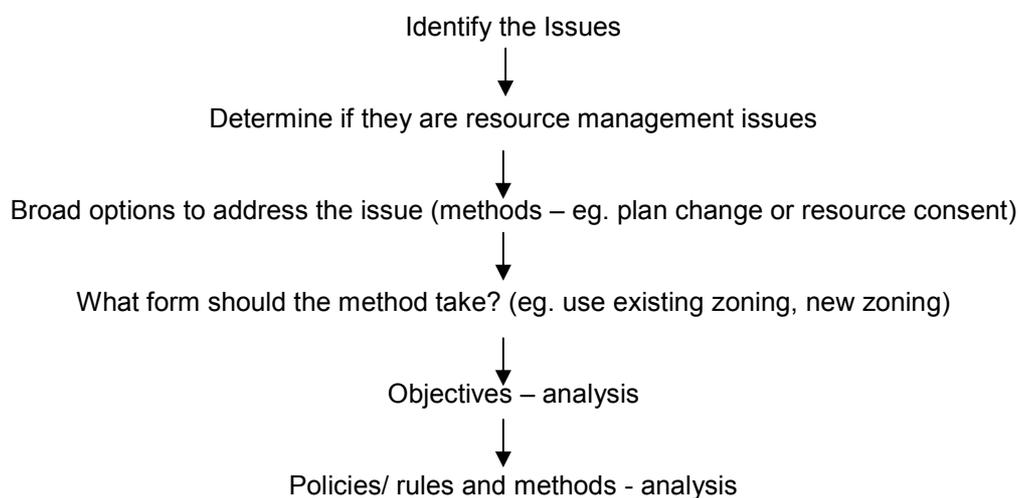


8.0 THE ISSUES THAT THE PLAN CHANGE SEEKS TO ADDRESS

8.1 Introduction

In order to undertake the evaluation envisaged by section 32 of the Resource Management Act 1991 (“the Act”) (in which the focus is on the objectives, policies, rules or other methods of the plan change) it is necessary first to understand the context of the plan change - the issues that it seeks to address. As an overview, this process involves six steps:



The last two steps of this process are those required by section 32 of the Act. Those steps are addressed in the chapter 9. This Chapter addresses the first four steps, and in so doing seeks to provide an appropriate understanding of the context of this proposed plan change.

8.2 Identification of Issues

The management of urban growth in the Queenstown-Lakes District is a critical issue that has been highlighted through the District Plan and a series of community documents.

The District Plan has a district-wide section for management of urban growth including Objective 3:

Provision for residential growth sufficient to meet the districts needs (4/55).

Plan Change 30 (notified 19 August 2009) is a Council initiative to update and refine the urban growth chapter of the plan. And Plan Change 29 (notified 19 August 2009) seeks to address urban growth issues specific to Arrowtown.

This proposed plan change identifies Arrowtown growth issues common with Plan Changes 30 and 29 as introduced by the Council.

Arrowtown is an important community in the Lakes District. The town has progressively grown from small compact settlement around the banks of Arrow River, through several phases of development. This has resulted in the township growing to the north and south and onto the terraces overlooking the Wakatipu basin.

Urban renewal and new residential development have occurred over the last 20 years enabling demand for residential growth to be met.

Natural topography (the Arrow River, the Crown terrace, and German Hill), and man-made (golf courses, roads, land use patterns) have created a clearly defined edge around Arrowtown.

The subject land is located in between the existing urban edge of Arrowtown (north) and the Arrowtown Golf Course (south), with Centennial Avenue (and further golf course holes of the Arrowtown Golf Club) to the east, and McDonnell Road (further flanked by The Hills Golf club) to the west.

