

Queenstown Lakes District
Proposed District Plan
Section 32 Evaluation Report

For:

**Implementing Policy 5 of the National Policy Statement on
Urban Development**

Urban Intensification Variation

Report dated: 16 May 2023

Updated on 21 August 2023 to include Lake Hāwea South

EXECUTIVE SUMMARY

This variation is proposed in order to meet the Queenstown Lakes District Council's (QLDC) obligations as a Tier 2 local authority under Policy 5 of the National Policy Statement on Urban Development (NPS-UD).

Policy 5, states:

Policy 5: *Regional policy statements and district plans applying to tier 2 and 3 urban environments enable heights and density of urban form commensurate with the greater of:*

- a) *The level of accessibility by existing or planned active or public transport to a range of commercial activities or community services; or*
- b) *Relative demand for housing and business use in that location*

In order to inform the approach taken by this proposed variation, QLDC has undertaken modelling of: the level of accessibility of land within the District's existing urban environments by existing or planned active or public transport to a range of commercial and community activities has been modelled, and the relative demand for housing and business use in those locations. The modelling has identified areas, primarily around core commercial centres and transport corridors, that are appropriate for intensification in terms of the direction in Policy 5, clauses (a) and/or (b).

The District Plan zoning and related provisions of the urban areas subject to the modelling have been reviewed to identify whether they meet the requirements of Policy 5, and to ensure that the zoning and provisions will enable development that contributes to a 'well-functioning urban environment'.¹ This review has included an urban design assessment of the existing zoning and provisions, as well as consideration of the findings of monitoring undertaken by QLDC. Constraints upon the intensification of land have also been taken into account, such as historic heritage, natural hazards, and airport operations.

The proposed variation includes changes to the zoning around identified commercial areas and transport corridors across the District, and changes to various Proposed District Plan (PDP) provisions. The proposed changes are detailed in Appendix 1A – 1L.

The proposed variation seeks to satisfy Policy 5, and in turn promote a compact urban form and enable the development of a diverse range of housing typologies. This is achieved through review of existing densities and building heights to provide for greater housing choice. Allowing for increased densities will encourage the development of smaller and attached housing typologies,² which typically have a smaller land area and provide greater housing affordability. Provisions are also included to recognise the benefits of intensification, to ensure adequate amenity values within intensification areas, that development can be serviced and to mitigate any potential increase in stormwater runoff.

¹ Defined by Policy 1 of the NPS-UD

² Referring to horizontally and vertically attached housing typologies.

This proposed variation does not amend the Urban Growth Boundaries (UGBs), as it is instead focussed on intensification of existing urban areas.

While the proposed variation has been developed to satisfy Policy 5, the proposed provisions also give effect to the other relevant objectives and policies of the NPS-UD and the Otago Regional Policy Statement (ORPS). The proposed provisions also align with the Queenstown Lakes Spatial Plan 2021 which promotes compact urban form and increased densities in appropriate locations (Strategy 1).

It is noted that this report has been updated and additional assessment added within an addendum (Appendix 9), following the inclusion of the Lake Hāwea South land in the Proposed District Plan's Urban Environment. A detailed explanation of the process behind this approach is included in the following Full Council Agenda Reports: Item 3 in the 1 June 2023³ agenda report and item 6 in the 10 August 2023⁴ agenda report.

³ <https://www.qldc.govt.nz/media/l4fcpshy/3-npsud-urban-intensification-variation-final.pdf>

⁴ <https://www.qldc.govt.nz/media/hyxi3gm4/6-lake-h%C4%81wea-south-covering-report.pdf>

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1. INTRODUCTION

QLDC as a Tier 2 local authority is required to implement the NPS-UD and this proposed variation gives effect to Policy 5 and the wider directive of the NPS-UD to ensure a well-functioning urban environment that responds to the diverse and changing needs of people, communities, and future generations.

The NPS-UD requires territorial authorities to enable development in particular urban environments (including areas with many employment opportunities, that are well serviced by public transport or where there is high demand for housing or for business land in the area, relative to other areas within the urban environment). The NPS-UD is of particular relevance in the Queenstown Lakes District as the District is experiencing considerable growth pressure as well as a high demand for housing and a shortfall of housing in lower price bands.

The 2021 Housing Development Capacity Assessment (HDCA)⁵ identified that the Queenstown Lakes Operative District Plan (ODP), Proposed District Plan (PDP) and the Queenstown Lakes Spatial Plan⁶ (Spatial Plan) has sufficient capacity to accommodate housing growth across the urban environment and that this is more than sufficient to meet the projected demand in all locations of the District in the short, medium⁷ and long⁸ term as required by the NPS-UD. Of the supply identified in the HDCA, an estimated 67% of the additional capacity was assessed as being commercially feasible to develop in the medium term, and 80% would be commercially feasible by 2050.

There are however existing transportation and three waters infrastructure constraints that affect the feasible capacity of the District. Taking these into account, as well as what is reasonably expected to be realised (RER), there is an existing feasible and realisable capacity of just over 8,500 additional dwellings in the medium term and 19,200 additional dwellings in the long term. Notwithstanding these constraints, the short, medium- and long-term capacity is still sufficient to meet demand⁹ (only just with regard to long term – see figure 1).

Although the existing feasible and realisable capacity meets the requirements of the NPS-UD, the 2021 HDCA report identified a shortfall of housing in price bands below \$500,000 and that, over time, house price growth is expected to be faster than growth in real incomes in the District, and housing affordability is projected to decline¹⁰. The demand for attached housing typologies¹¹ is also projected to increase over time¹².

⁵ Undertaken on behalf of Otago Regional Council and QLDC

⁶ The Spatial Plan is the Council's official strategy that shows indicative urban expansion areas where growth will be accommodated in the long term.

⁷ nearly 48,000 additional dwellings in the medium term (66,670 dwellings including existing houses)

⁸ nearly 65,000 additional dwellings in the long term (or 83,260 dwellings including existing houses)

⁹ As required by the NPS-UD

¹⁰ The upward pressure on prices however is not attributed to planning and infrastructure rather a range of other local and national factors not impacted or influenced by the District Plan.

¹¹ Referring to horizontally and vertically attached housing typologies.

¹² 22% of the additional long term demand under the Higher Market Shift scenario as detailed in the Market Economics Queenstown Lakes District Intensification Economic Assessment dated 16 May 2023

Consequently, there is a need to review the District Plan to ensure that smaller unit sizes and attached housing typologies are provided for in appropriate locations.

The scope of the proposed variation is limited to existing urban areas within the Proposed District Plan, which meet the requirements of Policy 5 in terms of accessibility and/or relative demand and for which changes are proposed. This aligns with the Spatial Plan which seeks to provide for growth and intensification predominantly within existing urban areas through promotion of a compact urban form.

A compact urban form can contribute to a well-functioning urban environment that reduces the demand for greenfield development and its adverse effects upon sensitive environments, landscape values and productive land supply as well as the inefficient expansion of infrastructure. Further, a compact urban form reduces reliance on private vehicle use; maximises the use and viability of public transport, walking and cycling; and improves the efficient operation of public utilities which will reduce energy demand and minimise greenhouse gas emissions.

2. SECTION 32 – OUTLINE OF REQUIREMENTS

Under section 32 of the Resource Management Act (RMA), the Council is required to undertake an evaluation of the proposed changes prior to notification. This report provides that analysis of whether the amendments implement the NPS-UD, and Policy 5 in particular. This report should be read in tandem with the proposed amendments to the PDP planning provisions and maps (**Appendix 1A-1L**).

Under section 32(1), the evaluation must:

- a) Examine the extent to which the objectives of the proposal are the most appropriate way to achieve the purpose of the RMA; and
- b) Examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by:
 - i. Identifying other reasonable practicable options for achieving the objectives;
 - ii. assessing the efficiency and effectiveness of the provisions in achieving the objectives; and
 - iii. summarising the reasons for deciding on the provisions; and
- c) Contain a level of detail that corresponds to the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of the proposal.

Under section 32(2), the evaluation must also:

- a) Identify and assess benefits and costs, and if practicable, quantify those; and
- b) Assess the risk of acting or not acting, if there is uncertain or insufficient information about the subject matter of the provisions.

Under Section 32(6), the examination of the 'objectives' means:

- a. *For a proposal that contains or states objectives, those objectives;*
- b. *For all other proposals, the purpose of the proposal.*

The full text of Section 32 is stated in paragraph 1.7 of Appendix 2A.

The purpose of the proposal is to give effect to the NPS-UD as required by s55 of the RMA. This objective is being achieved through giving effect to policy 5 to enable intensification in suitable locations within the urban environment, but also to the wider directive of the NPS, to ensure a well-functioning urban environment that meet the changing needs of our diverse communities.

The broad objective of the plan variation is assessed in terms of its appropriateness to achieve the purpose of the RMA below.

To achieve this broad objective, changes to the zone extend as well as to the provisions are considered. These changes can generally be categorised into 3 broader aims or objectives as follow:

- To enable heights and densities in accordance with policy 5 and to recognise the benefits of intensification.
- To ensure adequate amenity values within intensification areas.
- To ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.

Proposed changes to the zoning and provisions on their own aims to achieve one or more of the above three aims/objectives, but collectively aims to achieve the broader objective.

A more detailed evaluation of the proposed changes to the PDP objectives (Section 32(1)(a) and a consideration of the effectiveness and efficiency of the provisions in achieving the objectives (Section 32 (1)(b) is also included in Section 13 and 14 of the report.

3. NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT 2020 (NPS-UD)

The NPS-UD identifies Queenstown-Lakes District Council as a Tier 2 local authority, and Queenstown is listed as a Tier 2 urban environment. As a Tier 2 local authority, the Council is obliged to give effect to all of the objectives in the NPS-UD, along with selected policies. This includes:

Objectives

- Objective 1, which seeks to achieve well-functioning urban environments that enable all people and communities to provide for their social, economic and cultural wellbeing and for their health and safety, now and into the future.
- Objective 2 seeks that planning decisions improve housing affordability by supporting competitive land and development markets.
- Objective 3 aims to enable more people to live, work and play in urban environments where the area is in or near a centre zone or other area with many employment opportunities, the area is well-serviced by existing or planned public transport and there is high demand for housing or for business land in the area, relative to other areas within the urban environment.
- Objective 4 acknowledges that New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations.

- Objective 5 seeks to ensure that planning decisions relating to urban environments, and future development strategy's, take into account the principles of Te Tiriti o Waitangi.
- Objective 6 states that local authority decisions that affect urban environments are to be integrated with infrastructure planning and funding decisions, are strategic over the medium and long term and are responsive in relation to proposals that would supply significant development capacity.
- Objective 7 seeks that local authorities have robust and frequently updated information about their urban environments and use it to inform planning decisions.
- Objective 8 seeks that New Zealand's urban environments support reduction in greenhouse gas emissions and are resilient to the current and future effects of climate change.

Policies

Policy 1 – Well Functioning Urban Environments

Policy 1 requires that planning decisions contribute to well-functioning urban environments. This is defined as:

- (a) have or enable a variety of homes that:

 - (i) meet the needs, in terms of type, price, and location, of different households; and*
 - (ii) enable Māori to express their cultural traditions and norms; and**
- (b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and*
- (c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*
- (d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and*
- (e) support reductions in greenhouse gas emissions; and*
- (f) are resilient to the likely current and future effects of climate change.*

Policy 2 – Providing at Least Sufficient Development Capacity

Tier 2 authorities are required to provide at least sufficient development capacity to meet expected demand for housing and for business land over the short, medium and long term. Expected demand for development capacity is required to be assessed at regular intervals through the preparation of Housing and Business Capacity Assessments (HBCA). The Council has commissioned Market Economics (ME) to undertake these assessments. The findings of the most recent Housing Capacity Assessment (HCA) 2021 is outlined below.

Policy 5 - Intensification

Policy 5 directs Tier 2 local authorities to enable heights and density of urban form in a manner that commensurate with the greater of : the level of accessibility to a range of commercial activities and community services, by way of existing or planned active or public transport; or relative demand for housing and business use in that location..

Enabling greater heights and density could involve a number of methods, but as discussed in section 11 of this report the options considered involve changes to the plan, through zoning changes, and amendments to plan provisions to provide for additional intensification in certain areas.

Policy 6 – Change May Occur

Policy 6 states that planned urban built form anticipated by those RMA planning documents that give effect to the NPS-UD may involve significant changes to an area, which may detract from existing amenity values appreciated by some people, but improve amenity values of others, communities and future generations. This includes by providing increased and varied housing densities and types, which are not, of themselves, an adverse effect. In effect, this policy acknowledges that in making planning decisions about urban environments, it is realistic to expect that the *existing* amenity values of urban areas may change to give effect to the NPS-UD.

Policy 6 also requires that particular regard should be given to the benefits of urban development that are consistent with well-functioning urban environments, the contribution that will be made toward meeting the NPS-UD development capacity requirements and the likely current and future effects of climate change.

Policy 9 – Treaty Principles

Policy 9 states that, in taking into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in relation to urban environments, local authorities must satisfy certain requirements. These requirements apply to all plan changes and variations, including when implementing Policy 5.

Ongoing consultation has been undertaken with Aukaha and Te Ao Marama during the preparation of this plan variation and the areas of particular interest to the iwi authorities are infrastructure capacity.

The plan variation will assist with implementing the Queenstown Lakes Spatial Plan 2021, which was developed in partnership with iwi authorities.

4. RESOURCE MANAGEMENT (ENABLING HOUSING SUPPLY AND OTHER MATTERS) AMENDMENT ACT (Amendment Act)

The Amendment Act was enacted in December 2021 and required all Tier 1 territorial authorities¹³ to incorporate a new set of standards, called the Medium Density Residential Standards (MDRS) into every relevant residential zone in their District Plans.

As a Tier 2 council, the requirements of the Amendment Act do not apply to the QLDC. Regardless, in preparing this plan variation, Council officers have considered whether adoption of the MDRS, or aspects of the MDRS, may be an appropriate option for achieving the implementation of the NPS-UD. The potential application of the MDRS across the existing Lower Density Suburban Residential (LDSR) and Medium Density Residential zones in the PDP is an option that has been considered by the Council in this section 32 report.

In summary, the MDRS permits residential development where certain standards are complied with, being:

Number of residential units per site	3 maximum
Building height	Maximum of 11m + 1m for pitched roof
Height in relation to boundary	4m + 60 degrees
Setbacks	Front yard: 1.5m minimum Side yard: 1m minimum Rear yard: 1m minimum ¹⁴
Building coverage	Maximum 50% of net site area
Outdoor living space (per unit)	Ground floor: 20m ² , 3m dimension Above ground floor: 8m ² , 1.8m dimension
Outlook space (per unit)	Principal living room: 4m deep, 4m wide Other rooms: 1m deep, 1m wide
Windows to street	20% minimum glazing
Landscaped area	Minimum 20% of the site with grass or plants

5. CURRENT STATE, ISSUES AND DESIRED OUTCOMES

5.1 CURRENT STATE

This section provides a summary of the existing planning framework and background context for the proposed variation.

¹³ Auckland, Hamilton, Tauranga, Wellington and Christchurch

¹⁴ Excluding corner sites

5.1.1 Otago Regional Policy Statement

The Partially Operative Otago Regional Policy Statement 2019 (RPS) includes objectives which are of relevance to urban development. These are all detailed in Appendix 2A-2B. Objective 4.5 is however of the most direct relevance to the proposal. This objective state:

Urban growth and development is well designed, occurs in a strategic and coordinated way, and integrates effectively with adjoining urban and rural environments.

Objective 4.5 is implemented through policies 4.5.1-6, with Policy 4.5.1 being the most relevant to the proposal. Policy 4.5.1: states:

Provide for urban growth and development in a strategic and co-ordinated way, including by:

- a) *ensuring future urban growth areas are in accordance with any future development strategy for that district.*
- b) *monitoring supply and demand of residential, commercial and industrial zoned land;*
- c) *ensuring that there is sufficient housing and business land development capacity available in Otago;*
- d) *setting minimum targets for sufficient, feasible capacity for housing in high growth urban areas in Schedule 6*
- e) *Coordinating the development and the extension of urban areas with infrastructure development programmes, to provide infrastructure in an efficient and effective way.*
- f) *Having particular regard to:*
 - i. *Providing for rural production activities by minimising adverse effects on significant soils and activities which sustain food production;*
 - ii. *Minimising competing demands for natural resources;*
 - iii. *Maintaining high and outstanding natural character in the coastal environment; outstanding natural features, landscapes, and seascapes; and areas of significant indigenous vegetation and significant habitats of indigenous fauna;*
 - iv. *Maintaining important cultural or historic heritage values;*
 - v. *Avoiding land with significant risk from natural hazards;*
- g) *Ensuring efficient use of land;*
- h) *Restricting urban growth and development to areas that avoid reverse sensitivity effects unless those effects can be adequately managed;*
- i) *Requiring the use of low or no emission heating systems where ambient air quality is:*
 - i. *Below standards for human health; or*
 - ii. *Vulnerable to degradation given the local climatic and geographical context;*

- j) *Consolidating existing coastal settlements and coastal urban areas where this will contribute to avoiding or mitigating sprawling or sporadic patterns of settlement and urban growth.*

Policy 4.5.2 of the RPS correlates well with Objective 6 of the NPS-UD in that it seeks the local authority decisions on urban development are integrated with infrastructure planning and funding decisions. Policy 4.5.2 states:

Achieve the strategic integration of infrastructure with land use, by undertaking all of the following:

- a) *Recognising and providing for the functional needs of infrastructure;*
- b) *Locating and designing infrastructure to take into account all of the following:*
- i. *Actual and reasonably foreseeable land use change;*
 - ii. *The current population and projected demographic changes;*
 - iii. *Actual and reasonably foreseeable change in supply of, and demand for, infrastructure services;*
 - iv. *Natural and physical resource constraints;*
 - v. *Effects on the values of natural and physical resources;*
 - vi. *Co-dependence with other infrastructure;*
 - vii. *The effects of climate change on the long-term viability of that infrastructure;*
 - viii. *Natural hazard risk.*
- c) *Coordinating the design and development of infrastructure with land use change in growth and redevelopment planning.*

Policy 4.5.3 is also of relevance in that it requires urban development to be designed with regard to a number of matters:

Design new urban development with regard to:

- a) *A resilient, safe and healthy community;*
- b) *A built form that relates well to its surrounding environment;*
- c) *Reducing risk from natural hazards;*
- d) *Good access and connectivity within and between communities;*
- e) *A sense of cohesion and recognition of community values;*
- f) *Recognition and celebration of physical and cultural identity, and the historic heritage values of a place;*
- g) *Areas where people can live, work and play;*
- h) *A diverse range of housing, commercial, industrial and service activities;*
- i) *A diverse range of social and cultural opportunities*

While the District Plan must give effect to the RPS, it is noted that the RPS is currently subject to a further review and that the District Plan shall also have regard to the Proposed Regional Policy Statement 2021 (Proposed RPS).

The Proposed RPS has been notified and hearings are yet to commence. The relevant Proposed RPS objectives and policies are detailed in Appendix 2B. However, of most direct relevance to this proposal are Objectives UFD-01 to UFD- 03 and UFD-05. These objectives are implemented through policies UFD-P1 – P10, with Policy UFD-P3 (Urban Intensification) being the most relevant to the proposal. Policy UFD-P3: states:

Within urban areas intensification is enabled where it:

- (1) contributes to establishing or maintaining the qualities of a well-functioning urban environment,*
- (2) is well-served by existing or planned development infrastructure and additional infrastructure,*
- (3) meets the greater of demonstrated demand for housing and/or business use or the level of accessibility provided for by existing or planned active transport or public transport,*
- (4) addresses an identified shortfall for housing or business space, in accordance with UFD–P2,*
- (5) addresses issues of concern to iwi and hapū, including those identified in any relevant iwi planning documents, and*
- (6) manages adverse effects on values or resources identified by this RPS that require specific management or protection.*

While the relevant direction is the same as the Partially Operative RPS, The Proposed RPS gives effect to the NPS-UD and consequently has a specific emphasis on well-functioning urban environments and urban intensification.

5.1.2 Queenstown Lakes Spatial Plan 2021

The Spatial Plan is a document that has been adopted by Council¹⁵ and was formulated by the Whairoa Grow Well Partnership¹⁶. The Spatial Plan provides a long-term vision for how and where the communities within the District can grow well and develop to ensure social, cultural, environmental and economic prosperity out to 2050. The vision seeks to ensure that future growth happens in the right place and is supported by the right infrastructure. As the Council’s high-level strategic document, the Spatial Plan aims to be a guide for the Strategic Planning and help inform investment planning, the Infrastructure Strategy, Ten-Year Plans as well as future variations to the District Plan.

While not a Future Development Strategy in terms of the NPS-UD, the Spatial Plan was prepared taking into account the requirements of the NPS-UD, and considered residential population projections¹⁷, and projected visitor numbers to the District.

Managing growth, pressure on the environment, availability of affordable housing and transportation options were all matters identified as challenges and opportunities through the Spatial Plan. In terms of managing growth, it was identified that growth has been occurring incrementally and has not always been

¹⁵ On 29 June 2021.

¹⁶ A partnership of QLDC, Aukaha, Te Ao Marama and the New Zealand Government

¹⁷ From the 2021 Housing Development Capacity Assessment

considered from a longer-term strategic perspective. Because of this, the pace of growth and dispersed settlements has been challenging in terms of infrastructure planning and provision. Furthermore, meeting the cost of infrastructure is placing pressure on the District's rating base. The affordability of housing was also seen as a challenge, particularly as the housing market in the District has different characteristics to many other areas in New Zealand, as a result of tourism and a low average household income in proportion to house prices and rental cost.

The Spatial Plan adopted a consolidated approach to urban growth. This means that most of the change needed to accommodate additional development capacity, jobs and visitors expected over the 30-year period of the Spatial Plan is to occur within and around the existing urban areas in Queenstown and Wānaka. This form of urban growth builds upon locations that are already urbanised and sets a clear direction to limit urban sprawl into greenfield areas. It identifies six priority development areas¹⁸ as appropriate locations where growth should be consolidated.

Spatial Plan outcomes

The Spatial Plan promotes a consolidated and mixed-use approach to accommodating future growth in the District which aims to achieve a compact urban form through enabling higher density development and a greater mix of uses within and around the existing urban areas. New housing typologies will need to increasingly move towards a medium and higher density form, such as townhouses, terraced housing and apartments. This will increase density, but also increase the variety of housing choices available, including more affordable options.

The Spatial Plan also identifies the need for more flexible zoning that provides for greater height and density of residential development in a wider range of locations.

The Spatial Plan outcomes will mean that more people will live in attached housing and apartments, and therefore public open spaces will become increasingly important for residents for a wider range of activities. Ensuring access to open space is critical to make this an attractive housing option for more of the community.

Provision of more affordable housing options is an issue identified in the Spatial Plan that needs further work, investment and partnerships and that whilst changes to the planning system will assist, further interventions are anticipated to likely be needed.

Concentration of growth in existing urban areas will mean more people live within areas where there is existing public transport and active transport is an easy and attractive option and future investment is concentrated on upgrades and improvements. The same is of relevance in terms of servicing.

This proposal is considered to implement the Priority Initiative 1 of the Spatial Plan which states:

¹⁸ Town Centre to Frankton Corridor, Five Mile Urban Corridor, Ladies Mile, Southern Transit Corridor, Southern Wānaka, Wānaka Town Centre to Three Parks Corridor

Priority Initiative 1: Review Zoning and other levers to enable higher densities and more flexible use of land within the existing and new urban areas in appropriate locations identified by the spatial plan.

Also, of relevance is Strategy 13 of the Spatial Plan which seeks to enhance and protect the Blue-Green Network. The Blue-Green Network is the collection of parks, open spaces, streets and accessible waterways within the District that deliver educational, recreational, ecological, cultural, landscape and health benefits.

Priority Initiative 15 of the Spatial Plan seeks that open space network plans are prepared to deliver the Blue-Green network, and this is something that QLDC are working towards.

5.1.3 District Plan Review

The District Plan review is being undertaken in stages. The District Plan has been split into two volumes, Volume A and Volume B.

Volume A consists of the PDP chapters notified during the District Plan review and all the land that is identified in the 'PDP Stage 1, 2, 3 Decisions' layer of the District Plan web mapping application. Stage 1 was publicly notified on 26 August 2015, Stage 2 on 2 November 2017 and Stage 3 on 19 September 2019. There have also been a number of plan changes and variations subsequently notified, these include Landscape Schedules, Inclusionary Housing, the zoning of land within an area of Arthurs Point and a variation to the Coneburn Industrial Zone.

The balance of the land (covering 2% of the District) forms Volume B of the District Plan and is currently regulated by the Operative District Plan (ODP). The ODP includes the zones that have not yet been reviewed and notified. These will be brought into the PDP at a later stage of the District Plan Review.

With the PDP now covering 98% of the District's land area, the zoning and provisions in the PDP are of central relevance to this proposed variation.

5.1.4 PDP provisions

The PDP includes objectives and policies which are of relevance to the proposed variation. These are all detailed in Appendix 2A, of which the following provisions are considered to be of the most direct relevance to the proposed variation:

PDP Chapter 3: Strategic Directions lists two strategic issues that focus on growth:

Strategic Issue 2: Growth pressure impacts on the functioning and sustainability of urban areas, and risks detracting from rural landscapes, particularly its outstanding natural features and outstanding natural landscapes.

Strategic Issue 3: High growth rates can challenge the qualities that people value in their communities.

The key objectives and policies of the strategic chapters of the PDP are set out within Appendix 2A. Of particular relevance to these issues, and the proposals made by this plan variation, is Strategic Objective 3.2.2 and its associated policy, listed below.

SO 3.2.2	Urban Growth is managed in a strategic and integrated manner
Policy 3.2.2.1	<p>Urban development occurs in a logical manner so as to:</p> <ol style="list-style-type: none"> a. promote a compact, well designed and integrated urban form; b. build on historical urban settlement patterns; c. achieve a built environment that provides desirable, healthy and safe places to live, work and play; d. minimise the natural hazard risk, taking into account the predicted effects of climate change; e. protect the District’s rural landscapes from sporadic and sprawling urban development; f. ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in; g. contain a high quality network of open spaces and community facilities; and h. be integrated with existing, and proposed infrastructure and appropriately manage effects on that infrastructure.

Consequently, the direction to achieve compact, well-designed and integrated urban forms for the District is signalled through the PDP, and this aligns with the provisions of the NPS-UD.

The proposed changes to the zoning of land and changes to the PDP provisions will be assessed against the strategic objectives and policies later in this report.

The three main residential zones within the PDP, are the High, Medium and Lower Density Suburban Residential Zones, with the Lower Density Suburban Residential Zone (LDSRZ) being the largest urban zone in the District.

The purpose of these zones is as follows:

- The **High Density Suburban Residential Zone (HDRZ)** provides for efficient use of land within close proximity to town centres and Arthurs Point that is easily accessible by public transport,

cycle and walkways. In conjunction with the Medium Density Residential Zone, the zone plays a key planning role in minimising urban sprawl and consolidating growth in existing urban areas. There are no density controls for multi-unit development in this zone¹⁹ and maximum permitted building heights range between 7 – 12m depending upon location and whether a site is sloping or flat.

- The **Medium Density Residential Zone (MDRZ)** has the purpose of providing land for residential development at greater density than the Lower Density Suburban Residential Zone. In conjunction with the High Density Residential Zone and Lower Density Suburban Residential Zone, this zone will play a key role in minimising urban sprawl and increasing housing supply. The zone will primarily accommodate residential land uses but may also support limited non-residential activities where these enhance residential amenity or support an adjoining Town Centre, and do not impact on the primary role of the zone to provide housing supply. Subdivision and development within this zone is required to have a minimum net area of 250m² or else a non-complying subdivision or restricted discretionary land use consent is required. Predominantly two storey development is permitted (7-8m) with a non-complying resource consent required to build above this height.
- The **Lower Density Suburban Residential Zone (LDSRZ)** is the largest residential zone in the District and occurs within the urban growth boundaries (with the exception of a small area of LDSRZ adjoining the Luggate Settlement) and includes land that has already been developed - as well as greenfield areas that will continue to be developed over time. The zone provides for both traditional and modern suburban densities and housing forms. Generally, all subdivision and development in this zone requires a minimum net site area of 300m² - 450m² or else it is a non-complying activity. Building heights are generally restricted to two storeys and a non-complying activity resource consent is currently required to breach prescribed building heights.

Part 3 (Urban Environment) and 6 (Special Zones) of the PDP also include the following zones that are primarily residential:

- Arrowtown Residential Historic Management Zone
- Large Lot Residential Zone
- Jacks Point Zone
- Settlement Zone

In all of these PDP residential zones, a residential flat in addition to the primary residential unit on the property is a permitted activity²⁰. This is defined as follows and it provides additional self-contained residential accommodation that can be occupied independently of the primary residential unit on the property. Consequently, in terms of residential occupation on a site, density can be doubled where a residential flat is provided. The occupation of the residential flat is not limited to only family and can be rented independently for residential accommodation.

¹⁹ Minimum vacant lot size is 450m²

²⁰ Unless on-site wastewater treatment is required in the Settlement Zone, then a restricted discretionary activity resource consent is required.

Residential Flat

Means a residential activity that comprises a self-contained flat that is ancillary to a residential unit and meets all of the following criteria:

- a. *the total floor area does not exceed;*
 - i. *150m² in the Rural Zone, the Rural Lifestyle Zone, the Wakatipu Basin Rural Amenity Zone and the Hills Resort Zone;*
 - ii. *70m² in any other zone;*

not including in either case the floor area of any garage or carport;
- b. *contains no more than one kitchen facility;*
- c. *is limited to one residential flat per residential unit; and*
- d. *is situated on the same site and held in the same ownership as the residential unit.*

Note:

A proposal that fails to meet any of the above criteria will be considered as a residential unit.

Commercial, as well as residential development, is provided for in the following PDP zones:

- Queenstown Town Centre
- Wānaka Town Centre
- Arrowtown Town Centre
- Business Mixed Use Zone
- Local Shopping Centre Zone
- Coneburn Industrial Zone²¹
- Three Parks Commercial
- Three Parks Business

Incorporated by reference in the PDP are also various design guidelines that provide assessment criteria relating to urban design. These include the:

- Arrowtown Design Guide 2016²²
- Business Mixed Use Design Guide 2021
- Kawarau Heights Design Guidelines 2020
- Queenstown Town Centre Special Character Area Guidelines 2015
- Residential Design Guide 2021²³
- Subdivision Design Guidelines 2015

²¹ Residential activities are excluded, except for a residential flat for Custodial purposes.

²² Applying to the Arrowtown Residential Historic Management Zone, Lower Density Suburban Residential Zone, Medium Density Residential Zone and Arrowtown Town Centre zone within the Arrowtown Urban Growth Boundary

²³ Applying to the Lower Density Suburban Residential Zone, Medium Density Residential Zone and High Density Residential Zone of the PDP

- Wānaka Town Centre Character Guideline 2011

Many of the above design guidelines include principles relating to environmental sustainability and the use of low-impact stormwater design. The Business Mixed Use Design Guide and Residential Design Guide both encourage design that minimises water consumption and stormwater run-off, incorporating low-impact urban design solutions such as use of water tanks to collect stormwater, opening of waterways, use of living roofs, permeable paving and landscaping areas, rain gardens and swales.

The Subdivision Design Guidelines also encourage integration of water bodies and stormwater management areas with open spaces and management of stormwater within the catchment.

ODP

There are a number of smaller urban ‘special zones’ within the ODP as well as an area of land known as Lakeview (PC50) that is zoned Queenstown Town Centre (ODP). These are yet to be reviewed through the District Plan review.

These zones include numerous bespoke provisions which are intended to provide specific outcomes in terms of character or to manage effects upon surrounding or adjacent sensitive environments. Consequently, these zones need to be reviewed holistically and they have not been included within the review undertaken in response to the NPS-UD. However, Policy 5 will be a matter of consideration for the review of these ODP zones in the future, when they are brought into the PDP.

5.1.5 Ministry for the Environment Monitoring

A report²⁴ prepared by Beca for the Ministry for the Environment (MfE) in August 2018 included a review of the key urban zoning provisions within ‘high growth’ Council District Plans. This review included Queenstown Lakes, due to it being identified as a high growth council.

This report includes an assessment of the objectives and policies, activity status and performance standards (density, height, recession planes, private open space, outlook space / privacy and daylight standards/controls as well as parking²⁵ and subdivision provisions) relating to the PDP Lower Density Suburban Residential, Medium Density Residential, High Density Residential and Town Centre zones.

Some key themes outlined in the report that are of relevance are as follows:

- There is a tension evident between seeking to achieve greater housing intensification and seeking to achieve consistency with section 7(c) of the RMA that seeks to maintain and enhance amenity values, particularly where developments or intensification may be opposed by communities wishing to maintain the existing amenity values of a particular area.

²⁴ Enabling Growth – Urban Zones Research: Key Observations, Findings and Recommendations prepared by Beca dated 10 August 2018

²⁵ Minimum car parking requirements have since been removed from the ODP and PDP under the requirements of the NPS-UD

- The barriers to facilitating development appear to be from the emphasis Councils put on the “present state” and built form of amenity, rather than any future environment that would result in an area, and the social and physical infrastructure parts of amenity.
- The implementation of plan rules may not align with the enabling growth objectives and policies that exist due to the number and inflexible application of rules, the consenting process of requiring neighbour’s approval if rules are breached without detailed analysis, and the priority given to maintaining the existing characteristics of a neighbourhood as this is construed to be ‘amenity’ in the absence of any clear picture of a desired future amenity for higher growth.

The report makes a number of general observations and recommendations, but also specific recommendations in relation to each relevant District Plan²⁶.

Since the Beca monitoring has been undertaken, many of the PDP provisions have changed through the decision-making process, including resolution of appeals through the Environment Court.

The recommendations made in the MfE monitoring report that are of relevance to the implementation of Policy 5 of the NPS-UD have been taken into account in the formulation of the proposal.

