

4 September 2026

Queenstown Lakes District Council
VIA EMAIL:

Attention: Charlotte Clark

Dear Charlotte,

ARROWSOUTH PROPERTIES LIMITED - PRIVATE PLAN CHANGE REQUEST

Introduction

Southern Planning Group (**SPG**) is providing planning advice to Arrowsouth Properties Limited (**APL**) in relation to the proposed Private Plan Change Request (**Request**) that relates to land (**Site**) that adjoins or is located in close proximity to McDonnell Road, Arrowtown.

The purpose of this correspondence is to formally respond to the Council Request for Additional Information dated the 5th of August 2026 (**2nd RFI**). This correspondence should be read in conjunction to the additional information (and revised Request) supplied by APL to the Council on the 15th of July 2026 that dealt with the Request for Further Information (**1st RFI**) dated 9 April 2026.

The following documents are attached to this correspondence:

- Updated Private Plan Change Request
- Updated Section 32 Evaluation
- Updated Landscape Assessment Report
- Updated Proposed Planning Map
- Updated bespoke planning provisions

Specifically, this correspondence will address the various questions in the RFI, together with outlining the updated information and assessments for the Request. This letter will generally follow the formatting approach as contained within the RFI.

RFI Response: Section 32 Evaluation

Below we respond to the following questions:

1. *In consideration of the above comments and reasoning, please provide the below information in an updated s32 report:*

- a. *A summary of the feedback received through consultation and how any feedback has been incorporated into the proposal.*

Section 5 within the document titled Private Plan Change Request (July 2026) and Section 1.2 within the Section 32 Evaluation (July 2026) outline the consultation undertaken to date by APL.

Excluding the landowner to the south of the Site (being 175 McDonnell Road), a letter drop (for neighbours with letter boxes) in early March 2026 was undertaken with the residential properties located within the Site and also located off Cotter Avenue/Advance Terrace (overlooking the Site).

The limited feedback received from these neighbours/properties included the following comments:

- 101 Cotter Avenue: Via an email dated 4 March 2026, this landowner raised questions as to what was proposed in the Request for the current planted buffer between the existing residential units within the Site and the properties that adjoin the top of the Site (located off Cotter Avenue and Advance Terrace). APL responded via an email dated 4 March 2026 outlining that the currently planted buffer will remain as such within the Request.
- 8 Advance Terrace: Via an email dated 3 March 2026, this landowner sought information on the 'original' plans for the Site, so that a comparison could be made. APL responded via email on 28 August 2026 to the questions from this landowner.

As outlined above, the feedback from the neighbours that responded related to seeking points of clarification and/or an understanding of the Request. There were no requests from the neighbours to amend to the Request that was sent to them.

As outlined in the above documents, numerous discussions have been held with the owner the property located at 175 McDonnell Road. No amendments to the Request have been received to date from this landowner.

APL contacted The Hills Limited, being the registered owner of land contained within The Hills Resort Zone within the PDP. No amendments to the Request have been received to date from this landowner.

No direct consultation in relation to the rezoning has been undertaken with the Otago Regional Council or iwi (Aukaha and Te Ao Marama Incorporated). Subject to Council acceptance, the Request will be sent to the iwi organisations for comment.

The Request will be subject to a publicly notified process under the RMA, whereby neighbouring property owners and other interested persons/groups can make a submission on the merits of the Request.

- b. Correct reference to avoiding the establishment of any building rather than residential buildings in the BRA.*

Irrespective to the reference to avoiding 'residential' development/buildings within the BRA as detailed in the Private Plan Change Request and the Section 32 Evaluation, Rule 7.5.13 within the Suburban Residential Zone (**SRZ**) is clear that all buildings are to be avoided within the BRA.

No changes to Rule 7.5.13 within the SRZ are proposed as part of this Request, which means all buildings on the land contained within the proposed BRA will be avoided via Rule 7.5.13, regardless of the use of that building (i.e. whether such are residential or not). Despite this, the Private Plan Change Request and the Section 32 Evaluation have been amended to make it clear that all buildings (whether residential or not) are to be avoided within the land affected by the BRA within the Site.

- c. If the intention is for the proposal to amend the ODP planning maps to shift the location of the UGB, please provide an evaluation in the s32 report and a map appended that shows the amendment to the ODP mapping.*

The Arrowtown UGB was introduced into the ODP through Plan Change 29 and was carried over into Chapter 4 of the PDP. In short, the PDP UGB follows the existence of the ODP zoning for the Site.

