

QUEENSTOWN LAKES DISTRICT COUNCIL

Hearing of Submissions on Proposed District Plan

Report 17-2

Report and Recommendations of Independent Commissioners Regarding
Mapping of Central Queenstown

Commissioners

Denis Nugent (Chair)

Jan Crawford

David Mountfort

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PART A: FIRESTONE INVESTMENTS LTD; ALPS INVESTMENTS LTD

Submitter Firestone Investments Ltd (Submission 722); Alps Investments Ltd (Submission 410)

Further Submissions

None

1. PRELIMINARY MATTERS

1.1. Subject of Submissions

1. Submission 722 related to a vacant site adjacent to the Pounamu Apartments on Frankton Road as shown in Figure 2-1 (Lot 5 DP 351561). Submission 410 related to the block bounded by SH6A, Sydney Street and Frankton Road. The submitter owns a vacant site on the corner of Frankton Road and SH6A as shown in Figure 2-2 (Secs 2 Pt 1 Blk XXXVII). Both properties are located within Queenstown Central.

1.2. Outline of Relief Sought

2. The submissions sought retention of the notified HDRZ.

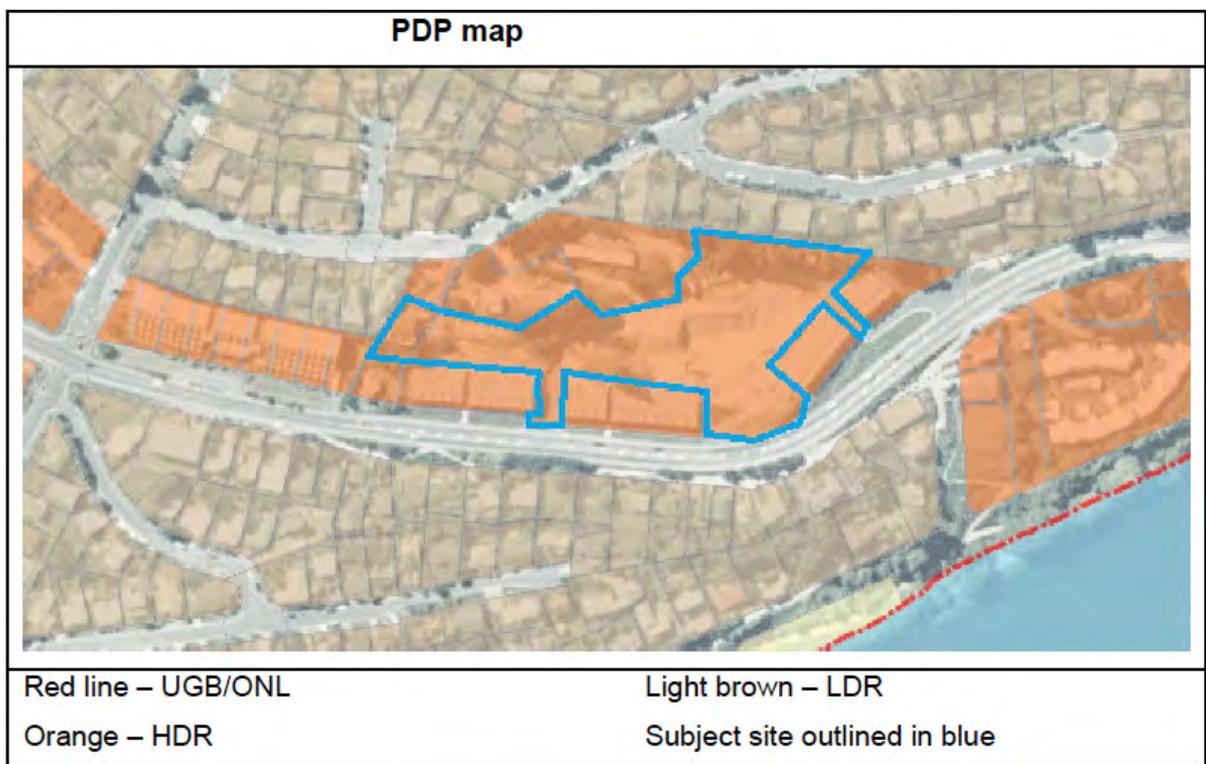


Figure 2-1 – Zoning map of property owned by Submitter 722 outlined in blue

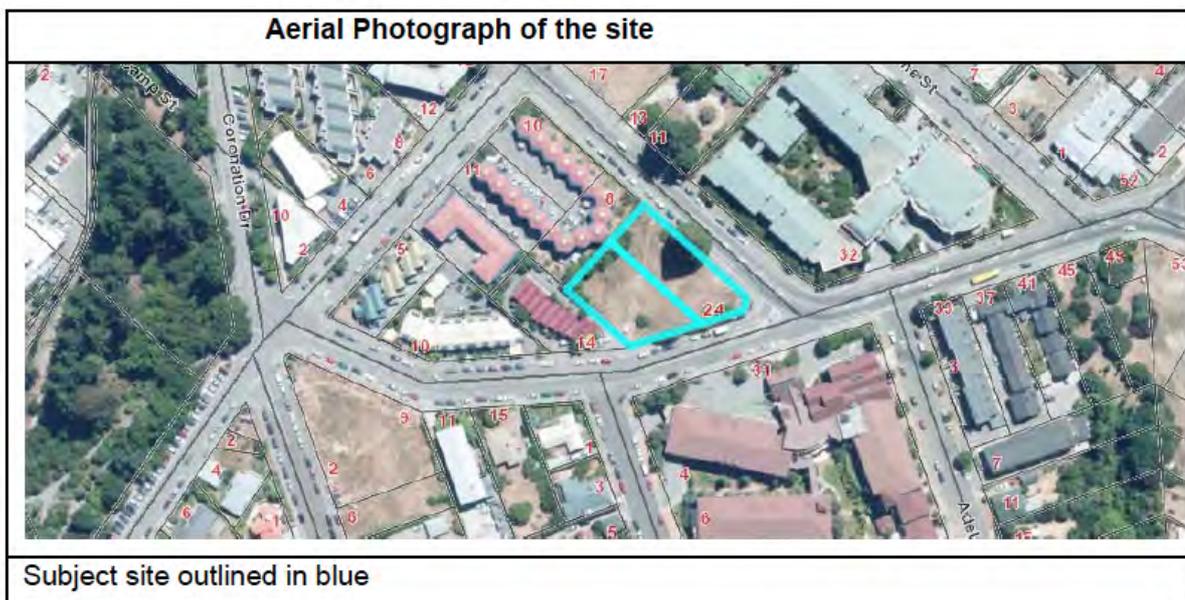


Figure 2-2 – Aerial photograph of the property owned by Submitter 410 outlined in turquoise

1.3. Discussion of Planning Framework

3. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

2. ISSUES

4. The most appropriate zone for the subject sites

3. DISCUSSION OF ISSUES AND CONCLUSIONS

5. We agree with Ms Devlin that HDR is the most appropriate zone for these sites because this enables more intensive development and a more diverse housing supply within close proximity to the town centre. There are no concerns about infrastructure servicing, traffic or ecological matters for either property. This zoning will achieve the objectives of the Strategic Direction and Urban Development chapters in the Plan.¹

4. RECOMMENDATION

6. For those reasons we recommend that:
 - a. Submissions 722 and 410 be accepted; and
 - b. HDR zoning is confirmed on both the submission properties as shown on Planning Map 35.

¹ R Devlin, Section 42A Report Group 1C, 24 May 2017, paragraphs 9.6 and 11.3

PART B: GRANT KEELEY

Submitter Grant Keeley (Submission 1359)
Further Submission
None

5. PRELIMINARY MATTERS

5.1. Subject of Submission

7. This submission related to eight residential properties located at the north end of Kent Street, numbered 37 – 51 Kent Street.

5.2. Outline of Relief Sought

8. The submitter sought to rezone these sites from HDRZ to LDRZ.

5.3. Description of the Site and Environs

9. These properties are an enclave of six private dwellings and two vacant lots, most of which are serviced by a single private driveway from Kent Street. The house at 37 Kent Street has its own driveway immediately adjacent to the shared access. According to the submission, the first house was probably built in 1930 whereas the others are relatively new, have been modernised, replaced or are in the process of modernisation. The net area of the lots varies from 323m² to about 650m².

10. The wider neighbourhood is a mix of single dwellings, apartments and visitor accommodation as shown in Figure 2-3 below.

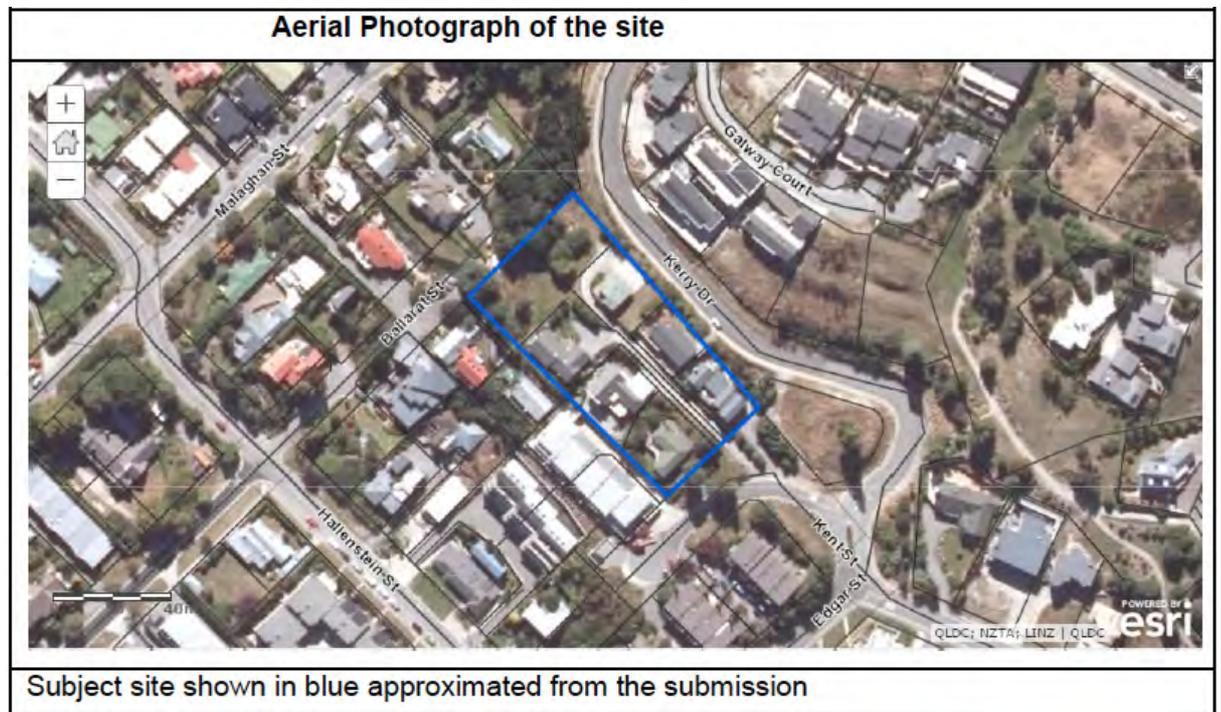


Figure 2-3 - Aerial photograph of 37 – 51 Kent Street outlined in blue

5.4. The Case for Rezoning

11. The basis of the submission was that the high density residential development as proposed is to 'reflect the established character' of the area, but this cannot be achieved for this enclave. It has been and remains a pocket of low density residential accommodation.² Loss of amenity values was also a concern. There are two vacant lots at the northern end of the enclave which is also the highest point of the land, with the land falling to the south. If these were developed to HDRZ standards, this would create a loss of winter sun to the existing houses.³ Finally, the submitter stated that higher density is not appropriate for this enclave because there is only a single lane driveway servicing all the properties.⁴
12. For the Council, Ms Devlin considered that the notified HDR zoning in this location close to the town centre supports the Strategic Direction and Urban Development framework of the Plan to achieve a compact, urban form through enabling higher density development in appropriate locations. Access for more than the maximum allowable 7 – 12 units using shared access could be addressed through a resource consent, therefore was not a limiting factor. Downzoning could lead to inefficient use of urban land. Ms Devlin opposed the requested rezoning.⁵

5.5. Discussion of Planning Framework

13. LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for '*a mix of compatible suburban densities and a high amenity low density residential environment for residents...*'. Policy 7.2.1.2 encourages development that '*maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.*' Policy 7.2.1.3 seeks to maintain amenity values between sites, particularly privacy and access to sunlight. A clear theme is the maintenance of suburban character and high amenity values. Commercial activities are generally discouraged.
14. HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

6. ISSUES

- a. The most appropriate zoning for 37 – 51 Kent Street

7. DISCUSSION OF ISSUES AND CONCLUSIONS

15. We acknowledge Ms Devlin's point that the Strategic Direction and Urban Development framework of the Plan would be met if these properties were included in the HDRZ. Kent Street is close to the town centre and the Queenstown Hill recreation area. Infrastructure services are in place and the neighbourhood is well connected in terms of transport. It is an

² Submission 1359 paragraph 4(e)

³ Ibid, paragraph 4(h)

⁴ Ibid, paragraph 4(i)

⁵ R Devlin, Section 42A Report Group 1C, 24 May 2017, paragraphs 13.7 – 13.10

excellent location for high density residential development in terms of the Plan's overall objectives.

16. We visited the properties and walked around the Kent Street neighbourhood. This inspection caused us to question the assumption that HDR zoning is optimal. Theoretically, HDR may be the most appropriate zone but we agree with the submitter that it is unlikely to be achieved in practice for the reasons set out in the submission.
17. The existing subdivision layout has fragmented the land in a way that mitigates against agglomeration and re-development. It would be expensive to buy several properties to create a development site suitable for the type and scale of housing or visitor accommodation enabled by the HDRZ. As we were told by Mr Osborne and Mr McLeod⁶, when the value of improvements is relatively high compared to land value, redevelopment is not economically attractive. Ms Devlin came to a similar conclusion but nevertheless held to her opinion that HDR zoning was the most appropriate.⁷ Besides, properties where the value of improvements is low relative to land value are available elsewhere on Queenstown Hill and there is also vacant land in other parts of the HDRZ. We think it is unlikely that this residential enclave would be attractive as a development parcel in the circumstances.
18. The shared driveway is a concern because higher density development on the two vacant lots at the end would increase the total number of vehicles using it. Ms Wendy Banks, the Council's transportation engineer, supported HDR zoning based on the town centre location and because this would encourage walking and cycling. She considered that the reduced number of vehicles from LDR zoning would be an acceptable outcome. Ms W Banks however did not address the effects of vehicles entering and exiting the shared driveway assuming development occurred under the HDRZ. Owing to the lack of evidence on local traffic effects, we are left with our concerns in this regard. These concerns were also shared by the submitter.⁸
19. Under HDR zoning, the two lots at the end of the shared driveway could be developed more intensively by comparison to the existing dwellings. Not only would this pose a risk that winter sun will be lost to some houses, it could also result in an incongruous urban design outcome. The clear intention of the original subdivision was to create a residential enclave clustered around a shared driveway. We consider that LDR zoning would be more likely to enable the full realisation of this concept.
20. We have considered the implications of LDR zoning in terms of intensification. The potential yield will be reduced compared to the notified HDRZ although the actual loss of dwellings will be smaller than the theoretical loss of potential. In our view, the effect of this reduction is inconsequential due to the abundant supply of residentially- zoned land enabled by the PDP and the availability of other land within the HDRZ. On the other hand, the benefits of LDR zoning to the occupiers of the residential enclave include protection of residential amenity values, fewer vehicles on the shared drive and retention of residential character. An exception from the general zoning pattern provided for in the Strategic Direction and Urban Development framework is merited in this case.

⁶ P Osborne, EIC Dwelling Capacity, 19 June 2017; S McLeod, Evidence for #389 & 391, 9 June 2017; in response to questions about bringing land to market

⁷ R Devlin, Reply Evidence, 6 October 2017, paragraphs 3.1 – 3.5

⁸ Submission 1359, paragraph 4 (i)

8. RECOMMENDATION

21. For the reasons set out above, we recommend that:

- a. Submission 1359 be accepted; and
- b. The properties at 37 – 51 Kent Street be rezoned from HDR to LDR as shown on Planning Map 35.

PART C: SUE KNOWLES, ANGELA WAGHORN, DIANE DEVER AND BODY CORPORATE 27490

Submitter Sue Knowles (Submission 7), Angela Waghorn (Submission 76), Diane Dever (Submission 193) and Body Corporate 27490 (Submission 363)

Further Submissions

FS1279 – Lake Edge Development Limited – oppose Submission 7

9. PRELIMINARY MATTERS

9.1. Subject of Submission

1. These submissions related to several properties in York Street that share a right-of-way. In the submission, the properties are identified as 1 – 17 York Street which includes sites within both the LDRZ and HDRZ. The aerial photo accompanying the submission depicts those properties located within the HDRZ only (1, 3, 9 and 11 York Street). It is the zoning of these sites which is in contention.

9.2. Outline of Relief Sought

2. The submissions requested rezoning of 1, 3, 9 and 11 York Street from HDRZ to LDRZ. The homes at 13, 15, 17 & 28 York Street are within the notified LDRZ. Submission 76 also sought HDR zoning for the properties on the south-western side of Hallenstein Street. We take this matter no further because these properties are within the notified HDRZ.

9.3. Description of the Site and Environs

3. The block bounded by York, Dublin and Hallenstein Streets contains a mix of dwellings, apartments and visitor accommodation. At the time of the hearings, there was an apartment complex under construction on Hallenstein Street. There is a sharp fall in levels between 1 York Street (also accessed from the shared driveway) and the construction site. A steep path through this site provides pedestrian access from the end of the shared driveway to York Street by way of a private property. Although in the same ownership, there is no vehicular access from 1 York Street to the development site.
4. Down the shared driveway, there is a block of four recently renovated townhouses built in two stages around 1992 – 94. Three of the four units share ownership of a portion of 3 York Street, a vacant section which was purchased to protect views. The other portion of 3 York Street, which is also vacant, would be suitable for a dwelling. There is a dwelling on 11 York Street whereas 1 York Street is vacant. The properties at 1 – 17 York Street are shown on Figure 2-4.

way would not achieve this objective because the existing infrastructure cannot be effectively utilised and there would be a major impact on existing road networks due to increased traffic.¹²

8. For the Council, Ms Devlin considered that downzoning to LDRZ could result in inefficient use of urban land close to the Queenstown Town Centre. These properties are less than 1km from the town centre and although York Street is uphill, she considered this distance could be walkable and may encourage reduced private vehicle use along with increased housing supply. In her opinion, the notified zoning is the most appropriate to achieve the objectives of the Strategic Direction and Urban Development chapters.¹³
9. Ms Devlin said that the right-of-way is of variable width up to 7.7m wide and may not be suitable for more than 12 units as it would not meet the additional width requirements of the ODP (Chapter 14 Transport). She observed that Ms W Banks, transportation engineer, had not raised any concerns about access. Ms Devlin did not consider that this matter warranted downzoning as the overall character of the site was compatible with HDR zoning.¹⁴
10. For completeness, the further submission¹⁵ said that *“amendments sought to rules on height limits in 9.5.2 are opposed insofar as they relate to the High Density Residential Zone located immediately west of the Kawarau Falls Bridge.”* The further submission is therefore not relevant to mapping issues in York Street.

9.5. Discussion of Planning Framework

11. The LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for *‘a mix of compatible suburban densities and a high amenity low density residential environment for residents...’*. Policy 7.2.1.2 encourages development that *‘maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.’* Policy 7.2.1.3 seeks to maintain amenity values between sites, particularly privacy and access to sunlight. A clear theme is the maintenance of suburban character and high amenity values. Commercial activities are generally discouraged.
12. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community’s wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

10. ISSUES

- a. The most appropriate zone for 1, 3, 9 & 11 York Street
- b. The capacity of the right-of-way to handle additional and more intensive development

¹² Ibid

¹³ R Devlin, Section 42A Report Group 1C, 24 May 2017, paragraphs 23.6 & 23.7

¹⁴ Ibid, paragraph 23.8

¹⁵ Further Submission 1279

11. DISCUSSION OF ISSUES AND CONCLUSIONS

13. The issues raised by this submission are similar to those raised by Submission 1359 which related to eight properties using a shared driveway off Kent Street. In this case, the determinative factor is the capacity of the right-of-way to accommodate any increase in traffic arising from further intensification.
14. We visited the York Street area and walked along the right-of-way which confirmed for us that the submitters were correct in their analysis of the situation. This right-of-way is narrow and is unlikely to be widened due to fragmented ownership and the proximity of the townhouse at 9A York Street to the carriageway. We consider that more intensive use of this driveway would have adverse effects on the existing dwellings and residents due to increased inconvenience and loss of amenity values associated with additional traffic on the drive. Safety may also be a concern because of the limited room for service vehicles such as rubbish collection trucks.
15. Furthermore, we doubt that any of these sites would be developed under the HDRZ due to ownership and the nature of the existing development which already includes a 4-unit townhouse complex. The dwellings enjoy lake views and with respect to the townhouses, these views are protected because a portion of 3 York Street is owned by three members of the Body Corporate. Generally, topography protects the views for other landowners. These dwellings are well-located in an area with good amenity values therefore they are highly valued. As discussed in relation to Submission 1359, when the value of improvements is high relative to land value, redevelopment is not economically attractive.
16. The submission expressed the view that traffic volumes on Hallenstein Street which services York Street are at near maximum however this matter was not canvassed in evidence from the Council. In the absence of transportation engineering evidence on the effects on the wider network of more intensive development off right-of-way, our conclusions are confined to the capacity of the right-of-way to handle more intensive development. With the addition of one dwelling on a portion of 3 York Street, the ODP's maximum of 12 units on a driveway of this width will be reached.
17. Finally, we have considered the implications of rezoning this land to LDRZ in terms of the Strategic Direction and Urban Development objectives. Theoretically, HDR zoning is more appropriate because this land is close to the town centre and public transport. In practice, it is unlikely that development would occur to this level of density given the limitations of ownership and the physical constraints of the driveway. In addition, more intense development down the driveway would result in adverse effects on existing residents due to increased traffic and the consequential loss of amenity values. For these reasons, we consider that LDR zoning is the most appropriate for 1, 3 9 and 11 York Street.
18. We acknowledge that LDR zoning results in a less coherent zoning pattern however we think this zoning is more attuned to the reality of the situation now and in the future.

12. RECOMMENDATION

19. For the reasons set out above, we recommend that
 - a. Submissions 7, 76, 193 and 363 be accepted; and
 - b. FS1279 be rejected; and

- c. LDR zoning be applied to the properties identified as 1, 3, 9 and 11 York Street on Planning Map 35.

PART D: PETER MANTHEY

Submitter Peter Manthey (Submission 75)

Further Submissions

None

13. PRELIMINARY MATTERS

13.1. Subject of Submissions

20. This submission related to land at the rear of 2 - 22 Vancouver Drive owned by QLDC.

13.2. Outline of Relief Sought

21. The submission requested that the Council set aside the narrow strip of land between the rear of the northern Vancouver Drive properties and the existing gravel road which extends West / East. This is part of a larger land parcel to the rear of 18 Vancouver Drive and the submitter sought that it be rezoned from MDRZ to “Non-developable Green Space Zoning.”

13.3. Description of the Site and Environs

22. Vancouver Drive is a recently developed residential area on the southwest facing slopes of Queenstown Hill. There are extensive lake and mountain views from this elevated area.

