

QLDC Council
12 March 2020

Report for Agenda Item | Rīpoata mot e Rāraki take: 3

Department: Planning & Development

Title | Taitara Ladies Mile (Te Putahi) Master Plan and Plan Variation

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to present an establishment report which sets out options for planning for an integrated approach to development of Ladies Mile (Te Putahi).

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

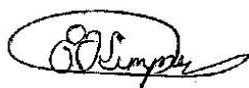
- 1 At the 30 May 2019 Council meeting of Queenstown Lakes District Council, Council agreed that the Ladies Mile area may be developed for urban purposes in the medium to long term and that a proactive Council-led planning approach should be undertaken, taking into account the wide range of community, housing, recreation, transport, green space and infrastructure considerations for Ladies Mile and the surrounding area.
- 2 Rationale was appointed to produce the attached (Attachment A) Establishment Report. The Establishment Report investigates options for a Council-led integrated master plan and plan variation to the district plan to enable and manage development of the area.
- 3 The Establishment Report recommends undertaking a Council-led masterplan and plan variation as a single process, which will better promote community outcomes and an ability to deliver enhanced transport outcomes, public transport and active travel.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Accept** the Draft Ladies Mile (Te Putahi) Masterplan Establishment Report.
3. **Approve** procurement and works to proceed on the Ladies Mile Masterplan and Plan Variation.
4. **Note** that further consideration of the budget will be required as part of the Council's 2020/21 Annual Plan process in order to fully fund the work.

Prepared by:



Liz Simpson
Senior Policy Planner – Urban
Development
27/02/2020

Reviewed and Authorised by:



Tony Avery
General Manager Planning &
Development
28/02/2020

CONTEXT | HORPOAKI

- 4 At its 30 May 2019 meeting, Queenstown Lakes District Council agreed that the Ladies Mile area may be developed for urban purposes in the medium to long term and that a proactive Council-led planning approach should be undertaken, taking into account the wide range of community, housing, recreation, transport, green space and infrastructure considerations for Ladies Mile and the surrounding area.
- 5 It was also resolved to investigate options for a Council-led variation to the district plan to enable and manage development of the area including: consultation on community views on future development options and community aspirations for the wider Ladies Mile area, options for achieving integrated planning, management and funding of land use and transport at Ladies Mile, possible ways to expedite planning for Ladies Mile.
- 6 The Ladies Mile area (figure one below) has obvious attributes that make it an important consideration in planning future development in the district. It is sunny, flat, and an easily serviceable part of the Wakatipu Basin that is not prone to significant natural hazards or in an Outstanding Natural Landscape. Although it is an amenity landscape, relative to other parts of the Wakatipu Basin it has a high capacity to absorb urban development without affecting the wider rural setting. It adjoins existing urban developments (Lakes Hayes Estate, Shotover Country and the Queenstown Country Club) and is in close proximity to the major employment area of the Frankton Flats and its industrial, retail and mixed-use zones, employment centres and airport. There is significant pressure to urbanise the area and it is reasonable to proceed on the basis that Ladies Mile will end up being developed over time.
- 7 As part of the Proposed District Plan (PDP) process, the Wakatipu Basin Land Use Planning Study 2017 recommended that Ladies Mile was highly suitable for more urban development. Due to the narrow scope of submissions, and evidence on the lack of capacity of the Shotover Bridge, decisions on the PDP were to zone the area as Rural Lifestyle and Large Lot Residential. This has a possible yield of approximately 20 sections in the Rural Lifestyle Zone and approximately 99 sections in the Large Lot Residential Zone, a yield which will have no discernible impact on the current issues with housing supply and affordability that the District is facing.



