping ground since the early 1970's. It is understood that the Mrs Woolly's site has not been used in a traditional residential sense (i.e. a standalone residential dwelling), aside from the former staff accommodation on the first level of the Mrs Woolly's General Store (this space is now used as an office for the Pounamu business operations in Glenorchy).
- 10.8 From a District Plan perspective, the VASZ has existed parallel to and on both sides of Oban Street for a significant period of time, in that the VASZ contained in the ODP harks back to the then 1995 PDP (which eventually became the current ODP). Through this zoning regime, there has been an expectation for over 25 years that visitor accommodation activities could be established adjacent to the main thoroughfare into the Glenorchy township.
- 10.9 During the period of VASZ being included in the ODP, the only reasonably large scaled visitor accommodation development to occur within the VASZ has been Camp Glenorchy (developed by Pounamu).

ODP versus PDP

- 10.10 The frameworks that govern visitor accommodation activities within the VASZ in the PDP Settlement Zone provide a more stringent test in terms of gaining resource consent for this activity when compared to the VASZ in the Township Zone under the ODP. This is an important consideration when considering the request by Pounamu to extend the VASZ over the full Mrs Woolly's site.
- 10.11 Under the ODP, visitor accommodation in the VASZ requires a controlled activity consent pursuant to Rule 9.2.3.2(iii), with control over such matters as external appearance of buildings, setback from internal boundaries and roads, and landscaping and screening of outdoor storage/parking areas.
- 10.12 Under the PDP, visitor accommodation in the VASZ requires a restricted discretionary activity consent pursuant to Rule 20.4.7, with discretion being restricted to:
- *The location, nature and scale of activities;*
 - *Parking, access and traffic generation;*
 - *Landscaping;*
 - *Signage platforms;*
 - *Noise;*
 - *Servicing;*
 - *Hours of operation, including in respect to ancillary activities*

- *Design, scale and appearance of buildings*
- *Location and screening of recycling and waste*
- *Natural hazards*

10.13 The PDP has given the Council the ability to refuse to grant a consent and bolstered the level of discretion that the Council has for visitor accommodation activities in the VASZ when compared to the ODP, specifically in relation to the nature and scale of an activity, the scale of buildings, and finally the effects associated with traffic generation and hours of operation. The increased level of discretion is an important consideration, because despite the fact that visitor accommodation in the VASZ can avoid being notified and affected persons approvals being required, the Council can require an applicant to 'slim down' an inappropriately large visitor accommodation proposal, and/or require amendments to a proposal to (further) mitigate adverse effects.

10.14 Should the VASZ be extended over the entire Mrs Woolly's site, in my opinion, the Council has sufficient discretion to safeguard against the effects of inappropriate visitor accommodation developments on this site, particularly when dealing with potential effects on the surrounding properties that are utilised for residential purposes.

10.15 It is noted that the building coverage in the PDP VASZ has increased when compared to the ODP VASZ (from 70% to 80%). In my opinion, it is unrealistic that a reasonably sized visitor accommodation will provide an 80% building coverage. This view is because a development will need to provide sufficient space for parking (cars and coaches), vehicle access and manoeuvring areas, pedestrian access and finally landscaped areas. And in the case of the Glenorchy township, land will need to be set aside for stormwater and wastewater disposal (until reticulated schemes are developed). Further, the Council has control via Rule 20.4.7 in relation to the scale of a visitor accommodation related development.

Location and Development Potential

10.16 The Mrs Woolly's site is centrally located in the physical context of the urban area of Glenorchy. The site also adjoins the main thoroughfare into Glenorchy, being Oban Street.

10.17 Should the Mrs Woolly's site be fully contained in the VASZ, then on paper, there will be 1.6186 hectares of land available to be developed for visitor accommodation purposes. With the exception of the adjoining Department of Conservation land to the north of the Mrs Woolly's site (legally described as Section I Block XIV Town of Glenorchy, with an area of 1.4645 hectares), and the land bound by Mull Street, Benmore Place and Islay Street (Lot 1 DP 12016, with an area of 8079m²), the Mrs Woolly's site presents a limited opportunity of

enabling a comprehensive visitor accommodation development in the Glenorchy township.

