



QUEENSTOWN LAKES DISTRICT COUNCIL

PLAN CHANGE HEARING COMMITTEE

REPORT FOR PLAN CHANGE 19: FRANKTON FLATS (B) PLAN CHANGE

FOR HEARING COMMENCING: 7 JULY 2008

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SUBMITTED BY: FOR AND ON BEHALF OF THE QUEENSTOWN LAKES DISTRICT COUNCIL

Alyson Hutton
David Mead
Greg Osborne
Lindsay Daysh
Marion Read
Nick Karlovsky
Scott Figenshow

Planner
Planner (Growth projections)
Planner (Aircraft noise)
Planner (Transportation)
Landscape Architect
Urban Designer
Planner (Affordable Housing)

QLDC
Hill Young & Cooper Ltd
Osborne Hay Ltd
GHD Ltd
Lakes Environmental Ltd
QLDC
QLDC

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1.0 EXECUTIVE SUMMARY

This report has been written in accordance with Section 42A of the Resource Management Act 1991 (RMA) to consider all submissions and further submissions received following the public notification of Plan Change 19 and to make recommendations on those submissions.

The background information to this Plan Change is contained within the Section 32 evaluation prepared by the Queenstown Lakes District Council (QLDC) at the time that this Plan Change was notified. A copy of the Section 32 report is available on the Council's website: www.qldc.govt.nz The purpose of the Plan Change is as follows:

The purpose of this Plan Change is to provide for the comprehensive re-zoning of the land known as the Frankton Flats to enable the following activities:

- *Educational*
- *Residential*
- *Visitor Accommodation*
- *Commercial*
- *Industrial*
- *Business*
- *Recreational Activities*

Providing for future growth demand of the District within the urban boundary in a mixed use zone that affords high amenity values and visual and physical coherence, open space and reserves, while maintaining views of the surrounding outstanding natural landscapes.

This report outlines the statutory provisions relevant to the plan change process; discusses general issues and the submissions received following the public notification; makes recommendations as to whether or not these submissions should be accepted or rejected; and finally, concludes with an overall recommendation based on the above. The attached report (entitled Frankton Flats (B) Recommendations) is also provided. When using this document submitters can quickly ascertain whether the Section 42A report recommends acceptance or rejection of their specific submission points. If there is any doubt on the recommendation, the 42A report takes precedence.

A total of 42 submissions and 27 further submissions were received.

The submissions received can be roughly divided into the following categories: Urban growth;

- General submissions'
- Expansion of the zone
- Industrial zoning
- Urban design;
- Infrastructure requirements;
- Aircraft Noise Issues;
- Structure plan and activity areas;
- Affordable housing

The report is divided into the same categories to discuss and make recommendations on the submissions received.

2.0 GENERAL SUBMISSIONS

2.1 Foodstuffs (South Island) Limited

Foodstuffs (South Island) Limited submit that the Plan Change should be opposed as it has the potential to inhibit Large Format Retailing within the Remarkables Park Area and that the Frankton Flats Plan Change will not meet the reasonable needs of future generations by not adequately addressing the retailing demands of the community. The submission also requests further rezoning of land within the Remarkables Park Special Zone.

The Frankton Flats Plan Change is a Council Plan Change seeking to rezone land to meet future employment and residential needs of the community. The Plan Change is not seeking to rezone large amounts of land for the purpose of Large Format Retailing. Rather a mixed use approach is promoted. While some large format retailing may occur, as is discussed in Part 4 of this report it is not anticipated that this would create any adverse resource management effects on other retail centres. Therefore it does not in any way compromise the aspirations of the landowners of the Remarkables Park Zone who have lodged a Private Plan Change with the Council for processing to that effect. The relief sought (to reject the plan change until the Wakatipu PAK'nSave is approved) is outside the scope of this Plan Change. The submission by Foodstuffs does not raise any valid resource management reasons for rejecting the proposed Plan Change; its purpose can only be seen as trade competition and for that reason should be disregarded.

Recommendation:

That the submission and further submissions in support are rejected.