Growth and development in and around the Arrowtown community give rise to the following local issues:

- Maintaining the character and amenity of the community and the township
- Maintaining heritage qualities of Arrowtown
- Infrastructure capacity (physical and social)
- Land availability
- Zoning patterns
- Landuse patterns

8.3 Is Urban Growth a Resource Management Issue?

Before undertaking further assessment it is necessary to ask and answer the following questions:

Is growth a resource management issue?	Yes, housing and growth are important issues that affect the social, cultural and economic well-being of the community.
Is this issue of significance to the District?	Yes, the way in which communities develop is one of the corner-stones of the issues facing this District.
Are addressing these issues likely to make a difference?	Yes, this will provide an opportunity for growth issues to be managed in a comprehensive way with sustainable and predictable patterns of development.
Do these issues need to be addressed in the District Plan?	Yes, the District Plan is the statutory planning document that most directly influences planning decisions. The issues require addressing at this statutory planning level to ensure that planning decisions are directly informed by appropriate growth management principles. In the absence of provisions to address these issues in the District Plan, the primary planning instrument will contain no guidance as to where longer term growth should be located, leaving further Plan Changes and development proposals to occur in a partial policy vacuum, which could give rise to ad hoc, piecemeal development.

8.4 Consideration of Options to Address the Issue

Three broad options have been considered as to how to address the issue of growth on the southern edge of Arrowtown. The following tables assess the benefits, costs, efficiency and effectiveness of each broad option, and the risks of acting or not acting in each case. Benefits, costs, efficiency, effectiveness and the risks of acting or not acting are all elements of the section 32 assessment required for any policies, rules or methods proposed. By

employing the same assessment criteria to consider the broad options, it can be ensured that the context of the plan change, and the plan change itself, are assessed in a consistent, transparent and comprehensive fashion.

Option 1	Status Quo – rely on existing zones and ad hoc resource consent processes to respond to demand for residential growth.
Option 2	Supplement existing zoning with an urban growth boundary around the existing township to encourage residential growth within the boundary, and discourage residential growth outside the boundary.
Option 3	Supplement existing zoning with an urban growth boundary around the existing township and Arrowtown South, and re-zone Arrowtown South to provide for residential growth in that area.

Option 1 – Status Quo – rely on existing zones and ad hoc resource consent processes to respond to demand for residential growth	
Benefits	<ul style="list-style-type: none"> • Contributes to a rural buffer/character • Consistent with current section sizes located between the town edge and the golf course
Costs	<ul style="list-style-type: none"> • Limits potential growth options for Arrowtown through under-utilisation of a limited resource • Resource consent process is uncertain and time consuming • Potential to undermine integrity of existing policy documents concerning growth management • Lost opportunity to provide a sustainable pattern of development, and in particular lost opportunities to: <ul style="list-style-type: none"> • provide integrated community facilities/commercial node • maximise efficient public transport and minimise energy costs • enhance existing walkway connections and open space network • achieve integrated compact urban form • optimise use of urban resources and infrastructure • achieve cohesive urban area and efficiency through effective urban design • take a holistic view considering strategic as well as local issues
Efficiency	<ul style="list-style-type: none"> • Inefficient use of existing infrastructure such as water and wastewater services due to number of lots proposed • In the short-term it allows alternative accommodation options, however in the medium to long-term additional land development options are limited • Inefficient pattern of development in terms of transport and pedestrian linkages
Effectiveness	<ul style="list-style-type: none"> • Would result in approximately 70 sections over 30 hectares, developed piecemeal. Ineffective method to meet growth management policies of the District
Risk of acting (or not acting)	<ul style="list-style-type: none"> • Acting: High risk of consent applications being refused given policy framework of the District Plan and zoning requirements (refer to costs section above) • Not acting: Land would be retained in the rural zone and continue to be used for low-productivity farming purposes with the potential for poor pastoral management and ad-hoc rural/residential subdivision.

