

MOUNT CARDRONA STATION PLAN CHANGE 18

REPORT TO THE COMMISSIONERS BY THE REPORTING PLANNER

1.0 INTRODUCTION

- 1.1 In a minute dated 27 June 2008 the Commissioners to the Mount Cardrona Station Plan Change hearing have raised two matters that require further consideration.
- 1.2 Firstly, the Commissioners requested a legal opinion in regard to the provisions for the Design Review Board (DRB) which provide that building is a permitted use if the DRB approves the plans for the building, but otherwise the use is non-complying. A legal opinion has been received in regards to this matter which identifies that the provisions as currently crafted are not lawful. It is therefore requested that this report consider the position that arises if the DRB provisions are amended.
- 1.3 Secondly, the Commissioners have requested that this report identify the position which would arise from deleting the ability to build secondary units within Activity Area 2.

2.0 THE PROVISIONS FOR THE DESIGN REVIEW BOARD

In responding to the request for further consideration of the provisions for the DRB this report identifies the rationale for the DRB, the recommendations in the Planners Report in response to submissions received in regard to this matter, an analysis of options for achieving the objectives relating to spatial planning and design, and based on that analysis makes recommendations.

2.1 The rationale for the DRB

- 2.1.1 Through the preparation of the Plan Change it has been recognised that achieving high quality design is extremely important in achieving a sustainable, integrated and successful community.
- 2.1.2 The Urban Design Report (Appendix 2.4 to the Section 32 Report) made the following recommendations in respect to achieving good urban design:

A number of mechanisms are available to address the urban design principles set out above. The District Plan objectives and policies set out the overarching framework and approach for development. The activity list and rules will also perform an important role in setting out the broad development parameters. However, they can provide only limited assistance in relation to design matters. It is recommended that the plan change provisions include a structure or concept plan to set out a broad spatial framework for development of the Village. This is particularly useful to provide guidance on the spatial distribution of the main movement network and open space network, together with variations in activity mix and building forms.

An Open Space Zone should be utilised to protect and enhance key natural and cultural features such as the escarpment, Homestead Gully and the water races, and to ensure good physical and visual linkages between urban areas and the surrounding landscape.

It is also recommended that Design Guidelines are provided for the Village. Guidelines are useful in setting out and explaining the design intent for an area, but provide for a greater level of latitude to respond to different design responses than rules can do. This is useful to enable appropriate responses to the complex relationship between different design considerations. The use of design review panels is becoming more common, both within the Queenstown-Lakes District and throughout the country. Design Guidelines can provide a useful tool for such panels to guide their decision making.

- 2.1.3 In regard to the proposed provisions the Urban Design Issues Report (Appendix 2 to the Planners Report) identified:

“The Structure Plan together with the proposed site and zone standard development controls provide a framework for development that will contribute to a strongly defined urban structure and settlement pattern. The network of streets and open spaces together with the distribution of building scale and intensity will create a settlement with a strongly defined community focal point, a well connected and legible movement network, and a defined settlement edge that responds to its landscape setting”.

- 2.1.4 The Structure Plan for the Mount Cardrona Station Special Zone (the Special Zone) provides key elements of design, establishing where the boundaries of development should be, where within those boundaries different activities and different intensities of activities should be, and thus establishing the spaces between buildings and how different activity areas relate to the public realm.

- 2.1.5 The rules for the Plan Change assist in achieving this structure through imposing controls on matters such as densities, heights, building setbacks and coverage. In addition, the rules limit the range of activities that can occur within each Activity Area. These provisions ensure that the framework of the development is achieved, creating a pattern of development and ensuring appropriate relationships between built forms and the surrounding environment.

- 2.1.6 Once the structure is defined the remaining consideration is the design of the buildings themselves. Because the structure plan and associated rules control matters such as location, height and size the design relates only to the external appearance of the building. This component becomes difficult to manage because while there is a need to ensure that materials, articulation and colours are appropriate to the wider setting and surrounding buildings, flexibility is needed so that the development does not become ‘contrived’, and good design outcomes are limited by restrictive and inflexible rules.

- 2.1.7 It is noted that within Activity Area 2 there are no controls on side yards or recession planes because. This is because of the difficulty in establishing such rules given that they reduce the ability to provide the range of different typologies that are encouraged. For example, if recession planes were adopted this may exclude terrace housing to be developed. It was felt that these matters were best dealt with through the DRB process.

- 2.1.8 In other greenfields sites the design of buildings has been controlled through both design guidelines and District Plan rules. This is costly to future landowners given that they have to pay for both design review and controlled activity resource consent. It is difficult to see the value added by the controlled activity consents given that they are limited in scope and add to more detailed and in-depth design requirements imposed outside the District Plan.

- 2.1.9 Given these issues it was proposed that the structure of the Special Zone would be achieved through the structure plan and associated rules. In addition to this, rules would be used to ensure that every subdivision consent and every building is approved by a DRB. The DRB would be assisted by a set of Design Guidelines and the objectives, policies and assessment matters of the Special Zone. It was proposed that the requirement for approval by the DRB would be achieved by the following provisions:

Zone Standard 12.22.5.2(iii)

iii. Design Review Board

Every application for building consent for any building to be constructed within the Mount Cardrona Station Special Zone shall be accompanied with written approval for the building by the Design Review Board.