When the UGB was carried over into the PDP, a district wide approach was adopted in that the Arrowtown UGB became part of the broader UGB for the wider Queenstown area. It is understood that there are no live appeals on the PDP UGB.

We agree that, while there remains a link between the ODP and the PDP in relation to the UGB, the aspect of the Request to amend the UGB can therefore be made to the PDP only. This approach is directly supported by the Section 32 analysis relating to the rezoning itself, given the movement of the UGB follows the proposal to amend the zoning for the Site. The UGB within the ODP would then be redundant and ultimately replaced by the PDP location, as proposed to be amended in the Request.

Based on the above analysis, the Request has been amended so that realignment of the ODP UGB now does not form part of the overall Request.

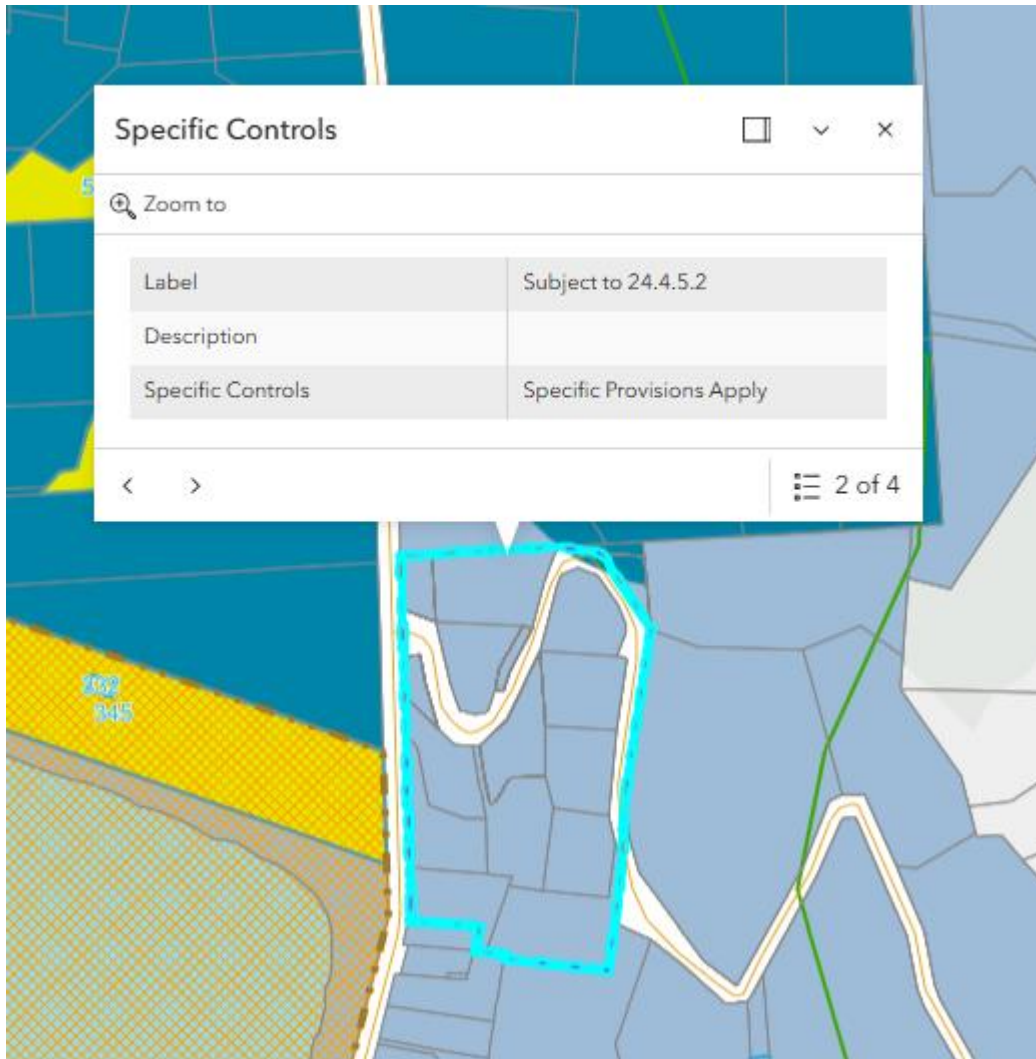
- d. A method to identify the land within the McDonnell Road - Suburban Residential Zone, either through an amendment to Chapter 27 or through a mapping annotation on the Planning Maps. This method should be included in the s32 report and plan amendments, with an appendix showing these provisions and/or mapping updates to the PDP.*

The updated Proposed Zoning Map (Appendix G) indicates the proposed zoning arrangement for the Site.