5.1.6 Resource Consent s35 Monitoring²⁷

Quantitative and qualitative monitoring of resource consenting data across the urban zones of the PDP and select ODP zones was undertaken in 2022 under s35 of the RMA to inform the review of the zoning and provisions in accordance with the NPS-UD. The following considerations were the key focus:

- Whether the current District Plan rules reflect how people are using and developing the zones.
- Whether the consents being granted for development reflect the outcomes anticipated for the zones.
- Whether the activity status of activities and standards are unduly restricting intensification in each of the zones.
- Whether the consents being granted identify a pattern of standards being breached within zones that allow for intensification and whether these standards are restricting developments taking place.

Trends from the data were correlated with feedback that has been received from Council planners and regular agents of resource consent applications within the District.

²⁶ These are detailed in Appendix 2B.

²⁷ Monitoring Report 2022 – <https://www.qldc.govt.nz/media/anlijvwk/monitoring-report-national-policy-statement-urban-development.pdf>

The monitoring identified that there are a number of provisions within the ODP and PDP that require review and consideration to implement Policy 5 of the NPS-UD, primarily relating to the alignment of the built form standards for the zone with the zone purpose, objectives and policies. For example, it was identified through the monitoring that the development of apartments in the MDRZ is identified in the zone purpose as an outcome sought for the zone, however the District Plan provisions require a minimum net area of 250m² per apartment.

The monitoring data and feedback also identified the need to review a number of the built form standards in the zones, particularly in relation to density, building heights, coverage and setbacks as well as subdivision requirements.

The findings of the monitoring report have been considered in the development of the proposed variation with a view to enable a more efficient and effective approach to development to achieve the purpose of the relevant zones, and objectives of the PDP.

5.1.7 Housing Capacity Monitoring

The NPS-UD was gazetted on 20 August 2020 and this replaced the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC 2016). Stages 1-3 of the District Plan review have been undertaken in line with the NPS-UDC 2016.

Although Stage 1 of the District Plan review (which contained the majority of the urban zones) was notified in 2015 prior to the gazettal of the NPS-UDC 2016, a subsequent review of the provisions was undertaken²⁸ and it was confirmed that the provisions aligned with the requirements of the NPS-UDC 2016. Furthermore, the Council's Dwelling Capacity Model was updated in 2014 and 2015 and this identified that there is sufficient feasible and realisable capacity across the District to provide for housing development in the short, medium and long term as required by the NPS-UDC 2016²⁹.

Under both the NPS-UDC 2016 and the NPS-UD, the Council is required to undertake monitoring, and report on housing demand and supply patterns, including identification of recent trends and future projections of demand over the short, medium and long term (2020 – 2050). A difference between the NPS-UDC 2016 and the NPS-UD is that the NPS-UD now requires “at least” sufficient capacity to be provided over the short, medium and long term.

Reports in relation to housing capacity were completed for the District in 2018³⁰ and 2021³¹. The 2018 assessment was undertaken under the NPS-UDC 2016; however, the 2021 report was under the NPS-UD.

28 In 2017 as part of the QLDC evidence to the QLDC's Independent Hearing Panel relating to the submissions seeking changes in zoning in the Upper Clutha and Queenstown

29 QLDC Supplementary Statement of Evidence of Kim Banks dated 19 June 2017 and QLDC Revised Supplementary Statement of Evidence of Craig Barr dated 2 May 2017.

30 Housing Development Capacity Assessment 2017 dated 8 November 2018 and prepared by Market Economics.

31 Housing Development Capacity Assessment 2021 dated 15 September 2021 prepared by Market Economics.

The 2021 HDCA found that the ODP, PDP and Spatial Plan (including Future Urban Areas³²) enable significant plan enabled³³dwelling capacity to accommodate housing growth across the urban environment – nearly 48,000 additional dwellings in the medium term (66,670 dwellings including existing houses), increasing to nearly 65,000 additional dwellings in the long term (or 83,260 dwellings including existing houses). Of these, an estimated 67% of this additional capacity were assessed as being commercially feasible to develop in the medium term, and 80% would be commercially feasible by 2050. This is more than sufficient capacity to meet projected demand in all locations.

The largest proportion of feasible capacity occurs within the LDSR. This reflects the large spatial extent of the zone³⁴.

Some constraints in relation to feasible capacity were identified however, which relate to the capacity of the existing State Highway bridges and other three waters infrastructure. Based upon these constraints the feasible and reasonable expected to be realised capacity is lower with a capacity of just over 8,500 additional dwellings being identified as feasible, serviced and expected to be realised in the medium term with 19,200 additional dwellings in the long term (37,900 total dwellings including existing houses). As shown in figure 1 below, based upon these numbers, the short, medium and long term capacity is sufficient to meet demand (only just with regard to long term).

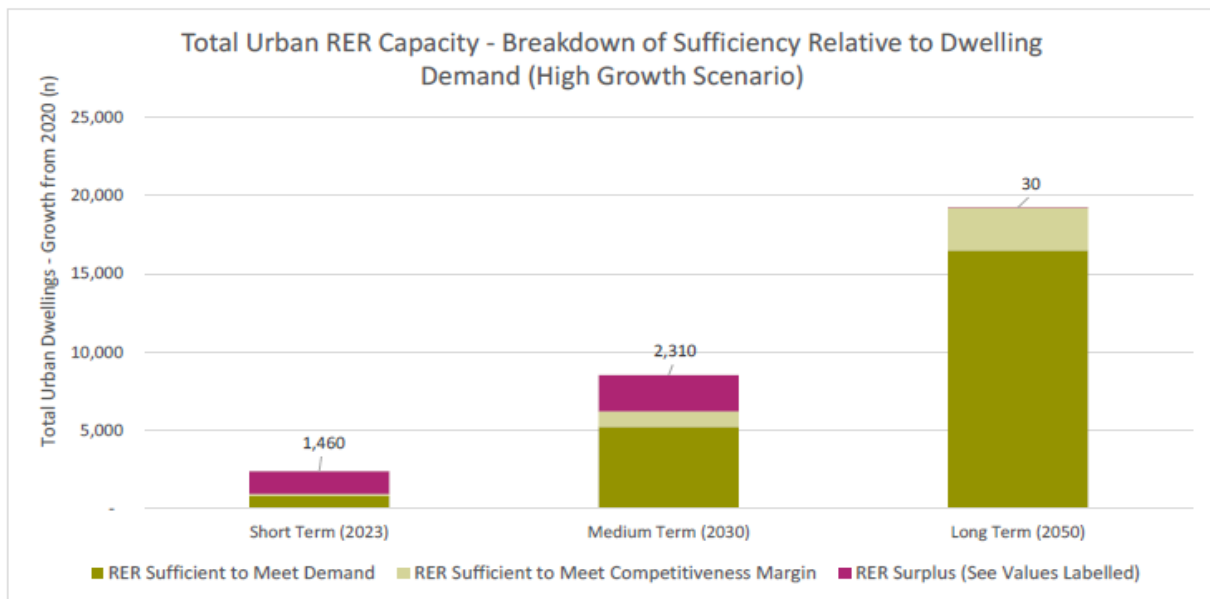


Figure 1. Summary of Sufficiency of Existing Urban Dwelling Capacity (All Types) in Queenstown Lakes District.

³² A limited area of land is identified in the Spatial Plan as Future Urban Areas to change from rural to urban over the next 30 years. The Spatial Plan states that urbanization of these areas will be phased with the delivery of infrastructure.

³³ In accordance with section 3.4 of the NPS-UD

³⁴ Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

In terms of demand, Market Economics³⁵ have identified an increase in demand for an additional 20,000 dwellings across the District's urban areas over the long term (2021-2051)³⁶. If delivered by the market, the long term demand would double the existing urban area dwelling base to a total of 39,700 dwellings by 2051.

Detached dwellings are estimated to currently account for 83% of the existing dwelling base, 14% are low to medium density attached dwellings and 3% as higher density³⁷. However, demand is projected to gradually change over time with around two-thirds of the long term demand being for detached dwellings, nearly one-third demand for attached dwellings and around 5% for higher density attached apartments³⁸. Overall, the share of demand for attached dwellings is projected to gradually increase through time to account for nearly half (46%) of the long-term net additional dwelling demand³⁹.

The 2020 HDCA identified a shortfall of housing in price bands below \$500,000 and over time house price growth is expected to be faster than growth in real incomes in the District and housing affordability is projected to decline. The upward pressure on prices however is not attributed to planning and infrastructure rather a range of other local and national factors not impacted or influenced by the District Plan.

Overall, the 2020 HDCA identified that the Council's planning (including through the District Plan/Proposed District Plan and Spatial Plan) satisfies the requirements of the NPS-UD to provide at least sufficient development capacity to meet expected demand for urban housing in the short, medium and long term till 2050 based upon a high growth scenario.

In addition to the 2018 and 2020 assessments, Quarterly Monitoring Reports have been prepared by QLDC since 2017. These provide an overview of the Queenstown Lakes housing and business capacity.

With regard to housing, the December 2022 Quarterly Report⁴⁰ which provides the latest detailed overview of key trends and indicators in the Queenstown Lakes District found the following key changes that have occurred between September 2022 and December 2022:

- Median house prices for the district decreased by almost -0.51% (\$6,667) to \$1,313,333.
- The number of dwellings sold has decreased by 44 dwellings when compared with September 2022 to 128.
- Housing stock has increased to 18,589, a 6% increase since 2018
- Average weekly rents increased by \$7/week to \$590. Rents are highest in the Arrowtown ward.
- The transition from renting to home ownership has decreased (smaller gap between renting and buying) but still remains extremely high overall (identifying that renting to home ownership continues to remain a struggle for residents).

35 Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

36 This includes the 15-20% margins required by the NPS-UD

37 Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

38 ibid

39 ibid

40 [National Policy Statement - Urban Development 2020 \(NPS-UD\) \(qldc.govt.nz\)](https://www.qldc.govt.nz/national-policy-statement-urban-development-2020)

- Mortgage serviceability continues to worsen and is now at its least affordable since 2012.
- Rental affordability is also worsening, continuing to trend down from its most affordable point in 2020 (a result of Covid19 and closed borders)
- 934 building consents for dwelling consents were issued (December quarter). Higher when compared with the previous year.
- Greenfield development continues to account for the majority of new residential development (80%), predominantly within the Whakatipu. Infill and redevelopment account for 16% of all new residential sections or units created.
- The Southern Corridor (Jacks Point area) accounted for 46% of approved development, totalling 377 residential sections, followed by Cardrona at 12% (97 lots).
- Consent growth has reduced significantly when compared to 2020, this drop in consent applications, is likely due to the residual effects of Covid-19 and the continually raising of the official cash rate to offset inflation all of which are predicted to put New Zealand into recession in 2023.

Affordability is therefore a current issue both for homeowners and renters. House prices are impacted by strong household growth, demand from international and domestic buyers and increasing visitor numbers. Market Economics (ME)⁴¹ have also identified that a high share (56-58%) of the District's current and projected future urban household base is in 1-2 person households and that activity in the District's apartment market is currently small but is becoming more established in central areas of high amenity. They identify that growth in the market is likely to occur over the medium to long term and part of this demand will be driven by non-resident demand.

5.1.8 Short Term Visitor Accommodation

The housing reports acknowledge that short term visitor accommodation, namely Residential Visitor Accommodation under the PDP, have seen sharp growth within the LDSRZ. This is demonstrated by an increase of around 85% in Airbnb listings in the LDSRZ between October 2016 – February 2018. Furthermore, the density of listings was highest in the High Density Residential zone with one listing for every 2,028m², followed by the Queenstown Town Centre where there was one listing per 4,641m². The 2020 HDCA outlines a concern with this in that the High Density Residential and Queenstown Town Centre Zones are projected to be delivering attached housing within the lower to medium price bands, however a lot of this housing stock appears to be ending up on the short term letting market. The numbers in the 2020 HDCA also show this with consent numbers being ahead of household growth which indicates that some of the dwellings consented are built as holiday homes and others are used for short term letting.

⁴¹ Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

5.1.9 Te Pūtahi Ladies Mile Master Plan and Variation

The Council adopted the Te Pūtahi Ladies Mile Master Plan and resolved to notify the proposed variation to the PDP on 30 June 2022. The Minister for the Environment has directed that the plan change follows the streamlined planning process. This proposed variation to the PDP was notified in April 2023 with a decision anticipated in May 2024.

If approved in its proposed form, the proposed variation will allow for the construction of between 2,013 - 2,438 additional residential units,⁴² in addition to those included in the above housing capacity reports.

5.1.10 Inclusionary Housing

In October 2022 QLDC notified a proposed variation to the PDP to enable “inclusionary housing”. The intention of the plan change is to require a financial contribution from residential subdivision and developments in specified PDP zones. The financial contribution will be used to fund retained affordable housing that would be developed by the Queenstown Lakes Community Housing Trust or another registered Community Housing Provider approved by QLDC. This form of housing would assist low to moderate income residents into affordable housing.

The submission period on the plan change has closed with a hearing scheduled for 2023.

This plan variation is intended to assist with addressing the housing affordability issues that have been identified within the District. It is not considered to have implications for this plan variation (NPS-UD), however the land or financial contribution rules that it introduces will apply to the residential development proposed to be enabled within the UGB (as well as in Settlement Zone, Rural Residential Zone, Wakatipu Basin Rural Amenity Zone and Lifestyle Precinct or any Special Zone) through this plan variation.

If the outcome of the Inclusionary housing plan variation is as it is proposed, the inclusionary housing provisions will apply to many of the PDP zones covered by this proposed variation, and landowners developing or subdividing their land will need to provide the required contribution.

5.1.11 Private Covenants

At the time of subdivision, it is commonplace in the District for private covenants to be registered on titles for new lots, by developers. This is often to prescribe requirements so that a particular character of development or uniformity occurs within the subdivision when the lots are developed by the different landowners. This is common particularly for residential subdivisions but has also occurred on some commercial and industrial subdivisions.

⁴² QLDC Council report dated 30 June 2022

Frequently included in the residential covenants in the District is a restriction on the number of residential units that can be constructed on a lot. Private covenants restricting further subdivision are also common. Other private covenants also impose conditions such as restricting building height, building coverage, applying recession planes and setbacks and design requirements such as the need to use specific building materials and the like.

Frequently, these covenants are above and beyond what the current District Plan allows or requires and occurs across zones and within different subdivisions. For example, the majority of the lots within Lake Hayes Estate have a private covenant stating that the lots cannot be further subdivided, however under the PDP provisions that apply to the LDSRZ, many of the lots are capable of being subdivided.

These private covenants are often registered such that all of the other lot owners within the subdivision are a party to the covenant, which can mean that there are hundreds of parties to a covenant. Consequently, the covenants are difficult to amend or remove.

The Council does not have any ability to prevent the registration of private covenants on titles and cannot require their amendment or removal. These are identified as being an additional impediment to intensification but are outside of the Council's ability to resolve. Private covenants therefore have an effect upon housing and business capacity within the District.

5.1.12 Council's Long Term Plan and Infrastructure

One of the key challenges to providing additional housing capacity and intensification is the ability to put in place sufficient infrastructure to service growth. Council has committed funding through its current Long Term Plan (LTP), referred to as the Ten Year Plan (2021 – 2031), to renew and upgrade its assets to meet current demand and future growth expectations. Strategic planning is the backbone of Investment planning and the Long Term Plan is directed by the Council's 30-year Infrastructure Strategy and the Spatial Plan. The Long Term Plan is reviewed and updated every 3 years to ensure it remains fit for purpose.

Intensification will over time place additional demand on the three waters infrastructure which has not been accounted for in the current Long Term Plan, and this will mean that planned upgrades may need to occur sooner than anticipated or infrastructure will reach capacity sooner than expected. For water and wastewater, the upgrades are not only the pipe network but also capacity of wastewater treatment plants, water tanks, water reservoirs and the like.

While the LTP shows that significant funding for infrastructure is available, Council operates in a financially constrained environment and there is a need to balance strategic priorities, core infrastructure service needs and regulatory requirements. The cost of any necessary future upgrades as part of allowing for intensification will need to be forecast and planned for in QLDC's budgets and future LTP's. This will be paid for by development through development contributions as the developments come on line. If a specific upgrade is required for an individual development, then this would need to be paid for directly by the developer.

Intensification results in different effects upon the stormwater network to water and wastewater, in that it does not necessarily result in a significant impact in stormwater runoff (as a result of building up and not out). Development is required to attenuate stormwater to maintain flows to pre-development rates as well as accounting for additional runoff expected to be generated due to climate change. Provided that this can be achieved, intensification will have a negligible effect on the capacity of existing stormwater infrastructure. However, stormwater is discussed further under Section 6.2 (constraints to intensification) of this report.

5.1.13 Iwi Management Plans

Under section 74(2A) of the RMA a territorial authority, when changing a district plan, must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority. There are two relevant iwi management plans in the district:

Kāi Tahu ki Otago Natural Resource Management Plan 2005

Te Tangi a Tauria – The Cry of the People

These are addressed in Appendix 2B.

5.1.14 Conclusion

The District Plan review, which commenced in 2015, has already provided additional plan-enabled housing and business capacity as required by the earlier NPS-UDC 2016. The Council's HDCA shows that there is sufficient plan enabled⁴³ capacity zoned within the District Plan (ODP and PDP) and identified in the Spatial Plan for the short, medium and long term. However, Policy 5 of the NPS-UD now directs that District Plans enable heights and density of urban form commensurate with the greater of the level of accessibility or relative demand.

This proposed variation gives effect to Policy 5 and the wider policy directive of the NPS-UD and has been developed taking into account the above-mentioned background context and planning framework. The proposed variation aims to also give effect to and be consistent with these higher order documents, while taking into account the local context and findings of the monitoring undertaken on behalf of MfE and by QLDC.

Changes to zoning close to some commercial centres and along frequent transport routes are proposed, along with changes to planning provisions relating predominantly to density and building heights, or to recognise the benefits of intensification or help mitigate associated effects, are proposed.

⁴³ In accordance with section 3.4 of the NPS-UD

5.2 ISSUES

The following table outlines the issues that the NPS-UD aims to address as well as the related issues that are specific to the Queenstown Lakes District.

Key issues	Summary
<p>The Queenstown Lakes District is not delivering well-functioning urban environments.</p>	<p>Well-functioning urban environments⁴⁴ are defined in Policy 1 of the NPS-UD.</p> <p>The HDCA has identified that demand for attached housing will increase over time and at present, monitoring has identified that although these types of typologies are identified as being anticipated within the urban zones, there are existing provisions that are providing a barrier to the development of attached housing. Providing a diversity of housing typologies will meet the needs of different households and allow aging in place.</p> <p>The HDCA has also identified a shortfall in housing in lower, more affordable price brackets. Encouragement of smaller housing typologies, such as attached housing is aimed at providing additional affordability in housing supply.</p> <p>Low density development around commercial centres and along transport routes does not provide enough population density (critical mass) to provide economic support to the centres and reduces their vibrancy. It also does not promote investment in public and active transport improvements contributing to mode shift and reductions in greenhouse gas emissions associated with reduced private vehicle travel. Promotion of intensification around commercial centres and along transport routes provides economic benefits to the commercial centres as well as increased demand and therefore investment for public and active transport which encourages mode shift.</p> <p>Reliance upon predominantly greenfield subdivision in provision of additional housing stock leaves the District in a weaker position in relation to the competitive operation of land and development</p>

- ⁴⁴ (a) have or enable a variety of homes that:
- (i) meet the needs, in terms of type, price, and location, of different households; and
 - (ii) enable Māori to express their cultural traditions and norms; and
- (b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
- (c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
- (d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
 - (e) support reductions in greenhouse gas emissions; and
 - (f) are resilient to the likely current and future effects of climate change.

	markets. Provision of additional feasible capacity within existing urban areas will improve competition and development markets.
Housing in the Queenstown Lakes District is unaffordable	<p>A median multiple of 5.1 and above is classified as “severely unaffordable”, the least affordable rating given by <i>Demographia International Housing Affordability</i>.</p> <p>In June 2022 the median house price to median average earnings (the median multiple) for the Queenstown Lakes District was a ratio of 14:1.⁴⁵</p> <p>Increasing the supply of affordable dwellings requires specific effort and initiatives to make development of such dwellings feasible. Encouraging and enabling initiatives that increase the uptake of enabled and serviced capacity in a more affordable price range will continue to be important to help ensure a comprehensive and balanced future housing stock.⁴⁶ Increasing the supply of dwellings can also take into account the housing stock that is being utilised for the short term accommodation market.</p> <p>Diversity of housing typology is related to this. The Housing Development Capacity Assessment 2021 identified an increase in diversity of housing typology in the District, primarily related to the increase in attached dwellings (residential flats) although there were minor shortfalls in both detached housing and attached housing in the long term across the District with the Wakatipu Ward having a shortfall of detached housing and surplus of attached housing with the opposite occurring in the Wānaka Ward. Specifically, the Housing Development Capacity Assessment 2021 states that in the Wānaka Ward, the shortfall of reasonably expected attached housing capacity is as a result of the zoning structure and mix of greenfield vs existing urban area development opportunities.</p> <p>Applying NPS-UD Policy 5 provides considerable scope for intensification of housing land, allowing for additional capacity and with it, housing stock diversification.</p>
Increased traffic generation and lack of transport choice is placing pressure on the transport system.	Parts of the existing roading network and transport system in the Wakatipu has not been able to keep up with growth in businesses, residents and visitors, which has led to traffic delays at peak times. Furthermore, there is a lack of public transport choice in the Upper Clutha.

45 https://ecoprofile.infometrics.co.nz/queenstown-lakes%2Bdistrict/StandardOfLiving/Housing_Affordability

46 Housing Development Capacity Assessment 2021 p 213

	<p>The dispersed, low density settlement pattern across the District means many people are reliant on private vehicles to access jobs, education and facilities.</p> <p>The transport network is constrained geographically, with numerous parts of Queenstown Lakes served by one route, many of which are vulnerable to closure (e.g. due to weather) and roads are generally the only viable means of transport.</p> <p>Intensification in appropriate locations means people can live close to where they work, shop or recreate or go to school. This can provide additional travel options and reduce private vehicle trips. Businesses can also access more potential workers, customers and other businesses.⁴⁷</p> <p>The zoning of urban land has been reviewed as part of the proposal against its accessibility rating, which has been modelled to take into account accessibility to public transport and other amenities, with intensification proposed in areas that perform well.</p>
<p>There are existing transport constraints within the District</p>	<p>The HDCA takes into account the three waters and land transport infrastructure networks including existing constraints. The infrastructure assessment identified land transport as the dominant network constraint within the urban area. In particular, there are four bridges that are identified as limiting growth across the urban area⁴⁸:</p> <ul style="list-style-type: none"> • The Albert Town bridge limits growth within the Lake Hawea and Outer Wānaka areas. • The Arthurs Point bridge limits growth within the Arthurs Point area (north of the bridge) and half of the Arrowtown area. • The Shotover Bridge limits growth in half of the Arrowtown area as well as the eastern urban areas of Queenstown (Eastern Corridor and Outer Wakatipu) • The Kawarau Bridge limits growth in urban areas of the district south of Frankton including Kelvin Heights, the Southern Corridor and Outer Wakatipu. <p>The central areas of Queenstown and Wānaka form the main places where growth is not limited by transport network constraints as well as some of the outer minor settlements such as Luggate, Cardrona, Frankton and Quail Rise.</p>

47 Way to Go: Mode shift plan May 2022 p10

48 Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

5.3 INTENDED OUTCOMES

The key objective of the NPS-UD is to achieve well-functioning urban environments (as defined in Policy 1 of the NPS-UD).

Policy 1: *Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:*

- (a) have or enable a variety of homes that:*
- (b) meet the needs, in terms of type, price, and location, of different households; and*
- (c) enable Māori to express their cultural traditions and norms; and*
- (d) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and*
- (e) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*
- (f) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and*
- (g) support reductions in greenhouse gas emissions;*
- (h) and are resilient to the likely current and future effects of climate change.*

Policy 5, and other NPS-UD policies, directs a greater enablement of intensification, with a view to help achieve the Policy 1 outcomes.⁴⁹ Enabling more people to live in locations with good access to work places, education, and amenities is considered to assist in achieving Policy 1. This form of development (ie. intensification) will mean that residents will avoid congestion and long commute times and create more attractive working and commercial environments.

Intensification in appropriate locations can also provide for more successful strategic infrastructure delivery, as it provides for better integrated planning and funding decision-making, in order to achieve greater efficiencies. From an accessibility perspective, improved integration can also facilitate greater transport modal shift.

Increased housing choice can also be facilitated by ensuring attached housing typologies are enabled through the built form standards. This can cater for a range of different households due to changing demographics and allow people to 'age in place'. Furthermore, lower to medium density attached dwellings are able to provide viable alternatives for households that would otherwise seek a standalone dwelling through having a similar dwelling size and characteristics to standalone dwellings but on smaller

⁴⁹ Ministry for the Environment (2020) Understanding and implementing intensification provisions of the NPSUD, page 8.

average site areas⁵⁰ but with improved accessibility to public and active transport, commercial centres or other amenities.

Increased housing choice and diversity can also play a part in housing affordability, however for the Queenstown Lakes District this is acknowledged as only being part of a solution given that there are other factors which affect house prices and affordability within the District.

6. DEVELOPMENT OF THE PROPOSAL

6.1 METHODOLOGY

All of the objectives and policies of the NPS-UD have been considered when developing this proposed variation. Within the District's Urban Environments, both the District Plan zoning extent, and the provisions have been reviewed to determine whether they could better achieve and implement Policy 5 of the NPS-UD in particular. To help inform the review, the following work has been completed:

6.1.1 Accessibility and Demand Analysis

Barker & Associates on behalf of QLDC have undertaken an Accessibility and Demand Analysis to inform the implementation of Policy 5 of the NPS-UD. Their methodology is detailed in Appendix 3.

In summary, the methodology included a review of the accessibility of the land within the Urban Growth Boundaries (UGBs), as well as zones outside the UGB that are intended to be urban in character being rural urban settlements of Glenorchy, Kingston, Cardrona and Luggate⁵¹.

The accessibility analysis takes into account accessibility via active travel or public transport and walkable catchments around destinations such as employment nodes, commercial centres, education, open space, food and retail locations and healthcare. Based on this, determination of an area's 'level of accessibility' is informed by how many destinations can be accessed within a given timeframe.

Analysis of 'relative demand' was also undertaken in accordance with Policy 5(b) of the NPS-UD. Guidance from the Ministry for the Environment⁵² sets out the locations where demand can often be considered high:

- a) areas with high land prices relative to others;
- b) locations close to open space and recreation opportunities;
- c) areas within, or close to, centres;

⁵⁰ Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

⁵¹ Part of Luggate is zoned LDSRZ

⁵² Ministry for the Environment (2020) Understanding and implementing intensification provisions of the NPSUD

- d) areas with good transport opportunities – including frequent public transport, multi-mode transport opportunities (eg, public transport, walking and cycling) and freight;
- e) areas close to key services including, schools, hospitals and supermarkets;
- f) areas close to a range of business activities; and
- g) locations with good views, outlook and amenity, including areas with water views or green space outlooks.

Many of the above matters have been captured by the assessment of accessibility but further analysis included looking at land values and a land value to capital value ratio as well as taking into account proximity of locations to open space and recreation opportunities, areas in or close to centres, areas with good transport options, areas close to services, areas close to business activities and locations with good views, outlook and amenity.

Two recommended options for rezoning resulted from the Accessibility and Demand Analysis and these are shown as attachments to Appendix 3 (Page 31-38) . The two recommended options were as follows:

- where the commercial nodes are strengthened through the upzoning of the land surrounding the nodes, or
- where the commercial nodes as well as a corridor (with frequent public transport) are strengthened through the upzoning of land surrounding the nodes and corridor.

These options are recommended in parallel with the recommended changes in provisions to enable more height and densities as outlined below.

In addition to the Accessibility and Demand Analysis undertaken by Barker & Associates, Market Economics (M.E) modelled the two proposed options (along with others) and identified the commercially feasible capacity (based on 2022 values) for each of the options being considered⁵³. The methodology for this review is detailed in Section 2.2 of the M.E report in Appendix 5.

Although the zoning extent of all urban areas has been reviewed, there are many areas where the zoning of land is not proposed to be changed as rezoning is not needed to commensurate with the locations' level of accessibility and relative demand as required by Policy 5 of the NPS-UD.

It is acknowledged over time that additional areas will become more accessible or will have higher relative demand than that which has currently been modelled due to introduction or increased public or active transport networks or development of amenities in new locations or expanded amenities in existing locations. These changes to accessibility and demand will be addressed in future plan changes, variations or District Plan reviews with the scope of this plan change only relating to existing accessibility and relative demand.

⁵³ This formed part of modelling four broader S32 options which included zoning changes as well as changes to the provisions.

6.1.2 Review of Proposed District Plan Provisions

Policy 5 requires the Council to enable heights and densities that are commensurate with the greater of accessibility or relative demand. The proposed changes in the extent of different zones are informed by the accessibility and demand analysis summarised above. The recommendations in relation to the zoning have been considered in parallel with the height and densities that should be enabled by the different zones. The approach taken in the variation is furthermore considered to reflect the objectives of the Proposed District Plan which already seek to enable and encourage medium and high density residential development in accessible locations (refer to objectives 8.2.1 and 9.2.1).

Policy 5 does not stand in isolation and is to be read together with the other objectives and policies in the NPS-UD, particularly, the policies that provide direction for achieving a well-functioning urban environment. The proposed provisions therefore aim to not just enable intensification, but to also ensure adequate amenity values within intensification areas, that development can be serviced and to mitigate any potential increase in stormwater runoff.

Taking into account the above, changes are proposed to the standards and provisions relating to the following PDP zones:

- Lower Density Suburban Residential Zone
- Medium Density Residential Zone
- High Density Residential Zone
- Queenstown Town Centre
- Wānaka Town Centre
- Business Mixed Use Zone
- Local Shopping Centre Zone

Changes to the standards and provisions changes are also informed by the heights and densities already enabled within the zones and constraints to intensification such as hazards, heritage features, airport noise boundaries, reverse sensitivity effects and landscape values. Based on these considerations, a review of the provisions of the following PDP Urban Environment zones are not considered to be warranted in order to give effect to the NPS-UD and Policy 5 specifically. These zones include:

- Arrowtown Town Centre
- Arrowtown Residential Historic Management Zone
- Jacks Point Zone (Special Zone)
- Large Lot Residential Zone
- Settlements Zone
- General Industrial and Services Zone
- Coneburn Industrial Zone (Special Zone)
- Three Parks Business
- Three Parks Commercial

It is also noted that the last five listed zones were included in Stage 3 of the District Plan review and the provisions have not been treated as operative for a sufficient length of time to allow for effective monitoring.

The review of the District Plan provisions incorporated an urban design review undertaken by Barker & Associates (Appendix 4). The urban design review was focussed on building heights and density provisions, provisions to help mitigate associated effects, as well as any other provisions which may create consenting impediments to achieving the outcome sought by the relevant zones.

The review of the District Plan provisions has also taken into account the findings of the monitoring that has been undertaken to date including the work completed by Beca on behalf of the Ministry for the Environment⁵⁴ and the s35 monitoring that has been undertaken that includes a range of quantitative and qualitative assessments.

Various constraints to intensification have also been considered and exclusions or partial exclusions to intensification have been applied where specific areas are not considered to be suitable for intensification. These are detailed below in Section 5.2. These constraints have been included in the assessment of the options considered below and within the M.E modelling.

6.1.3 Options Considered

Taking into account the two rezoning options provided by the Accessibility and Demand analysis, seven options were considered in the formulation of the proposed variation. These are detailed within Appendix 6 and summarised below.

Option 1	Change zoning around commercial nodes and make the associated provisions more enabling
Option 2	Change zoning around commercial nodes and corridors and make the associated provisions more enabling
Option 3	Option 1 + changes to the standards in the Lower Density Suburban Residential Zone (LDSRZ) relating to building heights, average site area, and minimum lot area (subdivision chapter)
Option 4	Option 2 + changes to the standards in the LDSRZ relating to building heights, average site area, and minimum lot area (subdivision chapter)
Option 5	Option 2 + apply the Government's Medium Density Residential Standards to the land zoned LDRZ and MDRZ
Option 6	Option 2 + apply a modified approach to the Medium Density Residential Standards to the land zoned LDSRZ and MDRZ
Option 7	Status quo

6.1.4 Capacity Modelling

Options 1 - 6 have been modelled by M.E (Appendix 5) and compared to the baseline of Option 7. The methodology for this review is detailed in the M.E report.

⁵⁴ Enabling Growth – Urban Zones Research: Key Observations, Findings and Recommendations prepared by Beca dated 10 August 2018

The modelling identifies and compares the plan enabled capacity that results from the proposed options as well as the commercially feasible capacity and the existing infrastructure limitations on capacity.

The commercially feasible capacity modelled by M.E shows the potential range of development options if they were available to the market. The commercially feasible capacity shows the range of opportunities available, with only a portion of these being likely to be taken up in line with the level of demand in the District. M.E also assessed the commercially feasible capacity against the projected demand.

6.1.5 Further changes following the modelling

Further changes to the to the recommended rezoning and proposed provisions have been incorporated following the modelling and as a resulted of the recommendations within the M.E report (Appendix 5). These Include:

- Removing the existing density rule⁵⁵ for the proposed MDR zoning within Chapter 8.
- Instead of downzoning the existing HDR in Wānaka, Three Parks and Arthurs Point to MDR, the HDR zoning has been kept with bespoke height rules applied (excluding at Arthurs Point) and apply the new HDR recession plane rules.
- Instead of downzoning the MDR areas north of Wānaka to LDSR, the MDR zoning has been kept and the new MDR height (11m +1m) and recession plane provisions have been applied. This is a height increase from 7m to 11m (+ 1m for roof form) to be the same as other MDR areas proposed in Wānaka.
- Instead of downzoning the existing MDR area at the top of Queenstown Hill and Arthurs Point, the MDR zoning has been kept, subject to bespoke height rules restricting permitted building height to 8m⁵⁶ and the proposed MDR recession planes.

While some of these changes respond to the M.E report recommendations, the modelling was not updated to take these changes into account. However, M.E have provided details on the potential capacity increases as a result of the removal of the MDR density rule in Chapter 8 and these have been included in the assessment of Options 1 and 2.