23. The Commonage is a large parcel of land to the rear of the houses at 2 – 22 Vancouver Drive and it is mostly covered in wilding conifers and other exotic species (Figure 2-5). It was created as part of a subdivision and land exchange approved under RM150220. At the same time as the land exchange, the Recreation Reserve status of the site was removed.¹⁶

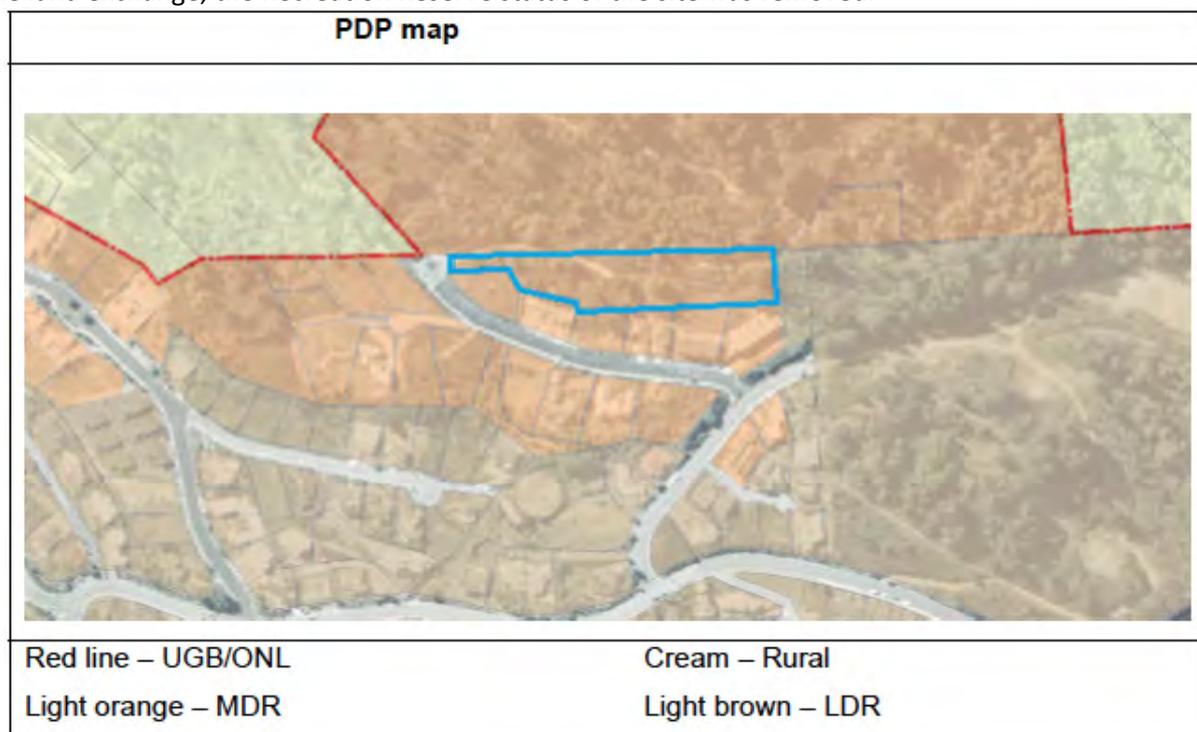


Figure 2-5 – the land at the rear of 2 - 22 Vancouver Drive is outlined in blue

¹⁶ S. Skelton, EIC, 9 June 2017, paragraphs 5 & 6

13.4. The Case for Rezoning

24. Mr Peter Manthey explained the background to the development of this area and The Commonage. He expressed great concern that the land swap, rezoning and eventual subdivision of The Commonage for some 400 blocks (his estimate) would have major not minor impacts and create injurious affection on the submitters and other adjoining owners.¹⁷
25. Whilst holding to his opinion that the proposed rezoning to MDR and subdivision for the whole of The Commonage should not be accepted, should it proceed he proposed that *“the impact of such a major potential subdivision be mitigated between some of the existing housing and further providing some visual green space to Queenstown CBD and surrounding areas.”* Instead of the original request, he proposed that a lesser area of about 1200m² running along the northern boundaries of 16 – 22 Vancouver Drive properties become parkland and/or reserve (shown in Attachment 4 to his evidence).
26. Mr Manthey also addressed the Council’s submission on The Commonage¹⁸ however he was not a submitter or further submitter on this matter therefore this part of his evidence is not addressed in our recommendations.
27. For the Council, Ms Devlin noted that the submitter had not provided any assessment of ecological, visual amenity or recreation values that would support the creation of a non-developable green space. For that reason, she could not support the rezoning request.¹⁹
28. Ms Devlin supported MDR zoning because most of the surrounding land is MDRZ and as such MDR development would be consistent with the surrounding character and amenity.²⁰
29. In her opinion, downzoning to green space would result in a loss of 16 potential residential lots and an inefficient use of urban zoned land within the UGB. The site is located in an area that can accommodate increased densities and is relatively accessible to the town centre.²¹

13.5. Discussion of Planning Framework

30. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

14. ISSUES

- a. The most appropriate zone for the land to the rear of 2 – 22 Vancouver Drive
- b. Status as a recreation reserve or non-developable green space

¹⁷ P. Manthey, Evidence, 9 August 2017, page 4

¹⁸ Submission 790

¹⁹ R. Devlin, Section 42A Report Group 1C, 24 May 2017, paragraphs 14.6 & 14.9

²⁰ Ibid, paragraph 14.10

²¹ Ibid, paragraph 14.11

15. DISCUSSION OF ISSUES AND CONCLUSIONS

31. There is a long history to the Commonage and this was described in evidence presented by the Council on Submission 790.²² Suffice to say, decisions concerning the status of all or part of this land as a recreation reserve are not the subject of this hearing therefore we have not addressed this matter any further.
32. Unlike many other RMA plans, the notified PDP did not make provision for open space or recreation zones. Consequently, regardless of the merits of his submission, Mr Manthey's request for a "Non-developable Green Space Zoning" over some or all of The Commonage cannot be recommended to the Council because there is no PDP or ODP zone that would be suitable for this purpose. If Mr Manthey had proposed specific planning provisions, including zones, that satisfied the strategic direction and planning framework of the PDP it would have been open to this panel to make such a recommendation. However, he did not do this therefore we have no option but to confirm MDR zoning of The Commonage.
33. We note that Stage 2 of the Plan review was notified in November 2017. The Council proposed to insert a new chapter containing a suite of Open Space and Recreation zones (Chapter 38) and accompanying mapping changes. Stage 2 therefore provided a further opportunity for the community to make submissions on 'green space zoning' in the context of a fully-developed proposed planning framework for open space and recreation.
34. We consider that MDR zoning is the most appropriate zone for The Commonage for the reasons set out in the Section 42A Report. In summary, the land is suitable for medium density development and located in an area that can accommodate increased densities reasonably close to the town centre. Medium density development of this vacant land increases feasible capacity within the UGB which helps give effect to the objectives of the NPSUDC 2016 and the Strategic Direction of the PDP. Zoning a substantial area on and around Vancouver Drive as MDRZ increases the range of housing types and choices on Queenstown Hill.

16. RECOMMENDATION

35. For the reasons set out above, we recommend that;
 - a. Submission 75 be rejected; and
 - b. MDR zoning be confirmed for the land to the rear of 2 – 22 Vancouver Drive as shown on Planning Map 37.

²² See Part G of this report for discussion of that part of Submission 790 relating to the Commonage.

PART E: NZIA SOUTHERN BRANCH AND ARCHITECTURE + SOUTHERN WOMEN (NZIA)

Submitter NZIA Southern Branch and Architecture + Southern Women (Submission 238)

Further Submissions

- FS1059 – Erna Spijkerbosch – support
- FS1242 - Antony & Ruth Stokes – oppose
- FS1107 - Man Street Properties Ltd – oppose
- FS1216 - High Peaks Limited - oppose
- FS1228 - Ngai Tahu Property Limited & Ngai Tahu Justice Holdings Limited – oppose
- FS1226 - Ngai Tahu Property Limited – oppose
- FS1234 - Shotover Memorial Properties Limited & Horne Water Holdings Limited - oppose
- FS1238 - Skyline Enterprises Limited - oppose
- FS1239 - Skyline Enterprises Limited & O'Connells Pavillion Limited - oppose
- FS1241 - Skyline Enterprises Limited & Accommodation and Booking Agents - oppose
- FS1246 - Trojan Holdings Limited - oppose
- FS1248 - Trojan Holdings Limited & Beach Street Holdings Limited - oppose
- FS1249 - Tweed Development Limited - oppose

17. PRELIMINARY MATTERS

17.1. Subject of Submissions

36. The submission related to an area of land near the Queenstown Town Centre running along both sides of Gorge Road from Industrial Place to Shotover Street, then along Henry Street/Melbourne Street and encompassing several blocks to the north-west of Frankton Road/Dublin Street. Some of the land included in the submission map is subject to a later stage of the Plan review (west of Gorge Road) therefore it has not been addressed in evidence or by this panel.

17.2. Outline of Relief Sought

37. The submission sought that land within the BMU and HDR zones located in Gorge Road and on the periphery of the town centre be zoned BMUZ (see Figure 2-6). Some of this land is already within the BMUZ (Gorge Road). If accepted, this submission would result in BMU zoning extending along both sides of the main roads.

17.3. Description of the Site and Environs

38. The northern section of Gorge Road is a long-established area with a mix of industrial and commercial activities. The land zoned HDR in the southern section of Gorge Road and the Henry Street/Melbourne Street area is mainly residential and visitor accommodation, however there are some commercial activities.

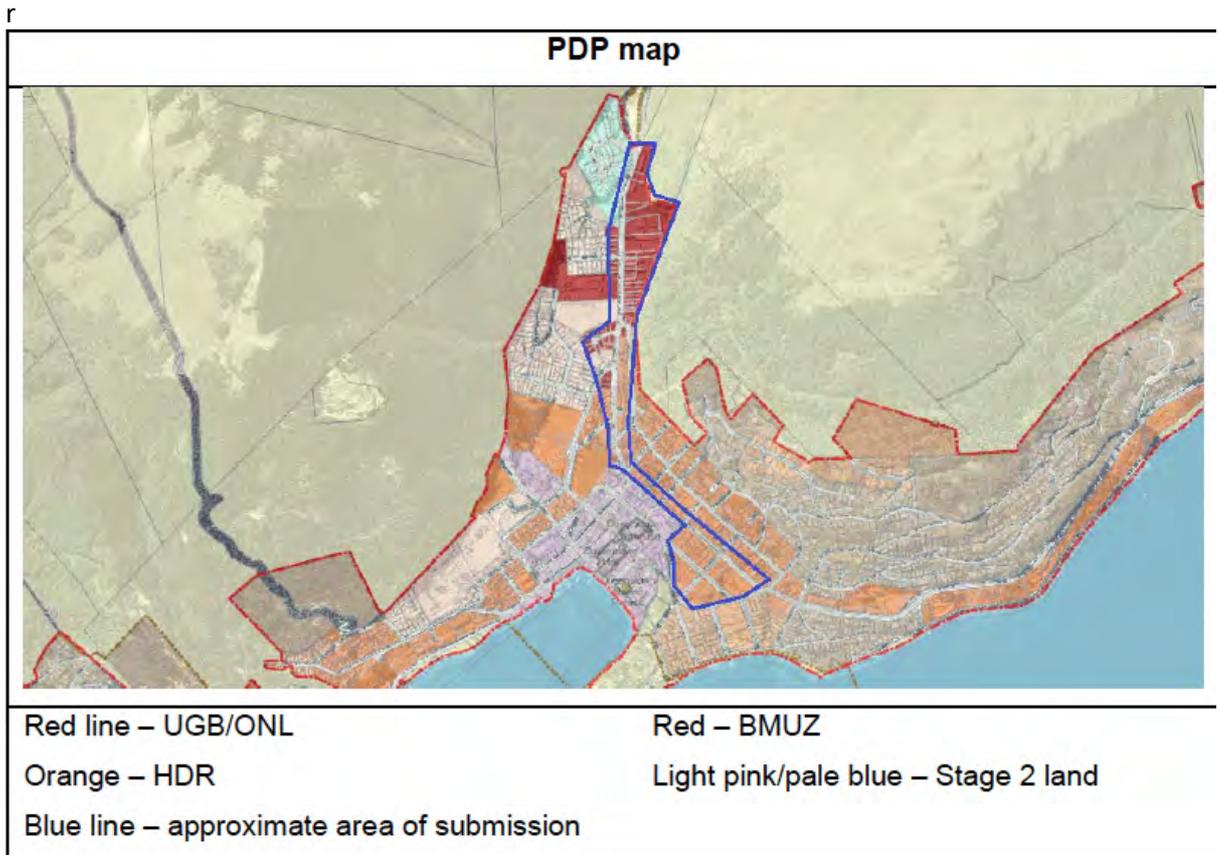


Figure 2-6 – Zoning map of the approximate area of the submission outlined in blue

17.4. The Case for Rezoning

39. This broadly-based submission canvassed a number of matters related to urban intensification, urban design and economic diversification. The future role and form of Frankton was another focus. With respect to Queenstown Town Centre, the submitters considered that the boundary of the notified BMUZ was illogical. They recommended using the natural boundary of Horne Creek to separate the HDRZ and locating BMUZ on the main roads with HDR zoning behind. The submitters did not attend the hearing and did not provide evidence.
40. For the Council, Ms Devlin acknowledged the merit in using Horne Creek as a natural boundary. However, the submitters proposed a significant rezoning from HDR to BMU and she considered there was insufficient evidence to enable an evaluation of the consequences of making such a change. For example, there was no analysis of the effect of BMUZ on residential amenities such as the effects of additional height (from 12m to 20m), potential loss of housing supply and potential adverse effects from commercial activities on existing residential amenities.²³
41. Ms Devlin also addressed the issue of commercial land supply. In her opinion, there appeared to be ample commercial zoned land in the vicinity, including the land within PC50. She relied on Mr Heath’s evidence that an estimated 50% of commercial zoned land within the Wakatipu

²³ R. Devlin, Section 42A Report, 24 May 2017, paragraph 16.8

Ward is vacant or not utilised for commercial activities, including about 13.6 hectares in PC50.²⁴

42. The role of the town centre as the primary focus for this part of the District's economic activity was also addressed by Ms Devlin. In her opinion, rezoning land along Gorge Road would significantly expand the town centre, which would affect its compactness and walkability and may serve as a disincentive for redevelopment of the core of the town centre. Ms Devlin also considered that it would reduce the supply of HDR zoned land. Overall, she considered the notified boundaries were the most appropriate in this location and satisfied the Strategic Direction and Urban Development objectives and policies of the Plan.²⁵
43. Ms Devlin considered matters raised in further submissions opposing the submission. None of the further submitters attended the hearing or provided evidence.
44. FS1242 opposed Submission 238 in regard to Henry Street on the basis of potential effects on adjoining HDR sites including buildings up to 20m in height. Ms Devlin recommended that this further submission be accepted based on her evidence above.²⁶
45. A number of further submissions did not give specific grounds for their opposition therefore Ms Devlin recommended they be accepted²⁷. Four further submissions in opposition considered that 'mixed use' activities should be established on both sides of Gorge Road (i.e., residential only on the western side of Gorge Road, while commercial only on the eastern side) and that the rezoning would weaken the purpose of the BMUZ, which seeks the regeneration of Gorge Road with a mix of residential and commercial activities²⁸. Ms Devlin agreed with the general point about the role of the BMUZ but did not agree in regard to the location of commercial or residential zoning along Gorge Road. For this reason, she recommended that these submissions be accepted in part.²⁹

17.5. Discussion of Planning Framework

46. Strategic Objective 3.2.1.1 identifies Queenstown and Wanaka as the hubs of New Zealand's premier alpine visitor resorts and the District's economy. The Urban Development objectives and policies provide for a compact and integrated urban form. Policy 4.2.2.3 as recommended enables "*an increased density of well-designed development in close proximity to town centres, public transport routes, community and education facilities...*"
47. These over-arching goals are given effect by zoning the main commercial, civic and entertainment area as Queenstown Town Centre zone with land in close proximity zoned as HDR and BMU.
48. The intention of the BMUZ, as recommended, is to provide for complementary commercial, business, retail and residential uses that supplement the activities and services provided by town centres. Higher density living opportunities close to employment and recreational activities are also enabled. Significantly greater building heights are enabled in the Business Mixed Use Zone in Queenstown, provided that high quality urban design outcomes are

²⁴ Ibid, paragraph 16.9

²⁵ Ibid, paragraphs 16.12 & 16.13

²⁶ R. Devlin, Section 42A Report, 24 May 2017, paragraph 16.14

²⁷ FS1107, FS1226, FS1234, FS1239, FS1241, FS1248, FS1249

²⁸ FS1216, FS1228, FS1238, FS1246

²⁹ Ibid, paragraphs 16.15 & 16.16

achieved. There are three areas of BMUZ in the PDP; Anderson Heights, Wanaka, and Gorge Road and Frankton North in Queenstown.

49. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

18. ISSUES

- a. The most appropriate zones in Gorge Road and on the periphery of Queenstown

19. DISCUSSION OF ISSUES AND CONCLUSIONS

50. The NZIA submission was very general and not supported by evidence therefore we accept the uncontested evidence of the Council's witnesses. In particular, we accept that there is sufficient supply of commercially-zoned land to meet the foreseeable needs of the Wakatipu Ward as required by the NPSUDC 2016. Firstly, Ms Devlin identified about 13.6 hectares of vacant land within PC50 which is in the heart of Queenstown Centre. Secondly, Mr Heath and Mr Osborne provided evidence on the supply of commercial and industrial land at the beginning of the Stream 13 hearing which was tested by the Panel at the strategic level and subsequently re-tested in the context of specific rezoning requests. Having examined this issue in depth, we are satisfied that additional commercial zoned land is not required in Gorge Road or on the periphery of Queenstown in the medium term.³⁰
51. The BMUZ was developed in part to enable the Gorge Road area to transition from low intensity commercial and industrial activities to an area of mixed residential and business activities supporting the town centre. The land within the HDRZ fronting Henry and Melbourne Streets has been developed quite differently and BMU zoning would not necessarily be apt in the circumstances. The submitters neither justified this proposed rezoning in terms of commercial land supply nor did they substantiate that BMU zoning would be appropriate in this part of the hub.

20. RECOMMENDATION

52. For the reasons set out above, we recommend that:
- Submission 238 and FS1242 be rejected; and
 - Further Submissions 1242, 1107, 1226, 1234, 1239, 1241, 1248, 1249; be accepted; and
 - Further Submissions 1216, 1228, 1238, 1246 be accepted in part; and
 - That the HDR and BMU zoning boundaries as notified be confirmed in the submission area as shown on Planning Maps 32, 35 & 36.

³⁰ See Report 17-1, Section 3 for discussion on supply of business zoned land

PART F: P J & G H HENSMAN LIMITED & SOUTHERN LAKES HOLDINGS LIMITED

Submitter PJ & GH Hensman Limited & Southern Lakes Holdings Limited (Submission 543)

Further submissions

None

21. PRELIMINARY MATTERS

21.1. Subject of Submissions

53. These submissions related to 8.1416 hectares of vacant land in the LDRZ with frontage to Edinburgh Drive/Hensman Road and Windsor Place, Queenstown Hill (Lot 13 DP27397 & Lot 10 DP300507).

21.2. Outline of Relief Sought

54. The submitters sought the continued application of the Visitor Accommodation Sub-Zone to Lot 13 (the lower area) and rezoning of the portion of Lot 13 located outside of the VASZ to the High Density Residential Zone.

21.3. Description of the Site and Environs

55. 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 becomes more gradual towards the northern boundary.³¹

56. The neighbouring properties to the west, east and south-east, are mainly developed with single family dwellings. To the north, there is the Aurora substation, and a water reservoir located within The Commonage (Submission 790). A large area of land zoned Rural lies to the north and is designated for forestry. The site and its location are shown on Figure 2-7.

³¹ T. Walsh, EIC, 9 June 2017, paragraph 19

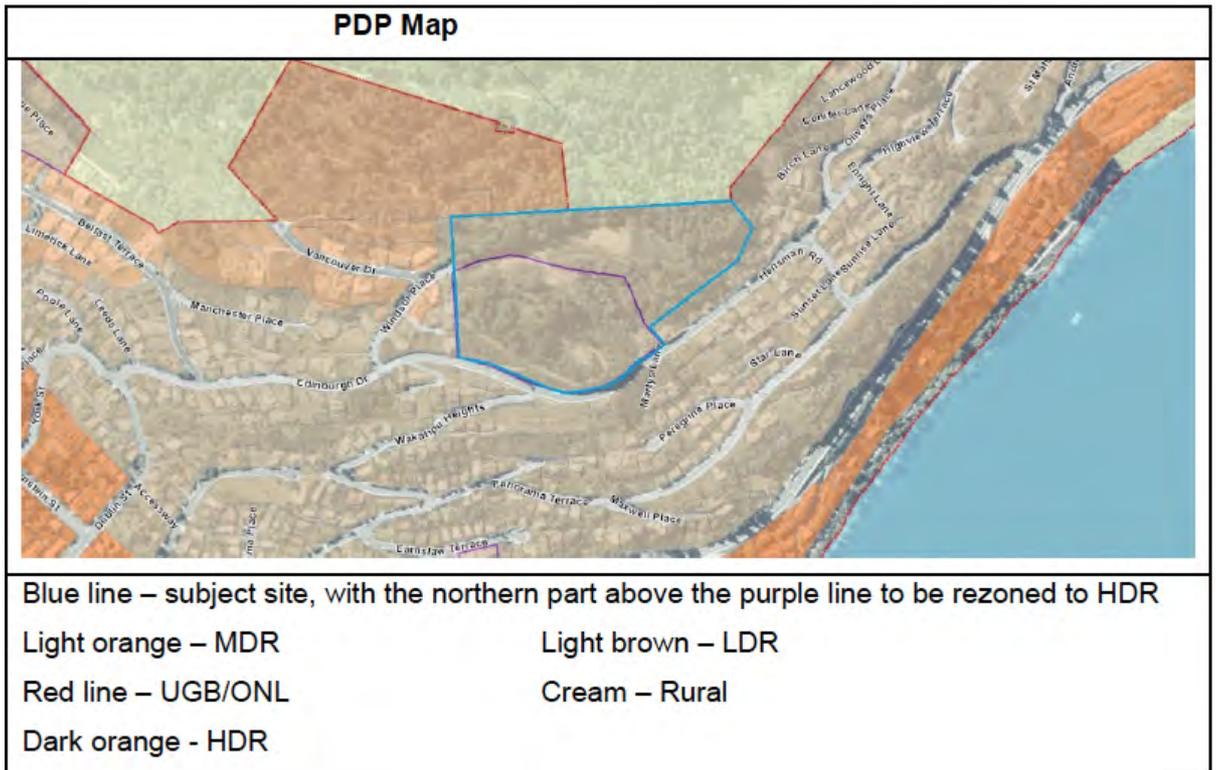


Figure 2-7 – Planning map of the land subject to the submission outlined in blue

21.4. The Case for Rezoning

57. The basis of the submission was that:

“the land located outside of the VASZ should be contained within the High Density Residential Zone. Such land being rezoned High Density Residential will not be unique in this location as large tracts of adjoining land to the west/north-west of the site is presently contained in the High Density Residential Zone (Sub-Zone C), although it is noted that the latter land is now proposed to be contained within the Medium Density Sub-Zone under the PDP.”

58. Evidence for the submitter discussed whether there was scope within the submission to extend HDR zoning to the whole of the site given that the VASZ had been withdrawn from Stage 1. Mr Walsh said that the original submission did not seek HDR zoning for the area subject to the VASZ. Had the submitter known at the time that the Council would set aside visitor accommodation issues to be addressed in Stage 2, they would have sought HDR zoning over the whole site.

59. Notwithstanding, his evidence considered the merits of HDR zoning for the whole site and concluded that this was the most appropriate zoning because it was consistent with the Strategic Direction and Urban Development objectives and policies of the PDP.³²

60. Mr Walsh considered that the site was in close proximity to the town centre, within the UGB, could be serviced with existing infrastructure and (development in accordance with the HDRZ provisions) would have minimal impacts in terms of neighbourhood character and amenity. In his opinion, the benefits of providing the opportunity for a material increase in housing stock and from having well-designed higher density residential neighbourhoods would outweigh the costs which may include reduced residential amenity to immediately adjoining neighbours and

³² T. Walsh, EIC, 9 June 2017, paragraphs 64 & 65

increased vehicle movements on the road network. Mr Walsh acknowledged that the site may not be perfectly located for HDR zoning. Overall, he considered the location to be appropriate and that it provided for efficient use of infrastructure.³³

61. For the Council, the matter of scope was addressed during the hearing and ultimately in Legal Submissions as part of its Right of Reply. The Council's position was that Submission 543 did not give scope to change the zone type on the south west part of the site. However, Ms Scott then said that this issue was no longer material because there was scope in Submission 391 to rezone this part to MDR (but not HDR). As a consequence, Ms Devlin recommended in her Reply Evidence that the whole site be rezoned MDR.³⁴
62. For the Council, Mr Glasner said modelling indicated that this area could be serviced by the water and wastewater network therefore he did not oppose the rezoning on infrastructure grounds. All connections would be at the developer's cost and the timeframe of when it could be developed related to the making provision for the work in the LTP.³⁵ Mr Glasner based his assessment on the rezoning yielding 338 additional lots. During the course of the hearing, these estimates were amended however Mr Glasner did not change his opinion.
63. Ms Wendy Banks opposed the original rezoning request based on the existing transport provisions and site constraints. She considered that the location may not discourage dependence on vehicle use.
64. Ms Banks said that HDR zones require close proximity to town centres which are easily accessible by public transport, cycle and walk ways. The site is located approximately 1km from Queenstown Town Centre making it adequately accessible by active transport, however footpaths are narrow and located on only one side of the road. Access to the site from the town centre is at a steep gradient that might discourage walkers and cyclists. The gradient is steep and would discourage pedestrians and cyclists, especially in the winter months.
65. Further, Ms Banks had concerns with *"the effects of HDR zoning on the intersections on Edinburgh Drive and Hensman Road as this link is used for bypassing Frankton Road. The traffic generated from HDR if alternatives modes of transport are not used will be distributed to intersections further downstream that are considered to be operating at unsatisfactorily levels."*³⁶
66. These concerns were reiterated in her Rebuttal Evidence. In response to Mr Walsh's evidence on walking times, she said that the Council should not locate HDR zones in locations that involve a 25-minute downhill walk for 'most people' as this will not lead to a mode shift. Ms Banks did not oppose MDR zoning for the upper portion of the Hensman property based on neighbouring sites being zoned as MDR, reduced demand for parking and lower traffic generation.³⁷
67. Initially, Ms Devlin supported retention of the LDRZ however she modified her opinion during the hearing and ultimately supported rezoning the entire 8.1416 hectares from LDRZ to MDRZ. Ms Devlin concluded that:

³³ Ibid, paragraphs 63 - 67

³⁴ Legal submissions in reply, 6 October 2017, paragraphs 9.3 – 9.6

³⁵ U. Glasner, EIC, 24 May 2017, paragraphs 7.29 – 7.33

³⁶ W. Banks, EIC, 25 May 2017, paragraphs 8.35 – 8.38

³⁷ W. Banks, Rebuttal Evidence, 7 July 2017, paragraphs 5.27 – 5.29

“given there is no opposition from Council’s experts to rezoning the entire site, I therefore amend my assessment and recommend that the whole site should be rezoned MDR.”³⁸

68. For completeness, Ms Devlin’s Rebuttal Evidence set out her concerns that the site is too far from the town centre to be appropriate for HDR. She held to this opinion.

