

Five Mile Centre

Private Plan Change Request

28-30 Grant Road & 3 Murchison Road, Frankton

Section 32 Assessment Report

17 July 2026

B&A
Urban & Environmental

Prepared for:
Queenstown Gateway (5M) Limited

B&A Reference:

026101

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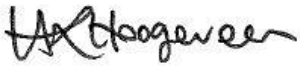
Final

Date:

17/07/2026

Prepared by:



Hannah Hoogeveen

Senior Associate, Barker & Associates Limited

Reviewed by:



Gerard Thompson

Director, Barker & Associates Limited

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1.0 Applicant and Property Details

To:	Queenstown Lakes District Council
Site Address:	28-30 Grant Road, Frankton 3 Murchison Road, Frankton
Applicant Name:	Queenstown Gateway (5M) Limited
Address for Service:	Barker & Associates Ltd PO Box 1986, Shortland Street, Auckland 1140 Attention: Gerard Thompson
Legal Description:	Lot 10 DP 486920 and Lot 6 DP 476309 (refer to Records of Title as **Appendix 1**)
Site Area:	1.3 hectares
Site Owner:	Queenstown Gateway (5M) Limited
District Plan:	Queenstown Lakes Proposed District Plan ('**PDP**') Queenstown Lakes Operative District Plan ('**ODP**')
ODP/PDP Zoning:	Rural General/Rural
PDP Overlays & Controls:	N/A
Designations:	N/A
Additional Limitations:	Queenstown Airport Outer Control Boundary
Locality Diagram:	Refer to **Figure 3**

2.0 Introduction

2.1 Background

2.1.1 Queenstown Gateway Limited and Five Mile Centre

Queenstown Gateway (5M) Limited ('**QGL**') own the land located at the corner of Grant Road and Frankton-Ladies Mile Highway and on either side of Murchison Road, as shown in Figure 1~~Figure 1~~ below. The land at the corner of Grant Road and Frankton-Ladies Mile Highway has been progressively developed for commercial activities over the last ten years and is known as the Five Mile Centre.

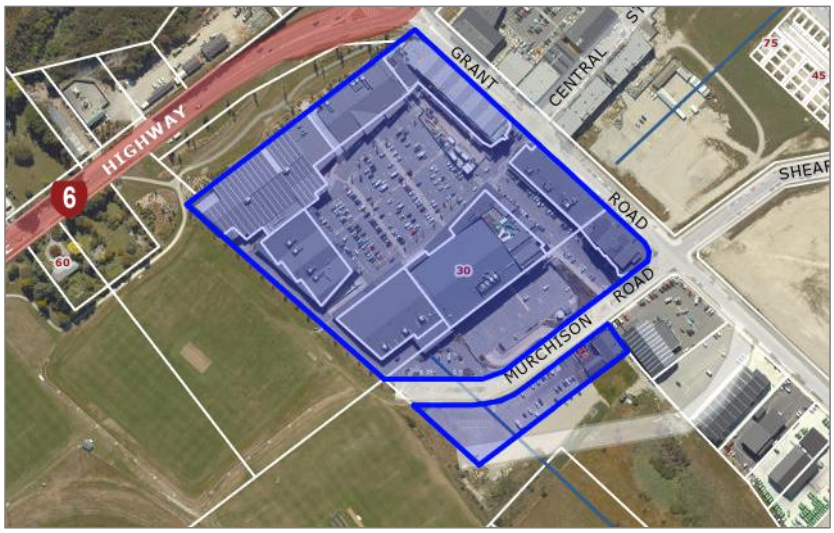

Figure 1: Relevant land owned by QGL.

2.1.2 Land Swap Agreement

The plan change area includes the sites located at 28-30 Grant Road and 3 Murchison Road, Frankton. These sites were included as part of a land swap agreement between Queenstown Lakes District Council ('**QLDC**') and the applicant, which was signed and agreed on 20 August 2013. This agreement involved three sites being transferred to the applicant in exchange for the sports field land located to the west of Five Mile Centre being transferred to QLDC. The land subject to the land swap agreement is illustrated in Figure 2~~Figure 2~~.

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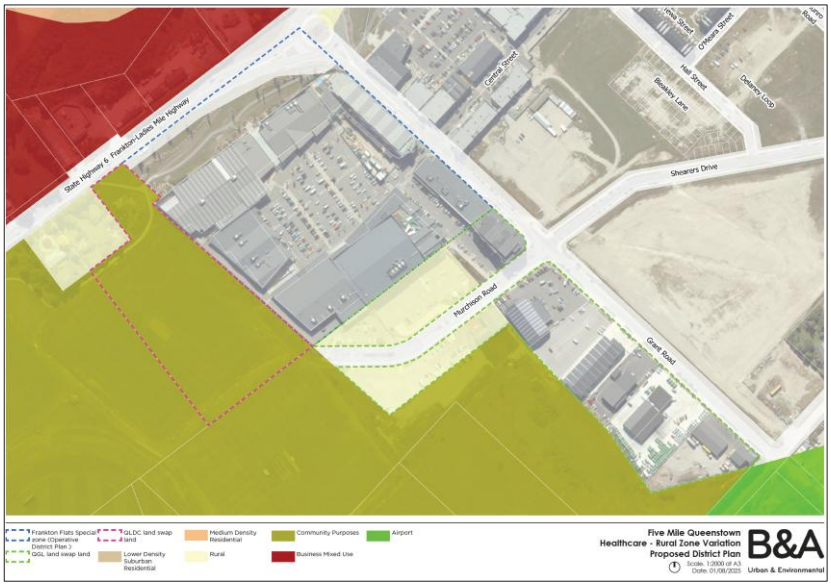

Figure 2: Sites subject to the 2013 land swap agreement. The land transferred to QGL is shown in green outline and land transferred to QLDC in pink outline.

Following the land swap, the zoning of land transferred to QGL has retained a rural zoning, and is zoned 'Rural' under the Queenstown Lakes Proposed District Plan ('**PDP**') as the review of Special Zones has not yet been completed. The zoning of land transferred to QLDC has subsequently been rezoned from Frankton Flats Special Zone to Community Purposes zone.

2.1.3 Resource Consent History

2.1.3.1 Consented History

The portion of the site subject to this plan change request has been subject to a number of recent resource consents. Resource consent was originally obtained in July 2021 for the construction of five new commercial buildings being Buildings 9 and 11-14 (RM200853) over the Plan Change area.