Zone Standard 15.2.6.3(i)

(h) Mount Cardrona Station Special Zone

(i) The Certificate of Title for each allotment within the Mount Cardrona Station Special Zone shall be subject to a consent notice requiring that prior to the approval of any subdivision consent or building consent, the written approval of the Design Review Board for the subdivision or building shall be obtained.

All buildings and subdivisions that had the approval of the DRB would be a permitted activity (subject to meeting all other site and zone standards).

2.1.10 In addition, assessment matters for subdivision were inserted to refer specifically to the Special Zone in terms of matters such as roading and subdivision design.

2.2 Recommendations resulting from submissions

2.2.1 Brooklynne Holdings Limited submitted that the permissive regime proposed by the Plan Change is not in the best interests of the Cardrona Valley, does not ensure that the objectives and policies for the Special Zone will be met, and may lead to environmental outcomes that the Plan Change is trying to avoid. At the pre hearing meeting held on 9 April 2008 and at the hearing the submitter raised concerns regarding the legality of the DRB.

2.2.2 In response to this submission the Planners Report recommended that further explanation of the DRB be included in the Plan, and that buildings within Activity Areas 1 and 5a become a controlled activity. The reasons for these recommendations read:

"In order to achieve the urban design objectives for the Plan Change the design of all buildings within the Special Zone needs to be managed. In order to provide a practical approach that balances providing some flexibility to achieve good design outcomes with providing certainty into the future, the approach as notified was to require that all buildings are approved by a DRB prior to building consent application. The DRB would be assisted by the Design Guides, included within the Plan Change documentation as notified.

Achieving high quality design within the Village Centre and at the entrance to the Special Zone is important, and controlled activity status for buildings within Activity Areas 1 and 5a provides certainty in this regard. It does increase duplication and resource consent requirements; however, it is considered necessary given the importance of these Activity Areas in terms of setting the scene for the Zone.

Requiring controlled activity consent for every other building in the Zone is not practical or necessary. Instead, in order to provide certainty into the future it is recommended that better reference to the composition of the DRB is provided within the Plan provisions." (page 49, Planners Report)

2.3 Consideration of options

2.3.1 A legal opinion obtained from the Council's solicitors found that the DRB process as proposed by the Plan Change is not lawful and therefore further consideration of methods available to achieve the objectives of high quality urban design is necessary.

2.3.2 Brooklynne Holdings Limited identified a concern that the rules as proposed would not be effective in achieving the objectives and policies for the Special Zone. The following identifies the relevant objectives and policies and identifies the methods used to achieve each. This highlights those that rely on the DRB process, and therefore highlights those that require further consideration of the most appropriate method for achieving them. Please note that Attachment 2 to the Section 32 Report provides an analysis of the methods used for achieving all of the objectives and policies. The following table builds on that information, providing additional detail relevant to this discussion.

Provision	Method
<p>Spatial Planning and Design</p> <p>Objective 6</p> <p><i>A coherent site layout that provides a heart to the Village, and creates a legible, safe, attractive and efficient environment with a strong character and identity that reflects its unique location.</i></p>	<p>Creating a coherent site layout is achieved through the structure plan and associated rules. Strong character and identity is achieved through both the structure plan, for instance, creating the green fingers and other public spaces, but also through the design of individual buildings.</p>
<p>1.1 <i>To provide a clear framework for locating activities, building volumes and densities that are appropriate to their location within the Village, and their function and form.</i></p>	<p>Providing a clear framework for locating activities is achieved through the structure plan and associated rules controlling densities, building volumes and locating activities.</p>
<p>1.2 <i>To ensure building and subdivision design occurs that:</i></p> <ul style="list-style-type: none"> • <i>Contributes positively to the overall Village structure;</i> • <i>Creates an integrated network of safe and pleasant streets and walkways;</i> • <i>Is in harmony with the natural environment;</i> • <i>Recognises the character of the Cardrona Valley and the vision for the Zone;</i> • <i>Creates a vibrant and integrated community;</i> • <i>Enables the creation of a high quality living environment.</i> 	<p>Ensuring subdivision design that achieves the bullet points can be achieved through implementation of the structure plan (all subdivision and development must be in general accordance with the structure plan). However, it is difficult to see how building design could contribute to the overall village structure or create an integrated network of streets and walkways.</p> <p>The fourth bullet point relies on careful consideration of design so that it recognises the distinct character of the Cardrona Valley.</p>
<p>1.3 <i>To design the bulk, form and mass of individual buildings to blend with the natural form and character of the landscape and to reflect the cultural and historical associations of the Cardrona Valley.</i></p>	<p>The bulk and form of buildings is managed by the site and zone standards. These controls provide a baseline within which different designs can be achieved. In order to achieve buildings that blend with the natural form and character of the landscape and reflect the cultural and historical associations of Cardrona further design guidance is needed beyond the</p>

