

Submission on Queenstown Lakes Proposed District Plan Stage 3

Under Clause 6 of the First Schedule, Resource Management Act 1991

To: Queenstown Lakes District Council

Submitter: Universal Developments Hawea Limited

1. This is a submission on the Queenstown Lakes Proposed District Plan – Stage 3 (**Proposed Plan**)
2. Universal Developments Hawea Limited (**Submitter**) could not gain a trade competition advantage through this submission (clause 6(4)) of Part 1 of Schedule 1 of the RMA 1991).
3. The specific provisions that this submission relates to are: Chapter 20 Settlement Zone, rezoning of Hawea to LDR, and the location of the Hawea UGB; District Plan planning maps as those relate to the land the subject of this submission, as identified in **Appendices A and B**, and detailed further in this Submission.

Summary of Submission

4. The Submitter seeks that the land the subject of this submission (**Site**) as detailed further below, be rezoned to either one, or a combination of, the following development zones: Settlement; Low, Medium and / or High Density Residential; Local Shopping Centre; Mixed Business Use; Industrial, and / or any other development zone within the PDP which is considered to be appropriate for the Site. An alternative option for rezoning is to provide for a bespoke zone for the comprehensive development of the Site, which anticipates mixed use and residential urban development, and provides for a structure plan approach.
5. Consequently to the above zoning, the Site is sought to be included within the Hawea Urban Growth Boundary (**UGB**) (if determined there is to be one in the PDP), and any rural / urban buffer required as part of the UGB identification process may either be identified within, or outside of, the Site.
6. Further and additional zoning types, and their ultimate configurations over the Site, are also sought through this Submission. This includes the potential for a type of 'deferred' or 'future' urban zone, which could enable urban development of the Site in the future, depending on specific triggers for development such as timing, development capacity, or infrastructure upgrades.
7. Particular locations of the above zones, and their total size within the Site, are not provided in significant detail within this submission. This is to enable a finer-grained analysis of the appropriate makeup of residential and mixed use zoning over the total Site in the context of receiving public submissions and evidence.

8. Amendments to the text of particular zones within the PDP may also be required to be consequently amended in order to provide for site-specific aspects of this rezoning.
9. Additional rural land not specifically identified below in this Submission and which is adjacent to the to the land detailed in Appendices A and B may also be required to be included in the rezoning proposed through this Submission. The inclusion of such land may be considered necessary or desirable in order to create an urban – rural transition. Any such rezoning, although not identified in Appendices A and B, is specifically within the scope of this submission.

Land the subject of Submission

10. The Site is located adjacent to the current Hawea Township zone (to be rezoned "Lower Density Suburban") under Stage 3 of the PDP. The Site is currently bare rural land which is of marginal productive viability, in an agricultural sense. It is physically located to the immediate south of Cemetery Road, which is the Council's current notified Hawea UGB containing the Hawea township (proposed to be rezoned Low Density Residential). The Site is further bounded by Domain Road to the South-west, and the Lake Hawea Dam Burst Flood Hazard Area, to the East.
11. The Site is currently proposed to be zoned Rural Zone and Rural Residential Zone under stages 1 and 2 of the PDP, however that zoning, and the associated Hawea UGB, is already the subject of submissions and appeals to the PDP. Parties to these appeals have agreed to put this relief on hold, pending the notification of Stage 3 of the PDP. The Site also currently contains the area which is subject to the proposed Special Housing Area (**SHA**), on land adjacent to the southern edge of the current Hawea urban township, immediately outside of the current UGB. Resource consents have been lodged with Council for development of the SHA, and are currently being processed by Council. The SHA development comprises 32ha of land, and provides for around 490 residential lots, a community / commercial area, roading links, and public reserves.
12. Two options for rezoning have been included as Appendix A and B, either of which could include additional land as referred to in paragraph 9 above.
13. Appendix A (option 1) for rezoning proposes a southern boundary for a relocated Hawea UGB, which is aligned with the recent subdivision consent of RM 181232 (proposed Lot 1). Appendix B (option 2) for rezoning proposes that the Hawea UGB be located further to the South than option 1, along the current boundary of Lot 3 DP 343855. Appendix B is a slightly larger rezoning option which provides for potential further flexibility in the location of any ultimate UGB around the Site, and the inclusion of any rural / urban buffer, within the rezoned land, as may be required.

