

**BEFORE THE QUEENSTOWN-LAKES DISTRICT COUNCIL PROPOSED
DISTRICT PLAN HEARINGS PANEL**

IN THE MATTER OF

the Resource Management Act 1991

AND

the Proposed District Plan

AND

Hearing Stream 13 – Queenstown Mapping Annotations and Rezoning Requests (Group 1C Queenstown Urban – Central, West and Arthurs Point)

Statement of evidence of Timothy Carr Walsh on behalf of P J & G H Hensman and Southern Lakes Holdings Limited

Date: 9 June 2017

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Introduction

1. My name is Timothy Carr Walsh. I am a self-employed resource management planner. I own a planning consultancy called Perspective Consulting which is sub-contracted to Southern Planning Group for this matter.
2. I hold a Bachelor of Science (Honours) degree and a Master of Science degree from the University of Canterbury. I am also an Associate member of the New Zealand Planning Institute.
3. I have approximately 12 years of experience as a resource management planner, working in local and central government, and as a consultant. I have been the director for Perspective Consulting for 6 weeks. A summary of my qualifications and past experience is in Appendix **TCW1**.
4. Relevant to this matter, I have experience in processing resource consent applications including preparing section 42A reports and attending resource consent hearings for district councils including Queenstown-Lakes District Council. As a consultant planner I have experience in evaluating development projects, preparing resource consent applications and presenting evidence at council resource consent and plan change hearings and the Environment Court.
5. Also relevant to this matter is the experience I gained while employed as a senior advisor at the Canterbury Earthquake Recovery Authority. There I led the development of A Liveable City, the residential chapter of the Christchurch Central Recovery Plan. I was responsible for instructing and coordinating a team of experts (including planners) to develop a draft residential chapter and associated advice for the Minister for Canterbury Earthquake Recovery's consideration. The chapter, as gazetted, includes the Central City Residential Zone which was inserted into the Christchurch City Plan (now the Christchurch District Plan).

6. I have been asked by P J and G H Hensman and Southern Lakes Holdings Limited ('**Hensman & Southern Lakes**') to provide evidence in relation to its submission on the Queenstown-Lakes District Council's Proposed District Plan ('**Proposed Plan**').

Code of Conduct

7. I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014. I have complied with it in preparing this evidence and I agree to comply with it in presenting evidence at this hearing. The evidence that I give is within my area of expertise except where I state that my evidence is given in reliance on another person's evidence. I have considered all material facts that are known to me that might alter or detract from the opinions that I express in this evidence.

Scope

8. I have been asked to provide evidence as to whether the zoning for Lot 13 DP 27397 and Lot 10 DP 300507 ('**the site**') in the Proposed Plan is the most appropriate to achieve the purpose of the Resource Management Act 1991 ('**the Act**'). Where I consider that alternative zoning could better achieve the Purpose of the Act I have been asked to propose amendments.
9. The Hensman & Southern Lakes submission seeks relief relating to the operative visitor accommodation sub-zone which applies to part of the site. Given the staged nature of the Proposed Plan hearings, this evidence does not address matters relating to visitor accommodation which I understand will be notified in the second stage of the District Plan review. This evidence may need to be followed by a complementary statement to address visitor accommodation matters.
10. The structure of my evidence for this hearing is set out as follows:
 - a. A description of the site and immediate surrounds;

- b. A summary of the Hensman & Southern Lakes submission;
- c. The Council response to the submission;
- d. The proposed zoning and Council's approach to higher density residential zoning,
- e. The rezoning request;
- f. Proposed amendments; and
- g. Alignment with higher order planning instruments and objectives.