	site and zone standards.
1.4 <i>To achieve a public realm and built environment that contributes to the creation of a strong sense of place/identity.</i>	This is achieved through the underlying structure of the Zone, which establishes the location and form of the public realm. Design of open space areas relies to an extent on subdivision design. However, the design of individual buildings also contributes to the sense of place.
1.5 <i>To ensure that development occurs in accordance with the Structure Plan.</i>	This is achieved through site and zone standards.
1.6 <i>To ensure the location of open spaces and alignment of streets reinforces key views and vistas</i>	This is achieved through the structure plan.
1.7 <i>To design and locate buildings and structures in such a manner that they:</i> <ul style="list-style-type: none"> • <i>Positively address the street and public places in order to contribute to neighbourhood amenity values including pedestrian accessibility and safety, and streetscape values such as diversity and attractiveness;</i> • <i>Optimise solar access;</i> • <i>Promote social interaction through placing buildings on site so that they front public open space;</i> • <i>Retain human scale;</i> • <i>Provide for efficient and comprehensive infrastructural servicing.</i> 	This can be achieved to some extent through establishing the underlying structure for the Zone and through subdivision consents. Subdivision can create allotments that enable buildings to front public spaces and gain good solar access. Retention of human scale is achieved through height rules and comprehensive servicing is achieved through implementation of subdivision rules.
1.8 <i>Within the Village Precinct, to encourage building design that can adapt to a range of activity mixes, and provide effectively for the provision of commercial activities at ground level.</i>	This is achieved in part through the stud height rule (Rule 12.22.5.1(vi), but could be assisted by providing guidance on building design.
1.9 <i>To ensure that parking areas and garaging do not dominate the street, and within the Village Precinct, to encourage the provision of underground car parking where feasible.</i>	This is achieved through providing farm yard car parks, achieved at the time of subdivision, in addition to Site Standard 12.22.5.1(ii)(e) requiring that all garages and carports are set back at least 1m from the front façade of the dwelling.
1.10. <i>To promote higher density development and commercial activities within Activity Areas 1 and 2, and reduce density towards the perimeter of the Zone.</i>	This is achieved through site and zone standards controlling minimum allotment sizes, building coverage, side yard setbacks and building heights.
1.11. <i>To ensure that activities within Activity Areas 3 and 4 are in</i>	This is achieved through site and zone standards controlling building bulk (site

<i>keeping with residential intensity and character, and do not create nuisance effects such as noise, odour or obtrusive lighting.</i>	coverage, setbacks and heights) and the effects of activities (noise standards etc).
---	--

- 2.3.3 The above consideration of relevant objectives and policies for the Zone illustrate that, of the 11 policies for Spatial Planning and Design 5 require consideration of the design of individual buildings. As notified the Plan Change proposed to achieve the building design component of those 5 policies through the requirement for DRB approval and associated design guidelines.
- 2.3.4 Given that the legal opinion found that the provisions as proposed are not lawful, the following options for achieving the policies are available to the Council:
- (1) Impose controlled activity resource consent on all buildings within the Zone;
 - (2) Rely on the structure plan and associated site and zone standards and control design through methods outside the Plan;
 - (3) Impose controlled activity consent on buildings within Activity Areas 1 and 5a;
 - (4) Rely solely on the developer to impose design controls;
 - (5) Insert design rules into the Plan. For example, rules controlling materials, roof pitch and colours.
- 2.3.5 The following provides a brief analysis of the costs, benefits, effectiveness and efficiency, risk of acting and not acting and appropriateness of each of these options.

Option 1: Impose controlled activity resource consent on all buildings within the Zone

This option involves imposing a controlled activity resource consent on every building within the Zone. Control could be reserved over external appearance, lighting, materials and impact on streetscape.

The controlled activity rule would enable the Council to consider the external appearance of every building and impose conditions where considered necessary. The assessment matters could refer to the Design Guidelines for the Special Zone, so that additional guidance would be provided in terms of the character envisaged for the Zone.

Costs

Requiring resource consent for every building imposes costs on future landowners in terms of preparation of resource consents and processing costs.

The consent requirement would potentially create time delays. If the required information is not provided at the outset these time delays could become worse as a result of requests for further information.

Each resource consent would likely be processed by a planner with the decision making powers delegated to a commissioner. There is no certainty that the planner or the commissioner would have any knowledge of the background to the Plan Change or the overall objectives of the Zone (which may not be considered given that matters over which control is reserved would be restricted to certain specific matters). Further, given the controlled activity status it is unlikely that professionals with urban design experience would assess each building; and if this were to occur it would add further costs.

A key objective for the Special Zone is to enable affordable housing. Imposing the costs associated with controlled activity resource consents reduces the affordability of buildings.

If the Design Guidelines are referred to within the Plan they can not be changed without undertaking a plan change.

Benefits

The requirement for a resource consent for every building (in addition to requiring that all of the site and zone standards are met) would ensure that the Council has control over the design of each building. This would limit the risks associated with inappropriate buildings.

The controlled activity consent can not be declined, providing some certainty to future landowners. However, conditions may be imposed.

The Design Guidelines can be used to assist in the assessment of each building.

Effectiveness and Efficiency

This option imposes an additional layer of control on every building. This control imposes time and cost delays on all future landowners. Given the importance to the developer in achieving high quality design throughout the Special Zone it is likely that this requirement would be imposed in addition to requirements imposed separately by the developer.