As outlined in the Request, it will be appropriate to introduce an additional PDP planning map overlay/demarcation to clearly indicate the land that will be subject to

the bespoke policy framework for the Site/McDonnell Road - Suburban Residential Zone.

An example of a PDP mapping 'Specific Controls' for specified land is indicated below:



On the basis that the rezoning of the Site is successful as proposed, it is the Council's role to update the PDP mapping system, based on the mapping supplied and approved within the Request. The update to the PDP mapping will include the demarcation of the McDonnell Road - Suburban Residential Zone via a Specific Control, as per the other PDP example indicated above. As such, it will be clear for users of the PDP as to the bespoke provisions that apply to the Site.

- e. *Given how descriptive the proposed bespoke objective and policies are for the proposed McDonnell Road – Suburban Residential Zone, confirm if it is more appropriate to include bespoke rules for their implementation.*

The proposed bespoke policy provisions have been purposely drafted so as to provide a clear framework for the physical outcomes for the Site, both during the subdivision process and the long term development of future residential lots. Further, a prescriptive and/or directive approach in the bespoke provisions are not unique in the context of the location specific objectives and policies via PDP Provision 27.3. It is noted that the bespoke policy provisions will be added to in terms of dealing with certain questions with the 2nd RFI (as addressed below).

In subdividing the Site under the SRZ in the PDP via Rule 27.5.7, all applicable District Wide objectives and policies will apply, together with the bespoke policy provisions. In this regard, we are unsure as to how the 2nd RFI states that Rule 25.5.7 would not implement the bespoke provisions.

The matters of discretion via Rule 27.5.7 provide the discretion to impose the 'requirements' and/or 'restrictions' from the bespoke policy provisions for the Site. With the bespoke policy provisions and excluding the identification of the BRA (which will indicated on the PDP planning map), all other matters can be properly addressed (and imposed) at the time of subdivision in terms of the physical works required before new residential titles are issued, and for the ongoing requirements/restrictions via a new Consent Notice.

The 2nd RFI on this point states that an 'avoid' policy cannot be effectively implemented through a broad Restricted Discretionary activity matter of discretion. We disagree. The two 'avoid' bespoke policies consist of the following:

Avoid private fencing over 1.2m on boundaries of residential lots that adjoin a Council reserve containing a waterbody, the southern boundary of the zone and for any residential lot boundaries that adjoin a legal road.

Avoid private vehicle crossings (and access) onto McDonnell Road from residential lots that adjoin this road.

The matters of discretion under Rule 27.5.7 can require these two 'avoid' outcomes to be met at the time of subdivision and on an on-going basis via a Consent Notice while still enabling the subdivision sought within that policy framework. For instance, a Consent Notice restriction prohibiting direct vehicle access to McDonnell Road from individual residential lots is an expected outcome from the bespoke policy provisions. This is a consistent approach as per RM181358 where Consent Notice 11585126.5 prevents direct vehicle access to McDonnell Road for a number of residential lots. Certain fencing restrictions are also a common tool for residential lots.

Overall, the consent authority has the discretion to deal with all matters listed within the bespoke provisions (including the imposition of conditions), including the matters that seek avoidance of certain outcomes. Further, we do not agree that a higher activity status is required when compared to a Restricted Discretionary activity, because ultimately, the consent authority has the power to refuse an application under Section 104C of the RMA where the avoidance policies are not adhered to.

Finally, and notwithstanding the above commentary, it is noted that as part of obtaining a resource consent to subdivide the Site under the SRZ, a Discretionary Activity resource consent will be required pursuant to Section 221 of the RMA to either vary and/or cancel Consent Notice 11585126.5.

- f. An evaluation of the effectiveness and efficiency of the current Chapter 27, provisions in achieving the proposed bespoke objectives and implementing the proposed bespoke policy.*

The Section 32 Evaluation has been updated to address this question.

In summary, the current (and relevant) PDP Chapter 27 provisions are effective and efficient in achieving the desired outcomes for the objectives of the Request and in particular, implementing the proposed bespoke policy provisions.

- g. An evaluation of effectiveness, efficiency and appropriateness of the PDP District Wide provisions in responding to resource management issues for the PPC site, and evaluation of whether the PDP District Wide provisions are more appropriate than the ODP District Wide provisions.*

The Section 32 Evaluation has been updated to address this question.

In summary, the consideration of all relevant District Wide chapters when subdividing the Site under the SRZ is a logical approach in terms of effectiveness, efficiency and appropriateness in addressing the known resource management issues for the Site.