11. Key documents I have used in preparing my evidence include:

- a. the National Policy Statement on Urban Development Capacity ('**NPS-UDC**');
- b. the Otago Regional Policy Statement ('**RPS**');
- c. the decisions version of the Proposed Otago Regional Policy Statement ('**Proposed RPS**');
- d. the Strategic Directions, Urban Development, Landscape, and Low, Medium and High Density Residential chapters of the Proposed Plan;
- e. the relevant section 32 evaluation reports and section 42A reports for the abovementioned chapters (including the revised provisions for the various chapters);
- f. the Queenstown Mapping Strategic and Group 1C section 42A reports prepared by Ms Kimberly Banks and Ms Rosalind Devlin respectively;
- g. the evidence for Council for the Queenstown Mapping hearing of Mr Ulrich Glasner (Infrastructure) and Ms Wendy Banks (Transport);

- h. the evidence for Council for the Residential hearing of Garth Falconer (Urban Design) and Philip Osborne (Economics); and
 - i. the Hensman & Southern Lakes submission.
- 12. In addition to the statutory documents listed above, my evidence also considers the proposed amendments in accordance with the requirements of section 32 the Act.

Executive Summary

- 13. The submitter seeks the rezoning of an 8.14 hectare property located on Queenstown Hill from Low Density Residential to High Density Residential.
- 14. Roughly half the property is subject to a visitor accommodation overlay in the Operative District Plan which was carried over into the Proposed District Plan but subsequently removed when Council decided to address visitor accommodation aspects in Stage 2 of the review.
- 15. The original submission sought rezoning of the part of the property not subject to the current visitor accommodation overlay. Because it has been removed, the rezoning request now extends over the entire property.
- 16. In my view, the proposed High Density Residential zoning will generate many potential benefits, not least a material increase in the Queenstown housing stock in close proximity to the town centre. I consider the benefits of the proposed rezoning would outweigh the costs which include a potential reduction in residential amenity of immediately adjoining neighbours and an increase of vehicle traffic on the road network.
- 17. While the site may not be perfectly located for High Density Residential zoning, I consider that the location is appropriate and promotes the efficient use of existing infrastructure.

The Site and Surrounds

18. The site which is the subject of this evidence is legally described as Lot 13 DP 27397 & Lot 10 DP 300507 jointly held in Certificate of Title 2701. It measures 8.1416 hectares in area and has road frontage to Edinburgh Drive/Hensman Road along its southern boundary and also has access from Winsor Place.
19. From its southern boundary the site slopes up in a northerly direction beginning with a steep rocky escarpment on the uphill side of Edinburgh Drive/Hensman Road. The slope then becomes comparatively more gradual towards the northern boundary.
20. The site shares its west boundary with residential neighbours at 5a, 5b and 8 London Lane, 12 and 12a Winsor Place, 2a-d Vancouver Drive and an undeveloped residential zoned property legally described as Pt Lot 1 DP 21763. To the north of the site is an Aurora electricity substation, forestry and a reservoir. The site shares its southeast boundary with residential neighbours from 71 to 103 Hensman Road (odd numbers).
21. Under the Operative District Plan the site is zoned Low Density Residential and is partially covered by a Visitor Accommodation Sub-Zone overlay (see Figure 1 over the page). Most of the surrounding urban land is also zoned Low Density Residential except for an area of High Density Residential (Sub-Zone C) Zone located to the northwest and west of the site which includes a large undeveloped property adjoining the site higher up on Queenstown Hill. The site also shares part of its northern boundary with rural zoned land.