RM200853 was varied by a s127 application (RM211166) for design changes to Buildings 9, 11 and 12. Buildings 9, 11 and 12 as consented are located on the site at 28-30 Grant Road. Buildings 9, 11 and 12 were consented to contain office (6260m²), retail (1540m²), cinema (522m²) and Entertainment (700m²). At the end of 2025, RM250526 was approved to establish a mixed-use retail (ground floor) and office (upper floors) building as well as a carparking building on the site of the previously approved Buildings 9, 11 and 12 at 28-30 Grant Road. This includes 7430m² GFA consisting of 1230m² retail and 5878m² office in a six-storey building.

Building 14 as consented by RM200853 is located on the site at 3 Murchison Road. Building 14 is currently consented to be 950m² of retail. Also consented and operating on the site at 3 Murchison Road is Building 10. This was approved by resource consent (RM181482) to operate as a commercial activity in the form of a restaurant and bar with associated services and access.

2.1.3.2 Resource Consents Currently Processing

Resource consent RM250279 (Building 14) is currently being processed by QLDC to establish an office building on the site of the previously approved Building 14 at 3 Murchison Road. The office building will comprise a total area of 1,973m² GFA in a three-storey building. At the time of lodgement of this plan change, conditions of consent have been issued.

2.1.3.3 Frankton Flats Special Zone

The remainder of land owned by QGL is located in the Frankton Flats Special Zone under the Queenstown Lakes Operative District Plan ('**ODP**'). As outlined above, the PDP review of the Special Zones has commenced but a plan change has not yet been notified as QLDC have not yet received exemption from the plan stop to proceed with the Special Zones review. As such the provisions of the Frankton Flats Special Zone under the ODP apply in the short to medium term.

Of particular relevance to this application, the Frankton Flats Special Zone includes provision for one healthcare facility of up to 900m^2 as a limited discretionary activity under Rule 12.18.3.3(ii). There is no equivalent provision for new healthcare facilities within the Rural Zone that applies over 28-30 Grant Road and 3 Murchison Road.

2.2 The Proposed Plan Change Request

As outlined above, the land owned by QGL is zoned Rural under the PDP following the land swap agreement with QLDC and is also subject to the Queenstown Airport Outer Control Boundary. Under Rule 21.4.31 of the PDP, healthcare facilities, being an 'Activity Sensitive to Aircraft Noise' within the Outer Control Boundary are a prohibited activity and no resource consents can be sought.

As this land forms part of Five Mile Centre, and will be developed for urban purposes, it is sought that flexibility for the unrealised provision for healthcare be equally applied to the Plan Change area.

Accordingly, the purpose of this Plan Change is to enable the 900m^2 healthcare facility (that is currently provided for within the Frankton Flats Special Zone of the ODP) to establish within the Plan Change area. It is proposed to provide the option to either establish the facility within the rural zoned portion of the QGL land or within the Frankton Flats Special Zone (but not both). As such, there will be no increase to the scale or intensity of the healthcare facility that can establish within the Outer Control Boundary in this location. It is also proposed to amend the acoustic insultation requirements at Rule 21.5.6 to ensure that buildings housing healthcare on the plan change land are appropriately acoustically insulated. As the subject matter is very specific and does not frustrate higher-order objectives and policies, and continues to give effect to them, the proposed Plan Change relates only to provisions.

2.3 Site Location and Description

As outlined above, the Plan Change area is located at 28-30 Grant Road and 3 Murchison Road, Frankton as shown in Figure 3: The Plan Change Area (light yellow with green dash)~~Figure 3~~, and is zoned Rural under the PDP. The Plan Change area is also subject to the Outer Control Boundary under the PDP maps. This control also applies to the Five Mile Centre land under the ODP.

The Plan Change area is not subject to any other control or Overlay under the ODP or PDP.

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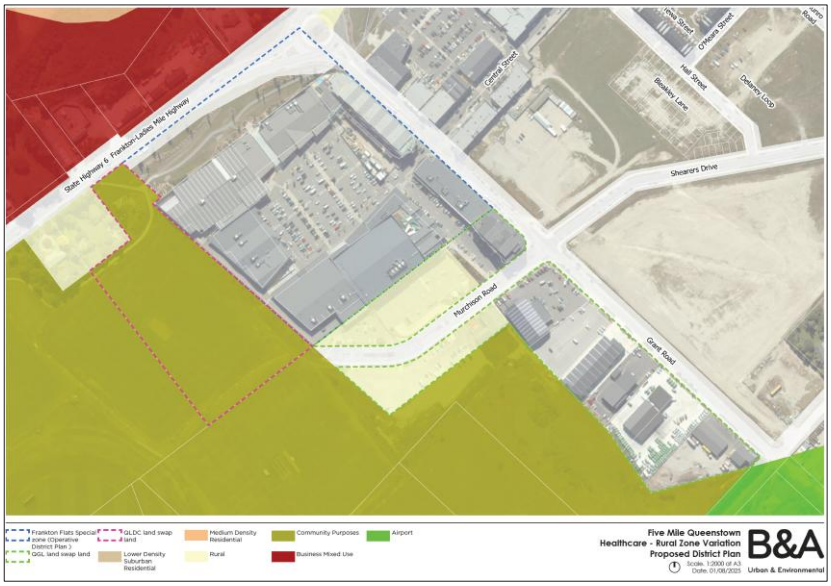

Figure 3: The Plan Change Area (light yellow with green dash)

The Plan Change area is irregular in shape with a combined area of approximately 1.3 hectares, and is currently formed with at-grade car parking. Access is from Murchison Road, located off Grant Road.

Immediately adjacent to the north west is the established Five Mile Centre, which contains established commercial activities, including the Warehouse, Noel Leeming, Woolworths, and Briscoes, as well as a hotel and several food and beverage facilities. The surrounding area is experiencing a state of rapid transition, with a number of large-scale developments having been recently consented, currently under construction, or recently established. The urban transformation of the surrounding area has already resulted in a diverse range of activities.

The Queenstown Airport and runway are located approximately 500m adjacent to the south.

3.0 Description of the Plan Change Request

The Plan Change request includes amendments to the following provisions under the ODP and PDP, with additions shown in <u>underline</u> and deletions in ~~strikethrough~~.