Other than the positive benefits of allowing more HDR near the Wānaka Town Centre (WTC) and the density increases as a result of the removal of the MDR density restriction in Chapter 8, it is not anticipated that there would be substantial changes to the results of the modelling and the conclusions reached within the M.E report as a result of the abovementioned changes. These changes are consistent across Options 1 – 6 above, except for not applying the bespoke height restrictions to MDR zoned land under Options 5 and 6.

⁵⁵ 1 unit per 250m² net site area

⁵⁶ This is the same height as applies to the sites under the existing MDR zoning

It is also noted that following this modelling, work has been undertaken to include the Lake Hāwea South land in the plan variation and modelling for that has been undertaken separately (reported on and included in Appendix 9), with updated capacity modelling included.

These changes have been incorporated and taken into account in Section 6.2 (constraints), Section 7 (proposal) and Section 8 (evaluation) of the report below.

6.2 EXCLUSIONS OR PARTIAL EXCLUSIONS TO INTENSIFICATION

The NPS-UD acknowledges that not all urban areas are suitable for intensification due to there being specific features that need to be protected or characteristics and constraints that need to be taken into account.

In the NPS-UD, the term ‘qualifying matter’ is defined in Clause 3.32 to describe aspects which Tier 1 local authorities may utilise to apply modified building height or densities in specific locations or areas. These include the matters of national importance listed in Section 6 of the RMA, as well as other matters such as nationally significant infrastructure, natural hazards, public open space, heritage, and consistency with iwi participation legislation.

Qualifying matters apply specifically to Tier 1 authorities and they therefore do not directly apply to the Queenstown Lakes District being a Tier 2 local authority.

However, the assessment of the areas identified by the Accessibility and Demand Analysis as being suitable for rezoning and the proposed changes to the provisions in some areas has identified a number of constraints that need to be taken into account. In identifying possible constraints, the Council has considered the NPS-UD provisions that relate to qualifying matters as those matters have been identified in a higher order document as potentially being appropriate constraints to the enablement of development.

Where a constraint exists, this does not necessarily mean intensification should not be enabled, rather, the NPS-UD (and the RMA) expects local authorities to carry out a comprehensive analysis, and seek to enable increased (commensurate) heights and densities while managing constraints appropriately.

The process for evaluating “qualifying matters” is detailed in clause 3.33 of the NPS-UD. In summary, this includes the following:

- 1 Demonstrate why it is considered that the area be subject to a qualifying matter;
- 2 Assess the impact that limiting development capacity, height, density or any other relevant matter will have on the provision of development capacity; and
- 3 Assess the costs and broader impacts of imposing the limits.

Council has generally adopted the same approach when assessing constraints as part of this proposal and has applied a number of exclusions or partial exclusions which are detailed below.

6.2.1 Gorge Road ODP High Density Residential Zone

Whilst the Accessibility and Demand Analysis identified the Gorge Road area as having a high accessibility score, particularly in proximity to the Queenstown town centre, and the relative demand analysis identified the area as having high demand, the Council is currently working to understand the nature, scale and risk of the natural hazards (alluvial fan debris flow risk, flooding and rock fall) present within and adjacent to the Gorge Road ODP High Density Residential Zone.

These areas (known as Brewery Creek and Reavers Lane) have not yet been included in the District Plan review as detailed investigations and community consultation in relation to risk tolerance is being undertaken and a preferred response package is being developed. This is being undertaken within the context of section 6(h) of the RMA, matters of national importance - the management of significant risks from natural hazards.

Once the outcomes of the above workstreams is known, the zoning of the areas and their related planning provisions will be considered, and the area incorporated into the District Plan review. This review will be required to take into account the requirements of the NPS-UD, given that Queenstown Lakes is a Tier 2 local authority, but currently due to the further work required, the natural hazard risk in this area means that intensification is considered to be inappropriate.

It is noted that the majority of the area is zoned High Density Residential under the ODP in which there is no maximum density specified in the ODP.

6.2.2 Location-Specific Building Height Standards

It is proposed to retain a number of existing specific location-based bespoke building heights under the proposal as opposed to applying the proposed increased building heights for the applicable zones. These areas are:

- LDSRZ in Kawarau Heights (Structure plan 27.13.15 and existing rule 7.5.1.3)
- MDRZ in Arthurs Point on the knoll (existing specific area identified on the District Plan maps existing rule 8.5.1.2/proposed rule 8.5.1.1 b)
- MDRZ in Arthurs Point – wider area (proposed specific areas identified on the District Plan maps and proposed rule 8.5.1.1 a)
- MDRZ at Queenstown Hill (a proposed specific area identified on the District Plan maps and proposed rule 8.5.1.2)
- HDRZ area along the south side of Frankton Road (specific area identified on the District Plan maps)
- HDRZ area to the west of the Kawarau Falls Bridge
- HDRZ in Wānaka and Three Parks
- HDRZ in Frankton North

The Kawarau Heights height restrictions are shown on the Structure plan at 27.13.15 of the Subdivision chapter of the PDP as well as a bespoke height rule within the LDSR chapter. It is a legacy height restriction

from a recently resolved appeal⁵⁷ on stage 2 of the District Plan review. The limit on building heights is in order to protect the Outstanding Natural Landscape (ONL) Values of the adjoining ONL and the Kawarau River Outstanding Natural Feature (ONF) as well as the wider ONL as viewed from public places. The area is located on a prominent landform as viewed from public places and the height restrictions, along with other controls, are needed to mitigate adverse effects on the wider and adjoining ONL and ONF. It is noted that the protection of ONF/L's from inappropriate subdivision, use and development is a matter of national importance under Section 6(b) of the RMA. Given the recent litigation relating to this land area and the potential effects upon the surrounding ONL/Fs it is proposed that the existing height limit under the PDP be maintained. Given the small area of land that this bespoke height rule applies to, the effect upon plan enabled capacity and feasible capacity as a result of the retention of the height rule is anticipated to be insignificant.

There is a small pocket of MDRZ zoned land in Arthurs Point where PDP Standard 8.5.1.2 applies. This standard has resulted from a recently resolved appeal relating to the PDP⁵⁸ and it limits building height within the area identified on the District Plan maps to a maximum of 465masl. This bespoke height limit is proposed to be retained. The land area relates to a small knoll which is currently covered in conifers and any development on this knoll will be viewed in conjunction with the surrounding ONL given its elevation. Given the recent litigation relating to this land area and the potential effects upon the surrounding ONLs, a section 6 (b) matter, it is proposed that the existing height limit under the PDP be maintained. It is also noted that the Arthurs Point area did not perform well in the accessibility and demand analysis as detailed in the Barkers and Associates assessment in Appendix 3 and a height increase on this basis is also not warranted to give effect to the NPS-UD.

The remaining MDRZ zoned land in Arthurs Point is proposed to retain the existing enabled height limit of 8m and to apply the new proposed MDRZ recession plane rules that now applies to both flat and sloping sites. This land is directly adjacent to the ONL (and boundary of the UGB) and on the lower terraces it adjoins the Shotover River ONF. The MDR zoning of the land is the result of decision on Stage 3 of the District Plan review and a number of recently resolved appeals⁵⁹. Given Section 6(b) of the RMA, it is considered that the maintenance of the existing permitted building heights along the ONL and ONF boundaries in this location will manage this potential effect. It is also noted that the Arthurs Point area did not perform well in the accessibility and demand analysis and a height increase on this basis is also not warranted to give effect to the NPS-UD.

Similarly, one area of MDRZ land at the top of Queenstown Hill is also proposed to have the existing 8m permitted building height retained and the new proposed MDR recession plane rules (that now apply to both flat and sloping sites), applied. Given the location of the land adjoining the ONL, section 6 (b) of the RMA and its performance in the accessibility and demand analysis, this is justified for the same reasons as above. Given the small area of land that this bespoke height rule applies to, the effect upon plan enabled capacity and feasible capacity as a result of the retention of the height rule is anticipated to be insignificant.

⁵⁷ Consent order (ENV-2019-CHC-29)

⁵⁸ Consent Order – ENV2018-CHC-076, ENV-2021-CHC-040

⁵⁹ Ibid and Consent Order – ENV2021- CHC-23

The zoning of the land to the south side of Frankton Road is proposed to be maintained as HDRZ and the existing height standard (9.5.1.3) that applies relates to a stretch of the road where the topography is lower than the level of Frankton Road is proposed to continue to apply. The standard requires that the highest point of any building shall not exceed the height of the nearest point of the road carriageway centreline. This standard is included in the District Plan to allow for public views to be maintained from the road to the surrounding ONLs including Lake Wakatipu, the Remarkables and Cecil Peak. Frankton Road is part of the State Highway network (SH6A) and is the main entrance point into Queenstown and therefore views from this route are of importance.

Given the sloping nature of the land on the southern side of Frankton Road, the retention of the maximum height control is not anticipated to have a significant effect upon the density of development that could be undertaken on the properties to which the standard applies. The public benefit of retention of the views along the road is however considered to be an important amenity for Queenstown.

The land to the north side of Peninsula Road in Kelvin Heights across Kawarau Village is zoned HDRZ and has a bespoke height standard (9.5.1.2) that sets a maximum building height of 10m and requires that no building is to protrude above a horizontal line commencing 7m above any given point at the required boundary setback at the southern zone boundary (the Peninsula Road boundary). The land is adjacent to the Lake Whakatipu ONL and part of the Kawarau River ONF, is partly covered by a Wāhi Tūpuna overlay and has a heritage building as well as number of protected trees around what is now Rees Homestead Park. These are matters of national importance under section 6b, e, and f of the RMA. The intention of this bespoke height rule is to manage the dominance effect of buildings in this location and on the above-mentioned features as well as to mitigate the potential dominance effects of buildings upon the Peninsula Road streetscape. This existing height restriction is proposed to be maintained for these reasons, but also due to the area's performance in the accessibility and demand analysis. Given the small area of land that this bespoke height rule applies to, the effect upon plan enabled capacity and feasible capacity as a result of the retention of the height rule is anticipated to be insignificant.

The HDRZ in Wānaka along Lakeside Road has an existing 7m or 8m permitted building height (depending if the site is flat or sloping) and a maximum building height limit of 10m. The land adjoins the Lake Wānaka ONL and associated Wāhi Tūpuna overlay. The existing rules aim to mitigate the potential dominance effects of buildings on these, but also accounts for Wānaka's distinctive urban character. The HDRZ area of Wānaka performed well in the accessibility and demand analysis, but not as well as Queenstown and Frankton. The same building height as the Queenstown HDRZ zones in this location is therefore not justified, but an increase in building height to 12m (similar to the new proposed MDR) is proposed, along with the proposed HDRZ recession plane rules that now apply to both flat and sloping sites. It is considered that the combination of these rules would still be adequate to mitigate potential dominance effects whilst giving effect to Policy 5 of the NPS-UD through allowing for intensification commensurate to the outcomes of the accessibility and demand analysis.

The HDRZ in Three Parks Wānaka has an existing 7m or 8m permitted building height (depending if the site is flat or sloping) and a maximum building height limit of 12m. It aims to provide for a distinctive urban character at the entranceway to Wānaka through taller buildings and landscaped areas adjacent to State Highway. The area is only partly developed and as with the other HDRZ land in Wānaka, it does not perform as well as Queenstown and Frankton in the accessibility and demand analysis. The same building heights as in the Queenstown HDRZ zones are therefore not justified in this location. However, it is noted

that the area is steadily growing into a larger commercial area and infrastructure services has recently been installed. It is proposed to maintain the 12m maximum building height (similar to the new proposed MDR (and in line with the other HDRZ land in Wānaka), along with applying the proposed HDRZ recession plane rules. It is considered that the combination of these rules would still be adequate to mitigate any potential effects. The maintenance of the existing height limit will still allow for high density residential development to be developed at a level supported by the demand and accessibility analysis.

The HDRZ in Frankton North has a an existing 12m permitted building height (Restricted Discretionary if breached) and a maximum building height limit of 20m (Non-Complying if breached). It also has a structure plan and a recession plane of 45 degrees from 3 metres above ground level along the northern boundary where it adjoins the Rural Zone, Open Space Zone and Quail Rise Special Zone. Along part of this boundary where it adjoins the Rural Zone there is a ONL line as this adjoining land is an ONL. An associated Wāhi Tūpuna overlay also applies. These are matters of national importance under section 6b and e of the RMA. The intention of these bespoke rules is to achieve a balance between allowing for HDR development while manage the dominance effect of buildings. It is acknowledged that while the land is not yet developed, once developed it will perform well in terms of accessibility and relative demand. It is proposed to relax the 12m permitted building height to align with the rest of the zone (16.5m), but to maintain the existing recession plane and the NC status of the 20m maximum building height rule. It is considered that this will give effect to the NPS-UD, while acknowledging the above-mentioned constraints to intensification in this location. Given the small area of land that this applies to, the effect upon plan enabled capacity and feasible capacity as a result of the retention of the height rule is anticipated to be insignificant.

6.2.3 Arrowtown Historic Heritage

The accessibility analysis identified central Arrowtown, encompassing the PDP Arrowtown Town Centre Zone and PDP Arrowtown Residential Historic Management Zone as having a high level of accessibility and relative demand for housing and business land.

As can be seen in the PDP mapping, the Arrowtown Town Centre and Arrowtown Residential Historic Management Zone have a significant number of historic heritage features/buildings, a heritage protection order, protected and character trees. Proportionally, this number is much greater than elsewhere in the District. A Historic Heritage Precinct also covers the Arrowtown Town Centre and part of the Arrowtown Residential Historic Management Zone along Buckingham Street. This area is referred to as the 'Old Town'⁶⁰ and was the first residential area developed to support the establishment of Arrowtown as an early mining town. The Arrowtown Design Guidelines 2016 identify that although change has occurred within the 'Old Town', the historic fabric is sufficiently intact that the essence of early Arrowtown heritage remains. The 'Old Town' area is outlined in the Design Guidelines as providing contact for Arrowtown's town centre. For these reasons, and section 6(f) of the RMA, no changes to the Arrowtown Town Centre Zone or the Arrowtown Residential Historic Management Zone are proposed.

60 Arrowtown Design Guidelines 2016

Whilst the area was identified has having a high level of accessibility and relative demand, the costs of intensification in terms of historic heritage and character are considered to outweigh the benefits of providing for intensification in the Arrowtown Town Centre and Arrowtown Residential Historic Management Zones. These are small zones and therefore excluding the zones from intensification will not result in a significant effect upon plan enabled capacity. Furthermore, the proposed changes to the LDSR and MDR zones apply to areas in Arrowtown and will still allow for increased plan enabled capacity within the Arrowtown township.

6.2.4 Queenstown Town Centre Historic Heritage

There are a number of historic heritage features/buildings within the Queenstown Town Centre as well as three Historic Heritage Precincts which are centred along Ballarat Street and includes Queenstown Mall and one on Marine Parade, which also includes a heritage protection order. Height of development within the Precinct is restricted and generally allows for an additional level of development adjacent to the identified heritage buildings. Retention of this low-rise characteristic is proposed and therefore the Queenstown Town Centre Historic Heritage Precincts are proposed as an exclusion to intensification given that historic heritage is a matter of national importance under Section 6(f) of the RMA.

The urban design advice has also recommended that the same heights that apply to the Queenstown Town Centre Heritage Precinct also be extended to the block bounded by Church Street, Camp Street, Earl Street and Marine Parade due to the number of historic features/buildings that are located within that street block. This is also recommended as an exclusion to the level of intensification that applies to the remainder of the Queenstown Town Centre zone.

Given the small area of land that this area relates to, the effect upon plan enabled capacity and feasible capacity as a result of the proposed retention of the existing height rule is anticipated to be insignificant.

6.2.5 Land within the Air Noise Boundary and Outer Control Boundary of the Queenstown Airport

No change is proposed to the permitted density within the Air Noise Boundary of the Queenstown Airport however changes are proposed within the Outer Control Boundary (OCB).

The following options were considered to give effect to Policy 5 of the NPS-UD within the OCB:

1. **Status Quo** – no changes to the zoning within the OCB or the related rules and standards.

2. **Provision changes only** - no changes to the zoning of land within the OCB but changes to the provisions [excluding changes to existing densities of Activities Sensitive to Aircraft Noise enabled (ASAN)] in line with the remainder of the zones⁶¹.
3. **Change to zoning and provisions** - changes to zoning (rezone LSCZ to BMUZ and LDSRZ to MDRZ⁶²) and changes to provisions in line with the remainder of the zones as detailed in Appendix 7 and 8, including removing density restrictions (Rule 16.4.16) for Activities Sensitive to Aircraft Noise in the BMUZ within the OCB.

Note: all 3 options include maintaining sound insulation and mechanical ventilation requirements for land within the OCB.

M.E have considered these options and has provided high level comment on the economic implications of each option as detailed in appendix 7. The above three options have been assessed below.

The option of removing the sound insulation and mechanical ventilation requirements was not considered given the health and safety and social effects that can occur as a result of airport noise upon Activities Sensitive to Aircraft Noise⁶³.

Option 1 – Status Quo	
Costs	<ul style="list-style-type: none"> • The current cost of acoustic insulation and mechanical ventilation is high. • The economic benefits of creating a critical mass around commercial centres⁶⁴ and public infrastructure is not enhanced. This will also not enhance the viability of the high frequency public transport infrastructure⁶⁵ in these locations.
Benefits	<ul style="list-style-type: none"> • The Queenstown Airport is defined in the PDP as ‘Regionally Significant Infrastructure’ and in the NPS-UD as ‘Nationally Significant Infrastructure’ and the status quo provides for limited intensification within the OCB thereby providing a lesser risk of reverse sensitivity effects than the other options and ensuring the protection of the continued operation of the infrastructure. • The existing zoning and provisions allow for people to redevelop their properties and undertake limited infill development subject to installation of sound insulation and mechanical ventilation.
Efficiency	<ul style="list-style-type: none"> • This option results in a less efficient use of the land resource than the other options being considered.

⁶¹ Permitted density in the LDSRZ would remain 1/450m² and minimum lot area of 600 m² (subdivision chapter) with both having a NC activity status to exceed this. The no maximum density standard and 10m height limit for the LCSZ to be increased to 14m (except for the bespoke rules at 16,18,18B and 20 McBride Street and 1 Hansen Road) and the BMU zone within the OCB will still precludes any Activities Sensitive to Aircraft Noise.

⁶² Airport rezoning option 3 as shown in Appendix 8

⁶³ Defined in PDP Chapter 2

⁶⁴ ME explains that the commercial area zoned LSC at Frankton is currently relying on through traffic as oppose to a critical mass surrounding it and they note that there is significant plan enabled capacity for residential and VA use surrounding the commercial areas within Frankton Flats and Remarkables Park to form a critical mass.

⁶⁵ It is noted that the Public Transport Hub at Frankton serves does not just serve as a public transport stop, but also a Transport interchange. It is therefore not solely relying on a critical mass surrounding it to make it viable.

	<ul style="list-style-type: none"> The option favours prioritising efficiency of airport operations (by limiting reverse sensitivity effects that could arise by increasing the number of sensitive receptors) above increasing intensification in a location that is highly accessible.
Effectiveness	<ul style="list-style-type: none"> The existing zoning and provisions are effective and clear in their intent and requirement. The status quo aligns with Policy 3.2.2.1 that requires urban development occur in a logical manner so as to appropriately manage effects on infrastructure (airport) and Objective 4.2.2A which seeks a compact, integrated and well designed urban form within the UGBs that is managed to ensure that the Queenstown Airport is not significantly compromised by the adverse effects of incompatible activities.
Risk of acting or not acting	<ul style="list-style-type: none"> The risk of acting is increasing the population within the OCB that may raise reverse sensitivity effects in relation to the operation of the airport which is identified as regionally and nationally significant infrastructure. The risk of not acting is that additional intensification in a location that scored highly in the Accessibility and Demand Analysis and which is outlined as a future Metropolitan Centre in the Queenstown Lakes Spatial Plan is not provided for.
Ranking	<ul style="list-style-type: none"> Ranked 2
Option 2 – Provisions changes only	
Costs	<ul style="list-style-type: none"> The current cost of acoustic insulation and mechanical ventilation is high for developers. This option would result in the potential for additional affected persons⁶⁶ opposing future proposals to intensify operations at the Queenstown Airport which will add additional risk and expense to that process for the Airport (but less so than Option 3 given less capacity is being enabled). This option could also increase the level of reverse sensitivity effects that occur in as a result of noise associated with the Queenstown Airport and State Highway 6 and 6a notwithstanding the requirements for acoustic insulation and mechanical ventilation (but less so than Option 3 given less capacity is being enabled). This option can result in adverse health and social effects for the additional people that will reside within the OCB as a result of aircraft noise. Although the sound insulation and mechanical ventilation requirements will be maintained, there can still be health effects

⁶⁶ Potentially enabled by increasing height (LDSRZ and LSCZ) and relaxing recession plane rules, but no changes to the Status que rules restricting Activities Sensitive to Aircraft Noise.

	<p>from living in a noisy environment (but less so than Option 3 given less capacity is being enabled).</p> <ul style="list-style-type: none"> • The economic benefits of creating a critical mass around commercial centres and public infrastructure is not fully realised by this option as it will only result in a small increase to the plan enabled capacity due to only relaxing the bulk and location standards. • Residential amenity is lower within the OCB and outdoor living is affected. • Development of flat land within Frankton is more economically viable than development of many other areas of Queenstown that has sloping land or geotechnical constraints.
Benefits	<ul style="list-style-type: none"> • The proposed changes to the LDSRZ provisions will allow for an additional 1m in permitted building height on sloping sites compared to the status quo. This will provide additional design flexibility but no additional yield. • The proposed changes to the LSCZ provisions would be to increase the permitted height from 10m to 14m and relax the recession plane requirements where a site adjoins a residential zone. This may provide for an increase in an additional level of development capacity and therefore provide additional intensification as well as design flexibility. This would result in intensification in an area that is highly accessible. • The proposed changes to the BMU provisions would be to relax the recession plane requirements where a site adjoins a residential zone, which will provide for a marginal increase in development capacity (excluding for ASAN) as well as design flexibility.
Efficiency	<ul style="list-style-type: none"> • This option results in a more efficient use of the land resource than Option 1 in a location that has high relative demand for housing and business land and within locations that are identified as being highly accessible. • The option slightly shifts the balance towards increasing intensification (without significantly increasing the number of sensitive receptors and associated reverse sensitivity effects that could arise) as oppose to just prioritising maintaining efficiency of airport operations.
Effectiveness	<ul style="list-style-type: none"> • The proposed change to the LDSRZ provisions for sites within the OCB is not anticipated to significantly effect density of development or numbers of people accommodated within the OCB. • The proposed changes to the LSCZ provisions will likely result in a small increase in intensification within the OCB. • This option is considered to still align with Policy 3.2.2.1 that requires urban development occur in a logical manner so as to appropriately manage effects on infrastructure (airport).

	<ul style="list-style-type: none"> It is also considered to be consistent with Objective 4.2.2A which seeks a compact, integrated and well designed urban form within the UGBs that is managed to ensure that the Queenstown Airport is not significantly compromised by the adverse effects of incompatible activities. The small increase in capacity that this option produces is not considered to be significant and as the acoustic insulation and mechanical ventilation requirements will still be in place for Activities Sensitive to Aircraft Noise (ASAN) the potential reverse sensitivity effects will be managed.
Risk of acting or not acting	<ul style="list-style-type: none"> The risk of acting is increasing the population within the OCB that may raise reverse sensitivity effects in relation to the operation of the airport. The risk of not acting is that additional intensification in a location that scored highly in the Accessibility and Demand Analysis and which is outlined as a future Metropolitan Centre in the Queenstown Lakes Spatial Plan is not provided for.
Ranking	Ranked 1
Option 3 – Changes to zoning and provisions	
Costs	<ul style="list-style-type: none"> This option can result in additional affected persons opposing proposals to intensify operations within the Queenstown Airport which will add additional risk and expense to that process. This option could also increase the level of reverse sensitivity effects that occur in as a result of noise associated with the Queenstown Airport and State Highway 6 and 6a notwithstanding the requirements for acoustic insulation and mechanical ventilation. The cost of acoustic insulation and mechanical ventilation is high. This option can result in adverse health and social effects for the additional people that will reside within the OCB as a result of aircraft noise. Although the sound insulation and mechanical ventilation requirements will be maintained, there can still be health effects from living in a noisy environment. Residential amenity is lower within the OCB and outdoor living is affected. There is a litigation cost to the community of removing various PDP provisions that are currently restricting or limiting the amount of activities that are sensitive to aircraft noise to establish within the OCB.
Benefits	<ul style="list-style-type: none"> Intensification of the land within Frankton would be in an area that has high accessibility and relative demand, as shown in the Barker & Associates modelling in Appendix 3. The majority of land within Frankton is flat and does not have known geotechnical constraints and therefore is easier to develop compared to many of the sloping sites in Queenstown.

	<ul style="list-style-type: none"> • Intensification of the land for residential purposes will support the diversification of commercial and community services that are offered within the BMUZ. • Intensification of development will provide additional critical mass to support upgrades in public and active transport infrastructure which can support a mode shift away from use of private vehicles and therefore reduce greenhouse gas emissions. <ul style="list-style-type: none"> • Intensification of development around the Frankton bus hub will help provide a critical mass to encourage greater frequency of services and improve economic viability. • There are economic benefits associated with creating a critical mass around commercial centres.
Efficiency	<ul style="list-style-type: none"> • This option would be the most efficient use of the land resource out of the three options being considered. • The intensification of land would be occurring in areas without the road transport and three waters infrastructure constraints outlined in the M.E report. • This option favours intensification above prioritising maintaining efficiency of airport operations.
Effectiveness	<ul style="list-style-type: none"> • Intensification of land within the Frankton area will help implement the Queenstown Lakes Spatial Plan in promoting Frankton as a Metropolitan Centre and would provide for intensification in an area identified as being accessible and in demand in line with Policy 5 of the NPS-UD. • The proposal will promote the compact urban form sought by Chapter 4 and limit the need for outward expansion of urban areas. • This option would require changes to the objectives and policies within the MDRZ and BMUZ chapters to ensure that they align with the higher order policies in Chapters 3 and 4 relating to regionally significant infrastructure. Additional changes to Chapter 3 may also be necessary.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a risk of the Council failing to meet its obligations under the NPS-UD, however the other zoning and provisions changes included in the proposed variation do provide for a significant increase to the status quo in terms of feasible capacity. • The risk of acting is to place additional pressure upon the operations of Queenstown Airport which is identified as regionally and nationally significant infrastructure. • There is a risk that acting would be inconsistent with the District Plan's strategic direction (chapter 3 and 4) which seeks to: <ul style="list-style-type: none"> ▪ recognise that the Queenstown Airport makes an important contribution to the prosperity and resilience of the District; ▪ protect the Queenstown Airport from reverse sensitivity effects;

	<ul style="list-style-type: none"> ▪ provide for Queenstown Airport’s efficient operation; and ▪ ensure that Queenstown Airport is not significantly compromised by the adverse effects of incompatible activities.
Ranking	Ranked 3

Overall, the best ranked option that achieves an appropriate balance between intensification within the OCB while not significantly compromising the safety and efficiency of the airport operations is option 2. This option could have a marginal increase in the amount of activities sensitive to Airport Noise that could establish within the OCB, due to relaxing the recession planes that adjoin the residential zoned land within the LSCZ and the BMUZ, but it is not anticipated to compromise airport operations.

It is also noted the marginal increase enabled by the provision has not been modelled as part of the broader Options 1 - 6 by M.E (Appendix 5), as the model applies a blanket restriction on residential intensification within the OCB. Consequently, it is not anticipated that there will be any change to the broader modelling and recommendations as outlined within the ME report.

6.2.6 Wānaka Town Centre

The urban design recommendations of Barker & Associates (Appendix 4) were in support of increasing the permitted building heights in the Wānaka Town Centre (WTC) *up to* 20m either across the town centre or for most of the town centre except for maintaining the existing height within Precinct 1. This is compared to the existing permitted height of 8m to eave line and 10m to ridge line outside of the Height Precincts⁶⁷ and between 10-12m to the eave line and 12-14m to the ridge in Height Precincts 1 and 2⁶⁸. The options considered in relation to the WTC building heights include:

1. Status quo – no changes/intensification
2. 20m permitted building height with 6m setback for upper levels above 12m across the entire WTC zone.
3. 16.5m permitted building height with 4m setback for upper levels above 12m across the entire WTC zone.
4. 16.5m permitted building height with 4m setback for upper levels above 12m across WTC zone with the status quo applying to Height Precinct 1⁶⁹.

These options have been assessed below.

Option 1 – Status quo	
Costs	<ul style="list-style-type: none"> • The economic benefits of creating a critical mass within commercial centres is not realised.

⁶⁷ Rule 13.5.8

⁶⁸ Rule 13.5.9

⁶⁹ Height Precinct 1 applies to the properties fronting Ardmore Street between Bullock Creek and Dungarvon Street and the WTC zoned properties fronting Dungarvon Street

	<ul style="list-style-type: none"> • Lack of critical mass within the town centre will also make public transport infrastructure and active travel upgrades less viable. • Other greenfield locations such as Three Parks are more attractive to develop for commercial and mixed use development which may entice businesses out of the WTC. This can adversely affect the economic viability of the WTC.
Benefits	<ul style="list-style-type: none"> • The retention of the status quo will maintain the existing character of the WTC which is enjoyed by tourists and residents. • There is likely to be less residential development within the WTC under the current rules which results in less conflict with noise generated within the centre, including from the Lower Ardmore Entertainment Precinct.
Efficiency	<ul style="list-style-type: none"> • This will result in the least efficient use of the WTC land resource compared to the other three options.
Effectiveness	<ul style="list-style-type: none"> • There has only been one recent development within the WTC (The Precinct) which implies that the existing WTC built form provisions are not providing enough incentive for redevelopment even though M.E has identified that the largest areas of existing feasible capacity are in the WTC and Queenstown Town Centre. • With the height changes proposed to the other zones, such as the BMUZ, the hierarchy of centres is not maintained if the existing height limits remain for the WTC i.e WTC is the focus for commercial development and has the highest height limits.
Risk of acting or not acting	<ul style="list-style-type: none"> • Given the high share of plan enabled capacity for the Upper Clutha lies within the WTC zone, development within the zone is heavily relied upon to meet the projected long term demand for residential and commercial capacity. If this does not eventuate, increased heights and/or densities in other zones would be required, or further greenfield subdivision or intensive attached style housing in the Wānaka MDRZ. • Not acting is considered to have a risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	Ranked 4
Option 1 –20m building height with 6m setback for upper floors above 12m across the WTC zone	
Costs	<ul style="list-style-type: none"> • The existing 'low rise' character of the WTC may be adversely affected by the uptake of development to the 20m height limit which may adversely affect the enjoyment and attraction of the WTC for both tourists and residents.
Benefits	<ul style="list-style-type: none"> • The economic benefits of creating a critical mass within commercial centres is realised so to support economic activity and diversification of commercial and community activities and services. This will also make public transport infrastructure and active travel upgrades more viable.

	<ul style="list-style-type: none"> • The proposed changes will encourage residential apartment development within the WTC at above ground floor levels which will provide for additional housing choice in Wānaka and go some way to addressing the long-term projected net increase in demand for an additional 1,500 apartment dwellings in Wānaka as modelled by ME⁷⁰. • Within the Upper Clutha area, the WTC has the highest level of accessibility and demand as detailed in the assessment by Barkers and Associates. • New development as viewed from the street would retain the predominant “low scale” 3 to 4 storey character of the WTC. • The 6m setback of the upper floor levels above 12m will retain a degree of sunlight. It will also effectively “hide” two additional storeys and provide opportunities for upper level balconies and communal outdoor spaces.
Efficiency	<ul style="list-style-type: none"> • This will result in the most efficient use of the WTC land resource compared to the other three options.
Effectiveness	<ul style="list-style-type: none"> • The proposed changes will be effective in providing additional commercially feasible plan enabled capacity in the WTC to assist in meeting the projected long term demand for apartment housing. • The proposal may result in a surplus in commercial floor space which may adversely affect the viability of the Three Parks zoning or Wānaka BMUZ.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	Ranked 3
Option 3 – 16.5m building height with 4m step back upper floors above 12m across the WTC zone	
Costs	<ul style="list-style-type: none"> • The existing ‘low rise’ character of the WTC may be adversely affected by the uptake of development to the 16.5m height limit which may adversely affect the enjoyment and attraction of the WTC for both tourists and residents, but less so than Option 2.
Benefits	<ul style="list-style-type: none"> • The economic benefits of creating a critical mass within commercial centres is realised (less than Option 2) so to support economic activity and diversification of commercial and community activities and services. This will also make public transport infrastructure and active travel upgrades more viable. • The proposed changes will encourage residential apartment development within the WTC at above ground floor levels which will provide for additional housing choice in Wānaka and go some way to

⁷⁰ Changes to Dwelling Typology Structure of Demand: Higher Market Shift Scenario – page 12

	<p>addressing the long-term projected net increase in demand for an additional 1,500 apartment dwellings in Wānaka as modelled by ME.</p> <ul style="list-style-type: none"> • Within the Upper Clutha area, the WTC has the highest level of accessibility and demand as detailed in the assessment by Barkers and Associates. • New development as viewed from the street would retain the predominant “low scale” 3 to 4 storey character of the WTC. • The 4m setback of the upper floor levels along with the lower heights will retain a degree of sunlight to footpaths and will provide a pedestrian scale to the streetscape. This setback will still allow for provision of balconies at upper floor levels which will increase passive surveillance.
Efficiency	<ul style="list-style-type: none"> • This option will result in an increase in the efficient use of the WTC land resource but less than Option 2.
Effectiveness	<ul style="list-style-type: none"> • The proposed changes will be effective in providing additional commercially feasible plan enabled capacity in the WTC to assist in meeting the projected long term demand for apartment housing. • The proposal may result in a surplus in commercial floor space which may adversely affect the viability of the Three Parks zoning or the Wānaka BMUZ (less than Option 2).
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	Ranked 2
Option 4 – 16.5m building height with 4m setback for upper floors above 12m across the WTC zone with Status Quo in Height Precinct 1	
Costs	<ul style="list-style-type: none"> • The existing ‘low rise’ character of the WTC may be adversely affected by the uptake of development to the 16.5m height limit which may adversely affect the enjoyment and attraction of the WTC for both tourists and residents, but less so than Options 2 and 3.
Benefits	<ul style="list-style-type: none"> • The economic benefits of creating a critical mass within commercial centres is realised (less than Options 2 and 3) so to support economic activity and diversification of commercial and community activities and services. This will also make public transport infrastructure and active travel upgrades more viable. • The proposal provides a balance between providing additional capacity and avoiding or mitigating adverse effects upon the character and amenity of the WTC and surrounding public spaces. • The proposed changes will encourage residential apartment development within the WTC at above ground floor levels which will provide for additional housing choice in Wānaka and go some way to addressing the long-term projected net increase in demand for an additional 1,500 apartment dwellings in Wānaka as modelled by M.E.