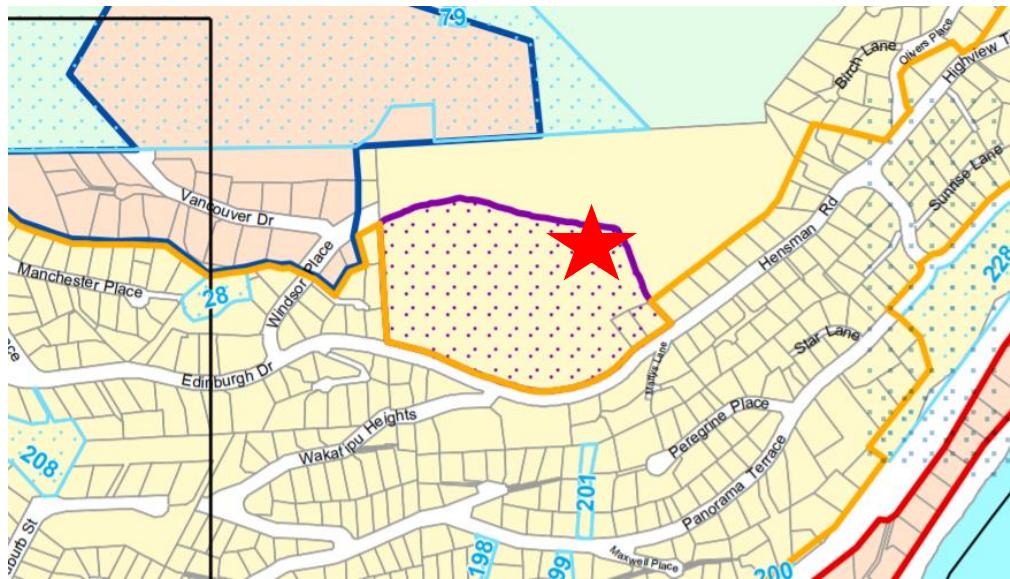


Figure 1 - Extract from Planning Map 37 of the Operative District Plan. The site is marked with a red star and includes the land both within the purple dotted area (the visitor accommodation overlay) and outside it.

The Hensman and Southern Lakes Submission

22. The submission was made prior to Council withdrawing visitor accommodation elements of the Proposed Plan from Stage 1 of the plan review and deferring it to Stage 2. Also, the submission covered several aspects which are not relevant to this hearing. Notwithstanding, I consider it is useful to briefly summarise the submission for contextual purposes.
- The submitter supported Council's original proposal to retain a visitor accommodation overlay over part of the site but was concerned that the Stage 1 version of the Proposed Plan did not contain any provisions associated with the overlay;
 - The submitter opposes the proposal to make subdivision a discretionary activity rather than controlled;
 - The submitter supports recession planes only applying to flat sites; and

- d. The submitter requested the part of the site outside the visitor accommodation overlay to be rezoned High Density Residential (which is the subject of this hearing).

Council Response to the Submission

23. Council's response to the submission is provided in the Queenstown Mapping section 42A report for Group 1C. The recommendation is to reject the submission as it relates to the proposed rezoning to High Density Residential (the only part of the submission relevant to this hearing) on the basis that the:

The additional building height and development capacity sought would result in an inappropriate 'spot zone' and would result in adverse effects in regard to character, residential amenities and dominance, and transport infrastructure¹

24. The author of the section 42A report, Ms Devlin, also raises concerns in respect of the potential impact of high density residential development on the adjacent Outstanding Natural Landscape ('ONL') to the north of the site. Landscape evidence has not been brought by Council in respect of this submission.
25. The section 42A report notes that the High Density Residential ('HDR') zoning is not opposed from an infrastructure or ecological perspective.

Zoning

26. The zoning of the site in the Proposed Plan is Low Density Residential ('LDR') which carries over from the zoning in the Operative District Plan ('Operative Plan'). Figure 2 below shows the proposed zoning of the site and surrounding land.

¹ Overall recommendation summary at page 51 of the s42 report.

