



**QUEENSTOWN LAKES DISTRICT COUNCIL  
PLAN CHANGE HEARING COMMITTEE**

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**PLANNERS' REPORT FOR  
PLAN CHANGE 41: SHOTOVER COUNTRY PRIVATE PLAN CHANGE**

**FOR HEARING COMMENCING: 7 March 2011**

**REPORT DATED: December 2010**

**SUBMITTED BY:**

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Council**

**FOR AND ON BEHALF OF THE QUEENSTOWN LAKES DISTRICT COUNCIL**

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## INTRODUCTION

This report has been written in accordance with Section 42A of the Resource Management Act 1991 (RMA) to consider all submissions and further submissions received following the public notification of Plan Change 41 and to make recommendations on those submissions.

Ladies Mile Partnership (The Applicant) seeks approval to rezone approximately 120 hectares of land located within the Rural General Zone to a new Special Zone under Part 12 of the District Plan. The zone is to be called "Shotover Country Special Zone" and in brief, will provide for approximately 758 - 800 residential dwellings, education and community activities and significant areas of open space.

Although this report is intended as a stand-alone document, a more in-depth understanding of the plan change, the process undertaken, and the issues and options considered may be gained by reading the Section 32 report and associated documentation prepared by the Applicant. These are available on the Council's website: [www.qldc.govt.nz](http://www.qldc.govt.nz).

The relevant provisions in the Queenstown Lakes District Council's District Plan which are affected by the Proposed Plan Change are:

- Part 12 (Special Zones) by introducing a new Special Zone to be called Shotover Country Special Zone.
- Part 15 (Subdivision) by introducing new Shotover Country Special Zone subdivision standards.

This report discusses the specific and general points raised by submitters in an effort to assist the Commissioners to reach decisions in respect of each and makes recommendations as to whether these submissions should be accepted (in part or in whole) or rejected.

## PROPOSAL

The plan change proposes to develop a range of residential living environments, education and community activities and will provide for the following;

- 1) The establishment of 758 - 800 residential dwellings;
- 2) Provision for education and community activities;
- 3) The creation of areas of open space, ecological protection and enhancement, and recreation;
- 4) The formation of roading, pedestrian and cycleway access;
- 5) The provision of land to accommodate a park and ride facility and public transport;
- 6) The protection of an early settlers cottage;
- 7) The establishment of utility services for the reticulation of potable water, disposal of wastewater, disposal of stormwater, supply of gas, power and telecommunications.

The zone would provide for both low and medium density living environments that will range from an average allotment size of 750m<sup>2</sup> in the Low Density Residential to a minimum of 300m<sup>2</sup> in Activity Area 2A. Further to this, the proposal provides for community and education activities in Activity Area 3 for a period of 10 years from the date the plan change becomes operative. If during this time there is no demand for this activity, the plan provisions will allow residential activity within this area down to a minimum of 450m<sup>2</sup>.

The development would be accessed off the State Highway via Howards Drive, and Stalker Road. A traffic assessment has been undertaken by Traffic Design Group which states that due to the existing traffic volumes emerging from Lower Shotover Road and Howards Drive, New Zealand Transport Authority (NZTA) would have to establish a new “intersection improvement scheme” by 2021 regardless of whether the plan change goes ahead or not. The report states:

*“Given the delays expected under prevailing traffic growth conditions at the Ladies Mile / Lower Shotover Road intersection, it is not considered that a “do nothing” scenario would be acceptable to the road controlling authorities.”*

This assessment considers that this mitigation would more than likely be a new roundabout and envisages that the Stalker Road would be realigned to provide for this roundabout, as indicated on the Shotover Country Structure Plan.

The application also includes a proposed park and ride facility along Howards Drive to align the development within the Wakatipu Transportation Strategy. The facility is an option rather than a certain outcome of the plan change and the traffic assessment has considered the traffic effects under both scenarios.

The plan change site also supports a wetland in its lower southwestern corner which would be enhanced through planting and pest eradication. No development is proposed in this area. There are a number of additional Activity Areas within the site that will be restricted from development including the transmission corridor, the terrace escarpments and the river protection areas (refer to Structure Plan for detail). Planting will be undertaken in all of these areas, which would also provide for the open space and walkway networks.

In respect to servicing the preferred options include wastewater connection directly into the Council sewer via a pump station within the development, potable water supply via an additional bore and 1123m<sup>3</sup> reservoir, and a number of on-site collection, treatment and disposal methods for stormwater disposal.

Further to the above, the application also includes a river and flooding risk assessment, an air quality assessment, and geotechnical, ecological, archaeological and landscape assessments. It is noted that an urban design assessment has not been undertaken by the Applicant.

## **SUBMISSIONS RECEIVED AND THE ISSUES RAISED**

A total of 133 original submissions and 43 further submissions by 6 further submitters were received.

The main points of submission that have been raised by submitters have been categorised into the following issues to facilitate discussion and consideration of these matters:

1. Urban sprawl/ growth management
2. Amenity values
3. Infrastructure
4. Access/ traffic effects
5. Landscape
6. Reverse sensitivity
7. Affordable housing
8. Urban design
9. Hazards

10. Extension to plan change area
11. Section 32 analysis
12. RMA
13. Heritage

## **REPORT FORMAT**

In respect to the plan change, the Resource Management Act (the Act) only requires a summary of the issues raised in submission. It is noted that under the October 2009 amendments to the Act, the requirement to address each submission point was deleted. The Act specifically states:

*“To avoid doubt, the local authority is not required to give a decision that addresses each submission individually”*

The Act now requires that the submissions are addressed by grouping them according to the provisions of the proposed policy statement or plan to which they relate or the matters to which they relate. As a result, the actual submissions are not addressed in the following report but rather the issues specifically raised in the submissions. In order to get a more complete understanding of the issues raised, the main body of this report groups and considers the submission points by issue.

For each issue the report is structured as follows:

- Submission Points – summary of the main points raised in the submissions.
- Discussion – the reporting planner’s consideration of the submission points for this issue.
- Recommendation – the recommended approach to responding to the issue, indicating whether to Accept, Accept in part, or Reject the submission.
- Reasons – the reason why the recommended approach is considered appropriate in relation to the RMA.

## **DISCUSSION OF ISSUES RAISED BY SUBMITTERS**

Issue 1 – Urban Sprawl/ Growth Management

### Issue

The plan change received both supporting and opposing submissions in respect to providing for development in this location.

The specific submission points raised by these submitters include the following:

### Supporting Submissions

- *Development will be a natural progression of Lake Hayes Estate*
- *Development of urban population close to Lake Hayes Estate, which in turn will create critical mass promoting establishment of community facilities;*
- *Support combined critical mass that the proposal will provide to Lake Hayes Estate*
- *Will add to the community that has already been created at Lake Hayes Estate*
- *Logical unobtrusive option for an extension to the urban growth boundary*
- *Shotover Country and Lake Hayes Estate is such a logical combined fit*

- *If not developed now, opportunity may be lost as other owners may decide for different use*
- *Last major area for housing development in the Wakatipu Basin*
- *Will consolidate urban residential development*
- *Lake Hayes Estate is a successful subdivision in Queenstown and there is a need for a similar type of housing*
- *To see employees have a choice of locations to living that are fair and reasonable priced as opposed to having them live in towns other than Queenstown and Arrowtown*
- *Last remaining large Greenfield site suitable for urban living*

### Opposing Submissions

- *Shotover Country Special Zone, together with Plan Change 19 will create suburban sprawl from Frankton to Lake Hayes Estate with the only separation being the Shotover River*
- *Jacks Point already meets demand for this type of development*
- *Oversupply existing in the Wakatipu already*
- *Must sustain land suitable for rural and lifestyle living for sustainable local food development in the future*
- *Is an “ad hoc” growth management strategy proposed by private parties not supported by Councils Growth Management Strategy*
- *Inappropriate to zone extensive areas of land for urban purposes beyond the urban growth boundary*
- *Adopting an urban growth model based on sprawl (as opposed to containment) is intrinsically inefficient from the perspective of servicing infrastructure and transportation*
- *It is inefficient to establish an entirely new residential area especially one of this scale when significant supply already exists within the operative zones*
- *A plan change to establish urban growth boundaries for Queenstown is on the Council’s list of plan changes underway. The proposed plan change is considered premature and to approve it would be putting the cart before the horse and zoning land in the absence of adequate strategic direction*
- *There is no logic in suggesting that simply because LHE was zoned residential makes the zoning of this land appropriate. LHE was zoned under a regulatory framework that preceded the current landscape based provisions and prior to the Council’s Growth Management Strategy and commitment to zone for extensive development potential at both Jacks Point and Frankton Flats*
- *Plan Change is contrary to Tomorrows Queenstown, Growth Options Study and Growth Management Strategy*
- *No evidence provided that demonstrates a need for the plan change*
- *Contrary to the objectives and policies of the District Plan*

### Discussion

A key issue underlying consideration of the appropriateness of this plan change in terms of meeting the purpose of the RMA is growth management. This issue has been raised in a number of submissions on the plan change. Whilst submissions which specifically relate to the RMA are discussed later in this report under “Issue 12: The RMA”, the relevance of key issues in terms of meeting the requirements of the RMA are also considered as part of this report’s discussions on individual issues.

Section 5 of the RMA states that the purpose of the Act is to promote the sustainable management of natural and physical resources. This single purpose has two key

components – ‘enabling’ and ‘regulatory’. The enabling component allows communities to use resources in order to achieve their wellbeing but only if the regulatory requirements are being met. Natural and physical resources can be used if the potential of that resource is sustained, its life supporting capacity is maintained and adverse effects on the environment are avoided, remedied or mitigated.

Land is a key natural and physical resource that needs to be sustainably managed. Consequently, how and when it is appropriate to develop the land resource (i.e. growth management) is a key resource management issue.

In terms of a plan change, the appropriateness of the use of a resource and the relationship between the regulatory and enabling components is established under Section 32 of the RMA (including an assessment of costs, benefits and alternatives). The level of information required is commensurate with the scale and effect of the plan change. This proposed plan change seeks to enable the creation of a new residential area that would be similar in scale to the District’s third largest existing settlement. As a consequence it is considered the level of information needed to justify the plan change is quite high.

Submissions relating to the adequacy of the Section 32 report are discussed in Issue 11 and it is noted that the section 32 process is ongoing and additional information presented at the hearing is considered to contribute to the overall assessment of the appropriateness of the plan change. However in addition to the discussions in Issue 11 it is considered appropriate to note that the ability to justify the demand for this level of growth at this time is a relative consideration in matters of growth management.

As has been stated above, in accordance with Section 5 of the RMA, land is a natural and physical resource that needs to be sustainably managed. Zoning is a method to manage and facilitate the use of that resource in terms of enabling desired activities whilst regulating potential adverse effects. However, both oversupply and undersupply of zoned land can result in unsustainable management of natural and physical resources. Oversupply of land can result in inefficient use of this resource and poor long term planning. The efficient use of land is clearly identified as a resource management matter under Section 7b of the RMA which states that:

*In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to the efficient use and development of natural and physical resources.*

Oversupply of zoned land restricts the sustainable provision of infrastructure and places a greater financial burden on the community as a whole. Providing more infrastructure than is required and particularly more dispersed infrastructure places a greater burden on the community in terms of asset maintenance. Oversupply is more likely to result in a mismatch in the actual level of densities that will be developed at a later date resulting in additional inefficiencies and the potential risk of the need for expensive upgrades at a later date. District Wide policies seeking consolidation (eg Policy [4.9.3.3.1](#)) cite the cost and efficiency of infrastructure as a key reason behind this policy.

Furthermore, in a situation of oversupply the market is provided with land which may be considered most saleable and easiest to develop in the short term to enable a rapid return and reduce holding costs. This works against planning for the provision of a range of densities that will meet the communities long term needs.

It is also recognised that an undersupply of zoned land can also result in inefficiencies and costs, including activities seeking to establish where they are not anticipated and higher development and compliance costs for such development.

However as demonstrated later in this section the existing capacity both in terms of residentially zoned land and land consented for residential development in the Wakatipu Basin and nearby areas exceeds reasonable predictions for growth for the next 20 years. Consequently, it is considered that the current situation does not reflect an undersupply of residential land and that the current level of land zoned for residential activity constitutes sufficient capacity for the foreseeable future.

A number of submissions suggested that the plan change was needed as this is the last area for residential development and without now zoning it, the potential future opportunities to develop the land for residential use will be lost. There is little evidence to support either of these positions or the actual need for this development at present. The plan change provides a superficial consideration of other sites at best and as discussion elsewhere in this report will show the appropriateness of part and even all of the site, for rezoning, is questionable. If the area subject to this plan change is not rezoned, it will retain its potential for redevelopment at a later date. The level of density currently consented is low and would not act as a significant impediment to later use or prevent zoning for more intense development. The intensification of low density residential areas has been a common occurrence around urban areas in New Zealand and while it is more efficient to identify areas for future growth to facilitate the efficient use of these areas, this necessitates a comprehensive and strategic response as opposed to the ad hoc approach proposed in this plan change.

The RMA incorporates a number of mechanisms to avoid the oversupply or 'bookmarking' of resources beyond reasonably foreseeable horizons. These include the time limit in which resource consents need to be given effect to, a relatively difficult test to justify seeking an extension for consents beyond this period, and a requirement for District Plans to be reviewed every ten years. Consequently the District has residential capacity to last well 10 years beyond the review life of the District Plan. This review requirement ensures that Council's are able to address undersupply of land but also that the nature of land supplied best reflects the needs for that resource use. By oversupplying land in advance of demand it is more difficult to tailor the appropriateness of the zone to the future need. This is particular an issue in high growth areas such as the Queenstown Lakes District.

The majority of submissions in support of the plan change are on the basis that it would provide for additional choice of residential living in an area where development has occurred. Opposing submissions, however, consider that providing for a further 758-800 residential units in this location would result in urban sprawl, ad hoc growth management, would create an oversupply of residential land and would be contrary to Tomorrow's Queenstown, Queenstown's Growth Management Strategy and the District Plan Objectives and Policies.