21.5. Discussion of Planning Framework

69. Strategic Objective 3.2.1.1 identifies Queenstown and Wanaka as the hubs of New Zealand’s premier alpine visitor resorts and the District’s economy. The Urban Development objectives and policies provide for a compact and integrated urban form. Policy 4.2.2.3 as recommended enables *“an increased density of well-designed development in close proximity to town centres, public transport routes, community and education facilities...”*

70. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community’s wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

71. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

22. ISSUES

- a. The most appropriate zone for the subject site on Edinburgh Drive/Hensman Road

23. DISCUSSION OF ISSUES AND CONCLUSIONS

72. As set out above, the Legal Submissions presented as part of the Council’s Right of Reply confirmed there is scope to rezone the whole site from LDR to MDR.

73. Whether the site was suitable for HDR zoning hinged primarily on the transport evidence. The submitter did not present any traffic evidence therefore we accept and rely on the opinion of Ms Wendy Banks for the Council. Ms Banks considered that the site was not ‘in close proximity’ to the Queenstown Town Centre because it would take about 25 minutes to walk downhill and a longer time to return given the steep gradient. She did not consider that the potential availability of public transport in future was a valid reason for rezoning at this time. We agree.

74. Other factors in evaluating the site’s suitability for HDR zoning include capacity enablement, spot zoning, effects on character and amenity values in the neighbourhood and effects on local roads.

³⁸ R. Devlin, Reply Evidence, 6 October 2017, paragraph 4.3

75. With respect to capacity and the requirements of the NPSUDC 2016, we canvassed the contribution of extended MDR zoning within the UGB to capacity enablement in our consideration of Submission 391.³⁹ In summary, we found that there is sufficient urban zoned land within the UGB for many years ahead. However, bringing this land to market in a timely manner is an issue due to land banking. We heard from Mr Osborne, for the Council, that extending the area of land within the UGB that is zoned MDR would, over time, encourage the redevelopment of residential sites thereby increasing supply because this would lower the unit cost of land.
76. In our consideration of Submission 391, we concluded that Mr Osborne's recommendation had merit as one means of enabling capacity in locations accessible to local shopping centres, town centres or schools by public transport, cycling or walking i.e., in areas suitable for MDR zoning. We agreed with Mr McLeod's identification of a wide area on Queenstown Hill and in Fernhill/Sunshine Bay as being generally suitable for upzoning to MDR. In our view, the subject site is well-located to provide similar benefits and because it is vacant, could be developed for a wider range of housing types as anticipated by the MDR provisions. There is a significant area of MDR zoning in this part of Queenstown Hill which further confirms that the area is suited for this purpose.
77. We agree with Ms Devlin that HDR development could be out of character in an area developed mainly as single dwellings. In particular, the intensity of development, greater building coverage, lesser requirement for landscaped areas and (subject to consent) greater height of development on sloping sites within the HDRZ would be out of place. Mr Walsh suggested that greater setbacks and other site-specific rules could be applied to manage the interface between the HDR and LDR zones however he did not offer any provisions for this purpose. His evidence in this regard confirmed our view that zoning the upper portion as HDRZ would create a 'spot zone' and that is not appropriate.
78. We find that MDR zoning is appropriate for the subject site because this satisfies the Strategic Direction and Urban Development objectives and policies of the PDP.
79. We have considered the effects on local roads arising from rezoning the whole site to MDR. In this regard, it was not clear to us that Ms Banks had actively considered the implications for local traffic and use of roads if the entire site was rezoned to MDR. She had however considered the effects on roads arising from vehicle trips under both HDR and MDR zoning over the upper part of the site. Mr Walsh estimated that the yield under MDR zoning would be 326 additional lots whereas Mr Glasner relied on 358 additional lots in the upper portion of the site when modelling the capacity of water and wastewater networks. We have assumed that Ms Banks considered the likely yield from MDR zoning over the whole site and was satisfied that any effects on local roads due to increased traffic were acceptable. If that is a false assumption, we rely on the developer's contribution and the Council's LTP processes to provide for any necessary upgrades.
80. Finally, we note that there are two properties on the northern side of Windsor Place that share a common boundary with the Hensman land. The property at 2 Windsor Place is occupied by four units and is currently zoned in part MDR and in part LDR. The site abutting the rear boundary of 2 Windsor Place is zoned LDR but appears to be part of a larger block that is otherwise within the MDRZ. To avoid split zoning and also spot zoning, we consider that these two properties should be rezoned to MDRZ as a consequential amendment.

³⁹ Report 17-5 Part D; also Report 17-1 Section 3 for discussion on supply of residential zoned land

81. In our opinion, MDR of the subject site and the two abutting properties at the end of Windsor Place satisfies the Strategic Direction and Urban Development objectives and policies and the zoning framework of the Plan. Our recommendation that all this land be rezoned to MDR relies for scope on Submission 391.

24. RECOMMENDATION

82. For the reasons set out above, we recommend that:
- a. Submission 543 be accepted in part; and
 - b. The land subject to the submission be zoned MDRZ; and
 - c. Consequentially, two properties in Windsor Place be rezoned MDR as shown on Planning Map 37.

PART G: QUEENSTOWN LAKES DISTRICT COUNCIL - THE COMMONAGE

Submitter Queenstown Lakes District Council (Submission 790)

Further Submissions

None

25. PRELIMINARY MATTERS

25.1. Subject of Submissions

83. These submissions related to the Commonage Reserve (Lot 1 DP 496901; Sec 2 SO 503041) which is accessed via Vancouver Drive, Queenstown Hill.

25.2. Outline of Relief Sought

84. The submission requested that those parts of the Commonage zoned Rural (1.57 hectares) be rezoned as MDR and that the UGB and ONL line be amended to align with the extent of MDR zoning i.e., with the boundaries of Lot 1 DP 496901. There are three parts to this request; the western extension, an eastern extension and a sliver to the north.

85. After the hearing, the Council notified Stage 2 of the PDP. Planning Map 37 as notified in Stage 2 showed the rezoning to “Informal Recreation” of the land subject to Designation 79 (Larchwood Reservoir) located in the north east corner of the Commonage. Accordingly, this land is no longer part of the ‘subject site’ for the purposes of this submission.⁴⁰

25.3. Description of the Site and Environs

86. The subject site is located at the top of Vancouver Drive (see Figure 2-8). It spreads across a moderately steep ridge which separates Queenstown Hill’s western and southern aspects and is mostly covered in wilding conifers and other exotic tree species. The site is bounded along its upper margin by the power line corridor that runs along the upper slopes of Queenstown Hill above the Frankton Arm and Queenstown township. It is part of a natural landscape which extends from the urban edge of Queenstown to the upper reaches of Queenstown Hill.

⁴⁰ Memorandum of Counsel on behalf of Queenstown Lakes District Council relating to Panel’s Minute of 16 October 2017, 2 November 2017, paragraphs 7 – 9. This memorandum foreshadowed the Council’s intention to exclude Designation 79 from the submission site.

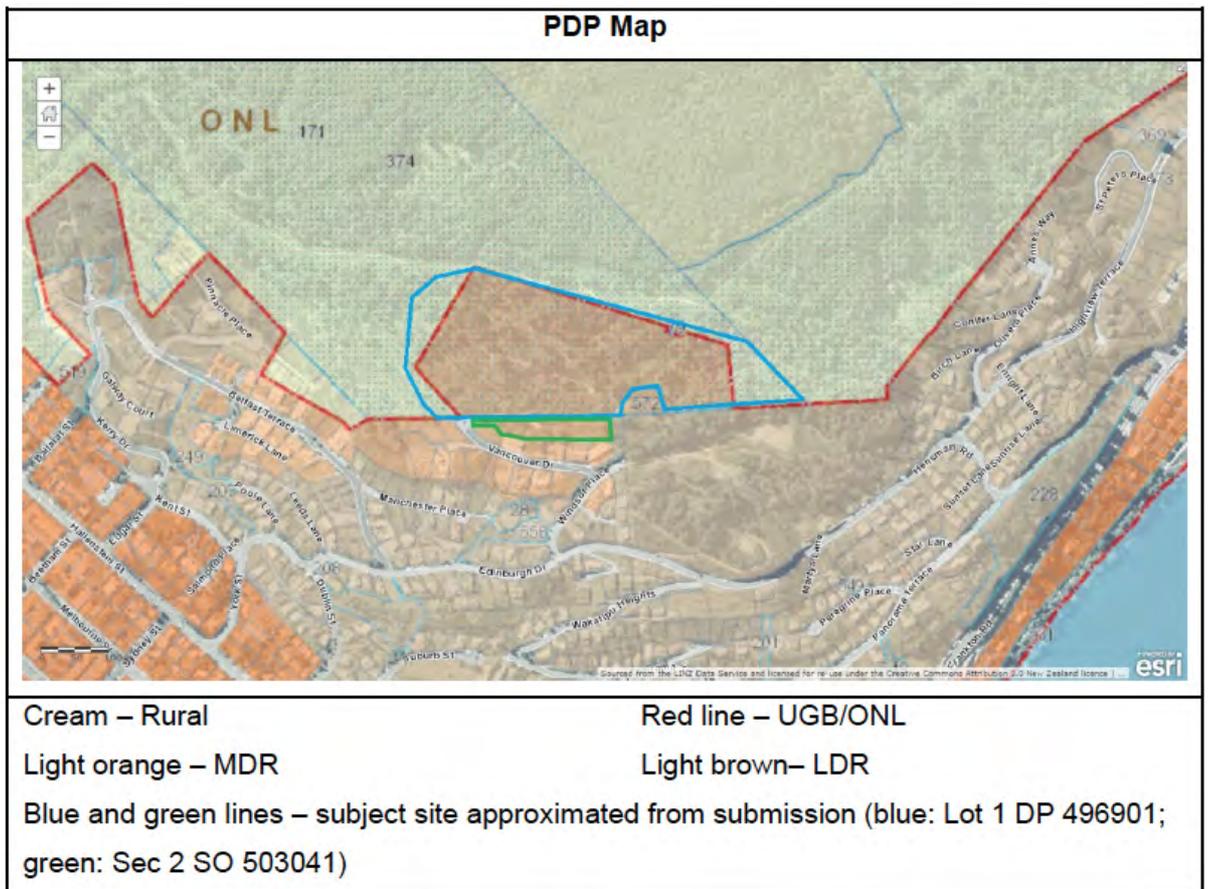


Figure 2-8 – Planning Map of the land subject to the submission outlined in blue and green

25.4. The Case for Rezoning

87. For the Council, in its role as a submitter, Mr Stephen Skelton provided evidence on the landscape effects of rezoning parts of the site from Rural to MDR. Mr Skelton assessed the effects of additional MDRZ on landscape and visual amenity by reference to the objectives and policies of Chapter 4 Urban Development, Chapter 6 Landscape and Chapter 21 Rural. His starting point was that the MDRZ which overlays the site would increase the presence of built development as viewed from the township and some development may be visible from the skyline. Built development is already visible on this skyline as viewed from some parts of the township. In his opinion, the extension of MDR into the areas requested would result in an insignificant increase in the visibility of built development and would not increase the potential for development to breach the skyline.⁴¹
88. Mr Skelton considered that the upper, forested faces of Queenstown Hill, which act as a natural eastern bookend to the township would continue to be dominant and natural in character as viewed from the township. Extending the MDRZ would not change the transitional character between the urban and rural areas and the urban edge would continue to be clearly defined against the natural character of the forested slopes of Queenstown Hill.⁴²
89. Dr Read was the landscape architect for the Council in its capacity as the reporting authority. Whilst Dr Read considered that development in the existing residential zoning of the subject site had a significant adverse effect on the landscape context of the township,⁴³ Mr Skelton

⁴¹ S. Skelton, EIC, 9 June 2017, paragraphs 12 & 13

⁴² S. Skelton, EIC, 9 June 2017, paragraph 14

⁴³ Dr M. Read, EIC, 24 May 2017, paragraph 7.13

considered this effect to be lesser in degree. This is because the context for development, being near the transitional ridge separating the southern and western faces of Queenstown Hill would see a very low change in effect.⁴⁴

90. With respect to effects on rural character and the ONL, Mr Skelton compared the cadastral boundaries to the current MDR zone boundary and concluded that the cadastral boundaries more closely followed the natural line of the landform. He considered that the landscape would experience negligible reduction in natural character and that the physical and visual attributes of the landscape will not be adversely affected if relief were granted.⁴⁵
91. In his opinion, the zone extension would represent a very small increase in urban character however this would not lead to adverse cumulative effects that would further degrade the landscape quality, character or visual amenity values.⁴⁶
92. He concluded that:
- “Urban development on Queenstown Hill is highly visible from the township and the site’s existing urban zoning may allow development to occur on and near the skyline ridge which separates Queenstown from the Frankton Arm corridor. This will result in the loss of some of the landscape’s natural character. However, the more legible upper slopes of Queenstown Hill will remain unaffected by development and the overall roll (sic) Queenstown Hill plays in providing the natural landscape context to the township will not be degraded. The relief sought by this submission will make a negligible contribution to the reduction in natural character and will have no adverse effects on visual amenity.”⁴⁷*
93. Dr Read came to a similar conclusion. In her opinion, *“including these areas within the MDR would not result in any significant adverse effects above and beyond those which are already facilitated by the existing zoning.”*⁴⁸ It is simply logical to align the UGB and ONL line with the extended MDR zoning.⁴⁹
94. Ms Holden provided planning evidence in support of the rezoning sought by the Council. In her opinion, *“the extended zoning would enable the site to be developed to maximise its potential development yield consequently boosting funding for future infrastructure projects.”* She agreed with Ms Devlin, author of the Section 42A Report, that there was general alignment with the evidence pre-lodged on behalf of the submitter and the expert evidence of the Council.⁵⁰
95. We note that the history of the Commonage is not relevant to our consideration of the most appropriate zoning therefore we have not discussed it here. Information on the history of an earlier land exchange was set out in a letter to the Council attached to Ms Holden’s Evidence in Chief.⁵¹ In addition, the process of revoking the reserve status of this land is underway. In another hearing, the Council has moved to uplift Designation 171. Neither matter is relevant to our task.

⁴⁴ S. Skelton, EIC, 9 June 2017, paragraph 15

⁴⁵ Ibid, paragraph 19

⁴⁶ Ibid, paragraph 21

⁴⁷ Ibid, paragraph 23

⁴⁸ Dr M. Read, EIC, 24 May 2017, paragraph 7.14

⁴⁹ Ibid, paragraph 7.15

⁵⁰ R. Holden, Summary Statement, 23 August 2017, paragraphs 17 & 18

⁵¹ D. Cruickshank, APL Property, letter dated 9 June 2017, attached as Appendix F to Ms Holden’s EIC

96. Ms Holden, for the submitter, summarised her reasons for supporting the extension of the MDRZ to include these three parcels of land within the Commonage. In her opinion this expansion of the MDRZ to align with the cadastral boundaries of the subject site, the inclusion of the entire site with the UGB and its exclusion from the ONL would have potential adverse effects that are no more than minor. She considered that the proposed rezoning would be consistent with the strategic direction of the PDP, more effective and efficient than the notified Rural zoning, lead to more efficient administration and would increase housing capacity. Ms Skelton relied on Mr Skelton's opinion that the landscape effects of development in this area are acceptable and therefore consistent with the Objective and Policies of Chapters 3 (Strategic Direction), 4 (Urban Development) and 6 (Landscapes) of the PDP. Overall, the proposal accords with the direction of the higher order statutory documents and the purpose and principles of the RMA.⁵²
97. Ms Devlin considered that it was logical to encompass all of the submitter's land within the MDR and UGB and that this would enable efficient use of residential land. She agreed with Ms Holden that the rezoning would be consistent with the relevant PDP objectives and policies within Chapters 3 and 4 by ensuring that UGBs contain sufficient suitably zoned land to provide for future housing growth and a diversity of housing choice.⁵³

25.5. Discussion of Planning Framework

98. Three areas within the subject site are zoned Rural and located within an Outstanding Natural Landscape. Strategic Objectives and Policies in Chapters 3 and 6 of the PDP require the identification of ONL's and avoidance of adverse effects on them that would be more than minor and or not temporary. Subdivision and development are discouraged in ONL's unless the landscape can absorb the change and where the buildings and structures and associated roading and boundary changes will be reasonably difficult to see from beyond the boundary of the site⁵⁴.
99. The Zone Purpose for the Rural Zone is to enable farming activities and provide for appropriate other activities that rely on rural resources while protecting, maintaining and enhancing landscape values, ecosystem services, nature conservation values, the soil and water resource and rural amenity.
100. The Zone Purpose for the Rural Zone states that the purpose of the zone is to enable farming activities and provide for appropriate other activities that rely on rural resources while protecting, maintaining and enhancing landscape values, ecosystem services, nature conservation values, the soil and water resource and rural amenity.⁵⁵ Rules in the plan provide for residential and larger scale commercial recreation as discretionary activities.
101. Most of the site is included in the MDR zone. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

⁵² R. Holden, EIC, 9 June 2107, paragraphs 76 - 81

⁵³ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 18.10 & 18.12

⁵⁴ See Objective 3.2.4.3, Policies 3.3.29 and 3.3.30, and Policy 6.3.11

⁵⁵ See Objectives 21.2.1, 22.1.8, 21.1.9, 21.1.10 and their related policies.

26. ISSUES

- a. The most appropriate zone for the whole of the Commonage
- b. Landscape

27. DISCUSSION OF ISSUES AND CONCLUSIONS

102. The expert witnesses for the submitter and the Council agreed that the landscape effects of extending the MDR zoning to the cadastral boundaries were acceptable in the circumstances. Both started their analyses from the position that the existing MDR zoning would have adverse effects on views of the skyline from the township although they differed as to the degree of that effect. Both concluded that the relief sought by this submission would not materially increase the landscape effects of the existing zoning. We accept and rely on their evidence in this regard.
103. We consider that the ONL boundary along the urban edge of Queenstown Hill is essentially arbitrary reflecting many years of incremental urban expansion. Defending the existing ONL boundary is therefore difficult in the face of requests to expand urban zoning in this desirable residential area. The PDP's approach is to require a landscape assessment as part of the information required to form an overall judgement as to the most appropriate zoning for an area. In this case, the landscape assessment concluded that small extensions to the MDRZ would not increase the landscape effects of the existing zoning and the planning evidence concluded that the extension would meet the Strategic Direction and Urban Development objectives and policies of the PDP by enabling residential capacity and housing choice.
104. Enabling residential capacity on Queenstown Hill gives effect to the PDP's overall zoning strategy. There is a substantial area of MDR zoning already and we have recommended rezoning the Hensman property⁵⁶ to MDR to further increase land supply within the UGB. The Commonage and the Hensman properties are appropriately zoned MDR because these sites are easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.
105. Finally, we have considered the suitability of these small areas of the Commonage in terms of the objectives and policies of the Rural Zone. In our view, these areas are too small and therefore unsuited to rural activities. It is unlikely that they could be developed in a manner that satisfied the objectives and policies of Chapter 21. We consider that the most likely result of retaining Rural zoning would be applications for resource consent seeking residential outcomes. For these reasons, we do not support retention of Rural zoning for these areas.
106. Accordingly, we find that extending the MDR zoning to the cadastral boundaries of the Commonage is necessary to avoid split zonings and to better achieve the strategic direction of the PDP. It follows that we recommend aligning the UGB and ONL line with the revised MDRZ boundary.

28. RECOMMENDATION

107. For the reasons set out above, we recommend that:

⁵⁶ Submission 543

- a. Submission 790 be accepted in part; and
- b. The whole of the land subject to the submission be rezoned MDR (i.e., the Commonage with the exclusion of the area affected by Designation 79); and
- c. The ONL and UGB boundaries be aligned with the MDRZ boundary as shown on Planning Maps 35 & 37.

PART H: QUEENSTOWN LAKES DISTRICT COUNCIL – KERRY DRIVE

Submitter Queenstown Lakes District Council (Submission 790)

Further Submissions

None

29. PRELIMINARY MATTERS

29.1. Subject of Submissions

108. This submission related to land located on Kerry Drive (Lot 602, DP 306902).

109. The site is classified as Local Purpose Reserve (Beautification) pursuant to section 16 of the Reserves Act 1977 and subject to proposed Designation 519 (Local Purpose – Beautification) as shown on Planning Map 34.

110. After the hearing, the Council confirmed that this site would not be included in Stage 2 of the PDP review and asked the Panel to make a decision on the submission request.⁵⁷

29.2. Outline of Relief Sought

111. The site is zoned partly Rural and partly LDR. The submitter sought that all of Lot 602 DP 306902 be rezoned LDR and that the UGB and ONL line be aligned such that the whole of the site is within the urban area.