Controlled activity consent can ensure that matters such as materials and colour are appropriate to the landscape setting. This coupled with the site and zone standards and the overall structure of the Special Zone established through the structure plan would help to ensure that the design objectives are achieved.

The Special Zone aims to achieve an integrated community. Commercial activities are enabled within Activity Area 1, but the other Activity Areas (2, 3 and 4) provide primarily for residential activities. Given that we know these activities can be absorbed into the landscape and that the building coverage, bulk, location and heights are managed through site and zone standards, it must be questioned whether an additional layer of control is in fact necessary, particularly if that control results in cost and time delays.

Risks of acting or not acting

The risks associated with this option are that the Zone becomes less affordable and therefore less desirable for lower to medium income families.

Controlling the design of buildings would largely be for the purposes of internal amenity within the Zone. If a controlled activity rule is not inserted within the Plan it is likely that the developer would impose restrictions on future landowners in order to protect the future viability and success of the Zone.

There is a risk that imposing controlled activity status will result in a bland development where all of the buildings are the same or a similar colour, and all are constructed with the same or similar materials. In comparison the design review process offered an opportunity to provide some flexibility and to give due consideration to innovative site responses.

Appropriateness

Imposing controlled activity consent on all future buildings within the Zone is not considered appropriate.

Option 2: Rely on the structure plan and associated site and zone standards and control design through methods outside the Plan

This option involves removing provision for the DRB from the Plan, and thus enabling all buildings that meet the site and zone standards as permitted activities.

The Stakeholders deed could be used to ensure that a design review process is established. This process would be separate to any of the controls within the Plan and could be agreed between the Council and the developer.

Costs

The Stakeholders Deed is not a public document and to amend its provisions relies on agreement between the Council and the developer without community involvement.

This option relies more heavily on the developer ensuring good design outcomes through private agreements and notices on the certificate of title of each allotment. There is a risk that in time this process becomes less effective.

A DRB process would impose costs on future landowners.

Benefits

This option provides greater flexibility into the future given that the design review sits outside the District Plan. If they were not referred to in the Plan the design guidelines could be changed as and when necessary without having to undertake a plan change. If agreed between the Council and the landowner such changes could be subject to Council approval.

This option acknowledges that the form of buildings and their relationship to the surrounding environment is managed by the site and zone standards and that separate processes can be provided that sit outside the Plan process that achieve good design outcomes for individual buildings.

Effectiveness and efficiency

This option avoids the time and monetary costs associated with requiring resource consents for each building. It would be effective in achieving the objectives and policies for spatial planning and design, given these rely on the structure plan and associated site and zone standards. However, it relies on the initiatives of the developer and the Council to achieve the policies relating to design of individual buildings. This option is efficient as it relies on processes outside the Plan to ensure good design outcomes which could reduce costs and time delays usually associated with consent processes.

Risks of acting or not acting

The risks associated with this option are that without control through the Plan the Council may have less control over the type of design that will occur. If design is not appropriate the developer risks creating an unsuccessful development that does not get taken up.

Appropriateness

The identity and character of a place is largely created through the underlying structure and the spaces around buildings (particularly the public realm). The design of individual buildings does play a part in establishing sense of place. However Plan rules are not the most appropriate method for achieving good design of each building. This is because Plan provisions are a relatively blunt instrument that can't anticipate unique design responses that may contribute to the visual interest and character of the evolving settlement. Plan rules may in fact restrict the ability to achieve good outcomes.

This option is considered appropriate. It relies largely on achieving the framework of the development through the structure plan and associated site and zone standards, and relies on a more flexible design review process that sits outside the Plan to assess detailed design considerations of individual buildings. Using a DRB enables the use of a panel of professionals.

Option 3: Impose controlled activity consent on buildings within Activity Areas 1 and 5a

This option involves requiring controlled activity resource consent for any building within Activity Areas 1 and 5a, while retaining the permitted status for buildings that meet the site and zone standards in all other activity areas.

The Planners Report recommended this option, while also recommending retention of the provisions for the DRB (page 46 of the Planners Report).

Costs

This option imposes costs on landowners within Activity Areas 1 and 5a in that resource consent would be required for any building.

If a design review process is provided that sits outside the District Plan there would be a double up of assessment for buildings within Activity Areas 1 and 5a, adding costs to landowners and potentially becoming confusing if the resource consent decision is different to the findings of the DRB.

Benefits

Activity Areas 1 and 5a are the focal points to the new village and their design and visual appearance is important for achieving a successful and vibrant village centre. The controlled activity consent for all buildings in these activity areas helps to ensure that good design is achieved. This is also important given the scale of the buildings that can be provided and the importance of achieving good co-ordination between buildings.

This option requires controlled activity consent for that area where it is considered necessary, but avoids imposing unnecessary consent requirements on the residential areas of the Zone, where individual building design is not critical to the success of the Zone.

Effectiveness and efficiency

This option is efficient in that it does not impose additional costs on landowners within the residential areas of the Special Zone. The underlying structure of the Special Zone ensures that the spaces between buildings within the residential areas achieve a sense of place. Given the importance of Activity Areas 1 and 5a additional control over the design of buildings with guidance for assessing those buildings would be effective in achieving a successful and attractive entrance and hub to the Special Zone. Given the scale of the buildings enabled within Activity Area 1 and the location of Activity Area 5a where it is highly visible from the Cardrona Valley Road, it is important that the design of buildings within these areas, in addition to the layout and structure, creates a sense of place.