In many cases submissions on consolidation and sprawl reflect different sides of the same argument. Consolidation is an argument that can be applied at different scales. Submissions both in support and opposition to this plan change have been based around arguments of consolidation. A number of submissions in support have argued that the plan change will consolidate the development that has occurred at Lake Hayes Estate (LHE). Conversely submissions in opposition have argued that this is not consolidating existing development and is promoting sprawl by failing to consolidate development of Queenstown/Frankton as sought by Council's growth management policies.

The District Plan identifies consolidation as an objective but defines consolidation at the various levels at which it can occur and be appropriate. Consequently in assessing the appropriateness of this plan change the considerations of consolidation need to be made in the context of Part II of the RMA and what will most effectively enable the sustainable management of this resource. It is noted that the section 32 analysis accompanying the plan change does not assess the appropriateness of growth in this location in any detail, the demand for this zoning or the impact of providing additional capacity on existing zoning and infrastructure.

The Council has recognised the need for greater certainty in terms of future growth of urban areas in the District and developed the GMS to enable the community to debate this issue and inform Council policy direction. This is discussed later in this section.

As proposed the plan change would potentially provide for a further 800 residential dwelling units (including Activity Area 3) in the Wakatipu Basin. It will be more than one and a half times the size of LHE in terms of its development potential and will increase this existing community from a population of approximately 1290 to over 3000 residents. Due to the nature of the development it is expected that the majority of residents are likely to be permanent as opposed to absentee owners. Combined, LHE and Shotover Country would have the development potential of 1296 dwellings, and would have a residential land area of approximately 75 hectares. As a comparison Arrowtown supports a development potential of 1442 dwellings (1237 existing dwellings as of July 2010), a current population of less than 2500, and has a residential land area of approximately 106 hectares.

Submission points in support of the plan change state that the development would provide for a logical progression of LHE and would consolidate residential development. This point suggests that the Shotover Country plan change could be considered as simply an extension to an existing community as opposed to a proposed new isolated greenfield development. In this respect the presence of LHE does lend greater weight to this proposal than if no development had occurred in this area to date. However it is questionable whether the plan change would be effective in consolidating with existing development to either add to critical mass or to form a logical extension to the existing community.

Although the proposed Shotover Country Park zone appears contiguous to LHE on planning maps, on the ground these areas are separated by a ridgeline and are not visually connected or linked. Further, due to the combination of the distance between these zones and the intervening terrain mean they do not link well in terms of walkability. Consequently it is questionable whether the proposed plan change will either appear or function as a natural extension of the existing community at all or as is considered more likely would function as a separate commuter suburb.

Although a development of the size proposed, when combined with LHE, would result in a population slightly larger than the community of Arrowtown in this location, unlike Arrowtown which has high visitor numbers supporting commercial activities and community services significantly beyond those sustainable on the basis of its population, LHE and Shotover Country Park would be dependent on its resident population. This makes the establishment of viable commercial activities such as dairies and café's problematic, particularly given the majority of the work force would work in Queenstown. Further, given the proximity to other facilities in Frankton it is questionable whether it is realistic to consider that community facilities such as halls would be duplicated in this location. Without elements such as a commercial or community centre to form a focus for a sense of community it is considered unlikely that these settlements will develop beyond commuter suburbs for Queenstown.

Opposing submissions on growth issues argued that Shotover Country is more than just an extension to this settlement due to its size and does not consolidate residential development in Queenstown due to its location in the Wakatipu Basin. This view is expressed in the submissions points that state that the plan change would result in urban sprawl and ad hoc growth management and consideration needs to be given to the wider resource management effects of the development as opposed to focussing on the environmental results in respect to the plan change site only.

In considering the above issues, consideration has been given to the District's statutory and non statutory documents that relate to managing the pressures of growth in the District. These include *Tomorrows Queenstown*, the *Queenstown Lakes District Growth Management Strategy (GMS)*, and the *Queenstown Lakes District Plan (District Plan)*.

*Tomorrow's Queenstown* and the *GMS* are non statutory planning documents that have been established to provide some strategic goals and policies in respect to guiding growth within the District. Both documents have been adopted by Council and as Council policy are a matter to which regard may be had. The visions, goals and priorities of *Tomorrow's Queenstown* were established by the community through community workshops undertaken in 2002. From this, the subsequent *Growth Options Study* carried out in 2004, and the *LTCCP (2006-2016)*, the Council developed the *GMS* to provide some principles around growth management.

The *GMS* states:

*"The Strategy is a non-statutory document and provides an overview of Council's growth management policy, not the detail, which is to be found in other existing plans, or will be progressively included in future revisions and updates of these plans. The document is an expression of the legislative intent of the Council and the Council's intention is to translate the actions identified in the Strategy into appropriate statutory documents"*

These principles set out Councils intended direction in respect to growth, with the following principles being considered most relevant to this issue:

#### *Principle*

- 1a) *All settlements are to be compact with distinct urban edges and defined urban growth boundaries*
- 1c) *Settlements in the Wakatipu Basin (Arthurs Point, Arrowtown, Lake Hayes Estate and Jacks Point) are not to expand beyond their current planned boundaries. Further development and redevelopment within current boundaries is encouraged where this adds to housing choices and helps to support additional local services in these settlements.*
- 1e) *The landscape values and the character of rural areas surrounding the urban areas and townships are to be protected from further urbanisation (i.e. changes from a predominately rural character to an urban character).*

The specified actions from these principles include resisting any pressure to expand existing settlements, or to create new settlements, while allowing for measured infill where this provides wider benefits. Shotover Country is clearly inconsistent with the relevant principles of this strategy. The *GMS* also identifies the Shotover River (a major natural feature) as the Queenstown urban boundary which is also at direct odds with this plan change, as discussed in more detail below.

As stated, the GMS is a non statutory document but is still relevant to this process as it reflects Council's and the community's aspirations in respect to managing growth in the District. For the Commissioners benefit, the Council agenda item that recommended that Council adopt the GMS is attached in Appendix G. This outlines the background to the strategy, its relationship with other Council documents and the level of consultation undertaken with the community in developing the strategy.

The Applicant, however, considers that the GMS should not be given any legal weight "*due to the flaws in the process which resulted in the Strategy*". In respect to this issue of weight, in a recent Environment Court decision *Mapara Valley Preservation Society Inc. v Taupo District Council [2007] A083/07* the Court noted in relation to two plan change variations based on and informed by an urban growth strategy, that while the urban growth strategy was not a statutory document, it:

*"was publicly notified for consultation with the 2006-2016 Long Term Council Community Plan using the special consultative procedures under the Local Government Act 2002. We thus find that the variations should be given substantial respect and weight" [when making decisions concerning the resource consent that was the subject of the appeal].*

Further to this the Court stated;

*"We agree with Mr Raeburn (planning consultant) that the variations have introduced a planning resource management strategy for managing growth and the effects of growth in the Taupo district, which up until now has been absent. In our view, Variations 19 and 21 are based on, and informed by, a comprehensive growth strategy which the Council has carried out for its district. We acknowledge it is not a statutory document. However, it is based upon reports the Council has received, including an extensive landscape study reference to by Ms Maresca in her evidence. The TD2050 (GMS) was publicly notified for consultation in conjunction with the 2006-2016 Long Term Community Plan using the special consultative procedures under the Local Government Act 2002. We thus find the variations should be given substantial weight".*

The variations at the time were at a relatively early stage in the process, with submissions and cross submission not yet heard. They sought to introduce the GMS into the District Plan and the Court considered that they should be given substantial weight considering the consultative process that the GMS had been subject to. The appeal was allowed to the extent that the 6 lot subdivision granted by the Council was disallowed.

While the Applicant may argue otherwise, it is considered that the Queenstown GMS represents Council policy and as such is a relevant document that the Hearings Panel should give weight to in its determination on this plan change. The caselaw cited above and other recent examples show the Environment Court recognises the relevance of Council policy documents of this nature in planning for growth management.

The Applicant has not addressed Principle 1 of the GMS in the Section 32 report and has failed to adequately provide adequate evidence on fundamental questions of whether this plan change is needed in terms of demand and the appropriateness of this growth in this location.

Further to the above, the District Plan is a statutory document and therefore the plan change must be generally consistent with these provisions. It includes a number of relevant policies in relation to urban growth in the district, such as those listed and commented on below:

#### Objective 4.2.5

*Subdivision, use and development being undertaken in the District in a manner which avoids, remedies or mitigates adverse effects on landscape and visual amenity values.*

*Future Development*

*(Policy 4.2.5 1(a))*

*To avoid, remedy and mitigate the adverse effects of degradation and or subdivision in those areas of the District where the landscape and visual amenity values and vulnerable to degradation.*

*(Policy 4.2.5 1(b))*

*To encourage development and or subdivision to occur in those areas of the District with greater potential to adsorb change without detracton from landscape and visual amenity values.*

*Comment*

Discussions on landscape will predominantly be addressed under Issue 5. It is considered that domestication associated with the park and ride facilities will degrade this area of the Visual Amenity Landscape (VAL) and should they be allowed may result in the open areas of Ladies Mile becoming subject to development pressure. Further, as noted in the assessment by Council's landscape architect it is considered that the proposal will result in the degradation of land adjoining the plan change area to the extent they will likely no longer meet the criteria of VALs and be reclassified as Other Rural landscapes.

*Urban Development*

*(Policy 4.2.5.6 (b))*

*To discourage urban subdivision and development in the other outstanding natural landscapes and in the visual amenity landscapes of the District.*

*(Policy 4.2.5.6 (d))*

*To avoid, remedy and mitigate the adverse effects or urban subdivision and development in visual amenity landscapes by avoiding sprawling subdivision and development along roads.*

*Comment*

The above urban development policies encourage growth to occur within existing zoned areas, while sprawling subdivision, and urban development along roads is identified as an adverse effect to be avoided. The development is inconsistent with these policies as it won't be located in an existing urban area and will result in sprawling subdivision along S H 6 and into the Wakatipu Basin

*Urban Edges*

*(Policy 4.2.5.7 (a))*

*To identify clearly the edges to:*

*(a) Existing urban edges*

*(b) Any extensions to them; and*

*(c) Any new urban areas*

- By design solutions and to avoid sprawling development along the roads of districts.*

*Objective 3- Residential Growth*

*Provision for residential growth sufficient to met the Districts needs*

(Policy 4.9.3.3.1)

*To enable urban consolidation to occur where appropriate*

(Policy 4.9.3.3.2)

*To encourage new urban development, particularly residential and commercial development, in a form, character and scale which provides for higher density living environments and is imaginative in terms of urban design and provides for an integration of different activities, e.g. residential, schools, shopping.*

(Policy 4.9.3.3.3)

*To provide for high density residential development in appropriate areas.*

(Policy 4.9.3.3.4)

*To provide for lower density residential development in appropriate areas and to ensure that controls generally maintain and enhance existing residential character in those areas.*

### Comment

Objective 3 seeks to ensure that adequate provision has been made for residential growth to meet the District's needs. It is noted that the capacity for residential development in the Wakatipu basin exceeds demand within the lifetime of the District Plan. Policies 4.9.3.3.1 to 4.9.3.3.4 are read in the context of meeting Objective 3.

An adequate provision for residential growth in the Wakatipu basin has been provided by current zoning. Policy 4.9.3.3.1 enables urban consolidation to occur where appropriate. The explanation behind this policy refers to consolidation as peripheral expansion of the existing residential areas, increased density within the existing residential area, or opportunities for new settlements. Policy 4.9.3.3.2 seeks to encourage a form of development that will result in consolidation. Submissions on this plan change adopt different perspectives on consolidation. For the reasons outlined earlier in this section it is considered that the proposed plan change will not effectively form a consolidation of the existing settlement of LHE but will also be contrary to consolidation of the larger communities of Queenstown/ Frankton.

### 4.5 – Energy

*Objective 1 – Efficiency: The conservation and efficient use of energy and the use of renewable energy sources.*

Policies:

*1.1 to promote compact urban forms, which reduce the length of and need for vehicle trips and increase the use of public or shared transport.*

*1.2 to promote the compact location of community, commercial service, and industrial activities within urban areas, which reduce the length of and need for vehicle trips.*

### Comment

This part of the District Plan recognises the relationship between land use, travel patterns and energy consumption and seeks to achieve an integrated approach that will promote improved energy efficiency. Due to the locality of Shotover Country and the combination of its physical separation from Queenstown's urban area and Frankton Flats but also its relative proximity, it is not considered to promote a compact urban form that would meet the intent of the above Objective and Policies in terms of energy consumption or in particular reduce the length and need for vehicle trips. The plan change area is too isolated from these areas to be a compact urban form or to reduce the need for vehicle trips but is so

close that it will be difficult to establish discrete services in this area. Further, the community facilities proposed in the plan change, such as the school site, are too weak to offer any real certainty that they would be achieved.

As discussed in Issue 3 below, as a comparison Plan Change 18 – Mt Cardrona Station Special zone provided a school site or community facility in the zoning for that plan change with any alternative development deferred for a period of 15 years. However, on hearing appeals on this plan change the Environment Court removed the time limitation effectively reserving the use of this area only for educational and community facilities unless an appropriate alternative site could be identified on the basis that development may take longer because of prevailing economic circumstances and this has been advanced as a positive feature of the development. The Court was of the view that it would be inconsistent with district wide policies on transport if residents could only obtain access to facilities of this sort by travelling to larger settlements.

However, should the Commissioners to be of a mind to accept this plan change it is recommended that greater certainty is needed regarding the timeframe for change of use and status of alternative activities for this site.

In respect to the District Plan Objectives and Policies the plan change, is generally consistent with these in respect to landscape effects, subject to the recommended changes to the plan change outlined in the landscape peer review, but is considered inconsistent with those relating to urban growth and consolidation.