14. The legal description land ownership as included in Appendices A and B is further described below:

Legal Description	Ownership
Lots 1 and 2 DP 8474 (RT OT385/83, RT OT395/230)	YTP Nominees Limited, Catharine Stuart, Roger Stuart
Lot 1 DP 477596 (RT 663300)	Hallie Ruth Buckley
Lot 2 DO 477596 (RT 663301)	Bruce Roy, Stuart Roy, Suzanne Roy
Lot 1 DP 304937 (RT 19606)	Streat Group Ltd
Lot 1 DP 343855 (RT 180127)	Universal Developments Hawea Limited
Lot 2 DP 343855 (RT 180128)	Universal Developments Hawea Limited
Lot 3 DP 343855 (RT 180129)	Gerald Raymond Shaw

Reasons for the Submission

Landscape

15. The Site is currently zoned a mixture of Rural and Rural Residential Zone, and within the district-wide Rural Landscape Classification (**RCL**). The Site does not currently provide particular recreation or access opportunities to the public, given it is privately owned- unused farm land, and does not provide scenic amenity for Hawea residents, due to it being on the south side of the township, rather than the lake side.
16. The Hawea UGB Landscape Report, prepared by Bridget Gilbert July 2019, acknowledges the current Hawea UGB southern boundary is not particularly defensible or legible, and that already consented and zoned development to the south of this is likely to read as an extension of the Hawea settlement. Ms Gilbert does not comment on the rural character or amenity values of the Site as being particularly strong or important to retain, as opposed to the ability of this Site to absorb urban development. Ms Gilbert also acknowledges that, should the Hawea SHA be developed, this will further undermine the current UGB. She instead provides alternative options for its relocation further south over the Site.

17. The Site proposed for rezoning in this submission is bounded by a mixture of 'land use' and 'natural' boundaries, both of which are considered to be defensible. Domain Road to the West delineates a clear differentiation in land use development between the Site, to the East, and adjacent farm land to the West. The farm land to the West is of a higher quality soil, which has also been productively farmed and therefore reads as a different landscape unit to the Site itself (productive capacity is also discussed further below). A significant length of Domain Road is already planted, presenting an existing vegetative boundary. To the South and East of the Site, the Lake Hawea Dam Burst Hazard Area runs towards the Eastern edge of the Hawea settlement. This Hazard area runs roughly adjacent to the Eastern cadastral boundaries of the Site, however cadastral boundaries have been used for the purposes of this submission such that any urban – rural buffer could be provided for within the Site and protected in perpetuity in order to ensure that this revised UGB location becomes a more defensible and legible boundary than currently exists. The location of the trail providing connection to Hawea Flat School and the Hawea Domain running along Domain Road assists to provide a basis for a potential boundary on or near Domain Road.
18. The intention of this submission is to ensure the Site creates a compact urban form and a logical extension to the Hawea Township. This submission has the ability to create and ensure in perpetuity that defensible urban edges are created and which contain this development, rather than the creep that is anticipated under the current UGB and zoning. The current pattern of development and the existing UGB risks a 'bleed' of rural residential and lifestyle development to the South, which eventually may be infilled – this is not considered to be an effective and efficient use of the land.

Residential character and amenity

19. Hawea has a particular residential character and amenity. However the proposed Stage 3 zoning of much of Hawea to Low Density Residential Zone will have an effect on this existing character due to the potential for in-fill and greater intensification. Furthermore, the development of the Hawea SHA and Rural Residential Development to the South of the existing settlement will further increase its size and the community makeup will change.
20. Any ultimate rezoning of the Site will be able to appropriately respond to the current Hawea development pattern. Public and community amenities such as increased commercial and mixed use land, as well as recreation and open space opportunities will be provided for within the Site, and which will enhance the sense of community for Hawea.