2.2 Cath Gilmour

Cath Gilmour submits that there should be a time limit on development rights in order to prevent land banking and to prevent the Council's plans to meet its growth management needs being stymied. The submitter believes that if the Council had the power to put time limits on development to prevent land banking this should have been undertaken at least a decade ago. One reason why the Council is promoting this Plan Change is to release land to meet current needs for commercial and residential land. It is acknowledged that, as shown by the Dwelling Capacity Model that the Council maintains, a large proportion of the current residential capacity of the Queenstown District is being held by approximately four landowners. However, there is no ability either under the Resource Management Act or the Local Government Act to prevent such land banking. Council must be proactive in ensuring sufficient land is zoned to meet future needs while acknowledging that the current zoning opportunities may not be taken up. If appropriate zoning is not being developed in a timely fashion then there may be justification to develop new zoning or to up-zone other areas of land.

Recommendation:

That the submission is rejected.

2.3 New Zealand Historic Places Trust

New Zealand Historic Places Trust submit that the Council should proceed with the Plan Change but notes that the area has not been the subject of an archaeological assessment.

Recommendation:

That the submission is supported and an archaeological assessment should be provided for as part of the Outline Development Plan process.

2.4 Otago Regional Council

Otago Regional Council submits that the Plan Change include provisions requiring the planting of wilding species to be a prohibited activity which is in consistent with the Biosecurity Act and Pest Management Strategy for Otago Provisions for Pinus Contorta. It is accepted that the planting of species should be upgraded to a prohibited status (from non complying) to reflect the current ORC controls. The ORC also lists a number of typographical errors to be corrected.

Recommendation:

That the submission is supported.

2.5 Manapouri Beech Investments Ltd

Manapouri Beech Investments Ltd is the owner of the garden centre located at the eastern extent of the area covered by the Plan Change. In terms of the Plan Change, its land is almost entirely located within Area A of the proposed Structure Plan. It does not wish its land to become subject to the controls of Area A and, effectively, ask for its land to become a part of Area C. It is reasonable that Manapouri Beech Investments Limited is afforded some security of zoning through this Plan Change as at present any future development is tested against the Rural General Zone provisions.

The suggestion to apply the Activity Area C provisions to the site would effectively allow high density commercial and residential development to occur, this would be quite a contrast to the continued development of the present garden centre. This site borders Glenda Drive and as such it forms something of a buffer between the, currently, open land to the west and the industrial zone to the east and south. The interface with the State Highway is also important. It is considered that the provisions of Activity Area B represents a more appropriate zoning framework as it allows for development but at a lower density that Activity Area C.

Recommendation:

It is suggested that the submitter present to the hearings panel a suggested framework for rules, policies and objectives that are particular to the Garden Centre, taking in account the site, location and design controls necessary for a site so close to the entrance into Queenstown to the hearing panel for assessment; otherwise it is recommended that the submission be declined.

Note: This report suggests the removal of Activity Area B as it relates the area between Activity Area A and Activity Area C. However, the proposed Activity Area B provisions (or modifications of them) may be a more appropriate for this existing use.

2.6 Queenstown Lakes District Council

Queenstown Lakes District Council submit that there are a number of numbering mistakes in the Proposed Plan which need to be amended as they will cause confusion to Plan users, QLDC also submit that the use of “N/A” within the activity table leads to confusion and should be amended to non complying status if appropriate.

Recommendation:

It is suggested that the numbering of the Special Zone is checked and amended before being submitted to the Council for approval. In this way changes can be made once all submissions have been heard. It may be confusing for the changes to be made now as submission points would not reflect the wording of the Proposed Plan Change as notified.

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It is recommended that N/C status is used for all instances where “N/A is used in Table 1. Therefore it show those activities that are not anticipated by the zone, but provides a framework should any resource consent be considered. This is consistent with other parts of the District Plan.

2.7 Scope of Plan Change – Submission by Five Mile Limited

The submitter objects to the inclusion of any part of Lot 2 DP 25073 in Plan Change 19 and seeks an alteration of the Structure Plan so that its boundaries are in line with the plan shown on page 39 of the Plan Change document. That the part of Lot 1 DP 23278 shown as Area A (east of Grant Road) be removed from Plan Change 19.