In addition to the above, Plan Change 30 has been adopted by Council, and is currently under appeal. This plan change proposes to introduce a frame work for urban growth boundaries as a tool for controlling urban growth in the District. The Decision on Plan Change 30 states:

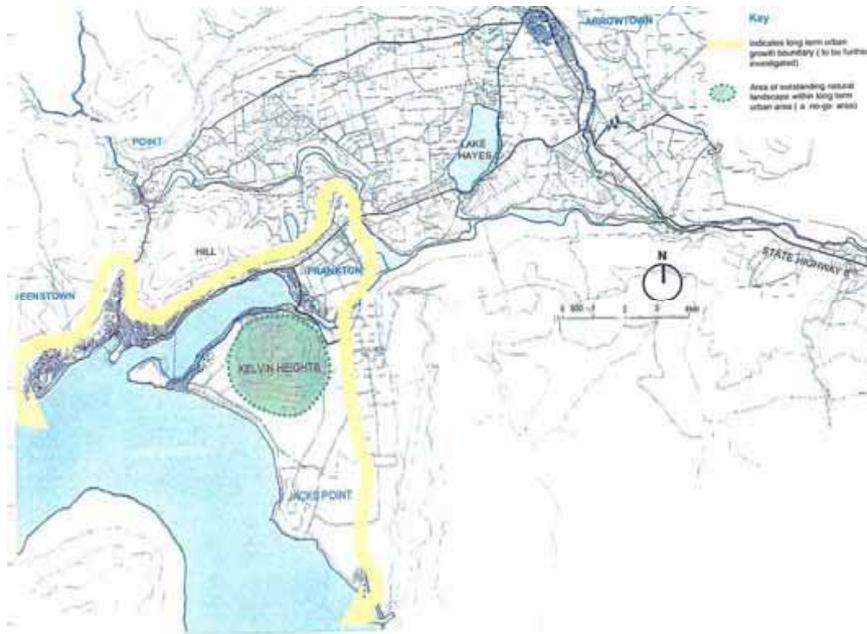
*“Over the last decade, the District Council has been developing the strategic planning capabilities of the District. This has included a number of Community Plans, a Growth Management Strategy for the District (2007) and Long Term Council Community Plans (LTCCPs). These documents have identified the need for a more strategic and integrated approach to land use and development in order to achieve Community Outcomes and the sustainable management of resources and development. Plan Change 30 is part of the response to this”.*

In the event that Plan Change 30 becomes operative, it is anticipated that Plan Change 21, Queenstown Urban Boundary, will be progressed. The discussion documents and background research has already been undertaken for this plan change but any further work has been put on hold until the appeals on Plan Change 30 are resolved. The concept of urban growth boundaries is discussed in the GMS which also identifies the potential locality of Queenstown’s future urban boundary, see figure 1 below. PC 30 seeks to introduce this concept of the urban boundary, as discussed in the GMS, into the District Plan.

In the event that the Hearings Panel were of the mind to approve the plan change, it would effectively be approving a future urban boundary for Queenstown that would encompass at least LHE and Shotover Country. To set this boundary on the basis of this plan change is considered premature in that this would not only be at odds with the proposed boundary in the GMS but it would pre-empt Plan Change 21 creating a default boundary that has not specifically been the subject of any public consultation or consideration of the wider implications of this on growth management in the District. As a result, this area in the basin would be located within the Queenstown Urban Boundary and potentially would be subject to further pressure for urban intensification at a future date (in line with the District Plan

objectives and policies for infill development as a means of consolidation). This would have significant flow on effects in respect to infrastructure, landscape and rural amenity impacts as well as traffic and roading implications.

**Figure 1- GMS - Proposed Queenstown Urban Boundary**



There were opposing views in the submissions as to whether there is demand in the District for residential development of this nature. A number of submissions in support considered that there was a need for additional flat developable land for residential use, while those in opposition considered that that the plan change demonstrates no need for the additional residential land and there is an oversupply existing in the Wakatipu already in the current zones.

It is noted that an economic analysis demonstrating the demand for an extra 800 residential units was sought from the Applicant early in the plan change process. To date, the Applicant has chosen not to provide this analysis or to assess the plan change in terms of Principle 1 of the GMS.

The Council's dwelling capacity model has been used in order to determine the existing capacity of residential zoned land in the Wakatipu Basin. Figure 2 below illustrates how many existing dwellings there are in respect to each zone, how many residual dwellings are able to be provided for, and an overall total development potential for the Queenstown area. This calculation has excluded all outlying settlements such as Glenorchy, Kinloch and Kingston. However, it should be noted research accompanying the development of the recently adopted Kingston Village Special zone indicated that this zoning would provide an additional source of affordable housing for people working in the Wakatipu Basin.

The figures show that there is currently a development capacity of 19 617 in this area, (see figure 2 below). It is noted that this does not include capacity in the Five Mile Zone or the Arthurs Point Rural Visitor Zone (these areas are included in Rationale's calculations that show a total capacity of 24 940). It is recognized that some of this will be taken up by visitor accommodation (VA) and as a result, a 10% estimate has been used to calculate a residential development capacity that excludes VA (again it is noted that Rationale only use a 3% uptake of VA due to VA typically being a lot more intensive. In 2006 Rationale estimated 11.5 VA units per title). Therefore the 10% estimate reflects a conservative

approach which allows for a scenario where there is a high level of take up by VA, and that the actual figure will probably be lower. A lower take up of this capacity for VA will mean greater capacity available for residential use. Using this 10% VA uptake, however, a development potential (which includes existing development and residual land) of 17 655 has been estimated. In order to estimate a likely demand, a usually resident growth rate of 2.4% annually until 2029 has been used (Rationale are estimating a 2.7% usually resident growth rate over the next 5 years with this reducing to 2.1% through to 2031, hence 2.4% can be used as an average over the whole period). Using a 2.4% growth rate there would still be a surplus of 5352 residential lots available for development in the Wakatipu Basin in 2029. It is noted that this figure does not include a further 500 residential building platforms that have been approved in the Rural General Zone for this area, therefore increasing that figure to 5852 (Rationale predict a surplus of 9922 residential units in 2031 due to the differences outlined above).

**Figure 2**

Area	Existing Dwellings	Residual Zone Capacity	Unimplemented Consent	Total
Queenstown High Density	1294	2,510	9	3,813
Queenstown Hill MDR	790	176	3	969
Queenstown Hill LDR	404	579	13	996
Fernhill MDR	1046	278	14	1338
Fernhill LDR	1	59	0	60
Frankton	685	129	7	821
Kelvin Heights	575	1839	15	2429
Queenstown Heights	4	277	8	289
Remarkables Park	94	2280	1	2375
Quail Rise	142	64	12	218
Arrowtown	1021	167	12	1200
Arrowtown Historic	216	25	1	242
Arthur's Point	232	445	32	709
Lake Hayes Estate	265	86	9	360
Lake Hayes	43	76	0	119
Wakatipu RR	353	531	34	918
Wakatipu RL	202	166	10	378
Jack's Point	50	1536	8	1,594
Millbrook	151	293	6	450
Meadow Park	31	66	3	100
Bendemeer	1	74	0	75
Waterfall Park	0	100	0	100
Gibbston Valley	56	0	6	64
Queenstown/Wakatipu Total	7656	11,756	203	19,617

Obviously in respect to the above analysis, consideration must be given to certain variables:

1. The above figures do not take into account the gradual decrease in the Wakatipu of unoccupied dwellings. From 1996 through to 2006 unoccupied dwellings in this area

have decreased by 4% with an overall unoccupied rate in 2006 of 25%. It is anticipated that this will continue to decrease over the next 10 years. As a result, some of the demand above would be taken up by 2<sup>nd</sup> homes. This would increase the surplus of residential units.

2. It is difficult to predict the actual growth rate over the next 10-20 years. The figure 2.4% has been used as an estimate based on advice received from Rationale. However, if a 4% growth rate is used, and taking into account a 10% VA uptake, then there would be a surplus of residential land of 885 lots in 2029.
3. The 10% estimate for VA, may be higher or lower than predicted. Again this uptake, would affect the level of capacity available.

While it is accepted that the above figures are estimates, they are based on conservative estimates and they do demonstrate the level of existing zoned capacity in the area. Even if the growth rate was twice as high, there is a more than sufficient capacity to accommodate this level of growth for at least 10 years. It is therefore questioned whether providing for a further 800 residential lots at this time would constitute an efficient use of the district's land resource.

In addition to considering the appropriateness of this area for rezoning it is relevant to consider the effect of providing this additional capacity on other zoned areas. Shotover Country would provide for a large scale residential development that if rezoned, would in turn reduce the level of demand in other residential areas of the district, as previously stated. This would have impact on infrastructure, i.e. the uptake of urban areas already planned for growth would be slower therefore potentially incurring a financial cost to Council as a result.

### Recommendation

Accept the submission points that the development would result in urban sprawl, would be inconsistent with the GMS, and an inefficient use of land.

Accept the submission point that there is no demand for further residential zoning in the Wakatipu Basin.

### Reasons for Recommendation

For reasons outlined above the proposed plan change is considered inconsistent with Council's current policy on growth management, does not result in an efficient use of land and would create an oversupply of residential land within the Wakatipu Basin.

## Issue 2 – Amenity Values

### Issue

The majority of submitters on the plan change support the development considering it would provide for a high level of residential amenity. Several submitters, however, considered that it would have adverse effects on amenity values.

The specific submission points raised by these submitters include the following:

- *Handy to facilities for working and shopping;*
- *Ample space for sports and recreational activities*

- *Great place for a family to live*
- *Great location to build a home*
- *Nice flat land*
- *Ideal location for residential housing opposite Frankton Flats*
- *Flat land more suitable for residential development than up the side of a hill*
- *A great neighbourhood for young families*
- *Connection to Lake Hayes Estate a bonus*
- *Great for families with flat lawn for kids and dogs to play*
- *Sunny, sheltered and great views*
- *Accessibility to recreational opportunities associated with adjoining rivers*
- *Great concept, great location*
- *Family orientated*
- *Location is superb*
- *Will not enhance amenity values and quality of the Queenstown environment*
- *The development will have a relatively low level of residential amenity given its proximity to the proposed air noise boundaries*
- *The rezoning proposed under the plan change would result in significant noise and traffic pollution affecting our house. The noise of construction and traffic, loss of privacy and amenity values and general quality of enjoyment would be significant.*

### Discussion

In summary, the above submission points consider that the development would provide for a residential environment that would support a high level of amenity due to its locality opposite Frankton Flats, its network of open spaces and accessibility to the river, views, relatively flat land for building, north facing aspect and subsequent solar access, and due to its connection to LHE.

The above submission points are generally accepted insofar as:

- i) With the exception of the terrace slopes, the majority of the plan change site has as a relatively flat gradient providing easily developable land;
- ii) Most of the proposed sections would have good north facing solar access;
- iii) Depending on the location of the section, views could be extensive;
- iv) The plan change would have easy access to the river affording opportunities for recreational opportunities;
- v) The plan change is located only two kilometres from proposed commercial development within Frankton Flats.

It is accepted that all of the above factors raised in these submissions could contribute towards a development supporting a high level of residential amenity. Consideration, however, also needs to be given to the wider amenity effects of the development, particularly given the scale of the proposal and its location. This issue has been raised in the above opposing submissions points on the plan change that state that the development will not enhance the amenity and quality of the Queenstown environment. This issue is elaborated on in Issue 1 above.

The submission of Mr B Turnbull states that the development would significantly compromise the amenity values enjoyed from his site at 12 Stalker Road due to the increase in traffic volumes and noise, and loss of privacy. This property is located at the existing entrance to Stalker Road and as a result would be adversely affected by the plan change in respect to the above. If the plan change is approved, however, the submission seeks that the existing Stalker Road road alignment be altered to the new location shown

as an alternative access on the Shotover Country Structure Plan. It is understood that this roading alignment would have to be established to provide for the roundabout on SH 6 at the entrance to Lower Shotover Road. In the event that the Hearings Panel were of the mind to approve the plan change it is recommended that this realignment be a requirement of the Structure Plan. In doing so, any the adverse effects on this submitter, would be reduced. However, for reasons outlined in Issue 1 above, it is considered that the urbanisation of this environment, as proposed by this plan change proposal, should be rejected.

Further to this, opposing submissions considered that any on site amenity values will be compromised as a result of the sites locality opposite the Queenstown Airport. This submission point is also accepted as discussed in detail in Issue 7 below.

It is considered that while the development could support a high level of amenity within the site, this is outweighed by the adverse effects the proposal will generate on the wider Queenstown environment as a result of urban sprawl into the Wakatipu Basin. This is discussed at length in Issue 1 above.

### Recommendations

Accept that the development could support a high level of residential amenity in respect to access to flat land, recreational opportunities and solar access.

Accept the submission point that rural amenity values in the immediate area would be adversely affected by the urbanisation of this environment.

Accept that the development would generate reverse sensitivity effects between the Airport and future residents.

Accept the submission point that the development will adversely affect the wider amenity values of Queenstown.

### Reasons for the recommendations

When considered in isolation there are a number of site characteristics that make the plan change site attractive for urban development. However, its locality in this rural environment, on the eastern side of the Shotover River, and opposite the Queenstown Airport would adversely affect both on and off site amenity values.

## Issue 3 – Infrastructure

### Issue

A number of submissions raised issues around infrastructure, specifically in regard to:

- i) Waste water
- ii) Water supply
- iii) Storm water
- iv) Schools
- v) Transmission lines

The specific submission points raised by these submitters include the following:

- *QLDC supports the plan change if it can demonstrate that it results in good resource management outcomes in respect to infrastructure provision and stormwater*
- *Space has been put aside for primary schooling*
- *Schooling and childcare facilities all in the same area making it attractive for young families*
- *Combined with Lake Hayes Estate the population would be big enough to support a much needed additional primary school in the area*
- *Due to the scarcity of land in the Frankton area the MOE has been looking at options for providing for education facilities within the plan change site. If the plan change is approved the MOE supports the provision for education facilities to service the catchment area*
- *Wakatipu needs more space for schools*
- *The proposal to enable education uses within the plan change site needs to be considered in the context of the fact that the MOE are seeking new school sites within Frankton Flats*
- *Handy to services such as Remarkables Park shopping*
- *Development will allow for combined facilities with Lake Hayes Estate*
- *Open Space proposed is too limited. Plan Change does not provide a balance between development and open space areas.*

## Discussion

An infrastructural conceptual study has been undertaken by CPG New Zealand Limited to consider the various servicing options for the development. The study is based on a development capacity of 758 residential dwellings and considers the supply of water and gas to the proposed development, as well as the removal of wastewater and stormwater. The report identifies the following preferred options for servicing the development:

### i) Water Supply

The existing plan change site is currently serviced by a domestic water bore that has been consented by Otago Regional Council to take 300m<sup>3</sup> per day to supply water for communal use. While the bore only currently services 13 residential lots it has the capacity to supply 200 dwellings units. This, however, falls short of the 758 residential units proposed on the site and therefore an alternative water supply source is required to service the development.