The proposed Plan Change and amendments to provisions is included at **Appendix 2**.

Queenstown Lakes Operative District Plan

- Amend Rule 12.18.3.3(ii):

  Limited Discretionary Activities

  ...

  ii. Within the Outer Control Boundary as indicated on the District Plan Maps

Up to 70 Units associated with Visitor Accommodation;

One Health Care facility (including but not limited to doctors and/or dentist surgery, but excluding hospitals), not exceeding a gross floor area of 900m^2, provided that a Health Care facility is not consented on Lot 10 DP 486920 or Lot 6 DP 476309;

One Educational Facility with an internal gross floor area not exceeding 450m^2 and associated outdoor space not exceeding 450m^2.

In respect of:

The matter of reverse sensitivity effects on airport activities located at Queenstown Airport,

and

The need for the protection of any educational, residential and visitor accommodation from the effects of aircraft noise.

- Amend Rule 12.18.3.5:

  The following activities shall be Prohibited Activities:

  …

  iv. Within the Outer Control Boundary, as indicated on the District Plan Maps, any Activity Sensitive to Aircraft Noise shall be a Prohibited Activity, with the exception of:

  - Up to 70 Units associated with Visitor Accommodation;
  - One Health Care facility (including but not limited to doctors and/or dentists surgery but excluding hospitals) not exceeding a gross floor area of 900m^2, provided that a Health Care facility is not consented on Lot 10 DP 486920 or Lot 6 DP 476309;
  - One Educational Facility not exceeding an internal gross floor area of 450m^2 and associated outdoor space of 450m^2;

  Which shall otherwise require consent under rule 12.18.3.3.ii.

Queenstown Lakes Proposed District Plan

- Add new Policy 21.2.7.1(a) below Policy 21.2.7.1:

  21.2.7.1 Prohibit all new activities sensitive to aircraft noise on Rural Zoned land within the Outer Control Boundary at Queenstown Airport and Wānaka Airport to avoid adverse effects arising from aircraft operations on future activities sensitive to aircraft noise.

  21.2.7.1(a) Recognise a historic land swap agreement and provide for one Health Care facility at Lot 10 DP 486920 or Lot 6 DP 476309, where a health care facility is not consented in the Frankton Flats Special Zone.

- Amend Rule 21.4.31:

  Activities Sensitive to Aircraft Noise within the Outer Control Boundary - Queenstown Airport

On any site located within the Outer Control Boundary, which includes the Air Noise Boundary, as indicated on the District Plan web mapping application, any new Activity Sensitive to Aircraft Noise, except provided for by Rule 21.4.36A – PR

- Insert new Rule 21.4.36A:

  One Health Care Facility not exceeding a gross floor area of 900m^2 at Lot 10 DP 486920 or Lot 6 DP 476309 provided that a Health Care Facility is not consented in the Frankton Flats Special Zone – RD.

  Matters of discretion limited to:

  a. The matter of reverse sensitivity effects on airport activities located at Queenstown Airport

- Amend Rule 21.5.6:

  Airport Noise – Alteration or Addition to Existing Buildings (excluding any alterations of additions to any non-critical listening environment) including the enabled new Health Care Facility at Lot 10 DP 486920 or Lot 6 DP 476309 within the Queenstown Airport Noise Boundaries

  a. Within the Queenstown Airport Air Noise Boundary (ANB) - Alterations and additions to existing buildings containing an Activity Sensitive to Aircraft Noise must be designed to achieve an Indoor Design Sound Level of 40 dB Ldn, within any Critical Listening Environment, based on the 2037 Noise Contours. Compliance must be demonstrated by either adhering to the sound insulation requirements in Rule 36.6.1 of Chapter 36 and installation of mechanical ventilation to achieve the requirements in Rule 36.6.2 of Chapter 36, or by submitting a certificate to Council from a person suitably qualified in acoustics stating that the proposed construction will achieve the Indoor Design Sound Level with the windows open.

  b. Between the Queenstown Airport Outer Control Boundary and the ANB – Alterations and additions to existing buildings containing an Activity Sensitive to Aircraft Noise including the enabled new Health Care Facility at Lot 10 DP 486920 or Lot 6 DP 476309 must be designed to achieve an Indoor Design Sound Level of 40 dB Ldn within any Critical Listening Environment, based on the 2037 Noise Contours. Compliance must be demonstrated by either installation of mechanical ventilation to achieve the requirements in Rule 36.6.2 of Chapter 36 or by submitting a certificate to Council from a person suitably qualified in acoustics stating that the proposed construction will achieve the Indoor Design Sound Level with the windows open.

  Standards (a) and (b) exclude any alterations or additions to any non-critical listening environment.

No changes are proposed to the underlying zoning of the subject site under the ODP and PDP.

4.0 Strategic Planning Framework

A number of strategic and statutory planning documents have informed the proposed Plan Change. This section provides a summary of those documents of particular relevance.

4.1 National Direction

Any change to the District Plan must be in accordance with any relevant national policy statement and National Planning Standards.

4.1.1 National Policy Statement on Urban Development 2020

The National Policy Statement on Urban Development 2020 ('**NPS-UD**') came into force on 20 August 2020 and replaced the National Policy Statement on Urban Development Capacity 2016. The NPS-UD has assessed all the local authorities within the country and classified them as either Tier 1, Tier 2 or Tier 3, with Tier 1 referencing the largest local authorities in New Zealand (including Auckland Council). The NPS-UD provides direction to decision-makers on planning for urban environments.

Of particular relevance to the proposed Plan Change, the Objective 1 and Policy 1 of the NPS-UD identify aspects of a well-functioning urban environment as those which as a minimum, have or enable a variety of sites that are suitable for different business sectors in terms of location and site size and provide good accessibility between housing, jobs, community spaces, and natural and open spaces.

The proposed Plan Change seeks to enable the development of a new Health Care facility within close proximity to the established Five Mile Centre, which contains existing commercial activities, is serviced by infrastructure, and is located within an accessible location in Queenstown's urban area. Consistent with Objective 1 and Policy 1, the proposed Plan Change will support a well-functioning urban environment by improving accessibility to community service, Health Care, and employment opportunities.

Overall, it is considered that the Proposed Plan Change gives effect to the NPS-UD.