- 10.18 While there are a significant number of parcels of land contained within the PDP VASZ that either adjoin Oban Street or Mull Street, these parcels are generally small, individually owned and with various established residential dwellings. While there is always the possibility that a developer could purchase and merge various parcels of land, from a development perspective, the Mrs Woolly's site is 'ready to go' now in terms of its land ownership structure.

Effects on Surrounding Residential Amenity

- 10.19 Despite the central location of the Mrs Woolly's site in urban Glenorchy, the portion of the site that Pounamu seeks to include in the VASZ is adjoined by only five residential properties, two of which are owned by Pounamu (located off Pigeon Place). There are three residentially used properties to the south of Coll Street that directly face the proposed extended VASZ on the Mrs Woolly's site, however, such properties are physically separated by Coll Street.
- 10.20 The PDP VASZ contains various controls and standards that will be employed in terms of managing (and mitigating) effects associated with visitor accommodation use of the Mrs Woolly's site on the surrounding residentially used properties.
- 10.21 As outlined above, Rule 20.4.7 provides suitable controls with regard to many aspects of a visitor accommodation development. For effects in relation to residential amenity, matters of consideration include location, nature and scale of activities, noise, landscaping and hours of operation.
- 10.22 The relevant bulk and location standards include a 5.5m height limit, recession planes, 2m internal setback from the site boundaries and a maximum continuous building length of 16m.
- 10.23 As discussed above, while the VASZ provides a building coverage of 80%, it is unlikely that this figure will be realistically achieved.
- 10.24 In my opinion, the Mrs Woolly's site is ideally placed to accommodate a range of visitor accommodation options, and the various controls within the Settlement Zone (and VASZ) will ensure that effects on the surrounding residential amenity can be satisfactorily mitigated.

If VASZ is not extended over the full Mrs Woolly's site

- 10.25 Should Pounamu seek to develop the rear of the Mrs Woolly's site for visitor accommodation purposes without the benefit of the VASZ, then the framework of the Settlement Zone presents a number of issues.
- 10.26 Objective 20.2.3 states that visitor accommodation is to be 'predominately' provided within the VASZ, while Policy 20.2.3.7 seeks to restrict the establishment

of visitor accommodation activities in locations outside of the VASZ to ensure that the Settlement Zone maintains a residential character.

- 10.27 Giving effect to Objective 20.2.3 and Policy 20.2.3.7 in terms of restricting visitor accommodation to the VASZ (and Commercial Precinct) is Rule 20.4.15, which lists visitor accommodation (outside of the VASZ) as a non-complying activity. It is noted that Rule 20.4.3 provides for small scale residential visitor accommodation and homestays as a permitted activity outside of the VASZ.
- 10.28 The PDP has a clear framework in directing visitor accommodation to be located within the VASZ, while at the same time, discouraging visitor accommodation outside of the VASZ (aside from the smaller scale residential visitor accommodation and homestays).
- 10.29 In my opinion, it will not be impossible to gain resource consent for a visitor accommodation development on the Mrs Woolly's site if the VASZ is not extended over the full site. However, as a non-complying activity with potential friction with Objective 20.2.3 and Policy 20.2.3.7, a successful consent process is certainly not guaranteed.
- 10.30 As outlined above, there are various planning merits as to why the full Mrs Woolly's site should be included within an expanded VASZ. In my opinion, the location and size of the site provides the ability for a comprehensive visitor accommodation development, while the provisions within the Settlement Zone can ensure that the resultant effects are properly managed.

Strategic Directions - PDP

- 10.31 Strategic Objective 3.2.1 deals with the development of a prosperous, resilient and equitable economy in the District, while Strategic Objective 3.2.1.1 recognises the significant socioeconomic benefits of well-designed and appropriately located visitor industry places, facilities and services should be realised across the District.
- 10.32 Strategic Policy 3.3.1 deals specifically with the visitor industry within the District, and in relation to the Settlement Zone, this policy seeks to make provision for the visitor industry to maintain and enhance attractions, facilities and services in the Settlement Zone that is consistent with the objectives and policies for this zone.
- 10.33 In my opinion, the inclusion of the full Mrs Woolly's site within the VASZ will provide the opportunity to allow Pounamu to undertake a comprehensive visitor accommodation development in an appropriately located position with the Glenorchy township. Various controls in the Settlement Zone can ensure that the potential effects on residential amenity can be satisfactorily dealt with.