Risk of acting or not acting

There is a risk that the decision of the Council on the controlled activity consent application is inconsistent with the decision or recommendation of the DRB. If the design guidelines are referred to in the Plan as assessment matters they can only be amended by way of a plan change. Given the timeframes for a plan change there is a risk that the guidelines used by the Council would become outdated. There is a risk that design of residential buildings is unattractive.

Appropriateness

This option is considered appropriate. It achieves a level of certainty in terms of the design of buildings within Activity Areas 1 and 5a while providing greater flexibility for those buildings within the Activity Areas that provide a more residential environment.

Option 4: Rely solely on the developer to impose design controls

This option involves the Council relying solely on the structure plan and associated rules to achieve the underlying structure of the development, and on the developer (and future landowners) to manage the design of individual buildings.

Costs

If the developer decides against controlling the design of individual buildings their design may be such that the development is not as successful and vibrant as it could have been and lacks a distinctive sense of place.

The development could be more visible from surrounding vantage points if materials and colour are not appropriate to the location of the Special Zone.

The objectives associated with the Special Zone in regards to achieving a character that respects the heritage values of Cardrona may not be achieved.

There may not be any consistency and appropriate relationship between buildings.

Benefits

There is no imposition of costs on future landowners as a result of consent requirements.

In order to ensure the success of the development it will be imperative for the developer to manage design of built form, in order for the Special Zone to have a sense of place and point of difference from other developments. Therefore it is likely that some form of control on design form would be in place.

Effectiveness and efficiency

This option is efficient in that it relies on the market to ensure good design at the individual building level. Given that the underlying structure of the Special Zone is established by the structure plan and associated site and zone standards this option is largely effective in achieving the objectives and policies.

Risk of acting or not acting

The risk associated with this option is that the development will not achieve a sense of identity or character because the buildings are not designed appropriately, and have a poor relationship to each other. This is a risk for the developer in that the development may not be attractive and therefore may be unsuccessful. The risk to the wider community is that the community benefits associated with the development may not be realised (i.e. take up of the development is low therefore there is no demand for commercial activities or education facilities). However, given that the underlying structure of the Special Zone would still be achieved there is no great risk to landscape values.

Option 5: Insert design rules into the Plan. For example, rules controlling materials, roof pitch and colours

This option involves inserting additional rules within the Plan controlling specific design matters such as materials, colours and roof pitch. It could also involve imposing setbacks or recession planes within Activity Areas 1 and 2, thereby controlling the relationship between buildings in these higher density areas. These rules would be inserted as site standards, and by necessity would have to be measurable and enforceable. The assessment matters for these rules could refer to the design guidelines to assist in assessment of consents where different materials or colours etc are proposed.

Costs

This option provides little flexibility in the configuration of buildings on higher density sites and restricts design by requiring certain materials, colours and roof pitches which would be identified at the outset (i.e. prior to the Plan Change being finalised). Resource consents would be required if other materials etc were chosen which would impose costs on the landowner.

This may result in a monotonous development, where there is little variation between buildings.

The rules would impose objective criteria on matters that are often subjective. For example, colours would be chosen that are considered 'appropriate'; these colours would have to be appropriate for the life of the Plan unless plan changes were undertaken.

Good design comes from a consideration of the relationship between a range of factors, not just these specific matters. Given the need to provide objective and measurable rules these provisions have to be limited in their scope.

Benefits

Avoids lengthy consent or DRB processes by specifying rules for specific matters.

The consent process could be used to enable some variation to the provisions. This would ensure that such variation is appropriate and retains the overall character.

Effectiveness and efficiency

This option is efficient in that if the rules are met then consent is not required. It also avoids the need to require DRB approval. However, by necessity the rules focus on a narrow range of matters, and must be measurable and enforceable. This may limit the ability to achieve good design and provides little flexibility. For these reasons it may not be effective in achieving a sense of place and identity through good design that builds on the underlying structure of the Special Zone.

Risk of acting or not acting

The risks of this option are that the rules are inflexible and create a monotonous development with poor design outcomes. While the rules may avoid bad design they may impinge on the ability to achieve great design. There is a risk that the rules adopted today will be out of date in a few years time given changes in available colours and materials, resulting in the need for a plan change.

Appropriateness

While this option would be effective in avoiding bad design of individual buildings it may result in an undesirable development with a uniform relationship between buildings in the higher density area, and buildings with the same roof pitch, colour and materials. Some diversity is needed and for this reason the Plan Change promoted the design review process to ensure some flexibility could be achieved.

2.4 Recommendation

2.4.1 The above analysis considers 5 options available to the Council. It is recommended that a combination of Options 2 and 3 is adopted, whereby a controlled activity rule is inserted for Activity Areas 1 and 5a, and the design of individual buildings is also managed by way of methods that sit outside the Plan.