Option 2 - Supplement existing zoning with an urban growth boundary around existing township to encourage residential growth within the boundary, and discourage residential growth outside the boundary	
Benefits	<ul style="list-style-type: none"> • Consistent with proposed Plan Change 29 as notified • Retains the open space and existing farmland around the southern edge of Arrowtown • Retains the existing landscape character • Limits the scale of Arrowtown village • Existing built forms are maintained
Costs	<ul style="list-style-type: none"> • Inconsistent with proposed Plan Change 30 as notified • Does not enable Arrowtown to meet demand for residential growth beyond the short term (2016) • Increases pressure on existing historic zone to increase density through in-fill housing • Loss of opportunity for enhancement of transport and pedestrian linkages • Loss of opportunity for urban consolidation that meets different housing needs • Influences land and housing costs within Arrowtown
Efficiency	<ul style="list-style-type: none"> • Relatively efficient in relation to short-term (2016) growth • Medium/long-term (beyond 2016) inefficiency, as the opportunity for sustainable growth through consolidation is not addressed
Effectiveness	<ul style="list-style-type: none"> • Restricts growth options of town to the current zone area
Risk of acting (or not acting)	<ul style="list-style-type: none"> • Creates pressure for infill development and could have potential to change the character of the historic zone • Forecast growth needs of the community will not be provided for

Option 3 – Supplement existing zoning with an urban growth boundary around the existing township and Arrowtown South, and re-zone Arrowtown South to provide for residential growth in that area	
Benefits	<ul style="list-style-type: none"> • Enables introduction of appropriate objectives, policies and rules to achieve sustainable pattern of development • Enables consideration of all policy issues relating to Arrowtown's future growth, including Plan Changes 29 and 30, at the same time • Ensures adequate land supply for managed residential growth at Arrowtown beyond 2016 • Optimises use of urban resources and infrastructure • Avoids urban sprawl • Achieves cohesive urban areas • Reduces energy consumption by providing for integrated streets and public transport opportunities • Supports district-wide objective to manage growth • Assists to achieve coordinated and integrated approach to urban growth with improved efficiency and accessibility to services including potential for aged care facility • Reduces pressure on existing Historic Zone.
Costs	<ul style="list-style-type: none"> • Landowner meets financial costs • Loss of some natural character • Loss of rural character
Efficiency	<ul style="list-style-type: none"> • Allows for efficiently planned and integrated extension of Arrowtown to occur • Efficient use of infrastructure • Efficient for landowner to initiate Plan Change process • Efficiencies achieved from consolidation as referred to under <i>Benefits</i> listed above

Effectiveness	<ul style="list-style-type: none">• Consistent with proposed Plan Change 30 principles• Consistent with proposed Plan Change 29 principles• Enables integrated consolidation of development
Risk of acting (or not acting)	<ul style="list-style-type: none">• Acting: Potential for proposed Plan Change to be refused• Not acting: Piecemeal/Ad hoc subdivision and development potential for site; lost opportunity for contribution to sustainable pattern of development (urban growth); lost opportunity to achieve <i>Benefits</i> listed above; infill development pressure on Historic Zone

8.5 Appropriateness of Options

Option 1 is considered inappropriate because it involves a high level of risk, a lack of certainty, and a lack of planned approach to growth to enable consolidation and integration. It encourages an ad hoc pattern of land use on the edge of Arrowtown, uses existing land resources inefficiently, and is unlikely to be effective at providing a sustainable pattern of development, as it fails to provide for Arrowtown's residential growth beyond 2016.

Option 2 relies entirely on existing opportunities for growth within the present township. Those opportunities are limited to infill development which has the potential to significantly erode the existing urban pattern and diminish important character elements of the Historic Zone. The opportunities are also likely to be exhausted by 2016. No expansion of the urban area is catered for. In common with option 1, this option fails to implement the district-wide objectives for urban growth and increases the risk of amenity erosion particularly in the Historic Zone. This option is therefore also unlikely to achieve a sustainable pattern of development.

Option 3 is considered the most appropriate. It is more likely to achieve the district-wide objectives for urban growth, particularly as it enables growth beyond 2016, while reducing pressure on existing Arrowtown amenities. A properly integrated and comprehensive approach towards growth in Arrowtown South will achieve a sustainable pattern of development.

8.6 Assessment of Options for Re-Zoning

The above assessment concludes that the most appropriate option for Arrowtown South is a re-zoning to accommodate residential growth in that area. Re-zoning itself could take different forms. The three principal options for the form of re-zoning are:

Option 1	Use existing residential zoning (eg. adjacent Low Density Residential zoning)
Option 2	Create a new zone
Option 3	Develop a hybrid of existing and new zones

The assessment of these options by benefits, costs, efficiency, effectiveness and the risks of acting (or not acting) is outlined in the tables below.