	<ul style="list-style-type: none"> • Within the Upper Clutha, the WTC has the highest level of accessibility and demand as detailed in the assessment by Barker and Associates. • New development as viewed from the street would retain the predominant “low scale” 3 to 4 storey character of the WTC and would provide a lesser building height and potential dominance and character effects for land adjacent to the lakefront and the eastern end of Pembroke Park which are both popular and heavily used public spaces. • The stepped height approach with lower heights in Precinct 1 will provide more opportunities for development to utilise the northern sunlight aspect and views towards the lake and mountains over Precinct 1. • The 4m setback of the upper floor levels along with the lower heights will retain a degree of sunlight to footpaths and will provide a pedestrian scale to the streetscape. This setback will still allow for provision of balconies at upper floor levels which will increase passive surveillance.
Efficiency	<ul style="list-style-type: none"> • This option will result in an increase in the efficient use of the WTC land resource but less than Options 2 and 3. • This option provides for a more efficient use of the northern sunlight aspect and views towards the lake and mountains over Precinct 1 as it applies to commercially feasible development.
Effectiveness	<ul style="list-style-type: none"> • The proposed changes will be effective in providing additional commercially feasible plan enabled capacity in the WTC to assist in meeting the projected long term demand for apartment housing. • The proposal may result in a surplus in commercial floor space which may adversely affect the viability of the Three Parks zoning or the Wānaka BMUZ (less than Options 2 and 3).
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	Ranked 1

Option 4 which applies a 16.5m building height with 4m setback of the upper floors above 12m and maintenance of the status quo height limit for Height Precinct 1 in the WTC zone is preferred as it will provide a balance between intensification and maintenance of existing character and amenity, particularly from the adjoining public spaces, including the Lake Wānaka ONL.

Barker & Associates proposed an amendment to policy 13.2.1.2 with reference to residential amenity within the Town Centre. This proposed amendment was not adopted as the purpose of the existing policy is to recognise and seek to provide direction regarding potential reverse sensitivity effects resulting from residential activities locating in the town centre. Management of this effect remains appropriate.

6.2.7 Stormwater runoff and Climate change

As the planet warms, intense rainfall and flash flooding is predicted to significantly increase. Intensification of the urban environment could increase the amount of impervious surfaces that could increase the demand upon Council's existing hard stormwater infrastructure. Soft or "sponge" infrastructure helps to absorb and attenuate water, however during intense rainfall events, the ground becomes saturated quicker as it does not have enough time to absorb and attenuate stormwater. This causes stormwater to flow onto hard infrastructure and when this becomes overloaded it causes flash flooding. Low impact stormwater designs and having more pervious surfaces available to absorb and attenuate stormwater would therefore become more important to help mitigate the effects of intense rainfall events.

While intensifying existing urban environments are necessary to support the reduction in greenhouse gas emissions in accordance with Objective 8a of the NPS-UD, urban environments also need to be resilient to the current and future effects of climate change (Objective 8b), including a significant increase in intense rainfall events. To be considered a well-functioning urban environment in accordance with Policy 1 (e-f) of the NPS-UD, at a minimum, planning decisions needs to contribute towards achieving both objectives.

Overall, building coverage will increase in existing urban areas compared to current levels if development becomes more feasible through provisions that enable intensification. More impervious surfaces will inevitably reduce the ground's ability to soak up rainwater and reduce the land's ability to mitigate the effects of intense rainfall events and the urban environment's resilience to the current and future effects of climate change. This is a constraint to intensification.

As part of the review of the existing PDP provisions, Barker & Associates considered the existing building coverage and landscaped permeable surface coverage standards and found that they do not unduly restrict the development typologies anticipated within the respective zones. No changes to the standards relating to building coverage or landscaped permeable area are therefore proposed through the plan variation. Intensification is still enabled however through the proposed changes in height and density provisions in the zones. In other words, through building up.

Despite retaining the existing building coverage and landscaped permeable surface standards, as outlined above, the overall building coverage and impervious surfaces are still anticipated to increase in the urban environment compared to the status quo, as development occurs. Resource consent applications may also be lodged to potentially breach these standards. Once covered, it is hard to reverse or to mitigate the associated cumulative adverse effects of the loss in the ground's ability to absorb and attenuate stormwater.

It is therefore crucial to ensure that all proposals for intensification, or proposals for breaching associated standards includes measures to help mitigate the cumulative effects of the increase in impervious surfaces and stormwater runoff, including consideration of climate change. To help address this constraint to intensification and the associated cumulative adverse effects, the proposal includes matters of discretion and policy direction that requires incorporation and assessment of low impact stormwater designs.

6.2.8 Wānaka Aquifer and Landslide area

In Wānaka, a large part of the existing WTC, HDRZ and MDRZ around the WTC is on a pre-existing schist debris landslide and the artesian zone of the Wānaka Aquifer. Natural Hazards are covered by Chapter 28 of the PDP, but there are also Natural Hazard specific assessment matters (25.8.9) in the Earthworks chapter of the PDP and matters of discretion for buildings in the WTC (13.4.4), HDRZ (9.4.5) and MDRZ (8.4.10).

Building coverage and earthworks rules are not proposed to change (except as discussed below) for these areas and it is not anticipated that increasing heights in these areas would change the existing hazard consideration that is to be had for any development in these areas. These hazards and mitigation measures are to be considered when earthworks are proposed and when considering foundation designs for buildings (under the Building code/Act). Within the MDRZ a matter of discretion is also now proposed to include stormwater related effects (including flooding and water nuisance) when considering applications for building coverage breaches. This will specifically be relevant for proposals to breach building coverage in the MDRZ land over the artesian zone of the Wānaka Aquifer, where there are associated springs and flooding along Bullock Creek.

The loading on the likely needed engineered designed foundations could increase due to increase in the height of buildings, but a higher development yield could also make the cost of the foundations more feasible. While, the presence of these hazards does present a constraint on intensification (and potentially the feasibility of intensification), the changes proposed do not change the status quo and the need to consider these hazards at a site level when development is proposed. The only difference is that height increase could make development more feasible on some sites or in cases where parts of the sites can't be developed, an increase in the height and relaxation of the recession plane rules will allow for better utilisation of the remaining parts of the sites.

There is, however, one area around McDougall Street where the zoning is proposed to change from LDSR to MDR that is within the artesian zone of the Wānaka Aquifer. The zone change means that more residential units per site could be developed, however the change in permitted building coverage is only from 40% (LDSRZ) to 45% (MDR). The proposed zoning change would not change any of the earthwork rules applicable to these sites. The above explained benefits associated with increasing the height limits are also relevant for these sites. In light of this, it is considered that the benefits of the proposed zone change outweigh the costs and it is considered that the hazards would still be considered on a site level when intensification (rule 8.4.10), earthworks, or building coverage (8.5.4) breaches are proposed.

6.2.9 Setbacks from the State Highway

Existing provisions generally support a road boundary setback of between 2 and 4.5m for urban areas, depending on the zone. This provides space between the road and building on the site for landscaping that can support streetscape character and amenity and sometimes on-site car parking. Within the MDR and HDR zones, a setback of 4.5m applies to the boundaries of State Highways. This setback was included to address potential reverse sensitivity effects from State Highway traffic noise. As this potential effect remains and the benefit that it can provide to the streetscape character and amenity, it is considered appropriate to retain the setback as a development standard.

7. COMMUNITY AND STAKEHOLDER ENGAGEMENT

As this intensification plan variation is a direct result of implementing a national direction, limited community consultation has occurred.

Workshops with Queenstown Lakes District Councillors have been held in relation to the requirements of the NPS-UD and the proposed variation and additional written feedback from some Councillors has also been received in relation to the draft provisions since the last workshop. Where possible, this feedback has been taken into account in the development of the proposed variation.

Periodic updates on progress with the plan variation have been provided at Spatial Plan Integration Group meetings, which include representatives from central government, the Otago Regional Council (ORC), and Iwi Authorities. This proposal aims to align with and implement the Spatial Plan and feedback from the meetings has been taken into account in the development of the proposed variation.

Consultation has been undertaken with the Otago Regional Council (ORC) in the preparation of the proposed variation. This included review of a draft Section 32 document and provisions. Written feedback was received which has been incorporated into the proposal. Additional consultation has also been undertaken with the ORC specifically in relation to natural hazards specifically and this has been taken into account in the development of the proposed variation.

Informal consultation has been undertaken with representatives of the Queenstown Airport Corporation in relation to changes to densities and built form within the Outer Control Boundary of the Queenstown Airport. This feedback has been taken into account in the development of the proposed variation.

A survey of the regular planning consultants, developers, and RMA lawyers of the Queenstown Lakes area, who are regularly involved with resource consent applications was undertaken in August 2022. It requested feedback as to the specific PDP and ODP provisions that are seen as barriers to achieving intensification and suggestions as to how to improve these. Internal QLDC consenting staff were also sent the survey. Only eight responses were received to the survey however there was some consistency across many of the responses received and many of the responses correlated with the urban design recommendations made by Barker & Associates in Appendix 4. The survey responses are outlined in the Section 35 Monitoring Report⁷¹.

8. CONSULTATION WITH IWI AUTHORITIES

Clause 3(1)(d) of Schedule 1 of the RMA sets out the requirements for local authorities to consult with iwi authorities during the preparation of a proposed variation.

⁷¹ Section 35 Monitoring Report – 2022: <https://www.qldc.govt.nz/media/anljvwwk/monitoring-report-national-policy-statement-urban-development.pdf>

Clause 4A requires the Council to provide a copy of a draft proposed variation to iwi authorities consulted, prior to notification, and have particular regard to any advice received.

Consultation has been undertaken with both Aukaha and Te Ao Marama in the development of the proposed variation. A copy of the draft Section 32 and supporting information as well as proposed provisions was provided to both iwi authorities for comment. Written feedback was received from Te Ao Marama with Aukaha confirming that their feedback was the same as Te Ao Marama.

The noted issues of interest to mana whenua in this instance are climate change and the provision of infrastructure for wai (water), stormwater and wastewater disposal. In terms of the proposed provisions, Iwi sought that infrastructure capacity is included as a matter of discretion for the development of buildings in the LDSRZ and MDRZ. This has been included within the LDSR, MDRZ and HDRZ for intensification as 'capacity of existing or planned infrastructure/servicing' so to allow a broader consideration of the serving of developments than just 'existing capacity'. A matter of discretion is also included for low impact stormwater design in the same chapters which aim to address the effects of climate change.

Following work done for the inclusion of the Lake Hāwea South land (Appendix 9), a copy of the draft 32-evaluation report for Lake Hāwea South intensification and supporting information as well as proposed provisions was also provided to Iwi authorities for comment. Written feedback was received and in this instance the noted matters of interest are around intensive development and the impact on existing and future infrastructure and specifically relating to the capacity of the Hāwea Wastewater Treatment Plant being reached and proposed solutions to pipe wastewater to Project Pure treatment facilities. This feedback is considered in detail in Appendix 10. No additional changes are included in the proposal as a result of the Lake Hāwea South specific feedback.

9. PROPOSAL

9.1 Zoning

The proposal includes changes to the zoning of land of some existing urban areas that have been recommended as a result of the modelling of limbs (a) and/or (b) of NPS-UD Policy 5.

The proposed zoning is shown in Appendix 1A and involves:

- Changes to the zoning of some areas currently zoned LDSRZ to MDRZ,
- Changes to the zoning of some areas currently zoned LDSRZ to HDRZ,
- Changes to the zoning of some areas currently zoned MDRZ to HDRZ,
- Where site specific rules are proposed or amended the area that they relate to are identified on the proposed zone maps.

9.2 Changes to Planning Provisions

The proposal includes changes to the existing provisions within the PDP to implement the requirements of the NPS-UD. The proposed changes are detailed in Appendix 1B – 1K but are summarised below, along with the individual sub-objectives of each change that collectively aims to achieve the broader main objective of the proposed variation.

The three sub-objectives of the proposed changes are categorised as follow:

1. To enable heights and densities in accordance with Policy 5 and to recognise the benefits of intensification.
2. To ensure adequate amenity values within intensification areas.
3. To ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.

These sub-objectives are referenced in the below summary tables.

PDP Chapter 2 – Definitions

Two new definitions are proposed to support the other proposed changes:

Aim:	Provision proposed:
2	Inclusion of a new definition of 'habitable room'.
2	Inclusion of a new definition for 'outlook space'.

PDP Chapter 4 – Urban Development

The changes proposed to Chapter 4 are limited to:

Aim:	Provision proposed:
N.A	Minor change to the purpose of the chapter as high-growth urban areas are no longer defined in the new NPS-UD and it now requires that local authorities provide at least sufficient development capacity.
N.A	Change to NPS-UD reference.

PDP Chapter 7 - Lower Density Suburban Residential Zone

The proposed changes to the LDSRZ include:

Aim:	Provision proposed:
1	Changes to the zone purpose statement to allow sites down to an average land density of 300m ² and to enable a range of housing sizes and typologies.
1	Delete policy 7.2.3.2 which seeks to limit building heights on sites smaller than 900m ² .
3	Amend policy 7.2.6.2 to allow for consideration of infrastructure upgrades
1	Amendments to Section 7.3.2 relating to interpretation and application of rules and standards, specifically section 7.3.2.4 – to enable average densities.
1	Include a new permitted activity (7.4.4) – one residential unit on an existing site that is less than 450m ² .
1	Maintenance of the existing maximum densities however propose to amend the 300m ² minimum area to relate to ‘average area’ rather than ‘net area’.
1	Amendments to matters of discretion relating to the construction of residential units where the density of development exceeds 450m ² net area but not 300m ² average area.
1	Change to permitted building height limits to have the same 8m limit for sloping and flat sites across the zone with maintenance of one area (Kawarau Heights) where specific height limits apply.
1	Removal of the Lake Avenue Height Restriction Area (7.5.2.2).
1 & 2	Application of recession planes to development on all (flat and sloping) sites and amendment to the exemptions and change of activity status of a breach of the standard from non-complying to restricted discretionary, with inclusion of matters of discretion.
N.A	Transfer the Wānaka Substation Building Restriction Area from the LDSRZ to the MDRZ.
N.A	Reference update to Rule 7.6.1.1 to reflect change in rule numbering.
N.A	Reference updates to update document reference only.

PDP Chapter 8 – Medium Density Residential Zone

The proposed changes to the MDRZ include:

Aim	Provision proposed:
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1	Changes to the zone purpose statement – to enable more typologies in increase heights.
1	Amendment to Objective 8.2.3 – to clarify that the character will be continually changing.
1	Amendment to Objective 8.2.5 – to consider mode shift benefits on roading infrastructure.
1	Amend policy 8.2.1.4 – to account for increased heights and low-rise apartments.
1&2	Delete policy 8.2.3.1 and 8.2.3.2 and replace with 2 new policies – to account for provision changes and direct assessments.
1	Add new policy 8.2.5.2 and update numbering – mode shift.
1	Amend policy 8.2.5.2, now policy 8.2.5.3 – to enable consideration of future upgrades.
1	Amendment to Section 8.3.2 relating to interpretation and application of rules and standards, specifically deletion of 8.3.2.5. – to account for density rule changes.
2	Add matter of discretion for residential units: Amenity values for occupants.
1	Amend matter of discretion for residential units: include providing a range of unit sizes and typologies.
2	Amend matter of discretion for residential units: Amenity values of neighbouring sites
3	Add matters of discretion for residential units: Infrastructure and stormwater
2	Add matter of discretion for residential units: waste and recycling storage space
1	Use of a uniform maximum building height of 11m + 1m for pitched roofs across the zone but retention of the site specific height control relating to Arthurs Point and new site specific heights of areas adjoining the ONL in Arthurs Point and Queenstown Hill.
2	Changes to matters of discretion for building coverage – amenity, delete views and add privacy
3	Changes to matters of discretion for building coverage - stormwater
1	Removal of the minimum net site area for density of development (the existing minimum lot area remains in Chapter 27 for creation of vacant lots).
1 & 2	Application of the recession plane requirement across both sloping and flat sites, updating exceptions and relaxation of recession plane heights and angles.
2	Introduction of minimum outdoor living space requirements with a restricted discretionary activity status.

2	Introduction of minimum outlook space requirements with a restricted discretionary activity status.
2	Change to waste and recycling area for developments of three units or less.
N.A	Transfer of the Wānaka Substation Building Restriction Area from the LDSRZ to the MDRZ and delete advice note.
N.A	Reference updates to the updated document reference only.

PDP Chapter 9 - High Density Residential Zone

The proposed changes to the HDRZ include:


<i>Aim</i>	<i>Provision proposed:</i>
1	One change to the zone purpose – to enable apartments, not just low-rise apartments
2 & 3	Update and amendment of policy 9.2.2.1
1 & 2	Update policy 9.2.3.1 and delete policy 9.2.3.2
1	Update policy 9.2.6.3 and 9.2.6.5
1 & 2	Add matters of discretion for residential units to help assess proposals for intensification and ensure adequate amenity and delete consequential duplications
1	Amend matters of discretion to delete reference to sunlight access
1	Amend matter of discretion for residential units: include providing a range of unit sizes and typologies.
3	Add matters of discretion for residential units: Infrastructure and stormwater
2	Add matter of discretion for residential units: waste and recycling storage space
1	Increase building heights and change the matters of discretion for exceedances of the restricted discretionary building height.
1	Removal of the differentiation in permitted maximum building height between sloping and flat sites.
1 & 2	Application of the recession plane requirement across both sloping and flat sites and relaxation of recession plane heights and angles. Changes to exclusions.
1	Reduction of the minimum internal boundary setback requirement to 1.5m.

2	New building height setback requirement for buildings exceeding 10m in height for upper floors to be setback an additional 2m.
2	Introduction of minimum outlook space requirements with restricted discretionary activity status.
N.A	Amendment to rule 9.6.1.2 to include public notification exemption for building height setback at upper floors breaches.
N.A	Reference updates to updated document reference only.

PDP Chapter 12 - Queenstown Town Centre Zone

The proposed changes to the QTC zone include:

<i>Aim</i>	<i>Provision proposed:</i>
N.A	Change to the zone purpose to update a document reference only.
2	Update policy 12.2.2.3 – to clarify all listed matters are to be considered including amendments
N.A	Delete policy 12.2.2.4 – as no longer relevant as don't have discretionary building heights
2	Update policy 12.2.3.3 - ensuring appropriate level of amenity for occupants
1	Add new policy 12.2.3.7 – ensure continued flexibility of use
2	Update policy 12.2.4.2 – to ensure waste storage/loading does not compromise pedestrian experience
2	Inclusion of the adequate provision and screening of loading and servicing areas, including waste and recycling storage and collection space as a matter of discretion for buildings.
2	Introduction of a building height setback requirement in Precinct 2 for upper floor of buildings above 8m in height to be setback an additional 4m.
2	Introduction of a building height setback requirement in Precinct 3 and 4 for upper floor of buildings above 12m in height to be setback an additional 6m.
1	Change and simplification to the maximum permitted building height requirements for buildings in the Queenstown Town Centre zone as shown in figure 1 below.
1	Removal of bespoke height and recession lines rules as well as the viewshaft height requirements within existing Height Precinct 7.

2	Retention of the height rule that applies to wharf or jetties.
1	Inclusion of a minimum ground floor height standard of 4m at ground level with a restricted discretionary activity status.
2	Addition of a sunlight admission standard for QTC zoned properties that adjoin residential zones with a restricted discretionary activity status.
2	Introduction of minimum outlook space requirements with a restricted discretionary activity status.
1	Amendment to rule 12.6.3.1 to remove public notification for discretionary building height breaches in Height Precinct 1 and 1A and include exemption for setback and sunlight access breaches.
N.A	Reference updates to updated document reference only.
1&2	Update figure 2: Queenstown Town Centre Height precinct map: 
<p>Figure 1: Extract from the B&A District Plan Urban Design Review report dated 15 May 2023</p>	

PDP Chapter 13 - Wānaka Town Centre Zone

The proposed changes to the WTC zone include:

Aim	Provision proposed:
2	Update objective 13.2.2 –include Urban Design
1	Delete objective 13.2.3 – as now covered under 13.2.2
2	Amend policy 13.2.1.2 – to include amenity matters for occupants
1	Add new policy 13.2.1.4 – to ensure flexibility of uses
1	Amend and update policy 13.2.2.3 – to reflect changes in standards
1	Delete policy 13.2.3.1 – to reflex changes in standards
1&2	Amend policy 13.2.3.2, now policy 13.2.3.5 – to reflex changes in standards
2	Add new policy 13.2.5.5 – ensure provisions for loading and service areas, etc.
1,2 &3	Changes, delete and add new matters of discretion for buildings.
1	Increasing the maximum permitted height limit to 16.5m outside of Height Precinct 1.
2	Inclusion of a building setback at upper floor levels of 4m where buildings exceed 12m in height outside of Precinct 1 and of 3m above 10m in Height Precinct 1.
1	Relaxation of the sunlight admission standard for WTC zoned properties that adjoin residential zones.
2	Introduction of a waste and Recycling Storage Space rule with a restricted discretionary activity status.
2	Introduction of minimum outlook space requirements for residential units with restricted discretionary activity to breach.
1	Inclusion of a minimum floor height standard of 4m for ground floor levels with a restricted discretionary activity status.
1&2	Addition of rule 13.6.2.3 to exclude public notification for restricted discretionary breaches of the new waste and recycling storage space standard.
N.A	Reference updates to updated document reference only.

PDP Chapter 15 – Local Shopping Centre Zone

The proposed changes to the LSCZ are as follows:

Aim	Provision proposed:
2	Amend matter of discretion for residential units to ensure adequate amenity – add outlook space
2	Inclusion of the adequate provision and screening of loading and servicing areas, including waste and recycling storage and collection space as a matter of discretion for buildings.
1	Increase the maximum permitted building heights within the Fernhill and Kelvin Heights LCS zone to 14m; within the Lake Hāwea South LSC zone to 12m; and the remainder of the LCSZ to 10m.
1 & 2	Amendment to the Setbacks and Sunlight Access control standards.

PDP Chapter 16 - Business Mixed Use Zone

The proposed changes to the BMUZ are as follows:

Aim	Provision proposed:
1	One change to the zone purpose – to reflect that increase height is not just enabled in Queenstown.
1&3	Amendment to objective 16.2.2 – include infrastructure, stormwater and mode shift
1	Add new policy 16.2.2.1 – mode shift
3	Add new policy 16.2.2.2 - stormwater
1	Amendment to policy 16.2.2.9 and 16.2.4.2 – to reflect new height provisions
2	Amend matter of discretion for residential units to include outlook space
2	Inclusion of the adequate provision and screening of loading and servicing areas, including waste and recycling storage and collection space as a matter of discretion for buildings.
3	Add matter of discretion for residential units: low impact stormwater design
1	Increase of the maximum building height to 16.5m in Wānaka and at Frankton Marina with the maximum building heights at Queenstown and Frankton North being retained at 20m.
1	Increase of the permitted building height to 16.5m in Queenstown and Frankton North and retaining the 12m permitted building height in Frankton Marina.

1&2	Change to the setbacks and sunlight admission standard where BMUZ properties adjoin residential zones.
1	Update of rule 16.6.2.2 to reflect the new building heights and 16.6.3.1 to remove “separated by a road”
N.A	Reference updates to updated document reference only.

PDP Chapter 27 – Subdivision and Development

The proposed changes to Chapter 27 include:

<i>Aim</i>	<i>Provision proposed:</i>
1	Update policy 27.2.1.4 and 27.2.3.2 to account for a greater diversity in housing typologies.
1	Update policy 27.2.3.2 to consider the future character intended for the zones.
1	Increase to minimum net site area for HDRZ from 450m ² to 600m ² and for LDSRZ from 450m ² to 300m ² .
1	Change to the minimum dimensions for lots in the LDSRZ to 12m x 15m, MDRZ to 10m x 12m, and HDRZ to 20 x 20.
1	Allowance for a reduction in the minimum net site area and minimum dimensions for subdivision in the LDRZ where a concurrent land use and subdivision application is lodged – Standard 27.7.32.1
1	Update to standard 27.7.31 to apply to all residential development as appose to infill development only.

These proposed changes will result in a total plan enabled capacity of 84,200 additional residential units (35.6% increase to the existing plan enabled baseline capacity of 62,100) and a total commercially feasible capacity of 55,400 additional residential units. Compared to the existing situation this is an increase of an additional 22,100 plan enabled residential units and an additional 23,500 commercially feasible residential units on top of the existing dwelling stock. The percentage of plan enabled capacity that is commercially feasible will also increase by approximately 11%⁷². It is noted that these numbers have been updated due to the inclusion of Lake Hāwea South.

⁷² From 54.8% (34000/62100*100 = 54.8%) to 65.8% (55400/84200*100 = 65.8%).

The proposal will provide for a greater diversity in housing typology through removing existing barriers within the existing Proposed District Plan provisions that discourage attached⁷³ housing typologies (i.e height increases, net site area and removal of density in the MDRZ) with the aim of providing for increased housing choice that will cater for changing demographics. The proposal will also allow for terrace and attached housing that is typically smaller, and which is considered to contribute to improving housing affordability.

A compact urban form is being promoted through the proposal with intensification being centred around existing commercial areas and along a frequent public transport corridor. Intensification will enable more people to live in or near commercial nodes, which will strengthen and support these commercial areas, and help improve their productivity through providing critical mass.

The proposal provides for greater enablement of intensification within existing urban areas which do not have an identified significant transportation constraint and will therefore not exacerbate transport issues (transport matters for Lake Hāwea South are covered in Appendix 9). Intensification around commercial nodes and key accessibility corridors also makes high frequency passenger transport and investment in active transport upgrades more viable due to increased patronage. These can reduce traffic generation as a result of private vehicle trips which can reduce greenhouse gas emissions⁷⁴, reduce traffic congestion and improve public health.

The areas where intensification is proposed aligns with the Council's strategic direction within the Spatial Plan, enables enough capacity to meet demand, and does not raise concerns when comparing capacity enabled and demand with the district's infrastructure limits⁷⁵. The intensification provided for in the proposed variation will increase demand upon Council's existing reticulated water and wastewater networks and upon the existing stormwater networks. The Council manages this via providing for upgrades through the LTP process with funding through development contributions. Given higher density is enabled infrastructure investment and upgrades per capita are considered to be more viable and feasible in the long term.

Matters of discretion are also added to ensure development consider the capacity of existing and planned infrastructure as well as low impact stormwater designs to account for the effects of climate change. This will ensure that developments can be serviced, but also in order to be responsive to proposals that provide significant development capacity through allowing developers to provide infrastructure (or upgrades) themselves where there is not yet capacity. This is considered to align with Objectives 6 and 8 of the NPS-UD.

Overall, the proposal is considered to align with the objectives and policies of the NPS-UD, in particular Policy 5, in a manner that will achieve a well-functioning urban environment.

⁷³ Referring to horizontally and vertically attached housing typologies.

⁷⁴ As promoted through Objective 8(a) and Policy 1(e) of the NPS-UD

⁷⁵ M.E report section 6.4

9.3 Amendment to Design Guidelines

Amendments are proposed to the existing Design Guidelines that are incorporated by reference in the PDP. Changes are proposed to align the design guides with the proposed changes to provisions for the respective zones. Only updates in relation to planning provisions that are amended through the variation are included. A detailed list of changes to be made to the design guides can be found in Appendix 1K and a track-changed version with updated pictures and drawings will be included upon notification.

10.SCALE AND SIGNIFICANCE

The level of detailed analysis undertaken for the evaluation of the proposed objectives and provisions has been determined by an assessment of the scale and significance of the implementation of the proposed provisions. In making this assessment, regard has been had to whether the proposal:

- Results in a significant variance from the existing PDP zones.
- Has effects on matters of national importance.
- Adversely affects those with specific interests.
- Involves effects that have been considered implicitly or explicitly by higher order documents.
- Imposes increased costs or restrictions on individuals, communities or businesses.

In this case, the scale and significance of the proposal are considered to be of **medium** significance. As determined by reference to the Council's Significance and Engagement Policy because it is of high importance to the district, however the variation has been well signalled by the NPS-UD and is an extension of existing policy in the Proposed District Plan, and the QLDC Spatial Plan 2021. Also, while the proposal results in changes to the planning framework for many of the existing urban zones, it is in response to the directives of the NPS-UD and is not considered to be inconsistent with the objectives and policies of the zones where greater intensification is proposed. The proposed variation will also assist with implementing the current higher order objectives and policies, with no changes being proposed to Chapter 3 – Strategic Direction and no substantial changes⁷⁶ to Chapter 4 – Urban Development.

The level of detail in this evaluation report corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.

11.EVALUATION OF THE PROPOSAL

11.1 Objective of the Proposal

The identified objective of the proposal is to give effect to the NPS-UD as required by s55 of the RMA. This objective is being achieved through giving effect to Policy 5 to enable intensification in suitable

⁷⁶ Changes only relate to amending the reference to the former NPS-UDC to the current NPS-UD

locations within the urban environments, but also to the wider directive of the NPS, to ensure a well-functioning urban environment that meet the changing needs of our diverse communities.

To achieve this broad objective, changes to the zone extent as well as to the provisions are proposed.

The sub-objectives of the proposed changes can generally be categorised into three categories:

1. To enable heights and densities in accordance with Policy 5 and to recognise the benefits of intensification.
2. To ensure adequate amenity values within intensification areas.
3. To ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.

While the below evaluation considers options to give effect to the main objective of the variation, each option includes variations of changes to the zoning and provisions that on their own aims to achieve one or more of the above three sub-objectives, but collectively aims to achieve the broader main objective.

A more detailed evaluation of the proposed changes to objectives (Section 32(1)(a) and the effectiveness and efficiency of the provisions in achieving the objectives (Section 32 (1)(b) is also undertaken in Section 13 and 14 of the report.

11.2 Options to give effect to the Objective

There are various options to give effect to the above objective of the proposal.

Six options have been considered in the development of the proposal in addition to the status quo (referred to as Baseline in the M.E reporting). These are detailed in Appendix 6 and are summarised below:

Option 1	Change zoning around commercial nodes and make the associated provisions more enabling
Option 2	Change zoning around commercial nodes and corridors and make the associated provisions more enabling
Option 3	Option 1 + changes to the standards in the Lower Density Suburban Residential Zone (LDSRZ) relating to building heights, average site area, and minimum lot area (subdivision chapter)
Option 4	Option 2 + changes to the standards in the LDSRZ relating to building heights, average site area, and minimum lot area (subdivision chapter)
Option 5	Option 2 + apply the Government's Medium Density Residential Standards (MDRS) to all land zoned LDRZ and MDRZ
Option 6	Option 2 + apply the proposed MDRZ built form standards to all land zoned LDSRZ and MDRZ
Option 7	Status quo

Aside for the Status Quo (Option 7), all of the other options incorporate the proposed changes to the rules and standards within the LDSRZ, MDRZ, HDRZ, QTC, WTC, LSCZ, BMUZ and Subdivision chapters, as well as the proposed changes to density within those zones except for the proposed building height and subdivision changes for the LDSRZ. Options 3 and 4 also incorporate the proposed building height changes to the LDSRZ chapter and related changes to the Subdivision chapter.

M.E's modelling has however identified that the proposed changes to the LDSRZ in Options 3 and 4 do not alter the feasible and commercial feasible capacity (and rather provide additional flexibility in design). Consequently, the M.E modelling of Options 3 and 4 is the same as the outputs for Options 1 and 2 respectively.

The proposed changes to the densities and standards have their basis in the recommendations made within the B&A Urban Design Considerations Report (Appendix 4) and the recommended zoning options from the B&A Method Statement (Appendix 3). These are compared to the status quo in the assessment below. It should be highlighted that the assessment below considers these broader 7 options, but that the final proposed provisions includes finer grain changes to implement further refinements and recommendations from the M.E Economic Assessment.

It should also be highlighted that the zoning options shown within the Airport Outer Control Boundary (OCB) in Appendix 3 and 6 has not yet considered the Airport Noise Constraint in line with the chosen option in section 9 above. However, the modelling done in the M.E Economic Assessment applies a blanket restriction on further ASAN's within the OCB, so that the resulting numbers of plan enabled and commercial feasible capacity and recommendations are in line with the recommended option 2 (5.2.5 above) for intensification in the OCB, which only allows a small amount of additional residential units.

The below assessment incorporates and adopts the assessment included within the B&A Method Statement (Appendix 3), Urban Design Considerations Report (Appendix 4) and the M.E Economic Assessment (Appendix 5).