29.3. Description of the Site and Environs

112. The site is located on the mid to upper, northern edge of Queenstown Hill's residential areas (see Figure 2-9). It is a steep, irregular shaped parcel of land (4,282m² in area) and contains mature exotic trees. A pedestrian path mostly passes through the existing LDR zoned portion of the site.⁵⁸

⁵⁷ Memorandum of Counsel on behalf of Queenstown Lakes District Council relating to Panel's Minute of 16 October 2017, 2 November 2017, paragraphs 5 - 6

⁵⁸ S. Skelton, EIC, 9 June 2017, paragraph 5

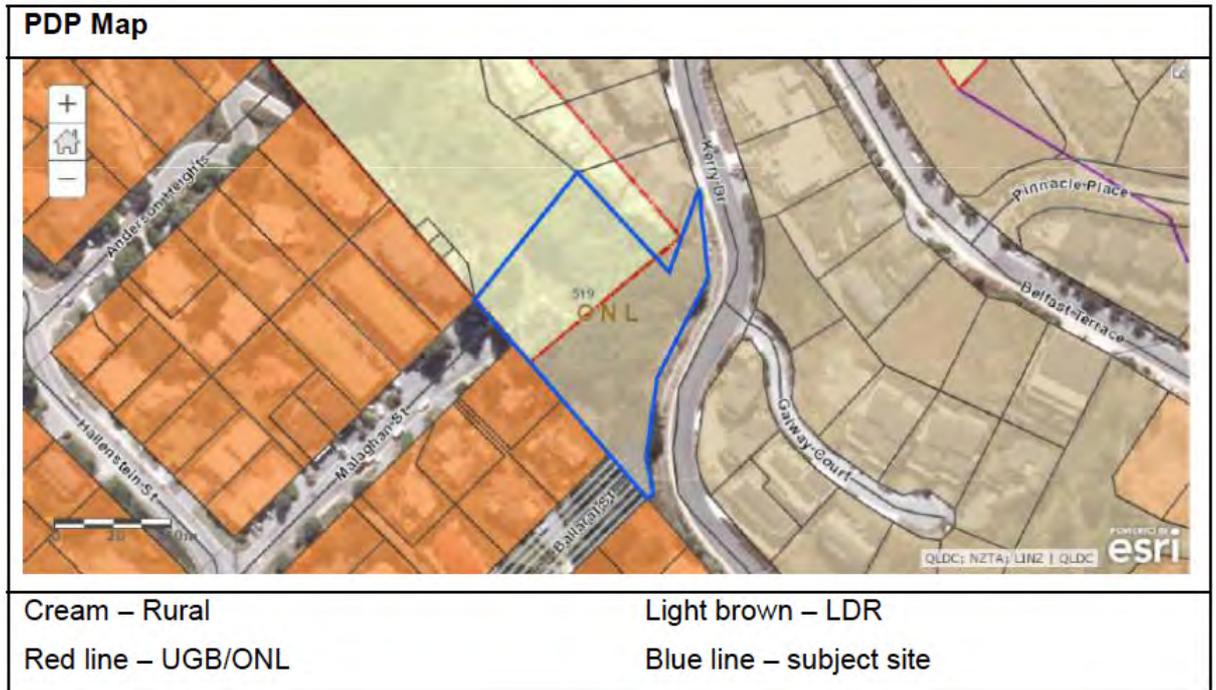


Figure 2-9 – Planning map of land in Kerry Drive subject to the submission outlined in blue

29.4. The Case for Rezoning

113. For the Council in its role as a submitter, Mr Stephen Skelton provided evidence on the landscape effects of rezoning part of the subject site from Rural to LDR. Mr Skelton assessed the effects of additional LDRZ on landscape and visual amenity by reference to the objectives and policies of Chapter 4 Urban Development, Chapter 6 Landscape and Chapter 21 Rural.
114. Mr Skelton considered that the site made a very small contribution to the natural backdrop of Queenstown as viewed from a distance.⁵⁹ He said that there was insignificant native vegetation on the site and the vegetation which does exist is predominantly exotic. In his opinion, the more natural character of the Rural-zoned portions of the site were insignificant in the scale of the wider context of the Queenstown Hill and the site provided an insignificant contribution to the legibility of the landscape. Queenstown Hill continued to dominate the visual amenity and an extension to the LDRZ would not adversely affect that amenity.⁶⁰ He concluded that *“in granting this relief, the urban and rural character of Queenstown Hill and the visual amenity the Hill provides will experience negligible adverse effect.”*⁶¹
115. Ms Holden relied on Mr Skelton’s opinion that the landscape effects of this rezoning are acceptable in forming her opinion that overall, the rezoning would have potential effects that are no more than minor. She considered that rezoning the whole of Lot 602 as LDR would result in a more efficient and effective use of land than retaining part of it within the Rural Zone. In her opinion, the rezoning accorded with the direction of the higher order statutory documents and the purpose and principles of the RMA.⁶²

⁵⁹ Ibid, paragraph 9

⁶⁰ Ibid, paragraphs 11 - 12

⁶¹ Ibid, paragraph 15

⁶² R. Holden, EIC, 9 June 2017, paragraphs 68 - 73

116. Dr Read assessed the landscape effects on behalf of the Council as the reporting authority and agreed with Mr Skelton that *“the site makes only a small contribution to the backdrop of Queenstown township.”* Notwithstanding, Dr Read opposed the rezoning from a landscape perspective because she considered that this small area and walkway contributed significantly to the amenity of the walkers and residential development in the area and should remain a reserve.⁶³ Mr Skelton responded by saying that the relief sought would result in a very low decrease in the amenity of surrounding residential areas and that the link through the site can be maintained through future applications.⁶⁴
117. In her Section 42A Report, Ms Devlin recommended the rezoning because low density development on this site would be in keeping with the character of the adjoining urban land, would enable efficient use of the land for residential purposes and would achieve the relevant PDP objectives and policies.⁶⁵ In her Rebuttal Evidence, she concluded that:

“There is general alignment between myself and Ms Holden with respect to the rezoning request for these sites. I maintain my support for both of these sites being rezoned.”⁶⁶

29.5. Discussion of Planning Framework

118. Part of the land is zoned Rural and is within an Outstanding Natural Landscape. Strategic Objectives and Policies in Chapters 3 and 6 of the PDP require the identification of ONL’s and avoidance of adverse effects on them that would be more than minor and or not temporary. Subdivision and development are discouraged in ONL’s unless the landscape can absorb the change and where the buildings and structures and associated roading and boundary changes will be reasonably difficult to see from beyond the boundary of the site⁶⁷.
119. The Zone Purpose for the Rural Zone states that the purpose of the zone is to enable farming activities and provide for appropriate other activities that rely on rural resources while protecting, maintaining and enhancing landscape values, ecosystem services, nature conservation values, the soil and water resource and rural amenity.
120. Objectives and policies of Chapter 21 for the Rural Zone provide for a range of land uses, including farming, to be enabled while protecting landscape, and other natural and amenity values, recognise economic diversification sustainable commercial recreation activities.⁶⁸ Rules in the plan provide for residential and larger scale commercial recreation as discretionary activities.
121. The LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for *‘a mix of compatible suburban densities and a high amenity low density residential environment for residents...’*. Policy 7.2.1.2 encourages development that *‘maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.’* Policy 7.2.1.3 seeks to maintain amenity values between sites, in particular privacy and access to sunlight. A clear theme is the

⁶³ Dr M. Read, Rebuttal Evidence, 7 July 2017, paragraph 6.2

⁶⁴ S. Skelton, EIC, 23 August 2017, paragraph 10

⁶⁵ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 19.9 & 19.12

⁶⁶ R. Devlin, Rebuttal Evidence, 7 July 2017, paragraph 8.3

⁶⁷ See Objective 3.2.4.3, policies 3.3.29 and 3.3.30, and Policy 6.3.11

⁶⁸ See Objectives 21.2.1, 22.1.8, 21.1.9, 21.1.10 and their related policies.

maintenance of suburban character and high amenity values. Commercial activities are generally discouraged

122. There is a strip of land on the north-eastern boundary of Lot 602 that comprises the rear of 15 Kerry Drive. This strip is zoned Rural despite the rest of 15 Kerry Drive being within the LDRZ. It is within the UGB yet part of the ONL.

30. ISSUES

- a. The most appropriate zone for the subject site
- b. Landscape

31. DISCUSSION OF ISSUES AND CONCLUSIONS

123. The expert witnesses agreed that, with respect to landscape, the *“the site makes only a small contribution to the backdrop of Queenstown township.”*⁶⁹ We accept and rely on their evidence in this regard. We visited the site and several vantage points which confirmed the validity of Mr Skelton’s analysis of landscape effects. They are insignificant.
124. The planning witnesses agreed that rezoning the site to LDR would achieve the objectives of the PDP’s Strategic Directions and Urban Development chapters, albeit it’s contribution to increasing capacity is small. We add that split zoning is not desirable and is another reason for applying LDR zoning to the whole of Lot 602 DP 306902.
125. The only matter in contention was the fate of the existing pedestrian footpath which mainly crosses that portion of the site which is zoned LDR. We agree with Mr Skelton, Ms Holden and Ms Devlin that this is an issue to be resolved in another process i.e., revocation of the reserve status. Dr Read’s concerns are more appropriately considered at that time.

32. RECOMMENDATION

126. For the reasons set out above, we recommend that:
- a. Submission 790 be accepted in part; and
 - b. Lot 602 DP 306902 in its entirety be zoned LDR; and
 - c. The strip of land on its north-eastern boundary (the rear of 15 Kerry Drive) be rezoned LDR as a consequential amendment; and
 - d. The UGB and ONL be aligned with the LDR zoning as shown on Planning Map 35.

⁶⁹ Dr M. Read, Rebuttal Evidence, 7 July 2017, paragraph 6.2

PART I: ALLIUM TRUSTEES LIMITED

Submitter Allium Trustees Limited (Submission 718)

Further Submissions

None

33. PRELIMINARY MATTERS

33.1. Subject of Submissions

127. This submission related to properties located at 11 Belfast Terrace and 2 - 20 Manchester Place, Queenstown Hill. Allium Trustees Limited is the owner of 11 Belfast Terrace and 2, 4 & 6 Manchester Place, legally known as lots 24, 23, 22 and 21 DP 20448.

33.2. Outline of Relief Sought

128. The submission sought rezoning of the northern side of Manchester Place to HDR because LDR zoning was *“uncharacteristic to the surrounding residential environment.”* In the ODP, the site was recognised as an area where medium density development could be received.

33.3. Description of the Site and Environs

129. Manchester Place is a cul de sac which is progressively being developed for housing. Six of the sites are vacant and two residential units occupy each of 10, 14 and 20 Manchester Place. A single dwelling occupies 12 Manchester Place. There is a QLDC water reservoir and pump station at its eastern end. In the surrounding residential area, there is a mix of dwellings and multi-unit developments. This area is part of Queenstown Hill therefore the land slopes up towards the north and properties enjoy lake and mountain views. The land is shown on Figure 2-10.

zone' and any interface issues with LDR zoning would be mitigated by the road and reservoir which provided separation.⁷⁶

133. For the Council, Ms Devlin initially recommended that the LDRZ be retained because the location from the town centre and steep gradient would not encourage walking and cycling. In her opinion, HDR zoning would create a 'spot zone' and lead to development that would be out of character with the surrounding area.⁷⁷
134. Ms Wendy Banks, transport engineer for the Council, opposed HDR zoning however she did not oppose application of the MDRZ or LDRZ.⁷⁸
135. After considering Ms Leith's evidence, particularly on amenity values under HDR zoning and how these could be appropriately managed through PDP provisions, Ms Devlin changed her opinion and supported MDR zoning as the most appropriate for this land. Her revised section 32AA analysis identified benefits from rezoning to connect the site to a contiguous MDR zone on Queenstown Hill and enabling a minor increase in capacity (ten additional lots). The land can be fully serviced and development can be accommodated by transport infrastructure.⁷⁹ In her Reply Evidence, Ms Devlin re-affirmed her support for MDR zoning.⁸⁰

33.5. Discussion of Planning Framework

136. PDP Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form, ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.
137. The LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for '*a mix of compatible suburban densities and a high amenity low density residential environment for residents...*'. Policy 7.2.1.2 encourages development that '*maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.*' Policy 7.2.1.3 seeks to maintain amenity values between sites, in particular privacy and access to sunlight. A clear theme is the maintenance of suburban character and high amenity values. Commercial activities are generally discouraged.
138. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

⁷⁶ A. Leith, EIC, paragraph 26

⁷⁷ R. Devlin, Section 42A Report, paragraphs 20.6 – 20.9

⁷⁸ W. Banks, EIC, paragraph 8.45

⁷⁹ R. Devlin, Rebuttal Evidence, paragraph 7.8 and Appendix B (Section 32AA analysis)

⁸⁰ R. Devlin, Reply Evidence, paragraph 4.2

139. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

34. ISSUES

a. The most appropriate zoning for land in Belfast Terrace and Manchester Place

35. DISCUSSION OF ISSUES AND CONCLUSIONS

140. The planning witnesses agreed that MDR zoning was appropriate for this land however Ms Leith held to her opinion that HDR zoning was also appropriate primarily because the land was within walking distance of the town centre (a 15 minute journey).⁸¹ Ms Leith placed some weight on the opportunity to increase dwelling capacity on Queenstown Hill which faces a shortfall in supply long term.⁸²

141. We note that water and wastewater infrastructure is available to service HDR zoning and development of the site to MDR standards can be accommodated by existing transport infrastructure. Accordingly, neither of these matters is a constraint on rezoning from LDRZ to a higher density zone.

142. Similarly, there is adequate land zoned for urban purposes to meet the long term needs of the District therefore capacity enablement is not a determining factor in our opinion.⁸³

143. We consider that the main issue in contention was whether the land was too far from the town centre to be suitable for HDR zoning as stated by Ms Devlin.⁸⁴ Ms Wendy Banks said that the distance was approximately 1 km, which Ms Leith confirmed took about 15 minutes to walk, whether going downhill or uphill.

144. The HDRZ is intended to be located 'in close proximity' to town centres i.e., Queenstown and Wanaka. The best guidance for interpretation of 'in close proximity' is provided by the notified PDP which shows HDR zoning immediately adjacent to the town centre and extending approximately 400m in a north-easterly direction towards Manchester Place. Generally, the extent of the HDRZ varies in width from 200m – 500m on the northern, eastern and southern sides of the town centre. Logically, new HDR zoning (if required) would be contiguous with the existing HDRZ to achieve the compact, integrated urban form promoted by the PDP's strategic objectives.

145. We considered distance, gradient and walking time in the context of the zoning pattern set out in the notified PDP. Along Lake Esplanade, the HDRZ extends as far as 1 km south-west of the town centre and most of the walk is on the flat. This may well take 15 minutes therefore we find that distance and walking time are not determinative of zoning in this case.

⁸¹ A. Leith, Supplementary Evidence, paragraphs 6 – 9

⁸² Ibid, paragraphs 6 - 9

⁸³ Report 17-1 Section 3 – see discussion on supply of urban zoned land

⁸⁴ R. Devlin, Rebuttal Evidence, paragraph 9.2

146. Isolation from the town centre is the real concern in our view. We have concluded that separation from the town centre is an issue when HDR zoning is proposed as a ‘spot zone.’ This is because the type of development enabled in the HDRZ is predicated on the resident’s having easy access to the town centre’s services e.g., lower standards of onsite amenity compared to other PDP zones. When easy access to the town centre is not available, the strategic purpose of the PDP cannot be met. That is, there is a reciprocal relationship between the activities offered in the Queenstown Town Centre Zone and HDR zoning and together, this zoning pattern promotes a compact, integrated urban form.
147. We find that rezoning the subject land in Belfast Terrace and Manchester Place to HDR would not give effect to the objectives and policies of Chapter 3 and Chapter 4 of the PDP. We also find that spot zoning is contrary to our zoning principles in this case.
148. Further, we find that MDR is the most appropriate zoning for this land for the reasons given in Ms Devlin’s evidence, including the section 32AA analysis. Chapter 8 provides for MDR zones to be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking. The subject land satisfies those locational requirements and would also increase capacity, albeit modestly. We agree that connecting this land to a contiguous MDR zone on Queenstown Hill is logical and will enable efficient and effective use of serviced land. We also agree with Ms Leith that the road and reservoir provide a degree of separation between LDR and MDR zoning that assist in mitigating any interface effects.

36. RECOMMENDATION

149. For the reasons set out above, we recommend that:
- a. Submission 718 be accepted in part; and
 - b. Land in Belfast Terrace/Manchester Place be zoned MDR as shown on Planning Maps 35 and 37.

PART J: BELFAST TERRACE & LIMERICK LANE

Submitters **Garth Makowski (Submission 686), Belfast Corporation Limited (Submission 727), Mulwood Investments Limited (Submission 731)**

Further Submissions
None

37. PRELIMINARY MATTERS

37.1. Subject of Submissions

150. These submissions related to an area of approximately 2.79 hectares in Belfast Terrace and Limerick Lane, Queenstown Hill.

37.2. Outline of Relief Sought

151. The submitters sought that the land subject to the submissions be rezoned from MDR to HDR.

37.3. Description of the Site and Environs

152. Belfast Terrace and Limerick Lane have been relatively recently developed for residential purposes. There are some vacant sites however most developed properties contain at least two dwellings. The area is shown on Figure 2-11.

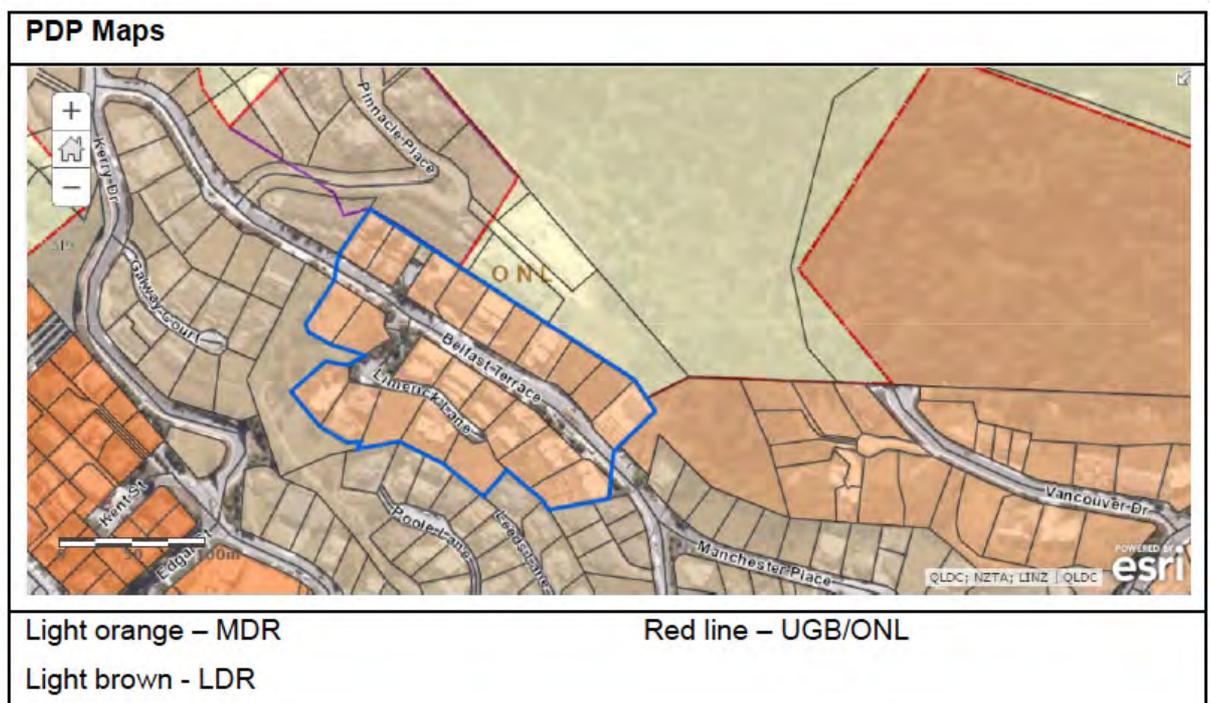


Figure 2-11 – Zoning map of the land subject to the submission outlined in blue

37.4. The Case for Rezoning

153. The basis of the submissions is that the existing development within Belfast Terrace and Limerick Lane is already characteristic of a high density residential environment and many properties were developed prior to the site being zoned within the Subzone C of the Operative District Plan. The submitter did not attend the hearing and did not provide evidence.

154. For the Council, Ms Devlin supported the notified MDR zoning for several reasons. In her opinion, HDR zoning in this location would create a ‘spot zone’ surrounded by LDRZ land and would be inappropriate. Ms Devlin said that:

“No analysis has been provided in regard to effects of the additional height and development capacity enabled by HDR zoning on neighbouring LDR zoned land and residential amenities, or on the adjoining ONL, although I note that there is some development on the adjoining Rural zoned land within the ONL. I consider that HDR development would be out of character in this location and may result in adverse effects on the surrounding area in regard to dominance, bulk and density.”⁸⁵

155. Ms Devlin considered that the notified MDRZ was the most appropriate zone for this land and would be consistent with the relevant objectives and policies within the Strategic Direction and Urban Development chapters and Chapter 8 of the PDP in regard to enabling increased densities in locations that are supported by appropriate infrastructure.
156. Mr Glasner did not oppose the rezoning because modelling indicated that the land could be serviced.⁸⁶
157. Ms Wendy Banks, transport engineer, opposed the rezoning because the location did not support the policies as set out in the HDRZ. In her opinion, additional trips generated from the additional lots under HDR zoning could be estimated as 71vph during peak hour. These additional trips generated are likely to impact roads leading toward the Town Centre.⁸⁷ Further, Ms Wendy Banks did not consider that the sites’ location from the town centre (approximately 1km) was within close proximity to encourage walking and cycling given that the site is a steep gradient from the town centre. In her opinion, while footpaths are adequate and well-lit, with no supporting public transport in the area, there would likely be reliance on private vehicles.⁸⁸

37.5. Discussion of Planning Framework

158. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.
159. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community’s wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

⁸⁵ R. Devlin, Section 42A Report, paragraph 21.6

⁸⁶ U. Glasner, EIC, paragraph 7.43

⁸⁷ W. Banks, EIC, paragraph 8.47

⁸⁸ Ibid, paragraph 8.48

38. ISSUES

- a. The most appropriate zoning for land in Belfast Terrace and Limerick Lane.

39. DISCUSSION OF ISSUES AND CONCLUSIONS

160. We accept and rely on the uncontested evidence of the Council that MDR zoning is the most appropriate for the submission sites for the reasons given by Ms Devlin and Ms Wendy Banks as discussed above.
161. We considered a similar request from Allium Trustees Limited⁸⁹ concerning the rezoning of 11 Belfast Terrace and 2 – 20 Manchester Place and concluded that MDR zoning was the most appropriate in that case. In addition to the reasons we adopted that were set out in evidence on behalf of the Council, we were reluctant to recommend a ‘spot zone’ that was separated from the HDRZ located in close proximity to the Queenstown Town Centre. In our view, the type of development enabled by HDR zoning requires easy access to the services of the town centre and this is not achievable when the HDRZ is separate.

40. RECOMMENDATION

162. For those reasons, we recommend that:
 - a. Submissions 686, 727 and 731 be rejected; and
 - b. The land in Belfast Terrace and Limerick Lane be retained as MDR zoning as shown on Planning Maps 32, 34 and 35.

⁸⁹ Submission 718

PART K: PARK STREET/GARDENS AREA

Submitters DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch (Submission 503), Friends of the Wakatipu Gardens and Reserves Incorporated (Submission 506), Janice Kinealy (Submission 821), Peter Fleming and Others (Submission 599)

Further Submissions

FS1260 - Dato Tan Chin Nam – opposes Submission 506

FS1315 - Greenwood Group Limited – opposes Submissions 503 and 506

FS1063 - Peter Fleming and Others – supports Submissions 503 and 506

FS1063 - Peter Fleming and Others – supports Submission 821

FS1265 - DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch – support Submission 821

FS1268 - Friends of the Wakatipu Gardens and Reserves Inc – support Submissions 821 and 599

FS1265 - DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch – support Submission 599

41. PRELIMINARY MATTERS

41.1. Subject of Submissions

163. These submissions related to four blocks enclosed by Park Street, Suburb Street and Frankton Road on the edge of the town centre.

41.2. Outline of Relief Sought

164. Submissions 503 and 506 requested recognition of the “*special and heritage character of the area and relationship with Wakatipu Gardens by adding a special character overlay over the area and specific reference to the area in Chapter 26 as a (sic) “Area of Special Character” and to “remove the application of the Medium Density Zone, chapter 8 from the area, and replace with the current applicable provisions from the Operative District Plan (High Density) (Chapter 7 of the Operative Plan).”* In the alternative, the submission sought amendments to the provisions of Chapter 8 MDRZ so that standards are the same as those currently applied under the ODP or removal of MDRZ and its replacement with provisions that have the same effect as proposed Chapter 10 Arrowtown Residential Historic Management Zone.

165. The relief sought in Submission 821 was unclear. Ms Devlin, the Council’s reporting planner, understood the relief to have sought rezoning of the land along both sides of Brisbane Street to the operative HDR Sub-Zone C zoning.⁹⁰ More generally, Ms Devlin interpreted the relief as having requested less intensive zoning on both sides of Brisbane Street.⁹¹ This interpretation is echoed in a further submission that supported the relief sought “insofar as it seeks to oppose any density change over the Brisbane street area.”⁹²

166. Submission 599 expressed concern about an increase in density and loss of amenity. Lack of car parking was also a concern. The submission requested changes to the MDR provisions but did not provide a map therefore it was interpreted as having requested downzoning in the four blocks bounded by Park Street, Suburb Street and Frankton Road.⁹³

⁹⁰ R. Devlin, Section 42A Report, paragraph 26.2

⁹¹ Ibid, paragraph 26.6

⁹² FS1265 - DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch

⁹³ R. Devlin, Section 42A Report, paragraph 27.2

41.3. Description of the Site and Environs

167. These four blocks contain a mix of dwellings, multi-unit residential developments and visitor accommodation located near the Queenstown Town Centre. The north-western and western edge of the area is bounded by Queenstown Gardens and the southern edge adjoins the Frankton Arm of Lake Wakatipu. Suburb Street on the eastern edge abuts LDR zoning. Frankton Road between Suburb Street and Stanley Street is heavily trafficked because it is part of SH6A.
168. Millennium & Copthorne Hotels New Zealand Limited own the block bounded by Frankton Road, Hobart Street, Park Street and Adelaide Street.⁹⁴ This block is partly developed for a hotel and there are also existing multi-unit developments and dwellings in the southern half. Two large sites are vacant (9 and 53-65 Frankton Road) and at least one landowner has acquired several sites constituting a development opportunity.⁹⁵
169. The area of land within the submissions (approximated) and the PDP zoning is shown on Figure 2-12 below. While most of the land within these four blocks is zoned MDR, the vacant site at 53 – 65 Frankton Road is zoned HDR. Within the PDP, Queenstown Gardens were zoned Rural and were partly within the ONL. Stage 2 of the Plan Review proposes to apply the “Community Purposes” zone to the Gardens however it appears that the ONL remains.