4.1.2 National Policy Statement for Highly Productive Land 2022

The National Policy Statement for Highly Productive Land 2022 ('**NPS-HPL**') seeks to improve the way that highly productive land is managed under the RMA. It does not provide absolute protection of highly productive land, but rather it requires local authorities to proactively consider the resource in their region or district to ensure it is available for present and future primary production.

Land within the Plan Change area is mapped as LUC 2 by the New Zealand Land Resource Inventory and meets the definition of highly productive land under the NPS-HPL. In this case, it is considered that the land is subject to permanent and long-term constraints for the following reasons:

- In accordance with clause 3.10(1)(a), the use of the land for land-based primary production will not be economically viable for at least 30 years because the site has effectively been urbanised through existing resource consents and the Plan change area is located immediately adjacent to existing urban zones, being the Frankton Flats Special Zone and Frankton Flats Special B Zone.

- In accordance with clause 3.10(1)(b)(i), the proposed Plan Change will not result in any individual or cumulative loss of productive capacity of highly productive land within the Queenstown District due to the existing zoning pattern of the Plan Change area and urban zoning of the surrounding environment;
- In accordance with clause 3.10(1)(b)(ii), the proposed Plan Change will not result in fragmentation of a geographically cohesive area of highly productive land as the Plan Change area is a spatially discrete area of Rural zoning surrounded by urban land;
- In accordance with clause 3.10(1)(b)(iii), the Plan Change will not create new potential reverse sensitivity effects as adjacent sites have an urban zoning and there are no existing land-based primary production activities occurring. There are existing approved resource consents for retail activities that apply to the land and the land is currently used for car parking; and
- In accordance with clause 3.10(1)(c), the environmental, social, and economic benefits of the use and development enabled by the Plan Change outweigh any potential long-term environmental, social, cultural and economic costs associated with the loss of highly productive land for land-based primary production. In particular, the existing Rural Zone is considered to be an anomaly following the QLDC and QGL land swap agreement and timing of the PDP review.

For these reasons, it is considered that the proposed Plan Change satisfies clause 3.10 of the NPS-HPL and will not be inconsistent with, or undermine the purpose of the NPS-HPL objective and policies.

4.1.3 National Policy Statement for Indigenous Biodiversity 2023

The National Policy Statement for Indigenous Biodiversity 2023 ('**NPS-IB**') applies to indigenous biodiversity in the terrestrial environment and seeks to identify, protect, manage, and restore indigenous biodiversity.

The NPS-IB requires every territorial authority to undertake a district-wide assessment to determine if an area is of significant indigenous vegetation and/or significant habitat of indigenous fauna and qualifies as Significant Natural Areas ('**SNAs**'). The NPS-IB also seeks to manage the effects of subdivision, use, and development on indigenous biodiversity outside of SNAs, and that areas outside SNAs which support specified highly mobile fauna are identified and managed to maintain their populations across their natural range.

In this case, mapping has not been completed in direct response to the requirements of the NPS-IB, however both the ODP and PDP identify indigenous vegetation through the Significant Natural Area Overlay under the ODP and the Areas of Significant Indigenous Vegetation under the PDP. The Plan Change area is not subject to either overlay. In addition, the area has been developed for at-grade car parking, and there is no presence of existing significant indigenous vegetation. Overall, it is considered that the proposed Plan Change will not be contrary to the objectives and policies of the NPS-IB.

4.1.4 National Environmental Standards

The National Environmental Standards ('**NES**') that are relevant to this Plan Change include:

- NES for Assessing and Managing Contaminants in Soil to Protect Human Health 2011 ('**NESCS**'); and
- NES for Freshwater 2020 ('**NES-FW**').

These NES documents will apply to future development of the Plan Change area as part of the resource consent process. Overall, the Plan Change is considered to be generally aligned with the outcomes sought by the provisions of these national environmental standards, and any future development activities will need to be assessed for compliance against the NES provisions where relevant.

4.2 Otago Regional Policy Statement

Section 75(3)(c) states that a District Plan must give effect to any RPS and Section 74(2)(a) states that a District Plan must be prepared having regard to a proposed RPS. The Proposed Plan Change is therefore required to give effect to the Otago Regional Policy Statement 2019 (Partially Operative) and have regard to the Otago Regional Policy Statement 2021 (Appeals Version).

The objectives of the RPS which are of particular relevance to the proposed Plan Change are identified below.

Otago Regional Policy Statement 2019 (Partially Operative)

- Objective 1.1: Otago's resources are used sustainably to promote economic, social, and cultural wellbeing for its people and communities.
- Objective 1.2: Recognise and provide for the integrated management of natural and physical resources to support the wellbeing of people and communities in Otago.
- Objective 3.2: Otago's significant and highly-valued natural resources are identified and protected, or enhanced where degraded.
- Objective 4.5 Urban growth and development is well designed, occurs in a strategic and coordinated way, and integrates effectively with adjoining urban and rural environments.

Otago Regional Policy Statement 2021 (Appeals Version)

- Objective IM-O1: The management of natural and physical resources, by and for the people of Otago, in partnership with Kāi Tahu, achieves a healthy and resilient natural environment, including the ecosystem services it provides and supports the well-being of present and future generations.
- Objective IM-O3: Otago's communities provide for their social, economic, and cultural well-being by using, developing or protecting natural and physical resources in ways that support or restore the life-supporting capacities of air, water, soil, and ecosystems for future generations.

Overall, the Plan Change is considered to be consistent with the relevant objectives of the RPS, particularly given the existing context of the site and urban development that has already occurred. In addition, the proposed Plan Change does not seek to amend the standards or district-wide provisions that will apply to future development and/or as part of a resource consent process, and all existing provisions of the District and Regional plans will continue apply. This will ensure that future development can be managed in accordance with the outcome sought under the RPS.

4.3 Other Plans

4.3.1 Te Kirikiri / Frankton Masterplan 2020

The Te Kirikiri / Frankton Masterplan is a long-term integrated spatial and transport framework for the Frankton area. The Masterplan emphasises a people-focussed urban environment, with stronger identity, connected centres, improved public realm, and integrated transport that supports anticipated growth in residents, employment, and visitors.

The Masterplan identifies six precincts, with Precinct 2 being the Five Mile Urban Corridor. This Precinct seeks to provide an opportunity to establish a comprehensively designed urban corridor on either side of State Highway 6, comprising mixed use on either side. In particular, the Plan Change area has generally been identified for small to medium and large format retail uses, as shown in below.