Option 1 - Change zoning around nodes and make the associated provisions more enabling	
Costs	<ul style="list-style-type: none"> • This option will require a plan variation to be undertaken at cost to the QLDC and all stakeholders who choose to be involved. • There are costs associated with providing infrastructure upgrades to cater for increased density and development, however the need for these upgrades are able to be more readily identified and can be more efficiently provided for through the centralization of the intensification. • Perceived loss of amenity values associated with existing low density urban environments that may be intensified eg loss of views.
Benefits	<ul style="list-style-type: none"> • More efficient use of scarce urban zoned land. • The change will reduce the complexity and cost of requiring resource consents for developments that seek to develop to provide greater intensification of development than the status quo. • More development contributions can be levied from developments with increased density. This will contribute towards the cost of upgrading infrastructure, services and amenities. • The estimated commercially feasible capacity increases by 49% from the baseline. Under this option, there is an estimated feasible capacity of 47,400 dwellings (updated numbers to include Lake

	<p>Hāwea South within appendix 9) on top of the existing dwelling stock. This capacity occurs within the existing urban areas⁷⁷.</p> <ul style="list-style-type: none"> • Enabling a greater diversity of housing typology⁷⁸ provides increased housing choice and housing that can cater for changing demographics. This includes allowing for people to age in place by changing household types in the same area as they transition through life-stages rather than having to move around a district or region based on the limited availability of different house types in any given location. • As a result of the proposed changes to the built form standards this option would enable increased densities and housing supply within urban areas without having to go through a resource consent process in relation to increased building height or density which are currently frequently contested by other interested parties. • This option provides for a range of densities which will assist in achieving a compact urban form while also providing for housing choice. • A mix of densities contributes to creating a well-functioning urban environment. • Enabling higher densities around commercial nodes and centres will provide more people with good accessibility to housing, jobs, community services, amenities and open space. • Promoting an urban hierarchy through strengthening commercial nodes such as being promoted through Options 1 - 4 increases the productivity of parts of the business sector and provides a location for activity to co-locate and serve wider urban catchments. It provides the critical mass to generate an expansive catchment area that supports an increased range and depth of commercial activity within the node. A more diversified commercial offering increases commercial amenity for households across the district⁷⁹. • Options 1 to 4 enables the highest shares of feasible capacity within areas with no existing transportation constraint. Almost all of the additional capacity enabled under these options (compared to the Status Quo) occurs within the areas with no bridge constraint. This amounts to 90% to 99% of the additional commercially feasible capacity identified by the economic modelling⁸⁰.
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78 The largest increases in feasible capacity have occurred within the terraced housing typology according to the Market Economics 16 May 2023 report

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	<ul style="list-style-type: none"> • Passenger (public) transport will become more viable in terms of reduced subsidies and more frequent services through increased patronage. • Concentrating development in specific areas with good access to active modes and public transport will reduce carbon emissions from private vehicles over time and help slow down climate change. • Public health benefits by enabling more people to live closer to employment and amenities making walking and cycling more viable modes of transport for everyday living. • Reduced costs to individuals in running motor vehicles due to people being able to walk, cycle and access public transport more readily. • This option provides for additional housing supply which may contribute to the reduction in the cost of housing⁸¹. Compared to the Status Quo, this option will generate an economic benefit to households through increasing the range of different housing options available across different locations⁸². • The proposed provisions enabling smaller sites are likely to result in changes to the cost structures of dwelling construction and delivery due to the provision of smaller sites and smaller dwellings. The ability to form smaller site sizes increases the potential dwelling yield of sites. This is likely to increase the feasibility of redevelopment and development, particularly in higher value locations and is likely to have a positive effect on housing affordability (at the District level), relative to the development patterns of new dwellings that would otherwise occur under Status Quo (Option 7)⁸³. • Additional development standards are proposed such as outlook space and outdoor living area requirements which will provide better on-site amenity for residents of those developments and better urban design outcomes. • There will be infrastructure efficiencies in utilising existing infrastructure rather than extending new and less efficient infrastructure to greenfield developments. • This option will make efficient use of the existing land within the UGB and allow for assessment and prioritisation for infrastructure upgrades. • The proposed change to the recession plane requirements in the District Plan for multiple zones so that they apply to sloping sites as well as flat sites removes the additional height restriction on flat sites
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⁸¹ Objective 2 of the NPS-UD in relation to supporting competitive land and development markets

⁸² Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

⁸³ Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

	<p>(compared to sloping sites) which are easier to develop and the significantly different effects envelope being enabled on flat and sloping sites (which sometimes might be side-by-side).</p> <ul style="list-style-type: none"> • The proposed changes to the recession plane angles provide for additional building height whilst taking into account the District’s solar location and a reasonable level of sunlight access to adjoining sites. • The proposed amended building heights provide a graduation of height and scale of development with the most intensive development being located in areas of high accessibility and relative demand as required by Policy 5 of the NPS-UD and reduces as the distance from these locations increases. • The proposed setback requirement for the upper floors in the Town Centres will hide or reduce the prominence of additional height and retain the pedestrian scale of development to 3 – 4 storeys and provides opportunities for balconies and open spaces. This will also allow suitable level of sunlight access to these areas and footpaths. • The bespoke height provisions within the Queenstown Town Centre acknowledge the location of historic heritage (s6 matter) within the centre as well as sunlight access to important public amenity spaces such as Earnslaw Park, Marine Parade and the Village Green. • Excluding intensification within Arrowtown Town Centre and Arrowtown Historic Management Zone acknowledge the location of historic heritage (s6 matter). • The proposed changes to the waste and recycling storage space requirements take into account the waste and recycling demands and arrangements that usually occur within attached and semi-attached housing typologies as well as in commercial areas. The proposed provisions are considered to provide an appropriate balance to ensure there is flexibility as to how these services are provided while still ensuring appropriate management. • Maintenance of existing maximum building height limits or limiting height increase where sites adjoin ONL’s in Kawarau Heights, Arthurs Point and Queenstown Hill MDRZ as well as along Frankton road, Kawarau Falls area and Wānaka HDRZ will ensure that the landscape values of the ONL are protected (s6 matter).
Efficiency	<ul style="list-style-type: none"> • Reduce the time and cost of development by not requiring resource consents for additional building height and densities. • Efficient use of land in brownfield areas for housing by maximising development potential compared to the status quo. • Efficient use of existing infrastructure compared to expansion of infrastructure into greenfield areas. Also identifying specific areas for intensification allows for the planning and prioritisation of infrastructure upgrades such as three waters.

	<ul style="list-style-type: none"> • Identifying specific areas for high density development enables efficient planning and investment for transportation infrastructure to support mode shift. Transport investment will be able to leverage off benefits associated with a high concentration of population in one area. • The modelled capacity within Options 1 to 4 generally has higher levels of concentration into the areas of greatest infrastructure capacity⁸⁴. • The proposed changes to the activity status relating to a number of standards from Discretionary to Restricted Discretionary relate to those standards where the potential effects of a breach are known. This will provide for a more efficient resource consent process as the matters that Council will have discretion over are known giving Applicant's more clarity and certainty and will result in a more efficient consenting process. • The proposed changes in relation to density will provide more flexibility in design and support development of attached housing typologies compared to the status quo where each residential unit is currently required to have its own allocated site area that comply with the prescribed density to comply. • Bespoke height restrictions for small areas under the PDP have been retained by the proposal as exclusions to intensification. These height provisions have been imposed in the District Plan as a result of previous contested appeal processes. The areas that these relate to is limited and do not have a significant effect upon application of the NPS-UD. • The removal of the PDP view shafts C and D within the Queenstown Town Centre Zone will provide greater flexibility in the design of that property and the location of any necessary breaks in the building for urban design reasons. • The proposed minimum ground floor heights for the Queenstown Town Centre and Wānaka Town Centre will provide flexibility for a range of uses within the building in the future. • Rationalisation of building heights within the District Plan will provide a more efficient application of the District Plan and flexibility in design. The proposed heights also take into account the housing typologies that are anticipated in each zone ensuring that they enable good levels of internal amenity.
Effectiveness	<ul style="list-style-type: none"> • By ensuring the urban zones enable a range of housing choice at a range of densities, the District Plan will be more effective in achieving

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	<p>its requirements to provide for a well-functioning urban environment and an efficient use of land.</p> <ul style="list-style-type: none"> • Strengthening the edges of the commercial centres correlates with the findings of the Barker & Associates demand and accessibility analysis⁸⁵ showing that there is relative demand for additional housing in those locations and that they are highly accessible locations. • The economic modelling has compared capacity with demand and this shows that there are no significant shortfalls in capacity projected to occur within either the short or medium-term. In the long-term, the projected shortfalls⁸⁶ are substantially reduced compared to the Status Quo (Option 7)⁸⁷. • The proposal will be implementing the Queenstown Lakes Spatial Plan. • Rationalisation of building heights within the District Plan will provide a more efficient application of the District Plan.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a high risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	<p>Ranked 4</p> <p>This option is ranked 4 out of 7 for the following reasons:</p> <ul style="list-style-type: none"> - The option provides additional commercially feasible capacity which will allow for intensification to cater for demand over the short, medium and long term but does not significantly exceed the projected demand or could have negative urban form implications as options 5 and 6 does. - This option does not intensify transport corridors and therefore leads to less viability of public transport operations. - This option does not provide for additional flexibility in the LDSRZ through increased building heights and average density so to enable attached housing typologies.
<p>Option 2 - Change zoning around nodes and corridors and make the associated provisions more enabling</p> <p><i>This option adopts the above assessment of Option 1 in addition to the following:</i></p>	
Costs	<ul style="list-style-type: none"> • There are costs associated with providing additional infrastructure upgrades to cater for increased density and development in corridors in addition to around nodes, however these are easily able to be identified.

85 B&A Method Statement – Accessibility and Demand Analysis – NPS-UD dated 16 May 2023

86 The Spatial Plan (or anticipated FDS) may add further substantial capacity to QLD in the long-term within the growth areas (within Wānaka/Hawea, the Southern Corridor and the Eastern Corridor as a result of indicative greenfield expansion areas identified. If provided, this may reduce the potential shortfalls within these parts of the district.

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Benefits	<ul style="list-style-type: none"> • Enabling higher densities around transport corridors (in addition to nodes) will allow more people to have good accessibility to housing, jobs, community services, amenities and open space. • The estimated commercially feasible capacity increases further under Option 2 (compared to Option 1 and the Status Quo), resulting in an additional 52,100 dwellings on top of the existing dwelling stock. This equates to a 63% increase from the estimated baseline feasible capacity⁸⁸(updated numbers to include Lake Hāwea South within Appendix 9). • The largest additional increases (from Option 1) are modelled to occur within the Queenstown Town Centre reporting area. These predominantly occur as vertically attached apartments within the HDRZ⁸⁹concentrated along the bottom of Frankton road. • Under this option there is a significant increase in the commercially feasible capacity for attached, terraced and apartment construction compared to Option 7, particularly on brownfields land which will provide further housing choice and may aid affordability. • Intensification around transport corridors will encourage mode shift and use of public transport and possibly reduce greenhouse gas emissions which will aid in the District’s climate change response.
Efficiency	<ul style="list-style-type: none"> • A more efficient use of land in brownfield areas for housing by maximising development potential than Options 1 and 7. • Identifying specific areas for high density development enables efficient planning for transportation infrastructure to support mode shift. Transport investment will be able to leverage off benefits associated with a high concentration of population in one area and along the transport routes. • Locations for infrastructure upgrades can be readily identified in this option as opposed to Operations 5 and 6.
Effectiveness	<ul style="list-style-type: none"> • By ensuring the urban zones enable a range of housing choice at a range of densities, the District Plan will be more effective in achieving its requirements to provide for a well-functioning urban environment and an efficient use of land. • Demand scenarios show that there are no significant shortfalls in capacity projected to occur within either the short or medium-term under this option. The indicated shortfalls in capacity within the Wakatipu Ward’s eastern urban areas under the Status Quo are also reduced with the additional capacity provided under this option. Furthermore, there is a reduction in the long-term attached/terraced housing capacity shortfalls compared to the Status Quo suggest that

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	<p>these typologies have a greater relative feasibility under this option⁹⁰.</p> <ul style="list-style-type: none"> • This option is likely to enable greater choice and development options for the market through increasing the options for more intensive development within the central areas and the additional development potential along corridors is less likely to reduce the intensification within and around centres as it is appropriately scaled and located⁹¹ compared to Options 5 and 6.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a high risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	<p>Ranked 2</p> <p>This option is ranked 2 out of 7 for the following reasons:</p> <ul style="list-style-type: none"> - The option provides additional commercially feasible capacity which will allow for intensification to cater for demand over the short, medium and long term but does not significantly exceed the projected demand or could have negative urban form implications as options 5 and 6 does. - This option does not provide for additional flexibility in the LDSRZ through increased building heights and average density so to enable attached housing typologies.
<p>Option 3 - Option 1 + changes to the LDSRZ heights, average site area, and minimum lot area. <i>This option adopts the above assessment of Option 1 in addition to the following:</i></p>	
Costs	<ul style="list-style-type: none"> • Perceived loss of character and amenity values associated with existing low density suburban urban environments that will be easier to intensify due to relaxing of the standards.
Benefits	<ul style="list-style-type: none"> • The use of average site area as opposed to net site area and the increase to the building heights for sloping sites and infill development will reduce the need for resource consents and associated cost of residential intensification in the LDSRZ. • Although the commercially feasible capacity under this option is the same as Option 1, this option will provide more design flexibility for developments on sloping sites in the LDSRZ through the proposed 1m height increase. • Although not anticipated to increase the commercially feasible capacity, the change to using an average site area for lots or densities less than one residential unit per 450m² net area in the LDSRZ will enable the development of attached unit typologies compared to the status quo. • With commercial feasible capacity not altering under this option compared to Option 1, identification of timing and location of infrastructure upgrades is the same as Option 1.

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Efficiency	<ul style="list-style-type: none"> • This option would result in a more efficient use of land for enabling more housing in urban areas compared to Options 1, 2 and 7 whilst still providing low density residential areas for housing choice. • The modelled capacity within Options 1 to 4 generally has higher levels of concentration in the areas of greatest infrastructure capacity⁹². • The proposed changes in the LDSRZ in relation to height, minimum lot area and applying average site areas rather than net site areas will provide more flexibility in design and support development of attached housing typologies compared to the status quo where each residential unit is currently required to have its own allocated site area to comply.
Effectiveness	<ul style="list-style-type: none"> • By ensuring the urban zones enables a range of housing choice at a range of densities, the District Plan will be more effective in achieving its requirements to provide for a well-functioning urban environment and an efficient use of land.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a high risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	<p>Ranked 3</p> <p>This option is ranked 3 out of 7 for the following reason:</p> <ul style="list-style-type: none"> - This option has the same costs and benefits of Option 1 above but with additional flexibility in the LDRZ to promote additional housing typologies.
<p>Option 4 - Option 2 + changes to the LDSRZ heights, average site area, and minimum lot area (subdivision chapter).</p> <p><i>This option adopts the above assessment of Option 2 in addition to the following:</i></p>	
Costs	<ul style="list-style-type: none"> • Perceived loss of character and amenity values associated with existing low density suburban urban environments that will be easier to intensify due to relaxing of the standards.
Benefits	<ul style="list-style-type: none"> • The use of average site area as opposed to net site area and the increase to the building heights for sloping sites and infill development will reduce the need for resource consents and associated cost of residential intensification in the LDSRZ. • Although the commercially feasible capacity under this option is the same as Option 2, this option will provide more design flexibility for developments on sloping sites in the LDSRZ through the proposed 1m height increase. • Although not anticipated to increase the commercially feasible capacity, the change to using an average site area for lots or densities less than one residential unit per 450m² net area in the LDSRZ will

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	<p>enable the development of attached unit typologies compared to the status quo.</p> <ul style="list-style-type: none"> • With commercial feasible capacity not altering under this option compared to Option 2, identification of timing and location of infrastructure upgrades is the same as Option 2.
Efficiency	<ul style="list-style-type: none"> • This option would result in the most efficient use of land for enabling more housing in existing urban areas with the exception of Options 5 and 6. However this option also still provides for low density residential areas which promotes housing choice. • The modelled capacity within Options 1 to 4 generally has higher levels of concentration in the areas of greatest infrastructure capacity⁹³. • The proposed changes in the LDSRZ in relation to height, minimum lot area and applying average site areas rather than net site areas will provide more flexibility in design and support development of attached housing typologies compared to the status quo where each residential unit is currently required to have its own allocated site area to comply. • This option also provides for additional intensification around transport corridors thereby making public transport more viable and efficient.
Effectiveness	<ul style="list-style-type: none"> • By ensuring the urban zones enable a range of housing choice at a range of densities, the District Plan will be more effective in achieving its requirements to provide for a well-functioning urban environment and an efficient use of land.
Risk of acting or not acting	<ul style="list-style-type: none"> • Not acting is considered to have a high risk of the Council failing to meet its obligations under the NPS-UD.
Ranking	<p>Ranked 1</p> <p>This option is ranked 1 out of 7 for the following reasons:</p> <ul style="list-style-type: none"> - This option has the same costs and benefits of Option 2, including an increase to the commercially feasible capacity around commercial nodes and transport corridors, but also with additional flexibility in the LDRZ to promote additional housing typologies.
<p>Option 5 - Option 2 + apply the Government's Medium Density Residential Standards to all land zoned LDRZ and MDRZ</p> <p><i>This option adopts the above assessment of Option 2 in addition to the following:</i></p>	
Costs	<ul style="list-style-type: none"> • Potential loss of character and amenity values associated with existing low density suburban urban environments. • This option can result in difficulties in forward planning and funding for infrastructure upgrades and investment as intensification can be

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	<p>dispersed across the entire urban area compared to the Status Quo (Option 7) and Options 1 - 4.</p> <ul style="list-style-type: none"> • Enabling this scale of intensification across the general suburban area is not likely to substantially translate into growth in centralised areas or of attached housing typologies. It will instead be more likely to disperse the levels of intensification that occur across the residential area, with less concentration of medium to higher density residential development within the core areas of accessibility around nodes and corridors⁹⁴. This will have negative urban form implications and will not provide for a well-functioning urban environment. • There may not be sufficient infrastructure capacity in some locations to cater for developments that are permitted under the MDRS. This will place an undue burden upon ratepayers to fund upgrades. • While Options 5 & 6 enable similar or higher levels of total capacity (compared to Options 1 – 4 and the Status Quo) within the central areas, they also encourage a greater level of development within the less central suburban areas with the modelled transport infrastructure constraints. This means that the share of additional capacity from these options (compared to the Status Quo) that occurs in these outer areas is greater than under the other proposed options. Under these options, 25% to 29% respectively, of the additional plan enabled and commercially feasible capacity occurs in the outer areas constrained by transport infrastructure⁹⁵. This can lead to the generation of more traffic movements through these constrained locations resulting in greater trip times which can adversely affect social and economic well-being and lead to adverse environmental effects. • This approach results in less control and assessment in terms of the suitability of urban design outcomes for developments than the other options which may impact upon the District’s attractiveness to visitors and therefore tourism demand. • The recession plane requirement in the MDRS does not take into account the specific solar characteristics of the District. • Low density residential areas often provide a graduation between adjacent rural / rural living / large lot zoning and development (as well as often ONF/Ls) and the more intensive town centres or higher density areas. The application of the MDRS across the LDRZ and MDRZ will mean that this graduation is lost and may result in adverse effects upon rural character or landscape values.
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95 Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics – section 6.4.5

Benefits	<ul style="list-style-type: none"> • Under Option 5, there is an estimated total commercially feasible capacity for an additional 124,300 dwellings compared to the existing dwelling stock. This is a very large increase (+92,400 dwellings) from the existing baseline, with a feasible capacity of around four times the size of the potentially commercially feasible development opportunity under the existing provisions (Option 7). The large increases in feasible capacity occur across the general suburban area where the LDSR Zone instead becomes the MDR Zone. This has a large effect on feasibility due to the large increase in yields enabled on these sites under this change in zone⁹⁶. • This option would be beneficial to achieving the intended outcomes for mode shift and climate change as a result of greater intensification. However, this benefit would not be realised for a long period of time as the intensification under this option is likely to be piecemeal and scattered so that the necessary demand for public transport services or active travel upgrades is not achieved for some time. • This option would enable more houses and enable greater intensification with less constraints and controls and without the need of resource consent process which will reduce the cost to both Council and applicants. • Compared to the Status Quo, this option will generate an economic benefit to households through increasing the range of different housing options available across a wide variety of locations⁹⁷. The proposed provisions enabling smaller sites are likely to result in changes to the cost structures of dwelling construction and delivery due to the provision of smaller sites and smaller dwellings. The ability to form smaller site sizes increases the potential dwelling yield of sites. This is likely to increase the feasibility of redevelopment and development, particularly in higher value locations and is likely to have a positive effect on housing affordability (at the District level), relative to the development patterns of new dwellings that would otherwise occur under Status Quo (Option 7)⁹⁸.
Efficiency	<ul style="list-style-type: none"> • This option would result in the most efficient use of land for enabling more housing over residential land. However, it will not manage the effects on the matters in relation to the exclusions identified in Section 6.2 above, including matters of national importance.

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	<ul style="list-style-type: none"> • Growth in peripheral locations will encourage a greater dispersal of commercial activity into a greater number of smaller less central locations therefore undermining the viability and productivity of the commercial centres⁹⁹. • Growth in peripheral locations will also result in less efficient infrastructure services. • This option would allow full implementation of the MDRS and the NPS-UD without any modifications to the requirements. This will be readily familiar to people outside of the District and therefore more efficient than bespoke provisions.
Effectiveness	<ul style="list-style-type: none"> • This option does not achieve the purpose of the RMA, in particular s6 and s7 without the need for additional bespoke exclusions to the MDRS. • This option does not achieve the objective for a well-functioning urban environment as required under the NPS-UD in terms of providing for social, economic, and cultural wellbeing for the reasons outlined above. • There are no significant projected shortfalls in estimated feasible capacity compared to demand as a result of this option across any time period when assessing total capacity. There is however a large amount of additional capacity feasible across the general suburban area under this option. This indicates that this option is likely to result in a lower concentration of development within the centralised areas of highest accessibility and relative demand and therefore is beyond that required by Policy 5 of the NPS-UD and is unlikely to provide for a well-functioning urban environment as intended under the NPS-UD¹⁰⁰. This option also results in large surpluses in the eastern and southern parts of Queenstown's main urban area, along with Arrowtown. Under this scenario, long-term shortfalls¹⁰¹ in detached dwelling capacity emerge within the Kelvin Heights/Southern corridor area. Despite this shortfall, there is likely to be plenty of feasible development options to cater for projected demand¹⁰².
Risk of acting or not acting	<ul style="list-style-type: none"> • There is a high risk of acting resulting in unacceptable environmental, social and cultural costs, as well as Council failing to fulfil its duties under the RMA.
Ranking	Ranked 7

99 ibid

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101 The Spatial Plan (or anticipated FDS) may add further substantial capacity to QLD in the long-term within the growth areas (within Wānaka/Hawea, the Southern Corridor and the Eastern Corridor as a result of indicative greenfield expansion areas identified. If provided, this may reduce the potential shortfalls within these parts of the district

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	<p>This option is ranked 7 out of 7 for the following reasons:</p> <ul style="list-style-type: none"> - The option provides a significant level of additional commercially feasible capacity which will far exceed projected demand over the short, medium and long term and result in significant difficulties in planning and funding of infrastructure upgrades and sequencing. - This option will allow for significant intensification outside of areas that have been identified as being accessible and of relative demand and therefore it exceeds the ambit of Policy 5 of the NPS-UD which is the purpose of this proposed variation.
<p>Option 6 - Option 2 + apply a modified approach to the Medium Density Residential Standards to the land zoned LDSRZ and MDRZ</p> <p><i>This option adopts the above assessment of Option 2 in addition to the following:</i></p>	
<p>Costs</p>	<ul style="list-style-type: none"> • Potential loss of character and amenity values associated with existing low density suburban urban environments. • This option can result in difficulties in forward planning and funding for infrastructure upgrades and investment as intensification can occur across the entire urban area compared to the Status Quo (Option 7) and Options 1 - 4¹⁰³. • Similar to Option 5, this option enables similar or higher levels of total capacity (compared to Options 1 – 4 and the Status Quo) within the central areas and encourages a greater level of development within the less central suburban areas with the modelled transport infrastructure constraints. This means that the share of additional capacity from these options (compared to the Status Quo) that occurs in these outer areas is greater than under the other proposed options. Under this option, 27% of the additional plan enabled and commercially feasible capacity occurs in the outer areas constrained by transport infrastructure¹⁰⁴. This can lead to the generation of more traffic movements through these constrained locations resulting in greater trip times which can adversely affect social and economic well-being and lead to adverse environmental effects. • This option is likely to result in development patterns that are more dispersed growth patterns compared to Options 1 – 4 and the Status Quo with less concentration of medium to higher density residential development within the core areas of accessibility around nodes and corridors¹⁰⁵. This will not provide for a well-functioning urban environment.

103 Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

104 ibid

105 ibid

	<ul style="list-style-type: none"> • Low density residential areas often provide a graduation between adjacent rural / rural living / large lot zoning and development (as well as often ONF/Ls) and the more intensive town centres or higher density areas. The application of the MDRS across the LDRZ and MDRZ will mean that this graduation is lost and may result in adverse effects upon rural character or landscape values. • This option would result in a reduction in the need for resource consents and the costs associated with these for both Council's and Applicants.
Benefits	<ul style="list-style-type: none"> • Option 6 results in an estimated feasible development capacity for an additional 72,300 dwellings from the existing dwelling baseline. This equates to a 127% increase in feasible capacity from the existing baseline. Similar to Option 5, the increased feasible development capacity enabled under this option occurs within the LDSR zone¹⁰⁶. • This option would be beneficial to achieving the intended outcomes for mode shift and climate change as a result of greater intensification. However, this benefit would occur over a long period of time as the intensification under this option is likely to be piecemeal and scattered so that the necessary demand for public transport services or active travel upgrades is not achieved for some time. • This option would enable more houses and enable greater intensification with less constraints and controls and without the need of resource consent process (but less so than Option 5), which will reduce the cost to both Council and applicants. • Compared to the Status Quo, this option will generate an economic benefit to households through increasing the range of different housing options available across different locations¹⁰⁷. The proposed provisions enabling smaller sites are likely to result in changes to the cost structures of dwelling construction and delivery due to the provision of smaller sites and smaller dwellings. The ability to form smaller site sizes increases the potential dwelling yield of sites. This is likely to increase the feasibility of redevelopment and development, particularly in higher value locations and is likely to have a positive effect on housing affordability (at the District level), relative to the development patterns of new dwellings that would otherwise occur under Status Quo (Option 7)¹⁰⁸.

¹⁰⁶ ibid

¹⁰⁷ Queenstown Lakes District Intensification Economic Assessment: Intensification plan variation dated 16 May 2023 prepared by Market Economics

¹⁰⁸ ibid

Efficiency	<ul style="list-style-type: none"> • This option would result in a significant increase in the efficient use of land for enabling more housing over residential land (but less than Option 5). • This option can result in inefficiencies as islands of medium density development surrounded by low density development can occur such that infrastructure upgrades are necessary; however they are not supported by the necessary demand to justify/prioritise the upgrades. • The development potential across the urban areas of the District will not provide for the necessary critical mass to increase public transport frequency in all areas that could be developed for medium density development. This will result in less mode shift and no reduction in the use of private vehicles and therefore increased traffic generation on the road network which is already under pressure in some areas. • Growth in peripheral locations will encourage a greater dispersal of commercial activity into a greater number of smaller less central locations therefore undermining the viability and productivity of the commercial centres¹⁰⁹.
Effectiveness	<ul style="list-style-type: none"> • It does not achieve the objective for a well-functioning urban environment as required under the NPS-UD in terms of providing for social, economic, and cultural wellbeing. • Option 6 results in a similar level of effectiveness to Option 5 in providing for intensification capacity so to meet projected demand. The largest difference occurs in the long-term in the eastern parts of the Wakatipu Ward urban area where there is a projected shortfall in attached/terraced housing. However, it is likely that some of this shortfall could be met through development in other parts of the market beyond that of the areas of highest margin¹¹⁰. • As with Option 5, this option is likely to result in a lower concentration of development within the centralised areas of highest amenity and with insufficient spatial concentration around core nodes and therefore is unlikely to provide for a well-functioning urban environment as intended under the NPS-UD¹¹¹.
Risk of active or not acting	<ul style="list-style-type: none"> • There is a high risk of acting resulting in unacceptable environmental, social and cultural costs, as well as Council failing to fulfil its duties under the RMA.
Ranking	<p>Ranked 6</p> <p>This option is ranked 6 out of 7 for the following reasons:</p>

109 ibid

110 ibid

111 ibid

	<ul style="list-style-type: none"> - The option provides additional commercially feasible capacity which will far exceed projected demand over the short, medium and long term and result in difficulties in planning and funding of infrastructure upgrades and sequencing. - This option will allow for significant intensification outside of areas that have been identified as being accessible and of high relative demand and therefore it exceeds the ambit of Policy 5 of the NPS-UD which is the purpose of this proposed variation.
Option 7 – Status Quo	
Costs	<ul style="list-style-type: none"> • Although there is no projected capacity issue across the entire District in the short or medium¹¹² term, a long-term capacity shortfall is identified when compared to demand in the eastern areas of the Wakatipu Ward and in small township areas¹¹³. This can have an adverse effect upon availability to housing and housing affordability. • Contested resource consent applications if higher densities or building heights than that provided by the PDP provisions are sought. • Potential to impact climate change response by increasing CO² emissions from use of private vehicles accessing housing in outlying areas. • Not enabling more people to live in highly accessible areas and areas with relative high demand will mean less people will be able to benefit from the associate amenity of being able to live in these desirable locations. • The current provisions do not cater well for changes in demographics towards smaller household units or the predicted increase in demand for attached housing and apartments. The costs of this include people having to move into new areas of the District, or out of the District where their housing needs cannot be met in their current area. This can result in economic, social and personal financial costs. • The retention of the existing provisions may result in an inefficient use of land in that low density developments will be developed in areas of the District that have been identified as accessible and in relative high demand.
Benefits	<ul style="list-style-type: none"> • No plan variation is required and therefore there will be savings for Council and other interested parties. • This option retains the current levels of amenity associated with a low density character of the town centres and residential areas. • This option allows for some housing choice based on the existing PDP provisions.

112 Although at the spatial level there are some projected shortfalls in attached dwelling capacity within the eastern urban parts (Eastern Corridor, Frankton and Quail Rise area) of the Wakatipu Ward and within the Wānaka/Hawea urban area

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Efficiency	<ul style="list-style-type: none"> • The retention of the current planning provisions will likely require developments to undertake a resource consent process to achieve higher densities and could deter developers of developing attached housing typologies, which could also lead to an inefficient use of land. •
Effectiveness	<ul style="list-style-type: none"> • Retention of the status quo does not achieve the requirements of the NPS-UD, policy 5 and might not enable a well-functioning urban environment in the long term. • According to M.E, the existing zoning and related planning provisions in the ODP and PDP provide for a commercially feasible capacity (at 2022 prices) of 31,800 residential units, based upon 22,100 units as infill or on brownfields and 9,700 units on greenfield (zoned for growth). These numbers have increased further through the inclusion of Lake Hāwea South within the PDP urban environment - see Appendix 9. It is noted that through the review of the urban chapters of the PDP that dwelling capacity has already been increased and the short, medium and long term population projections are provided for. • The existing zoning and provisions do and will continue to achieve the objectives and policies of the PDP.
Risk of acting or not acting	<ul style="list-style-type: none"> • The risk of acting (keeping the status quo) is considered to have a high risk of not achieving the requirements of the NPS-UD, policy 5 specifically. • There is also a risk of acting (keeping the status quo) that a range of housing typologies that is needed to enable a well-functioning urban environment (NPS-UD- policy 1) is not sufficiently provided for to meet the needs of different households. • There is also a risk of acting (keeping the status quo) that identified shortfalls in feasible capacity when compared to demand in some locations and for certain typologies may lead to future requests for greenfield expansion which can result in a loss of productive soils.
Ranking	<p>Ranked 5</p> <p>This option is ranked as 5 out of 7 for the following reasons:</p> <ul style="list-style-type: none"> - The existing District Plan zoning and provisions already cater for the protected demand over the short, medium and long term as required by the NPS-UD, albeit there are shortfalls in some areas and in some housing typologies. The review of the remaining ODP zones could look at address the small shortfalls. - This option may result in there being a need for additional greenfield growth in the future if capacities of existing zones are not realised. This would lead to issues relating to landscape effects, use of productive land supply, expansion of infrastructure networks and associated inefficiencies etc.

In considering the options available to meet the objective of the proposal, Option 4 is most appropriate because it will provide for intensification in locations of high accessibility and relative demand so to support a well-functioning urban environment and will remove the need for greenfield growth.

The proposed changes to the provisions will provide for the development of a diverse range of housing typologies across the urban area including smaller housing forms which will hopefully aid affordability.

This option will make efficient use of the existing land within the UGB and allow for assessment and prioritisation for infrastructure upgrades.

Option 4 will provide intensification in urban areas around commercial nodes and transport corridors so to support existing public transport services and to over time make the increased frequency of services or new services in Wānaka more viable and support mode shift.

Option 4 therefore forms the Proposal which includes the changes made following the modelling described in Section 6.1.5 and the exclusions or partial exclusions identified in Section 6.2.

12. Analysis of proposal (OPTION 4) against existing District Plan objectives

The below assessment incorporates and adopts the assessment included within the Barker & Associates Method Statement (Appendix 3), Urban Design Report (Appendix 4), the M.E Economic Assessment (Appendix 5) and the M.E Economic Assessment Outer Control Boundary (Appendix 7).