Residential and mixed use development capacity and demand

21. Council's section 32 Report principally relies on Mr Fairgray's evidence and the Housing Development Capacity Assessment (HDCA) 2017 as the reason why further zoning and an extension to the Hawea UGB is not considered appropriate. This submission considered there are a number of flaws associated with reliance on this evidence and the HDCA as follows:
 - a) Despite the Council's HDCA detailing sufficient feasible capacity for residential growth, it is apparent 'on the ground' that such growth is not being realised, or being provided to the market. Complex commercial and market factors determine the rate at which residential land is released, including land holding patterns, interest rates, and affordability of particular development. This Site and its comprehensive zoning and development through the PDP has the potential to ensure that more competition in the

housing market is realised, and that housing and land products are provided to the market at the lower-end property prices across the District.

- b) Little consideration is given to differentials in land pricing across the District, and the effect this has on feasible development. Hawea's location and its current size limitations mean that sections developed within the Site will likely be at the lower end of the housing market price range and therefore a positive benefit across the District in terms of ensuring a mixture of housing type and options are available.
- c) The Site has the potential to provide significant mixed use and commercial development, to complement any residential development. This could include a central pocket or node of commercial / community development to service the wider Hawea Township, and a node of industrial development to service the wider area. The Section 32 Report only focuses on that part of Mr Fairgray's evidence discussing residential development capacity, as opposed to alternative and mixed use development options. It is clear that the current Hawea Township has only a very small footprint of local amenity / mixed use zoning and which is not sufficient to service the area.
- d) Given the Site is owned predominantly by one landowner developer, it enables assurance of a high quality, master-planned and comprehensive approach to development, rather than incremental or fragmented development. This also ensures that controls on the provision of open space, access linkages, and mixed use development will occur within the Site.
- e) The Section 32 Report is principally based upon a 'needs' assessment of development, as opposed to any effects-based RMA planning. The effects on other Part 2 matters under the RMA, such as landscape, amenity, production capacity, hazards and infrastructure should be the principle drivers for rezoning and UGB location, rather than solely a needs-based assessment.
- f) The Section 32 Report does not consider the possibility of deferred or future urban zonings, or future urban growth boundaries, which can be anticipated in the plan. Such zoning tools can be implemented in the PDP to ensure that the viability of existing development land is not undermined, while ensuring future urban areas are anticipated and provided for as and when needs arise. Given the lifetime of the current District Plan (over two decades) it is considered appropriate that long term planning tools such as this may be appropriate to consider.
- g) The HDCA is intended to ensure adequate capacity, but is not necessarily intended to provide a limit; there are a number of reasons for providing additional capacity beyond minimum prescriptions, including encouraging competition in the market.

Productive capacity

- 22. The Site is currently marginal soil and unproductive rural land. It is not identified within any of tier 1 – 3 Land Use Classifications relevant to the default definition of Highly Productive Land proposed under the current draft National Policy Statement – Highly Productive Land. It

is therefore not undermining alternative and more suitable uses for the land for production, and the District's soil production capacity overall, by rezoning this land for urban and residential development.

23. Farm land further to the West of Domain Road and to the South of the Site is, by comparison, is higher quality land which has been more intensively farmed, irrigated and fertilised, leading to a more obvious distinction between the Site and its surrounds in terms of land use.