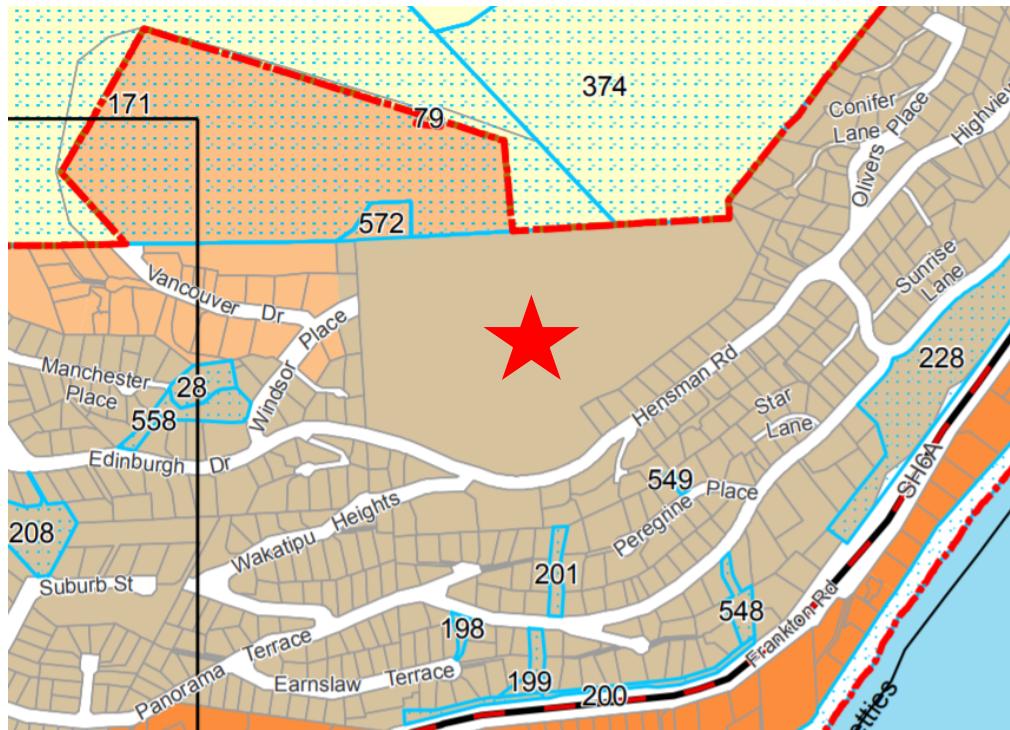


Figure 2 - Extract from Planning Map 37 of the Proposed District Plan. The site is marked with a red star.

27. As set out in previous evidence I prepared on behalf of Pounamu Apartments Body Corporate for the Strategic Directions and High Density Residential chapters, I support Council's proposed approach to the higher density residential zoning which rationalises Sub-Zones A & B of the HDR Zone in the Operative Plan into a single HDR Zone and replaces the current HDR Sub-Zone C zone with the proposed MDR Zone. However, as set out in my previous evidence, I question the approach of confirming the existing extent of HDR zoning in the District given the accommodation shortage issues affecting Queenstown (as discussed in the HDR section 32 report and evidence of Mr Osborne). The options analysis contained in the section 32 report considers the following three options:

- a. Status quo;
- b. Largely retain the existing HDR Zone boundaries but relax the development controls, and streamline and consolidate the provisions; and

- c. Comprehensive review of zoning over a wider area, with potential expansion of zones and higher building in specific areas.
28. In my view, it appears that the comprehensive review option has not been given due consideration, particularly given the accommodation pressures the district is stated to be experiencing. Further, I consider there are other potentially reasonable options that have not been investigated, including rezoning discrete areas of currently LDR zoned land in close proximity to the town centre of Queenstown, and potentially in the Frankton area, to HDR. I consider that this approach finds support from the section 32 report for the HDR chapter (particularly the dwelling capacity commentary at pages 10 and 11), and in Mr Osborne's evidence for the HDR chapter.
29. If Council were to augment its approach to HDR zoning, it may find that the subject site is suitable for such zoning. The following section considers the costs and benefits of the Hensman and Southern Lakes rezoning request. I note that some of the text below repeats relevant parts of my previous evidence Strategic Directions and High Density Residential chapters.

The Rezoning Request

30. When compared to the requested HDR zoning, I understand that Ms Devlin considers that LDR zoning will better maintain the character of the surrounding neighbourhood and generate lesser impacts on transport infrastructure. Ms Devlin also says that no analysis has been undertaken as to the effect of the requested zoning on the adjacent rural land categorised ONL. These matters are addressed in the following section after I set out the benefits of higher density neighbourhoods and discuss the comparative development capacity of the site under different zoning scenarios.