In 2005 the parties to the original Terrace Towers consent applied to the Environment Court to make a final decision on an interim decision made by the Court in 2000. The land to which the interim decision applied was Lot 2 DP 25073 and was known as the “small block” to the west of Grant Road. The Court made a final decision on this block giving it zoning and directed the District Plan and maps to be amended. The Court did not direct the landscaped strip in front on the “large block” to be zoned through that decision; within the Partially Operative District Plan it still retains Rural General Zoning. It is appropriate that this area of land is rezoned as part of PC19

Recommendation

That the submission by **Five Mile Limited** is declined.

3.0 SUBMISSIONS REQUESTING EXPANSION OF THE PROPOSED PLAN CHANGE

A number of submitters to this Plan Change seek additions to the zone to enable development on their land. Urban growth and the rezoning of land in the Queenstown Lakes District is a sometimes contentious topic. It is important that land is re-zoned in a timely manner to provide for the projected growth of the region. However it is also important that additional zoning does not compromise what makes the region special in terms of the protection of our unique landscape and represents logical urban form.

As a general comment since these submissions seek to change the zoning of the land outside the physical boundaries of Plan Change 19, it is not considered that the submissions are “on” the Plan Change. This means that if any of the suggested additional areas to be zoned did have merit, then they would need to be progressed by way of their own investigations and if appropriate, plan change.

Submissions proposed rezoning land to the north of State Highway 6. The Events Centre has also requested a change to their zoning.

3.1 Land to the North of State Highway 6

The Frankton Flats Plan Change proposes to change the zoning of an area of land currently zoned Rural General so as to create a mixed use zone similar, but not identical to, the existing Frankton Flats Special Zone. The area of land is bounded to the south by the airport designation and to the north by State Highway 6. To the east it extends to encompass some land currently zoned Industrial. Clearly this area is a small subset of the Frankton Flats as a landscape feature. To the west the Frankton Flats are occupied by the Events Centre and the Frankton suburb of Queenstown. To the south is the Airport and south of that is the Remarkables Park Special Zone. To the east is the Glenda Drive Industrial Zone. To the north is open pastureland and the Outstanding Natural Landscape (Wakatipu Basin) that extends over Ferry Hill and Queenstown Hill.

The landscape of the Frankton Flats is that of the terrace system associated with the Shotover River. Gravels and sands were deposited during the last glacial retreat when the lake level was 60m higher than at present. These formed a fan delta which has become isolated from the Lake and through which the Shotover and Kawarau Rivers, and Hayes Creek have cut. Thus, as a landscape feature the Frankton Flats are the western part of this delta, with the eastern part extending to Morven Hill and Lake Hayes.

Development on the Frankton Flats has, for the most part, occurred to the south of the State Highway. Exceptions to this include the Transpower substation; the Aurora yard and office complex; the Impact Church on Hanson Road and the Dart Engineering workshop. These are located on land zoned Rural General and the Transpower Substation is on land designated for that purpose. The character of most of this land to the north of the State Highway is open pastoral land of a similar character to the landscapes of the wider Wakatipu Basin. This alters in the more eastern portions of the area where a number of dwellings are present and as a consequence of this and its previous use for horticulture, the land has become more enclosed with trees to provide privacy and shelter. Towards the most eastern extent of the Flats, to the north of the Glenda Drive Industrial area the land rises to the rather lumpy hillocky terrace on which the Quail Rise development is located.

In its C180/99 decision the Environment Court determined that Queenstown Hill and Ferry Hill were, together, a part of the Outstanding Natural Landscape (Wakatipu Basin). The precise location of the line delineating this landscape has not been determined in relation to the southern side of Ferry Hill. It is contended that the indicative line provided in Appendix 8A Map 1 of the District Plan maps is correctly located. The line follows the foot of the

escarpment from the western side of the Flats to a point close to the Quail Rise Special Zone where it ascends the slope of Ferry Hill to join up with the one section of the line that has been determined (C109/2000). These two landscapes are distinctly different. The Flats landscape is clearly fluvial in origins; is very flat; and in the proximity of the hills is characteristic of the pastoral landscapes of the broader Wakatipu with hawthorn hedges and other exotic trees present. Some of these features exist on the wider flats with pine windbreaks being present in the centre and at the eastern edge of the Flats and on the southern portion zoned Remarkables Park Special Zone. The hills landscape is clearly ice sculpted; has variable forms being steep and flat-faced in places and rounded and hummocky in others; some residual indigenous vegetation is present, along with exotic weed species, in the water courses and gullies which cut parts of the slope below Lake Johnson; and all in all the landscape is wilder, more rugged and typical of the mountain landscapes which surround the Wakatipu Basin.