The CPG report identifies the addition of another bore supply on the lower terraces of the site as the favoured solution for water supply. The report states that there is likely to be adequate water to serve the new development from a single bore given the ground conditions in the area and the proximity of the development to the Shotover River. A new Otago Regional Council consent, however, would be required for this water take. This is yet to be obtained.

An internal Council engineering review has been undertaken of the servicing options for the site and is included in detail in Appendix E. In respect to water supply, this assessment confirms that the development could be serviced by the Lakes Hayes Estate or the Queenstown water supplies if the capacities of these existing schemes were increased. For example an additional water reservoir for the Lake Hayes Estate water scheme could also have the capacity to service the plan change site. In this event, the developer would be required to incur the additional cost to accommodate the extra capacity needed for the plan change site. The Applicants preferred option, however, is to provide for a separate water supply via an additional on site bore. A reservoir would need to be established and as a result a potential site for this reservoir has been identified on the northern side of the State Highway. Consent would need to be obtained prior to development. In the event that the

Applicant provides its own water supply, it would reduce the demand that has been planned for the Council network to existing zoned areas. Cost implications for this may result in development contributions being imposed on any future land titles within the plan change area regardless of whether the plan change utilises the existing Council network. This would be decided at the subdivision stage. If the costs associated with duplication and the reduction in the efficiency of use of existing infrastructure cannot be passed on to the developer they will fall on the wider community.

#### ii) Wastewater

The Applicant's preferred option for wastewater disposal includes connecting to the existing sewer network along SH 6 on route to the Queenstown waste water treatment ponds across the Shotover River. A pump station within the development would feed the wastewater up to an existing manhole on SH 6. The CPG report confirms that the sewer pipeline that connects to this manhole is currently being upgraded and could have the potential to accommodate 400 dwelling units from the plan change site. Due to this shortage it is likely that a new pipeline will need to be established over the Shotover Bridge and the Council engineering review has confirmed that an existing redundant pipe under the bridge could be upgraded or replaced to service the plan change. It is noted that the treatment ponds also have capacity to accommodate the development.

#### iii) Stormwater

A number of stormwater disposal options have been identified by the Applicant to address the increase of surface water attributed to the additional impervious areas that comes with land development. The CPG report recommends an integrated treatment approach to water management that is premised on providing control at the catchmentwide, as well as the allotment level. This report proposes that stormwater within the Shotover Country site will be effectively stormwater neutral. This would include various options at the collection level such as kerb and channel, swales, pipes and open channels, at the treatment level including detention ponds and swales and disposal into the Kawarau River. Consent would need to be obtained from Otago Regional Council to discharge water to water or onto land prior to any development. The issue of flooding is discussed in Issue 7 of this report.

A Council internal engineering review of the stormwater options for this site has identified the need for a Catchment Management Plan prior to development. This would consider stormwater control at a catchmentwide level as opposed to incrementally on a stage by stage basis through subdivision approval. It is noted that although this is the recommendation of the CPG report that this approach be adopted the plan change provisions do not provide a mechanism that will ensure this occurs in a comprehensive manner across the whole site, but instead anticipate that it will occur on a piecemeal stage through the subdivision process. This is considered flawed and unlikely to achieve integrated stormwater management across the whole site.

As a comparison, the Kingston and Three Parks Council plan changes both adopted an approach of including stormwater management in their structure plans. In the Kingston Plan Change specific roading alignments, that followed stormwater flow paths, were identified on the structure plan prior to approval. These alignments were consistent with the Stormwater Management Plan contained within the Kingston Village Special Zone Subdivision Guidelines (2008). The Three Parks Structure Plans also included indicative locations for stormwater pipes and open space stormwater management areas. A more comprehensive analysis of how stormwater was to be managed at a catchment wide level was considered in both these Council plan changes prior to plan change approval and it is considered that this approach should also be adopted by Shotover Country. The plan change provisions, such as the structure plan, need to be amended to reflect this.

Further to the above, it is noted that ORC have sought several amendments to the proposed stormwater provisions to ensure a stormwater neutral environment and to require the stormwater design to cater for a 1 in 100 year average recurrence interval. It is recommended that these provisions be adopted in the event that the plan change is approved.

#### iv) Schooling

A number of submitters support the proposal to provide for additional educational facilities within the plan change site. The submission by the Ministry of Education confirms that it is actively assessing additional sites for schooling with the Frankton Flats and Remarkables Park area, however, the scarcity of land available for purchase has resulted in the Ministry looking elsewhere such as within the plan change site. The Applicant is proposing to provide for a specific Activity Area (Activity Area 3) that will have an area of 3 hectares and will be identified as an education precinct. The zone will provide for education facilities, community activities, health and child care facilities as a Controlled Activity and residential activities as a Restricted Discretionary Activity. In the event that a residential activity is proposed in this area within 10 years of the zone becoming operative, consideration must be given to the likelihood of education facilities occurring on the site and whether the activity would compromise or hinder the establishment of education activities. The zone could provide for an additional 50 residential units over and above the 758 proposed by the applicant. It is recognised that there is merit in providing for schooling within the plan change site but it is questionable how much weight can be afforded to this given the uncertainty around whether this will actually eventuate particularly given the low threshold for residential activity. The Hearings Panel may consider increasing the activity status of residential activities in this area within the period for which education activities are provided for, to a Prohibited Activity. This would provide much more certainty around the provision of education activities within the plan change site until such time as it was no longer considered that a school would be established.

Further to the above, it is not anticipated that a school would be provided within the plan change site until the population within this community reached a certain threshold. In light of the mitigation work required such as the roading infrastructure and flood mitigation, and taking into account the likely rate of uptake of sections, it is considered unlikely that the development would support a level of population within 10 years to warrant a new school within this area. For this reason it is considered that if the Hearings Panel were of the mind to approve the plan change then the 10 year period should be increased to 15 years at a minimum. The response of the Environment Court to a similar provision, which was identified as one of the key community benefits of the Mt Cardrona Station Special zone has been discussed under Issue 1. It is noted that a 15 year period is referred to in the Section 32 analysis but the plan provisions impose a 10 year cut off date. The Applicant may wish to clarify this at the hearing.

#### v) Transmission lines

The submission by Transpower sought a number of changes to the proposed plan provisions in order to ensure the ongoing protection of the transmission lines that dissect the plan change site. The submission states that subdivision and development within the Shotover Country Special Zone may result in an increase of actual or perceived effects on public health and safety. Encroachment into transmission corridors can restrict the future upgrading of existing infrastructure which potentially restricts the National Grid's ability to meet increasing energy demands. The submission states that this is particularly important in the case of Queenstown as the Cromwell - Frankton A transmission line is the only transmission line supplying electricity to Queenstown.

The submission supports the plan change proposal to provide for a 25m wide corridor either side of the transmission line. Any development within this area would be considered a non complying activity. In response to this submission, however, the Applicant has agreed to delete the provisions to provide for recreational buildings within the transmission corridor. Transpower also requests that buildings and structures within an additional area of 25-32m either side of the centreline of the transmission line be provided for as a Restricted Discretionary Activity. The submission states that this approach indicates that some activities may be compatible in this area, but that specific matters relating to operational requirements, safety risks, future line upgrades, and amenity matters must be considered in granting consent. The submission also sought further provisions relating to subdivision, vegetation and earthworks controls within the transmission corridor.

The Applicant has amended the proposed plan provisions in order to address the concerns raised by Transpower.

### Recommendation

Accept the submission by QLDC that the plan change must result in good resource management outcomes in respect to servicing.

Accept the submission points that if the plan change is adopted education facilities should be provided for within the plan change site. It is considered that amended provisions should be adopted to safeguard this option for education facilities, as discussed above.

Accept the submission by Transpower that seeks to protect the ongoing safe and efficient operation of the Cromwell - Frankton A Transmission lines.

### Reasons for the recommendations

The plan change site can be adequately serviced in respect to water supply, wastewater and stormwater disposal (subject to amended provisions as outlined above), would continue to safeguard the ongoing operations of the Transmission lines, and could adequately provide for education facilities within the site, again subject to recommended changes to the proposed provisions.

## Issue 4 – Access / Traffic Effects

### Issue

A number of submissions raised issues around access and traffic effects, specifically regarding the:

- i) Effects on State Highway
- ii) Public transport, and park and ride facility
- iii) Opportunities for pedestrian and cycleway networks
- iv) Old School Road
- v) Urban Growth issues

The specific submission points raised by these submitters, both in support and in opposition, include the following:

- *Road access be via Stalker Road only and that Old School Road be permanently closed where it reaches Stalker Farm property*

- *Closure of Old School Road to new traffic from proposed development. No adequate for increased traffic flow*
- *Spence and Old School Roads should not provide any form of access to the plan change site, infrastructure services for the zone or facilitate any construction works for development in the zone*
- *Provides critical mass so important in developing good public transport to lesson effect of vehicle numbers on the road and demanding parking space*
- *Roading should be in a grid system. Current proposal too windy and lack traditional grid pattern. Should be easy to navigate streets*
- *Will have an adverse effect on traffic flows in and out of Queenstown*
- *Accessible to the existing transport links and bus services*
- *The plan change does not avoid, remedy or mitigate adverse traffic effects in respect of access to and from major roads and other arterial routes*
- *Increase in traffic*
- *NZTA opposes the plan change as it does not provide an integrated approach to land use and transportation*
- *NZTA suggests that the proposed plan change is unlikely to establish opportunities to reduce demand to travel.*
- *Cycling on the Shotover Bridge is not ideal due to the safety issues as there is little room for cyclists and vehicles to share the carriageway.*
- *NZTA suggests that locating development in appropriate locations within existing urban boundaries is essential to managing the cost of infrastructure*
- *NZTA considers that the existing roading network does not have the capacity to absorb the adverse effects associated with this development when considering existing and unrealised but currently authorised development*
- *TIA suggests serious impacts on the level of service but the only remediation includes a suggestion that NZTA provides a roundabout. The party that is creating these effects should be responsible for incurring the cost of the mitigation*
- *NZTA considered that in line with the Urban Growth Strategy, there is adequate capacity on SH6 south of Queenstown*
- *NZTA considers that the development will accelerate the point at which the Shotover Bridge capacity is reached*
- *NZTA considers that there should be provision for suitable financial contributions to enable the collection of funds to enable works necessitated by the proposed development*
- *QLDC supports the plan change if it can demonstrate that it results in good resource management outcomes in respect to transportation networks and connectivity*
- *Oppose the location of a park and ride on Howards Drive as it will degrade existing rural outlook creating an urban feel in this rural area*
- *Location of Park and Ride will cause unacceptable delays*
- *Access into the plan change site from Howards Drive could be problematic and hasn't been assessed*
- *Increase in traffic using Howards Drive to enter and exit subdivision will create traffic congestion at the junction of Howards Drive and SH6. This will continue to create on going concerns of traffic safety for Pet Lodge Clients and family.*

## Discussion

A number of issues have been raised by submitters in respect to the potential transportation effects the plan change will generate. These are discussed in detail below:

- i) *Effects on the State Highway*

The proposed development would potentially increase the volume of vehicle movements on the local roading network by 6400 vehicle movements per day. The vast majority of these vehicles would be required to turn out of Stalker Road and Howard Drive onto SH 6 in either a westerly or easterly direction. Several submitters considered that the effects of this increase in traffic generation within this locality would be significant and that the existing network does not have the capacity to support this level of vehicle movements without generating adverse effects on the roading network and on amenity values.

A detailed Traffic Impact Analysis (TIA) has been undertaken for the Applicant by Traffic Design Group (TDG) which has subsequently been peer reviewed internally by Council's Roading Manager Denis Mander and by MWH New Zealand Limited. This is complemented by a supplementary Report by TDG regarding the park and ride facility as a result of a further information request.

The main finding of the TDG report in respect to traffic generation is that even without the proposed plan change, by 2021 NZTA would have to undertake some form of improved traffic management or intersection improvement scheme most likely at Lower Shotover Road. This is due to the reduced Level Of Service (LOS) particularly for right turning vehicles at the SH 6 and Howards Drive, SH 6 and Lower Shotover Road, and SH 6 and Stalker Road. The delays at these intersections will be such that changes in driver behaviour would occur, having consequential adverse effects on road safety. The report considers that an intersection is the most likely scheme to mitigate any such effects.

The proposed plan change would exacerbate these effects on the LOS due to the increase in vehicle movements it would generate. However, the TDG report states that the intersection, that is likely to be required regardless of whether the plan change goes ahead or not, would mitigate any adverse effects on this roading network ensuring that all LOS are acceptable.

In respect to the intersection at Howards Drive and SH 6 the report states that there would be significant increases in the delays from right turning vehicles, with the Park and Ride facility in place, during the evening peak hour. However, it also states that there would be beneficial effects on delays due to the park and ride facility reducing traffic volumes on SH 6.

In response to the above, NZTA make the following comments in their submission on the plan change:

*"The TIA also suggests very serious impacts on the level of service provided by the intersections on the SH in this area, however, provides no remediation beyond the suggestion that the NZTA provides a roundabout. Effectively the applicant is seeking to provide a development that will have significant adverse effects on the safety, efficiency and functionality of the national state highway asset, without contributing to avoiding, remedying or mitigating those effects."*

This submission states that the existing roading network does not have the capacity to absorb the adverse effects associated with this development when considering existing and unrealised development.