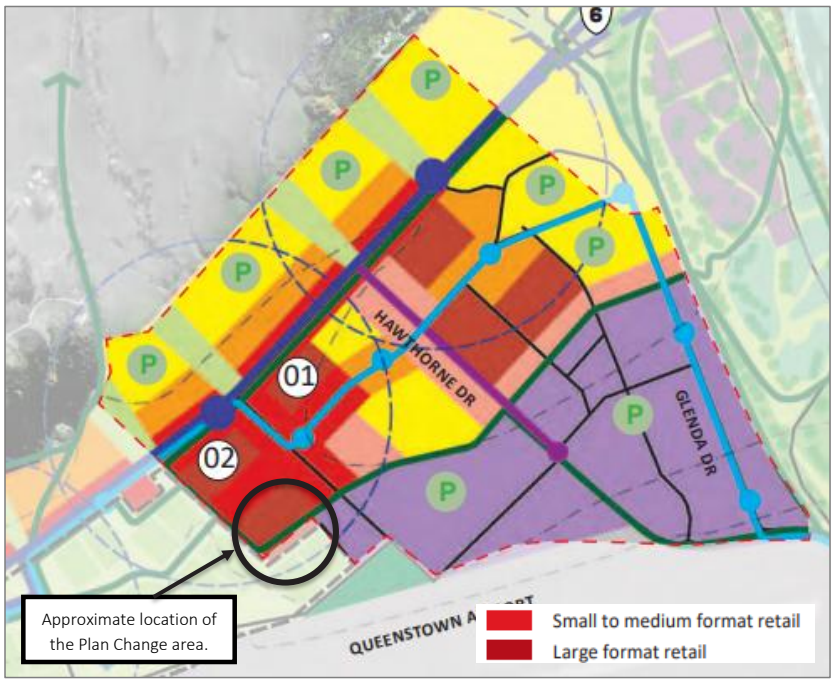

Figure 45: Precinct 2: Five Mile Urban Corridor. The approximate location of the Plan Change area is identified and Murchison Road is shown in green (Source: Te Kirikiri / Frankton Masterplan 2020).

The proposed Plan Change is considered to be consistent with the strategic outcomes sought under the Masterplan. In particular, the provision for the establishment of a new Health Care facility will contribute to enabling a mix of activities within the identified urban corridor as well as providing a new community service and employment opportunity.

5.0 Consultation and Engagement

This section provides a summary of consultation undertaken with stakeholders.

5.1 Queenstown Lakes District Council

Numerous meetings have been held with QLDC over the course of the development of the existing Five Mile Centre and more recently the Plan Change area. During 2025 and 2026 several meetings have been held with QLDC policy and strategic planning staff about the Special Zones review as it applies to Five Mile including discussions about the zoning anomaly as it applies to the Plan Change area. The topic of this plan change has been discussed in passing in the context of the wider Special Zones review discussions.

A pre-lodgement meeting for this plan change specifically was held with Council policy staff on 28 May 2026 where a draft of this report was provided and the background to the plan change was discussed.

5.2 Queenstown Airport Corporation Limited

Two meetings were held with Queenstown Airport Corporation Limited ('**Queenstown Airport**') mid- and late- 2025 to discuss the provision of a Health Care facility within the Plan Change area. In response to feedback received from Queenstown Airport, the proposed Plan Change was amended to ensure that the provision of Health Care facilities between the Plan Change area and existing Frankton Flats Special Zone does not exceed one facility of a total area of 900m^2.

5.3 Opportunity for Limited Notification

Section 5A Clause (2) of Schedule 1 gives Council's the option to give limited notification of a plan change if it is able to identify all the persons directly affected by the proposed change. As set out in the following assessment of environmental effects, limited notification of the Plan Change could be served only on Queenstown Airport. No other persons are considered to be directly affected by the proposed change.

6.0 Assessment of Environmental Effects

Schedule 1, clause 22(1) of the RMA requires an application for a Plan Change to describe the effects of the proposal, taking into account clauses 6 and 7 of Schedule 4, in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the implementation of the Plan Change.

In this case, the proposed Plan Change seeks to enable a new Health Care facility within 28-30 Grant Road & 3 Murchison Road, Frankton, which are zoned Rural and subject to the Outer Control Boundary under the PDP. No changes are proposed to the underlying zoning framework or other District-Wide Matters which apply to the Plan Change area. It is therefore considered that effects in relation to character and amenity and reverse sensitivity are relevant.

6.1 Character and Amenity Values

The proposed Plan Change will enable the development of a new 900m^2 Health Care facility within the Plan Change area, currently zoned Rural under the PDP, however, this is an anomaly resulting from the 2013 land swap agreement between QLDC and QGL.

It is noted that the site has already been developed for urban land uses and currently contains formed at-grade car parking. The land is also subject to a number of approved resource consents for retail activities. The immediately surrounding sites within the vicinity are located within the Frankton Flats Special Zone and contain newly established buildings of an urban and commercial character. The wider surrounding area is also rapidly transitioning to an urban built form. Other effects of a healthcare centre, such as traffic generation, would occur to the Five Mile centre where the activity is currently provided for, and therefore that effect is already generally anticipated in the surrounding environment.

In addition, the proposed Plan Change will provide for the establishment of a new Health Care activity as a restricted discretionary activity, and a resource consent would be required prior to the establishment of any activities. The provision of new buildings, any physical site works, and new infrastructure will be subject to the relevant provisions of the PDP and/or a separate resource consent process, which will ensure that potential effects on character and amenity can be appropriately managed and/or assessed.

Overall, it is considered that any effects of the proposed Plan Change on character and amenity values can be appropriately manged in accordance with the provisions of the PDP.

6.2 Reverse Sensitivity

The Plan Change area is rurally zoned and located within the Queenstown Airport Outer Control Boundary. Health Care facilities, as community activities, are defined as an activity that are sensitive to aircraft noise. The potential for reverse sensitivity effects in relation to aircraft noise and rural production activities are therefore relevant to the proposal. SLR have prepared an acoustic report, included as **Appendix 3.**

In this case, the proposed provisions seek to enable the option to establish a Health Care facility up to 900m^2 within the Plan Change area or within the neighbouring Five Mile Centre. As the Frankton Flats Special Zone already includes provision for a 900m^2 facility to establish through a limited discretionary resource consent under Rule 12.18.3.3(ii) of the ODP, the proposed Plan Change does not increase the overall intensity or scale of health care activities that could be established within the Five Mile Centre area or QGL's landholdings. An amendment to Rule 21.5.6 will ensure new buildings have appropriate acoustic insultation for a Health Care facility within the OCB.