Figure 1: Ladies Mile, Shotover Country and Lake Hayes Estate

- 8 There are a number of issues on Ladies Mile, notwithstanding its attractiveness as a location for urban development. It is an area of significant interest to many locals and considered by some to be the 'rural gateway' to Queenstown, demarking the rural and urban areas of the Wakatipu Basin. Setting development back from, and wherever possible, below eye level of vehicles on SH6 has been a key consideration shaping development of this area to date.
- 9 There are capacity issues along the State Highway corridor that runs through Ladies Mile, in particular the Shotover Bridge and the Hawthorne Drive and Shotover Roundabouts. Residents of the area also have concerns over parking, lack of community facilities in the area and community severance resulting in a lack of cohesion between the three housing developments requiring residents to carry out multiple external trips to carry out everyday tasks.

History of Ladies Mile Development Proposals

- 10 A number of important development proposals have shaped Ladies Mile which can be seen in Figure 2 below. The rezoning of Lake Hayes Estate in 1998 through a District Plan submission resulted in approximately 617 low density and rural residential dwellings. During 2010, a private plan change for Shotover Country approved another 750 dwellings for the area. Then in 2016, two Special Housing Area (SHA) applications were approved, resulting in an additional 101 dwellings within Shotover Country area and 376 retirement units for the Queenstown Country Club. During the Queenstown Country Club May 2016 Council meeting, it was noted by Council Officers that the approval of the Queenstown Country Club SHA would change the area considerably and open up the potential for development of Ladies Mile. This view was endorsed in 2017, with comments from the Hearing Panel recommending that Ladies Mile was highly suitable for more urban development, followed by the inclusion of Ladies Mile within the SHA Lead Policy as an area that was likely to be developed over time as well. 2017 also saw the approval of the Housing Infrastructure Fund (HIF) as well as Stage 2 of the Proposed District Plan (PDP) rezoning land along Ladies Mile for a range of rural residential densities that could enable approximately 119 dwellings.



Figure 2: Timeline of key decisions along Ladies Mile

Previous Council Decisions

- 11 A number of recent Council decisions have had a strong bearing on the present direction for Ladies Mile, these include:
- October 2017 – Ladies Mile added to the SHA Lead Policy following the approval of the Queenstown Country Club SHA. This approval recognised that Ladies Mile was likely to be developed over time and opened the door to further SHA proposals.
 - April 2019 – Decision to decline the three SHA's, citing concerns over transport and infrastructure, and concerns that, with the pending expiry of HASHAA, that the approvals were rushed.
 - May 2019 – it was agreed that Ladies Mile may be developed for urban purposes in the medium to long term and that a proactive Council-led planning approach should be undertaken, taking into account the wide range of community, housing, recreation, transport, green space and infrastructure considerations on Ladies Mile and the surrounding area. It was further agreed to investigate options for a Council-led variation to the PDP and a master Plan.

Partnerships

- 12 A Housing Infrastructure Fund (HIF) loan has been agreed with Central Government for \$17.5m HIF funding, and \$6.5m NZTA funding. The QLDC share for HIF infrastructure is \$6m, recognising that the scope of HIF works is limited to infrastructure described within the Detailed Business Case, and is based on the development of 1,100 homes. SHA's were identified as the likely mechanism for commercial delivery of the proposed housing – however, HIF funding was not dependent on SHA approval. After the SHA's were declined, QLDC submitted a request to The Crown that HIF 'funding' should still be made available if QLDC could enable the delivery of housing via another mechanism (i.e. The Master Plan). The Crown agreed, and a revised programme schedule was agreed to.

13 In December 2018, QLDC signed a Memorandum of Understanding with NZTA and ORC to work together to provide integrated forward thinking solutions to create a safe and well-connected transport network for Queenstown. The Way to Go partnership recognises that all three agencies have an important role to play in driving and delivering change. Way to Go has the potential advantages for future funding with a partnership arrangement and developing projects in conjunction with spatial planning.