Commercial Precinct

- 10.34 As noted, Pounamu is seeking the imposition of the Commercial Precinct on the front half of the Mrs Woolly's site, being 8,328m² in area.
- 10.35 The Commercial Precinct, if confirmed for the site, will enable the limited expansion of the existing commercial activities and/or the establishment of new commercial activities. The Commercial Precinct will also provide greater certainty in terms of developing the Mrs Woolly's site from a consenting perspective.
- 10.36 The Commercial Precinct will also provide the opportunity for commercial activities that will benefit the local community (including other non-Pounamu businesses in the community) and tourists that visit Glenorchy.
- 10.37 The discussion below will address various issues as raised by Ms Devlin in terms of her recommendation to not accept the Pounamu submission that deals with the Commercial Precinct.

PDP Definition of Visitor Accommodation

- 10.38 In paragraph 10.12, Ms Devlin states that other appropriately scaled commercial activities may also be established by resource consent within the context of the General Store existing environment, particularly if the activities relate to, or are ancillary to, visitor accommodation with the VASZ.
- 10.39 On this point raised by Ms Devlin, it is useful to quote the definition of visitor accommodation from Stage 2 of the PDP:

Means the use of land or buildings to provide accommodation for paying guests where the length of stay for any guest is less than 90 nights; and

- i. Includes camping grounds, motor parks, hotels, motels, backpackers' accommodation, bunkhouses, tourist houses, lodges, timeshares and managed apartments; and*
- ii. Includes services or facilities that are directly associated with, and ancillary to, the visitor accommodation, such as food preparation, dining and sanitary facilities, conference, bar recreational facilities and others of a similar nature if such facilities are associated with the visitor accommodation activity. The primary role of these facilities is to service the overnight guests of the accommodation however they can be used by persons not staying overnight on the site.*
- iii. Includes onsite staff accommodation.*
- iv. Excludes Residential Visitor Accommodation and Homestays*

- 10.40 The definition of visitor accommodation provides for the use of visitor accommodation services or facilities by persons not staying overnight on the site, on the basis that (in summary):
- a) The primary role of the facilities or services is to service the overnight guests.

- b) The facilities or services are directly associated with and are ancillary to the visitor accommodation activity.

- 10.41 On the basis of the PDP definition coming into effect when decisions are made for the Settlement Zone, there is the ability for Pounamu to undertake a visitor accommodation development which has facilities and services that can be used by non-overnight guests. Such facilities could include (by way of examples) a restaurant, bar, meeting/function facilities and health care services.
- 10.42 However, relying on the definition of visitor accommodation to allow non-overnight guests to use facilities and services is subjective and provides uncertainty, in that there could be an argument (either way) as to what is the primary role of the facilities or services (i.e. servicing overnight guests or 'day' guests), and whether the facilities or services are directly associated and ancillary to the visitor accommodation activity.
- 10.43 While the VASZ provides the ability to allow non-overnight guests to use the future visitor accommodation facilities on the site, the imposition of the Commercial Precinct will indicate to plan users that commercial activities up to a certain size are anticipated on the site, and will also provide Pounamu with the surety it needs to progress further development of such activities on the site, without entering a debate as to whether such activities fit neatly into the definition of visitor accommodation.