The establishment of a Health Care facility on the land will require a restricted discretionary resource consent so that potential adverse effects associated with reverse sensitivity can be assessed. That assessment will ensure that the building is appropriately designed to avoid adverse effects associated with aircraft movements. Any buildings would need to be designed to have effective acoustic insultation.

In addition, the Plan Change area is the only Rural zoned site within the proximity, and there is no risk of creating reverse sensitivity with respect to rural production activities.

On this basis, it is considered the proposed Plan Change will not create any new reverse sensitivity risks or effects.

7.0 Section 32 Analysis

7.1 Appropriateness of the Proposal to Achieve the Purpose of the Act

Section 32(1)(a) of the RMA requires an evaluation to examine the extent to which the objectives of the Plan Change are the most appropriate way to achieve the purpose of the RMA.

7.1.1 Objective of the Plan Change

In accordance with section 32(6) of the Act, and as the Plan Change does not contain or state objectives, the objective of the Plan Change is the purpose of the proposal, being to enable the 900m^2 Health Care facility that is currently provided for within the Frankton Flats Special zone within the Plan Change area as a development option for the Five Mile Centre.

7.1.2 Assessment of the Objective

This section provides an evaluation of the objective of the Plan Change in accordance with section 32(1)(a) of the Act.

In this case, the objective of the Plan Change is the purpose of the proposal as set out in Sections 2.2 and 7.1.1 above. The objective of the Plan Change is considered to be the most appropriate way to achieve the purpose of the Act for the following reasons:

- In accordance with section 5(2), will enable the use of the existing physical land resource and development of a Health Care facility within the Five Mile Centre, which will contribute to providing for the social and economic wellbeing of people and communities;
- In accordance with section 5(2)(a), will enable the use of the land resource, which has already been urbanised as part of the development of the Five Mile Centre, to meet the reasonably foreseeable needs of future generations; and
- In accordance with sections 5(2)(b) and 5(2)(c), will ensure that future development for a Health Care facility is subject to a restricted discretionary consenting process and the provisions of the ODP, PDP, and Regional Plan. This will ensure that any potential environmental effects can be appropriately avoided or mitigated, and will safeguard the life-supporting capacity of air, water, soil, and ecosystems.

7.2 Appropriateness of the Provisions to Achieve the Objectives

7.2.1 The Objectives

Section 32(1)(b) of the RMA requires an evaluation to examine whether the provisions (i.e. policies and methods) of the Plan Change are the most appropriate way to achieve its objectives by:

- Identifying other reasonably practicable options for achieving the objectives;
- Assessing the efficiency and effectiveness of the objectives; and
- Summarising the reasons for deciding on the Plan Change.

As the Plan Change is amending the ODP and PDP, the above assessment relates to the objective of the Plan Change and the objectives of the ODP and PDP to the extent that they are relevant.

In this case, and with regard to the scale and nature of change proposed, the objectives of the Strategic Direction, the Rural Zone, and the Noise chapters under the PDP are considered to be relevant.

It is noted that the Frankton Flats Special Zone under the ODP does not contain any specific objectives. No further investigation into the high-order ODP objectives is considered necessary.

Therefore the relevant objectives of the PDP are:

- Strategic Policy 3.3.6: Recognise that Queenstown Airport makes an important contribution to the prosperity and resilience of the District.
- Urban Development Policy 4.2.2.14: Ensure appropriate noise boundaries are established and maintained to enable operations at Queenstown Airport to continue and to expand over time.
- Urban Development Policy 4.2.2.15: Manage the adverse effects of noise from aircraft on any Activity Sensitive to Aircraft Noise within the airport noise boundaries while at the same time providing for the efficient operation of Queenstown Airport.
- Urban Development Policy 4.2.2.16: Protect the airport from reverse sensitivity effects of any Activity Sensitive to Aircraft Noise via a range of zoning methods.
- Urban Development Policy 4.2.2.17: Ensure that Critical Listening Environments of all new buildings and alterations and additions to existing buildings containing an Activity Sensitive to Aircraft Noise within the Queenstown Airport Air Noise boundary or Outer Control boundary are designed and built to achieve appropriate Indoor Design Sound Levels.
- Rural Zone Objective 21.2.1: A range of land uses, including farming are enabled while protecting the landscape values of Outstanding Natural Features and Outstanding Natural Landscapes, maintaining the landscape character of Rural Character Landscapes and maintaining or enhancing their visual amenity values, maintaining or enhancing amenity values within the rural environment, and maintaining or enhance nature conservation values.
- Rural Zone Objective 21.2.7: An area that excludes activities which are sensitive to aircraft noise, is retained within an airport's Outer Control Boundary, to act as a buffer between airports and Activities Sensitive to Aircraft Noise.
- Noise Objective 36.2.1: The adverse effects of noise emissions are controlled to a reasonable level to manage the potential for conflict arising from adverse noise effects between land use activities.

7.2.2 Other Reasonably Practicable Options for Achieving the Objectives

In determining the most appropriate provisions for achieving the objective of the proposal, consideration has been given to the following other reasonably practicable options:

- Option 1 – Status quo.

- Option 2 – Amend the Frankton Flats Special Zone provisions under the ODP and Rural Zone provisions under the PDP to enable a Health Care facility to establish within the Plan Change area (this proposal).
- Option 3 – Amend the Rural Zone provisions under the PDP to delete the prohibited activity status which applies to establishing 'Activities Sensitive to Aircraft Noise' within the Outer Control Boundary.
- Option 4 – Apply the Frankton Flats Special Zone to the Plan Change area.

A fifth option has also been considered, which is to wait for QLDC to review the Special Zones and seek that the Plan Change area be included in the Frankton Flats Special Zone along with relevant provisions to manage new Health Care facilities. The Resource Management (Consenting and Other System Changes) Amendment Act 2025 restricts changes to plans from being notified unless an exemption applies. In this case, the PDP Special Zones review has not been notified, and is not yet subject to an exemption. Even if the exemption is granted, the timeline for the PDP Special Zones review remains uncertain and exceeds the requirement for the Health Care activity in the short to medium term. For these reasons, this option has not been evaluated further as it would not achieve the objectives of the proposal.