Grow Well | Whaiora – The QLDC Spatial Plan Relationship

14 QLDC, Government and Kāi Tahu are working in a partnership to produce a joint spatial plan that aims to set the strategic direction for the Districts growth and development for the next 30 plus years. It will contain a broad set of principles and strategic directions that includes the following five key outcomes:

- Consolidated growth and more housing choices;
- Public transport, walking and cycling are everyone’s first travel choice;
- Businesses and industries with space to thrive;
- Well-designed neighbourhoods that provide for everyday needs; and
- Sustainable tourism that improves community wellbeing.

15 Whilst the draft spatial plan is still in development, it will provide the strategic direction for the future development of the Ladies Mile, including the extent and type of growth anticipated and any infrastructure constraints and triggers. So it will be important to consider the spatial plan outcomes when considering the future development of the Ladies Mile.

Establishment Report

16 Following the Council meeting on May 30 2019, Rationale was appointed to produce the attached (Attachment A) Queenstown Lakes District Council Ladies Mile (Te Putahi) Masterplan Establishment Report [‘Establishment Report’]. The objectives of the report were to:

- set the direction and process to deliver appropriate and integrated planning and investment documents for a masterplan for Ladies Mile;
- set the objectives, geographic scope, work streams, and schedule;
- understand the role of potential investment partners;
- understand the role of community engagement within the engagement process; and
- ensure alignment with QLDC's strategic vision and planning.

17 The Establishment Report was then developed using a combination of early engagement workshops, research analysis and optioneering resulting in a number of options for the process for delivering a masterplan and a District Plan variation. The Establishment Report will become the guiding document that ensures the masterplan integrates transport, land use, housing, infrastructure and social infrastructure.

Area of Focus

- 18 Figure 3 below identifies the area of focus and the area of influence; the area of focus identifies the primary focus area for most of the initiatives, projects and key activities that will be part of the masterplan. This is largely the undeveloped area of Ladies Mile to the north. The Area of Influence identifies the area that will have a direct influence on the master planning process and includes Alec Robbins Road, the margins of the Outstanding Natural Landscape at Morven Hill and the Kawarau River and the Outstanding Natural Features of Slope Hill and Lake Hayes. Any development within the Ladies Mile Area of Focus will have to keep the Area of Interest front of mind throughout the process. A masterplan that doesn't adequately consider the relationship between the areas of influence and focus will struggle to gain community buy in.



Figure 3: Area of focus and Influence

Community and landowner Engagement

- 19 During November 2019, consultation meetings were undertaken with Ladies Mile landowners, community groups, partner organisations and stakeholders plus an additional meeting with the major landowners.
- 20 The purpose of the Ladies Mile landowners and community group meetings was to understand better the current challenges and potential opportunities for the Ladies Mile area from both perspectives.
- 21 The community groups identified a number of issues that included: lack of community facilities such as open spaces and sports fields, multi-household dwellings on the rise due to affordability issues, traffic and congestion causing problems and that an improved public transport network was much needed in the Ladies Mile.

- 22 The Ladies Mile landowners' workshop expressed similar concerns and addressed the need to integrate transport with land use and that any development of the Ladies Mile needed to be integrated with Lake Hayes Estate/Shotover Country. Developers needed to integrate community amenities such as shops and community spaces and if growth couldn't be stopped, then it became a question of how do we manage it. The longlist of community feedback can be seen in Appendices 2 and 3 of the Establishment Report.
- 23 The partner organisations and stakeholders workshop was held to understand how land use and transport could be integrated at Ladies Mile and what level of involvement each agency/partner expected. In addition, it was hoped that by bringing the key parties together agreement could be reached on a collaborative structure that would guide the development of the masterplan. Public sector stakeholders and iwi representatives included: New Zealand Transport Agency, Ministry of Education, Ministry of Housing and Urban Development, Aukaha (Kai Tahu), Kāinga Ora and the Southern District Health Board. All parties were generally supportive of development of Ladies Mile and expressed a number of opportunities and challenges around transport and land use integration which can be seen in Appendix 4 of the Establishment Report.
- 24 A final workshop with five of the major landowners was also held with landowners who had either expressed intentions to develop, or owned larger land areas within Ladies Mile. The major landowners were generally supportive of the development of a masterplan and an associated plan variation but had concerns regarding embarking on a lengthy, protracted process. It was made clear that they are intending to develop their land holdings and if the masterplan and plan variation took too long, they would look to develop sooner.
- 25 Separately to this process, regular meetings between Council officers and Ministry of Education (MoE) representatives have confirmed that MoE are investigating the potential for a new school or schools in several locations including land at Ladies Mile. This is important as it demonstrates the proactive position of other stakeholders. Private education providers and health providers are also interested in possible sites in this area.
- 26 All groups were presented with a number of options for how Ladies Mile could be delivered, including the status quo of leaving development to private developers through resource consents and/or private plan variations, this was not favoured and the key concerns across all groups, can be summarised as:
- no community heart;
 - a lack of community facilities and amenities;
 - congestion; parking and public transport issues needs to be resolved;
 - any Ladies Mile development needs integration with Lake Hayes Estate and Shotover Country;
 - an integrated land use and transport approach required;
 - the landscapes and aesthetics of Ladies Mile needs to be protected; and
 - any process needs to be timely.