In her report on the landscape of the Frankton Flats made in response to the proposed Plan Change (Section 32) Ms Kidson (Landscape Architect) has classified the landscape of the Flats as an 'other rural landscape'. The report lacks any discussion of the quality of the landscape to the north of State Highway 6 even though this is undeniably a part of the Frankton Flats landscape. Similarly, it focuses almost entirely on concerns to protect the views of the Remarkables from State Highway 6 and only mentions views to Ferry Hill from locations adjacent to the Airport.

The quality of the landscape to the north of State Highway 6, and to the east of Hansens Road, is at least as high as that of other parts of the Wakatipu Basin that have been assessed as a Visual Amenity Landscape. It is the foreground to views of the Outstanding Natural Landscape of K Number 2 and Ferry Hill which are an important part of the experience gained from State Highway 6, particularly, but not only, when travelling east. It is accepted that the area involved (approximately 23ha) is not a significant proportion of the wider Frankton Flats landscape (of approximately 500ha in area) and as such cannot have a determining influence on the wider classification. However, its high quality, its proximity to the Outstanding Natural Landscape (Wakatipu Basin), and its location along the State Highway all make the management of this area a matter of importance.

The proposed Frankton Flats Plan Change would result in the isolation of this Rural General Zoned land from the rest of the landscape of which it is part. That is, while the Rural General land continues up and over K Number 2, Ferry Hill and Queenstown Hill, it could not be argued that this strip is a part of that Outstanding Natural Landscape.

The Council undertook a community planning exercise in 2002 in which the community looked to the future (2020). The community plan covered urban growth, walkways, roading, entrances and community facilities. Part of the community planning process involved asking participants where they would like to see their town growing to and what were appropriate boundaries. In the case of the Frankton area it was considered that the Shotover River was a suitable town boundary, the areas inside this area should be developed while the area on the opposite (eastern) side of the river should be protected from development. The Council is in the preliminary stages of a Proposed Plan Change to create an Urban Growth Boundary framework as part of the District Plan to provide a statutory base for considering future development.

In the absence of specific Urban Growth Boundaries within the District Plan the Council must use the existing objectives and policies of the District Plan when considering the submissions received to this Plan Change that seek to rezone additional land outside of the Plan Change 19 area and accordingly, outside of any proposed urban growth boundary. Submissions must then be judged on the justification that they provide in support of their rezoning. The Act

requires that a Section 32 analysis is undertaken at all stages of the decision making process, not just pre-notification. Accordingly the submissions that have provided some justification for their submissions can be potentially assessed further through this process, provided they pass the first test, that they are “on” the Plan Change.

The Frankton Flats Plan Change is seeking to rezone land that is at present an island between existing zoned and designated land. This land is under pressure for expansion especially in regards to industrial and residential zoning and as such is a priority for the Council to re-zone before seeking additional zonings. Therefore, it is considered appropriate that once the Frankton Flats Plan Change is made operative and resources allow an assessment is made northern side of the State Highway. There are a number of factors that differentiate the northern and southern side of the State Highway. These include:

- the northern side of the highway is the immediate foreground to an outstanding natural feature (Ferry Hill) while the Remarkables Range is a background to the southern side of the highway
- The roading and pedestrian network has been extensively planned with urbanisation in mind on the southern side, as opposed to the rural context of the opposite side of the road. As yet there has been no analysis on specific capacity issues on the northern side of the road.
- Should development of whatever form be contemplated on the northern side of the State Highway it is assumed it would be on the flat land currently in paddocks, up to the toe of the hill. As this area of land is relatively narrow (especially if the Council was to promote a 50m landscape strip as on the southern side of the State Highway), care will need to be taken to plan for the depth of development and any road connections. It would be important to assess the type of development that would work well within that context.