Positive benefits

24. Significant additional residential zoning is to be provided for through this submission which will introduce competition to the market and housing options which are at the lower end of price ranges District-wide.
25. The rezoning of the Site provides the opportunity to enable significant additional supply of housing at lower price points. The greenfields nature of the Site can also ensure this growth occurs in a planned and coordinated manner that positively contributes to Hawea. Overall it the Site could, depending on density, provide for a range of 2,500 – 5000 dwellings; however these figures depend on ultimate details of mixed use zoning, open space, and density. Details of desired density, including minimum and maximum lot sizes are intended to be further determined through the District Plan process. . The Submitter anticipates working with Council and its experts in including any such minimum development figures into the PDP.
26. The intention for comprehensive development of the Site is to also enable mixed use and community / commercial development so as to create a community which is self-serviced, rather than simply a residential extension. Hawea currently has very limited capacity for such mixed use development, and the location of the Site to its southern boundary means that the centre of the eventual community could be ideally located where the current southern boundary is, along Cemetery Road. Positive benefits of such mixed use zoning would include the ability for people to live, work and play, within one community, generate further employment and commercial opportunities for the township, and provide for civic and community space.
27. Significant recreation opportunities are anticipated by the Submitter to be developed within the Site, including provision for cycling and walking tracks and playgrounds along the current water race running through the Site from the Streat Rural Residential development. Planting mitigation and ecological enhancement opportunities could also be provided along the Domain Road boundary and the Flood Hazard area so as to demarcate these boundaries more clearly and provide other ecological, amenity, and recreational benefits.

Relief Sought

28. The Submitter seeks the following decision:
 - a) That the entirety of the Site as indicated in option 1 (Appendix A) be rezoned to allow for urban development through any one, or a combination of, the following zones: Settlement; Low, Medium and / or High Density Residential; Local Shopping Centre; Mixed Business Use; Industrial, and / or any other development zone within the PDP which is considered to be appropriate for the Site.

An alternative option for rezoning is to provide for a bespoke zone for the comprehensive development of the Site, which anticipates mixed use and residential urban development, and provides for a structure plan approach.

- b) That the entirety of the Site as indicated in option 2 (Appendix B) be rezoned to allow for urban development through any one, or a combination of, the following zones: Settlement; Low, Medium and / or High Density Residential; Local Shopping Centre; Mixed Business Use; Industrial, and / or any other development zone within the PDP which is considered to be appropriate for the Site. An alternative option for rezoning is to provide for a bespoke zone for the comprehensive development of the Site, which anticipates mixed use and residential urban development, and provides for a structure plan approach.
- c) Include the Site within the Hawea Urban Growth Boundary (**UGB**) (if determined there is to be one in the PDP).
- d) Rezone the Site any additional zoning which is not listed in 'a' or 'b' above, and / or which may not be already included in the PDP, including a deferred or future urban zone.
- e) Amend any text of the zoning chapters of the PDP to provide for site-specific requirements of the rezoning of the Site, including the requirement for any minimum development capacity of the Site.
- f) Rezone / relocate any UGB around any adjacent rural land to the Site which is not specifically identified in this submission, but which might be required in order to provide an appropriate rural–urban transition.

Section 32 Analysis

- 29. The benefits and costs of the effects of the provisions referred to above in respect to Chapter 20 Townships, rezoning of Hawea to LDR, and the location of the Hawea UGB, and in particular the assessment of the Hawea UGB have not been appropriately assessed or quantified in accordance with section 32 of the RMA. QLDC has failed to adequately consider the economic impact across the District by missing an opportunity for comprehensive land development extending Hawea.
- 30. The following strategic objectives relating to UGBs are better achieved by the proposed rezoning in this submission, as compared to the Council's notified Chapter 20, rezoning of Hawea to LDR, and the location of the Hawea UGB:

<p><i>SO 3.2.2 Urban growth is managed in a strategic and integrated manner</i></p>	<p>The comprehensive rezoning of the entirety of the Site allows for a strategic vision for urban development in this location. Anticipating development within the Site and containing it by demarcating an urban growth boundary which will be defensible (at least over-time) is more strategic and integrated than the current boundary which is not</p>
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	defensible from a landscape perspective, and which will be subject to inefficient development creep.
<p><i>Policy 3.2.2.1 Urban development occurs in a logical manner so as to:</i></p> <ul style="list-style-type: none"> <i>a. promote a compact, well-designed and integrated urban form</i> <i>b. build on historical urban settlement patterns;</i> <i>c. achieve a built environment that provides desirable, healthy and safe places to live, work and play;</i> <i>d. minimise the natural hazard risk, taking into account the predicted effects of climate change;</i> <i>e. protect the District’s rural landscapes from sporadic and sprawling development;</i> <i>f. ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in;</i> <i>g. contain a high quality network of open spaces and community facilities; and</i> <i>h. be integrated with existing, and planned future, infrastructure.</i> 	The rezoning is intended to provide mixed housing opportunities as well as mixed use zoning, consistent with this policy and to ensure that a community is created as part of Hawea rather than just a residential extension / creep, which could occur ad-hoc under the current regime. Integration in the form of recreation and access linkages, open space, and mixed use zoning is intended to connect the current Hawea township with this proposed rezoning.
SO 3.2.3 <i>A quality built environment taking into account the character of individual communities</i>	The character of Hawea is acknowledged to change under the rezoning to LDR proposed to Stage 3, the intention of this Submission is to integrate this with new development by providing a central node of community use which will enhance character and community.
SP 3.3.14 <i>Apply provisions that enable development within UGBs and avoid urban development outside of the UGBs</i>	Development is currently enabled outside of the existing Hawea UGB therefore it is already undermined and contrary to this policy, the proposed expansion of the UGB will better achieve a defensible boundary in accordance with this policy.
Obj 4.2.1 <i>Urban Growth Boundaries used as a tool to manage the growth of larger urban areas within distinct and defensible urban edges</i>	As above, this rezoning has the opportunity to provide for a distinct and legible UGB over time and within the Submitter's land, as compared to the current UGB.
Policy 4.2.1.1 <i>Define Urban Growth Boundaries to identify the areas that are available for the growth of the main urban settlements</i>	The Site the subject of this submission is capable of absorbing urban development given its flat topography, easily serviceable, not of a high quality productive capacity, and not a sensitive rural landscape required to be protected for amenity purposes.
Policy 4.2.1.2 <i>Focus urban development on land within and at selected locations adjacent to the existing larger urban</i>	This rezoning provides for an extension and enhancement / consolidation of the current Hawea Township rather than anticipating

<p><i>settlements and to a lesser extent, accommodate urban development within smaller rural settlements</i></p>	<p>sprawling growth as per the current regime. It is not anticipating nodal development and therefore achieves the policy.</p>
<p><i>Policy 4.2.1.4 Ensure Urban Growth Boundaries encompass a sufficient area consistent with:</i> <i>the anticipated demand for urban development within the Wakatipu and Upper Clutha Basins over the planning period assuming a mix of housing densities and form;</i> <i>ensuring the ongoing availability of a competitive land supply for urban purposes;</i> <i>the constraints on development of the land such as its topography, its ecological, heritage, cultural or landscape significance; or the risk of natural hazards limiting the ability of the land to accommodate growth</i></p> <p><i>the need to make provision for the location and efficient operation of infrastructure, commercial and industrial uses, and a range of community activities and facilities;</i> <i>a compact and efficient urban form;</i> <i>avoiding sporadic urban development in rural areas;</i> <i>minimising the loss of the productive potential and soil resource of rural land</i></p>	<p>This submission and comprehensive development of the Site will contribute to a competitive supply of land to the market, at a lower price point than other areas in the District. The Site is easily serviced using and extending / upgrading existing infrastructure, and is not undermining what could otherwise be productive land.</p> <p>The opportunities for commercial and industrial uses will also promote a more compact and efficient urban form at Hawea reducing the need to drive to Wanaka for all shopping and employment</p>
<p><i>Policy 4.2.1.6 Review and amend Urban Growth Boundaries over time, as required to address changing community needs</i></p>	<p>The PDP review of Hawea imposed a UIGB around its current location, in response to submissions from the public rather than initiated by Council. This default position seeking to lock in the existing extent of the town does not logically follow what has already been consented on the outskirts of the town. Changing community needs are clearly reflected through the approval of the Hawea SHA and this also represents a need to revisit the current UGB which is already out of date. The possibility of a future urban zone within any identified UGB around the Site also addresses this policy by ensuring the land can be developed in response to community and market demand.</p>
<p><i>Obj 4.2.2A A compact and integrated urban form within the Urban Growth Boundaries that is coordinated with the efficient</i></p>	<p>The flat nature of the site means that options for varied urban form can be realised,, along with the land principally being in one ownership</p>