2.4.2 This recognises the importance of the design of individual buildings in achieving the character and sense of place for the Special Zone, but also recognises that good design is subjective, and there is a need to provide some flexibility in the assessment of design. It is recommended that reference to the Design Guidelines is retained within the Plan. This means that plan changes are required into the future if the design guidelines are to be amended. However, it also means that the guidelines have some legal status and can assist in assessing buildings within Activity Areas 1 and 5a.

2.4.3 The controlled activity rule for buildings within Activity Areas 1 and 5a would read: (Please note that additions and deletions are shown as underlined or strike through to the rules as recommended in the Planners Report)

vi. Buildings within Activity Areas 1 and 5a.

Matters over which control is reserved:

- *External appearance including colour and materials;*
- *Site configuration, and building orientation;*
- *Signage;*
- *Lighting;*

- ~~—Materials;~~
- ~~—Impact on the streetscape.~~
- Landscaping.

2.4.4 Slight amendments are suggested to the matters over which control is reserved, giving greater direction in terms of assessing external appearance, referring to site configuration and building orientation which can relate to orientation to the street or to open space or the sun, and including landscaping which is an important component of establishing the character and identity of the Zone.

2.4.5 While Mount Cardrona Station submitted that signage should be deleted given that a separate resource consent is required it is recommended here that it is retained as a matter over which control is reserved. Signage is an important component of the overall design of a building and should be considered at the time that the building is being assessed. It could be argued that signage is encompassed within external appearance, however including it as a separate matter clarifies that it should be considered.

2.4.6 It is recommended that the Assessment Matters are also amended slightly as follows

(iv) *Controlled Activity- buildings within Activity Areas 1 and 5a*

In considering applications for buildings within Activity Areas 1 and 5a, the Council shall take into account the Design Guidelines for Mount Cardrona Station, ~~the approval of the Design Review Board,~~ and the extent to which:

- (b) *The building has been considered as part of the wider environment in terms of how it reflects its location within the Village and the location of the open spaces it may face;*
- (c) *Views to the surrounding mountains have been considered in the design of the building;*
- (d) *The building design provides visual interest through articulation and variation;*
- (e) *The ground and first floor facades of the building establish a strong relationship to pedestrians, and the ground floor appears accessible;*
- (f) *The building design is sympathetic to the character of the Village, having regard to:*
 - *materials*
 - *glazing treatment*
 - *vertical and horizontal emphasis*
 - *Colours.*
- (k) *Proposed landscaping is consistent with the Design Guidelines, utilising plant species that reflect the surrounding environment, are drought tolerant and reflect the character of the Zone.*

2.4.7 It is recommended that the design of buildings within other Activity Areas of the Special Zone are managed by way of a design review process that sits outside the Plan, and therefore that Zone Standard 12.22.5.2(iii) is deleted.

2.4.8 The requirement to gain design approval could be imposed through consent notice on each individual title, therefore it is recommended that 15.2.6.3(i) Zone Standard is amended as follows:

(h) *Mount Cardrona Station Special Zone*

- (i) *The Certificate of Title for each allotment within the Mount Cardrona Station Special Zone shall be subject to a consent notice specifying that design review of future subdivision and building shall be undertaken. ~~requiring that prior to the approval of any subdivision consent or building consent, the written approval of the Design Review Board for the subdivision or building shall be obtained.~~*

- 2.4.9 It is assumed that such a provision is lawful. The rule does not require the approval of the DRB but simply requires that a consent notice is imposed. If the Zone Standard is not achieved (i.e. if a consent notice is not specified) then the subdivision is a non-complying activity. The consent notice is applied at the time of subdivision consent, and compliance with the rule is assessed by the Council.
- 2.4.10 The following provides recommended amendments to the Stakeholders Deed between Council and Mount Cardrona Station Limited. The purpose of these changes is to provide greater certainty in regard to the DRB process. Paragraph 8.4 referred only to residential lots, meaning that owners of lots used for visitor accommodation or commercial activities were not subject to the design review process. This has been amended to refer to 'Lot' so that it applies to all future land owners.

8. Development controls/design guidelines

8.1 *The parties agree that Design Guidelines will be agreed and implemented to help achieve design objectives. The Design Guidelines shall be finalised prior to the Plan Change becoming operative. Assessment Matters within the Plan will refer to the guidelines.*

8.2 *The Developer will incorporate a Society under the Incorporated Societies Act 1908, which (amongst other things) will enforce Design Guidelines through bylaws made by the Society. The Developer agrees that the constitution of the Society shall provide for the establishment of a Design Review Board, as a subcommittee of the Society, ~~and that such Design Review Board shall include one representative nominated by the Council.~~ The Design Review Board shall be established in agreement with the Council and shall consist of a panel of at least four, agreed to by Council and the Developer. This panel will include representatives of the following professions: architecture, urban design, resource management planning and landscape architecture.*

8.3 *It is intended that the Design Guidelines be a "living document" which can be amended from time to time. Given that the Design Guidelines are referred to in the Plan any amendment shall be subject to the plan change process. The Design Guidelines shall form part of the bylaws made by the Society. Residents within the Development will be required to comply with the constitution and bylaws of the Society, and therefore with the Design Guidelines.*

8.4 *The Developer agrees that a covenant shall be registered against titles for each ~~Residential~~ Lot within the Development in favour of Council requiring all registered proprietors within the Development to be members of the Society and to comply with the constitution and bylaws.*