Objective of the proposal:		
<p>The objective of the proposal is to give effect to the NPS-UD as required by s55 of the RMA. This objective is being achieved through giving effect to policy 5 to enable intensification in suitable locations within the urban environments, but also to the wider directive of the NPS, to ensure a well-functioning urban environment that meet the changing needs of our diverse communities.</p> <p>The intent of the proposal (Option 4) is to intensify within and around the existing nodes and along transportation corridor/s, and to undertake changes to the rules and standards of zones in urban areas to better align the development enabled within each zone with the direction of the NPS-UD and to be consistent with the zone purposes.</p>		
Alternative		
Status quo (Option 7): The existing zoning and provisions in the PDP.		
Alternative: Five alternative options to the proposal (Option 4) have also been considered. These are detailed below:		
Option 1	Change zoning around commercial nodes and make the associated provisions more enabling	
Option 2	Change zoning around commercial nodes and corridors and make the associated provisions more enabling	
Option 3	Option 1 + changes to the standards in the Lower Density Suburban Residential Zone (LDSRZ) relating to building heights, average site area, and minimum lot area (subdivision chapter)	
Option 5	Option 2 + apply the Government's Medium Density Residential Standards (MDRS) to all land zoned LDRZ and MDRZ	
Option 6	Option 2 + apply the proposed MDRZ built form standards to all land zoned LDSRZ and MDRZ	
Assessment against the Strategic Chapters of the PDP		
Applicable provision	Consistent?	Comment
3. Strategic Direction		
Strategic Objective 3.2.1 <i>The development of a prosperous, resilient and equitable economy in the District.</i>	Yes	<p>The intensification of residential development in and around centres as well as the intensification of the centres themselves will promote further commercial activity within those centres which will contribute towards the District's economy.</p> <p>Intensifying around nodes and transport corridors will also contribute towards mode shift with increased public transport services and active travel being more viable to commute between home, work and social activities and less time being spent on commuting by residents.</p> <p>The increased ability for the market to deliver a wider range of dwellings is likely to have a positive effect on housing affordability compared to the development patterns of new dwellings that would otherwise occur under the existing provisions¹¹⁴.</p>
Strategic Objective 3.2.1.2 <i>The Queenstown and Wānaka town centres are the hubs of New Zealand's premier alpine visitor resorts and the District's economy.</i>	Yes	Intensification of development within and around the Queenstown and Wānaka town centres will further promote these centres as the hubs of the resorts and the economy. This also aligns with the demand and accessibility analysis undertaken by B&A.
Strategic Objective 3.2.1.9 <i>Infrastructure in the District that is operated, maintained, developed and upgraded efficiently and effectively to</i>	Yes	Intensification of existing areas in suitable locations aligns with the longer-term strategic planning of the Council that informs its investment planning. It will also allow for efficient use of existing infrastructure compared to expansion of infrastructure into greenfield areas and create a larger density for development contributions and property rates to fund maintenance and upgrades of existing infrastructure. Also identifying specific areas for intensification allows for the planning and prioritisation of infrastructure upgrades.

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<i>meet community needs and to maintain the quality of the environment.</i>		No changes to the density of development of Activities Sensitive to Aircraft Noise (ASAN) within the Air Noise Boundary and no significant changes are proposed to these within the Outer Control Boundary of Queenstown Airport, which will ensure the continued safe and efficient operation of this Nationally Significant Infrastructure.
Strategic Objective 3.2.2 <i>Urban growth is managed in a strategic and integrated manner.</i>	Yes	Intensification of land within the existing UGBs and in particular, within and around commercial nodes and transport corridors is considered to be managing growth in a strategic and integrated manner so to support consolidated growth as sought by the Spatial Plan. These locations are already central areas that are the focus for work and play and providing additional intensification will make efficient use of the existing physical and social infrastructure and open spaces.
Strategic Objective 3.2.2.1 <i>Urban development occurs in a logical manner so as to:</i> <ol style="list-style-type: none"> a. <i>promote a compact, well designed and integrated urban form;</i> b. <i>build on historical urban settlement patterns;</i> c. <i>achieve a built environment that provides desirable, healthy and safe places to live, work and play;</i> d. <i>minimise the natural hazard risk, taking into account the predicted effects of climate change;</i> e. <i>protect the District's rural landscapes from sporadic and sprawling urban development;</i> f. <i>ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in;</i> g. <i>contain a high quality network of open spaces and community facilities; and</i> h. <i>be integrated with existing, and proposed infrastructure and appropriately manage effects on that infrastructure.</i> 	Yes	<p>According to the M.E modelling, the proposal will provide a commercially feasible capacity (at 2022 prices) for an additional 52,100 residential units, a 63% increase to the status quo, the majority of this being infill or brownfield development. The proposal is therefore considered to be promoting a compact and integrated urban form.</p> <p>Focusing intensification within existing urban areas will reduce the need for urban sprawl into rural areas and use of land with highly productive soils and adverse effects upon the District's highly valued landscapes, including the Outstanding Natural Landscapes and Features.</p> <p>Intensification will also lead to increased population in areas so to make increased and improved public transport services and active travel network investment more feasible and contribute towards a mode shift and lesser greenhouse gas emissions from private vehicle use.</p> <p>Exclusions have been utilised where there is a known natural hazard risk and existing matters of discretion in the District Plan when intensification is proposed allows consideration of any unknown natural hazards on a site-by-site basis under the resource consent process.</p> <p>The M.E modelling has identified that the proposal provides for a mix of housing typologies as well as providing for an increase in the commercial feasible capacity relating to attached, terrace and apartment housing compared to the status quo. This type of housing is generally more affordable (due to its smaller size and/or land size) and therefore is anticipated to go some way to providing greater housing affordability in the District.</p> <p>The proposal involves intensification of existing urban areas and therefore additional development will be able to be integrated with existing and proposed infrastructure. It is acknowledged that this will require upgrades in some areas and that the prioritisation and costs of these can be addressed through the Long Term Plan (LTP) process as well as additional funding through development contributions. Notwithstanding, as identified by the modelling undertaken by M.E almost all of the additional capacity enabled under the proposal occurs within the areas with no transportation constraint. Furthermore, funding for some of the required transport upgrades such as the Queenstown town centre arterials and the SH6 and SH6A upgrades are already secured and underway.</p> <p>Strategic Policy 3.2.2.1(d) aligns with Policy 6(e) of the NPS-UD which requires that the Council takes into account the likely current and future effects of climate change when it makes planning decisions that affect urban environments. Stormwater management and disposal is a key factor for the District with regard to both the current and future effects of climate change and this is affected by matters such as increased building coverage and decreased permeable area.</p> <p>The existing PDP provisions relating to building coverage and permeable surface area have been reviewed within the lens of both Policy 5 which directs intensification of urban areas and Policy 6(e) that requires that climate change be taken into account and no changes are proposed to the existing standards.</p> <p>Although no changes are proposed to the PDP building coverage and landscape permeable area, it is acknowledged that the proposed changes to building heights and density may encourage landowners to redevelop or subdivide their property which will result in increases in impermeable surfaces. To help address this constraint to intensification and to help address associated cumulative adverse effects, the proposal includes matters of discretion and policy direction for intensification relating to consideration of the capacity of existing or planned infrastructure/servicing and low impact stormwater design and stormwater effects.</p>
Strategic Objective 3.2.3 <i>A quality built environment taking into account the character of individual communities.</i>	Yes	The proposed changes to the built form standards have been informed by the recommendations made by the Barker & Associates urban design review and the S35 Monitoring report with the objective of promoting a well-functioning urban environment. Whilst some of the built form standards have been relaxed under the proposal, it will still enable a quality built environment that takes into account the character of individual communities while also having considered Policy 6 the NPS-UD.

<p><i>Strategic Objective 3.2.3.1</i> <i>The District's important historic heritage values are protected by ensuring development is sympathetic to those values.</i></p>	Yes	<p>The character of individual communities and ensuring a quality built environment is also maintained through the various area-specific design guidelines that are referred to in the PDP. These are assessed when resource consent is required.</p> <p>Historic heritage values associated with the Queenstown Town Centre, Arrowtown Town Centre, Arrowtown Historic Residential Management Zone and within the HDRZ area to the west of the Kawarau Falls Bridge has been considered as constraints to intensification under Section 6.2 of the report and intensification has therefore been excluded or partially excluded in these areas. Effects upon historic heritage are also managed by the existing Chapter 26 of the PDP.</p>
<p><i>Strategic Objective 3.2.3.2</i> <i>Built form integrates well with its surrounding urban environment.</i></p>	Yes	<p>The proposed changes to the planning provisions in the PDP have been informed by an urban design assessment from Barker & Associates and as detailed in Policy 6(b) of the NPS-UD, the planned built form under the proposal may involve some significant changes that may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities and future generations, including by providing increased housing choice.</p> <p>The integration of built form within the surrounding environment will also be promoted through the various existing area-specific design guidelines that are referred to in the PDP. These are assessed when resource consent is required.</p>
<p><i>Strategic Objective 3.2.4.1</i> <i>Development and land uses that sustain or enhance the life-supporting capacity of air, water, soil and ecosystems, and maintain indigenous biodiversity.</i></p>	Yes	<p>The intensification of existing urban and brownfield areas will reduce the pressure on greenfield land having to be developed for urban development and will retain the productivity of rural land and soils.</p> <p>The existing urban areas that are being proposed for intensification do not contain significant natural areas or significant areas of indigenous biodiversity. Notwithstanding, the existing design guidelines that apply to development within the residential and business zones promote the use of native planting and low impact stormwater solutions.</p> <p>Stormwater upgrades are likely within the older parts of the District to address the changes in the design standards as well as the effects of climate change. Notwithstanding, the additional demand on the stormwater network from further intensification is somewhat limited given the building coverage and impermeable area standards are not altering under the proposal.</p>
<p>4. Urban Development</p>		
<p><i>Objective 4.2.1</i> <i>Urban Growth Boundaries are used as a tool to manage the growth of urban areas within district and defensible edges.</i></p>	Yes	<p>The proposal is consistent with this objective and Policy 4.2.1.4 in that it requires that UGBs encompass at a minimum, sufficient feasible development capacity and urban opportunities. As shown in the M.E report in Appendix 5, the development capacity (including commercially feasible capacity) and urban opportunities are being increased within the UGBs by the proposal. The feasible capacity as a result of the proposal will exceed the short, medium and long term projections for dwelling capacity as assessed under the NPS-UD.</p> <p>Policy 4.2.1.4 also seeks to ensure the ongoing availability of a competitive land supply for urban development, a compact and efficient urban form avoiding sporadic urban development in rural areas. Through intensification of existing urban land, development opportunities occur in a range of locations and across many different landholdings, making land development more competitive. The intensification of commercial nodes and transport corridors (as areas of high amenity and accessibility) provides a compact and efficient urban form.</p>
<p><i>Objective 4.2.2A</i> <i>A compact and integrated, and well designed urban form within the Urban Growth Boundaries that:</i> <i>(i) is coordinated with the efficient provision, use and operation of infrastructure and services; and</i> <i>(ii) is managed to ensure that the Queenstown Airport is not significantly compromised by the adverse effects of incompatible activities.</i></p>		<p>Intensification of land within the existing UGBs and in particular, around commercial nodes and transport corridors is promoting a compact urban form that is integrated. Nodes are most often the location of social infrastructure and services and amenities such as libraries, community services, community parks and the like. Intensification around these areas creates a critical mass that not only makes access to this infrastructure and services easier but also makes their provision more efficient.</p> <p>The same applies to public transport services, intensification along network corridors and nodes supports existing services and over time will make public transport more feasible and can contribute positively towards mode shift and therefore lessen greenhouse gas emissions from private vehicle use. This also applies to the use of active travel methods as they can become more accessible and appealing through intensification and upgrades and improvements more feasible.</p> <p>Intensification of existing urban areas which are serviced allows for new infill or brownfield development to be integrated with existing infrastructure networks (three waters and transport). This will require upgrades in some areas and that the prioritisation and costs of these can be addressed through the LTP process as well as additional funding through development contributions. This is preferential compared to expansion of urban areas into currently unserved rural areas which required new infrastructure that is less efficient and therefore more costly on a per capita basis.</p>

		No changes to the density of development of ASANs within the Air Noise Boundary or Outer Control Boundary of the Queenstown Airport are proposed. Within the LSCZ, changes to the recession planes are proposed, but as outlined within M. E's memo (attachment X) it is not expected to add much capacity for ASANs. This will ensure that the Airport is not significantly compromised by the adverse effects of incompatible activities.
<i>Objective 4.2.2B Urban development within Urban Growth Boundaries that maintains and enhances the environment and rural amenity and protects Outstanding Natural Landscapes and Outstanding Natural Features, and areas supporting significant indigenous flora and fauna.</i>	Yes	<p>The proposal concentrates on intensification within the existing UGBs so to maintain and enhance the surrounding rural land including the landscape character and visual amenity as well as the soil resource and ecology.</p> <p>Connectivity and integration within existing urban areas, including public transport, roading, active travel, open spaces and three waters infrastructure will need to be planned for by the Council as intensification occurs to maintain and enhance their provision to cater for an increased population. This is able to be done via the LTP process with developers also providing development contributions as part of the resource consent or subdivision process.</p> <p>Enabling intensification will provide for a greater mix of housing densities and forms (and possibly affordability associated with smaller housing typologies) within a compact urban environment which will enhance the environment for the community.</p> <p>The proposed amendments to the District Plan provisions are also considered to be consistent with Policy 4.2.2.8 which identifies that the minimum site size, density, building coverage and other controls can have a disproportionate adverse effect on housing affordability. Many of these controls are proposed to be relaxed so to enable additional development and to promote the development of additional, smaller housing typologies such as terrace, attached and apartment housing. These typologies typically have a smaller footprint than detached houses and therefore are often more affordable.</p>

13. EVALUATION OF PROPOSED CHANGES TO OBJECTIVES (SECTION 32(1)(A))

Section 32(1)(a) requires an examination of the extent to which proposed objectives are the most appropriate way to achieve the purpose of the Act. There is no formal requirement to consider a range of objectives. The test of 'most appropriate' pertains to the appropriateness of the objective, rather than inferring any meaning of superiority. Having said that, considering a range of objectives helps to identify relative benefits.

The following table lists a number of criteria¹¹⁵ that can be used to help identify whether an objective is 'appropriate'.

Criterion	Relevant section of RMA
Directed to addressing a resource management issue	Does the objective relate to or clearly link to the issue?
Focused on achieving the purpose of the Act	Does it address a Part 2 matter?
Assists a council to carry out its statutory functions	Falls within Section 31 functions?
Within scope of higher-level documents	Section 72 – give effect to national policy statements, regional policy statements?
Is the objective clear in its intent?	Does it set an outcome (or end state) to be achieved? Is the objective ambiguous or uncertain?

As identified in Appendix 1B-1K, the proposal includes changes to five existing District Plan objectives. These are assessed below:

The below assessment incorporates and adopts the assessment included within the Barker & Associates Method Statement (Appendix 3), Urban Design Report (Appendix 4), the M.E Economic Assessment (Appendix 5) and the M.E Economic Assessment Outer Control Boundary (Appendix 7).

¹¹⁵ As set out in Ministry for the Environment guide-to-section-32-of-resource-managemnt-amendment-act-1991

Proposed Changes	Preferred objective	Status quo	Alternative
Medium Density Residential Zone Change to Objective 8.2.3 to improve the sentence construction.	The proposed change to the objective improves the sentence construction and emphasises that the changing future character intended for the zone needs to be taken into account.	The status quo drafting acknowledges the changed future character intended within the zone, however it is not clear that the character of the zone is anticipated to change over time, with the implication being that this may have an effect on amenity on neighbouring properties.	The objectives could be made more specific so to reference the anticipated character intended within the zone. This would however be difficult to adequately accomplish due to the varied locations of the medium density zoning and their individual characteristics.
Change to Objective 8.2.5 to include reference to the roading network specifically as part of infrastructure networks.	The NPS-UD directs Intensification which can help facilitate mode shift and reduce the impact on the roading network. The proposed change to the objective and associated policies, highlights this benefit and encourage model shift.	The wording of the existing objectives is broad and does not specifically acknowledge that intensification could help minimise effects on roading if more people are encouraged to use public and active transport.	Write separate objectives and policies to achieve the same, however this will not be efficient and result in unnecessary duplications.
Assessment criteria:			
Addresses a relevant resource management issue	Relates to the provision of housing for the projected population (s5) as well as maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).	Relates to the provision of housing for the projected population (s5) as well as maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).	Relates to the provision of housing for the projected population (s5) as well as maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).
Focused on achieving the purpose of the Act	Relates to the use and management of resources (Urban land) (s7b) and particularly the efficient use of energy (S7(ba)) and reducing the effects of climate change (s7(i)).	Relates to the use and management of resources (Urban land) (s7b)	Relates to the use and management of resources (Urban land) (s7(b)) and particularly the efficient use of energy (S7(ba)) and reducing the effects of climate change (s7(i)).
Assists the Council to undertake its functions under s31	Assists in the establishment, implementation and review of objectives, policies and methods to ensure that there is sufficient development capacity in response of housing land to meet the expected demands of the District (s31(aa)).	Would assist in achieving s31, but less efficient than the preferred amended objective..	Would assist in achieving s31.
Gives effect to higher order documents	Aligns with the NPS-UD No concerns raised by iwi in relation to the proposal.	Does not align with the NPS-UD	Would align with the NPS-UD
Is the objective clear in its intent	Yes, the application of the objectives will guide decision making on resource consent applications as to what the anticipated outcomes are for development within the MDRZ and on how a reduction of parking provision can help facilitate model shift and reduce impacts on the roading network.	Will not be as effective at providing decision making guidance as the proposal.	Will not be as effective at providing decision making guidance as the proposal.

Proposed Changes	Preferred objective	Status quo	Alternative
Wānaka Town Centre Zone Amendment to Objective 13.2.2 to specify that high quality urban design outcomes are sought.	Due to the high accessibility and relative demand rating of the Wānaka Town Centre, it is proposed to increase the permitted height for buildings to allow for additional intensification. The qualifiers for allowing additional height	The wording of the current objective identifies that there are opportunities for intensification in the Wānaka Town Centre, however there are no qualifiers to this intensification and therefore development may not	A more prescriptive requirement such as reference to the required step-back could be included in the objective however this is considered to be overly prescriptive and future design of buildings can be

Delete Objective 13.2.3 that seeks a low scale-built form that maintains a human scale	<p>in the WTC is to ensure high quality design outcomes are provided for including the step back of the upper floors as detailed in the proposed amendments to Policy 13.2.2.3. This will retain appropriate levels of amenity and human scale built form as viewed from the street level to ensure that intensification provides a suitable level of amenity as directed by Policy 6(b) of the NPS-UD and the higher order chapters of the PDP referenced above.</p> <p>The intent of Objective 13.2.3 is then achieved under 13.2.2 and the objective is no longer needed</p>	<p>provide for a well-functioning urban environment as sought by the NPS-UD.</p> <p>Objective 13.2.3 seeks for a low scale built form which is contrary to the intensification direction of the NPS-UD.</p>	adequately guided by the supporting policies and methods as well as the Wānaka Town Centre Design Guidelines.
Assessment criteria:			
Addresses a relevant resource management issue	Relates to the efficient use and development of natural and physical resources (s7(b)) as well as maintenance and enhancement of amenity values (s7(c)).	Relates to the efficient use and development of natural and physical resources (s7(b)) as well as maintenance and enhancement of amenity values (s7(c)).	Relates to the efficient use and development of natural and physical resources (s7(b)) as well as maintenance and enhancement of amenity values (s7(c)).
Focused on achieving the purpose of the act			
Assists the Council to undertake its functions under s31	Assists in the establishment, implementation and review of objectives, policies and methods to ensure that there is sufficient development capacity in response of housing and business land to meet the expected demands of the District (s31(aa)).	Yes, but not as well as the proposal.	In part, it may necessitate the need for other changes to zoning and/or related provisions elsewhere in Wānaka to cater for the projected demand.
Gives effect to higher order documents	Gives effect to the NPS-UD No concerns raised by iwi in relation to the proposal.	Does not give effect to the NPS-UD	Gives effect to the NPS-UD
Is the objective clear in its intent	The proposed change to the objective will support the other proposed changes relating to building height within the Wānaka Town Centre. This will guide decision making relating to resource consents for the town centre.	Yes, this objective guide development within the Wānaka Town Centre.	Yes, this alternative would guide decision making in outlining what the anticipated built form and character is for the Wānaka Town Centre.

Proposed Changes	Preferred objective	Status quo	Alternative
<p>Business Mixed Use Zone</p> <p>Change to Objective 16.2.2 to include reference to the impacts on infrastructure and the roading network.</p>	<p>The NPS-UD directs Intensification which can help facilitate mode shift and reduce the impact on the roading network. The proposed change to the objective and associated policies, highlights this benefit and encourage model shift.</p> <p>The NPS-UD also directs consideration of the effects of climate change and the objective now specifically considers effects on infrastructure networks with the policy requiring consideration of low impact approaches to stormwater management.</p>	<p>The wording of the existing objectives does not specifically acknowledge that intensification could help minimise effects on roading if more people are encouraged to use public and active transport.</p> <p>It also does not consider the effects on infrastructure networks and likely effects of climate change.</p>	Write separate objectives and policies to achieve the same, however this will not be efficient and result in unnecessary duplications.
Assessment criteria:			

Addresses a relevant resource management issue.	Relates to the maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).	Relates to the maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).	Relates to the maintenance and enhancement of amenity values (s7(c)) and the quality of the environment (s7(f)).
Focused on achieving the purpose of the act	Relates to the use and management of resources (Urban land) (s7b) and particularly the efficient use of energy (S7(ba)) and reducing the effects of climate change (s7(i)).	Relates to the use and management of resources (Urban land) (s7b)	Relates to the use and management of resources (Urban land) (s7(b)) and particularly the efficient use of energy (S7(ba)) and reducing the effects of climate change (s7(i)).
Assists the Council to undertake its functions under s31	Assists in the establishment, implementation and review of objectives, policies and methods to ensure that there is sufficient development capacity in response of housing land to meet the expected demands of the District (s31(aa)).	Yes, but not as well as the proposal.	Would assist in achieving s31
Gives effect to higher order documents	Aligns with the NPS-UD No concerns raised by iwi in relation to the proposal	Does not align with the NPS-UD	Would align with the NPS-UD
Is the objective clear in its intent	The application of the objective will guide decision making on resource consent applications to consider impacts on the infrastructure and roading network.	The status quo does not specifically consider the positive impact of intensification on the roading network or the impacts on other infrastructure.	Will not be as effective at providing decision making guidance as the proposal. Detailed methods are best provided for in policies.

On the basis of the above evaluation, the proposed amended objectives are considered to be the most appropriate way to achieve the purpose of the Act in accordance with Section 32(1)(a).

14.EFFECTIVENESS AND EFFICIENCY OF PROVISIONS IN ACHIEVING THE OBJECTIVES

This section is to be read in conjunction with the assessment in Section 11 above which assesses the proposed plan variation against the overall objective of the proposal.

This section further assesses the efficiency and effectiveness of the proposed changes to the plan provisions in achieving the three sub-objectives of the proposal, including consideration of other reasonably practicable options. The three sub-objectives are as follows:

1. To enable heights and densities in accordance with Policy 5 and to recognise the benefits of intensification.
2. To ensure adequate amenity values within intensification areas.
3. To ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.

The proposed changes to the plan provisions have been categorised against the sub-objectives in Section 9.2 above. The proposed provisions are detailed in full in Appendix 1B- 1K.

AIMS/OBJECTIVES	PROVISIONS	OTHER REASONABLY PRACTICAL OPTIONS FOR ACHIEVING THE SUB-OBJECTIVES	EFFECTIVENESS AND EFFICIENCY OF PROVISIONS IN ACHIEVING THE SUB-OBJECTIVES	REASONS FOR DECIDING ON THE PROVISIONS
<p>1. To enable heights and densities in accordance with Policy 5 and recognise the benefits of intensification.</p>	<ul style="list-style-type: none"> • Promotion of housing typologies consistent with the zone intent in policies. • Increased heights in all zones with the exception of the exclusion areas. • Relax recession planes in all zones. • Apply average densities rather than minimum density requirements in the LDSR zone. • Removal of the minimum density requirement for residential units in MDRZ. • Removal of the Lake Avenue Height Restriction Area. • Inclusion of minimum ground floor height standards. • Inclusion of the benefit of intensification for mode shift in provisions. • Increase minimum net site area for subdivision in HDRZ. • Reduce minimum net site area for subdivision in LDSRZ. • Change to minimum dimensions for lots in the LDSRZ, MDRZ and HDRZ for subdivision. 	<ul style="list-style-type: none"> • Increase the extent of the zones – this option is not favoured due to increasing inefficiency of infrastructure, reducing potential for mode shift, increasing greenhouse gas emissions, effects upon landscape values, ecological values and productive soils. • Increase building height limits but retain recession plane standards (or vice versa) – these standards work in partnership and therefore amending one without the other may result in intensification not being realised as anticipated, or resource consent being required. • Do not apply density controls and rely only upon built form and location standards in LDSRZ – the LDSRZ is the largest zone in the District and no density control will have negative urban form implications and make infrastructure planning and investment for intensification more difficult and upgrades more costly. • Retain the density requirement for the MDRZ and/or increase its size – this would reduce the flexibility in design of developments compared to the proposal and have negative urban form implications. • Retention of the Lake Avenue Height Restriction – this area performed well in the accessibility and relative demand analysis and retention of views for some members of the community has to be weighed up against the benefits to the wider community of intensification and promotion of a well-functioning urban environment. • Maintain existing minimum net site areas and dimensions for subdivision – these do not align with current urban design recommendations. Larger sites in the HDRZ allow for the effective development of 	<p>The proposed provisions are considered to be the most effective way of achieving the sub-objective as they enable heights and densities that reflect the urban design recommendations so to promote the provision of a well-functioning urban environment, whilst still also meeting the other sub-objectives through providing a suitable level of amenity for occupants of development sites and adjoining properties.</p> <p>The proposal will enable a urban form that is more efficient than the alternative options including in terms of infrastructure provision and promoting mode shift to reduce greenhouse gas emissions.</p>	<p>The proposed provisions (in conjunction with the proposed rezoning) will enable heights and densities in locations commensurate with the greater of the level of accessibility or relative demand as required by Policy 5 of the NPS-UD.</p> <p>They are considered to be the best way of contributing to a well-functioning urban environment as detailed in Policy 1 of the NPS-UD including the benefits of providing a range of housing typologies and sizes, enabling a variety of locations and enough capacity for commercial activities, having good accessibility, supporting competitive markets and a reduction in greenhouse gas emissions.</p>

			higher density. Smaller lot sizes in the LDSRZ will provide for infill development and increased housing affordability and allow for varied housing typologies within the zone.		
2.	To ensure adequate amenity values within intensification areas	<p>New standards:</p> <ul style="list-style-type: none"> Outdoor living space Outlook space Setback at upper floors Apply recession planes to flat and sloping sites across all zones. Apply building height setback requirements for upper floor levels. <p>Changes to:</p> <ul style="list-style-type: none"> Waste and recycling area requirements. Matters of discretion relating to building coverage Matters of discretion relating to amenity values of occupants Provision of loading and servicing areas in the LCSZ. 	<ul style="list-style-type: none"> Rely on design guides and design focused matters of discretion to cover the requirements of the new standards and proposed changes – these options are less prescriptive and therefore less directive as to what is sought in terms of acceptable levels of on-site amenity for occupants of developments and on adjoining sites and public places. The existing District Plan provisions were focused mainly on amenity effects upon adjoining properties and not upon on-site amenity and is not suitable in light of the intensification now proposed. The proposed changes address this. As detailed in the Barker & Associates urban design assessment in Appendix 4, the application of recession planes to only flat sites result in a significantly different effects envelope between sloping and flat sites. With the proposed increases to building heights, use of recession planes to ensure a suitable level of access to sunlight on all sites is more important. 	<p>The proposed changes are significantly more efficient and effective in ensuring amenity for future residents of developments and for people in public places than the existing design guides and matters of discretion.</p> <p>Incorporating and updating the standards that relate to amenity will be more prescriptive and therefore result in developers being more aware of what is expected rather than having to address it through a resource consent process. This will result in a more efficient resource consent process and aims to be more effective in achieving a well-functioning urban environment.</p>	<p>The proposed changes are based upon recommendations made by an urban design review of the provisions and they reflect the building heights and densities proposed to achieve sub-objective 1 above. They will also ensure that a suitable level of on-site amenity is achieved by developments as well as for adjoining properties and public spaces. Overall, the proposed provisions are considered to be the best way of achieving sub-objective 2.</p>
3.	To ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.	<ul style="list-style-type: none"> Allow for consideration of infrastructure capacity, including upgrades. Enable consideration of stormwater effect and use of low impact stormwater design for developments. 	<ul style="list-style-type: none"> Do not include consideration of infrastructure capacity and upgrades – this may result in resource consent having to be granted for a development where there is no infrastructure capacity, which may result in the development not being able to proceed or for unplanned upgrades having to be undertaken creating additional expense and delays. It will also not allow developments to consider future upgrades or upgrades proposed as part of Resource consent applications. Do not include stormwater considerations – this will not enable the potential effects of stormwater to be adequately considered at the resource consent stage which will not address the cumulative effects of intensification and this may increase flooding in some areas (particularly as a result of climate change). 	<p>It is more efficient and effective to identify and address infrastructure capacities and stormwater effects at the resource consent stage to ensure that effects can be avoided or mitigated and upgrades to infrastructure identified and addressed as early as possible.</p>	<p>The proposed provisions are considered to be the best way of achieving sub-objective 3 as well as Objectives 6 and 8 of the NPS-UD.</p>

15.MOST APPROPRIATE OPTION

Overall, Option 4 is considered to be the most effective and efficient way of satisfying the requirements of Policy 5 of the NPS-UD. It will also assist with promoting a well-functioning urban environment, while taking into account exclusion and partial exclusion areas (such as natural hazards, historic heritage, airport noise restrictions, reverse sensitivity, infrastructure constraints and the landscape values of Outstanding Natural Features and Landscapes) and implementing the Queenstown Lakes Spatial Plan.

The proposal will provide for greater intensification in areas with an assessed higher level of accessibility or relative demand, being areas located around commercial nodes and along a frequent public transport corridor. Providing for intensification in these areas will have social, economic, cultural and environmental benefits, and promote diversification of housing typologies, including smaller housing types that are typically more affordable. Intensification in these areas creates critical population mass that can support the viability of commercial centres and community facilities, and integrated delivery and funding of public and active transport infrastructure, by assisting in mode shift towards public transport and active travel (which has associated environmental and public health benefits).

The proposal will also add to the development capacity available within the district to cater for demand in the short, medium and long term, as required by the NPS-UD.

16.CONCLUSION

This evaluation has been undertaken in accordance with Section 32 of the RMA in order to identify the need, benefits and costs and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA as well as the requirements of the NPS-UD that apply to the Queenstown Lakes District. The evaluation demonstrates that this proposal is the most appropriate option as:

- It provides for an increased degree of intensification in urban areas that is commensurate with the greater of the level of accessibility and/or relative demand, as directed by Policy 5 of the NPS-UD.
- It promotes and enables a compact urban form that has efficiencies for infrastructure delivery.
- It will promote a well-functioning urban environment through the proposed changes to the District Plan that were informed by monitoring (by MfE and QLDC), and the Barker & Associates urban design review of the existing District Plan provisions, including those that are adversely affecting intensification in areas of high accessibility and relative demand.
- There are significant benefits to the proposal including social, economic, cultural and environmental benefits associated with the urban form enabled by option 4 as detailed in Section 11 above.
- The proposal will provide commercially feasible capacity in the Proposed District Plan for an additional 55,400 dwellings, representing a 63% increase in feasible capacity from the existing baseline. This is through intensification of existing urban areas.
- The proposal will strengthen and provide more capacity within commercial areas in line with their respective roles within the district as acknowledged within the PDP.
- The proposal implements Priority Initiative 1 of the Queenstown Lakes Spatial Plan which directed a review of zoning and other levers to enable higher densities and more flexible use of land within the existing and new urban areas in appropriate locations identified in the Spatial Plan.

APPENDIX 1- PROPOSAL

APPENDIX 2A - STATUTORY CONTEXT

1. Resource Management Act 1991

- 1.1. The Resource Management Act 1991 (“RMA” or “the Act”), requires an integrated planning approach and direction to promote the sustainable management of natural and physical resources. Section 5 of the Act sets out the purpose and principles of the Act. Section 5 is given further elaboration in, sections 6, 7 and 8 of Part 2 of the Act. Sections 6, 7 and 8 supplement the core purpose of sustainable management by stating the particular obligations of those administering the RMA in relation to the various matters identified:

5 Purpose

(1) The purpose of this Act is to promote the sustainable management of natural and physical resources.

(2) In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—

- (a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- (c) avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

- 1.2. Section 6 of the RMA sets out a number of matters of national importance that are to be recognised and provided for. The following section 6 matters are relevant:

(a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development:

(b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:

(c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:

(d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:

(e) the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, wāhi tapu, and other taonga:

(f) the protection of historic heritage from inappropriate subdivision, use, and development:

(g) the protection of protected customary rights:

(h) the management of significant risks from natural hazards.

1.3. Section 7 lists “other matters” that Council shall have particular regard to and those most relevant to this proposal include the following:

(a) kaitiakitanga:

(aa) the ethic of stewardship:

(b) the efficient use and development of natural and physical resources:

(ba) the efficiency of the end use of energy:

(c) the maintenance and enhancement of amenity values:

(d) intrinsic values of ecosystems:

(e) [Repealed]

(f) maintenance and enhancement of the quality of the environment:

(g) any finite characteristics of natural and physical resources:

(h) the protection of the habitat of trout and salmon:

(i) the effects of climate change:

(j) the benefits to be derived from the use and development of renewable energy.

1.4. Section 8 requires that Council take into account the principles of the Te Tiriti o Waitangi or Treaty of Waitangi (“the treaty”). The principles as they relate to resource management derive from the treaty itself and from resource management case law and practice. They can be summarised as follows:

a) The active protection of the **Partnership** between the two parties;

b) The **Protection** of resources of importance to tangata whenua from adverse effects;

c) The active **Participation** by tangata whenua in resource management decision making;

d) The obligation to reasonably, honourably and in good faith towards each other, ; and

e) The obligation to make informed decisions on matters that affect the interests of Māori.

1.5. Consultation has been undertaken with iwi authorities as outlined in Section 3.2 in the main body of this report.

1.6. Section 31 of the RMA states (underlined for emphasis):

31 Functions of territorial authorities under this Act

(1) Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:

(a) the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:

(aa) the establishment, implementation, and review of objectives, policies, and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the district:

(b) the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—

(i) the avoidance or mitigation of natural hazards; and

(ii) [Repealed]

(iia) the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:

(iii) the maintenance of indigenous biological diversity:

(c) [Repealed]

(d) the control of the emission of noise and the mitigation of the effects of noise:

(e) the control of any actual or potential effects of activities in relation to the surface of water in rivers and lakes:

(f) any other functions specified in this Act.