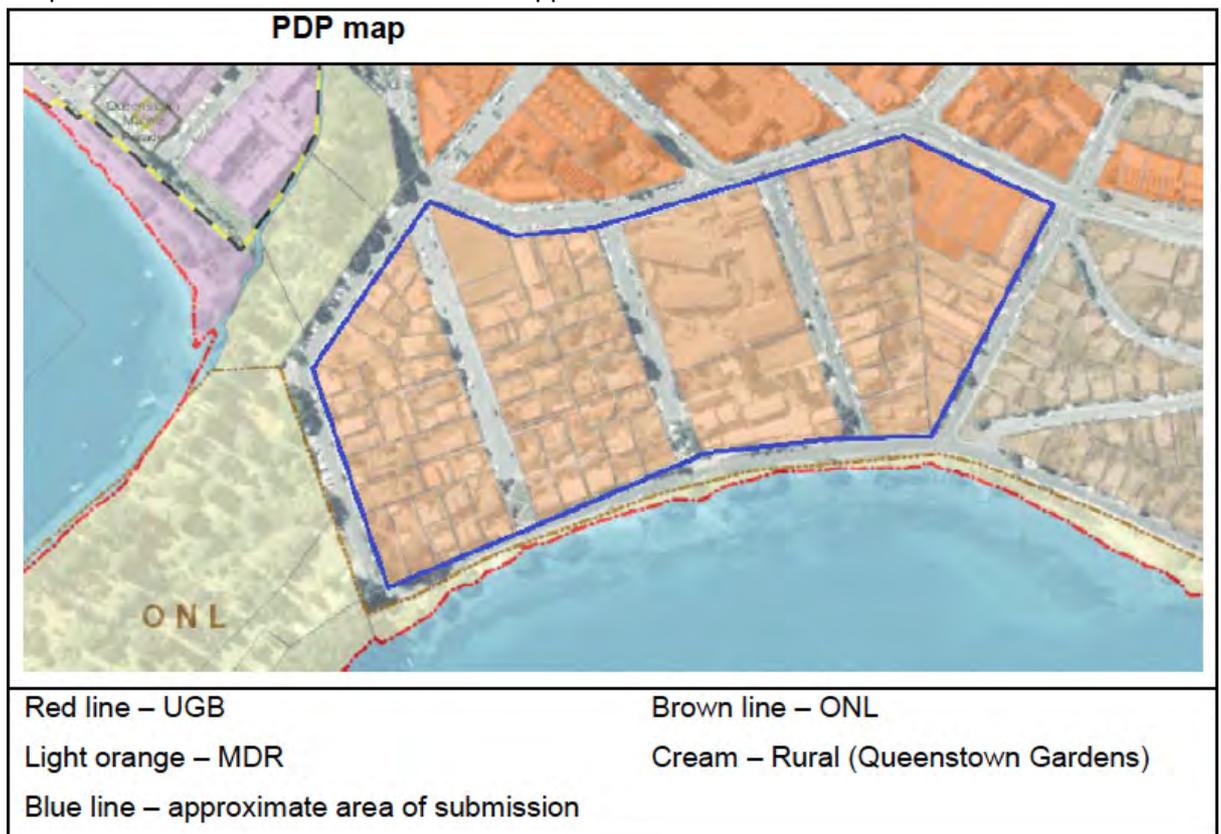


Figure 2-12 – Zoning map of the land subject to the submissions (approximated) outlined in blue

⁹⁴ Submission 679
⁹⁵ Submission 628

41.4. The Case for Rezoning

170. Broadly, this group of submissions sought PDP provisions that would result in less intensive development of the Park Street area ('downzoning') and in the case of Submissions 503 and 506, an overlay or other means of recognising the special character of the two western-most blocks.
171. Submissions 503 and 506 were supported by expert evidence on special character presented by Dr Andrea Farminer.⁹⁶ Mr David Cassells, who lives at 5 Brisbane Street, described the special character and values of the area from his experience as a resident and as Chair of Friends of the Wakatipu Gardens and Reserves Incorporated.⁹⁷ Mr Grant Bulling, also a resident, provided a written statement rebutting aspects of Ms Amanda Leith's planning evidence in support of Submission 628 which sought HDR zoning for several sites in Park Street.⁹⁸ There were no appearances for Submissions 821 and 599 nor was any evidence provided. None of the further submitters appeared or provided evidence.
172. The legal submissions for Submitters 503 and 506 focused on adopting a special character overlay as a method for managing amenity values and proposed amended provisions within Chapter 8 MDR and Chapter 27 Subdivision specifically recognising the proposed special character area. A definition of the "Park Street Special Character" area was proposed for inclusion in Chapter 2 Definitions.⁹⁹
173. After the hearing, Counsel for these submitters provided a refined version of the proposed amendments to Chapter 8 MDR, Chapter 27 Subdivision and the definition of special character in response to matters raised in evidence and by the Panel.¹⁰⁰ Essentially, the proposed amendments sought a similar level of development intensity as provided by the status quo i.e., ODP (HDR Sub-Zone C).
174. Counsel addressed matters of scope and advised the Panel that the proposed amendments were consistent with the Submitters' objectives to recognise special character and retain the status quo of rules under the ODP. Ms Hill said that the amendments do not go further than the submissions provide and would clearly be contemplated by them.¹⁰¹
175. Dr Farminer appraised the Park Street – Hobart Street area in relation to special character.¹⁰² She described the significant character elements which contributed to her conclusion that these blocks exhibit special character. They include:
- a. A sense of enclosure to the Park Street area that is a distinctive feature of its character and sense of place;
 - b. The physical and visual qualities of its remaining built fabric and forms which exemplify an older, domestic scale, residential Queenstown, embodying a mixture of building materials including historic stone, timber and corrugated iron juxtaposed with more modern timber, brick and block interspersed with green spaces
 - c. The scale of development across the area, which is low density residential development, and buildings are generally single or two storeyed with generous, irregular setbacks and road frontages;

⁹⁶ Dr A. Farminer, EIC; Rebuttal Evidence and Summary Statement

⁹⁷ D. Cassells, EIC and Summary Statement

⁹⁸ G. Bulling, Rebuttal Evidence

⁹⁹ R. Hill, Legal Submissions, Appendix 2

¹⁰⁰ R. Hill, Memorandum of Counsel for DJ Cassells and others, 13 September 2017, Appendix 1

¹⁰¹ Ibid, paragraph 19

¹⁰² Dr A. Farminer, EIC, Appendix 1

- d. Human-scale, residential built forms found in the area and their relationship to the roads, gardens and fencing, as well as the layout and design of the street itself.¹⁰³
176. Overall, Dr Farminer considered the Park Street enclave to be one of the last surviving parts of Queenstown where the residential development and pre-commercialised heritage character of the town remains tangible to its residents and visitors alike.¹⁰⁴ In her opinion, this area makes a significant contribution to the sense of place, amenity and broader cultural and social values of the QTC and its surrounding settlement.¹⁰⁵
177. Accordingly, Dr Farminer considered that future maintenance of this special character could only be achieved by acknowledging the special character of Park Street and identifying those elements of special character that are significant. In her opinion, the provisions proposed would assist in achieving the objective of positively maintaining and developing the Park St SCA for the future amenity and benefit of Queenstown.¹⁰⁶
178. Dr Farminer also addressed the implications of rezoning several sites with frontage to Park Street from MDR to HDR as requested by Neville Mahon.¹⁰⁷ As part of this evidence, she responded to Ms Leith’s opinion that leaving the subject area as MDRZ in the PDP “*creates a two block area of MDR close to the QTC which people would have to travel through HDR areas to get to.*” She inferred from this statement that Ms Leith considered zoning the subject area as MDR was an inefficient use of the land.¹⁰⁸
179. Dr Farminer said that:
- “..the lower density and evolving residential nature of the Park Street – Brisbane Street area that developed from the 1870’s onwards, was one of the unique character and amenity values that the area contributes to QTC, through providing a counterpoise to the intensely urban, concentrated and built streetscape character of the nearby QTC. As such, it provides, along with the larger area of the Queenstown Gardens, a vital and important ‘breathing space’ amidst the intensity of the wider town.”¹⁰⁹*
180. Mr Cassells described the history of the two properties at 5 and 17 Brisbane Street and provided early photos of the Cassell Family home and the surrounding area in different periods. He said there has been a return of families to this area attracted by its amenity, character and sense of community.¹¹⁰ Mr Cassells considered there was a special character that should be protected, the elements of which included:
- a. Heritage buildings, although the character is of a wider compass than just heritage
 - b. The relationships of the area with the town centre, the lake, pathways and the Gardens which is important to visitors
 - c. There is no single identifying component; it is the unique combination which provides the character

¹⁰³ Dr A. Farminer, Summary Statement, excerpts from paragraphs 4 - 6

¹⁰⁴ Dr A. Farminer, Summary Statement, paragraph 6

¹⁰⁵ Dr A. Farminer, Rebuttal Evidence, paragraph 16

¹⁰⁶ Dr A. Farminer, Summary Statement, paragraphs 7 – 9 which refer to the ‘hearings’ version of the proffered provisions

¹⁰⁷ Dr A. Farminer, Rebuttal Evidence, which responds to planning evidence in support of Submission 628

¹⁰⁸ Ibid, paragraph 9

¹⁰⁹ Dr A. Farminer, Rebuttal Evidence, paragraph 10

¹¹⁰ D. Cassells, EIC, paragraph 21

- d. That character has not, hitherto, been immediately apparent to the ordinary observer. It has the potential to be enhanced and to become more widely appreciated
 - e. Trees and other plantings, and
 - f. The local's pride in maintaining the area and engaging with visitors.¹¹¹
181. As explained by Mr Cassells, one of the key concerns arising from the proposed increase in density were the set back and recession planes and the potential for aggregation which could result in present dwellings and streetscape being overshadowed or otherwise compromised. New buildings could be inimical to the character of the area and its attractiveness to residents and visitors alike. Parking pressure is especially chronic and is worsening giving rise to a concern that any increase in density without adequate parking provision would exacerbate the pressure. In addition, Mr Cassells said that there was no demonstrated need for density upzoning for housing or commercial/visitor accommodation. In his opinion, there has been a history of land banking and land speculation in the area which the proposed change in zoning would only exacerbate.¹¹²
182. On behalf of the Friends of Wakatipu Gardens, he identified concerns due to MDR zoning including unsustainable pressure on the area not least in respect to infrastructure and increases in traffic and parking. These concerns are similar to the concerns of the residents.¹¹³
183. For the Council, Ms Devlin initially recommended that Submissions 503 and 506 be rejected. She acknowledged that the Park Street area had some special characteristics, including being adjacent to Queenstown Gardens and containing some protected historic heritage features. However, she did not support replacing MDRZ as notified with a zone similar to the Arrowtown Residential Historic Management Zone because that zoning has been designed specifically for Arrowtown, a different community. Ms Devlin did not support a 'spot zone' based on either HDR Sub-Zone C or a zone similar to the ARHMZ. In her opinion, the notified MDR zoning was the most appropriate for this area because any 'downzone' would result in an inefficient use of urban land in easy walking distance of the Queenstown Town Centre.¹¹⁴ Accordingly, she recommended that FS1260 (Dato Tan Chin Nam) and FS1315 (Greenwood Group Ltd) should be accepted.¹¹⁵
184. Ms Devlin continued to hold this opinion in her Rebuttal Evidence¹¹⁶ and Reply Statement.¹¹⁷ Whilst she accepted the submitters' view that a special character overlay need not be termed a 'downzoning', she considered that "*retention of the ODP status quo*" essentially achieves the same outcome of less intensive development given that the PDP MDR is more enabling than the ODP HDR Sub-Zone C.¹¹⁸ Ms Devlin considered that a bespoke layer of objectives, policies and rules would be inefficient where such regulation was considered unnecessary.¹¹⁹

¹¹¹ Ibid, paragraph 37

¹¹² Ibid, paragraphs 27 – 29 and paragraphs 12 & 13

¹¹³ Ibid, paragraph

¹¹⁴ R. Devlin, Section 42A Report, paragraphs 25.6 & 25.7

¹¹⁵ Ibid, paragraph 25.9

¹¹⁶ R. Devlin, Rebuttal Evidence, paragraphs 11.1 – 11.5

¹¹⁷ R. Devlin, Reply Statement, paragraphs 5.1 – 5.6

¹¹⁸ Ibid, paragraph 5.2

¹¹⁹ Ibid, paragraph 5.4

185. With respect to special character, Ms Devlin considered that this overlay proposal and associated heritage values was assessed in detail during Hearing Stream 3 and did not need to be repeated and revisited through the hearings on Stream 13.¹²⁰
186. In regard to historic heritage, she considered that the Council would have recognised these values if present and taken steps to incorporate them into the PDP.¹²¹
187. Ms Devlin concluded that the general provisions within Chapter 8 MDR and Chapter 26 Historic Heritage in regard to residential amenities and protected features respectively were appropriate for the Park Street area. She maintained her opinion that Submissions 503 and 506 should be rejected.¹²²
188. Finally, Ms Devlin's Section 42A Report also addressed Submissions 821 and 599. She recommended that a downzoning over the area could result in inefficient use of urban land for residential purposes close to the Queenstown Town Centre in both cases.¹²³
189. For completeness, evidence and legal submissions in regard to Submission 628 (Neville Mahon) touched on matters that were relevant to this hearing and were taken into account by the Panel. This submission is addressed in Part L of this report.

41.5. Discussion of Planning Framework

190. PDP Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form, ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.
191. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.
192. Chapter 26 provides for the sustainable management of the District's historic heritage features. These features are an important part of the amenity and character of natural, physical and cultural heritage and protecting them helps retain the District's character, history and sense of place. This is achieved by identifying and recognising heritage values which are then protected by the Plan. There are objectives and policies relating to four categories of historic heritage; the inventory of historic heritage features, heritage precincts, sites of significance to Maori and heritage overlay areas.
193. There are three scheduled historic heritage features within the proposed Park Street special character area; a house at 5 Brisbane Street (89), a stone building at 17 Brisbane Street (58) and a cottage at 28 Park Street (63).

¹²⁰ Ibid, paragraph 5.3

¹²¹ Ibid, paragraph 5.5

¹²² Ibid, paragraph 5.6

¹²³ R. Devlin, Section 42A Report, section 26 re Submission 821 and section 27 re Submission 599.

42. ISSUES

- a. The most appropriate zoning for these four blocks of land in the Park Street/Frankton Road area
- b. Special character

43. DISCUSSION OF ISSUES AND CONCLUSIONS

194. Whether the two western-most blocks within the submission area have special character is a key issue in this hearing. If yes, a consequential issue is whether that special character ought to be recognised in the Plan by an overlay, special zone, precinct or other means.

195. Special character is one way of describing those qualities of an area that contribute to amenity values. The maintenance and enhancement of amenity values is a matter that we should 'have particular regard to' under section 7(c) of the Act. By contrast, the protection of historic heritage from inappropriate subdivision, use, and development is a matter of national importance that should *'be recognised and provided for'* under section 6(f) of the Act.

196. The distinction between protecting historic heritage and maintaining and enhancing amenity values is relevant to this case. In Hearing Stream 3, the Panel considered evidence on the merits of recognising the Park Street area as an area of special character in the context of submissions on Chapter 26 Historic Heritage. It said:

*"From the perspective of heritage character, we conclude that there is insufficient heritage 'intactness' to justify its recognition as a heritage precinct, or as some other form of special character based on historic heritage."*¹²⁴

197. In Hearing Stream 13, Ms Devlin considered that the special character overlay proposal, and associated consideration of the heritage values of the area, was assessed in detail during Hearing Stream 3 and did not need to be repeated. She relied on the evidence of Mr Richard Knott and Ms Vicki Jones in coming to her opinion on this matter.¹²⁵ There were differences of opinion between the submitters and Ms Devlin on the interpretation of this evidence. Having reviewed it ourselves, we consider that this evidence focuses on special character from the perspective of historic heritage and not amenity values. In our view, the Council's evidence for that hearing and for Hearing Stream 13 did not assess special character in terms of amenity values.

198. We have considered the merits of recognising the Park Street area as an area of special character from the perspective of amenity values and their maintenance and enhancement. This is the statutory basis for the requested amendments to Chapter 8, Chapter 27 and the proposed new definition of the Park Street Character Area, as stated in legal submissions on behalf of Submitters 503 and 506. We agree with the submitters that the Council's evidence fundamentally misses the point that their case is about special and residential character which is broader than historic heritage.¹²⁶

¹²⁴ Recommendation Report 5, Chapter 26

¹²⁵ R. Devlin, Reply Statement, paragraph 5.3

¹²⁶ R. Hill, Legal submissions, 5 September 2017, paragraphs 28, 29, 3, 6 and 16. The latter refers to the model provided by the Auckland Unitary Plan. The AUP's special character areas are a method for maintaining and enhancing amenity values.

199. Dr Farminer’s evidence squarely addressed special character in terms of amenity values as illustrated by the three elements she identified as the basis of her description i.e., Enclosure and streetscape, Residential character and Greening and Enclosure. While the presence of several protected historic heritage features is mentioned in the discourse, the theme of her evaluation is that the character of the area is *“evocative of the various stages of residential development of the original Queenstown settlement, being contiguous with Queenstown Gardens and Queenstown Bay.”*¹²⁷ Mr Cassells highlighted the need to manage special character in future, hence the proposed amendments to the Plan.
200. We visited the Park Street area as part of a wider inspection of Queenstown Central and Queenstown Hill. We agree that there is a mixture of building styles, residential types and levels of intensity and that the area has evolved organically over some 140 years. Having said that, we also noted that a cluster of multi-unit developments along Park Street overlooking the lake has created a different streetscape compared to the area closer to Queenstown Gardens. It was clear that proximity to Queenstown Bay, Frankton Arm and Queenstown Gardens enabled convenient access to the town centre, path-ways and open spaces. This ease of access is shared by other areas in close proximity to the town centre however.
201. In most district plans, special character areas based on amenity values have some coherency due to street layout, building style, representativeness of a particular era of building, history of ownership (e.g., state housing), common site size, tree planting and the like. We did not observe this kind of coherency in the Park Street area nor did we expect to. Instead, we confirmed Dr Farminer’s theme that development in these two blocks is evocative of the various stages of Queenstown’s residential development over 140 years. We also agree with Mr Cassells that this character is not immediately evident to the observer. We consider that this same pattern of organic growth is shared by other areas close to the town centre, including parts of Queenstown Hill, therefore we did not see how Park Street could be distinguished from these areas in terms of amenity values on this basis.
202. Counsel for the submitters made the point that significant weight should be given to Dr Farminer’s evidence because it was not opposed by any other equivalent expertise.¹²⁸ We accept the validity of this submission. However, overall, we were not satisfied that we had sufficient planning, urban design and economic evidence on which to base a recommendation to fundamentally change the framework of the PDP by creating a new category called ‘special character overlay’ or similar as would be required by sections 32 and 32AA.
203. Overall, we conclude that the Park Street area does not have sufficiently distinctive amenity values to justify its identification as a special character area. The lack of any PDP criteria for assessing special character, the lack of evidence on urban design and of special character in the context of development around the town centre are factors that reinforce our caution at this time.
204. We considered Mr Bulling’s point that it is a strategic objective to promote a quality built environment and his statement that the PDP should recognise the character of residential communities. These comments raise the question of whether there is a desire within the community to retain the existing residential amenities and to manage these into the future by adopting bespoke planning provisions. In this case, there is disagreement within the community about the future of the Park Street/Brisbane Street block insofar as one major landowner has sought HDR zoning for several properties in that block. In our

¹²⁷ Dr A. Farminer, EIC, paragraph 11

¹²⁸ R. Hill, Legal Submissions, 5 September 2017, paragraph 30

recommendations on Submission 628, we have recommended that MDR zoning be retained on the properties at 2 – 26 Park Street and 1, 9 13A and 13B Brisbane Street. In our opinion, a ‘spot zone’ of HDR development could adversely affect amenity values in the adjoining MDR-zoned area and we did not have scope to rezone the whole block between Park Street and Brisbane Street to HDR. We have also recommended that a planning study of these two blocks be undertaken with a view to resolving their future.

205. Submissions 503 and 506 sought several different options in relief with a view to retaining the level of development enabled by the Operative HDR Sub-Zone C. We have considered these options and in particular the proposed amendments to Chapter 8 MDR, Chapter 27 Subdivision and the proposed new definition of the Park Street Special Character Area.¹²⁹
206. With respect to adopting a special character overlay, we consider that the key inhibition is the current lack of any policy framework in the PDP. As mentioned by counsel for the submitters, the Auckland Unitary Plan framework provides for special character overlays supported by special character area statements that set out the key special character values underpinning identification. The policies guiding identification of special character areas are in the Regional Policy Statement (B5.3(2)). In the district plan, there are objectives for special character and policies requiring the assessment of proposals against the key special character values.
207. In this framework, an area would be zoned according to the type and intensity of development to be enabled and the special character overlay manages effects on the amenity values identified in the special character statement. Development proposals are assessed both in terms of the zoning and overlay provisions, the more stringent prevailing.
208. In our opinion, this framework could be useful in Queenstown. The Council would need to undertake planning studies and community consultation with a view to justifying the adoption of such a framework (or other approach) as a precursor to introducing a variation or plan change to provide for special character areas. While an attractive option, it is not available to us at this time. We see the relevance of this approach to areas such as Sugar Lane for example.
209. With respect to the proposed amendments to Chapter 8 MDR and Chapter 27 Subdivision and the proposed new definition, there are several matters of concern.
210. First, we think it is difficult to draft objectives and policies that clearly define the desired outcomes when special character is a function of organic growth. There is no one foreseeable ‘outcome’ for development on a site nor is it easy to anticipate the effects of any one development on special character when that is derived from eclecticism rather than coherence. In this situation, an objective seeking “*building design and form which is consistent with or complementary to existing and historical development*” is wide open to interpretation. Obtaining consent to a particular building is likely to be strongly influenced by the land use and design of the building next door, whatever that happens to be. This may, or may not, result in a desirable outcome long term. Implementation of this objective would require an urban design committee with local membership to be effective in any event.
211. Second, the workability of the provisions was also a concern. For example, the proposed amendment to Rule 8.5.5 Density states that one residential unit per site is a non-complying activity.¹³⁰ No change was proposed to Rule 8.4.10 and Rule 8.4.11 which set out the Permitted and RD densities respectively. On the basis that a lower intensity of use is the aim, it would

¹²⁹ Ibid, Appendix 1

¹³⁰ R. Hill, Legal Submissions, 7 September 2017, Appendix 1 Amended MDRZ provisions

have been better to amend Rule 8.4.10 to state that one residential unit per site within the Park Street Special Character Area is a permitted activity (not three or less) and to provide for two or more residential units per site as RD or perhaps DA. The lack of any control over demolition is also a problem because ‘buildings with special character’ that define the area’s amenity values can be lost and thus the benchmark for assessing new developments would also be lost. This gap is fundamental when the objective seeks *“building design and form which is consistent with or complementary to existing and historical development.”*

212. The proposed new definition of the Park Street Special Character Area should not be incorporated into Chapter 2 Definitions in our opinion. A definition must be precise, certain and enforceable. It cannot be open to interpretation or have policy or rules embedded within it. For these reasons, we consider that the proposed definition is, in effect, a character statement and therefore better suited to a planning framework that provides for special character using overlays. In the alternative, the content of the definition could be utilised in a special zoning or sub-zone to describe the values to be maintained and enhanced.
213. The submitters sought retention of the ODP’s HDR Sub-Zone C as alternative relief. One of their concerns with the notified MDRZ were changes to the recession plane to enable greater height in relation to boundary. We did not have any evidence evaluating the effectiveness of the ODP’s recession plane (2m + 25 degrees) in this particular area. However, , the Hearing Stream 6 Panel has recommended recession planes apply to flat and sloping sites according to their orientation to the sun. This is the approach adopted in the MDRZ. We are satisfied that these recession planes will ensure access to sunlight and avoid overshadowing of neighbouring properties.
214. In addition, we have considered whether the ODP’s HDR Sub-Zone C provisions give effect to the PDP’s strategic direction and were drafted in a manner consistent with the PDP’s planning framework. We accept Ms Devlin’s opinion that the MDRZ provisions are generally similar to the ODP HDR Sub-Zone, with some rationalisation of standards, therefore they would not achieve a substantial ‘downzoning’ of the land. Further, the ODP provisions are based on activity status therefore they do not conform with the drafting approach adopted in the PDP. For these reasons, we do not recommend retention of the ODP’s High Density Sub-Zone C provisions for these two blocks.
215. With respect to adopting the Arrowtown ‘planning model’ or something similar, we find that Arrowtown is a very different situation, therefore these provisions would not be suited to Park Street.
216. Overall, we conclude that the two western-most blocks i.e., the Park Street area, do not have a readily distinguishable special character although we concede that they exhibit tangible evidence of the pattern of Queenstown’s development over 140 years. Managing an organically-growing area is difficult unless there is support within the community for additional regulation and the purpose of that regulation is clear. We do not think that the amended Chapter 8 MDRZ provisions proposed by the submitters met this standard.
217. We had some disquiet about this case because the Council appeared to miss the important point that the issue was about maintenance and enhancement of amenity values under s 7(c) (special character) not the protection of historic heritage values under s 6(f) of the Act. We lacked contestable evidence on special character, urban design and spillover parking and its effects which would have assisted in reconciling competing strategic objectives. In particular, there was a gap with respect to Mr Bulling’s points about the role of the PDP in recognising

the character of a residential area. For this reason, we recommend that the Council undertake a planning study of this area and other areas in and around the town centre to learn whether there are areas of special character and/or community aspirations that ought to be recognised and provided for in the PDP. We consider that the relationship between development in the Park Street area and Queenstown Gardens warrants an urban design assessment which was lacking in this hearing. There is ample dwelling capacity enabled by the notified PDP therefore there is no urgency to change the zoning of this area at this time.