Table 1~~Table 1~~ below evaluates these options against the requirements of section 32(1)(b).

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It is considered that the most appropriate option is Option 2, to include targeted provisions within the Frankton Flats Special Zone provisions under the ODP and Rural Zone provisions under the PDP to achieve the objective of the proposed Plan Change and retain consistency with the relevant objectives of the PDP.

Table 1: Evaluation of options to achieve the objective.

	Option 1	Option 2	Option 3	Option 4
Description of option	This option retains the provisions of the Rural Zone under the PDP, where the establishment of a Health Care facility within the Outer Control Boundary is a prohibited activity.	This option amends the provisions of the Frankton Flats Special Zone under the ODP and Rural Zone under the PDP to enable a Health Care facility up to 900m^2 to establish within the Frankton Flats Special Zone or the Plan Change area as a restricted discretionary activity.	This option amends the provisions of the Rural Zone under the PDP to delete the prohibited activity status for establishing 'Activities Sensitive to Aircraft Noise' within the Outer Control Boundary to provide a consenting pathway.	This option rezones the Plan Change area from Rural Zone to the Frankton Flats Special Zone.
Benefits	**Environmental** • Potential effects of use and development are managed in accordance with the provisions of the ODP and PDP, including with respect to sensitive activities within the Outer Control Boundary. **Cultural** • There is no change to the cultural environment under this option. **Economic** • Retains the existing set of planning provisions which plan uses are familiar with, resulting in cost efficiencies for implementation and monitoring. **Social** • Community expectations are maintained through maintaining the existing rules framework.	**Environmental** • Potential effects of use and development are managed in accordance with the provisions of the ODP and PDP. • Reverse sensitivity risks within the Outer Control Boundary are not increased, as there is already provision for a 900m^2 Health Care facility within the adjoining Frankton Flats Special Zone. The plan change is seeking to restore the area of land subject to the existing provisions for Healthcare Facilities within the Frankton Flats Special Zone to a similar extent prior to the land-swap agreement outlined in section 2.1.2. No increase to the 900m^2 threshold is proposed, rather, additional land is proposed to also be subject to that threshold. • Amendments to Policy 21.2.7.1 will provide additional certainty to the proposed rule framework. • Will address the zoning anomaly resulting from the QLDC and QGL land swap agreement in 2013. **Cultural** • There is no change to the cultural environment under this option. **Economic** • Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and economic benefits associated with construction and operation. **Social** • Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and social benefits associated with the provision of a new community facility within the existing urban environment of Queenstown.	**Environmental** • Potential effects of use and development are generally managed in accordance with the provisions of the ODP and PDP, with a consenting pathway available for sensitive activities within the Outer Control Boundary. **Cultural** • There is no change to the cultural environment under this option. **Economic** • Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and economic benefits associated with construction and operation. **Social** Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and social benefits associated with the provision of a new community facility within the existing urban environment of Queenstown.	**Environmental** • Potential effects of use and development are managed in accordance with the provisions of the ODP, as the review of Special Zones has not yet been completed under the PDP. • Will address the zoning anomaly resulting from the QLDC and QGL land swap agreement in 2013. **Cultural** • There is no change to the cultural environment under this option. **Economic** • Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and economic benefits associated with construction and operation. **Social** Provides a consenting pathway to establish a new Health Care facility within the Five Mile Centre, and social benefits associated with the provision of a new community facility within the existing urban environment of Queenstown.
Costs	**Environmental** • There are no environmental costs under this option. **Cultural** • There is no change to the cultural environment under this option. **Economic** • No opportunity to develop a Health Care facility through the resource consent process as the activity is prohibited under the PDP.	**Environmental** • Development of a Health Care facility within the Outer Control Boundary may create reverse sensitivity effects, however there is already provision for a new Health Care facility within the adjoining Frankton Flats Special Zone, and the overall scale and intensity for a Health Care facility within the Five Mile Centre remains unchanged. **Cultural**	**Environmental** • Enabling an unlimited scale and intensity of sensitive activities within the Outer Control Boundary may create new reverse sensitivity effects. **Cultural** • There is no change to the cultural environment under this option. **Economic**	**Environmental** • Development within the Plan Change area may be managed differently to the adjoining Frankton Flats Special Zone following the PDP review, which may create inconsistent environmental outcomes within these two areas. **Cultural** • There is no change to the cultural environment under this option.