<p><i>provision and operation of infrastructure and services</i></p>	<p>allows for comprehensive development which is otherwise rare in the District.</p>
<p><i>Policy 4.2.2.2 Allocate land within Urban Growth Boundaries into zones which are reflective of the appropriate land use having regard to:</i> <i>its topography;</i> <i>its ecological, heritage, cultural or landscape significance if any;</i> <i>any risk of natural hazards, taking into account the effects of climate change;</i> <i>connectivity and integration with existing urban development;</i> <i>convenient linkages with public transport;</i> <i>the need to provide a mix of housing densities and forms within a compact and integrated urban environment;</i> <i>the need to make provision for the location and efficient operation of regionally significant infrastructure;</i> <i>the need to provide open spaces and community facilities that are located and designed to be safe, desirable and accessible;</i> <i>the function and role of the town centres and other commercial and industrial areas as provided for in Chapter 3 Strategic Objectives 3.2.1.2 - 3.2.1.5 and associated policies; and the need to locate emergency services at strategic locations.</i></p>	<p>All of these factors listed are effects-based issues, which, as discussed above have not been adequately consider in the Section 32 report for Chapter 20. The Site is ideal for absorbing the effects of future urban development, and will enhance the viability, community and resiliency of the Hawea township to service itself, rather than simply being an outlet residential area.</p>
<p><i>Policy 4.2.22 Define the Urban Growth Boundaries for Wānaka and Lake Hawea Township, as shown on the District Plan Maps that:</i> <i>are based on existing urbanised areas;</i> <i>identify sufficient areas of urban development and the potential intensification of existing urban areas to provide for predicted visitor and resident population increases in the Upper Clutha Basin over the planning</i></p>	<p>The Site protects better against sprawling and sporadic development than the current UGB and is based upon landscape features as well as land use features. The expansion of the township to the south contains what is already consented and anticipated development.</p>

<p><i>period; have community support as expressed through strategic community planning processes; utilise the Clutha and Cardrona Rivers and the lower slopes of Mt. Alpha as natural boundaries to the growth of Wānaka; and avoid sprawling and sporadic urban development across the rural areas of the Upper Clutha Basin.</i></p>	
<p><i>Policy 4.2.2.23 Rural land outside of the Urban Growth Boundaries is not used for urban development until further investigations indicate that more land is needed to meet demand for urban development in the Upper Clutha Basin and a change to the Plan amends the Urban Growth Boundary and zones additional land for urban development purposes</i></p>	<p>The UGB around the current Hawea township is a blunt instrument which is already being undermined. Further zoning is required to ensure that land is actually developed to reach the market and provide a different price point to elsewhere in the District. Future or deferred urban zonings over some or part of the land could also assist in achieving a long term approach to development of the Site.</p>
<p><i>Policy 6.3.4 Avoid urban development and subdivision to urban densities in the rural zones</i></p>	<p>This policy is not relevant where the zoning of the land is currently contested through the PDP process.</p>

31. The purpose of the Act is better achieved by zoning the Site to enable mixed urban / residential development and amending the Hawea UGB as set out in this Submission Any further necessary, consequential, or alternative relief is sought which further achieves the objectives of this Submission are sought.
32. The Submitter wishes to be heard in support of this Submission, and will consider presenting a joint case with others presenting similar submissions.