Option 1 – Extend current Low Density Residential zone over the land	
Benefits	<ul style="list-style-type: none"> • Relatively straightforward process, with minimal costs of preparation • Simplicity of administering already-familiar Plan provisions
Costs	<ul style="list-style-type: none"> • Replicates the existing new town pattern which does not contain any clear direction on urban direction and design • Does not recognise the character or amenity of Arrowtown • Does not create a 'heart' to this zone, but simply extends development area • Difficult to ensure quality outcomes or additional community benefits beyond what the current zoning provides and anticipates
Efficiency	<ul style="list-style-type: none"> • In the long term this option would not represent an efficient use of the land as it would not benefit the amenity or charm of Arrowtown
Effectiveness	<ul style="list-style-type: none"> • Not considered an effective option for the reasons outlined above
Risk of acting (or not acting)	<p>Risk of Acting: Extending Arrowtown in the same manner as the existing undesirable pattern of development Risk of Not Acting: Minimal – land would retain status quo</p>

Option 2 – Develop a Special Zone	
Benefits	<ul style="list-style-type: none"> • Allows specific objectives, polices and rules to be developed in response to the issues relating specifically to the land • Ability to call on concepts and rules within the District Plan to ensure easier understanding/ implementation • Provides for increased certainty as detailed Structure Plan techniques are used to define where, how and when the land will be developed • Can ensure high quality outcomes and deliver community benefits
Costs	<ul style="list-style-type: none"> • Increased costs to landowners • Need to develop familiarity with new provisions to administer
Efficiency	<ul style="list-style-type: none"> • Allows for efficiently planned growth of Arrowtown to occur • Efficient use of existing infrastructure
Effectiveness	<ul style="list-style-type: none"> • A special zone can be a very effective tool to deliver community outcomes, as it allows for staged development to coincide with infrastructure and community needs
Risk of acting (or not acting)	<p>Risk of Acting: Low Risk of Not Acting: Risk of unplanned/ ad hoc development occurring, resulting in environmental and administrative costs</p>

Option 3 – Develop a hybrid zone of both Low Density Residential and a new Special zone	
Benefits	<ul style="list-style-type: none"> • Allows for a consistent approach to the development of land located at the northern end of the zone and other existing development along McDonnell Road – so that same pattern of development continues • Development within the Adamson part of the proposed zone would occur with minimum complexity
Costs	<ul style="list-style-type: none"> • Loss of opportunity for urban consolidation to meet different housing needs • Administratively complex managing two zones over one area • The land contains elements that cannot and should not be separated – such as the roading, escarpment and stream – meaning it is better managed under a single zone structure
Efficiency	<ul style="list-style-type: none"> • Inefficient due to the number of features within the zone (open space, stream, pedestrian connections, road frontage) that require consistent management • Inefficient to develop two separate zones for a comparatively small area of land
Effectiveness	<ul style="list-style-type: none"> • The hybrid approach may not be effective at the interface of the two zones • Potential for community dissatisfaction with the outcomes of two different zones
Risk of acting (or not acting)	<p>Risk of Acting: Potentially two quite different environmental outcomes, that do not achieve community goals of connectivity</p> <p>Risk of Not Acting: Minimal</p>

8.7 Assessment of the Form of the Plan Change

Drawing on the above analysis, the most appropriate form of the plan change is to create a new zone, within the Special Zones section of the District Plan.

This provides the opportunity for a specific set of objectives, policies, rules and methods to be developed for this particular area of land. That further allows the Council and community to have confidence that the plan as prepared can and will be delivered.

A special zone ensures that additional community benefits can be delivered, such as walkway and riparian enhancements.

Adopting existing zones is not considered to be an effective format for this land, as it does not encourage any improvement over existing environmental outcomes. Similarly, a hybrid zoning would be difficult to administer and would lead to inconsistent environmental outcomes.

The only notable cost of creation of a new zone is the need to develop familiarity with the details of the zone, as it will be different in style and format to other residential areas. However this is a short term issue only.