218. Finally, we note that the zoning of the two eastern-most blocks as shown on Figure 2-12 is addressed in our recommendation on Submission 679.¹³¹ We recommended that the two eastern-most blocks be rezoned as HDR in Part M of this report.

44. RECOMMENDATION

219. For the reasons set out above, we recommend that:
- a. Submissions 503, 506, 821 and 599 be rejected; and
 - b. Further Submissions FS1063 Peter Fleming & Others, FS1265 DJ Cassells et al and FS1268 Friends of Wakatipu Reserves and Gardens Inc be rejected; and
 - c. Further Submissions FS1260 Dato Tan Chin Nam and FS1315 Greenwood Group be accepted; and
 - d. MDR zoning be confirmed for the two blocks bounded by Park Street, Hobart Street and Frankton Road as shown on Planning Map 35.

¹³¹ Millennium & Copthorne Hotels New Zealand Limited (and others)

PART L: NEVILLE MAHON

Submitter Neville Mahon (Submission 628)

Further Submissions

FS1260 – Dato Tan Chin Nam – support

FS1265 - DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch – oppose

FS1268 – Friends of the Wakatipu Gardens and Reserves Inc – oppose

45. PRELIMINARY MATTERS

45.1. Subject of Submissions

220. This submission related to properties at 2 - 26 Park Street and 1, 9, 13A and 13B Brisbane Street.

45.2. Outline of Relief Sought

221. The submitter sought rezoning of these properties from MDR to HDR.

45.3. Description of the Site and Environs

222. The land is located in close proximity to the Queenstown Town Centre and Queenstown Gardens within a residential area that includes three protected historic heritage features (see Figure 2-13). The combined area of the sites is 7,437m². One of the sites is vacant (12 Park Street) and the remainder contain single or two storey residential units. There is a gentle slope from the north to the south.

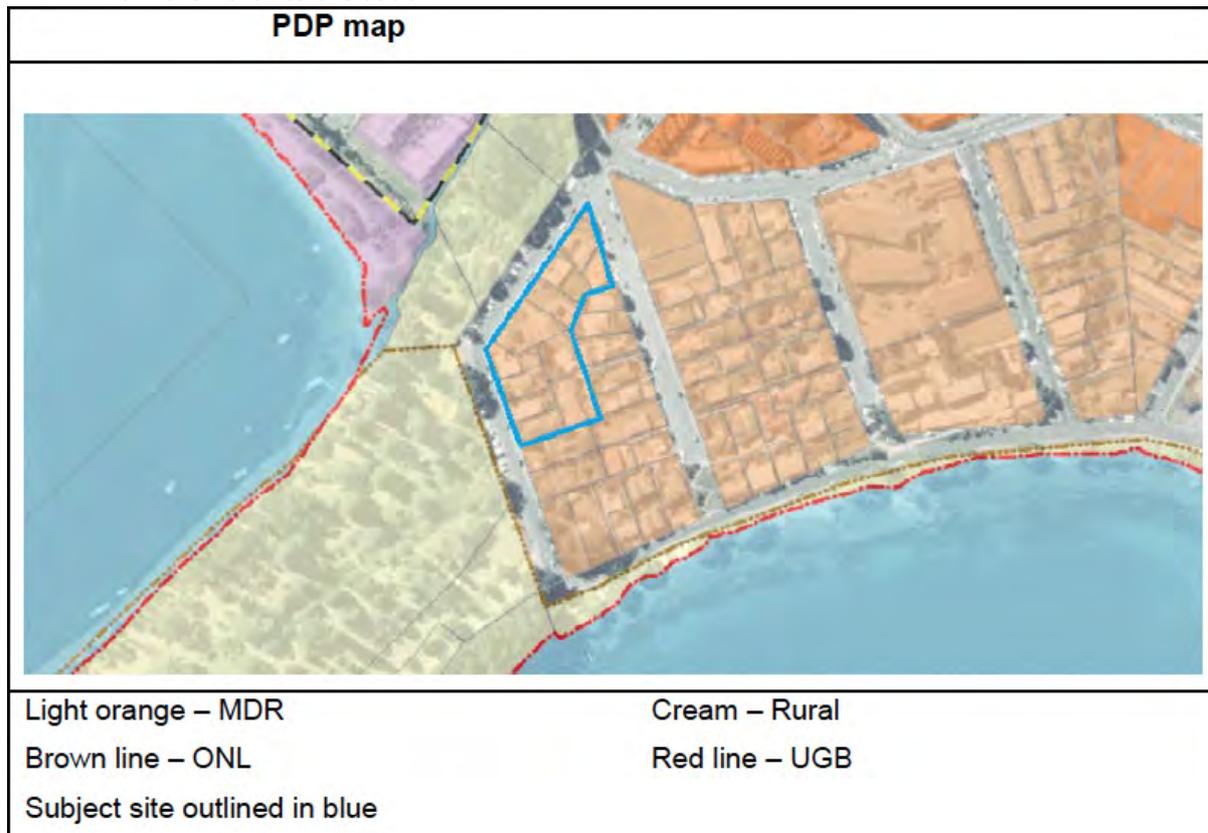


Figure 2-13 – Planning map of submission sites outlined in blue

45.4. The Case for Rezoning

223. Planning evidence in support of the submitter's case was presented by Ms Amanda Leith.¹³² Ms Leith considered that HDR was the most appropriate zoning for the submission sites because this zoning would give effect to the strategic objectives and policies of Chapters 3 and 4 of the PDP. She said that the residential properties on Park Street were located approximately 95m from the town centre and could be accessed from the QTC area via a public walkway through the Queenstown Gardens. Proximity to the town centre was the most important consideration in her opinion.¹³³
224. The relationship between Queenstown Gardens and the effects of developing the subject sites for HDR purposes was addressed by Ms Leith. There is a significant difference in levels between the town centre in the vicinity of Queenstown Bay and Park Street which, together with the existing planting within the Gardens, meant that the Park Street area was not visible from the QTC. From within the Gardens, the properties at 18 – 26 Park Street were very visible including from the main pedestrian entrance and the car park.¹³⁴ She considered that activities and views within the Gardens are not generally orientated towards Park Street.¹³⁵
225. Ms Leith acknowledged that the HDR permitted height of 12m for flat sites would result in development that is different from the one and two storey buildings that currently exist in the area. Buildings of this height would overlook the Gardens however she did not consider this to be a negative effect but rather a more positive effect because it provided for passive surveillance.¹³⁶ This was partly because any development comprising four or more residential units requires consent as a restricted discretionary activity in the HDR and the matters of discretion include design and effects on the streetscape, neighbouring properties and the public realm.¹³⁷
226. Effects on neighbouring properties was also a matter addressed by Ms Leith. Ms Leith accepted that several standards in the HDRZ enabled more intensive building development compared to the MDRZ e.g., the permitted height limit of 12m on flat sites, 70% building coverage (cf 45%) and continuous building length of 30m (cf 16m). She noted that recession planes apply to flat sites in the HDRZ which would ensure any future buildings are designed to mitigate effects on access to sunlight and dominance with respect to neighbouring properties.¹³⁸
227. Ms Leith anticipated that the High Density Residential Design Guidelines, which the Council has resolved to prepare, would provide useful guidance with regard to managing the interface between new buildings, the Gardens and neighbouring properties.¹³⁹
228. Finally, Ms Leith considered the issues of 'spot zoning' raised by the Council's witness, Ms Devlin, and dwelling capacity. In her view, enabling more dwellings is desirable and readily achieved by upzoning within existing areas as recommended by Mr Osborne for the Council.¹⁴⁰ Ms Leith considered that a 'spot zone' of HDR applying to the subject sites alongside MDR

¹³² A. Leith, EIC, and Supplementary Evidence,

¹³³ A. Leith, EIC, paragraphs 24 & 25, and paragraph 42

¹³⁴ Ibid, paragraph 30

¹³⁵ Ibid, paragraph 32

¹³⁶ Ibid, paragraph 31

¹³⁷ Ibid, paragraph 34

¹³⁸ Ibid, paragraph 38

¹³⁹ Ibid, paragraphs 35 & 39

¹⁴⁰ Report 17-1 Section 3 – see discussion on MDR zoning within the existing UGB

zoning on neighbouring properties was not problematic “as both zones are still residential in character albeit the intensity could be different.” She found similarities between the activities enabled in both zones.¹⁴¹

229. Ms Leith responded to Ms Devlin’s statement to the Hearings Panel that had there been scope to consider HDRZ across the entire area, her recommendation might have been different.¹⁴² Ms Leith referred to Submissions 391 and 238¹⁴³ which she said may provide general scope to rezone a wider area than sought by Submission 628.
230. The case for the further submitters in opposition to Submission 628 was presented in their evidence in support of their primary submissions.¹⁴⁴ They proposed that the two blocks bounded by Park Street, Hobart Street and Frankton Road be identified by a special character overlay and managed by amending the provisions of Chapter 8 MDR and Chapter 27 Subdivision as discussed in Report 5. They proposed a definition describing the special character area.
231. Mr Cassells was concerned that the setback and recession plane provisions of the HDRZ, among others, and the potential for aggregation would result in present dwellings and streetscape being overshadowed or otherwise compromised. He said that “*new buildings would be utilitarian, over scale and generally inimical to the character of the area and to the detriment of the area as an attraction for the district’s residents and visitors.*”¹⁴⁵ Further, he expressed concerns about an increase in parking pressure which is already chronic and worsening.
232. Mr Bulling responded to Ms Leith’s evidence on the interface between the Queenstown Gardens and Park Street and to her opinion that the effect of HDR zoning on Park Street could be managed through good urban design. He was concerned that building owners to the south of the subject sites could be overshadowed and be forced to look at toilet windows and downpipes. Mr Bulling also said that the development proposed under HDR would be out of character for a location so close and visible from Queenstown Bay. He concluded by drawing attention to provisions in the PDP’s strategic direction related to providing for quality built environments and recognising the character of individual communities.¹⁴⁶
233. For the Council, Ms Devlin retained her concerns about a small ‘spot zone’ of HDR in this location and maintained her recommendation that the submission should be rejected.¹⁴⁷ Those concerns included the effects of rezoning such as greater height (8 – 12m compared to 8m in MDR) and density (115m² per lot compared to 250m² per lot in MDR).¹⁴⁸ In her opinion, the scale and type of building enabled by HDR zoning could adversely affect existing amenities and values.
234. Ms Devlin accepted that the location satisfied the strategic direction of the PDP in terms of its suitability for HDR zoning however she considered that both blocks bounded by Park Street,

¹⁴¹ A. Leith, Supplementary Evidence, 21 May 2017 (sic), paragraphs 6 & 7

¹⁴² Ibid, 9 – 12

¹⁴³ Submissions 391 (Sean & Jane McLeod) and 238 (NZIA Southern and Architecture + Women Southern)

¹⁴⁴ Submissions 503 (DJ Cassells and others) and 506 (Friends of Wakatipu Gardens and Reserves Inc). See evidence of Dr A. Farminer, DJ Cassells and G Bulling.

¹⁴⁵ D.K. Cassells, EIC, paragraphs 27 - 30

¹⁴⁶ G. Bulling, Rebuttal Evidence, paragraphs 3 – 5. This evidence was tabled.

¹⁴⁷ R. Devlin, Reply Statement, paragraph 6.4

¹⁴⁸ R. Devlin, Section 42A Report, paragraph 35.2

Hobart Street and Frankton Road ought to be rezoned, not just the submission sites. Such a rezoning would be consistent with her recommendation to rezone the blocks bounded by Hobart Street, Park Street, Suburb Street and Frankton Road to HDR. Ms Devlin concluded that there was no scope within Submission 628 to make this recommendation.¹⁴⁹ She did not offer an opinion on whether other generic submissions (328 and 391) gave any scope to rezone the wider area.¹⁵⁰

235. Ms Wendy Banks, transport engineer, considered there would be minimal effects on the transport network because of the sites' proximity to the town centre therefore she did not oppose HDR zoning.¹⁵¹

45.5. Discussion of Planning Framework

236. The PDP Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form, ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.

237. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

238. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

46. ISSUES

- a. The most appropriate zoning for the subject sites

47. DISCUSSION OF ISSUES AND CONCLUSIONS

239. We agree with Ms Devlin and Ms Leith that this location satisfies the strategic direction of the PDP therefore HDR zoning is the most appropriate for both blocks, all other things being equal. Enabling increased dwelling capacity within existing urban areas is desirable and we agree with Ms Leith in this regard.

¹⁴⁹ R. Devlin, Reply Statement, paragraph 6.3

¹⁵⁰ R. Devlin, Rebuttal Evidence, paragraph 11.1. This paragraph refers to Submission 679 and FS1315

¹⁵¹ W. Banks, EIC, paragraph 8.80

240. The key issue therefore is ‘spot zoning’ of the subject sites as HDRZ and whether there is scope provided by Submission 238¹⁵² and Submission 391¹⁵³ to rezone both blocks to avoid that outcome.
241. We consider that the additional development density, height, building coverage and continuous building length enabled by HDR zoning would result in a scale, character and density of development on the submission sites that differs considerably from that enabled by MDR zoning. HDR development would differ considerably in building form and intensity compared to the existing single and two storey residential units and would also be more intense than the development enabled by MDR zoning. In our view, this greater intensity of development would have the potential to adversely affect amenity values in the area. For example, the accessway to two rear sites (13A & 13B Brisbane Street) would remain within the MDRZ, creating the potential for relatively high levels of vehicular traffic and consequently adverse effects on neighbouring MDR-zoned properties.
242. We are satisfied that the recession planes in both the MDR and HDR zones would manage access to sunlight and avoid overshadowing of neighbouring properties. We were not satisfied, however, that the Council’s transport engineering evidence fully considered the residents’ concerns about parking pressure and an increase in on-street parking demand due to rezoning to HDRZ. Mr Cassells foreshadowed that pedestrianisation of the town centre is a possibility and if so, the Park Street area could become a destination for overspill parking. Parking management in residential areas on the edge of town centres is necessary and we did not hear from the Council how this would be done in future. We agree with Mr Cassells that parking is important because it contributes to, or detracts from, amenity values.
243. We do not share the confidence of Ms Devlin that the provisions of Chapter 26 Historic Heritage would be sufficient to maintain the historic heritage values of the scheduled properties simply because of the incongruity of enabling terrace housing and apartments in close juxtaposition to these sites. This incongruity would be exacerbated if the whole of the block was zoned HDR therefore we were reluctant to recommend such a rezoning in the absence of any urban design assessment of effects on these historic heritage features and the character and amenity values of the area, including Queenstown Gardens.
244. Overall, we find that ‘spot zoning’ of the submission sites as HDRZ would be inappropriate because of the potential for adverse effects on the character and amenity values of the existing residential area and future development enabled by MDR zoning.
245. We considered whether there was scope offered by generic submissions to rezone both blocks to HDRZ and concluded that this option was not available to us. Submission 238 sought to rezone land on the periphery of the Queenstown Town Centre from HDRZ to BMUZ. A map of the area included in this relief, approximated by Ms Devlin¹⁵⁴, did not include the Park Street area. These submitters did not appear at the hearing and did not provide evidence. We are not prepared to recommend rezoning the two Park Street blocks to HDRZ given the submission’s lack of precision and lack of explanatory evidence.
246. Mr McLeod presented expert evidence in support of Submission 391. The submitters agreed with the Council’s policy of increasing the density of existing residential areas because it was

¹⁵² NZIA

¹⁵³ Sean & Jane McLeod

¹⁵⁴ R. Devlin, Section 42A Report, paragraph 16.1

wrong to keep zoning land in rural Wakatipu and Upper Clutha for 800 – 1000m² sections. The submission states:

“The Zone areas should go town centre, high density, medium density, low density, with the medium density stretching out along Frankton Road on the bus route.”

247. In his evidence, Mr McLeod focused on medium density zoning in the area from Frankton Marina to Queenstown Hill, and in Fernhill/Sunshine Bay. The submission specifically mentions applying the MDRZ from the existing HDRZ to include Panorama Terrace, Larchwood Heights, Andrews Park, Goldfields, Battery Hill, Marina Heights and everything in between. It is unclear whether the area of notified MDRZ in Park Street was intended to be included in this request.
248. We accept the logic of applying high density residential zoning close to the town centre and reducing intensity with distance from the centre, as did Ms Devlin. However, the above wording somewhat ambiguously refers to ‘medium density stretching out along Frankton Road’ which could be interpreted as endorsement of the status quo in the Park Street area particularly because this area is not mentioned. Accordingly, we are reluctant to rely on this submission for scope to rezone these two blocks from MDRZ to HDRZ.
249. Finally, we refer to the discussion preceding our recommendations on Submissions 503 and 594 which sought ‘downzoning’ of these blocks.¹⁵⁵ In our opinion, the ultimate zoning and/or Plan method for managing these two Park Street blocks should not be determined until the Council and the community have considered what is best for the future of Queenstown. There is a strong strategic basis for rezoning these blocks as HDRZ however Mr Bulling’s argument is also valid i.e., the strategic direction also promotes a quality built environment and recognition of the character of existing communities. Many cities and towns around the world retain areas of low to medium density housing in close proximity to their commercial centres for reasons such as protecting heritage values or character and to provide a choice of living environments. In our opinion, the future of these blocks is in contention amongst the landowners therefore it should be addressed by a planning study accompanied by consultation. Meanwhile, there is no urgency to change the zoning because the notified PDP enabled ample capacity to accommodate growth and provided choices of living environments. We suggest that the Council undertake such a study in our recommendations on Submissions 503 and 503.

48. RECOMMENDATION

250. For the reasons set out above, we recommend that:
- a. Submission 628 and FS1260 Dato Tan Chin Nam be rejected; and
 - b. FS1265 DJ & EJ Cassells, the Bulling Family, the Bennett Family and M Lynch and FS1268 Friends of the Wakatipu Gardens and Reserves Inc be accepted; and
 - c. MDR zoning be confirmed for the submission sites as shown on Planning Maps 34 & 35.

¹⁵⁵ Part K of this report

PART M: FRANKTON ROAD/STANLEY STREET/ADELAIDE STREET AREA

Submitters Millennium & Copthorne Hotels New Zealand Limited (Submissions 182 and 679), Dato Tan Chin Nam (Submission 61), AWS Trustees No 31 Limited (Submission 641)

Further Submissions

FS1063 – Peter Fleming and others – opposes Submission 679 and Submission 182

FS1315 – Greenwood Group Ltd – supports Submission 679

FS1260 – Dato Tan Chin Nam – supports Submission 641

FS1244 – Three Beaches Limited – supports Submission 182

48.1. Subject of Submissions

251. These submissions related to land in close proximity to the Queenstown Town Centre. The Millennium & Copthorne site (Submission 679) is an entire block bounded by Frankton Road/Hobart Street/Park Street/Adelaide Street. The company's other site (Submission 182) is located on the northern side of the State Highway at 32 Frankton Road. Submission 61 (Dato Tan Chin Nam) is concerned with the block bounded by Frankton Road/Adelaide Street/Park Street/Suburb Street. AWS Trustees owns an undeveloped site on Frankton Road within this block.

48.2. Outline of Relief Sought

252. These submissions sought either confirmation of notified HDR zonings (641 & 182) or rezoning of two blocks of land south of Frankton Road from MDRZ to HDRZ (679 & 61).

253. In the alternative, Submission 182 requested a visitor accommodation zone that provided for hotels at the height of the current development and a definition of visitor accommodation or hotels. FS1244 (Three Beaches Ltd) supported this aspect of the relief.

48.3. Description of the Site and Environs

254. The subject land is developed with a mix of single and two storey residential units, visitor accommodation and hotels.

255. The land subject to these submissions is shown in Figure 2-14.



Figure 2-14 – Planning map of land subject to Submissions 679, 61, 641 and 182 outlined in blue

48.4. The Case for Rezoning

256. Broadly, the basis of these submissions was that HDR zoning (or a visitor accommodation subzone or greater height) would enable more intensive development of land that is in close proximity to Queenstown Town Centre and allow for easy access to public transport, roads and trails. In particular, the zone enables greater density and height compared to MDR zoning (applicable to most of the land within the two main blocks in contention). In the case of the Copthorne hotel sites, HDR zoning would reflect the existing development. The submitters and further submitters did not appear at the hearing and did not provide evidence.

257. In their further submission in support of Submission 679, the Greenwood Group Ltd (FS1244) said that their site at 9 Frankton Road should be included within any revised HDR zoning¹⁵⁶. Ms Devlin recommended that this request be rejected because it would enable substantial additional building height and intensification without analysis of what effects HDR zoning might have on existing residential amenities and the Queenstown Gardens.¹⁵⁷

258. For the Council, Ms Devlin addressed these submissions in several different sections of her Section 42A Report.¹⁵⁸ Ms Devlin supported rezoning the two blocks bounded by Frankton Road/Hobart Street/Park Street/Suburb Street because HDR zoning would be consistent with the relevant objectives and policies of Chapter 3 Strategic Direction and Chapter 4 Urban

¹⁵⁶ We discuss below the scope issue arising from this request.

¹⁵⁷ R. Devlin, Section 42A Report, 24 May 2017, paragraph 33.14

¹⁵⁸ Ibid; section 28 re Submission #182 (Millennium & Copthorne Hotels at 32 Frankton Road) and Submission #641 (AWS Trustees Limited), section 33 re Submission #679 - Millennium & Copthorne Hotel; section 34, Submission #61 (Dato Tan Chin Nam)

Development in regard to ensuring that there is sufficient suitably zoned land to provide for future growth and a diversity of housing choice, and by promoting a compact urban form.

259. She did not support the adoption of a visitor accommodation subzone or the enablement of additional height as requested in Submission 641.

48.5. Discussion of Planning Framework

260. In the PDP, Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form, ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.

261. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

262. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community's wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

49. ISSUES

- a. The most appropriate zoning for the land subject to the submissions

50. DISCUSSION OF ISSUES AND CONCLUSIONS

263. The Council's evidence was not contested therefore we accept and rely on it. We find that the land in the two blocks bounded by Frankton Road/Hobart Street/Park Street/Suburb Street is suitable for HDR zoning because it satisfies the objectives and policies of Chapter 3 Strategic Direction and Chapter 4 Urban Development. In our view, it would be efficient to enable more intensive use of land in close proximity to the town centre. In addition, HDR zoning reflects the scale, character and intensity of the existing hotel and visitor developments on several sites within this area.