Benefits of higher density neighbourhoods

31. The section 32 evaluation for the Urban Development chapter sets out some of the benefits that achieving a compact urban form can deliver. I generally agree with the identified benefits and acknowledge the community's desire to contain urban growth and support increased density in appropriate locations.
32. I agree with the general acceptance that the most appropriate locations for increased residential densities are around primary commercial nodes. On this basis, I consider it appropriate to encourage and provide for higher density neighbourhoods in close proximity (i.e. within walking, easy cycling distance) of the Queenstown town centre.
33. High-quality residential intensification in these locations, including the subject site, will:
 - a. help to underpin the economic viability of the town centre by providing workers and customers for businesses, and to maintain the Queenstown town centre as the primary node of commerce in the district;
 - b. help to attract and retain productive and creative workers who seek out an urban lifestyle;
 - c. increase the agglomeration and productivity advantages of central Queenstown by helping to build and retain human capital;
 - d. leverage the Council's existing investment in high-quality infrastructure, facilities and amenities within and immediately surrounding the town centre;
 - e. utilise existing physical and social infrastructure in a manner that provides for an efficient urban form;
 - f. create or expand networks and neighbourhoods that will cater to people who prefer an urban lifestyle;

- g. provide greater housing choice within the district (which can help improve affordability);
 - h. minimise motorised travel demand; and
 - i. provide the residential base to support more effective public transport.
- 34. The section 32 evaluation for the Strategic Directions chapter acknowledges that an urban growth management approach dominated by urban intensification to protect the rural environment can negatively impact established neighbourhood character. I agree and also consider that badly designed high density neighbourhoods can:
 - a. increase real and perceived safety concerns;
 - b. contribute to increased crime rates;
 - c. increase management and maintenance costs;
 - d. degrade the amenity experienced by residents of the area;
 - e. weaken the investment potential of an area; and
 - f. generally affect the desirability of an area to live and visit.
- 35. As the desirability of higher density neighbourhoods diminish, so do the benefits that these areas yield. For this reason, it is critical to ensure higher density neighbourhoods are attractive living environments for existing and future residents. Success is dependent on striking the right balance between achieving higher densities and maintaining or improving the quality of the living environment while recognising and respecting local character. The Strategic Directions section 32 evaluation recognises this, emphasising that change needs to be carefully managed.
- 36. I have previously expressed some reservations that the balance between intensification and amenity protection is not expressed as well as it ought to be in the Strategic Directions and HDR chapters and

suggested some amendments. The amendments are aimed at maximising the potential benefits of higher density residential development by improving urban design quality and ensuring appropriate protection of amenity values, and also to ensure that the relevant provisions give effect to the purpose of the Act.

Development Capacity

37. In the section 42A report for Group 1C, Ms Devlin has estimated theoretical development capacity of the portion of the site outside the current visitor accommodation overlay for LDR zoning based on the proposed minimum allotment size for LDR ($450m^2$), and HDR based on an assumed site density of one unit per $115m^2$ of site area. Considering the whole 8.14 hectare site using the same approach, the site would yield 180 residential allotments under the proposed LDR zoning and 708 allotments for HDR. I also note that Medium Density Residential ('MDR') zoning would yield approximately 326 residential allotments based on the proposed minimum allotment size ($250m^2$).
38. The comparison demonstrates that HDR zoning would yield 528 more allotments/residential units than LDR. If every residential unit accommodated 2.6 occupants², HDR zoning of the site would accommodate 1,838 people, or 1,370 more people than LDR zoning which would accommodate 468 people. The number of additional people accommodated by HDR zoning represents almost five percent of the total population of the Queenstown-Lakes District³. MDR zoning would accommodate 848 people.
39. As discussed in the s32 report for the HDR chapter, the realistic development capacity is usually much lower than theoretical capacity in respect of brownfield intensification. Conversely, realistic development capacity for greenfield development sites is usually

² Average household occupancy for the Queenstown-Lakes District according to the 2013 Census.

³ Based on the 2013 Census population statistics

significantly closer to the theoretical capacity. Given the lack of greenfield development sites in close proximity to Queenstown town centre, I consider there may be significant strategic benefit in zoning the subject site HDR. In combination with the large undeveloped MDR zoned property adjoining the site to the northwest, there is an opportunity to materially increase the Queenstown housing stock.