The MWH review of the plan change application also comments on this issue stating:

*"The TDG report details that intersection improvements will be required prior to 2021. The plan change does not provide extensive detail on how they propose to address the issues raised as a result of the proposed development. However, the TDG report does detail the*

*effect of a roundabout at the Stalker Road intersection. It is assumed that this will be the dominant access point for the proposed development.*

*The report does not address the provisions for the Howards Drive intersection. The TDG report again details that this will reach LOS F by 2021 for the right turn out. The Howard Drive intersection is located some 850 m east of the Stalker Road intersection. Careful consideration will be required for the effect of the two intersections in close proximity. Specifically, the effect of queue length on the operation of each intersection is required to ensure that the queues do not affect the safe and efficient operation of the Highway”.*

*“The function and form of the intersections is a serious issue that will require extensive work to address. The current plan change could result in both QLDC and NZTA being in a position of having to undertake expensive remedial work in the future”.*

In respect to the Shotover Bridge, the TDG analysis does not specifically address this issue insofar as to whether the bridge has the capacity to support the additional vehicle movements. However, NZTA in their submission state that the annual daily traffic volume on SH 6 in the vicinity of the site is approximately 10 000 vehicles per day. Further to this, if all resource consents in the Wakatipu Basin were given effect to then this figure would be significantly higher. This submission states that the capacity of the bridge is approximately twice the 10 000 figure and there is no design capacity within this bridge for any additions. When this capacity is reached a new bridge will need to be built. With a potential increase in vehicle movements of more than 6000 a day, the proposed development will accelerate the point at which the capacity of the bridge is reached.

The above issues highlight the level of mitigation that would be required to address the potential adverse traffic effects on this roading network. This includes requirement for a new round about at the intersection of Stalker and Lower Shotover Road as well as effects on the Shotover Bridge. The application considers that these effects would occur anyway at some stage in the future and hence the plan change would just accelerate the need for this mitigation.

The application has also failed, however, to address the effects of having two intersections in close proximity to each other, and effects of an increase in vehicle movements and change in roading design on the surrounding residents in this area. This specific issue is raised in the submission by K and R Lemaire - Sicre who operate a Pet Lodge opposite the entrance to Howards Drive. The submission advises that their vehicle crossing was relocated 70m east of Howards Drive when LHE was established and as the subdivision has grown, they contend that the traffic congestion at this intersection has also increased. In their opinion the development will further exacerbate this congestion that in turn would impact on their ability to manoeuvre to and from their site. It is noted that the Applicant responded to this issue in their further submission stating that the plan change would not result in safety issues. It would be useful, however, if both the Applicant and the submitter further elaborated on this issue at the hearing.

It is for the above reasons that due to the level of mitigation required and the uncertainty around where the costs and responsibility would lie with this, as well as the lack of information addressed above, the submission points that oppose the development on the basis of capacity issues and adverse traffic effects on SH 6 are accepted.

#### *ii) Public Transport and Park and Ride Facility*

The Applicant proposes to establish a park and ride facility in Activity Area 5 A on the upper terraces of the plan change site along Howards Drive. This facility would be provided for as a Controlled Activity with control reserved to roading connectivity, earthworks and

landscape planting, lighting, fencing, signage and security. Submissions both supported and opposed this proposed facility, on the grounds that it would benefit Queenstown CBD and for the latter, would compromise rural character and cause unacceptable delays.

The park and ride facility has been proposed in order to help integrate public transport into the settlement and reduce the reliance on vehicle trips. The TDG report predicts a conservative uptake on the park and ride facility of 10% of the car – borne travel from the plan change site and a further 10% of trips associated with LHE and on the SH. This likely uptake of the park and ride facility is addressed in the supplementary TDG assessment dated May 2010. This report states that this uptake is dependent on other public transport networks ie: if connectabus provides services through LHE and Shotover Country it is unlikely that residents will choose to use the park and ride facility and dependence in these developments will cease. Furthermore, the success of the park and ride facility depends on whether the Council establishes other park and ride facilities in Frankton Flats which would reduce the attractiveness of the facility in this location. In respect to scale, the report considers provision of approximately 23-38 parking spaces be implemented on a gradual basis in response to the growth of Shotover Country.

There are a number of uncertainties around the park and ride facility, including whether it would actually be established, which is emphasised in the TDG report which states that the facility is an optional outcome of the plan change rather than a certain one. These include:

- a) Who will incur the cost of establishing the facility? The proposed plan provisions provide for the facility as a controlled activity but as outlined above, the facility won't be established until development in the plan change site reaches a certain threshold. There is no requirement on the developer to provide for the facility through the plan provisions at any stage of the development. It is, therefore, likely that either the Council would have to incur the cost at a later date or alternatively the facility would fail to be established altogether.
- b) Who would actually use the facility? The TDG report states that when development in the plan change site reaches a certain threshold it is likely that connectabus will provide a service through the subdivision and any need for the facility would cease for residents of Shotover Country. This report also states that for this reason LHE residents are also unlikely to use the facility. It therefore appears that in the event that the facility is established it would only service the proposed development on a temporary basis with its ongoing operation dependent on users from the wider Wakatipu Basin.

In respect to the submission that opposes the development due to adverse effects on the rural character of this area, this view is supported in the landscape peer review undertaken by Landscape Architect Dr Marion Reed, as outlined in Issue 5 below. Dr Reed considers that the park and ride facility or any form of development in Activity Area 5A would compromise the rural character and entrance experience to Queenstown. This peer review seeks that Activity Area 5A be deleted from the plan change. In light of this landscape assessment, and due to the uncertainty around the facility, it is considered that the potential adverse effects of establishing the park and ride facility outweigh any positive effects.

### *iii) Opportunities for pedestrian and cycleway networks*

NZTA also question the ability of the site to provide for cycleway and pedestrian traffic between the plan change site and Frankton Flats due to lack of carriageway space over the Shotover Bridge. While the application proposes to prohibit vehicular traffic between Old School Road and the plan change site (as discussed below), it is understood that this will

not preclude provision for walkway and cycleway access. This alternative route would cross over the Old Shotover Bridge and below Quail Rise Estate through to the SH.

The Wakatipu Trails Trust has proposed a recreational track along both the formed and unformed section of Old School Road that would link the Old Shotover Bridge to Lake Hayes Estate. The Wakatipu Trails Strategy identifies this road as a future link in the wider Wakatipu public trails network and it is anticipated that this track may be formed at some stage in the future irrespective of whether Shotover Country plan change is approved. The plan change, however, does not propose to form this part of the trail network as the structure plan indicates that this link would be provided outside the boundaries of Shotover Country. The proposed open space network, however, would connect to the end of Old School Road where pedestrian and cycleway access could be accommodated as an alternative to using Shotover Bridge.

The submission point by Mr G Wilson seeks several changes to the existing roading and proposed open space network to provide for access from the plan change site through to the Shotover River. This includes stopping a section of paper road that dissects his property and Old School Road, in turn for providing for access through his property from Activity Area 5 E through to the Shotover River (refer to submission for further detail). In the event that the Hearings Panel were of the mind to approve the plan change, consideration could be given to extending Activity Area 5 E. However, a separate application outside the plan change process would have to be made to stop this paper road.

#### *iv) Old School Road*

A number of submitters oppose the use of Old School Road as a through road into the Shotover Country zone due to potential adverse amenity effect that would be generated by this activity. As a result of these submissions the Applicant has amended the application so that any vehicular access to the zone to or from Old School Road is a Prohibited Activity. This zone standard will restrict any vehicular through access being established at subdivision approval. It is understood that the Applicant is also consulting with the residents of Old School Road regarding the option of stopping this road. As outlined above, this requires a separate process outside this plan change application.

#### *v) Urban Growth Issues*

NZTA also suggests that locating development in appropriate locations within existing urban boundaries is essential to managing the cost of infrastructure. The submission opposes the plan change on the basis that roading infrastructure is already planned to accommodate growth to the south of Queenstown. This efficiency argument regarding providing for growth in existing zoned areas is accepted and is discussed in detail in Issue 1 above.

### Recommendation

Accept the submission point that the plan change does not adequately mitigate the proposed adverse effects on the State Highway roading network.

Accept the submission point that the park and ride facility would exacerbate traffic safety issues, by increasing the LOS, at the corner of Howards Drive and SH 6.

Accept the submission point that the park and ride facility would compromise landscape values in this area.

Accept the submission points that all vehicular access be prohibited between Old School Road and the plan change site.

Accept the submission point that it is more efficient use of land to provide for growth in areas that have been planned to accommodate growth.

Accept the submission point that Shotover Bridge does not have the capacity to provide for pedestrian or cycleway access. It is noted however, that an alternative access would be available via Old School Road and Old Shotover Bridge.

### Reasons for recommendation

The above submission points are accepted for reasons outlined in detail above.

## Issue 5 - Landscape

### Issue

There were mixed views in the submissions as to whether the development would protect landscape values.

The specific submission points raised by these submitters include:

- *The only development of such critical mass that can be carried out in the basin without adversely affecting natural landscape;*
- *Support development geographically contained that does not impact substantially on the landscape values and amenity of the Wakatipu Basin*
- *Has minimal landscape effects in an areas where landscape issues are critical*
- *Environmentally the development is out of sight and of mind in such a sensitive area. No other site in the Wakatipu provides this*
- *The proposal provides for landscape and wetland protection*
- *QLDC supports the plan change if it can demonstrate that it results in good resource management outcomes in respect to landscape protection*
- *Plan Change will permanently alter the landscape of the area. Development such as this will damage the reputation of Queenstown and its unique environment*
- *Loss of visual amenity*
- *Will have significant visual impact, in particular on the residents of Quail Rise*
- *Allowing the proposed urbanisation within the VAL of the Wakatipu Basin is contrary to the landscape objective of the District Plan. The site is highly visible from numerous public places*
- *PC 41 will adversely affect the natural and pastoral character of the area*
- *Ladies Mile (SH6) is the gateway to Queenstown with outstanding natural features such as Slope Hill, Remarkables and the Shotover River. Residential development to the scale proposed will have enormous cumulative effect on this beautiful landscape and will greatly detract from our visual amenity of which Queenstown is renowned for.*
- *Even though the development will be in a valley the effects of domestication will be visible from planes and visitors driving along SH6, from the visual impact of traffic entering the exiting the subdivision*
- *Development will have significant adverse effects on the landscape*

### Discussion

Under the District Plan the plan change site is located in an area classified as a Visual Amenity Landscape (VAL). This is defined in the Plan as 'landscapes which wear a cloak of

human activity – pastoral or arcadian landscapes’, which tend to be located on the District’s downlands, flats and terraces.

A landscape assessment of the proposed development has been undertaken by Kidson Landscape Consulting for the Applicant which has been peer reviewed by Landscape Architect Dr Marion Reads of Lakes Environmental. The Applicant’s landscape assessment includes a detailed description of the site and concludes the following:

- *The area is suitable for absorption of development due to its topographical containment, its medium to low level of visibility from the surrounding visual catchment, and the ability to mitigate any areas of medium visibility which are proposed to be developed;*
- *While the proposed zone is in close proximity to Lake Hayes Estate they are not seen in the same visual catchment which viewed from the valley floor. They are viewed in the same catchment from elevated views;*
- *The area of the zone adjacent to the State Highway is highly visible. Most of this area within this part of the zone is proposed to be retained in pastoral character and vistas to the surrounding natural landscape. The exception being the park and ride facility which is proposed to be set back from the SH and depressed into the landscape to reduce visibility;*
- *Views from SH 6 of the proposed development will be restricted and only noticeable from a short stretch of the road on the approach to the Shotover Bridge. Planting on the edge of these terraces will aid in mitigating and reducing visibility;*
- *Areas of the development most visible will be from Jims Way, Glenda Drive Walkway, Old School Road and Stalker Road. Most of these views are viewed from a distance of approximately 1km, and any closer views will be mitigated through the proposed planting or have already been compromised by approved land use consent RM060268;*
- *Areas inappropriate for development include the terrace slopes, land around Old School Road and the wetland area.*

The assessment finds that the outcome will result in a change to the landscape character in a way that will respect the landscape values of the site and surrounding landscape.

This peer review is included as Attachment F to this report, and generally supports the conclusions of Kidson Landscape Consulting. It states:

- *The majority of the proposed plan change areas is located within the amphitheatre like terrace system which is a part of the broader landscape of the Wakatipu Basin which does have some ability to absorb such development.*

The review, however, does raise a number of issues with the proposed zoning as discussed below:

- i) *Proposed zoning adjacent Ladies Mile;*

This landscape assessment finds that development adjacent Ladies Mile/ State Highway 6 would compromise the landscape in this vicinity and the entrance experience to Queenstown. It states:

*“The experience of travelling along Ladies Mile/ State Highway 6 is an important part of the entry experience to Queenstown and currently affords expansive views to Bayonet Peaks, Cecil Peak, Peninsula Hill, Bowen Peak, Ben Lomond and Ferry Hill. These views currently have a rural character being largely over open pasture interrupted with shelter planting and some amenity trees. The entirety of this upper terrace is zoned Rural General. I consider that this portion of this landscape is vulnerable to degradation because of the level of current and consented development which is already present and because of its importance as a part of the entry experience to Queenstown”.*

The report states that the proposed park and ride facility, including the mitigation proposed, would have significant adverse effects on the quality of the landscape in the vicinity and on the entrance experience to Queenstown. This assessment seeks that this area along the upper terraces fronting onto the Ladies Mile/ SH (part Lot 1 DP 300109 and Lot 5 DP 386955) be excluded from the plan change *“as the effects of their inclusion would cause significant degradation to the landscape of the Ladies Mile Terrace and to the quality of the entry experience to Queenstown.”*

ii) *Exclusion of Rural General land adjoining the plan change site;*

Dr Read also considers that two additional areas of Rural General land adjoining the plan change site should be included in the plan change area. This includes Lot 160 DP 384954 that has an area of approximately 7 ha and adjoins the southern boundary of the plan change. The landscape assessment states that excluding this area from the plan change would result in a strip of land on this adjoining site being located between the Outstanding Natural Landscape (ONL) line and the plan change site, which would in turn change its landscape classification from VAL to Other Rural Landscape (ORL). An ORL classification would potentially enable a higher level of development in this area when compared to development within a VAL.

The second area of land excluded from the plan change includes the strip of Rural General land located between the plan change site to its west and the Shotover River. This area is owned by the Applicant and currently supports a gravel extraction business. The landscape peer review states:

*“this piece of land is not a landscape in its own right but would remain as an isolated fragment of the broader VAL..... in my opinion this area should be included in the plan change area and should form another open space area.”*

iii) *Proposed Plan Provisions*

The landscape peer review also identifies the following potential issues with the proposed plan provisions:

- a) Little security over environmental outcomes for planting in Activity Area 5b – terrace buffer areas. The responsibility for planting this area will lie with the future property owners. Environmental outcomes in respect to the quality and consistency of this landscaping will be variable. The cross sections included in Appendix 4 are confusing. Activity Areas 5a-5e should be held in common ownership to ensure their comprehensive and consistent management.
- b) Rule 12.25.9.1 vii) requires landscape planting to be carried out in Activity Area 5b prior to making an application for resource consent. Such a provision has monitoring implications especially given that the planting is provided for as a permitted activity and is not required as part of a resource consent.