27 From the engagement workshops an Investment Logic Map (ILM) considered the problems, benefits, response and solutions for establishing a way forward, this confirmed the need for an integrated land use and transport approach which could be delivered through a Council-led masterplan and a Council initiated plan variation.

Master Planning and a Council-led Variation

28 A master plan is an opportunity to develop a dynamic and influential planning document that provides a conceptual layout for guide future growth and development to help drive a range of long-term beneficial outcomes. The master planning process is about making the connection between buildings, social setting and their surrounding environments. A plan variation would then be needed to change the underlying land use zoning to enable development to be delivered in accordance with the masterplan.

29 The development of a more sustainable community east of the Shotover River is a unique opportunity that comes with a number of significant challenges as well as great potential. This report considers the options for planning as provided by Establishment Report on how best to achieve development on the Ladies Mile with a comprehensive and integrated plan for development and a particular focus on place making, community building and ensuring that there is a transport mode shift towards public transport, and transit orientated development principles.

Options Analysis (Investment Logic Mapping)

30 The ILM process established four investment objectives which are utilised through the reports proceeding options analysis process, these are:

- A land use solution is delivered in a timely, integrated and organised manner, avoiding individual applications (40%)
- Increased liveability, wellbeing and community cohesion for existing and future residents of the Ladies Mile area. (30%)
- Improved access to and from Ladies Mile as the transport network can deliver its function efficiently and effectively. (20%)
- Supporting enhanced public transport and active travel provision and utilisation through land-use solutions. (10%)

31 The Establishment Report established the percentages in order to allow investment to be prioritised around the objectives, and ensure the most important objectives carry the most weighting.

32 The results of this analysis support the proposal for the Council to proceed with an approach that plans for the future of Ladies Mile that addresses the concerns expressed by the Community.

33 To understand Councils role in how to deliver masterplan and/or a Council initiated plan variation, a number of investment management tools (ILM, Longlist & shortlists, activity matrix and multi criteria analysis) was used to assess how the following options interact with each other:

- QLDC's role;
- how to deliver a masterplan;
- how to deliver a plan variation;
- how to integrate a masterplan and plan variation together;
- engagement with landowners;
- how development might be enabled; and
- relationships with partners and stakeholders.