264. We agree with Ms Devlin's recommendations to confirm the notified HDR zoning on 32 Frankton Road (Submission 182) because this land also satisfies the strategic objectives and policies of the PDP in terms of location relative to the town centre. We also agree with Ms Devlin that a visitor accommodation subzone is not an option for this site because the VA provisions were withdrawn from Stage 1 of the PDP. Further, we agree with Ms Devlin that a

site-specific height limit is not appropriate and note that there is provision within the HDRZ to seek apply for consent to erect buildings up to a maximum height of 15m.¹⁵⁹

265. The Greenwood Group sought HDR zoning for their property at 9 Frankton Road by way of a further submission (FS1315). In our opinion, this aspect of the further submission is out of scope. A further submission cannot extend the area of land to be rezoned because affected parties have not been given an opportunity to consider the relief requested. There is a risk of breaching the principles of natural justice by excluding the participation of affected parties.
266. In forming our recommendations, we considered the evidence presented in support of Submissions 503 (DJ Cassells and others) and 504 (Friends of Wakatipu Gardens and Reserves Inc) in relation to the most appropriate zoning of the two blocks bounded by Park Street, Hobart Street and Frankton Road.¹⁶⁰ We concluded that MDR was the most appropriate zone for those two blocks in the circumstances. While those blocks satisfy the PDP's strategic objectives and policies in terms of location for HDR zoning, no submission requested this outcome. Submission 628 (Neville Mahon) sought HDR zoning for several sites however we were not prepared to recommend a 'spot zone'. In addition, there is an opportunity for the Council and the community to consider the merits of providing for special character areas in the planning framework. If these two blocks were to be included in a special character area, MDR zoning is a better zone for managing development until such time as this issue is resolved.

51. RECOMMENDATION

267. For the reasons set out above, we recommend that:
- a. Submission 679 be accepted and FS1315 Greenwood Group be accepted in part insofar as HDRZ zoning is recommended for the Copthorne Lakeside Hotel block; and
 - b. Submission 182 and FS1244 be accepted in part insofar as confirmation of HDR zoning is recommended and a visitor accommodation subzone and/or enablement of greater height is not recommended; and
 - c. Submission 641 and FS1260 be accepted; and
 - d. Submission 61 be accepted; and
 - e. FS1063 be rejected insofar as it relates to HDRZ and accepted in part insofar as it relates to a visitor accommodation subzone and/or enablement of greater height; and
 - f. As shown on Planning Map 35, the two blocks of land bounded by Frankton Road/Hobart Street/Park Street and Suburb Street be rezoned from MDRZ (part was notified as HDRZ) to HDRZ; and
 - g. The property located at 32 Frankton Road be confirmed as HDRZ as shown on Planning Map 35.

¹⁵⁹ R. Devlin, Section 42A Report, 24 May 2017, paragraph 29.7

¹⁶⁰ Part K of this report

PART N: POUNAMU BODY CORPORATE COMMITTEE

Submitter Pounamu Body Corporate Committee (Submission 208)

Further Submissions

None

52. PRELIMINARY MATTERS

52.1. Subject of Submission

268. This submission related to several blocks of land located south of Frankton Road, bounded by Suburb Street, Park Street, Frankton Road and east of 129 and 131 Frankton Road.

52.2. Outline of Relief Sought

269. The submitter sought retention of the notified LDR zoning for this area of land.

52.3. Description of the Site and Environs

270. This land is suburban in character and contains primarily standalone dwellings, with few vacant sites. It is south-facing and slopes from Frankton Road down to the lakeside (see Figure 2-15). The Pounamu Apartments are located on the northern side of Frankton Road and enjoy views over this land to the lake and beyond.

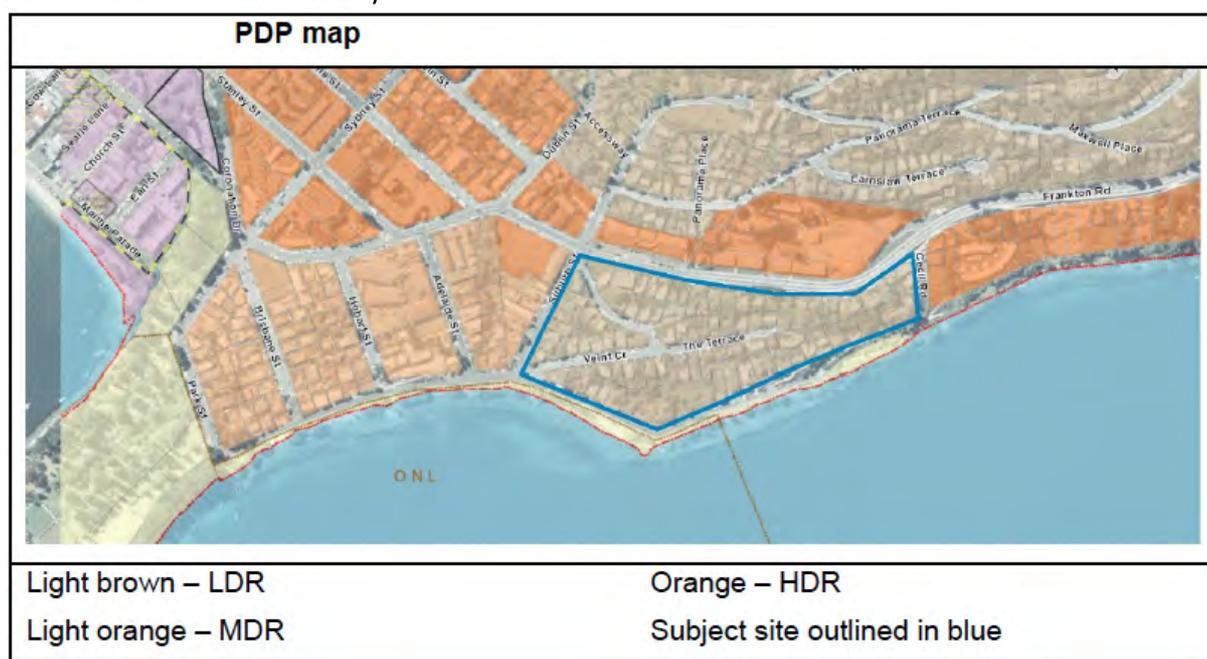


Figure 2-15 – Planning map of the land subject to the submission outlined in blue

52.4. The Case for Rezoning

271. The submitter did not attend the hearing and did not provide evidence. It is surmised that the purpose of the submission is to assist in retaining views from Pounamu Apartments to the lake and beyond.

272. The further submitter in opposition did not attend the hearing and did not provide evidence.

273. For the Council, Ms Devlin considered that the notified zoning would be consistent with the objectives and policies of Chapter 7 LDR as the land is appropriately located to provide for low density living with the District's urban areas. LDR zoning would also be consistent with the

objectives of Chapter 3 Strategic Direction and Chapter 4 Urban Development to provide for future growth and a diversity of housing choice.¹⁶¹

52.5. Discussion of Planning Framework

274. The purpose of the LDRZ is to provide for both traditional and modern suburban densities and housing forms. It is the largest residential zone in the district.

53. ISSUES

- a. The most appropriate zoning for this land

54. DISCUSSION OF ISSUES AND RECOMMENDATION

275. The Council's evidence was uncontested therefore we accept and rely on it. We find that the notified zoning should be retained and indeed, no other finding is open to us.

276. Therefore we recommend that Submission 208 be accepted and LDR zoning be confirmed for the land subject to this submission as shown on Planning Map 35.

¹⁶¹ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 30.7 – 30.9

PART O: GORGE ROAD/ROBINS ROAD AREA

Submitters PR Queenstown Limited (Submission 102), Neki Patel (Submission 103), Hamish Munro (Submission 104), Barry Sarginson (Submission 107), Clyde McIntyre (Submission 108), Westwood Group Limited (Submission 70), Jeff Aldridge (Submission 86)

Further Submissions

FS 1059 – Erna Spijkerbosch – supports Submissions 102, 103, 104 and 70

FS1118 - Robins Road Limited – supports Submissions 102, 103 and 104

55. PRELIMINARY MATTERS

55.1. Subject of Submissions

277. These submissions related to the block bounded by Robins Road, Boundary Street and Gorge Road in Queenstown Central. Within this block, Submissions 102, 103, 104, 107 and 108 related to five properties located at 30, 32, 38, 42 and 46 Gorge Road.

55.2. Outline of Relief Sought

278. Submission 86 requested that Gorge Road be looked at as a worker accommodation area. No map was provided with this submission.

279. Submission 70 sought that the Robins Road/Boundary Street/Gorge Road block be rezoned from HDRZ to BMUZ.

280. Submissions 102, 103, 104, 107 and 108 sought rezoning of 30 – 46 Gorge Road from HDRZ to BMUZ.

55.3. Description of the Site and Environs

281. Gorge Road is close to the Queenstown Town Centre and is occupied by a mix of carparking, residential units, visitor accommodation, commercial and industrial activities. A Special Housing Area is proposed for an area of BMUZ along Gorge Road. The former Wakatipu High School site is also located on Gorge Road.

282. Gorge Road runs along the bottom of a steep-sided valley and is heavily trafficked because it is the main route to Arthurs Point, the Coronet Peak ski-field, and a major route to Arrowtown and the Wakatipu Basin.

283. The five properties at 30 - 46 Gorge Road are occupied by a mix of residential, visitor accommodation and commercial activities. For example, 38 Gorge Road contains an older style dwelling currently used for a physiotherapy clinic whereas 46 Gorge Road is occupied by five townhouses which appear to be used for residential purposes.¹⁶² Horne Creek runs along the western side of these properties and bisects the Robins Road/Boundary Street/Gorge Road block.

284. On the northern boundary of 46 Gorge Road is a small area of BMUZ on the corner of Gorge Road and Robins Road which is occupied by a commercial development approved by resource consent.

¹⁶² R. Devlin, Rebuttal Evidence, 7 July 2017, paragraph 14.4

285. The southern boundary of 30 Gorge Road adjoins Boundary Street, which provides access to the Council’s Boundary Street carpark.
286. Figure 2-16 shows the zoning of the Robins Road/Boundary Street/Gorge Road block.

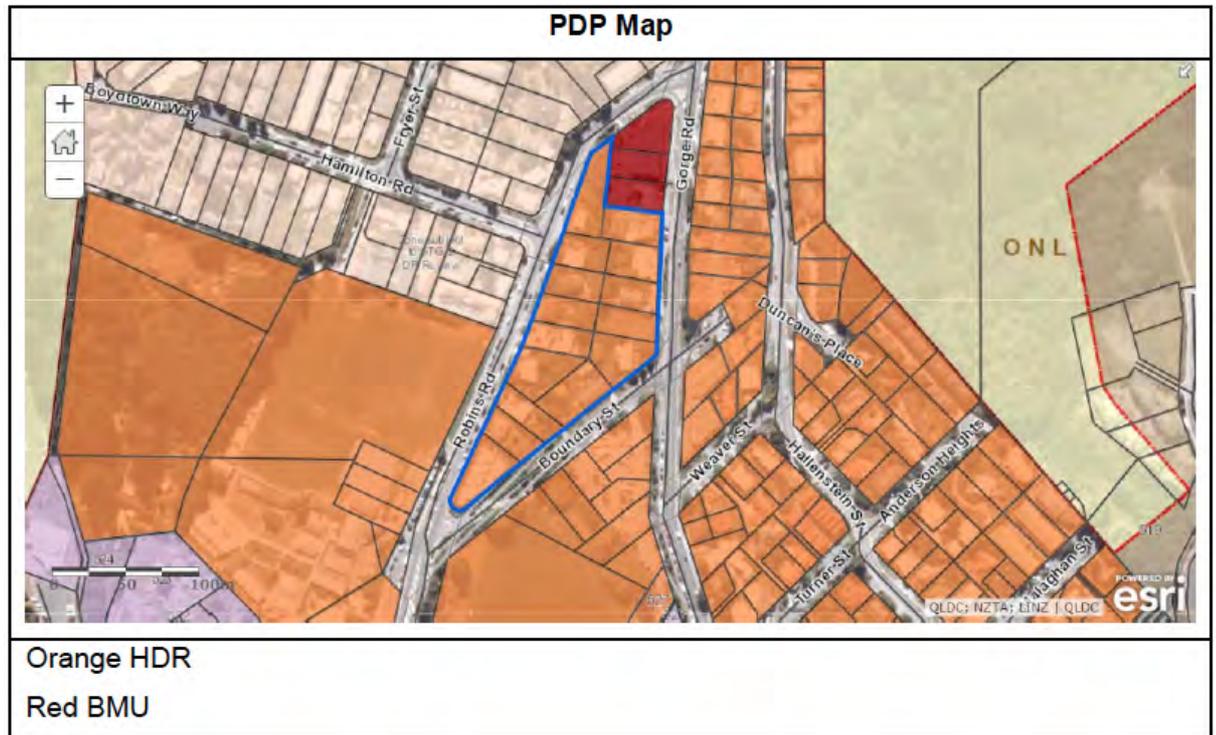


Figure 2-16 – Planning map showing the Robins Road/Boundary Street/Gorge Road block outlined in blue. Nos 30 – 46 Gorge Road are located on the western side of Gorge Road between the Council carpark and the BMU zone.

55.4. The Case for Rezoning

287. Mr Carey Vivian presented planning evidence for Submitters 102, 103 and 104. He focused on two matters germane to the proposed rezoning; the effect of greater building heights on amenity values and whether the proposed BMUZ was appropriate for these five sites given the policy framework.
288. Under the notified HDRZ, these properties would most likely be classed as sloping sites therefore the permitted height would be 7m. By comparison, all buildings in the BMUZ are restricted discretionary activities with 12 - 20m being the allowable height range. Buildings over 20m in height require consent as Non-complying activities.¹⁶³
289. All of the properties are below the level of Gorge Road and slope down towards Horne Creek. Mr Vivian advised that ground level would be measured from the original ground level which is not the same as Gorge Road. In his opinion, the likelihood of visual or physical dominance against the streetscape of Gorge Road would be low due to the lower ground level of the sites in relation to the street.¹⁶⁴

¹⁶³ C. Vivian, EIC, 9 June 2017, paragraphs 4.12 – 4.15

¹⁶⁴ C. Vivian, EIC, 9 June 2017, paragraph 4.18

290. Mr Vivian placed some reliance on the restricted discretionary activity status of buildings and the assessment required. He considered that the additional height enabled by BMU zoning would not be out of character in this part of Gorge Road *“in relation to the context of the proposed provisions of the adjoining zones.”* In his opinion, BMU zoning would *“improve the potential for landuse efficiency in the proposed urban setting with the potential to control adverse effects on a case by case basis.”*¹⁶⁵
291. In regard to the policy framework, Mr Vivian analysed the relevant provisions of higher level statutory documents and concluded that the NPSUDC 2016 was the most pertinent. He considered that the requested BMUZ would contribute to development capacity in a positive way because of the properties’ central location.¹⁶⁶ Further, Mr Vivian compared the standards of the BMUZ and HDRZ, concluding that due to increased building coverage and height, the BMUZ enabled more intensive residential activity.¹⁶⁷ This outcome would be consistent with the intent of the NPSUDC 2016.
292. In Mr Vivian’s opinion, the BMUZ could *“accommodate more residential development than HDRZ, plus enable a mix of ancillary commercial activities.”* He considered that the proposed BMUZ was designed to be complementary to the Queenstown town centre, not to be in competition with it. For these reasons, it was his opinion that there was little, if any, chance that the requested BMUZ would undermine the role of the QTC as the primary focus of the district’s economic activity.¹⁶⁸ Mr Vivian held to this opinion throughout.
293. Walking distance from the QTC was one of the matters addressed in evidence by Ms Devlin for the Council and responded to by Mr Vivian. Ms Devlin was concerned that the sites were too close to the QTC and would be competitive rather than complementary to it. Mr Vivian responded by saying that *“whether the BMUZ is 290m or 170m from the Council building is irrelevant in my view. The important thing is how activities are managed to ensure they are complementary to the services provided by town centres.”* In his view, the BMUZ provisions were designed to ensure this would happen.¹⁶⁹ He disagreed with Ms Devlin that notified policy 12.2.4.2 (which sought to ensure that QTC remained compact and easily walkable by avoiding outward expansion) was relevant because this policy related to the outward expansion of the QTC, not to the BMUZ.¹⁷⁰
294. Mr Peter Ritchie, a surveyor and owner of 38 Gorge Road, presented a submission on his own behalf (PR Queenstown) and on behalf of the other owners (30 – 46 Gorge Road). After making some general observations on the purpose of the BMUZ, he focused on comparing the enabled height limits in the BMUZ versus HDRZ. Mr Ritchie considered that the HDRZ did not allow for genuine high density. He said:

*“While on the face of it the building heights described in the HDRZ could be considered reasonable to allow for genuine density, the recession plane rule in 9.5.6.1 has a large impact on its ability to fulfil genuine density.”*¹⁷¹

¹⁶⁵ Ibid, paragraph 4.19

¹⁶⁶ Ibid, paragraph 5.7

¹⁶⁷ Ibid, paragraph 4.27

¹⁶⁸ Ibid, paragraph 8.1

¹⁶⁹ C. Vivian, Summary Statement, 21 August 2017, paragraph 8

¹⁷⁰ Ibid, paragraph 11

¹⁷¹ P. Ritchie, EIC, 21 August 2017, paragraph 5

295. Mr Ritchie provided a section being an indicative image of height and recession planes affecting development in the BMUZ and HDR zones. In his view, there was a valuable additional volume of space enabled by BMUZ compared to that enabled by HDRZ. This space would allow for density and diversity of development close to the town centre.¹⁷² The Panel asked whether the recession planes would influence the volume of building enabled because Horne Creek is 4 – 5 m lower than Gorge Road and Mr Ritchie acknowledged that these levels would have an impact on the building volume on the western side of the subject sites.
296. In conclusion, Mr Ritchie said that *“the central and low-lying areas of Queenstown were ideal to accommodate larger and denser buildings in accordance with good design principles.”* He noted that Horne Creek provided amenity that could well be enhanced to provide for a pedestrian link.¹⁷³
297. In response to questions from the Panel, Mr Ritchie said that cafes would be the most likely uses on the ground floor however he did not anticipate commercial activities on upper floors. He thought that a typical development would have undercroft parking, one floor of business activities and three residential floors.
298. None of the other submitters and no further submitters appeared at the hearing or presented evidence.
299. For the Council, Ms Devlin maintained her recommendation that the submissions seeking that land on Gorge Road be rezoned from HDRZ to BMUZ should be rejected. Her main concern was that commercial activities enabled by the BMUZ in close proximity to the QTCZ could undermine the role of the town centre as the primary focus for the District’s economic activity (notified policy 3.2.1.1.2; recommended strategic policy 3.3.3). She acknowledged that trade competition is addressed by the RMA and said that she would not normally raise this as a concern. However, without an effective, fair and reasonable way to restrict commercial activities in Gorge Road, there is no assurance that uses would be *“complementary”* and would *“supplement the activities and services provided by town centres.”*¹⁷⁴
300. She supported and relied on the evidence of Mr Heath in regard to an estimated 50% of commercial zoned land within the Wakatipu Ward being vacant or not used for commercial activities, including an estimated 13.6 ha with the PC50 extension to the Queenstown Town Centre. Accordingly, she concluded that there appeared to be ample commercial zoned land in the general vicinity of the site (including PC50, Brecon Street). In her opinion, the submission had not provided sufficient evidence to show that commercial zoning on these sites is appropriate or needed.¹⁷⁵
301. Ms Devlin agreed with Mr Vivian that building height may not be as great a concern, in regard to amenity, as she had considered it to be in her primary evidence.¹⁷⁶
302. Ms Devlin considered the status of worker accommodation raised by Submission 86. While worker accommodation is not specifically referred to in the HDRZ, the provisions enable higher

¹⁷² Ibid, paragraph 6

¹⁷³ Ibid, paragraph 9

¹⁷⁴ R. Devlin, Reply Statement, 6 October 2017, paragraphs 8.2 – 8.4

¹⁷⁵ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 43.7 & 43.8

¹⁷⁶ R. Devlin, Rebuttal Evidence, 7 July 2017, paragraph 14.2

density housing generally, which could include worker accommodation. In her opinion, the outcome sought by the submitter would be achieved through the notified zoning of the land.¹⁷⁷

303. Submission 70 sought that the Robins Road/Boundary Street/Gorge Road block be rezoned from HDRZ to BMUZ. Ms Devlin made similar statements to those in her evidence relating to 30 – 46 Gorge Road concerning potential loss of housing supply, amenity effects from substantially greater building height, ample supply of commercially zoned land and lack of evidence to show that commercial zoning of this land would be appropriate or needed. She recommended that the submitter’s request be rejected.¹⁷⁸

55.5. Discussion of Planning Framework

304. Strategic Objective 3.2.1.2 identifies Queenstown and Wanaka as the hubs of New Zealand’s premier alpine visitor resorts and the District’s economy. Policy 3.3.3 is particularly relevant because it seeks to *‘avoid commercial zoning that could undermine the role of Queenstown and Wanaka town centres as the primary focus for the District’s economic activity.’* The Urban Development objectives and policies provide for a compact and integrated urban form. Policy 4.2.2.3 as recommended enables *“an increased density of well-designed development in close proximity to town centres, public transport routes, community and education facilities...”*
305. These over-arching goals are given effect by zoning the main commercial, civic and entertainment area as Queenstown Town Centre zone with land in close proximity zoned as HDR and BMU.
306. The intention of the BMUZ, as recommended, is to provide for complementary commercial, business, retail and residential uses that supplement the activities and services provided by town centres. Higher density living opportunities close to employment and recreational activities are also enabled. Significantly greater building heights are enabled in the Business Mixed Use Zone in Queenstown, provided that high quality urban design outcomes are achieved. There are three areas of BMUZ in the PDP: Anderson Heights, Wanaka; and Gorge Road and Frankton North¹⁷⁹, Queenstown.
307. The HDRZ provides for efficient use of land within close proximity to town centres that is easily accessible by public transport, cycle and walkways. In Queenstown, it enables taller buildings than in other residential zones, subject to high design quality. Development controls provide minimum of protections for existing amenity values and are otherwise prioritised towards enabling the community’s wellbeing by promoting growth and development. There is a focus on intensification and small scale commercial activities are enabled to support larger residential developments, or to provide low impact local services.

56. ISSUES

- a. The most appropriate zone for this land
- b. Zoning strategy

¹⁷⁷ R. Devlin, Section 42A Report, 24 May 2017, section 42 and specifically paragraphs 42.10 & 42.12

¹⁷⁸ R. Devlin, Section 42A Report, 24 May 2017, section 43 and specifically paragraphs 43.6 – 43.8

¹⁷⁹ Recommended in Report 17-6

57. DISCUSSION OF ISSUES AND CONCLUSIONS

308. The fundamental issue is the zoning pattern in and around Queenstown Centre. As notified, the PDP provided for HDR zoning to the east of the town centre, stretching from Robins Road to Suburb Street. There were also HDR zones along Frankton Road and Lake Esplanade. BMU zoning was restricted to areas in Gorge Road (Sawmill Road, Hylton Place, Robins Road corner).
309. The aim of this zoning pattern was to enable high density residential development within close proximity to the town centre that is easily accessible by public transport, cycle and walkways. It gave effect to the key planning role of HDR zoning in minimising urban sprawl and consolidating growth in existing urban areas (recommended Zone Purpose, Objective 9.2.1 and Policies 9.2.1.1 & 9.2.1.2).
310. We agree with this approach to zoning because it implements the Strategic Direction and Urban Development objectives and policies set out in Chapters 3 and 4 of the PDP respectively. In particular, provision of HDR zoning adjacent to the Queenstown town centre promotes a compact, well designed and integrated urban form, ensures a mix of housing opportunities and supports the role of the town centre (recommended Strategic Policy 3.2.2.1; Objective 4.2.2A and Policy 4.2.2.3).
311. Various pockets of land along or near Gorge Road are the only areas that are zoned BMUZ in the notified PPD near the Queenstown town centre. This zoning, as we understood it, was to enable a transition of this area from one focussed on commercial services to a mixture of commercial, residential and visitor accommodation activities. For example, there is a Special Housing Area proposed within the BMUZ indicating that residential use may be preferred for land in close proximity to the town centre.
312. We agree with Ms Devlin that rezoning land from HDRZ to BMUZ in Gorge Road would be contrary to the strategic direction of the PDP. In particular, we accept and rely on her evidence that under BMU zoning there is no effective, fair or reasonable way to restrict commercial activities that would assure they are complementary to and would supplement the activities and services provided by town centres. In our opinion, retaining HDR zoning is the only method that will ensure the primacy of the QTCZ as a focus of economic activity thereby giving effect to Strategic Policy 3.3.3. We acknowledge that zoning used in this way is a blunt instrument but it is the one method in the PDP that will achieve the intended outcome. We did not receive evidence about alternative means of achieving the outcome sought by Policy 3.3.3 (e.g., clarification of 'complementary activities' or caps on gross floor area of commercial activity) therefore we have no option but to recommend retention of HDR zoning in Gorge Road.
313. Ironically, Mr Vivian and Mr Ritchie's evidence demonstrated that BMU zoning has the potential to supply a greater quantity of housing in comparison to HDRZ due to the more enabling height and coverage standards. Also, Mr Vivian was probably correct when he said that residential development was the most profitable land use in this area. This economic reality was not further explored in evidence however it raised a concern. It may be that the provisions of the HDRZ are too timid in terms of the amount of residential activity they allow, particularly with respect to height. However, in our view, there is a risk of unsatisfactory outcomes in terms of residential amenity if BMU zoning were to become a 'trojan horse' for intensive residential development. This is another reason for our reluctance to recommend the rezoning requested.