- c) Apricot trees should be provided for on private land only due to potential maintenance issues;

### Recommendations

Accept the submission points in part that the landscape has the ability to absorb the proposed development, with the exception of any development within Activity Area 5 A.

Accept the submission point that the development should result in good resource management outcomes in respect to landscape protection. It is considered that this would include accepting all those recommendations outlined in the landscape peer review as discussed above.

### Reasons for Recommendations

The landscape assessments consider the plan change site does have some ability to absorb development, subject to the changes recommended above.

## Issue 6 – Affordable Housing

### Issue

- *Proposal is brilliant in terms of providing affordable housing for the Wakatipu Basin*
- *No other development of this size will provide the opportunity for affordable housing as Shotover Country will do*
- *Give opportunity to buy affordable section in Queenstown*
- *Lake Hayes has worked and Shotover Country will give the next lot of young people the opportunity to purchase a reasonably priced piece of land and build a family home*
- *Reasonably priced sections close to Frankton*
- *A need for affordable housing*
- *Opportunity for young families to get into property market*
- *Support the potential for cost effective high quality residential development*
- *Beneficial for people wanting affordable property*
- *Affordable living in Queenstown*
- *Affordable community for young families*
- *Will not result in the provision of affordable sections and in fact may have an inflationary effect based on experience at Lake Hayes Estate*
- *Flat land is the main component in being able to deliver an affordable housing product*
- *Affordable sections with flat aspect ready to build on offering an opportunity to return to Queenstown and own my own home*
- *There is no guarantee that the proposal will have a positive effect on the affordability of housing*
- *Queenstown Lakes Community Housing Trust supports the plan change subject to satisfactory provision of appropriate amount of affordable and community housing. QLCHT would like to see a tangible commitment from the landowners before consent is granted for the plan change*
- *QLDC supports the plan change provided that it ensures provision of appropriate amounts of affordable and community housing*

### Discussion

A large number of submitters support the plan change on the basis that it will provide for more affordable housing in Queenstown. As discussed below, this support is simply based on the view that having more sections on the market will, in turn, result in lower section prices. Several submitters, however, consider that the plan change does not provide any guarantee that the development will provide for affordable housing.

It is acknowledged that releasing more residentially zoned land onto the market can sometimes have the effect of stabilising section prices. There is no certainty, however, in respect to this. Over the last ten years there have been a large number of residential allotments released into the Queenstown housing market but this has not driven down housing prices. Developers will only release sections onto the market when there is a demand and there are no mechanisms to ensure that asking prices will actually be affordable.

Council's Plan Change 24 proposes to introduce a requirement for developments of a certain scale to deliver affordable housing. Due to the size of Shotover Country, delivery of affordable housing would be required under Plan Change 24. However, as the Plan Change remains under appeal and is therefore not operative, Council must rely on the applicant to agree to this delivery.

Based on the assumption that the proposed development has a maximum development potential of 758 residential units, there are two methods currently used by Council to determine the amount of affordable housing demand attributed for this proposal. This proposal triggers demand for affordable housing as it is for a plan change to increase development capacity in the development site.

Using the Stakeholders Deed method based on a contribution of 5% of the net developable area, in this instance that calculation would equate to  $5\% \times 758$  residential units = 38 units. To be consistent with other agreements signed to date, this would suggest the developer would enter into a stakeholder deed with Council committing to transfer 38 residential sections at nil consideration (or the cash equivalent) to the Council.

Using the methodology of Plan Change 24, the calculation would be 758 residential units  $\times$  143m<sup>2</sup> average size per unit = 107,181m<sup>2</sup> total residential development,  $\times$  affordable housing demand of 0.3 units per 1000 square metres of development. The result would demand for be 32 Affordable and Community Housing units that the development would need to supply. Plan Change 24 further enables the development to deliver 60% of these units (say 19 units) as Affordable Housing (meaning that due to the nature of the unit, say a duplex unit on a 300m<sup>2</sup> section) this product would enter the market at an affordable price. In the case of Community Housing (40% or 13 units), it is intended that these units have some further retention mechanism that ensures the unit (or its value equivalent) will remain affordable for current and future generations, The method most frequently used to date to deliver this retention is via Shared Ownership of the home via the QLCHT.

In the current market, with the District's median household income at \$70,000 pa, an "affordable" family home of 3 bedrooms (where the household spends approximately 30% of their income on housing costs) needs to be priced at approximately \$300,000 to own, or on a rental basis a rent of approximately \$450 per week.

The QLCHT are currently delivering 3 bedroom town homes at Nerin Square (Lake Hayes Estate) for a market price of \$430,000, and when combined with Shared Ownership of 30%, a household can purchase a unit for \$300,000, thus meeting the target. Due to the nature of the Trust's Deed, Council has confidence that the long term retention commitments would likely be satisfied via an agreement involving QLCHT (subject to review of that agreement).

In either the Stakeholder Deed or PC 24 method, the Heads of Agreement between QLDC and the Queenstown Lakes Community Housing Trust enables the Council to transfer contributions of land or cash to the Housing Trust for delivering affordable and community housing.

In respect to this, the plan change application states that one of the major objectives of the development is to enable achievement of PC 24 Objective 1 which states:

*“Access to Affordable and Community Housing*

*To provide a range of opportunities for low and moderate income Resident Households and Temporary Worker Households to live in the district in accommodation appropriate for their needs.”*

The application states that this will be achieved by a combination of:

- i) provision of a significant number of residential lots to the market at competitive price levels accessible to moderate income resident households, and*
- ii) through specific agreement with the Queenstown Lakes Community Housing Trust (QLCHT) to enable delivery of affordable housing product to the market.*

In respect to the first point, as stated above, there is as yet no mechanism in place that would ensure that asking prices for any future sections would actually be affordable. This will largely depend on the housing market at the time of development and therefore little weight or consideration should be given to this. It is understood, however, that the Applicant has been having ongoing discussions with the QLCHT with the intention of entering into an agreement in respect to the providing a certain amount of affordable and community housing in the plan change area. The submission on the plan change from QLCHT confirms this but to date Council is not aware of any agreement having been executed between the two parties.

Given the significant number of submissions seeking confirmation that the plan change can deliver affordable housing, there is an opportunity for this proposal to clearly confirm both the quantum of affordable homes, and methods to be used to ensure affordability is achieved. The quantum outlined above (between 38 and 32 units) should be considered minimums. The application provides for a mix of lot sizes including 144 sections of 300m<sup>2</sup> and 70 sections of 450 m<sup>2</sup>. Best practice in delivering mixed communities that include medium density housing tells us that to achieve high quality environments, the smaller section sizes need to be planned and built comprehensively (rather than sold individually). This would suggest that the plan change presents an opportunity to deliver as many as 214 affordable and community housing units. If agreements were implemented that ensured such a quantum would sure to be affordable over time, then this proposal would represent a significant contribution towards addressing housing affordability.

### Recommendations

The submission points that state that the development should provide for affordable housing are accepted.

The submission points that state that the development would provide for affordable housing are rejected in light of the uncertainty around this. It is noted, however, that if an agreement is entered into with QLCHT and the Applicant then it is hoped it would provide for this.

## Reason for Recommendation

In line with Councils Plan Change 24, affordable housing should be provided for as part of this plan change. If an agreement is entered into outside this process, this would need to be confirmed with QLCHT prior to plan change approval to provide certainty around this issue.

## Issue 7 – Hazards

### Issue

Several submissions consider that the development will not avoid, remedy or mitigate potential hazard issues.

The specific submission points raised by these submitters include:

- *Activity Area 1A should be deleted from the plan change due to its potential flood risk;*
- *The plan change does not avoid, remedy or mitigate the actual and potential effects of flooding effect given the site is prone to flooding;*
- *The use of solid fuel burners and outdoor burning should be prohibited as opposed to non complying in order to prevent air quality issues.*

### Discussion

Two submitters, including the Otago Regional Council (ORC) seek the exclusion of Activity Area 1 A from the plan change area. This area is identified as being susceptible to inundation on the QLDC hazard register. The ORC submission acknowledges the Applicants flooding risk assessment undertaken by David Hamilton and Associates but states in respect to this report:

- i) Computed flood levels have a wide margin of error;
- ii) The sedimentation analysis used in the Applicant's assessment, taken from 2002, has been updated with the most recent data taken in May 2010;
- iii) The hydraulic modelling has used little sensitivity analysis;
- iv) The flood model does not provide for the currently partly vegetated state of the Shotover Delta and the influence that has on flood levels;

The ORC submission questions aspects of this analysis, and states that changing the land use on terraces T5 and T6 creates a flood risk of a scale that does not currently exist due to its undeveloped state. The ORC submission supports the preference for avoiding development in hazard areas as opposed to mitigating any potential effects.

Activity Area 1 A is located on the lower terraces of the plan change area and is made up of approximately 15 hectares. The plan change seeks to enable a development potential of 150 residential units in this area.

In brief, the Applicant's flood risk assessment states the following:

*“For the proposed plan change it is considered that while the site is unlikely to be flooded in the 1% AEP flood event it is possible within the margin of error of estimates that minor flooding could occur on the lower parts of the site given the natural variability within riverbeds”.*

The report notes that the Wetland area, Activity Area 5D flooded in the 1999 flood event and, if the lower Shotover continues to aggrade, some minor flooding at the lower end of the plan change site could also be experienced. As a result, the flooding assessment recommends minimum stopbank or hardfill levels be provided within the plan change site. The Applicant has proposed a 1-1.6m high stopbank along the length of the western boundary of the Activity Area 1A. The location of the stopbank is clearly illustrated in the Plan Provisions, Appendix 3 – Flood Protection Works. The stopbank will be provided for as a permitted activity in Activity Area 5C which is identified as a river protection area and will be complemented by a mix of native and exotic planting. The stopbank would be required to be established prior to any development within Activity Area 1A. It is unclear as to when the proposed planting would be carried out and who would be responsible for this work and ongoing maintenance. It would be useful if the Applicant clarified this at the hearing.

The alternative flooding risk mitigation to providing a stopbank would be to raise the ground level over the 15 hectares of Activity Area 1A by approximately 1m. This would require 150 000m<sup>3</sup> of earthworks and would need a form of battering or retaining along the western boundary of Activity Area 1A. This alternative has not been proposed by the Applicant. Both options for mitigation would require ORC consent and given the ORCs position in respect to development in this area, there is no certainty that consent would be granted. To reduce the amount of earthworks the Applicant could choose to elevate only the building platforms and the services, such as roading. However, it is unlikely that this would be supported given the practicalities and the urban design outcomes of such an option.

In respect to the above, Council's internal engineering review has provided the following comments:

*“The Council rejects the idea of a stopbank as proposed by the Applicant due to the ongoing cost to Council of maintenance and the potential failure of such a structure. Within the areas proposed to be protected by stopbanks (Activity Area 1A) all building platforms roads and accessways will need to be built above the design flood level with all services, including roading, able to be contained within these elevated areas. This will require an elevated ground level of approximately 1m. Development to the scale proposed in this area is not supported due to the scale of earthworks required to mitigate this flood hazard”.*

It is noted that a further submission was received from Ladies Mile Partnership in opposition to this submission point to reject development in Activity Area 1A citing that the submitted flood analysis was sufficient in addressing any potential adverse effects. It is understood that the Applicant has commissioned a further flood analysis from David Hamilton and Associates in response to the issues raised in the submissions. However, at the time of writing this report, this assessment had not been received.

As stated, the option of a stopbank is not supported by Council due to the ongoing maintenance required for the structure and due to its potential to fail. Stopbanks are only as effective as their weakest point and failure at any point will result in inundation of the entire area. Council would be responsible for any liability in respect to this structure. The alternative option to raise the ground level of Activity Area 1A would require large scale earthworks over an area of 15 hectares. Due to the level of flood mitigation required to develop this area, it is considered better to avoid the risk and potential hazard than to mitigate against it.

It is for these reasons that the submission points opposing development in Activity Area 1 A are accepted.

Submissions also sought that the proposed plan provisions be amended to prohibit all solid wood fuel burners as opposed to providing for them as Non Complying Activities. The plan change application included an air quality assessment undertaken by Environet Limited and confirms that the plan change site is located within Airzone 3 under the Otago Regional Air Plan. Most areas outside Airzone 1 and 2 have good dispersal and low population densities, that mean that these areas are unlikely to have high emissions. The report also states that it is probable that the National Environmental Standards for air quality in the Shotover Country area would be met without any additional planning mechanisms other than compliance with the Otago Regional Air Plan. However, as the site is located on the boundary of Airzone 2 (Queenstown) and would result in a significantly higher level of density, the plan change proposes to restrict wood burners to a non complying activity. In light of the above, it is considered that the proposed restrictions are sufficient to avoid any adverse effects on air quality in this area.

### Recommendation

Accept the submission point that development of the nature and scale proposed should be avoided in Activity Area 1A due to the potential adverse effects of flooding.

Reject the submission point that wood burners should be prohibited in the plan change area.

### Reasons for the recommendation

Development of the nature and scale proposed should be avoided in Activity Area 1A due to the significant nature of the hazard issues identified, the risk of failure of mitigation and potential Council liabilities associated with such failure. Consequently it is considered that the precautionary approach of avoiding development, particularly the level of urbanisation proposed, is more appropriate in an area of identified risk of this nature than seeking to mitigate the effects.

## Issue 8 – Urban Design

### Issue

The submission by QLDC seeks that the development results in a good urban design outcome. Several submissions also seek specific amendments to the plan change provisions.

The specific submission points raised by these submitters include:

- *QLDC supports the plan change if it can demonstrate that it results in good resource management outcomes in respect to urban design*
- *That consideration be given to providing for greater density of development within the narrow strip or Activity Area 1 located east of Stalker Road between Area 5e and the internal road just north of Area 5e.*
- *That the commercial precinct and visitor accommodation activities be excluded from the plan change. The definition of commercial retail be amended in accordance with that outlined in the submission.*

### Discussion

The plan change was lacking any urban design input through the development stage and no urban design assessment process has informed the structure plan or plan change provisions as would normally be expected for a plan change of this size and importance.