Status of Commercial Activities – ODP Versus PDP

- 10.44 Under the ODP and pursuant to Rule 9.2.3.3(iii), commercial activities outside of the Commercial Precinct are a listed discretionary activity. However, a non-complying activity consent is required pursuant to Rule 9.2.5.2(vii) if more than 60m² of gross floor area of a building is used for non-residential activities. As the commercial activities already exceed the 60m² gross floor area restriction, any further commercial development on the Mrs Woolly's site will be classified as a non-complying activity under the ODP.
- 10.45 Under the PDP, Rule 20.4.9 provides for commercial activities outside of the Commercial Precinct as a restricted discretionary activity, provided that the gross floor area of a building(s) does not exceed 100m². If this restriction is breached, then a non-complying activity consent is required pursuant to Rule 20.4.16.
- 10.46 Ms Devlin in paragraph 10.13 states that a consenting regime is available for Pounamu that may adequately provide for future redevelopment of the Mrs Woolly's site. While Ms Devlin states that the relevant objectives and policies in the Settlement Zone do not seek to avoid commercial activities being located outside of the Commercial Precinct (there is a small 'allowance' via Rule 20.4.9 as a restricted discretionary activity), the preference of the PDP is to

predominately locate such activities in the Commercial Precinct. In my opinion, there is clearly a stronger focus in the PDP (when compared to the ODP) to locate commercial activities in the Commercial Precinct. While a consenting pathway is available, it is not a certain one.

Bespoke Building Coverage Rule

- 10.47 The Pounamu submission seeks the imposition of the Commercial Precinct on the front part of the Mrs Woolly's site. While this is a reasonably large area (8,328m²), the bespoke building coverage rule promoted in the Pounamu submission involves a 12% building coverage restriction. This limitation is based on a considered functional and design analysis by Pounamu in terms of its future commercial development aspirations for the Mrs Woolly's site (which will tie into the existing and proposed visitor accommodation operations of Pounamu). The 8328m² land area provides flexibility in the siting of new commercial buildings, particularly if the mapping error in the PDP is corrected, so that there is only a 10m building setback from Oban Street. This setback is still reasonably large in an urban environment context.
- 10.48 I do not agree with Ms Devlin that the proposal for a bespoke rule means the Commercial Precinct is not well suited to this site, or that it would enable an inappropriately large commercial activity to be established.
- 10.49 The 12% building coverage limit will allow a total of approximately 999m² of commercial building space within an area of 8,328m² that is requested to be included within the Commercial Precinct. The 12% building coverage figure would allow an extra (and approximate) 631m² of commercial space, over and above the existing commercial activities. Alternatively, Pounamu could start from scratch and remove the existing commercial uses and develop new commercial built form up to 999m² (12% building coverage). In the context of the proposed Commercial Precinct on the Mrs Woolly's site and Commercial Precinct that adjoins Mull Street, I consider a figure of 999m² is not an inappropriately large commercial development.
- 10.50 I also do not consider that a bespoke rule that applies to one site in the Settlement Zone creates an unnecessary administration burden as expressed by Ms Devlin in paragraph 10.12. The act of placing a bespoke rule into the Settlement Zone is straight forward, and if drafted efficiently, such a rule (together with the associated planning map) will also be straight forward to administer by the Council and utilised by users of the PDP. My suggested wording for the bespoke rule (via Rule 20.5.5) is:

The maximum building coverage for the land contained in the Commercial Precinct located on the eastern side of Oban Street shall be 12%.

- 10.51 Together with the planning map, it will be clear as to what land is affected by the bespoke provision for the Mrs Woolly's site.

10.52 As stated in the Pounamu submission, breaching the 12% building coverage could require a restricted discretionary consent, with the matters of discretion being the same as those contained in Rule 20.4.9.

Capacity of the notified Commercial Precinct

10.53 Mr Fraser has undertaken a review of the existing land uses within the notified Commercial Precinct in Glenorchy and notes that the precinct is a mixed used area, dominated by accommodation, tourist services and cafes/pubs. There is also local level functions such as a service station (vehicle repairs and a post shop) and a community hall.

10.54 Mr Fraser has calculated that that the notified Commercial Precinct in Glenorchy is 2.5 hectares. It is noted that this area includes land owned by the Council (paper road and designated recreation reserves). Mr Fraser notes that there are a number of vacant sites (seven) and a reasonably low gross floor area in terms of commercial built form.

10.55 Mr Fraser notes that the commercial building stock is generally quite old, and there is limited evidence of tangible demand for development in the Commercial Precinct over the last 20 plus years.