Plan variation and Master Planning Option Analysis

- 34 Firstly, in order to determine the plan variation options, an assessment analysis against the ILM investment objectives was undertaken (See Appendix 5 of the Establishment Report). The Establishment Report at this stage identified seven possible options which included a series of options whereby the Council would take on a more direct and active role in the implementation of any master Plan. The seven options were:
1. status Quo of developing the area for lifestyle purposes in accordance with the PDP acknowledging that private developers will apply for resource consents or private plan changes,
 2. QLDC led masterplan followed by a Council-led plan variation
 3. QLDC led masterplan undertaken simultaneously with a Council-led plan variation;
 4. streamlined planning process for determining the plan variation;
 5. dual process of a plan variation plus obtain relevant resource consents;
 6. Kāinga Ora (urban development authority) to developed the plan variation; and
 7. collaborative process between Council and the community.
- 35 The next stage of analysis was to assess QLDCs role in terms of master planning options and a longlist of options (see Appendix 6 of the Establishment Report) was analysed against the ILM investment objectives in respect of scale of ambition, achievability and risk. Any options which included a greater role of the Council in implementation were removed from the analysis at this point because more work is required to determine the commercial risks of such involvement before being able to report back to Council on such options.
- 36 Subsequently, four options were shortlisted (Figure 12 of the Establishment Report and figure 4 below), which at one end of the scale started from doing the minimum of a masterplan only through to a master planning process which also sees Council participating in commercial property transactions (later discounted).

SC-2	SC-3	SC-4	SC-5
Masterplan Only - Do Minimum	Masterplan + Landowner Advisory, Collaboration & Coordination	Masterplan + Council Initiated Comprehensive Plan Change(s) - Notified Plan Change	QLDC/Public Entity participates in Commercial Property Transactions
QLDC Masterplan	QLDC Masterplan	QLDC Masterplan	QLDC Masterplan
QLDC Continue to accept consents and plan changes delivered by landowners which may or may not be in line with Masterplan.	QLDC works collaboratively with landowners to facilitate private plan changes & consents in line with the Masterplan.	QLDC progress plan change(s) QLDC accept consent applications	QLDC progress Plan Change(s) Public entity(s) acquires land and progresses consents

Figure 4: QLDCs role in the master planning process (figure 12 of the Establishment Report)

- 37 The final piece of analysis was the multi criteria analysis which can be seen in Appendix 7 of the Establishment Report, this brought together the four master planning shortlist options and the plan variation shortlist options, assessing once again against the ILM investment objectives as well as costs, timing, business needs and risks.
- 38 Subsequently, the analysis recommended either a staged or parallel approach to undertaking a Council masterplan and plan variation, these are:
- **Staged** – Masterplan process followed by a Council initiated comprehensive plan variation.
 - **Parallel** – Masterplan process simultaneously undertaken with a Council initiated comprehensive plan variation(s).
- 39 The Establishment Report establishes a concurrent masterplan and plan variation as the preferred option. A masterplan has the major advantage of enabling a high level of planning and design but on its own, has no statutory weight. Combined with a plan variation, it can help ensure that that the zoning of the land enables the masterplan to be implemented.
- 40 The Establishment Report identifies a second preferred option of applying to the Minister to make the decision through a Streamlined Planning Process (SPP). This would provide for a more certain plan variation process, and if approved by the Minister, removes the ability for Environment Court appeals, significantly reducing costs to Council and the ratepayer. A SPP requires significant upfront engagement with the community, stakeholders, partners and Iwi. In order to utilise this option, community engagement is required to be carried out from the very start of the process and then continued throughout. If the Minister declined to determine the matter through a SPP, Council would continue with the standard RMA plan change process, noting that if any appeals were lodged to the Environment Court, certainty about outcomes is reduced and timeframes would be extended. Further consideration of the SSP option can be reported to Council for consideration before this decision is made.
- 41 Both of these options ensure a plan variation can be notified as soon as Council agrees the preferred masterplan options.

Preferred Approach

- 42 The preferred approach therefore is the parallel process of a masterplan and Council initiated comprehensive plan variation(s). The multi criteria analysis undertaken scored the parallel process the highest in a number of areas which include: timeliness, QLDC team being able to deliver, landowner acceptance, reduce ad hoc private developer applications, enhance community outcomes and ability to deliver better transport outcomes and support enhanced public transport and active travel – through integration with existing Way to Go projects.
- 43 The Establishment Report also identifies that pursuing a master plan and plan variation by itself may not deliver the outcomes desired, as it would require the landowners to take active steps to develop their land in accordance with the masterplan and plan variation outcomes. Ensuring delivery of the outcomes and development planned in the master planning process will need further consideration but is not unsolvable.