An urban design assessment of the development has, however, been undertaken by Council's Urban Designer Nick Karlovsky. This assessment is included in Appendix C and concludes with the following comments:

- *Shotover Country sits outside what has become, with the development of Glenda Drive, Quail Rise and the anticipated development of the Plan Change 19 and 5 Mile area, the natural eastern boundary of the Queenstown urban area, the Shotover River. Similarly to the development that has occurred at the foot of the McDonnell Road escarpment near Arrowtown, and Lake Hayes Estate, allowing the Plan Change can be viewed as enabling urban sprawl, or urban spillage into surrounding visual amenity landscape*
- *The plan change area sits outside the Queenstown urban edge and pre-existing special zones outside urban boundaries. The development enabled would undermine the distinct urban edge to the Queenstown urban area by expanding the urban area over the Shotover River, thereby compromising that distinct, powerful and compelling natural urban edge.*
- *Its location is within a relatively short vehicular trip of the Frankton Flats, however it would create a suburb essentially reliant on vehicle based transport options.*
- *The viability of non residential uses and aspirations towards creating an integrated community with a complimentary mix of uses that might offset vehicular dependence of the predominant residential component and foster a sense of local community are tenuous and the provisions of the plan change offer no certainty that they would ever be realized*
- *The plan change area lies in close proximity to Lake Hayes Estate, however the topography of the intervening land acts as a visual separation and an impediment to ease of pedestrian movement between the two. They would not effectively consolidate as a community. A relative paucity of activities other than residential in either community would create little incentive for interaction between two such separated communities.*
- *The absence of urban design input in the development of the plan change is reflected in the absence of both a clearly articulated master planned vision for a neighbourhood community core and plan provisions sufficiently robust to assure the delivery of the complimentary mix of uses that can foster an integrated community. This undermines the plan change's laudable objective of achieving an integrated mixed use community*
- *Should the commissioners be of a mind to recommend approval of the plan change, I consider the provisions need to be strengthened if there is any chance that this area can develop into anything other than an isolated commuter suburb sitting outside the Queenstown urban area, but totally dependent upon it.*

The urban design assessment also recommends a number of amendments to the proposed plan provisions such as an Outline Development Process for the entire plan change site as opposed to just Activity Areas 2A, 2B and 3, and changes to the minimum setbacks, open space and retail provisions, for example. If the Hearings Panel were of the mind to approve

the plan change then it is considered that further detailed consideration needs to be given to the proposed plan provisions in respect to these issues.

Two further submitters seek specific changes to the plan provisions such as an increase in density in part of Activity Area 1 and amendments to the specific activities and plan change definitions (refer above for detail). As stated, it is recommended that further consideration be given to these matters if the Hearings Panel is of the mind to approve the plan change.

### Recommendation

Accept the submission point that the development must result in a good urban design outcome. This would result in further consideration of the proposed plan provisions as outlined above.

### Reasons for the recommendation

It is considered that for reasons discussed above, the existing plan provisions are not robust enough to ensure a good urban design outcome.

## Issue 9 – Reverse Sensitivity Effects

### Issue

Several submitters raised reverse sensitivity issues between the proposed development and Queenstown Airport, and between surrounding rural activities.

The specific submission points made by these submitters include the following:

- *The development will have a relatively low level of residential amenity given its proximity to the proposed air noise boundaries*
- *The plan change does not avoid, remedy or mitigate effects on the environment including the adverse reverse sensitivity effects in relation to the Airport. Such effects will constrain future growth and development of the Airport, which is one of the Districts most important assets*
- *QAC and ANZL seek that no complaint covenants in favour of QAC are required over all ASANs over the entire plan change area. This will ensure that potential land owners are aware that the area is subject to potentially high levels of aircraft noise*
- *QAC seek that the proposed policies are updated to provide an adequate foundation for the rules which relate to the Airport*
- *ANZL supports the proposed acoustic insulation but seeks clarification that compliance with these controls through the installation of acoustic insulation is to be the responsibility of land owners and not of QAC.*
- *The development will exacerbate reverse sensitivity effects between existing activity and the effects of domestication such as nuisance effects of traffic in rural areas*

### Discussion

The extended Outer Control Air Noise Boundary, as proposed under Plan Change 35 - Queenstown Airport Corporation Private Plan Change, will bisect the plan change site through Activity Area 5B located to the south of the development. As a result the plan change does not propose to provide for any built development within the proposed or existing Airport airnoise boundaries.

The proposed plan change provisions as notified required all residential, educational or community activities and visitor accommodation in the zone, to be acoustically insulated to meet an internal sound level of 40Ldn.

The submission by Queenstown Airport Company (QAC) supports the plan change but seeks several amendments to the proposed provisions. This includes:

- i) Amendment to proposed Rule 12.25.7.6 to refer to the definition of Activities Sensitive to Aircraft Noise as proposed in PC 35 as opposed to reference to residential activities, visitor accommodation and community activities;
- ii) Amendment to proposed Rule 12.25.9.2 to include a requirement for mechanical ventilation in accordance with Table 5 for all Activities Sensitive to Aircraft Noise;
- iii) Inclusion of Table 5 outlining mechanical ventilation requirements;
- iv) Inclusion of an additional policy protecting the ongoing operation of the Airport.

It is noted that through a further submission the Applicant has agreed to adopt the above changes but has only amended the plan change provisions to include a further policy and adopt the definition of ASANs. It is therefore unclear as to whether the mechanical ventilation requirements are also being adopted. It would be useful if the Applicant clarified this at the hearing. It is noted that the changes sought by QAC are consistent with the provisions proposed within the 55dBA airnoise boundary under Plan Change 35.

Further to the above, the Airport submission on this plan change states:

*“QAC is concerned that the plan change has the potential to result in reserve sensitivity effects relating to aircraft noise as a result of the development being located within the extent of aircraft noise emissions from Queenstown Airport. The noise effects over the plan change area are intensified by its location below the flight tracks of both the main runway and cross wind runway (curved flight path).”*

*“The consequence of the development being under the aircraft flight tracks is that aircraft in the take off and approach stages of flight pass overhead at low altitudes resulting in significant noise levels. QAC note that the flight tracks of fixed wing general aviation circuits and helicopters are particularly significant because noise from these aircraft is often perceived to be more annoying by residents than noise from scheduled jet aircraft. While the indoor noise levels can be mitigated the outdoor noise levels cannot therefore the outdoor amenity of residential properties is likely to be adversely affected. The potential for complaints about aircraft noise by residents and business within the plan change site exists”*

It is noted that there is an existing restrictive covenant on the land owned by Ladies Mile Partnership (LMP) (being Activity Areas 1, 1A, and 2A). Of particular relevance the covenant states:

1. The land is situated beneath or adjacent to flight paths and flight training and air operations air space utilised by the Queenstown Airport owned and operated by the airport company;
2. The land is in an area where the noise and overflying by aircraft operating at the Queenstown Airport may cause disturbance or annoyance to persons upon the land.

The covenant was imposed as a result of a subdivision consent that was granted for this site in 2002. It states that to occupy or use the buildings existing or hereafter erected upon the land at the owners risk in all respects as to any disturbance and annoyance from airport effects. It restricts any owner bringing against the airport company any proceedings for damages, negligence or nuisance, trespass or interference in relation to any activities of the

airport or overlying of the land. It also restricts the owner or occupier from making, lodging or becoming party to any submission, application, proceeding or appeal or otherwise that may be designed to limit, prohibit or restrict the continuation, enlargement or any extension of operations for the airport or overlying of the land.

The covenant is binding on the owner and the owner successors in title to the land and every part of it. In respect to this the Applicant has also confirmed that the covenant will be imposed on all future titles within these Activity Areas and LMP is also in discussions with the other land owners within the plan change site in respect to extending this covenant over all future land titles in the plan change area. The Applicant is yet to advise as to whether there has been an agreement reached in respect to this.

The subject site is located within the 50dBA airnoise contour. The Marshall Day Acoustic report, dated 9 July 2009, prepared for QACs plan change (PC 35) included a plan (Figure 10) showing the spatial extent of noise emissions from aircraft activity at Queenstown Airport. This figure is included in Appendix I. This plan shows that the entire plan change site is located within the 50 dBA.

Due to this close proximity of the plan change site to the Airport consideration needs to be given to the potential reverse sensitivity effects that could potentially be generated by this proposal. In respect to the mitigation proposed by the Applicant, as stated, it is noted that the level of acoustic insulation is consistent with the mitigation proposed in the 55dBA airnoise boundary under PC 35. The evidence presented by QAC through PC 35 stated that a new dwelling built under current Building Act regulations, located outside the 58dBA, would meet the 40Ldn internal noise level considered acceptable for a residential activity. Any new dwelling therefore outside this area would be able to achieve this level without any additional acoustic mitigation. It is therefore questioned whether this acoustic requirement is necessary and whether it would only impose unnecessary costs on future land owners who would be required to show certification from an acoustic expert in respect to internal noise levels. This is directly at odds with PC 35 and the associated evidence heard for this proposal.

However, further to the above, the Marshall Day Report states:

*“It needs to be understood that aircraft noise would be audible well beyond the Outer Control Boundary (55dBA) however the extent of noise effects resulting from lower levels of exposure are generally considered to be acceptable. As such, QAC has proposed that land use planning and airport noise controls commence at exposure levels of Ldn 55 db as recommended in NZ 6805”*

In identifying the 55 dBA noise contour at a point where noise controls commence, the Airport noise assessment for PC 35 determined that any effects outside this boundary are acceptable. Based on the Marshall Day noise assessment, while noise from aircraft will be audible outside the airnoise boundaries, the extent of the noise exposure would be such that only a very small percentage of those residents outside the boundaries would be annoyed. This is shown on the Bradley Curve, which has been produced as a result of international research into community response to aircraft noise. Between the 55dBA contour and the 50dBA contour, the percentage of the population sufficiently annoyed to complain about noise drops from 12% through to 4%.

The expert advice received through PC 35 confirms that noise levels within the plan change area will be at acceptable levels. There will, however, still be a portion of the residents within the zone that will be annoyed by aircraft activity. According to these figures above, this could range from approximately 73 to 220 people annoyed by aircraft noise within the plan change area. The existing covenant in Activity Areas 1, 1A and 2A may mitigate this

reverse sensitivity effect to an extent insofar as reducing the number of complaints but these covenants do not actually avoid, remedy or mitigate the primary effects – ie: nothing actually becomes quieter simply because a covenant exists, they might just avoid or mitigate the secondary effect of the ensuing complaints upon the emitting activity. It is accepted, however, that they are useful, in ensuring that prospective owners of the receiving sites would therefore have notice of the covenant and would be able to decide whether or not to buy on those terms.

As outlined above, reverse sensitivity effects can still occur even though the actual noise levels generated by the emitting activity are considered acceptable. As stated in the QAC submission the primary cause of reverse sensitivity effects in respect to aircraft activity in the Wakatipu Basin is the small general aviation aircraft movements. The plan change site will be particularly affected by this activity due to its locality in relation to the airport runway and the takeoff and landing area. While QAC can protect its interests by seeking covenants on all future land titles this does not actually address the potential adverse amenity effects within the plan change site, particularly external amenity values where no level of mitigation is available.

This is reflected in the views of the Commissioners in the recent decision not to allow night flights at Queenstown Airport on the basis that the amenity of the residential area of Frankton Arm would be adversely affected by night flights even though these areas were outside the relevant noise contours. Although 'no compliant' covenants are proposed in this plan change that does not remove the need to consider the amenity of people occupying these areas or constitute affected party approval that would enable the effects on them to be ignored. The creation of an additional residential area at this end of the runway would therefore act as a potential constraint on future airport activity.

It is for these reasons that it is considered that the establishing a community with a population of approximately 1800 people on the proposed site would generate reverse sensitivity effects between the residents and the airport. As a result, the submission points that oppose the development due to potential reverse sensitivity effects between the plan change site and the airport are accepted.

Reverse sensitivity effects between existing rural activities surrounding the site and the proposed plan change site has also been raised as an issue by K and R Lemarie Sicre, who are the owners of the Pet Lodge located opposite Howards Drive along SH 6. It is understood that their concern relates to the impacts an increase traffic volumes, as a result of further domestication, would have on their rural amenity particularly the increase in noise levels. The submission states:

*“The Pet Lodge is in a rural area which is necessary to provide a calm environment for the dogs and cats boarding. The facility has historically provided pet care services more than 30 years. Increased traffic at the junction of Howards Drive and increase foot traffic from residents living the subdivisions will make it impossible to keep the dogs calm and relaxed during their stay as they are stimulated by noise”*

It is accepted that reverse sensitivity effects could be generated between this activity and the increase in activity from the plan change site. It would be useful for the Hearings Panel if both the submitter and the Applicant elaborated on this issue further at the hearing.

### Recommendation

Accept the submission points that the development would generate reverse sensitivity effects between the airport, and the plan change site.

Accept in part the submission point that the development could generate reverse sensitivity effects between existing activity in the area and the plan change site.

### Reasons for the recommendation

Due to the scale of the proposed development in this rural environment and due to its location in close proximity to the Airport runway it is considered for the above reasons that the proposal would generate reverse sensitivity effects.

## Issue 10 – Extension to Plan Change

### Issue

Two submissions seek that the plan change site be extended to include their adjoining properties.

The submissions specifically state:

- *Seek that the area of the zone be extended by 12.6 ha*
- *Extend the area of the plan change to include Area A located to the south of the plan change site, as attached to the submission of K Wood.*

### Discussion

Submitters K Wood and the Jones Family Trust both seek that the plan change area be extended to include their properties which both adjoin the plan change site.

The Jones Family Trust own the land contained within Activity Area 1 in the south eastern portion of the plan change site. Their submission seeks that an extra 12.6 hectares, that adjoins this area along its eastern boundary, also be included in the plan change. This area is located above the river terrace within the plan change site. It is noted that the submission has failed to provide a detailed analysis around the effects of development in this area, particularly in respect to landscape effects.