314. We lacked the evidential foundation on which to base a recommendation to rezone either five sites or a whole block to BMUZ. Importantly, there was no urban design evaluation of the development enabled by the BMUZ zone in the wider context. In our opinion, enabling a building height of 20m with relatively permissive recession planes has the potential to result in adverse effects on the Gorge Road and Robins Road streetscapes. We also had reservations about the urban design outcomes of rezoning to BMUZ a single block or cluster of sites located amidst a substantial area of HDR zoning. In this valley and with Horne Creek as an asset, urban design matters required more attention than they were given by all parties.
315. Equally importantly, there was no evidence of any shortfall in suitably zoned land for commercial and business activities in Wakatipu Basin. To the contrary, Mr Heath's evidence demonstrated there is ample supply overall and in the Queenstown town centre judging by the vacant space available. PC50 has released a significant area of business zoning as well. We find there is no need to rezone land from HDRZ to BMUZ at this time given the adequacy of supply. If a shortfall or other need for business zoned land had been established, then evidence was required demonstrating that rezoning land in Gorge Road to BMUZ was the most appropriate way of addressing that need. We did not receive evidence of this kind.
316. Mr Vivian considered the effect of noise from cafes and restaurants by reference to the management methods (PDP rules, Sale of Liquor Act, Local Government Act). With respect, this analysis is relevant to the management of individual applications however our consideration of zoning required an evaluation of cumulative effects in the neighbourhood context from an acoustics expert. We were not satisfied that we understood enough about the noise effects of the activities enabled in the BMUZ on surrounding HDR zoned land to recommend the rezoning requested.
317. Finally, we agree with Ms Devlin that workers accommodation is generally enabled within the HDRZ and therefore Mr Aldridge's request would be satisfied by the provisions of the PDP.

58. RECOMMENDATION

318. For the reasons set out above, we recommend that:
- a. Submissions 70, 86 102, 103, 104, 107 and 108 be rejected; and
 - b. FS1059 and FS1118 be rejected; and
 - c. HDR zoning be confirmed for the block bounded by Robins Road/Boundary Street, Queenstown Central, as shown on Planning Maps 32, 34 and 35.

PART P: GORGE ROAD - BMUZ

Submitter Coronet Property Investments Limited (Submission 321), Skyline Enterprises (Submission 556), Trojan Holdings Limited (Submission 634)

Further Submissions
None

59. PRELIMINARY MATTERS

59.1. Subject of Submissions

319. These submissions related to the BMUZ in Gorge Road, Queenstown.

59.2. Outline of Relief Sought

320. The submissions sought confirmation of the BMUZ on the following properties:

- a. 53 and 58 Gorge Road (321);
- b. 16 Hylton Place (556); and
- c. a number of sites in Gorge Road (634).

59.3. Description of the Site and Environs

321. As notified, the BMUZ was applied to land along Gorge Road in the southern part of the gorge leading to Arthurs Point. The bulk of the zone applied to the mixed use area north of Hallenstein Road and included the Wakatipu High School site. Smaller, discontinuous, parts of the zone were applied in Hylton Place and at the apex of the intersection of Robins Road and Gorge Road (see Figure 2-17).

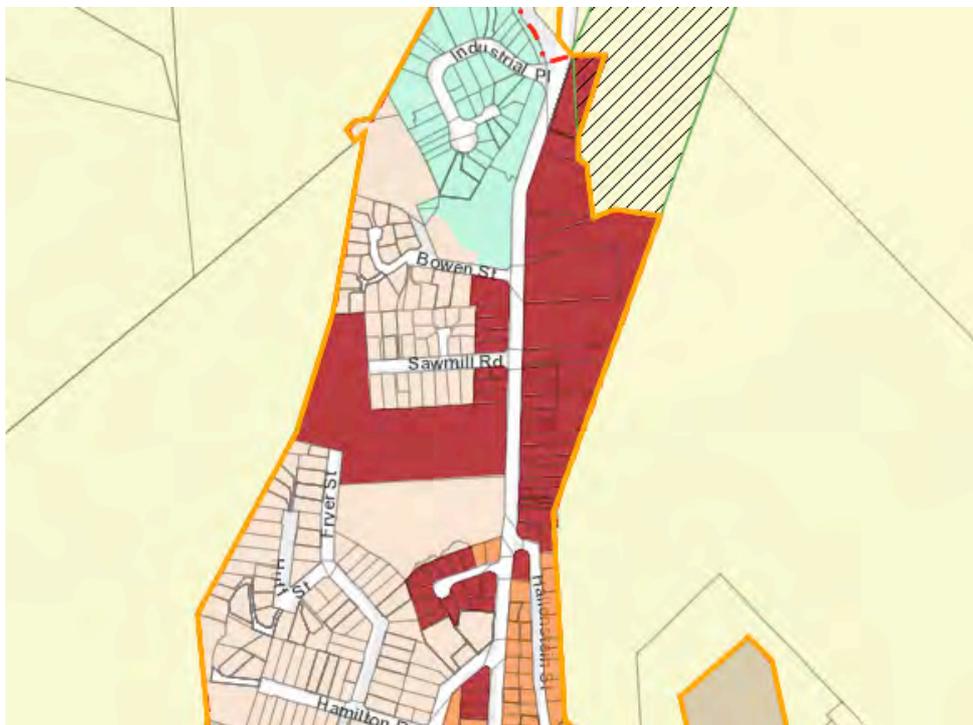


Figure 2-17 – Map of the BUMZ in Gorge Road

59.4. The Case for Rezoning

322. The basis for supporting BMUZ for 53 and 58 Gorge (Submission 321) was that the properties were consented for development for non-residential, commercial activities. The proposed zone would provide for these existing uses. To retain the HDRZ from the ODP would be inappropriate for the site and the activities.
323. Skyline Enterprises (556) supported BMUZ for 16 Hylton Place because it would be the logical outcome given the ODP Business Zone and the commercial focus of land located at Hylton Place. The submitter said that the Gorge Road area had the potential to be redeveloped in a manner which would provide a range of activities that can complement and support the businesses and services located in the nearby Queenstown Town Centre.
324. Trojan Holdings (634) owned properties at 9, 101, 103, 109, 121, 116 and 120 Gorge Road. The basis of the submission was that those sites were used for a variety of commercial, industrial and transport related uses. BMU zoning would enable the regeneration of the commercial area along Gorge Road with an appropriate mix of compatible commercial and residential activities.
325. The submitters did not attend the hearing or provide any evidence.
326. For the Council, Ms Evans noted that these submissions were in support of the notified BMUZ and as there were no further submissions, she did not consider any further analysis was necessary.¹⁸⁰

59.5. Discussion of Planning Framework

327. The intention of the BMUZ zone is to provide for complementary commercial, business, retail and residential uses that supplement the activities and services provided by town centres. Higher density living opportunities close to employment and recreational activities are also enabled. Significantly greater building heights are enabled in the BMUZ in Queenstown, provided that high quality urban design outcomes are achieved.
328. The objectives and policies of Chapter 16 support this purpose by enabling a wide variety of high intensity activities and requiring high quality building and urban design outcomes.¹⁸¹
329. The BMUZ in Gorge Road assists in giving effect to Chapter 3 Strategic Objectives 3.3.2 – 3.3.5 and associated policies and promotes a compact and integrated form as sought by Chapter 4 Urban Development Objective 4.2.2A.

60. ISSUES

- a. The most appropriate zone for the submitters' properties.

61. DISCUSSION OF ISSUES AND CONCLUSIONS

330. Gorge Road is ideally located for a BMUZ because of its proximity to the Queenstown town centre and frontage to the main road to Arthur's Point, Coronet Peak and Arrowtown.

¹⁸⁰ R Evans, Section 42A Report, Group 1A, 24 May 2017, paragraph 9.5

¹⁸¹ Objectives 16.2.1 & 16.2.2 and related policies

331. The historical pattern of land use and development means that there is a variety of activities established in the Gorge Road area which the BMUZ appropriately reflects.
332. As the BMUZ was supported by submissions and there was no evidence to the contrary, we find that BMUZ is the most appropriate zone for these properties.

62. RECOMMENDATION

333. For the reasons set out above, we recommend that:
 - a. Submissions 321, 556 and 634 be accepted; and
 - b. BMU zoning be retained on the submitters' properties and in the Gorge Road area.

PART Q: D & M COLUMB

Submitter D & M Columb (Submission 624)

Further Submissions

None

63. PRELIMINARY MATTERS

63.1. Subject of Submission

334. This submission relates to a property at 229 Gorge Rd, Queenstown.

63.2. Outline of Relief Sought

335. The submission sought the ONL boundary at Gorge Rd be shifted back to its previous location in the Operative District Plan (ODP)

63.3. Description of the Site and Environs

336. The submission site is rural zoned land at Gorge Rd, adjacent to the large wetland near the saddle on Gorge Rd. It is shown on Figure 2-18 below.



Figure 2-18 – Location of Submission site

63.4. The Case for Rezoning

337. Mr & Mrs Columb's land has been included within an Outstanding Natural Landscape (ONL) in the proposed district plan. The submission states that under the operative district plan the land was located on or about the boundary of the ONL. The submission seeks amendments to the proposed district plan to ensure the owners can use their rural zoned land in a sustainable manner and to ensure that farming and commercial recreation activities are satisfactorily provided for. The relief sought includes shifting the ONL boundary to its previous location.

338. The evidence of Dr Read and Mr Buxton for the Council was that although the ODP mapping was difficult to interpret, it appeared that the submitters' site was already within the ONL in the ODP. The ONL line in the PDP was shifted south to include all of the Council reserve land in this area, but this did not affect the submitters' land. Dr Read's landscape evidence is that "the reserve is the location of an extensive significant natural area as identified in the PDP. It has high natural and aesthetic qualities and ones which contrast dramatically with the cliffs to the south and the mountainsides of both sides of the gorge. As an extensive open area with

high natural character it is appropriate to include it within the ONL”¹⁸². No evidence to the contrary was received from the submitters.

338.1 Discussion of Planning Framework

339. Strategic objectives and policies in Chapter 3 require the identification of ONL’s and ONF’s and their protection from more than minor or temporary adverse effects.¹⁸³ Rules in the Rural zone give effect to these provisions and ensure that activities and buildings with the potential for more than minor effects would require assessment under resource consent applications.

64. ISSUES

a. The most appropriate location for the ONL line in this vicinity

65. DISCUSSION OF ISSUES AND CONCLUSION

340. The ONL line identified in the PDP has been carefully assessed to include all relevant land in this area. We conclude that the submitters land is correctly included in that ONL.

341. The relief sought by the submission would not appear to achieve what they want in any case as their land was already within the ONL under the PDP.

66. RECOMMENDATION

342. For the reasons set out above, we recommend that Submission 624.4 be rejected.

¹⁸² Dr Marion Read Evidence paragraph 9.3

¹⁸³ See objective 3.2.5, and Policies 3.2.5.1, 3.3.29 3.3.30 and 6.3.11

PART R: SKYLINE ENTERPRISES LIMITED

Submitter Skyline Enterprises Limited (Submission 574)

Further Submissions

FS1063.23 – Peter Fleming and Others - oppose

FS1370.1 – ZJV (NZ) Limited - oppose

67. PRELIMINARY MATTERS

67.1. Subject of Submissions

343. These submissions originally related to an area of approximately 8.35 ha situated on Queenstown Hill, containing the Skyline Gondola and associated facilities. Since the submission was lodged and a hearing held on it, the Council has introduced a variation to the PDP under which most of the site has been included in a new Informal Recreation Ben Lomond Subzone. The submission is deemed to be a submission on that variation for that part of the site and has been transferred to the Stage 2 Variations hearings. However a small part of the submission site at the top of the Skyline complex has not been included in that variation and remains within Stage 1 and subject to this report.

67.2. Outline of Relief Sought

344. The submitter operates the Skyline Gondola, restaurant and commercial recreation activities on Bobs Peak and sought a new Commercial Tourism and Recreation Sub-Zone and associated provisions that would provide a planning framework for its existing and proposed future activities.

67.3. Description of the Site and Environs

345. The remaining site is at the top of the Skyline complex above the luges. It contains 5479m² of land. On it there is a pond for firefighting purposes and part of a walking trail. Part of the site is forested. The site is shown on Figure 2-19 below.

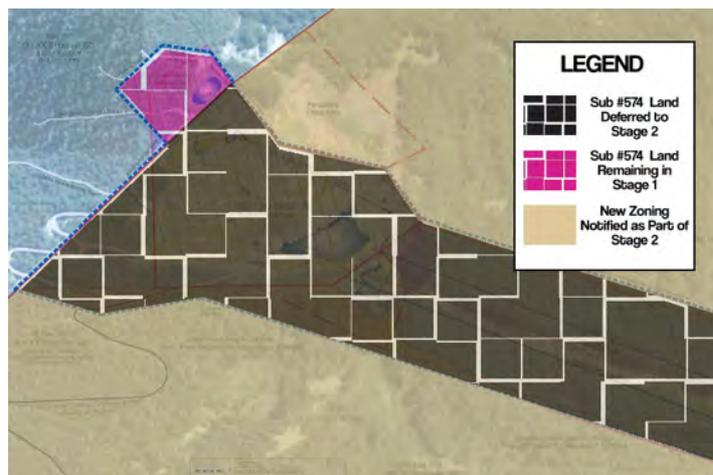


Figure 2-19 – Area of submission site remaining in Stage 1

67.4. The Case for Rezoning

346. The submitter is proposing a major upgrade of some of the buildings and facilities on the wider Skyline site including the Gondola itself. The only current proposal for the remaining Stage 1 part of the site is the possible relocation of the helipad from elsewhere on the site. The original proposed subzone was an integrated package for the whole Skyline site to facilitate

redevelopment in a more efficient manner than applying for resource consents under the Rural zone.

68. ISSUES

- a. Landscape
- b. The best form of zoning for the site following the notification of Stage 2.

69. DISCUSSION OF ISSUES AND CONCLUSIONS

347. The north-eastern edge of the site is potentially visible from parts of Gorge Rd. Because the site is so elevated any buildings on that part of the site could have unacceptable landscape effects
348. With regard to the best form of zoning for the site, the original proposed Sub-Zone contained extensive and detailed provisions that would have little or no relevance to this remaining small area. We consider it would be inappropriate to apply this Sub-Zone to the small area of land left in Stage 1 because so much of it would simply be irrelevant, and could be inconsistent with whatever results from the Stage 2 Variations. We therefore consider that, for the present, the limited proposals the submitter has for this area, such as the possible helipad, would be best dealt with under resource consents in the Rural Zone, because that has a suitably precautionary regime for what is a sensitive site in landscape terms.
349. It is impossible to predict the outcome of the Stage 2 Variations. We consider that it would be appropriate for the Council to consider a variation for this remaining portion of the site to align it with Stage 2. We acknowledge that the land concerned is owned by the Department of Conservation, which would need to be consulted on such a move.

70. RECOMMENDATION

350. For the reasons set out above, we recommend that:
- a. Submission 574 be rejected to the extent that it remains within Stage 1 of the PDP and the further submissions be accepted; and
 - b. Further Submissions FS1063.32 and FS1370.1 be accepted; and
 - c. The Council consider introducing a variation to align the Stage 1 portion of the Skyline site with the Stage 2 Open Space Variation.

PART 5: QUEENSTOWN TOWN CENTRE - ENTERTAINMENT PRECINCT AND/OR WATERFRONT SUB-ZONE

Submitters Taco Medic (Submission 291), 1876 Bar and Restaurant (Submission 250), Barry Ellis (Submission 357), FINZ Queenstown Limited (Submission 832), Remarkables Park Limited (Submission 807.84), Peter Fleming (Submission 599.5), Queenstown Gold Limited (Submission 724)

Further Submissions

FS1318 – Imperium Group – opposes Submission 291

FS1043.7 – Grand Lakes Management Ltd – opposes Submission 250

Submitters

71. PRELIMINARY MATTERS

351. This report addresses the submissions listed above. The following submissions are addressed in Recommendation Report 11 re Chapter 12 Queenstown Town Centre:

- a. POG MAHONES IRISH PUB (247)
- b. GOOD GROUP LIMITED (544)
- c. WATERTIGHT INVESTMENTS LIMITED (549)
- d. SIMPLE SIMON SUCK FIZZLE SOUP & GOURMET PIE COMPANY trading as The Atlas Beer Café (587)
- e. GOOSE CHERRY COD CATERING COMPANY LIMITED trading as Ivy & Lolás (587)
- f. NGAI TAHU PROPERTY LIMITED & NGAI TAHU JUSTICE HOLDINGS LIMITED (596)
- g. PETER FLEMING (599, except 599.5)
- h. KOPUWAI INVESTMENTS LIMITED (714)
- i. QUEENSTOWN WHARVES AND GP LIMITED (766)
- j. QUEENSTOWN CHAMBER OF COMMERCE (774)
- k. SOUTHERN PUB COMPANY LIMITED trading as Pub on Wharf (804)
- l. WAI QUEENSTOWN LIMITED (835)

71.1. Subject of Submissions

352. These submissions related to the Queenstown town centre, including Steamer Wharf.

71.2. Outline of Relief Sought

353. The submitters seek that the Town Centre Entertainment Precinct be expanded and/or that the provisions applying in the TCEP apply to the whole of the Queenstown Town Centre.

71.3. Description of the Site and Environs

354. The Queenstown Town Centre Zone is bounded by Queenstown Bay, Hay Street, Main Street, Henry Street, Coronation Drive and Queenstown Park. The Town Centre Entertainment Precinct lie within the blocks bounded by Rees Street, Beach Street, Camp Street and Searle Lane. Both the QTC and TCEP are shown on Planning Map 36 (see Figure 2-20).



Figure 2-20 – Planning Map of the Queenstown Town Centre Zone (light purple) and the Town Centre Entertainment Precinct (diagonal yellow lines)

71.4. The Case for expanding the Town Centre Entertainment Precinct

355. The case for expanding the TCEP was considered in the Stream 8 hearing on Chapter 12 Queenstown Town Centre.¹⁸⁴ That Panel has concluded that the noise contours provided compelling evidence that the proposed location of the TCEP is appropriate. Accordingly, that Panel has recommended rejecting the submissions seeking expansion of the TCEP and/or that the provisions in the TCEP apply to the whole of the town centre.¹⁸⁵
356. Four submissions addressed in the Stream 13 Queenstown Mapping hearing sought similar relief to those heard in Stream 8.¹⁸⁶
357. One submission¹⁸⁷ supported the inclusion of Lot 1 DP306661 and Lot 2 DP27703 in the TCEP. These properties are located on the eastern side of upper Brecon Street.
358. Remarkables Park Limited¹⁸⁸ identified a mapping error with respect to the boundary of the Waterfront Sub Zone.
359. Peter Fleming¹⁸⁹ requested a separate map showing the Town Centre boundaries.

¹⁸⁴ Submissions 247, 544, 549, 587, 589, 596, 599, 714, 766, 774, 804 and 835

¹⁸⁵ Panel Recommendation Report 11 re Chapter 12, paras 719-734

¹⁸⁶ Submissions 291, 250, 357 and 832

¹⁸⁷ Submission 724

¹⁸⁸ Submission 807

¹⁸⁹ Submission 599

360. The submitters did not attend the hearing and did not provide evidence.
361. In the Stream 8 hearing for the Council, Dr Chiles presented evidence on noise effects and Ms Vicki Jones assessed the extent of the TCEP (among other planning matters). They both supported the notified extent of the TCEP. Ms Jones recommended reinstating the WSZ boundary that had been omitted in error (Submission 807.84).
362. In this hearing, Ms Ruth Evans relied on the evidence of Ms Jones and Dr Chiles regarding the appropriate boundary of the TCEP and therefore recommended that the first four submissions be rejected.¹⁹⁰ Ms Evans considered there was no need for a separate town centre map because this would result in duplication of information and acknowledged the mapping error with respect to the boundary of the WSZ.

71.5. Discussion of Planning Framework

363. The planning framework is comprehensively described in Recommendation Report 11 re Chapter 12 Queenstown Town Centre. We have nothing to add.

72. ISSUES

- a. The extent of the TCEP
- b. Whether the provisions applying in the TCEP should apply to the whole of the Queenstown Town Centre

73. DISCUSSION OF ISSUES AND CONCLUSIONS

364. We adopt the recommendations and reasoning of the Stream 8 hearings panel with respect to the extent of the TCEP and the applicability of the TCEP provisions to the wider town centre. We agree that the noise contours provide compelling evidence that the proposed location of the TCEP is appropriate.
365. In this hearing, the evidence of Ms Evans was uncontested therefore we accept and rely on it. Similarly, Dr Chile's evidence on noise was uncontested.

74. RECOMMENDATION

366. For the reasons set out above, we recommend that:
- a. Submissions 291, 250, 357, 832 and 599.5 be rejected and Further Submissions 1318.12 and 1043.7 be accepted; and
 - b. Submissions 724 and 807.84 be accepted; and
 - c. There be no change to the notified extent of the QTCZ and TCEP; and
 - d. The boundary of the Waterfront Subzone be corrected as per Panel Recommendation Report 11.

¹⁹⁰ R Evans, Section 42A Report, 24 May 2017, paragraph 10.4

PART T: SUMMARY OF RECOMMENDATIONS

367. For the reasons set out above, we recommend:
- a. Submissions 722 and 410 be accepted (Part A);
 - b. Submission 1359 be accepted (Part B);
 - c. Submissions 7, 76, 193 and 363 be accepted, and Further Submission 1279 be rejected (Part C);
 - d. Submission 75 be rejected (Part D);
 - e. Submission 238 and Further Submission 1242 be rejected, Further Submissions 1242, 1107, 1226, 1234, 1239, 1241, 1248 and 1249 be accepted, and Further Submissions 1216, 1228, 138 and 1246 be accepted in part (Part E);
 - f. Submission 543 be accepted in part (Part F);
 - g. Submission 790 be accepted in part (Part G);
 - h. Submission 790 be accepted in part (Part H);
 - i. Submission 718 be accepted in part (Part I);
 - j. Submissions 686, 727 and 731 be rejected (Part J);
 - k. Submissions 503, 506, 599 and 821 and Further Submissions 1063, 1265 and 1268 be rejected, and Further Submissions 1260 and 1315 be accepted (Part K);
 - l. Submission 628 and Further Submission 1260 be rejected, and Further Submissions 1265 and 1268 be accepted (Part L);
 - m. Submissions 61, 641, 679 and Further Submission 1260 be accepted, and Submission 182 and Further Submissions 1063, 1244 and 1315 be accepted in part (Part M);
 - n. Submission 208 be accepted (Part N);
 - o. Submissions 70, 86, 102, 103, 104, 107 and 108 and Further Submissions 1059 and 1118 be rejected (Part O);
 - p. Submissions 321, 556 and 634 be accepted (Part P);
 - q. Submission 624 be rejected (Part Q);
 - r. Submission 574 be rejected and Further Submissions 1063 and 1370 be accepted (to the extent they relate to Stage 1) (Part R);
 - s. Submissions 724 and 807 and Further Submissions 1318 and 1043 be accepted, and Submissions 291, 250, 357, 832 and 599 be rejected (Part S).
368. As a consequence of those recommendations, we recommend that:
- a. 37-51 Kent Street be zoned Lower Density Suburban Residential;
 - b. 1, 3, 9 and 11 York Street be zoned Lower Density Suburban Residential;
 - c. Lot 13 DP 27397, Lot 10 DP 300507, 12 Windsor Place and part of 2 Vancouver Drive be zoned Medium Density Residential;
 - d. Lot 1 DP 49690 be zoned Medium Density Residential;
 - e. On Lot 602 DP 306902, the entire site be zoned Lower Density Suburban Residential and the Landscape Classification line and Urban Growth Boundary be moved to the site boundary;
 - f. 11 Belfast Terrace and 2-20 Manchester Place be zoned Medium Density Residential; and
 - g. The blocks bounded by Frankton Road, Hobart Street, Park Street and Suburb Street be zoned High Density Residential;
- as shown on the Planning Maps attached to Report 17-1.
369. We further recommend that the Council consider introducing a variation to align the portion of the Skyline site considered in Stage 1 (refer to Part R) with the zoning determined appropriate for the remainder of the site in Stage 2.

For the Hearing Panel

A handwritten signature in blue ink, appearing to read "Nugent", is centered on the page. The signature is fluid and cursive.

**Denis Nugent, Chair
Date: 4 April 2018**