Parallel Process Scope

- 44 This is a complex process and a number of core elements and outcomes are essential to this parallel master plan and plan variation process. It will require the integration of the following work streams, the detail of which can be read in Chapter 8.1 of the Establishment Report:
- landscape and urban design;
 - housing;
 - social infrastructure;
 - education; The process – RMA/Planning;
 - transport;
 - landowners; and
 - three waters.
 - Health Care

Transport integration

- 45 Whilst integration of all of the above work streams is important, the transport work stream requires additional integration with the following existing Way to Go business cases or projects (refer to Transport section of 8.1 Core elements and outcomes for details). All of which will need to integrate with the final master plan and plan variation:
- Queenstown to Frankton single stage business case (includes public transport and network optimisation on the Ladies Mile State Highway corridor);
 - Mode Shift Plan – reducing reliance on private vehicles;
 - Park & Ride single stage business case; and
 - Wakatipu Active Travel Network (connections required internally and to the proposed network).

Governance and decision making structure

- 46 Figure 14 of the Establishment Report includes a proposed Ladies Mile governance and decision making structure. This still requires further investigation and confirmation, but it identifies the critical elements that will be needed to ensure the appropriate process and project delivery is achieved.

Procurement

- 47 The Establishment Report reviews two options for the procurement of the five specialist services proposed in the governance and decision making structure. One being to procure multiple specialists or two to procure a single lead multi-disciplinary consultant. The single lead multi-disciplinary approach was preferred, as it would provide efficiencies in respect of cost, coordination and time.
- 48 A key part of the brief when undertaking the procurement will be a requirement that the successful tenderer will need to engage and work closely with the landowners to ensure their input into the development of the masterplan and the plan variation, to ensure the best chances of successful implementation.

Estimated cost and funding

- 49 The overall cost of the master planning and the work to prepare for a plan variation is estimated in the establishment report to be in the order of \$1m to \$1.4m overall, based on an estimate of \$900k for the master plan and \$500k for the plan variation. This estimate is to be confirmed and will be affected by the extent of in-house resource availability, modelling and the business case work required and whether the plan variation becomes protracted through the appeals process. It is anticipated that the parallel masterplan and plan variation process will reduce costs as the bulk of the consultation process is completed during the masterplan phase.
- 50 The Housing Infrastructure Fund (HIF) total of \$17.5m includes an indicative allocation of \$600k for the master plan business case and plan variation, leaving \$500k available once the costs of the establishment report are removed. Note though that the HIF funds are an interest free loan that has to be paid back after 10 years and can only be used if there is going to be housing provided as a result of the work that is funded. Advice has been received that confirms that up to half the cost of the masterplan and plan variation process could be met by the HIF, provided robust procurement processes are used and an equivalent amount of funding is provided by the Council to match the HIF contribution.
- 51 Any work on the masterplan will also need to be well aligned with the work underway with NZTA via Way to Go to ensure good integration with the transport investigations being undertaken on the State Highway.
- 52 No budget provision has yet been included in the 20/21 Annual Plan for this work and it will be necessary to consider that as part of the 20/21 current annual plan process. However delaying the start of the masterplan and plan change process until 1 July will result in further delays and it is proposed that the procurement of specialist help be initiated now which will be funded out of current budgets. Confirmation of the work would still require final budget approval through the 20/21 annual plan process.