Neighbourhood character and amenity

40. Given the built environment development standards have a significant influence on the character and amenity of residential neighbourhoods, I have compared the differences between the requested HDR Zone and the proposed LDR Zone.
41. The LDR provision of the Proposed Plan provide for residential units at a density of one per 450m² as a permitted activity subject to the key standards outlined in Table 1 below. The HDR provisions of the Proposed Plan provide for three or less residential units per site without any restriction on site density as a permitted activity subject to the key standards outlined in Table 1.

Table 1 - Comparison of key LDR and HDR standards

Standard	LDR Zone	HRD Zone
Road setback	4.5 metres	2 metres
Internal setbacks	2 metres	2 metres
Residential unit separation internal	4 metres	N/A
Continuous building length	16 metres	30 metres at ground level
Building coverage	40%	70%
Landscaping	30%	20%
Building height (sloping sites)	7 metres	7 metres

42. I note that recession planes do not apply in either zone in relation to sloping sites.
43. In the HDR Zone, resource consent is required for four or more residential units on a site with Council's discretion restricted mainly to urban design considerations. Further, buildings up to 10 metres high are provided for as a restricted discretionary activity with Council's discretion limited to several matters including the adverse effects on the amenity of neighbours.
44. Clearly the HDR Zone provides for more intensive residential development – owing mostly to a greater building coverage allowance and no minimum site density. If the site was zoned HDR and developed for residential purposes, the existing LDR neighbours could expect significantly more people living in the neighbourhood and those people would potentially be housed in larger buildings (but not necessarily higher buildings).
45. The difference in the intensity of anticipated development would not be as pronounced for those neighbours that currently share a boundary with the visitor accommodation overlay in the Operative Plan – which equates to slightly less than half the site. This sub-zone provides for visitor accommodation as a controlled activity in respect of the matters listed below and the bulk and location standards for the operative LDR Zone.
 - a. The location, external appearance and design of buildings;
 - b. The location, nature and scale of activities on site;
 - c. The location of parking and buses and access;
 - d. Noise, and
 - e. Hours of operation.
46. The current visitor accommodation overlay provides for more intensive development than the underlying zone (particularly given visitor

accommodation activities are not subject to site density limitations), although this development is not as intensive as that anticipated under the requested HDR Zone in respect of bulk and location of buildings.

47. I understand that there are no further submissions that oppose the rezoning relief sought in the Hensman and Southern Lakes submission. This may be due to the location of the site behind and uphill of most of the surrounding LDR zoned land which reduces the direct impacts on the majority of the surrounding LDR neighbours.
48. Nevertheless, the rezoning would enable development that would directly impact the amenity of immediately adjoining LDR zoned neighbours. While the level of amenity would be potentially lower than if the site retained LDR zoning, I consider the neighbours would continue to enjoy a high level of residential amenity.
49. If there is a concern about the potential reduction in amenity, a 4.5 metre building setback from the HDR zone boundary could be imposed (where the boundary is common with LDR zoned properties and not separated by a road).
50. At a neighbourhood scale, I consider that development within the site is likely to be of a more intensive character compared to the surrounding LDR zoned land, but it will not be significantly out of character and will be similar to the character of the development provided for by the adjoining MDR Zone.

Transport

51. Relying on the evidence of Ms Wendy Banks, Ms Devlin concludes that the requested zoning is not appropriate from a transport perspective because it is not a readily walkable distance to the town centre and there is no public transport provision meaning future residents would be dependent on motor vehicle transport.
52. While I agree that the subject site is not within an easy walking distance of the town centre, I consider the distance is walkable for most people.

For a time I lived at 31 Edinburgh Drive on Queenstown Hill and walked to work in town every day. Walking at a casual pace, the journey home took 12-13 minutes and I estimate the site is another five-minute walk uphill. Based on this, I estimate that most people would be able to walk from town to the site in approximately 18-25 minutes.

53. Further, while the site is not currently served by public transport, a service operating a smaller style bus may be viable in the future when the population density warrants. If the site and the large undeveloped MDR zoned site to the northwest were developed to capacity, there would be a relatively large and concentrated population living at the top of Queenstown Hill.