- h. Assessment of any risks of acting that may arise as a result of this proposal, including in relation to servicing.*

The 1st RFI asked the following question in relation to wastewater:

Provide information demonstrating that feasible engineering solutions are available for the upgrade to the WWPS, and additional emergency storage, to service the development outcomes enabled by the proposal.

Appendix P (Wastewater Infrastructure Memorandum) within the revised Request has confirmed that there is a feasible engineering solution in dealing with wastewater from a future residential subdivision of the Site.

Civilised Limited has advised that subject wastewater pump station could be upgraded at source to deal with the increased storage capacity. This scenario could be undertaken in compliance with the QLDC Code of Practice.

The upgrade of the wastewater pump station was discussed with the QLDC Property and Infrastructure Department (**QLDC P&I**). The preferred engineering solution from QLDC P&I for wastewater is a low pressure sewer system with distributed emergency storage. This type of system has been used for the existing residential lots within the Site.

The preferred approach from QLDC P&I means that a deviation from the QLDC Code of Practice will be required at the time of subdividing the Site in terms of the low pressure system distributed emergency storage system. Despite the deviation from the QLDC Code of Practice for wastewater, the preferred system has support from the QLDC P&I.

Overall, it is very common during the resource consent process to gain deviations from the Code of Practice. We agree that if there was stringent opposition from QLDC P&I for the preferred wastewater system at this point, this would represent a real risk. However, there is a workable and agreed solution between the parties, which means this risk is very low.

APL acknowledges that as part of subdividing the Site in the future, there will be a range of immediate and wider infrastructure upgrade discussion points between the QLDC and APL. This is an entirely standard process and the parties can use a developers agreement to address any reasonable infrastructure upgrades, where required.

Section 4 within the Section 32 Evaluation has been updated to reflect the discussion above.

- i. Removal of any inconsistencies within the s32 report with regards to a suitable engineering solution that is or is not in accordance with the QLDC Code of Practice.*

The Section 32 Analysis has been updated to respond to comments relating to wastewater disposal.

- j. Identification of any relevant provisions within the two aforementioned iwi management plans and discuss how their content has bearing on the resource management issues of this proposal. If there are no relevant provisions, please state this.*

The Section 32 Analysis has been updated to address the iwi management plans.

- k. An evaluation against the NPS-FM and NES-FM with regard to this proposal and any effects that may occur on the waterbody within the site, including how those effects can be mitigated.*

The Section 32 Analysis has been updated to provide further commentary of these statutory documents.

RFI Response: Servicing

The following question will be responded to:

- 1. Please confirm whether all costs of infrastructure upgrades may be borne by the requestor during the development contribution process.*

The development contribution regime is established under the Local Government Act 2002 (**LGA**) and is triggered by the occurrence of statutory events prescribed in the LGA. These statutory triggers are:

- (a) when a resource consent is granted;
- (b) a building consent is granted;
- (c) a project information memorandum is issued under the Building Act 2004 for building work in connection with a non-consented small stand-alone dwelling; and
- (d) an authorisation for a service connection is granted.

The granting of a plan change does not trigger the assessment of development contributions. While a plan change may enable development that subsequently generates demand for infrastructure, it is not the statutory trigger for the assessment of development contributions. Rather, this is to be assessed at the resource/building consent stage and in accordance with the relevant Development Contribution Policy. This approach is reflected in *Beaumont Trading Company Ltd v Auckland Council* [2016] NZCA 223.

Accordingly, we consider that any rule in a plan purporting to prescribe or predetermine the assessment, calculation or allocation of development contributions in respect of future development is ultra vires under the LGA and also the RMA.

Irrespective of the ultra vires nature of this question, it would be illogical for a party to simply to accept all costs without knowing what the costs will actually be for any infrastructure upgrades.

As part of subdividing the Site under the SRZ, the QLDC development contribution regime will apply, together with possibility of a developer's agreement between the subdivider and the Council.

Based on the above, APL will not accept all infrastructure upgrade costs during the processing of this Request.

RFI Response: Landscape & Ecology

The following questions will be responded to:

1. *In consideration of the above comments and reasoning, please provide the below information:*
 - a. *An assessment of whether it is appropriate to carry over into the PDP the existing ODP rules with regard to POS-P3 under the ASSZ, including any expert evidence demonstrating that they are no longer valid and that the change proposed is more appropriate than the status quo.*

As stated in the response to the 1st RFI, if the ASSZ POS-P3 is to remain within the Site via the SRZ via some form of prohibition of residential development, then such an outcomes lead to no further residential development and the need for the Request.