Implementation issues with the preferred approach

- 53 The Establishment Report identifies a number of programme risks associated with achieving the investment objectives. These include:
1. QLDC is under resourced to deliver the Masterplan;
 2. the programme does not meet community, political and stakeholder expectations;
 3. funding for the programme is not approved;
 4. land use is not delivered in line with the Masterplan outcomes;
 5. timelines are not achievable;
 6. the Plan cannot adapt to changing external influences;
 7. failure to coordinate and integrate work streams; and
 8. supplier availability – ability to procure specialist services that are available in the timeframes required.
- 54 Chapter 13 discusses the risks above in detail, but a key one to consider, as outlined previously, is the risk associated with the Land use not being delivered in line with the masterplan outcomes. Whilst Council can use the master planning process and associated plan variation to signal its intention for Ladies Mile clearly, there is no legal mechanism to force a private developer to deliver those outcomes. The Establishment Report identifies a number of possible options in Appendix 7 that would result in the Council potentially taking on some of the commercial risks with the landowners, or on its own, in order to ensure the delivery of the masterplan outcomes. These options will require further consideration as well as discussions with landowners and developers to help ensure the masterplan outcomes are realised.

Options

- 55 The options considered in this report relate to the decision in front of Council today and in particular, whether to proceed with procurement of specialist services in order to proceed with a Council-led masterplan and plan variation. The three options are:

Option 1. Status Quo -- developing the area for lifestyle purposes in accordance with the PDP acknowledging that private developers will apply for resource consents or private plan change(s).

- 56 This option involves changing position on urbanisation of Ladies Mile and implementing the zoning and plan provisions in the PDP which provide for Rural Lifestyle and Large Lot Residential Zones. This could ultimately mean losing the opportunity of developing the Ladies Mile for urban purposes, also acknowledging that private developers will be likely to apply for resource consents or private plan change(s).

Advantages:

- Private developers take all the risk and the costs;
- No internal specialist resources required;
- In the short term the relatively rural aspect to the north of Ladies Mile is retained; and

- The district plan work for this area is essentially done if very limited future development of the area is preferred.

Disadvantages:

- Commitment to Central Government partners would be lost in regards to the HIF and MBIE, the NZTA and MOE;
- Perception that Council has acted in bad faith with the Ladies Mile SHA developers as Council Lead Policy indicated that Ladies Mile should be developed as a greenfield development area;
- There will be no ability to increase the density in the near term;
- No potential for new community facilities at Ladies Mile (other than at 516 Frankton Road Ladies Mile and the existing offerings within Shotover Country and Lake Hayes Estate);
- Lose ability to require density which supports shift to public transport and active modes. Traffic issues may increase from development capacity available in Frankton, Shotover Country and Lakes Hayes, or further afield in Cromwell or beyond;
- Lose opportunity to improve housing affordability as less houses would be built;
- Rural aspect to the north of Ladies Mile likely to erode over time under the Rural Lifestyle zoning (albeit with nothing like the degree of change with other options); and
- Is unlikely to deliver on the four investment objectives.

Option 2. Staged Process of masterplan and Council initiated comprehensive plan variation

57 This option involves undertaking a Council-led masterplan and then a Council plan variation as two separate processes.

Advantages:

- Council can inform their plan variation using the finalised masterplan, ensuring it sets out to achieve the masterplan outcomes;
- No added pressure on timelines and QLDC resources due to extended timeframes;
- Commitment to Central Government partners would not be lost in regards to the HIF and MBIE, the NZTA and MOE;
- Ability to increase the density in the near term;
- Potential for new community facilities at Ladies Mile (other than at 516 Frankton Road Ladies Mile and the existing offerings within Shotover Country and Lake Hayes Estate);

- Ability to require density which supports shift to public transport and active modes. Traffic issues may increase from development capacity available in Frankton, Shotover Country and Lakes Hayes, or further afield in Cromwell or beyond;
- Opportunity to improve housing affordability as less houses would be built; and
- A Council-led masterplan and plan variation is more likely to achieve the four investment objectives.

Disadvantages:

- Extended timeframes may mean that private developers will be unwilling to wait and could notify their own private plan variations;
- Council can seek to ensure outcomes of the masterplan & plan variation through the plan variation but there is no mechanism to force private developers to deliver the masterplan;
- Separating the masterplan and plan variation into two separate processes involves more costs and these costs will need to be met by Council; and
- Undertaking two separate processes will require a longer use of internal resources.