10.56 While there might be capacity in the notified Commercial Precinct, development has been limited, and the likelihood of the majority of land being developed for commercial purposes adjoining Islay Street is probably quite low due to its low profile in the context of Glenorchy (especially when viewed from Mull Street).

10.57 Mr Fraser is of the opinion that the addition of a limited area of commercial uses on the Mrs Woolly's site is unlikely to have a major effect on the notified Commercial Precinct, especially as the 12% building coverage limitation is a minor addition – which equates to an extra 631m² of gross floor area of commercial space when compared to the existing commercial activities on the Mrs Woolly's site.

10.58 I disagree with Ms Devlin that by including a portion of the Mrs Woolly's land within the Commercial Precinct, that there will be a further spreading or sprawling effect. The imposition of the Commercial Precinct on the site will reflect the existing commercial activities and will enable a limited expansion of such – set amongst the VASZ.

'Heart' of the Township

10.59 Ms Devlin in paragraph 10.14 states (relying on the Section 32 report for the Settlement Zone) that the ODP Commercial Precincts have been successful in encouraging the clustering of non-residential activities and in Glenorchy, the Commercial Precinct clearly signals the 'heart' of the township.

- 10.60 In the case of Glenorchy and as noted by Mr Fraser, there has been limited commercial development within the ODP Commercial Precinct over the last 20 plus years. This is evidenced by various vacant sites and generally older building stock.
- 10.61 I do not disagree with Ms Devlin that Mull Street represents the small commercial heart of Glenorchy. However, I do not consider that if the Commercial Precinct is imposed on the Mrs Woolly's site, that future commercial activities on this land will negate or adversely affect the existing commercial heart in Glenorchy.
- 10.62 The commercial offering from the Mrs Woolly's site has existed for a significant period of time, and has been enhanced since Pounamu acquired the site. Products and services are now provided to the local community and tourists that were not previously supplied. In my opinion, it is irrelevant that the now General Store was originally associated with the previous camping ground on this site – it lawfully exists as a standalone commercial activity and it is an important component of the community in Glenorchy.
- 10.63 Aside from providing services and products to locals, the General Store is an important attraction for tourists that visit Glenorchy. As a destination town as opposed to a standard rural thoroughfare town, it is more than likely that tourists will 'explore' both the General Store and other attractions located in Commercial Precinct adjoining Mull Street – particularly given the relatively short distance (some 400m) between them. In my opinion, it is unlikely that a tourist will travel a significant distance to and from Glenorchy, without wandering around the 'heart' of Glenorchy on Mull Street.
- 10.64 If the Commercial Precinct is imposed on the Mrs Woolly's site, clearly there will be the ability to expand the commercial offering from the site – however, this will be limited to 999m² of built form. Additional commercial activities will add another attraction (and vibrancy) for tourists who visit Glenorchy – and importantly, another reason to visit Glenorchy.
- 10.65 In Mr Fraser's opinion, the closeness of the Mrs Woolly's site to Mull Street (and the flat topography) means that any future commercial development on the Mrs Woolly's site will likely compliment and strengthen the overall commercial offering in Glenorchy, and importantly, not compete with it. Mr Fraser also considers that the two commercial areas could be spatially considered as one broader commercial area. In my opinion, just because the two locations are physically separated, it does not mean that they cannot function in unison.
- 10.66 Overall, I consider that future limited commercial development within the Mrs Woolly's site will compliment the existing commercial operations located on Mull Street, and more importantly, will benefit these businesses (and other businesses not located on Mull Street).

Area restrictions for retail and commercial activities

10.67 Pounamu opposed Policy 20.2.3.2 and Rule 20.5.3 on the basis that the gross floor area restrictions should not include office space (associated with retail activities), or areas associated with storage, reception, waiting rooms, staff rooms or bathroom facilities.

10.68 Ms Bowbyes in paragraph 4.3 states that Policy 20.2.3.2 and Rule 20.5.3 assist with implementing PDP policy 3.3.3, which states:

Avoid new commercial zoning of land that is likely to undermine the role of the Queenstown and Wanaka town centres as the primary focus for the District's economic activity.