3.0 DELETION OF THE ABILITY TO BUILD SECONDARY UNITS IN ACTIVITY AREA 2

3.1 Rationale for secondary unit provisions

- 3.1.1 A key objective for the Plan Change is the establishment of an integrated and sustainable community. Providing affordable housing options within the Zone assists in achieving this objective.
- 3.1.2 Two avenues for providing affordable housing options have been progressed. Firstly, an agreement between the developer and the Council that ensures that a certain amount of affordable housing will be contributed. Secondly, through Plan provisions that enable the provision of a range of housing typologies and the provision of secondary units.
- 3.1.3 Secondary units are defined as:

Secondary Unit: *In the Mount Cardrona Station Special Zone means a residential activity that:*

- *Consists of no more than one unit in the same ownership as the residential unit; and*
- *Has a gross floor area of between 35m² and 60m²; and*
- *Contains no more than one kitchen and one laundry; and*
- *Is within the same certificate of title as the residential unit.*

3.1.4 Secondary units, subject to meeting site and zone standards, are a permitted activity throughout the Zone. Within Activity Areas 2 and 3 a site coverage bonus is provided, whereby provision of a secondary unit in addition to the residential unit enables a 10% increase in site coverage. Outdoor living space is required for each secondary unit within Activity Areas 2 and 3, recognising that the increased site coverage risks reduction of on-site amenity.

3.1.5 Visitor Accommodation is a controlled activity within Activity Areas 1 and 2, a discretionary activity in Activity Area 3 and a non-complying activity in Activity Areas 4, 5, 6 and 7. Visitor accommodation is also non-complying within any secondary unit; this is to ensure that the secondary unit is used for long term rental or living accommodation.

3.1.6 The provisions for secondary units were derived specifically to provide an affordable housing option. This enables landowners to build both a secondary unit and primary dwelling on the same lot. The secondary unit can be built first subject to a requirement in the Design Guidelines that the primary and secondary units are designed comprehensively (i.e. assessed comprehensively by the DRB).

3.1.7 Secondary units were not included within any calculation of yield, primarily for two reasons. Firstly, secondary units are beneficial from an affordability perspective and should be encouraged, and secondly, they are restricted in size and use and therefore are not considered a 'dwelling' or 'visitor accommodation' unit.

3.2 Submissions

3.2.1 Mount Cardrona Station Limited submitted in support of the secondary unit provisions and requested amendment to the definition to provide greater clarity. No submissions were lodged opposing the provisions for secondary units.

3.2.2 Brooklynne Holdings, Upper Clutha Environmental Society and Toni and Leslie Rasmussen lodged submissions opposing the Special Zone area proposed by the Plan Change, questioning why the size of the Special Zone needed to increase as proposed. This issue has been addressed in Section 4.3 of the Planners Report.

3.2.3 None of the submissions referred specifically to the yield analysis undertaken for the Special Zone. In terms of density the submissions supported providing a compact urban form, preferring higher density over a smaller land area as opposed to lower density over a larger land area. It could be argued that these submissions provide scope to consider the yield of the development, given that the yield has to some extent been the basis for determining the size of the Special Zone.

3.2.4 Because yield was not raised specifically within the submissions it has not been addressed within the Planners Report. Given that this matter is now at issue please find attached a Yield Assessment prepared in October 2006 by RA Skidmore Limited (Appendix 1). This assessment was for the purpose of establishing the development yield of the existing RVZ, and therefore the potential yield that should be provided within the new Zone. It should be noted that this paper was prepared during the iterative process of developing District Plan provisions and some references to the yield for various Activity Areas is different from the provisions that were notified.

Updated yield calculations prepared by Urbanism + were presented at the hearing by Kobus Mentz on behalf of Mt Cardrona Station Limited.

3.3 Consideration of the position created if secondary units can not be provided within Activity Area 2

3.3.1 The Minute of the Commissioners has requested a report on the position that would arise from deleting the ability to build secondary units in Activity Area 2.

3.3.2 Removing the ability to provide secondary units (if they are included within the term 'unit') within Activity Area 2 would have the effect of potentially reducing the overall yield calculation by about 250 units (based on the evidence of Kobus Mentz presented to the hearing on Tuesday 24 June 2008, in which Activity Area 2 would achieve 250 primary units. This material is attached as Appendix 2.). This is based on assumption that every allotment would provide a secondary unit which is unlikely given that visitor accommodation is a controlled activity, and not every residential lot owner would want a secondary unit.

3.3.3 While the overall 'number of units' that could be built within the Zone may be reduced it is questioned whether it is appropriate to compare a secondary unit to a visitor accommodation unit. Given their different purposes and the fact that the secondary unit better achieves the objectives for the Plan Change in terms of achieving an integrated community it may not be appropriate to assess them equally.