Option 3. Parallel Process of Masterplan and Council initiated comprehensive Plan variation

58 This option involves undertaking a Council-led masterplan and a Council plan variation as single processes.

Advantages:

- Shorter time frame compared to option 2 when processing a masterplan and plan variation simultaneously;
- Commitment to Central Government partners would not be lost in regards to the HIF and MBIE, the NZTA and MOE;
- Ladies Mile private developers can have faith that Council are acting quickly; and
- A Council-led masterplan and plan variation is more likely to achieve the four investment objectives.

Disadvantages:

- Extended timeframes may mean that private developers will be unwilling to wait and could notify their own private plan variations;
- Council can seek to ensure outcomes of the masterplan & plan variation through the plan variation but there is no mechanism to force private developers to deliver the masterplan;

- Council is required to meet all the costs, noting a combined process will cost less than option 2; and
- Resource heavy but for relatively shorter periods compared to option 2.

59 This report recommends **Option 3** for addressing the matter as undertaking a Council-led masterplan and plan variation as a single process will provide an integrated and cost effective way of delivering a masterplan and plan change requirements in a timely manner that will promote improved community outcomes and an ability to deliver enhanced transport outcomes, public transport and active travel.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

60 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because although the Ladies Mile is a matter of strong community interest and importance to the Queenstown Lakes District, this report and its recommendation do not commit Council to specific undertakings.

61 As outlined in paragraphs 15 – 22, early consultation meetings were undertaken with the Ladies Mile landowners, community groups and partner organisations and stakeholders. Further statutory consultation will occur as part of the master planning and plan variation. All early consultation groups plus all those persons who are affected by or interested in this matter as residents of the Queenstown Lakes District community will also be able to submit on the and join the statutory process.

> MĀORI CONSULTATION | IWI RŪNANGA

62 Māori consultation is not applicable to the decision required in this report; consultation will be sought as part of the master planning and plan variation process.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

63 This matter relates to the Community & Wellbeing risk category. It is associated with RISK00056 Ineffective provision for the future planning and development needs of the district. This risk has been assessed as having a moderate inherent risk rating. The approval of the recommended option will support the Council by allowing it to implement additional controls for this risk. This shall be achieved by the statutory submission processes required under Resource Management Act 1991 (RMA).

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

64 The expected budget for the masterplan and the plan variation is estimated to be in the order of \$1 - \$1.4m. While some of this will be able to be funded by the already approved HIF, additional budget provision will need to be considered in the 2020/21 Annual Plan round. This will be the subject of further consideration by the Council during the annual plan deliberations.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

65 The following Council policies, strategies or bylaws were considered:

- a. Lead Policy for SHAs;
- b. The Operative and Proposed District Plan;
- c. Housing Our People in our Environment Strategy 2007;
- d. Economic Development Strategy 2015;
- e. Wakatipu Basin Land Use Study 2017;
- f. 2018/2019 and 2019/2020 Annual Plan Mahere -ā-Tau;
- g. Ten-Year Plan 2018-2028 He Mahere Kahurutaka;
- h. Procurement Policy 2016; and
- i. Significance and Engagement Policy 2017.

66 The recommended option is consistent with the principles set out in the named policy/policies.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAKA WAETURE

67 There is no statutory requirement to review the District Plan provisions for the Ladies Mile area at the present time. Master planning is a non-statutory process that falls under the general provisions of the Local Government Act 2002 around decision making and meeting the needs of communities and for infrastructure services (see section below).

68 The terms of the Housing Infrastructure Fund loan agreement are a further legal consideration but they should be able to be built into the detailed programme of works for the Masterplan and plan variation.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

69 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan; and
- Is consistent with the Council's plans and policies.

ATTACHMENTS | NGĀ TĀPIRIHANGA

- A Queenstown lakes District Council ladies Mile (Te Putahi) Masterplan Establishment Report