The overall Request is clear as to why it is appropriate to rezone the Site to the SRZ, and thereby enabling residential development within the current POS-P3 under the ASSZ (and avoiding development within the land contained in the proposed BRA's).

In summary, it is appropriate to enable residential development within the land currently contained within the ASSZ POS-P3 for the following landscape reasons:

- Residential development is proposed on the flat developable land within the Site utilising BRAs to prevent development in sensitive areas of Site with associated landscape values.
- Residential development will be confined to a small area that will be absorbed into the existing development pattern and landscape context of the Site.
- Development will be a logical extension to existing residential development and will avoid urban sprawl, and further, the Site shares the same landscape characteristics (in particular topography) when compared to the already developed mid to northern sections of McDonnell Road.
- The Site is well connected to residential zone infrastructure including road, pedestrian and cycle access.
- The bespoke provisions proposed will ensure that a high-quality amenity outcome will result from the proposed residential development.
- The adverse effects on landscape values will be limited in extent to the immediate context of the site and overall will avoid adverse effects on the legibility values of the wider Wakatipu Basin.
- In the context of the broader landscape of the Wakatipu Basin, the open space within the Site does not significantly contribute to the overall amenity values in the landscape. The scale of the future residential development is small when viewed in the scale and context of the local receiving environment.

While developing within the POS-P3 represents a fundamental land use change when compared to the present open space requirements of the ASSZ, future residential development will be concentrated in the area of the Site that can absorb this development outcome, while the more sensitive land will be protected via the imposition of the BRA's. While this is a fundamental change, the Landscape Assessment Report supports this outcome from a landscape perspective.

- b. If the continuation of the existing or new OOSM and POSMP is not being proposed, consider the inclusion of proposed bespoke provisions that will suitably manage landscape and ecological effects on-site, supported by expert advice to support these new provisions.*

The request has been reviewed and the requirement to 'enhance' the existing riparian and rocky knoll planting within the Site has been added to the bespoke policy provisions. The updated bespoke policy provisions are addressed below.

- c. *Update the proposed bespoke provisions within Chapter 27 to ensure that the site will provide a designed urban edge with a landscaped gateway in accordance with 4.2.2.19(c) from PDP Chapter 4.*

The rocky knoll next to McDonnell Road is proposed to be located within a BRA, and further, the bespoke policy provisions require the identification of the BRA at the time of subdivision. By virtue of the rocky knoll being located within the BRA, such will be maintained free of development and thus protected.

However, the intent of PDP Policy 4.2.2.19(c) is acknowledged in terms of the provision of a designed urban edge with a landscaped gateway along McDonnell Road. In this regard, it is noted that Consent Notice 11585126.5 requires on-going adherence to the Overarching Open Space Management Plan and Private Open Space Management Plan that were required via RM161093. As with the existing riparian plantings that are proposed to be maintained and enhanced via the bespoke policy provisions, it is now proposed to specifically include the rocky knoll in the policy provisions.

The updated bespoke policy provisions are detailed below (new text with bold underline):

McDonnell Road Suburban Residential Zone

Objective 27.X.X.X High quality low density residential subdivision and development is enabled, while appropriately providing for amenity, mitigation and riparian plantings, together with controlling access onto McDonnell Road.

Policies

- 27.X.X.X Require a 4.5m planting strip along the McDonnell Road frontage (excluding any primary vehicular access point(s)) and a 5m planting strip along the southern boundary of the zone.
- 27.X.X.X Maintain **and enhance** the existing riparian planting along the waterbody that flows through the zone
- 27.X.X.X **Maintain and enhance the existing planting on the rocky outcrop within the Building Restriction Area that adjoins McDonnell Road so as to provide a designed urban edge landscaped gateway to Arrowsmith.**
- 27.X.X.X To provide on-going management of plantings, weed and pest control for any privately owned communal land.
- 27.X.X.X Avoid private fencing over 1.2m on boundaries of residential lots that adjoin a Council reserve containing a waterbody, the southern boundary of the zone and for any residential lot boundaries that adjoin a legal road.

27.X.X.X *To require the identification of the Building Restriction Area at the time of subdivision within the zone.*

27.X.X.X *Avoid private vehicle crossings (and access) onto McDonnell Road from residential lots that adjoin this road.*

The amendments to the bespoke policy provisions will provide an appropriate mechanism so as to meet the goal of PDP Policy 4.2.2.19(c).

RFI Response: Site Access & Transport

It is understood that no action is required on these matters.

Should you have any questions in relation to this letter please give me a call.

Yours Sincerely



Scott Freeman
DIRECTOR
SOUTHERN PLANNING GROUP