10.69 I fail to see how Policy 20.2.3.2 and Rule 20.5.3, are relevant to Policy 3.3.3, because this policy deals with 'avoiding' new commercial zoning, not the gross floor areas of either individual office or retail activities. Even if it is decided that Policy 3.3.3 is relevant, a slight increase in either a retail or office activity (excluding 'back of house' areas) will have little to no affect on the central Queenstown commercial area – an area that is 50km's plus from the Glenorchy township. In this regard, Mr Fraser has noted the minute size of the commercial areas proposed for the Mrs Woolly's site when compared to the commercial offerings in central Queenstown.

10.70 The extra space will either provide a greater retail offering to locals or visitors to Glenorchy, or the ability to house staff for the few bigger companies based in Glenorchy (Pounamu being an example). Further, it is highly unlikely that Pounamu will set up an office in central Queenstown, when its operations are based in Glenorchy. I do not consider that amending Policy 20.2.3.2 and rule 20.5.3 will lead to an outcome that contravenes Policy 3.3.3.

10.71 Ms Bowbyes states that Policy 20.2.3.2 and Rule 20.5.3 implement PDP strategic policy 3.3.9. This policy states:

Support the role township commercial precincts and local shopping centres fulfil in serving local needs by enabling commercial development that is appropriately sized for that purpose.

10.72 I cannot find a reference (or justification) for the proposed restrictions for individual retail and office activities in the Section 32 report for the Settlement Zone. In this regard, the Section 32 report on page 91 states the following:

Limiting the scale of individual retail and office activities will assist with promoting a diverse commercial offering within Commercial Precincts, rather than enabling larger format activities that may occupy large extents of the Precincts. These limits will support the goal to provide a 'boutique' commercial offering sought in particular by the Glenorchy Community Plan.

10.73 It appears that based on the analysis in the Section 32 report, the justification for the areal limits for individual retail and office activities was the avoidance

of 'large format activities' and the provision of a 'boutique' experience for users.

10.74 In my opinion, it is unlikely that large format activities will seek to establish in a Settlement Zone, due to the distance such zones are from where the bulk of the District's population live and work. Further, an activity can still be of a reasonable size and provide a boutique experience for all users – this is clearly witnessed by the General Store which would fail the limitations of policy 20.2.3.3 and rule 20.5.3.

10.75 Mr Fraser has stated the following in terms of typical ratio of actual retail and commercial floor area:

The typical ratio of 'actual' retail and commercial floor area to 'back of house' functions is roughly 70 : 30. Applying this split to the proposed exclusion of back-of-house functions, increases the allowable overall GFA to about 280m² for retail, and 140m² for offices.

10.76 If the maximum 'typical' retail or office space (280m² and 140m² respectively) were to be provided by a business in Glenorchy, I consider that this would be highly unlikely to affect central Queenstown (if policy 3.3.3 applied), nor would such be contrary to Policy 3.3.9.

10.77 In my opinion, there will be few instances of businesses maximising the full extent of the areal restrictions in the Settlement Zones. And where such occurs, the businesses will most likely be serving a local community or a tourist market. In this regard, I refer to the evidence of Paul Brainerd that outlines the further benefits to the Glenorchy community that will occur from the next phase of development that Pounamu is seeking to undertake on the Mrs Woolly's site.

CONCLUSION

11.1 In my opinion, the various requests in the Pounamu submission are reasonable and appropriate, will not lead to adverse effects and will not be contrary to the higher order chapters of the PDP.

11.2 The vision for the ongoing redevelopment of the former dilapidated and uneconomic camp ground site outlined in the evidence of Paul and Debbi Brainerd represents a unique opportunity to facilitate and continue a high quality and environmentally sustainable form of visitor accommodation and associated commercial development which does not exist anywhere in New Zealand.

11.3 The development undertaken to date has already produced major social, economic and community benefits for Glenorchy residents and significantly enhanced the accommodation and shopping experiences available to local visitors and tourists.

11.4 In my opinion the next phase of such a clearly beneficial project should not have to face uncertain or impractical zoning related obstacles or other unnecessary resource consenting delays.

SCOTT FREEMAN

29th April 2020