Landscape

54. The site is located at the interface between urban and ONL categorised rural land. The current and proposed LDR zoning provides for residential development up to the rural boundary as would HDR zoning. The only difference between the two zones is the intensity of development they provide for. I consider that HDR development on the site would not have an appreciably different effect on the adjacent ONL than would the proposed LDR zoning. Further, there are several other existing HDR/ONL interfaces on the hills surrounding Queenstown Bay (including on Queenstown Hill).
55. Given the large size of the site and its proximity immediately to the east/southeast of a band of MDR zoned land, I consider HDR development would not appear anomalous in the wider landscape and would not appear as a spot zone.

Proposed Amendments

56. Based on the analysis above, I consider it appropriate to rezone the site HDR, or MDR in the alternative. To protect the amenity of the existing LDR neighbours of the site, it may be appropriate to impose a 4.5 metre building setback from the zone boundary between LDR and HDR where there is no road to provide separation.

Alignment with Higher Order Planning Instruments and Objectives

National Policy Statement on Urban Development Capacity

57. The NPS-UDC seeks to enable urban environments to develop and change, and ensure that sufficient development capacity is provided to meet demand now and into the future. It is of particular relevance to Queenstown given it listed as one of five high growth areas.
58. The NPS-UDC contains objectives and policies grouped under the following categories: Outcomes of decision-making; Evidence and monitoring to support planning decisions; Responsive planning; and Coordinated evidence and decision-making.
59. I consider the rezoning request gives effect to the relevant objectives and policies of the NPS-UDC, particularly those relating to responsive planning.
60. Relevant to the NPS-UDC, I note that Council is currently updating its development capacity model in relation to Queenstown zones. It has signalled that a supplementary statement of evidence in respect of the update will be filed on 16 June 2017.

The Operative and Proposed Regional Policy Statements

61. The strategic overview section 42A report for the Queenstown Mapping hearing helpfully sets out the relevant RPS and Proposed RPS objectives and policies⁴.
62. I consider the rezoning request gives effects to RPS and accords with the Proposed RPS (of which many provisions have been appealed).

⁴ See pages 39-42

Strategic Directions and Urban Growth objectives

63. The site is located in close proximity to the town centre, is within the urban growth boundary, can be serviced with existing infrastructure, and will have minimal impacts in terms of neighbourhood character and amenity. For these reasons, I consider the proposed rezoning is consistent with the higher-level objectives contained in the Strategic Directions and Urban Growth chapters of the Proposed Plan.

Question of Scope

64. The original submission did not seek HDR zoning be applied to the area of the site currently subject to the visitor accommodation overlay. Had the submitter known at the time of making the submission that Council would set aside visitor accommodation aspects of the Proposed Plan to be addressed in Stage 2 of the review, they would have sought HDR zoning over the entire site.
65. At the submitters request, this evidence considers the merits of rezoning the entire 8.14 hectare site HDR. While the proposed amendment differs from the original submission, I consider the amended rezoning request does not disadvantage any person who may otherwise have made a further submission on this matter. The area of the site subject to the operative visitor accommodation overlay currently provides for a similar level of development than provided for by the proposed HDR Zone.

Conclusion

66. I consider that the benefits of the proposed amendments include providing the opportunity for a material increase in the Queenstown housing stock, and all the benefits that come from well-designed higher density residential neighbourhoods. In my view, these benefits would outweigh the costs which may include reduced residential amenity of immediately adjoining neighbours and increased vehicle movements on the road network. While the site may not be perfectly located for

HDR zoning, I consider that the location is appropriate and promotes the efficient use of existing infrastructure provision.

67. I consider the proposed HDR zoning gives effect to the NPS-UDC and RPS, and is consistent the Proposed RPS and the higher order policy framework of the Proposed Plan.
68. For the reasons set out in this evidence, which considers the proposed amendments in accordance with the requirements of section 32 of the Act, I am of the opinion that the proposed HDR zoning is the most appropriate way to achieve the purpose of the Act.



Timothy Carr Walsh

9 June 2017