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	Option 1	Option 2	Option 3	Option 4
	• Opportunity costs as the Rural Zone does not enable the use of the land for intended urban commercial activities as intended under the QLDC and QGL land swap agreement and as part of the wider development of the Five Mile Centre. **Social** • There is no opportunity to establish a new Health Care facility that would create social benefits for the surrounding community.	• There is no change to the cultural environment under this option. **Economic** • Additional costs associated with obtaining approval through a restricted discretionary activity status. **Social** • A Health Care facility may not be in keeping with the expectations of some community members for the use of the zoned Rural land, however the Plan Change area has already been urbanized as part of the Five Mile Centre development. As such, the proposed plan change area no longer retains a rural character or hosts rural activities. There are also no ONFLs or ONLs to be considered on the plan change area.	• May create economic costs associated with establishing sensitive activities within the Outer Control Boundary. **Social** • May create adverse social and health and safety effects associated with establishing sensitive activities within the Outer Control Boundary.	**Economic** • Lack of cohesion with the timing of the PDP review for Special Zones could result in inconsistencies between the ODP provisions applied through the Plan Change request and PDP, which may create added economic and administration costs. **Social** • Lack of cohesion with the timing of the PDP review for Special Zones could create an unnecessarily complex planning framework between the Plan Change area and Frankton Flats Special Zone following the PDP review.
Efficiency and effectiveness	This option is not efficient or effective in achieving the objective of the Plan Change as the prohibited activity status under the Rural Zone of the PDP prevents the establishment of a new Health Care facility in the Plan Change area. Furthermore, there is no further land available within the existing Frankton Flats Special Zone that would enable a new healthcare facility to be established.	This option is efficient and effective in achieving the objective of the plan change as it enables a new Health Care facility to establish within the Plan Change area through the resource consent process, consistent with the provisions of the adjoining Frankton Flats Special Zone. This option is efficient and effective in achieving Strategic Objective 3.3.6 and Urban Development Policies 4.2.2.14 - 4.2.2.17 as it will enable the Queenstown Airport to continue to make an important contribution to the prosperity and resilience of the District whereby the intensity of ASANs within the OCB does not change. The intensity of ASANs within the OCB will not change (UDP 4.2.2.16) and noise effects will be managed (UDP 4.2.2.15) as a restricted discretionary activity consent would be required. The land available to host a healthcare facility subject to the same consenting pathway as the Frankton Flat's Special Zone is proposed to increase, however, to reiterate, the intensity of healthcare facilities provided for by that pathway will not. The level of noise effects anticipated through the consenting pathway will not change as a result of the proposed plan change. This option is efficient and effective in achieving Objective 21.2.1 as it will enable a range of land uses to occur within the Plan Change area. The Plan Change area is not subject to the overlays identified under the Objective. Notwithstanding, the relevant matters identified under the Objective will be considered in accordance with the underlying provisions of the ODP and PDP. This option is efficient and effective in achieving Objective 21.2.7 it will generally exclude activities sensitive to aircraft noise may establish within the	This option is efficient and effective in achieving the objective of the plan change as it enables a new Health Care facility to establish within the Plan Change area through the resource consent process. This option is efficient and effective in achieving Objective 21.2.1 as it will enable a range of land uses to occur within the Plan Change area. The Plan Change area is not subject to the overlays identified under the Objective. Notwithstanding, the relevant matters identified under the Objective will be considered in accordance with the underlying provisions of the ODP and PDP. This option is not efficient or effective in achieving Objective 21.2.7 and Policies 4.2.2.14 – 4.2.2.17 as an unlimited extent of activities sensitive to aircraft noise may establish within the Outer Control Boundary through the resource consent process.	This option is effective in achieving the objective of the Plan Change as a Health Care facility can be developed through the resource consent process within the Frankton Flats Special Zone. However, this option is not efficient as it is will create added complexities and potential inconsistencies between the zoning and rule framework that is applied between the Plan Change area and provisions of the Frankton Flats Special Zone that are determined through the review of the PDP. IT is not an efficient methos to achieve the objective and would not be commensurate with the level of effect of the objective.

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	Option 1	Option 2	Option 3	Option 4
		Outer Control Boundary. The provision for a new 900m^2 Health Care facility is consistent with anticipated outcomes of the adjoining Frankton Flats Special Zone. This option is efficient and effective in achieving Noise Objective 36.2.1 as it will ensure that the adverse effects of noise emissions are controlled to manage the potential for conflict arising from adverse noise effects between different land use activities. Council will have discretion to consider noise effects through the proposed restricted discretionary activity status. Applying this activity status to the plan change area will ensure consistency, efficiency and effectiveness in the application of the PDP planning framework across the confined urban area consisting of the plan change land and adjacent Frankton Flats Special Zone. The restricted discretionary activity status is also considered to be efficient and effective given the effects of establishing a healthcare facility in the area are well known. This is further evidenced by the consenting pathway in the Frankton Flats Special Zone which anticipates the effects associated with healthcare facilities in the zone, and confines them to matters of discretion which only consider noise and reverse sensitivity effects. Character and amenity effects of any future resource consent application for a healthcare facility in the plan change area would be assessed through other existing rules. It is considered overall that this option does not need to extend into modifications to higher-order objectives and policies as the provisions address a very specific matter in the District and continues to give effect to the relevant objectives and policies listed above. This option is efficient and effective in achieving the ASAN-related objectives and policies of Section 4 of the ODP because the intensity of ASAN within the OCB is not proposed to change.		
Summary	Overall, Option 2 is the preferred option. Specific amendments to the provisions of the Frankton Flats Special Zone under the ODP and Rural Zone under the PDP to achieve the objective of the plan change is considered to be the most efficient and effective method and modification . In particular, it will provide a consenting pathway for a Health Care facility to establish within the QGL land while ensuring that potential adverse environmental effects can be managed in accordance with the provisions of the District Plan, and will not create adverse reverse sensitivity risks or effects, as it retains the scale and intensity of Health Care activities that can be sought through a consenting process within the adjoining Frankton Flats Special Zone. The approach proposed under Option 2 will also ensure that planning provisions within the Plan Change area can align with the timing of the PDP review of Special Zones. Overall, it is considered that the environmental, economic, and social benefits under this option outweigh any potential costs.			

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7.3 Risk of Acting or Not Acting

In this case, there is sufficient information about the subject matter of the provisions to determine the range and nature of environmental effects of the options set out in the report above. For this reason, an assessment of the risk of acting or not acting is not required.

7.4 Section 32 Assessment Conclusion

On the basis of the analysis set out above, it is concluded that:

- The objective of the proposal is the most appropriate way to achieve the purpose of the Act;
- The proposed provisions are considered to be the most efficient and effective means of facilitating use and development of the Plan Change area; and
- The proposed provisions are the most appropriate way to achieve the purpose of the Plan Change, having regard to their efficiency and effectiveness, and the costs and benefits anticipated from the implementation of the provisions.

8.0 Conclusion

This report has been prepared in support of QGL's request for a Plan Change to the provisions of the ODP and PDP to enable the 900m^2 Health Care facility that is currently provided for within the Frankton Flats Special zone within the Plan Change area as a development option for the Five Mile Centre.

Based on the assessment of environmental effects, it is considered that the Plan Change will not adversely affect character and amenity values within surrounding environment, and potential effects from development are able to be managed through the application of the underlying ODP and PDP. The proposal will also ensure that reverse sensitivity risk with respect to noise effects and the Queenstown Airport are appropriately managed, in accordance with the established framework under the ODP and PDP.

An evaluation in terms the provisions of section 32 of the RMA is provided in Section 7 of this report and corresponds to the scale and significance of changes proposed. This includes an analysis of the extent to which the objective of the plan change is the most appropriate to achieve the purpose of the RMA and an examination of whether the provisions of the plan change are the most appropriate way to achieve the objective.

The Plan Change does not impact upon the functions of the Council in terms of section 31(d) and section 74 of the RMA.

For the reasons set out in this report, it is considered that the proposed Plan Change accords with the sustainable management purpose and the principles in Part 2 of the RMA and should be accepted, limited notified to the Queenstown Airport, and approved.