3.3.4 While the permitted baseline for the Plan Change is derived from the yield associated with the existing RVZ, when determining what is the most appropriate option in order to achieve the purpose of the Act and the settled objectives and policies of the Plan yield has not been the sole focus. Instead it has been one of a number of considerations. Focussing on yield raises the following issues:

- The potential yield derived from the existing RVZ is extremely difficult to quantify specifically.
- An objective of the Plan Change is to achieve a sustainable and integrated community that is vibrant and successful. Therefore we want people to desire to live there, and to achieve a critical mass so that they can live, work and play in the same location. We should not restrict that from occurring because of an estimated yield.
- The yield generated from the Plan Change is difficult to determine. In their preparation of the master plan Urbanism + provided a detailed design plan for the Zone, testing that the provisions and structure plan would work at the time of subdivision. This assessment found that the master plan would achieve around 969 units, or rounded up, 1000 units. This takes into account internal roading (farmyard courts), parking and outdoor living space and provides one scenario of how the Zone may be developed.
- There are a range of other benefits derived from the Plan Change, including open space protection, heritage values, sports fields, walkways, affordable housing, infrastructure, and the education precinct. How do these benefits get weighed up against yield?
- When the yield associated with the existing RVZ is determined no consideration is given to the potential to develop into the Rural General Zone alongside the RVZ. This issue is addressed on page 20 of the Planners Report where it finds that there is a risk of development spreading across the terrace should the RVZ be developed as enabled by the Plan.
- It is questioned whether we can compare the yield of a zone that provides specifically for visitor accommodation with the yield of a zone providing a range of activities, living environments and other benefits.

3.3.5 In addition to reducing the potential number of 'units', deleting the provision of secondary units in Activity Area 2 may:

- Remove the site coverage bonus for secondary units. Therefore overall building coverage would be decreased slightly.
- Result in more visitor accommodation being provided within this area. While the site coverage is the same as for residential activity visitor accommodation does not have an outdoor living space requirement nor a minimum gross floor area.
- Remove the ability for different forms and typologies of secondary units. In Activity Area 2 the structure plan provides a layout that is suitable for sites to be serviced via rear lanes. This provides the opportunity to accommodate a secondary unit above the garage accessed off the rear lane. This is a different typology than is likely to eventuate in Area 3.

3.4 Options

3.4.1 It is assumed that the reason for deleting provisions for secondary units within Activity Area 2 is to reduce potential yield. There may also be concern regarding the density within Activity Area 2, however, this matter was not raised as an issue by submitters.

3.4.2 The following provides a brief analysis of other options:

(1) Remove site density bonus for secondary units

An alternative to removing provision for secondary units within Activity Area 2 could be to remove the site coverage bonus within Activity Areas 2 and 3. This would likely reduce the number of secondary units provided given that it would be difficult to fit them within the sites. This would therefore reduce potential yield. However, it would likely reduce affordable housing options associated with secondary unit provision and provide less flexibility for design options.

(2) Remove provisions for secondary units from Activity Area 1

The provision for secondary units could be removed from within Activity Area 1. While this Activity Area aims to provide for visitor accommodation and commercial activities residential activities including secondary units are permitted. This assists in creating a mixed use environment where residents can live and work and utilise commercial activities. However, given the site coverage and building heights provided within this Activity Area it is unlikely that secondary units would be provided. Also, it may be preferable to encourage visitor accommodation and single residential units to locate here.

(3) Place a 'cap' on total number of units allowed within the Zone

This option involves placing a cap on the total number of units provided within the Zone and would provide certainty as to total yield. However, it would be difficult to implement and raises the following questions:

- If there is a large demand for high density at the outset does this mean that the mix of housing typologies is not achieved because the 'cap' has been met?
- If the village is successful and a larger number of units is built than first envisaged is this a problem? It achieves the objectives for the Zone of creating an integrated and successful village.
- Would secondary units be included in the yield calculation?

Overall this option is not recommended. As identified above yield is only one matter to be considered. The Special Zone achieves a range of objectives, and the ability to achieve those objectives should not be stymied by a yield calculation that can at best be an interpretation of existing rules for the RVZ.

3.5 Conclusions

3.5.1 The Minute of the Commissioners has requested that consideration is given to the position created whereby provision for secondary units is deleted from Activity Area 2.

3.5.2 This report has assessed the scope for such a change. It finds that given the concerns raised by submitters in respect of the size of the Special Zone there is

scope to consider the potential yield of the Zone. If secondary units are included within the yield calculation then there is scope to consider their provision.

- 3.5.3 Deleting the provision for secondary units within Activity Area 2 would result in a reduced number of secondary units, and therefore a reduction of potential yield by around up to 250 units. This is assuming that all lot owners within Activity Area 2 would build a secondary unit, and also assumes that all of Activity Area 2 is residential rather than visitor accommodation. This would result in less affordable housing options and potentially reduces the site coverage within Activity Area 2.
- 3.5.4 An alternative may be to restrict the provision of secondary units within Activity Area 1, recognising the function of this area as the village hub and the fact that secondary units would be unlikely. Alternatively the site coverage bonus for secondary units could be deleted, thus removing some incentive for their provision. Once more this would reduce the ability to provide secondary units and would reduce the potential site coverage. It would also reduce potential yield.
- 3.5.5 It is concluded that reducing the ability to provide secondary units may be beneficial in terms of reducing yield. But conversely this would reduce the ability to provide secondary units as an affordable housing option and the potential to provide for a range of housing types and arrangements that contribute to the creation of a mixed and integrated community.

Jenny Parker
Arrow Resource Management
11 July 2008