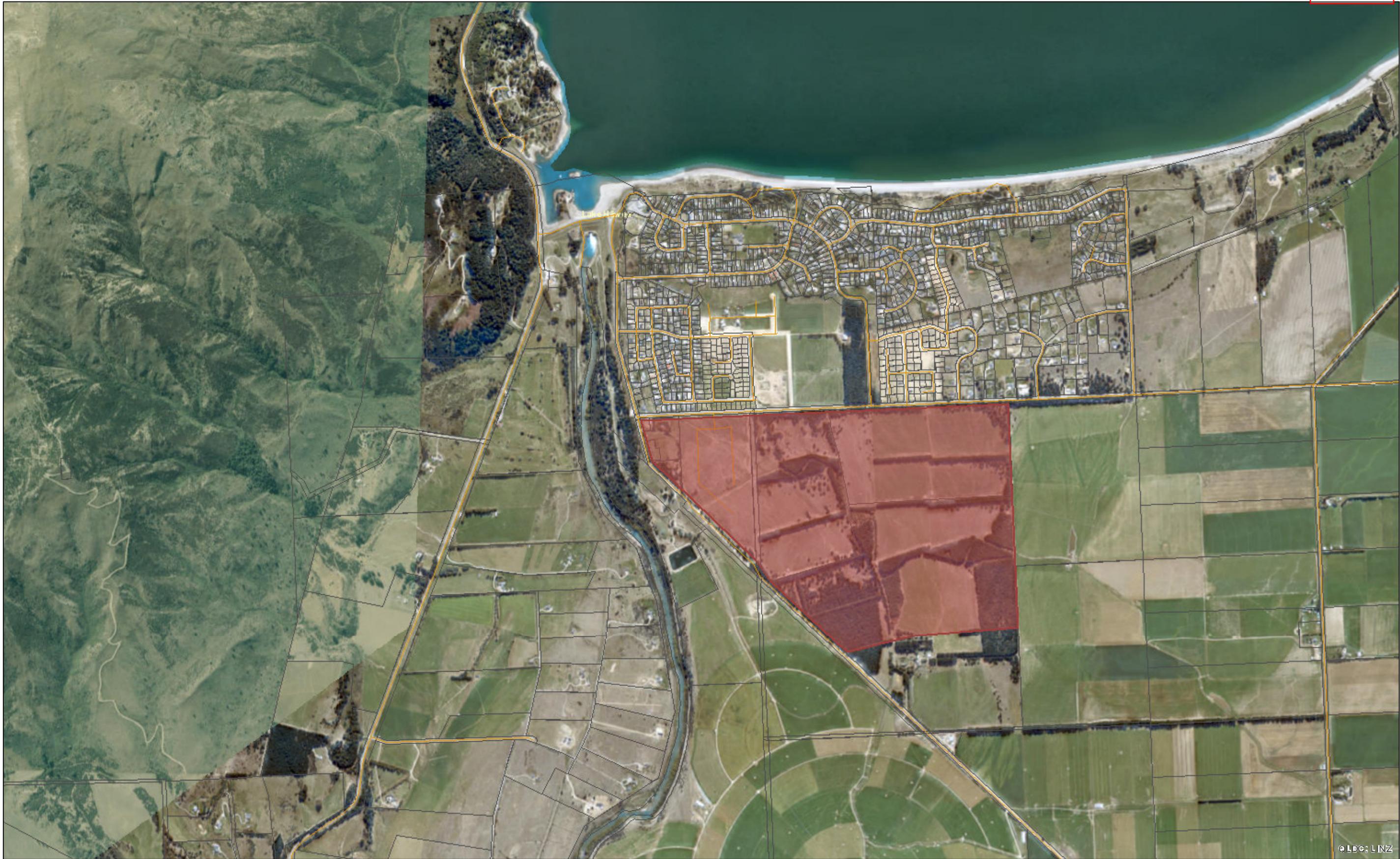


Universal developments Hawea Limited
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Appendix A – Proposed rezoning of the Site (option 1)





The information provided on this map is intended to be general information only. While considerable effort has been made to ensure that the information provided on this site is accurate, current and otherwise adequate in all respects, Queenstown Lakes District Council does not accept any responsibility for content and shall not be responsible for, and excludes all liability, with relation to any claims whatsoever arising from the use of this site and data held within.



Appendix B – Proposed rezoning of the Site (option 2)



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Scale @A3 paper size - 1:16,000



Map produced by Queenstown Lakes District Council's GIS viewer

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