K Wood also seeks that a part of his 7 hectare rural lot be included in the plan change area. It is noted that ORC further submitted on this submission stating that Activity Area A (as shown on the plan attached to this submission) is a terrace feature of the adjacent Shotover River. As such it is potentially subject to flooding, erosion and liquefaction and therefore requires site specific natural hazard investigation. As outlined in Issue 7 above, consideration has been given to the wider potential effects of flooding in respect to the plan change site. A geotechnical report was also lodged with the plan change application in respect to determining site stability. It is understood that the Applicant has commissioned a peer review of this assessment, particularly in respect to the potential for liquefaction on site, but this was yet to be received at time of writing this report. These reports, however, do not specifically consider the effects of development on this adjoining site.

The landscape peer review, summarised in Issue 5 of this report, discusses including for this site (Lot 7) in the plan change area on the basis its landscape values will be degraded to the extent it is likely to become an 'Other Rural Landscape' and therefore may be subject to pressure for consequential urban or peri-urban development with landscape impacts that have not been adequately considered or mitigated against (refer to paragraph 4.2.1.5 in Appendix E for detail). The assessment recommends that if the Hearings Panel were of the mind to approve the plan change, then this entire lot should be included in the plan change,

with the majority of it zoned for open space purposes (Activity Area 5B) and a small strip potentially zoned as Activity Area 1 or 1A.

For reasons discussed in Issue 1 and 10 above, however, it is considered that the proposed plan change does not represent sound resource management practice. As a result, it is recommended that the submissions, seeking that the plan change area be extended, are also rejected. However, if the Hearings Panel were of the mind to approve the plan change then further analysis in respect to these two sites would need to be undertaken to determine their suitability for any change of use prior to their inclusion in the plan change area.

### Recommendations

Reject the two submissions seeking that the plan change area be extended.

### Reasons for the recommendations

The submissions to extend the plan change site are rejected for reasons outlined above.

## Issue 11- Section 32 Analysis / District Plan Objectives and Policies

### Issue

A number of submitters considered that the Section 32 analysis was insufficient and the development did not meet the Objectives and Policies of the District Plan.

The specific submission points made by these submitters include the following:

- *Section 32 analysis is inadequate*
- *Section 32 does not adequately or fully assess the effects of PC41. Further there is no need for the plan change*
- *The proposed objectives and policies, rules and other provisions in PC41 are not the most appropriate means of achieving the purpose of the Act*
- *The proposal does not provide for the efficient use of the District's transportation network and is therefore inconsistent with Objective 7 of the District Plans District wide provisions*
- *Amend proposed zoning to provide for heavy industrial or campground zoning.*

### Discussion

While a number of submissions suggest the Section 32 analysis is inadequate they are generally not specific about the areas of inadequacy. These issues of inadequacy of information may be expanded upon through the hearing process and, as the section 32 process is considered to continue through the hearing, deliberation and even appeal process, there may be the opportunity for these shortcomings to be addressed.

Further information has been sought from the applicant on a number of issues including the appropriateness of the site for urbanisation compared to other areas in the district, further information regarding servicing, traffic and landscape effects and an assessment of alternative zoning options for the site. All these issues have been discussed in more detail by the Applicant, and now forms part of the plan change application. This has included the Applicant amending the plan provisions in response to many of the issues raised in the submissions such as the changes sought by QAC regarding airport provisions and the provisions safeguarding the ongoing operation of the Transmission lines, for example. It is

considered, however, that the plan change application is still lacking any detailed analysis around growth management and efficiency of resources. Furthermore, it fails to address the fundamental issues of this plan change such as the need for the additional residential units at this time, and the impact of the plan change in terms of growth management or on existing zoned areas.

The submission by Mr George Wilson sought that the Section 32 analysis considered alternative zoning options for the site in the lower river flats (Activity Area 1A) such as a heavy industrial or campground zoning. It is noted that the ORC subsequently opposed this submission due to the lack of consultation regarding this issue and the susceptibility of the site to flooding, erosion and liquefaction (it is noted that in response to a further information request the Applicant provided a brief analysis in respect to this alternative zoning issue which is now included in the plan change application). However, due to the flooding risk on this lower terrace, it is recommended that development in this area be avoided altogether.

### Recommendations

Accept in part the submission point that the Section 32 assessment is inadequate. It is anticipated, however, that the Applicant will provide further information regarding the above issues at the hearing.

Reject the submission point of Mr Wilson to provide for an alternative zoning in the lower terrace area.

### Reasons for the recommendations

While the Section 32 analysis is considered inadequate in a number of areas at present, it is anticipated that further information in respect to any outstanding issues raised in this report will be addressed at the hearing.

Furthermore, the submission by Mr Wilson is rejected for reasons outlined above.

## Issue 12 - RMA

### Issue

A number of submissions indicated that the plan change was contrary to the purpose and principles of the RMA or sound resource management practice.

The specific submission points made by these submitters include the following:

- *Is contrary to the purpose of the RMA as set out in Section 5 and contravenes the principles set out in Section 6 and 7*
- *PC 41 does not represent sound resource management practice.*
- *The objectives and policies fail to achieve the purpose and principals of the Act*
- *More efficient use of natural and physical resources when compared to rural lifestyle blocks*
- *QLDC supports the plan change if it can demonstrate that it meets Part II of the Act specifically in respect to the appropriateness of the site for urbanisation, whether the proposed zoning is an efficient use of the site, timing of the development and whether there is an existing demand for more residential zoning in the district*

### Discussion

In assessing the merits of the plan change consideration must be given to Part II of the RMA which establishes the purpose and principles of the Act, being to promote the sustainable management of natural and physical resources. Sustainable management means enabling communities to provide for their social and economic wellbeing while also avoiding, remedying and mitigating any adverse effects on the environment.

In determining whether the outcomes promoted by the plan change best serve the purpose and principles of the Act sections 6, 7 and 8 help inform consideration of section 5.

Section 5(2) of the Act defines sustainable management identifying two key components to sustainable management – one enabling and one regulatory. The definition of sustainable management enables communities to use, develop and protect natural and physical resources to provide for their wellbeing. However the use of these resources can only be undertaken if the regulatory component is satisfied, requiring the potential of resources to be sustained, the life supporting capacity to be safeguarded and adverse effects on the environment to be avoided, remedied or mitigated.

For reasons outlined above, undertaking an assessment under Part II, consideration first needs to be given to sections 6-8 as these elements will contribute to an integrated assessment under Section 5(2).

Section 6 of the RMA relates to matters of national importance. No issues have been raised in respect of section 6 matters.

The proposal is considered to be contrary to Part II of the Act as it does not ensure the sustainable management of this land resource. Section 7 of the RMA requires particular regard to be given to the following relevant matters:

- (b) *the efficient use and development of natural and physical resources:*
- (c) *the maintenance and enhancement of amenity values:*
- (f) *maintenance and enhancement of the quality of the environment:*
- (g) *any finite characteristics of natural and physical resources:*

As outlined above, it is considered that the proposed plan change would not result in an efficient use of land nor would it enhance amenity values or the quality of the environment. Efficiency can be measured in a number of ways. If the measure is the maximum number of houses on a given area then, an argument that the greater the density, the greater the efficiency, is sound. However, if the efficiency is based on reducing the adverse effects of traffic generation, a low density may be more efficient. Efficiency has also been discussed in relation to submissions under Issue 1: Growth Management, Issue 4: Access and Traffic Effects and Issue 8: Urban Design. The general conclusion of these discussions is that the proposed plan change does not represent an efficient use and development of natural and physical resources, and land in particular. Given the existing supply of residential land, creating significant additional capacity for residential development at this time would disperse development further, decreasing the efficiency of transportation and infrastructure networks and increasing associated costs. Further oversupply of residential zoning increases the potential that there will be a zoning mismatch with residential needs at a later date.

As outlined above in Issue 1 above, it is considered that expanding urban development across the Shotover River into the Wakatipu Basin would not be consistent with those matters outlined in Section 7 above. The development would result in urban sprawl into the Basin and would not enhance the amenity or quality of the Queenstown environment. It would also compromise the Shotover River as potentially being the natural and obvious urban boundary for Queenstown. Furthermore, there is currently no demand for any

additional urban zoning in the district with sufficient capacity to enable further growth for an additional 20 years. With a 10 year District Plan lifespan it is considered that any additional rezoning for residential land should be considered at this later date, if and when it is needed. This would ensure a more efficient use of this land resource.

The plan change does not create a settlement that connects well with existing development in the Wakatipu basin in terms of enhances walkability or reducing vehicle trips. Further the plan change lacks any evidence that this development would be able to effectively support commercial activity and it is considered questionable whether the provisions intended to provide community and commercial activities within the Plan Change area and for LHE are robust enough to provide any certainty that these would be established. Consequently it is considered that the proposal is inefficient in terms of its interrelationships with other urban areas at a macro sense and is also inefficient in terms of its internal design.

In regards to amenity values and the quality of the environment a number of submission points raised consider that the plan change would not meet the second regulatory component of Part II, which includes avoiding, remedying or mitigating any adverse effects on the environment. These submitters consider that the plan change would generate adverse effects on amenity values and the quality of this environment or reverse sensitivity effects between the proposed plan change site, the airport or surrounding rural environment. These issues are discussed under Issue 2: Amenity Values or Issue 9: Reverse Sensitivity Effects. Conversely a number of submitters have indicated that the proposed plan change area would be consistent with the enabling objective of Part II and have positive effects in creating an area of pleasant amenity for residential purposes.

Preventing the establishment of noise sensitive activities in non-urban environments such as the Rural General zone, around airports is generally considered appropriate to avoid a potential increase in reverse sensitivity issues. It is considered that the plan change site does not support any specific characteristics, which set it apart from other parts of the Rural General zone, which would in turn outweigh the potential adverse reverse sensitivity effects. Furthermore, the scale of the plan change would result in potentially 70- 250 future residents within this area affected by aircraft noise. While it is recognised that the Applicant has proposed no complaint covenants on some of the future land titles this would, however, only reduce the ensuing complaints as opposed to the effect itself.

Regarding the finite characteristics of natural and physical resources, land has been identified as a resource which needs to be sustainably managed in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural wellbeing while sustaining the potential of this resource to meet the reasonably foreseeable needs of future generations. This has been discussed at length in relation to Issue 1: Growth Management. The proposed plan change represents an unnecessary oversupply of residential zoned land that works contrary to both sound resource management and Council's policies intended to ensure this resource can be sustainably managed to meet the needs of both current and future generations.

Section 8 requires that all persons exercising functions and powers under the RMA (1991) shall take into account the principles of the Treaty of Waitangi. No Treaty of Waitangi issues have been raised in submissions on this plan change.

It is considered that the plan change does not represent sustainable management. In enabling the sustainable management of natural and physical resources Section 5 of the RMA also requires this to be achieved 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.*

Regarding sustaining the potential of natural and physical resources to meet the needs of future generations this has been discussed in Issue 1: Growth Management and under Section 7 above regarding the finite nature of resources.

This clause focuses on the intrinsic and life supporting values of air, water, soil, and ecosystems. Regarding these matters it is considered that the plan change does not raise any insurmountable issues, though it is noted that although submissions have been received in relation to air pollution. As a positive effect the plan change would also protect the wetland area by the Shotover River.

Regarding avoiding, remedying or mitigating the effects of activities on the environment, these matters are predominantly discussed in Issues 2, 4, 5, 7, 9 and 13 of this report. While the proposal is able to avoid, remedy or mitigate a number of areas of concern identified by submitters, key concerns remain regarding landscape effects, natural hazards and reverse sensitivity which have not been addressed.

In concluding an integrated assessment under Part II of the RMA, the assessment matters of sections 6-8 contribute to consideration of Section 5(2). It is considered for the reasons identified above and as stated elsewhere in this report that the proposed plan change fails to promote the sustainable management, use, development and protection of the natural and physical resources of the district in a way or at a rate that will enable the community to provide for its wellbeing. In particular, as outlined in discussions on Issue 1, it is considered that the plan change does not represent sustainable management. As a result it is therefore considered that the development is inconsistent with the purpose and principals of the Act.

### Recommendations

Accept the submission points that the plan change does not meet Part II of the RMA.

### Reasons for the recommendations

For reasons outlined above, the proposed plan change is considered inconsistent with Part II of the Act.

### Issue 13 - Heritage

#### Issue

The submission from NZHPT supported the plan change and proposal to protect Hicks Cottage but sought several changes to the proposed provisions.

The specific submission points made by these submitters include the following;

- *NZHPT supports the protection of Hicks Cottage and the creation of Activity Area 4 as a heritage precinct*

### Discussion

The NZHPT lodged a submission on the plan change in support of the creation of Activity Area 4 as a heritage precinct. Hicks Cottage is located within this proposed Activity Area and is not currently listed under the District Plan as a protected heritage item. Established

in the 1860s, it is, therefore, yet to be recognised as a significant item relating to early settlement in the area. Through this plan change it would be listed as a protected feature and any alteration or addition to the building would require Restricted Discretionary resource consent with consideration given to the scale of any development, and whether it is sympathetic or complementary to Hicks Cottage.

The Applicant has amended the above provisions to reflect the changes to the plan provisions as sought by NZHPT.

#### Recommendation

Accept the submission by NZHPT to provide for the ongoing protection of Hicks Cottage through appropriate plan provisions.

#### Reason for recommendation

Adequate protection needs to be provided within the plan provisions to ensure that Hicks Cottage is protected in perpetuity.

**APPENDIX A**

**PLAN CHANGE PROVISIONS**

## **APPENDIX B**

### **SUMMARY OF ORIGINAL AND FURTHER SUBMISSIONS**

## **APPENDIX C**

### **QLDC URBAN DESIGN ASSESSMENT**

**APPENDIX D**  
**QLDC TRANSPORTATION ASSESSMENT**

**APPENDIX E**  
**QLDC ENGINEERING ASSESSMENT**

**APPENDIX F**  
**LAKES ENVIRONMENTAL LANDSCAPE ASSESSMENT**

**APPENDIX G**

**GMS AGENDA ITEM**

**APPENDIX H**

**EXISTING CONSENTED DEVELOPMENT**

## **APPENDIX I**

### **FIGURE 10 INDICATIVE AIRPORT NOISE EMISSIONS**