(2) The methods used to carry out any functions under subsection (1) may include the control of subdivision

1.7. Section 32 of the RMA states:

(1) An evaluation report required under this Act must—

(a) examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and

- (b) *examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—*
 - (i) *identifying other reasonably practicable options for achieving the objectives; and*
 - (ii) *assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
 - (iii) *summarising the reasons for deciding on the provisions; and*
- (c) *contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.*

(2) *An assessment under subsection (1)(b)(ii) must—*

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced; and*
- (b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) *assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

(3) *If the proposal (an **amending proposal**) will amend a standard, statement, national planning standard, regulation, plan, or change that is already proposed or that already exists (an **existing proposal**), the examination under subsection (1)(b) must relate to—*

- (a) *the provisions and objectives of the amending proposal; and*
- (b) *the objectives of the existing proposal to the extent that those objectives—*
 - (i) *are relevant to the objectives of the amending proposal; and*
 - (ii) *would remain if the amending proposal were to take effect.*

(4) *If the proposal will impose a greater or lesser prohibition or restriction on an activity to which a national environmental standard applies than the existing prohibitions or restrictions in that standard, the evaluation report must examine whether the prohibition or restriction is justified in the circumstances of each region or district in which the prohibition or restriction would have effect.*

(4A) If the proposal is a proposed policy statement, plan, or change prepared in accordance with any of the processes provided for in [Schedule 1](#), the evaluation report must—

(a) summarise all advice concerning the proposal received from iwi authorities under the relevant provisions of [Schedule 1](#); and

(b) summarise the response to the advice, including any provisions of the proposal that are intended to give effect to the advice.

(5) The person who must have particular regard to the evaluation report must make the report available for public inspection—

(a) as soon as practicable after the proposal is made (in the case of a standard, regulation, national policy statement, or New Zealand coastal policy statement); or

(b) at the same time as the proposal is notified.

(6) In this section,—

objectives means,—

(a) for a proposal that contains or states objectives, those objectives:

(b) for all other proposals, the purpose of the proposal

proposal means a proposed standard, statement, national planning standard, regulation, plan, or change for which an evaluation report must be prepared under this Act

provisions means,—

(a) for a proposed plan or change, the policies, rules, or other methods that implement, or give effect to, the objectives of the proposed plan or change:

(b) for all other proposals, the policies or provisions of the proposal that implement, or give effect to, the objectives of the proposal.

1.8. The proposed provisions help to achieve the integrated management of natural and physical resources by enabling development density to a level that corresponds with the level of accessibility by existing or planned active of public transport to a range of commercial activities and community services, and the relative demand for housing and business use in that location, for current and future generations, so that people and communities can provide for their social, economic and cultural well-being.

1.9. Having regard to these provisions, the approach through this review is to provide a balanced framework in the District Plan to manage these resources appropriately. Furthermore, no less important is the need to ensure the provisions are presented in a manner that is clearly interpreted to facilitate effective and efficient District Plan administration.

2. Local Government Act 2002

1.10. Section 14 of the Local Government Act 2002 is also of relevance in terms of policy development and decision making: (underlined for emphasis)

(a) a local authority should—

- (i) conduct its business in an open, transparent, and democratically accountable manner; and*
- (ii) give effect to its identified priorities and desired outcomes in an efficient and effective manner:*

(b) a local authority should make itself aware of, and should have regard to, the views of all of its communities; and

(c) when making a decision, a local authority should take account of—

- (i) the diversity of the community, and the community's interests, within its district or region; and*
- (ii) the interests of future as well as current communities; and*
- (iii) the likely impact of any decision on the interests referred to in section 10:*

(d) a local authority should provide opportunities for Māori to contribute to its decision-making processes:

(e) a local authority should actively seek to collaborate and co-operate with other local authorities and bodies to improve the effectiveness and efficiency with which it achieves its identified priorities and desired outcomes; and

(f) a local authority should undertake any commercial transactions in accordance with sound business practices; and

(fa) a local authority should periodically—

- (i) assess the expected returns to the authority from investing in, or undertaking, a commercial activity; and*
- (ii) satisfy itself that the expected returns are likely to outweigh the risks inherent in the investment or activity; and*

(g) a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets; and

(h) in taking a sustainable development approach, a local authority should take into account—

- (i) the social, economic, and cultural interests of people and communities; and*
- (ii) the need to maintain and enhance the quality of the environment; and*
- (iii) the reasonably foreseeable needs of future generations.*

- 1.11. As per Part 2 of the RMA, the provisions emphasise a strong intergenerational approach, considering not only current environments, communities and residents but also those of the future. They demand a future focussed policy approach, balanced with considering current needs and interests. Like the RMA, the provisions also emphasise the need to take into account social, economic and cultural matters in addition to environmental ones.
- 1.12. Intensification of existing urban environments is an effective method to cater for the needs of current and future communities, and meet the directives set in the NPS-UD.

3. National Planning Standards

- 1.13. In April 2019 the Government released a set of National Planning Standards (**planning standards**) that require all regional policy statements, regional plans and district plans to have a nationally consistent structure and format. The planning standards also prescribe certain definitions, noise and vibration metrics, and requirements for electronic functionality and accessibility. The planning standards have been introduced to improve the efficiency and effectiveness of the planning system, rather than seeking to alter the outcomes of policy statements or plans.
- 1.14. The National Planning Standards have not been incorporated with the terminology of zoning and provisions proposed as part of this variation. These will be incorporated through a review at a later date, which will ensure plan wide consistency of terminology.

4. National Policy Statement on Urban Development

- 1.15. The Council is a tier 2 authority under the NPS-UD. The relevant provisions are set out in the table below:

National Policy Statement on Urban Development: Provisions

Objective 1: New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.

Objective 2: Planning decisions improve housing affordability by supporting competitive land and development markets.

Objective 3: Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which one or more of the following apply:

- (a) the area is in or near a centre zone or other area with many employment opportunities
- (b) the area is well-serviced by existing or planned public transport
- (c) there is high demand for housing or for business land in the area, relative to other areas within the urban environment.

Objective 4: New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations.

Objective 5: Planning decisions relating to urban environments, and FDSs, take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

Objective 6: Local authority decisions on urban development that affect urban environments are:

- (a) integrated with infrastructure planning and funding decisions;
- (b) and strategic over the medium term and long term; and
- (c) responsive, particularly in relation to proposals that would supply significant development capacity

Objective 7: Local authorities have robust and frequently updated information about their urban environments and use it to inform planning decisions.

Objective 8: New Zealand's urban environments:

- (a) support reductions in greenhouse gas emissions; and
- (b) are resilient to the current and future effects of climate change.

National Policy Statement on Urban Development: Provisions

Policy 1: Planning decisions contribute to **well-functioning urban environments**, which are urban environments that, as a minimum:

- (a) have or enable a variety of homes that:
- (b) meet the needs, in terms of type, price, and location, of different households; and
- (c) enable Māori to express their cultural traditions and norms; and
- (d) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
- (e) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
- (f) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
- (g) support reductions in greenhouse gas emissions;
- (h) and are resilient to the likely current and future effects of climate change.

Policy 2: Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.

Policy 5: Regional policy statements and district plans applying to tier 2 and 3 urban environments enable heights and density of urban form commensurate with the greater of:

- (a) the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services;
- (b) or relative demand for housing and business use in that location

Policy 6: When making planning decisions that affect urban environments, decision-makers have particular regard to the following matters:

- (a) the planned urban built form anticipated by those RMA planning documents that have given effect to this National Policy Statement
- (b) that the planned urban built form in those RMA planning documents may involve significant changes to an area, and those changes:

National Policy Statement on Urban Development: Provisions

- (i) may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing densities and types; and
- (ii) are not, of themselves, an adverse effect
- (c) the benefits of urban development that are consistent with well-functioning urban environments (as described in Policy 1)
- (d) any relevant contribution that will be made to meeting the requirements of this National Policy Statement to provide or realise development capacity
- (e) the likely current and future effects of climate change.

Policy 7: Tier 1 and 2 local authorities set housing bottom lines for the short-medium term and the long term in their regional policy statements and district plans.

Policy 8: Local authority decisions affecting urban environments are responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments, even if the development capacity is:

- (a) unanticipated by RMA planning documents; or
- (b) out-of-sequence with planned land release.

Policy 9: Local authorities, in taking account of the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in relation to urban environments, must:

- (a) involve hapū and iwi in the preparation of RMA planning documents and any FDSs by undertaking effective consultation that is early, meaningful and, as far as practicable, in accordance with tikanga Māori; and
- (b) when preparing RMA planning documents and FDSs, take into account the values and aspirations of hapū and iwi for urban development; and
- (c) provide opportunities in appropriate circumstances for Māori involvement in decision-making on resource consents, designations, heritage orders, and water conservation orders, including in relation to sites of significance to Māori and issues of cultural significance; and
- (d) operate in a way that is consistent with iwi participation legislation.

Policy 10: Tier 1, 2, and 3 local authorities:

National Policy Statement on Urban Development: Provisions

- (a) that share jurisdiction over urban environments work together when implementing this National Policy Statement; and
- (b) engage with providers of development infrastructure and additional infrastructure to achieve integrated land use and infrastructure planning; and
- (c) engage with the development sector to identify significant opportunities for urban development.

3.32 Qualifying Matters

- (1) In this National Policy Statement, **qualifying matter** means any of the following:
- a) a matter of national importance that decision-makers are required to recognise and provide for under section 6 of the Act
 - b) a matter required in order to give effect to any other National Policy Statement
 - c) any matter required for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure
 - d) open space provided for public use, but only in relation to the land that is open space
 - e) an area subject to a designation or heritage order, but only in relation to the land that is subject to the designation or heritage order
 - f) a matter necessary to implement, or ensure consistency with, iwi participation legislation
 - g) the requirement to provide sufficient business land suitable for low density uses to meet expected demand under this National Policy Statement
 - h) any other matter that makes high density development as directed by Policy 3 inappropriate in an area, but only if the requirements of clause 3.33(3) are met.

3.33 Requirements if qualifying matter applies

- (1) This clause applies if a territorial authority is amending its district plan and intends to rely on Policy 4 to justify a modification to the direction in Policy 3 in relation to a specific area.
- (2) The evaluation report prepared under section 32 of the Act in relation to the proposed amendment must
- a) demonstrate why the territorial authority considers that:
 - (i) the area is subject to a qualifying matter; and
 - (ii) the qualifying matter is incompatible with the level of development directed by Policy 3 for that area; and
 - b) assess the impact that limiting development capacity, building height or density (as relevant) will have on the provision of development capacity; and
 - c) assess the costs and broader impacts of imposing those limits.

National Policy Statement on Urban Development: Provisions

- (3) A matter is not a qualifying matter under clause 3.32(1)(h) in relation to an area unless the evaluation report also:
- (a) identifies the specific characteristic that makes the level of development directed by Policy 3 inappropriate in the area, and justifies why that is inappropriate in light of the national significance of urban development and the objectives of this National Policy Statement; and
 - (b) includes a site-specific analysis that:
 - (i) identifies the site to which the matter relates; and
 - (ii) evaluates the specific characteristics on a site-specific basis to determine the spatial extent where intensification needs to be compatible with the specific matter; and
 - (iii) evaluates an appropriate range of options to achieve the greatest heights and densities directed by Policy 3, while managing the specific characteristics.

Well-functioning urban environments (Objective 1)

1.16. The proposal is consistent with meeting Objective 1 of the NPS-UD as it provides the following:

- (a) A positive contribution to additional residential capacity in locations within the existing urban environment that are accessible by active and public transport, thereby reducing the need for residents to travel from more peripheral development and reducing car-reliance;
- (b) Providing for a diversity of housing sizes and typologies to provide for increased affordability via development of smaller lots and unit types as well as for differing accommodation needs of residents eg aging in place;
- (c) A positive contribution towards limiting possible adverse effects on the competitive operation of land and development markets, by providing for the opportunity for additional urban residential capacity to the market; and
- (d) A positive contribution to limiting greenhouse gas emissions, through the provision of increased residential densities near commercial centres which provide services and employment, and for public and active modes of transportation, to reduce the need for vehicle trips elsewhere within the Wakatipu Basin.

Housing affordability (Objective 2)

1.17. Objective 2 requires planning decisions to improve housing affordability. There are no policies that directly relate to housing affordability, although the theme of the NPS-UD is to encourage affordability through the provision of the intensification of existing urban environments and encouragement of greater competitiveness in the market.

- 1.18. The proposal is consistent with the NPS-UD in that it supports housing affordability through supply as the primary means, but also through enabling and encouraging smaller unit types and attached housing typologies.
- 1.19. The HDCA 2021¹¹⁶ modelling indicates that housing demand is likely to change as follows:
- (a) Increases in the number of older households, with those in the 60+ and above categories more than doubling over the medium to long term. Younger age groups (including children) start to make up only a relatively small proportion of the future population;
 - (b) Increases in one person and couple householders, with one person and couple households accounting for around three-quarters of the total household growth in the medium term, and in the long term; and
 - (c) Lower and lower-middle income households are expected to account for a greater share of future housing demand (20% currently increasing to 25% long term).
- 1.20. The HDCA finds that there is sufficient development capacity (just) to meet projected long-term demand (inclusive of a margin). While housing numbers are increasing, housing affordability has been steadily decreasing, with the average median house price in the District increasing from \$873,469 in June 2017 to \$1,018,250 in March 2021. This is a significant issue for the District, as analysis shows that currently over 83% of our first-home buyer households and 37% of renters are spending more than 30% of their income on housing costs.
- 1.21. The HDCA finds that there is a current shortfall of housing in price bands below \$500,000 (-2,350 affordable dwellings in 2020 for first home buyers, with the majority of these households in rental accommodation). These housing affordability shortfalls are set to worsen if there are no interventions by 2050 to help first home buyers get into the housing market. There could be a shortfall of 6,960 affordable dwellings affecting dwelling value bands all the way up to \$1.19m.
- 1.22. The HDCA recommendations include that further supply of land are unlikely in and of themselves to increase the rate of supply of housing by the development sector in the lower value bands and that specific effort and initiatives will be important to ensure a more affordable price range for dwellings. Initiatives may include inclusionary zoning, investment by Kāinga Ora, and other measures to reduce building costs, complexity and time delays.
- 1.23. The proposed Inclusionary Housing plan change has been notified with hearings set to be held during 2023.

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Amenity values of urban environments (Objective 4)

- 1.24. Objective 4, implemented by Policy 6, recognises that amenity values in urban environments develop and change over time and are not in and of themselves an adverse effect. This Objective is directly relevant to the proposal, which will result in increased density in locations which have previously been developed at comparatively a lower intensity.
- 1.25. Every individual's definition of a quality urban environment and amenity will differ, but there are some common desires for improved public transportation systems, more plants and green buildings, more community parks and events, waste reduction facilities and regulations, and intensification.¹¹⁷
- 1.26. While a change in amenity values will necessarily be experienced as the intensity of development changes over time, the provisions enable significant amenity through the provision of open spaces, high quality design of sites and buildings (including the use of controls on heights and setbacks).

5. Other National Legislation or Policy Statements

- 1.27. When preparing district plans, local authorities must give effect to any National Policy Statement (NPS) and National Environmental Standard (NES).
- 1.28. The following NPSs are relevant

- (a) NPS and NES for Freshwater Management

The updated NPS and NES recognises the fundamental importance of water and recognises that protecting the health of freshwater protected the health and well-being of the wider environment (Te Mana o te Wai).

The proposed variation is considered to be consistent with the objectives of the NPS and NES through providing for intensification of existing urban areas so to limit the outward spread of urban development. Furthermore, no changes to the existing building coverage or permeable landscaped area standards are proposed and additional policy and matters of discretion are proposed relating to disposal of stormwater.

- (b) NPS for Highly Productive Land

This NPS was gazetted in September 2022 and seeks to protect highly productive land for use in land-based primary production, now and for future generations. This NPS

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requires highly productive land to be mapped and identified in regional policy statements and district plans. It also requires that the urban rezoning of highly productive land be restricted, subdivision of highly productive land be avoided and highly productive land be protected from inappropriate use and development.

The proposed variation is consistent with the requirements of this NPS as it does not propose any outward expansion of urban zoned land, rather it seeks to create a more compact urban form through intensification of existing urban areas.

1.29. Work is currently underway on a proposed National Policy Statement for Indigenous Biodiversity.

1.30. The following NESs are also relevant:

- (a) NES for Air Quality
- (b) NES for Sources of Drinking Water
- (c) NES for Telecommunication Facilities
- (d) NES for Electricity Transmission Activities
- (e) NES for Assessing and Managing Contaminants in Soil to Protect Human Health
- (f) NES for Plantation Forestry
- (g) NES for Freshwater

APPENDIX 2B - PLANNING CONTEXT

1. Iwi Management Plans

1.31. When preparing or changing a district plan, Section 74(2A)(a) of the Resource Management Act (“the Act” or “RMA”) states that Councils must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district.

1.32. The following iwi management plans are relevant:

The Cry of the People, Te Tangi a Taurira: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008	
Provision	Discussion
3.1 Huringa Ahua o Te Rangi Climate Change Issues	
Activities within Murihiku are contributing to the cumulative effects of greenhouse gas emission.	This suite of provisions generally has a broader application than the District Plan, but this intensification project takes these into account through the proposed provisions which: (a) Seek to reduce private vehicle trips through limiting onsite carparking and encouraging public and active transport modes; and (b) Encourage sustainability initiatives in building and site design.
Increased population and urban development contribute to increased levels of vehicle emissions.	
Effective solutions to address greenhouse emissions need to be managed at all levels.	
Ngā Kaupapa – Policy	
2. Actively engage and work with Te Rūnanga o Ngāi Tahu by contributing local rūnanga principles and views toward the formation of tribal policy in respect to climate change.	Again, this suite of provisions has a broad application. They are addressed as follows: (a) Rūnaka engagement has occurred throughout the preparation of the proposed variation and feedback from runaka on the provisions has been incorporated; (b) Specifically, consideration of infrastructure capacity has been incorporated where possible into the policies and matters of discretion under the term ‘servicing’ and also with reference to low impact stormwater systems.
5. Ensure that sustainable management and climate change policy does not lead to adverse environmental effects on indigenous species and ecosystems. Policy should support the continuation of activities and encourage the restoration and sustainable management of indigenous ecosystems.	
9. Support sustainable energy systems (for houses, water and transport) to meet social and cultural needs while minimising environmental impacts.	
3.5.13 Water Quality Policy	
5. Avoid the use of water as a receiving environment for the direct, or point source,	Urban development will can be serviced by the existing reticulated water and wastewater

discharge of contaminants. Generally, all discharge must first be to land.	networks, therefore there will be no discharge to land or direct discharge to water as a result.
6. Avoid impacts on water as a result of inappropriate discharge to land activities	Necessary upgrades to allow for developments will be included in the LTP process or undertaken by developers.

<i>Kāi Tahu ki Otago Natural Resource Management Plan 2005</i>	
Provision	Discussion
<i>5.3.3 Wai Māori General Objectives</i>	
iii. There is no discharge of human waste directly to water.	Urban development will/can be serviced by the existing reticulated water and wastewater networks, therefore there will be no discharge to land or direct discharge to water as a result. Necessary upgrades to allow for developments will be included in the LTP process or undertaken by developers.
iv. Contaminants being discharged directly or indirectly to water are reduced.	
<i>10.2.3 Wai Māori Policies in the Clutha/Mata-au Catchment Land use</i>	
9. To encourage the adoption of sound environmental practices, adopted where land use intensification occurs.	The proposed variation represents sustainable land use as it provides for efficient urban development in a location where it can be adequately serviced, and the effects of urban development managed. In doing so, it will protect other land within the catchment.
10. To promote sustainable land use in the Clutha/Mata-au Catchment.	
12. To require reticulated community sewerage schemes that have the capacity to accommodate future population growth.	

2. Regional Policy Statements

- 1.33. Section 75 of the Act requires that a district plan prepared by a territorial authority must “give effect to” any operative Regional Policy Statement. Section 74 requires that a territorial authority, when preparing or changing a district plan, “shall have regard to” a proposed regional policy statement.
- 1.34. The Partially Operative Otago Regional Policy Statement 2019 (**PORPS 19**) and the Proposed Regional Policy Statement 2021 (**PRPS 21**) are the relevant regional policy statements that the Proposed District Plan must either have regard to or give effect to.
- 1.35. The objectives and policies from the PORPS 19 in the table below are relevant.

Partially Operative Regional Policy Statement 2019

Reference	Detail
Chapter 1 – Resource management in Otago is integrated	
Objective 1.1	Otago’s resources are used sustainably to promote economic, social, and cultural wellbeing for its people and communities
Policy 1.1.1	Economic wellbeing Provide for the economic wellbeing of Otago’s people and communities by enabling the resilient and sustainable use and development of natural and physical resources.
Policy 1.1.2	Social and cultural wellbeing and health and safety Provide for the social and cultural wellbeing and health and safety of Otago’s people and communities when undertaking the subdivision, use, development and protection of natural and physical resources by all of the following: a) Recognising and providing for Kāi Tahu values; b) Taking into account the values of other cultures; c) Taking into account the diverse needs of Otago’s people and communities; d) Avoiding significant adverse effects of activities on human health; e) Promoting community resilience and the need to secure resources for the reasonable needs for human wellbeing; Promoting good quality and accessible infrastructure and public services.
Objective 1.2	Recognise and provide for the integrated management of natural and physical resources to support the wellbeing of people and communities in Otago
Policy 1.2.1	Integrated resource management Achieve integrated management of Otago’s natural and physical resources, by all of the following: a) Coordinating the management of interconnected natural and physical resources; b) Taking into account the impacts of management of one natural or physical resource on the values of another, or on the environment; c) Recognising that the value and function of a natural or physical resource may extend beyond the immediate, or directly adjacent, area of interest; d) Ensuring that resource management approaches across administrative boundaries are consistent and complementary; e) Ensuring that effects of activities on the whole of a natural or physical resource are considered when that resource is managed as subunits. f) Managing adverse effects of activities to give effect to the objectives and policies of the Regional Policy Statement. g) Promoting healthy ecosystems and ecosystem services; Promoting methods that reduce or negate the risk of exceeding sustainable resource limits.
Chapter 3 – Otago has high quality natural resources and ecosystems	
Objective 3.1	The values (including intrinsic values) of ecosystems and natural resources are recognised and maintained, or enhanced where degraded.

Policy 3.1.11	Recognise the values of natural features, landscapes and seascapes are derived from the biophysical, sensory and associative attributes in Schedule 3.
Objective 3.2	Otago’s significant and highly-valued natural resources are identified and protected, or enhanced when degraded
Policy 3.2.6	<p>Managing highly valued natural features, landscape and seascapes</p> <p>Maintain or enhance highly valued natural features, landscapes and seascapes by all of the following:</p> <ul style="list-style-type: none"> a) Avoiding significant adverse effects on those values that contribute to the high value of the natural feature, landscape or seascape; b) Avoiding, remedying or mitigating other adverse effects; c) Encouraging enhancement of those values that contribute to the high value of the natural feature, landscape or seascape.
Policy 3.2.14	<p>Managing outstanding freshwater bodies</p> <p>Protect outstanding freshwater bodies by all of the following:</p> <ul style="list-style-type: none"> a) Maintaining the values that contribute to the water body being outstanding; b) Avoiding, remedying or mitigating other adverse effects on the water body; c) Controlling the adverse effects of pest species, preventing their introduction and reducing their spread; d) Encouraging enhancement of those values that contribute to the water body being outstanding.
Chapter 4 – Communities in Otago are resilient, safe and healthy	
Objective 4.1	Risks that natural hazards pose to Otago’s communities are minimised.
Policy 4.1.5	<p>Natural hazard risk</p> <p>Manage natural hazard risk to people, property and communities, with particular regard to all of the following:</p> <ul style="list-style-type: none"> a) The risk posed, considering the likelihood and consequences of natural hazard events; b) The implications of residual risk; c) The community’s tolerance of that risk, now and in the future, including the community’s ability and willingness to prepare for and adapt to that risk, and respond to an event; d) Sensitivity of activities to risk; e) The need to encourage system resilience; f) The social costs of recovery.
Policy 4.1.10	<p>Mitigating natural hazards</p> <p>Give preference to risk management approaches that reduce the need for hard protection structures or similar engineering interventions, and provide for hard protection structures only when all of the following apply:</p> <ul style="list-style-type: none"> a) Those measures are essential to reduce risk to a level the community is able to tolerate; b) There are no reasonable alternatives that result in reducing the risk exposure; c) It would not result in an increase in risk to people and communities, including displacement of risk off-site;

	<p>d) The adverse effects can be adequately managed;</p> <p>e) The mitigation is viable in the reasonably foreseeable long term.</p>
Objective 4.2	Otago’s communities are prepared for and able to adapt to the effects of climate change
Policy 4.2.2	<p>Climate Change</p> <p>Ensure Otago’s people and communities are able to mitigate and adapt to the effects of climate change, over no less than 100 years, by all of the following:</p> <p>a) Taking into account the effects of climate change, including by using the best relevant climate change data;</p> <p>b) Applying a precautionary approach when assessing and managing the effects of climate change where there is scientific uncertainty and potentially significant or irreversible effects;</p> <p>c) Encouraging activities that assist to reduce or mitigate the effects of climate change.</p> <p>d) Encouraging system resilience.</p>
Objective 4.5	Urban growth and development is well designed, occurs in a strategic and coordinated way, and integrates effectively with adjoining urban and rural environments
Policy 4.5.1	<p>Providing for urban growth and development</p> <p>Provide for urban growth and development in a strategic and co-ordinated way, including by:</p> <p>a) Ensuring future urban growth areas are in accordance with any future development strategy for that district.</p> <p>b) Monitoring supply and demand of residential, commercial and industrial zoned land;</p> <p>c) Ensuring that there is sufficient housing and business land development capacity available in Otago;</p> <p>d) Setting minimum targets for sufficient, feasible capacity for housing in high growth urban areas in Schedule 6</p> <p>e) Coordinating the development and the extension of urban areas with infrastructure development programmes, to provide infrastructure in an efficient and effective way.</p> <p>f) Having particular regard to:</p> <p>i. Providing for rural production activities by minimising adverse effects on significant soils and activities which sustain food production;</p> <p>ii. Minimising competing demands for natural resources;</p> <p>iii. Maintaining high and outstanding natural character in the coastal environment; outstanding natural features, landscapes, and seascapes; and areas of significant indigenous vegetation and significant habitats of indigenous fauna;</p> <p>iv. Maintaining important cultural or historic heritage values;</p> <p>v. Avoiding land with significant risk from natural hazards;</p> <p>g) Ensuring efficient use of land;</p> <p>h) Restricting urban growth and development to areas that avoid reverse sensitivity effects unless those effects can be adequately managed;</p>

	<p>i) Requiring the use of low or no emission heating systems where ambient air quality is:</p> <ul style="list-style-type: none"> i. Below standards for human health; or ii. Vulnerable to degradation given the local climatic and geographical context; <p>Consolidating existing coastal settlements and coastal urban areas where this will contribute to avoiding or mitigating sprawling or sporadic patterns of settlement and urban growth.</p>
Policy 4.5.2	<p>Integrating infrastructure with land use</p> <p>Achieve the strategic integration of infrastructure with land use, by undertaking all of the following:</p> <ul style="list-style-type: none"> a) Recognising and providing for the functional needs of infrastructure; b) Locating and designing infrastructure to take into account all of the following: <ul style="list-style-type: none"> i. Actual and reasonably foreseeable land use change; ii. The current population and projected demographic changes; iii. Actual and reasonably foreseeable change in supply of, and demand for, infrastructure services; iv. Natural and physical resource constraints; v. Effects on the values of natural and physical resources; vi. Co-dependence with other infrastructure; vii. The effects of climate change on the long-term viability of that infrastructure; viii. Natural hazard risk. <p>Coordinating the design and development of infrastructure with land use change in growth and redevelopment planning.</p>
Policy 4.5.3	<p>Urban design</p> <p>Design new urban development with regard to:</p> <ul style="list-style-type: none"> a) A resilient, safe and healthy community; b) A built form that relates well to its surrounding environment; c) Reducing risk from natural hazards; d) Good access and connectivity within and between communities; e) A sense of cohesion and recognition of community values; f) Recognition and celebration of physical and cultural identity, and the historic heritage values of a place;] g) Areas where people can live, work and play; h) A diverse range of housing, commercial, industrial and service activities; <p>A diverse range of social and cultural opportunities</p>
Policy 4.5.4	<p>Low impact design</p> <p>Encourage the use of low impact design techniques in subdivision and development to reduce demand on stormwater, water and wastewater infrastructure and reduce potential adverse environmental effects.</p>
Policy 4.5.5	<p>Warmer buildings</p> <p>Encourage the design of subdivision and development to reduce the adverse effects of the region's colder climate, and higher demand and costs for energy, including maximising passive solar gain.</p>

Policy 4.5.6	Designing for public access Design and maintain public spaces, including streets and open spaces, to meet the reasonable access and mobility needs of all sectors.
Objective 5.2	Historic heritage resources are recognised and contribute to the region's character and sense of identity.
Policy 5.2.3	Protect and enhance places and areas of historic heritage, by all of the following: <ul style="list-style-type: none"> a) Recognising that some places or areas are known or may contain archaeological sites, wāhi b) tapu or wāhi taoka which could be of significant historic or cultural value; c) Applying these provisions immediately upon discovery of such previously unidentified d) archaeological sites or areas, wāhi tapu or wāhi taoka; e) Avoiding adverse effects on those values that contribute to the area or place being of regional f) or national significance; g) Minimising significant adverse effects on other values of areas and places of historic heritage; h) Remedying when adverse effects on other values cannot be avoided; i) Mitigating when adverse effects on other values cannot be avoided or remedied; j) Encouraging the integration of historic heritage values into new activities; k) Enabling adaptive reuse or upgrade of historic heritage places and areas where historic heritage values can be maintained.

1.36. This proposal responds to these matters by providing for economic and social wellbeing of people by:

- (a) enabling the use of the land resources for more intensified urban living in a way that potential adverse effects can be adequately managed,
- (b) it can contribute to the housing needs in a typology/price range for which there is a shortage, and it can contribute through economic growth and diversification of the economy through the construction and ongoing use of the land for urban purposes,
- (c) maintaining existing standards with regard to floor levels in areas identified as being subject to flood risk and maintaining the existing matters of discretion allowing for consideration of natural hazards in the development of sites.

1.37. The NPS-UD is a higher order document than a Regional Policy Statement, and Regional Policy Statements also need to implement the intensification provisions, not just District Plans, as outlined in Policy 5 of the NPS-UD.¹¹⁸

¹¹⁸ National Policy Statement on Urban Development, p.11

1.38. The following Issues from Part 2: Integrated Management of the PRPS 21¹¹⁹ are relevant:

Proposed Regional Policy Statement 2021	
Reference	Detail
Part 2 – Integrated Management	
Objective IM-O1	Long term vision The management of natural and physical resources in Otago, by and for the people of Otago, including Kāi Tahu, and as expressed in all resource management plans and decision making, achieves healthy, resilient, and safeguarded natural systems, and the ecosystem services they offer, and supports the well-being of present and future generations, <i>mō tātou, ā, mō kā uri ā muri ake nei</i> .
Objective IM-O2	Ki uta ki tai Natural and physical resource management and decision making in Otago embraces <i>ki uta ki tai</i> , recognising that the environment is an interconnected system, which depends on its connections to flourish, and must be considered as an interdependent whole.
Objective IM-O3	Environmentally sustainable impact Otago’s communities carry out their activities in a way that preserves environmental integrity, form, function, and resilience, so that the life-supporting capacities of air, water, soil, ecosystems, and indigenous biodiversity endure for future generations.
Objective IM-O4	Climate change Otago’s communities, including Kāi Tahu, understand what climate change means for their future, and climate change responses in the region, including adaptation and mitigation actions, are aligned with national level climate change responses and are recognised as integral to achieving the outcomes sought by this RPS.
Policy IM-P2	Decision priorities Unless expressly stated otherwise, all decision making under this RPS shall: <ul style="list-style-type: none"> 1) firstly, secure the long-term life-supporting capacity and mauri of the natural environment, 2) secondly, promote the health needs of people, 3) thirdly, safeguard the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.
Policy IM-P3	Providing for <i>mana whenua</i> cultural values in achieving integrated management Recognise and provide for Kāi Tahu’s relationship with natural resources by: <ul style="list-style-type: none"> 1) enabling <i>mana whenua</i> to exercise <i>rakatirataka</i> and <i>kaitiakitaka</i>, 2) facilitating active participation of <i>mana whenua</i> in resource management

¹¹⁹ Proposed Otago Regional Policy Statement 2021 (dated May 2021) was published after the NPS-UD and therefore is implementing the NPS-UD

	<p>decision making,</p> <p>3) incorporating mātauraka Māori in decision making, and ensuring resource management provides for the connections of Kāi Tahu to <i>wāhi tūpuna, water and water bodies</i>, the coastal environment, mahika kai and habitats of taoka species.</p>
Policy IM-P4	<p>Setting a strategic approach to ecosystem health</p> <p>Healthy ecosystems and ecosystem services are achieved through a planning framework that:</p> <ol style="list-style-type: none"> 1) protects their <i>intrinsic values</i>, 2) takes a long-term strategic approach that recognises changing <i>environments</i>, 3) recognises and provides for ecosystem complexity and interconnections, and anticipates, or responds swiftly to, changes in activities, pressures, and trends.
Policy IM-P5	<p>Managing environmental interconnections</p> <p>Coordinate the management of interconnected <i>natural and physical resources</i> by recognising and providing for:</p> <ol style="list-style-type: none"> 1) situations where the value and function of a <i>natural or physical resource</i> extends beyond the immediate, or directly adjacent, area of interest, 2) the effects of activities on a <i>natural or physical resource</i> as a whole when that resource is managed as sub-units, and <p>the impacts of management of one <i>natural or physical resource</i> on the values of another, or on the <i>environment</i>.</p>
Policy IM-P6	<p>Acting on best available information</p> <p>Avoid unreasonable delays in decision-making processes by using the best information available at the time, including but not limited to mātauraka Māori, local knowledge, and reliable partial data.</p>
Policy IM-P8	<p>Climate change impacts</p> <p>Recognise and provide for <i>climate change</i> processes and <i>risks</i> by identifying <i>climate change</i> impacts in Otago, including impacts from a te ao Māori perspective, assessing how the impacts are likely to change over time and anticipating those changes in resource management processes and decisions.</p>
Policy IM-P9	<p>Community response to climate change impacts</p> <p>By 2030 Otago's communities have established responses for adapting to the impacts of <i>climate change</i>, are adjusting their lifestyles to follow them, and are reducing their <i>greenhouse gas</i> emissions to achieve net-zero carbon emissions by 2050.</p>
Policy IM-P10	<p>Climate change adaptation and mitigation</p> <p>Identify and implement <i>climate change</i> adaptation and mitigation methods for Otago that:</p> <ol style="list-style-type: none"> 1) minimise the effects of <i>climate change</i> processes or <i>risks</i> to existing activities,

	<ol style="list-style-type: none"> 2) prioritise avoiding the establishment of new activities in areas subject to <i>risk</i> from the <i>effects</i> of <i>climate change</i>, unless those activities reduce, or are resilient to, those <i>risks</i>, and 3) provide Otago’s communities, including Kāi Tahu, with the best chance to thrive, even under the most extreme <i>climate change</i> scenarios.
Policy IM-P11	<p>Enhancing environmental <i>resilience</i> to <i>effects</i> of <i>climate change</i></p> <p>Enhance environmental resilience to the adverse <i>effects</i> of <i>climate change</i> by facilitating activities that reduce human impacts on the <i>environment</i>.</p>
Policy IM-P13	<p>Managing cumulative <i>effects</i></p> <p>Otago’s environmental integrity, form, function, and <i>resilience</i>, and opportunities for future generations, are protected by recognising and specifically managing the cumulative effects of activities on natural and physical resources in plans and explicitly accounting for these effects in other resource management decisions.</p>
LF-FW – Fresh water	
Objective LF-FW-08	<p>Fresh water</p> <p>In Otago’s water bodies and their catchments:</p> <ol style="list-style-type: none"> 1) the health of the wai supports the health of the people and thriving mahika kai, 2) water flow is continuous throughout the whole system, 3) the interconnection of fresh water (including groundwater) and coastal waters is recognised, 4) native fish can migrate easily and as naturally as possible and taoka species and their habitats are protected, and 5) the significant and outstanding values of Otago’s outstanding water bodies are identified and protected.
Objective LF-FW-09	<p>Natural wetlands</p> <p>Otago’s natural wetlands are protected or restored so that:</p> <ol style="list-style-type: none"> 1) mahika kai and other mana whenua values are sustained and enhanced now and for future generations, 2) there is no decrease in the range and diversity of indigenous ecosystem types and habitats in natural wetlands, 3) there is no reduction in their ecosystem health, hydrological functioning, amenity values, extent or water quality, and if degraded they are improved, and 4) (4) their flood attenuation capacity is maintained.
Objective LF-FW-010	<p>Natural character</p> <p>The natural character of wetlands, lakes and rivers and their margins is preserved and protected from inappropriate subdivision, use and development.</p>
Policy	<p>Protecting outstanding water bodies</p> <p>The significant and outstanding values of outstanding water bodies are:</p> <ol style="list-style-type: none"> 1) identified in the relevant regional and district plans, and

LF-FW-P12	2) protected by avoiding adverse effects on those values
Policy LF-FW-P15	<p>Stormwater and wastewater discharges</p> <p>Minimise the adverse effects of direct and indirect discharges of stormwater and wastewater to fresh water by:</p> <ol style="list-style-type: none"> 1) except as required by LF-VM-O2 and LF-VM-O4, preferring discharges of wastewater to land over discharges to water, unless adverse effects associated with a discharge to land are greater than a discharge to water, and 2) requiring: <ol style="list-style-type: none"> (a) all sewage, industrial or trade waste to be discharged into a reticulated wastewater system, where one is available, (b) all stormwater to be discharged into a reticulated system, where one is available, (c) implementation of methods to progressively reduce the frequency and volume of wet weather overflows and minimise the likelihood of dry weather overflows occurring for reticulated stormwater and wastewater systems, (d) on-site wastewater systems to be designed and operated in accordance with best practice standards, (e) stormwater and wastewater discharges to meet any applicable water quality standards set for FMUs and/or rohe, and (f) the use of water sensitive urban design techniques to avoid or mitigate the potential adverse effects of contaminants on receiving water bodies from the subdivision, use or development of land, wherever practicable, and 3) promoting the reticulation of stormwater and wastewater in urban areas
UFD – Urban Form and Development	
Objective UFD-O1	<p>Form and function of urban areas</p> <p>The form and functioning of Otago’s urban areas:</p> <ol style="list-style-type: none"> 1) reflects the diverse and changing needs and preferences of Otago’s people and communities, now and in the future, and 2) maintains or enhances the significant values and features identified in this RPS, and the character and resources of each urban area.
Objective UFD-O2	<p>Development of urban areas</p> <p>The development and change of Otago’s urban areas:</p> <ol style="list-style-type: none"> 1) improves housing choice, quality, and affordability, 2) allows business and other non-residential activities to meet the needs of communities in appropriate locations, 3) respects and wherever possible enhances the area’s history, setting, and natural and built environment, 4) delivers good urban design outcomes, and improves liveability,

	<ol style="list-style-type: none"> 5) improves connectivity within urban areas, particularly by active transport and public transport, 6) minimises conflict between incompatible activities, 7) manages the exposure of risk from natural hazards in accordance with the HAZ–NH – Natural hazards section of this RPS, 8) results in sustainable and efficient use of water, energy, land, and infrastructure, 9) achieves integration of land use with existing and planned development infrastructure and additional infrastructure and facilitates the safe and efficient ongoing use of regionally significant infrastructure, 10) achieves consolidated, well designed and located, and sustainable development in and around existing urban areas as the primary focus for accommodating the region’s urban growth and change, and 11) is guided by the input and involvement of mana whenua.
Objective UFD-O3	Strategic planning Strategic planning is undertaken in advance of significant development, expansion or redevelopment of urban areas to ensure that <ol style="list-style-type: none"> 1) there is sufficient development capacity supported by integrated infrastructure provision for Otago’s housing and business needs in the short, medium and long term, 2) development is located, designed and delivered in a way and at a rate that recognises and provides for locationally relevant regionally significant features and values identified by this RPS, and 3) the involvement of mana whenua is facilitated, and their values and aspirations are provided for.
Objective UFD-O5	Urban development and climate change The impacts of climate change are responded to in the development and change of Otago’s urban areas so that: <ol style="list-style-type: none"> 1) the contributions of current communities and future generations to climate change impacts are reduced, 2) community resilience increases, 3) adaptation to the effects of climate change is facilitated, 4) energy use is minimised, and energy efficiency improves, and 5) establishment and use of small and community-scale distributed electricity generation is enabled.
Policy UFD-P1	Strategic planning Strategic planning processes, undertaken at an appropriate scale and detail, precede urban growth and development and: <ol style="list-style-type: none"> 1) ensure integration of land use and infrastructure, including how, where and when necessary development infrastructure and additional infrastructure will be provided, and by whom,

	<ol style="list-style-type: none"> 2) demonstrate at least sufficient development capacity supported by integrated infrastructure provision for Otago’s housing and business needs in the short, medium and long term, 3) maximise current and future opportunities for increasing resilience, and facilitating adaptation to changing demand, needs, preferences and climate change, 4) minimise risks from and improve resilience to natural hazards, including those exacerbated by climate change, while not increasing risk for other development, 5) indicate how connectivity will be improved and connections will be provided within urban areas, 6) provide opportunities for iwi, hapū and whānau involvement in planning processes, including in decision making, to ensure provision is made for their needs and aspirations, and cultural practices and values, 7) facilitate involvement of the current community and respond to the reasonably foreseeable needs of future communities, and 8) identify, maintain and where possible, enhance important features and values identified by this RPS.
<p>Policy UFD-P2</p>	<p>Sufficiency of development capacity</p> <p>Sufficient urban area housing and business development capacity in urban areas, including any required competitiveness margin, is provided in the short, medium and long term by:</p> <ol style="list-style-type: none"> 1) undertaking strategic planning in accordance with UFD–P1 2) identifying areas for urban intensification in accordance with UFD–P3, 3) identifying areas for urban expansion in accordance with UFD–P4, 4) providing for commercial and industrial activities in accordance with UFD–P5 and UFD–P6 5) responding to any demonstrated insufficiency in housing or business development capacity by increasing development capacity or providing more development infrastructure as required, as soon as practicable, and 6) requiring Tier 2 urban environments to meet, at least, the relevant housing bottom lines in APP10.
<p>Policy UFD-P3</p>	<p>Urban intensification</p> <p>Within urban areas intensification is enabled where it:</p> <ol style="list-style-type: none"> 1) contributes to establishing or maintaining the qualities of a well-functioning urban environment, 2) is well-served by existing or planned development infrastructure and additional infrastructure, 3) meets the greater of demonstrated demand for housing and/or business use or the level of accessibility provided for by existing or planned active transport or public transport,

	<ol style="list-style-type: none"> 4) addresses an identified shortfall for housing or business space, in accordance with UFD–P2, 5) addresses issues of concern to iwi and hapū, including those identified in any relevant iwi planning documents, and 6) manages adverse effects on values or resources identified by this RPS that require specific management or protection.
Policy UFD-P9	<p>Iwi, hapū and whānau</p> <p>Facilitate the development of Native Reserves and Te Ture Whenua Māori land, for papakāika, kāika, nohoaka, and marae, where existing or planned development infrastructure of sufficient capacity is or can be provided (including allowance for self-servicing systems).</p>
Policy UFD-10	<p>Criteria for significant development capacity</p> <p>‘Significant development capacity’ is provided for where a proposed plan change affecting an urban environment meets all of the following criteria:</p> <ol style="list-style-type: none"> 1) the location, design and layout of the proposal will positively contribute to achieving a well- functioning urban environment, 2) the proposal is well-connected to the existing or planned urban area, particularly if it is located along existing or planned transport corridors, 3) required development infrastructure can be provided effectively and efficiently for the proposal, and without material impact on planned development infrastructure provision to, or reduction in development infrastructure capacity available for, other feasible, likely to be realised developments, in the short-medium term, 4) the proposal makes a significant contribution to meeting a need identified in a Housing and Business Development Capacity Assessment, or a shortage identified in monitoring for: <ol style="list-style-type: none"> (a) housing of a particular price range or typology, particularly more affordable housing, (b) business space or land of a particular size or locational type, or (c) community or educational facilities, and 5) when considering the significance of the proposal’s contribution to a matter in (4), this means that the proposal’s contribution: <ol style="list-style-type: none"> (a) is of high yield relative to either the forecast demand or the identified shortfall, (b) will be realised in a timely (i.e. rapid) manner, (c) is likely to be taken up, and (d) will facilitate a net increase in district-wide up-take in the short to medium term.

3. Proposed District Plan

1.39. The following objectives and policies (or parts thereof) of the PDP (Part 2 Strategic) are relevant to urban development and this plan variation should take into account and give effect to these provisions:

Strategic Direction Chapter 3		
Reference	Detail	Subject to Appeal?
SO 3.2.1	The development of a prosperous, resilient and equitable economy in the District.	
Policy 3.2.1.2	The Queenstown and Wānaka town centres are the hubs of New Zealand’s premier alpine visitor resorts and the District’s economy.	
Policy 3.2.1.3	The Frankton urban area (including the Remarkables Park mixed use centre) functions primarily as a major commercial and industrial service centre, and provides community facilities, for the people of the Wakatipu Basin.	
Policy 3.2.1.4	The key function of the commercial core of Three Parks is focused on large format retail development.	
Policy 3.2.1.9	Infrastructure in the District that is operated, maintained, developed and upgraded efficiently and effectively to meet community needs and to maintain the quality of the environment.	Active Appeal ENV-2018- CHC-093
SO 3.2.2	Urban Growth is managed in a strategic and integrated manner	
Policy 3.2.2.1	Urban development occurs in a logical manner so as to: <ul style="list-style-type: none"> a. promote a compact, well designed and integrated urban form; b. build on historical urban settlement patterns; c. achieve a built environment that provides desirable, healthy and safe places to live, work and play; d. minimise the natural hazard risk, taking into account the predicted effects of climate change; e. protect the District’s rural landscapes from sporadic and sprawling urban development; f. ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in; g. contain a high quality network of open spaces and community facilities; and 	

	h. be integrated with existing, and proposed infrastructure and appropriately manage effects on that infrastructure.	
SO 3.2.3	A quality built environment taking into account the character of individual communities.	
Policy 3.2.3.1	The District's important historic heritage values are protected by ensuring development sympathetic to those values.	
Policy 3.2.3.2	Built form integrates well with its surrounding environment	
SO 3.2.4	The distinctive natural environments and ecosystems of the District are protected	
Policy 3.2.4.1	Development and land uses that sustain or enhance the life-supporting capacity of air, water, soil and ecosystems, and maintain indigenous biodiversity	
Policy 3.2.4.3	The natural character of the beds and margins of the District's lakes, rivers and wetlands is preserved, or enhanced where possible, and protected from inappropriate subdivision, use and development.	
Policy 3.2.4.4	The water quality and functions of the District's lakes, rivers and wetlands are maintained or enhanced.	
Policy 3.2.4.5	Public access to the natural environment is maintained or enhanced.	
Policy 3.2.4.6	The values of significant indigenous vegetation and significant habitats of indigenous fauna are protected	
SO 3.2.5	The retention of the District's distinctive landscapes.	Active Appeal seeking deletion Queenstown Park Limited ENV-2018-CHC-127
3.2.5.1	The District's Outstanding Natural Features and Outstanding Natural Landscapes and their landscape values and related landscape capacity are identified.	
Policy 3.2.5.3	In locations other than in the Rural Zone, the landscape values of Outstanding Natural Features and Outstanding Natural Landscapes are protected from inappropriate subdivision, use and development.	
SO 3.2.6	The District's residents and communities are able to provide for their social, cultural and economic wellbeing and their health and safety.	
Policy 3.2.6.1	The accessibility needs of the District's residents and communities to places, services and facilities are met	

Policy 3.2.6.3	The contribution that community social, recreational and cultural facilities and activities make to identity and sense of place for residents of the District is recognised and provided for through appropriate location and sound design	
Strategic Policy 3.3.3	Provide a planning framework for the Queenstown and Wānaka town centres that enables quality development and enhancement of the centres as the key commercial, civic and cultural hubs of the District, building on their existing functions and strengths.	
Strategic Policy 3.3.15	Apply provisions that enable urban development within the UGBs and avoid urban development outside of the UGBs.	
Strategic Policy 3.3.17	Identify heritage items and ensure they are protected from inappropriate development	
Strategic Policy 3.3.19	Protect SNAs and encourage enhanced indigenous biodiversity outcomes	
Strategic Policy 3.3.20	Manage subdivision and / or development that may have adverse effects on the natural character and nature conservation values of the District's lakes, rivers, wetlands and their beds and margins so that their life-supporting capacity is safeguarded; and natural character is maintained or enhanced as far as practicable.	
Strategic Policy 3.3.31	Avoid adverse effects on the landscape values of the District's Outstanding Natural Features and Outstanding Natural Landscapes from residential subdivision, use and development where there is little capacity to absorb change	

1.40. The Strategic Directions seek to enable development while protecting the valued natural and physical resources of the District. The changes proposed are required to give effect to these obligations.

Urban Development Chapter 4:		
Reference	Detail	Subject to appeal
SO 4.2.1	Objective - Urban Growth Boundaries used as a tool to manage the growth of urban areas within distinct and defensible urban edges.	
Policy 4.2.1.2	Focus urban development primarily on land within and adjacent to the existing larger urban areas and to a lesser extent, within and adjacent to smaller urban towns and rural settlements.	

Policy 4.2.1.3	Ensure that urban development is contained within the defined Urban Growth Boundaries, and that aside from urban development within existing towns and rural settlements, urban development is avoided outside of those boundaries.	
Policy 4.2.1.4	<p>Ensure Urban Growth Boundaries encompass, at a minimum, sufficient feasible development capacity and urban opportunities consistent with:</p> <ol style="list-style-type: none"> a. The anticipated medium term demand for housing and business land within the District assuming a mix of housing densities and form; b. ensuring the ongoing availability of a competitive land supply for urban purposes; c. 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; d. 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; e. a compact and efficient urban form; f. avoiding sporadic urban development in rural areas; g. minimising the loss of the productive potential and soil resource of rural land; and h. a future development strategy for the District that is prepared in accordance with the National Policy Statement on Urban Development Capacity. 	
SO 4.2.2A	<p>Objective - A compact and integrated, and well designed urban form within the Urban Growth Boundaries that:</p> <ol style="list-style-type: none"> (i) is coordinated with the efficient provision, use and operation of infrastructure and services; and (ii) is managed to ensure that the Queenstown Airport is not significantly compromised by the adverse effects of incompatible activities. 	
Policy 4.2.2.2	<p>Allocate land within Urban Growth Boundaries into zones which are reflective of the appropriate land use having regard to:</p> <ol style="list-style-type: none"> a. its topography; b. its ecological, heritage, cultural or landscape significance if any; c. any risk of natural hazards, taking into account the effects of climate change; d. connectivity and integration with existing urban development; e. convenient linkages with public transport; f. the need to provide a mix of housing densities and forms within a compact and integrated urban environment; g. the level of existing and future amenity that is sought (including consideration of any identified special character areas); 	

	<ul style="list-style-type: none"> h. the need to make provision for the location and efficient operation of infrastructure and utilities, including regionally significant infrastructure; i. the need to provide open spaces and community facilities that are located and designed to be safe, desirable and accessible; j. 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 k. the need to locate emergency services at strategic location. 	
Policy 4.2.2.3	Enable an increased density of well-designed residential development in close proximity to town centres, public transport routes, community and education facilities, while ensuring development is consistent with any structure plan for the area and responds to the character of its site, the street, open space and surrounding area.	
Policy 4.2.2.4	Encourage urban development that enhances connections to public recreation facilities, reserves, open space and active transport networks.	
Policy 4.2.2.5	Require larger scale development to be comprehensively designed with an integrated and sustainable approach to infrastructure, buildings, street, trail and open space design.	

1.41. The Urban Development objectives and policies encourage consolidation of urban growth within the urban growth boundaries and existing settlements. This proposal is a continuation of these Urban Development strategic objectives and policies.

1.42. The following housing bottom lines were inserted into Chapter 4 of the PDP in response to the requirements of the NPS-UD. The identified housing bottom lines were identified through the Housing Development Capacity Assessment 2021 and they represent the amount of feasible and reasonably expected to be realised capacity that is sufficient to meet the expected housing demand within the urban environment, along with a competitiveness margin¹²⁰.

¹²⁰ 20% for the short-medium term and 15% for the long term

• <i>Housing Bottom Lines for Queenstown Lakes urban environment</i>			
<i>Ward</i>	<i>Short-medium term (2020 – 2030)</i>	<i>Long term (2031- 2050)</i>	<i>30 Year Total (2020 – 2050 additional)</i>
<i>Wakatipu</i>	<i>3750</i>	<i>7830</i>	<i>11,580</i>
<i>Wānaka</i>	<i>2470</i>	<i>5150</i>	<i>7,620</i>
<i>Total</i>	<i>6220</i>	<i>12,980</i>	<i>19,200</i>

Tangata Whenua Chapter 5:		
Objective or provision	Detail	Subject to Appeal?
SO 5.3.1	Consultation with tangata whenua occurs through the implementation of the Queenstown Lakes District Plan Policy	
Policy 5.3.1.1	Ensure that Ngāi Tahu Papatipu Rūnanga are engaged in resource management decision making and implementation on matters that affect Ngāi Tahu values, rights and interests, in accordance with the principles of the Treaty of Waitangi.	
Policy 5.3.1.3	When making resource management decisions, ensure that functions and powers are exercised in a manner that takes into account iwi management plans.	
SO 5.3.5	Wāhi tūpuna and all their components are appropriately managed and protected	
Policy 5.3.5.5	Avoid where practicable, adverse effects on the relationship between Ngāi Tahu and the wāhi tūpuna.	

1.43. The Tangata Whenua objectives and policies have been taken into account when developing this proposal, and consultation with iwi has been outlined in Section 3.2 in the main body of this report.

Landscapes and Rural Character Chapter 6:		
Objective or provision	Detail	Subject to appeal?
6.3.3	Avoid where practicable, adverse effects on the relationship between Ngāi Tahu and the wāhi tūpuna.	

Policy 6.3.3.1	Recognise that subdivision and development is inappropriate on Outstanding Natural Features or in Outstanding Natural Landscapes unless: a. landscape values are protected; and b. in the case of any subdivision or development, all buildings and other structures and all changes to landform or other physical changes to the appearance of land will be reasonably difficult to see from beyond the boundary of the site in question.	
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1.44. The proposal gives effect to Sections 6(b) and 7(c) of the Act and the Landscape Chapter 6 by managing the actual and potential adverse effects of intensification where these could affect the District's landscape values.

4. Other Council Documents Considered

1.45. The following Council documents and projects have informed this Section 32 evaluation.

- (a) Monitoring reports
- (b) [2021-2031 Long Term Plan Volume 1](#)
- (c) [2021-2031 Long Term Plan Volume 2](#)
- (d) [Growth Projections to 2051](#)
- (e) [Economic Development Strategy](#)
- (f) [Parks and Open Space Strategy](#)
- (g) [Reserve Management Plans](#)
- (h) [Design Guidelines](#)
- (i) [Practice Notes](#)
- (j) [QLDC Infometrics](#)
- (k) [Housing and Business Capacity Assessment 2017](#)
- (l) [Housing Capacity Assessment 2020](#)
- (m) [Homes Strategy 2021](#)
- (n) [Planning for Affordable Housing Consultation 2021](#)
- (o) [Queenstown Lakes Climate and Biodiversity Plan 2022-2025](#)
- (p) [Transport Strategies](#)
- (q) [Queenstown Lakes Spatial Plan Whaiora 2021](#)
- (r) [Draft Queenstown Lakes Joint Housing Action Plan 2023](#)
- (s) [Section 35 - Monitoring Report 2022](#)

Otago Southland Regional Land Transport Plans 2021-2031¹²¹

121 [RLTP Draft - layout template \(orc.govt.nz\)](#)

- 1.46. The Otago and Southland Regional Transport Committees in collaboration with territorial authorities and Waka Kotahi prepare Land Transport Plans every six years. The objective is to ensure the plan reflects the community's desired future for their transport network, the aspirations of the Road Controlling Authorities and that it meets changing needs.

The region's road network, made up of state highways, sealed and unsealed local roads, provides the most extensive means of access across the Otago and Southland regions. Although the network generally provides reliable travel times for people and freight, there are a few exceptions where sections of the urban system are nearing capacity. The Plan states that these are primarily in the urban growth areas of Dunedin and Queenstown during the morning and afternoon peak periods¹²².

- 1.47. Travel in Queenstown and Wānaka is predominately by private car, with private car trips making up 84% of trips on SH6A between Queenstown town centre and Frankton. Sections of the road network are reaching capacity, and the impact of disjointed land use and transport planning is apparent. The quality of life for residents is beginning to worsen, with communities increasingly complaining of unreliable travel times¹²³.
- 1.48. To understand transport challenges, a 'Way to Go' partnership between QLDC, Otago Regional Council and Waka Kotahi has undertaken a number of studies and investigations. Most recently this has included the Queenstown Integrated Transport Programme Business Case (Waka Kotahi, June 2017), which identified rapid growth and car dominance as the two fundamental transport problems, resulting in efficiency, amenity, safety and resilience issues. Queenstown was allocated \$50 million from the Crown Infrastructure Partners fund towards Stage 1 of the town centre arterials and \$35 million towards the streetscape component of a Queenstown town centre transformation. Queenstown was allocated a further \$90 million funding from New Zealand Upgrade Programme for SH6A corridor improvements, Ladies Mile corridor improvements and SH6 Grant Road to Kawarau Falls Bridge improvements. This investment injection will go some way to addressing transport infrastructure gaps.

Otago Regional Public Transport Plan 2021 - 2031¹²⁴

- 1.49. The Regional Public Transport Plan outlines the current public transport position in the Otago region (including in the Wakatipu Basin) as well as the strategic direction and objectives for public transport in the region, and the programme of projects to achieve the objectives.
- 1.50. The Plan states that travel in Queenstown is predominately by private car, with private car trips making up 84% of trips on SH6A between Queenstown town centre and Frankton. Sections of the road network are reaching capacity, and the impact of disjointed land use and transport planning is apparent and it is identified that the quality of life for residents and the visitor experience is beginning to worsen.

122 Page 29 of the Otago Southland Regional Transport Plans

123 Page 36 of the Otago Southland Regional Transport Plans

124 [orc_rtp_document_final-july-2021_online.pdf](#)

- 1.51. Urban bus networks currently operate in Queenstown. The services operating in Queenstown have experienced an increase in patronage since a network review simplified routes, improved timetables and brought services together at centralised bus hubs. The introduction of flat fares (to a \$2.00 flat fare) also contributed to increased patronage.
- 1.52. Wānaka is also undergoing rapid change. Currently there is no public transport in the Upper Clutha and active travel networks are underdeveloped. Limited transport and route choices increase congestion and severance.
- 1.53. The NPS-UD defines public transport as: *Any existing or planned service for the carriage of passengers (other than an aeroplane) that is available to the public, generally by means of:*
- (a) *A vehicle designed or adapted to carry more than 12 persons (including the driver); or*
 - (b) *A rail vehicle; or*
 - (c) *A ferry*
- 1.54. The Queenstown bus services, as described above, fall within this definition of public transport and have been factored in the proposed intensification provisions for within the serviced area of the Whakatipu.
- 1.55. The Plan states that there is a proposed public transport trial for Wānaka township and its surrounds¹²⁵, however the service type and frequency are yet to be defined. At this stage, public transport in Wānaka is still aspirational, and funding commitments have not been confirmed.

Mode Shift Plan¹²⁶

- 1.56. The Way to Go partners – QLDC, the Otago Regional Council and Waka Kotahi released a Better Ways to Go – mode shift plan in May 2022. This identifies that if the projected population increases outlined in the Spatial Plan are not managed effectively, the implications of this level of growth on the transport network include high traffic volumes leading to increasing travel delays and unreliable travel times, safety issues, declining amenity, environmental and economic impacts. Increasingly, the number of cars on the transport network are outstripping capacity, with investment unable to keep up with the growth.
- 1.57. The mode shift plan identifies three key action areas:
- 1. Shaping urban form
 - 2. Improving infrastructure
 - 3. Influencing people’s travel choices
- 1.58. The implementation of Policy 5 of the NPS-UD is of relevance to the shaping of the urban form and this also ties into the outcomes sought by the Spatial Plan in concentrating development

¹²⁵ Page 75

¹²⁶ [item-2a-attachment-1-mode-shift-plan.pdf \(qldc.govt.nz\)](#)

within existing urban centres which will make the viability of transport initiatives and the investment in infrastructure more achievable compared to outward sprawl.

- 1.59. The benefits of promoting modal shift toward alternative travel options include lowering of emissions and response to climate change, health and safety, inclusive access and network efficiency.

New Zealand Urban Design Protocol¹²⁷

- 1.60. Urban design seeks to ensure that the design of buildings, places, spaces and networks that make up our towns and cities, work for all of us, both now and in the future.

- 1.61. The New Zealand Urban Design Protocol is referenced within the QLDC's Subdivision and Land Development Code of Practice as well as in the ODP and in a number of the area specific design guidelines that are referred to in the ODP and PDP.

- 1.62. The Urban Design Protocol identifies seven essential design qualities that together create quality urban design (The 7 C's):

- Context: seeing buildings, places and spaces as part of whole towns and cities
- Character: reflecting and enhancing the distinctive character, heritage and identity of our urban environment
- Choice: ensuring diversity and choice for people
- Connections: enhancing how different networks link together for people
- Creativity: encouraging innovative and imaginative solutions
- Custodianship: ensuring design is environmentally sustainable, safe and healthy
- Custodianship also encourages the use of Crime Prevention through Environmental Design (CPTED) principles to improve community safety. This should promote qualities like territorial definition, natural surveillance and active ground level uses and other techniques to reduce opportunities for crime.
- Collaboration: communicating and sharing knowledge across sectors, professions and with communities

- 1.63. Of particular relevance to the District's residential zones, the Urban Design Protocol recognises that:

- quality urban design is an essential component of successful towns and cities
- urban design needs to be an integral part of all urban decision-making
- urban design applies at all scales, from small towns to large cities
- urban design has a significant influence on people and how they live their lives

- 1.64. Quality urban design values and protects the cultural identity and heritage of our towns and cities and provides for creativity. It reinforces New Zealand's distinctive identity. Quality urban

127 [New Zealand Urban Design Protocol | Ministry for the Environment](#)

design also adds social, environmental and cultural benefits by creating well connected, inclusive and accessible places, and by delivering the mix of houses, uses and facilities that we need. It can enhance safety, reduce crime and fear of crime and enhance energy efficiency. Quality urban design can provide us with more and better opportunities for physical activity, resulting in improved physical and social wellbeing.

- 1.65. The proposal has been informed by an urban design review of the existing PDP provisions that relate to density of residential development undertaken by Barker & Associates (Appendix 4). This assessment is based upon the principles in the New Zealand Urban Design Protocol.

5. Ministry for the Environment Monitoring Recommendations

The report¹²⁸ prepared for the Ministry for the Environment (MfE) by Beca in August 2018 made a number of recommendations in relation to the PDP provisions. These are detailed as follows:

Density

In terms of promotion of greater densities, the report authors recognise that the permitted activity status for residential flats in addition to a residential unit within the PDP enables greater densities. In the Lower Density Suburban Residential Zone, this essentially enables a density of 1:150m² where the matters of discretion and built form standards are complied with.

One area for suggested review as outlined in the report is the bulk and location standards. The report identifies that they still provide constraints, notwithstanding, the greater intensification enabled through the PDP in some zones. An example cited is the 40% maximum coverage in the Lower Density Suburban Residential Zone, which in combination with the other bulk and location controls, limits the potential for greater intensification or encouragement of the replacement of a five bedroom existing house with five, one bedroom units.

A key enabling provision that the report recommends being further investigated is that of Comprehensive Residential Developments. This is where there is a relaxation of the development controls or density requirements to enable more houses on the site to be consents than would otherwise be the case based on the theory that when designed together on a large site, houses can be designed and positioned so that a better on-site amenity is achieved than if the houses were designed on individual vacant sites. The suggested options to increase the uptake of these developments as outlined in the report are as follows:

- Reduce the number of controls that must be complied with to those key neighbouring amenity controls eg, recession planes, setbacks and site coverage.
- Reduce the qualifying site size for the rule so that it only needs two adjoining standard sites to be amalgamated to utilise the rule.

128 Enabling Growth – Urban Zones Research: Key Observations, Findings and Recommendations prepared by Beca dated 10 August 2018

- Increase the benefits of using the rule eg, increase the reduction in site size per unit to a greater than 30% increase.

The report also assessed whether the approach in the Auckland Unitary Plan (AUP) of removing density controls across the majority of the Plan, instead relying upon the bulk and location standards to manage matters of residential amenity and character. The analysis was based upon the number of new dwellings consented in the 10 months since the Auckland Unitary Plan was made partially operative (from August 2017 to May 2018) when the following growth was identified:

- 90% of all growth in new dwellings was in brownfield areas where greater intensity has been allowed by the AUP.
- The total brownfields share of new dwellings consented in the 10 months was an increase from 62% to 69%, completely reversing the trend of brownfields accounting for a declining share of building consents over the previous four years.
- More intensive multi-unit (terraces and apartments) were about 53% of new dwellings consented (with roughly equal split between apartments and terraces), while houses are only 47% across all of Auckland.
- In the urban area around 66% of new dwellings were multi-units, which is what the AUP aimed to deliver.

The MfE report states that the above findings in relation to the AUP indicate people are increasingly preferring to build in brownfield areas even though land there costs much more, as people want to live near amenities such as public transport, swimming pools, good schools, infrastructure services and coffee shops.

Recession Planes

Restrictive controls discourage small scale vertical redevelopment and development. Relaxation of recession planes could facilitate a greater level of development on a site so to provide additional units to be established. The MfE report in relation to the PDP states that the recession planes in the Medium and High Density Residential Zones could effectively reduce a greater yield on site notwithstanding the zones' intention to facilitate higher density development.

Private Outdoor Living

The MfE report states that on-site outdoor living space provision is about balancing the need to provide for appropriate on-site residential amenity whilst also ensuring efficient use of land for residential growth and intensification. Not providing or enabling flexibility and optionality in how outdoor living spaces can be provided has the potential to limit developable footprint and therefore the developable capacity.

With regard to the PDP, the MfE report identifies that the PDP moved away from dedicated minimum open space per residential unit and states that although this could be seen as an enabling move, the end result is that open space is provided on the site through the application of the maximum site coverage and minimum permeable surface requirements anyway.

Setbacks

The report raised questions about the continued use of the side yard requirement and recommends that they be investigated in order to allow for the design of connected dwellings and the use of these small strips of land without neighbours approval.

Overlay Areas

A recommendation of the MfE report is to review the extent and need for overlay areas that reduce or constrain capacity. It however notes that in the PDP these primarily relate to the Town Centre and there are few constraining development in residential zones.

Notification Provisions

The report identified that the PDP already includes an enabling element in the Medium Density Residential Zone and High Density Residential Zone, and to a lesser extent the Lower Density Suburban Residential Zone, for multiple units on a site to be processed as a Restricted Discretionary activity subject to density requirements, which could be processed on a non-notified basis providing compliance with performance standards are met.

APPENDIX 3 - ACCESSIBILITY AND DEMAND ANALYSIS - METHOD STATEMENT

APPENDIX 4 - URBAN DESIGN REPORT

APPENDIX 5 - ECONOMIC MODELLING AND REPORT

APPENDIX 6 - DETAILED OPTIONS FOR CAPACITY MODELLING

**APPENDIX 7 - ECONOMIC MEMO ON INTENSIFICATION OPTIONS
WITHIN THE AIRPORT OUTER CONTROL BOUNDARY (OCB)**

**APPENDIX 8 - OPTION 3 FOR INTENSIFICATION WITHIN THE
QUEENSTOWN AIRPORT OUTER CONTROL BOUNDARY (OCB)**

APPENDIX 9 - SECTION 32 EVALUATION REPORT FOR LAKE HĀWEA SOUTH INTENSIFICATION

APPENDIX 10 – CLAUSE 4A CONSULTATION WITH IWI AUTHORITIES AND CONSIDERATION