It is believed that none of the zonings promoted by the structure plan (map showing activity areas) for the Frankton Flats Plan Change are appropriate for the zoning on the northern side of the State Highway. Changing that land to any other zoning (such as rural residential or low density zoning) is outside of the scope of this Plan Change as these zonings were not part of the original Plan Change that was notified.

3.2 Aurora Energy

Aurora Energy own land which it wishes to have included in the Frankton Flats Special zone pursuant to this plan change. Aurora occupies Lot 1 DP 11785, Lot 1 DP 20596, and Lot 1 DP 383378. The subject land includes an electricity substation, a single storey timber workshop/lunch room and three smaller utility buildings. Parking and turnaround areas, together with outdoor storage areas for telegraph poles, cable and transformers also occupy the southern half of the site. The northern part is predominantly in rough grass with scattered debris and sheds. There is a cluster of mature Douglas fir (*Pseudotsuga menziesii*), silver birch (*Betula pendula*) and European larch (*Larix decidua*) near the eastern boundary of the site, and the road boundary is lined with a hawthorn hedge (*Crataegus monogyna*) approximately four metres in height. It currently has an industrial character, but this is mitigated to a degree by the hawthorn hedge which borders State Highway 6, and by other trees within the site. To the immediate west of the site, Lot 1 DP 11354, Dart Engineering is located and this extends the industrial character of the location to the west. However, there has been no indication that Dart Engineering wishes its land to be rezoned.

There is currently a resource consent application in process to undertake the following activities on the site:

- Operation of a five truck garage and a two level office complex, covering 504m² and located five metres from the road boundary at Frankton-Ladies Mile Highway (SH6).

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The maximum height of the building is 6.725 metres and it is proposed to have a 'Karaka' Colorsteel roof and classic cream concrete panel walls.

- On-site relocation of an existing building.
- On-site relocation of two outdoor storage areas measuring 240 and 187m², respectively.
- An 80m² concrete pad with drainage for a wash-down area.
- Removal of a group of mature exotic trees.
- Retention of an existing hawthorn hedge.
- Landscaping of the site entry, including tree and hedge planting and entry gates.
- Upgrade of the sealed access.

As there is currently a 50m setback along both sides of the State Highway, these activities are considered to be non-complying. Under Activity Area D, requested by the Aurora submission, the construction of buildings would only be a controlled activity only. Landscaping could be required, providing some ability to mitigate the effects of the industrial activity. Commercial activities would be permitted activities if undertaken in conjunction with any permitted or controlled activity. Industrial activity would be permitted, and motor vehicle related activities – spray painting, panel beating etc – would be discretionary.

It is considered the extension of the D Activity Area to incorporate this important site on the entranceway into Queenstown would be inappropriate. The current zoning enables much more effective management of the effects of activities on the site than the proposed rules for the D Activity Area. The extension of the proposed D Activity Area to encompass this site could result in the further industrialisation of the area with Council retaining much less control over activities than it currently has. Further, it would be anomalous to rezone the Aurora land and not include the Dart Engineering site to its west.

Recommendation:

It is not considered appropriate to rezone an individual industrial site in isolation of other activities. This site is on the entrance to Queenstown and as such should be required to comply with a stronger policy framework consistent with this location than that provided by the industrial zoning promoted in this plan change.

The issues of the rules in relation to industrial activities and the requirement for outline development plans prior to consents being applied for is considered later in the report.

3.3 Brooks Family Trust

Brooks Family Trust submitted that the area of land on the northern side of the State Highway between the Quail Rise Special Zone and Hansen Road should be rezoned for commercial subdivision and development and/or residential development in a manner that is consistent with the Quail Rise zone. The submitters cite that the Plan Change as notified does not enable the delineation of a clear urban edge or provide a smooth transition between the current and proposed zoning on the western side of the Shotover River. The submitters also request that the landowners be compensated for actual and potential effects of the Plan Change on the rural character of the northern land. This submission was supported by **Quail Rise Ltd** so long as the Quail Rise Activity Area G was not extended into this area.

The 'landscape line' defining the edge of the Outstanding Natural Landscape cuts through most of the properties to the north of State Highway 6 approximately 100m from the road, looping more to the south around a small spur to the north of the Aurora site and then ducking to the north again into the gully in which Hansen Road is located. At its eastern extent the line also ducks to the north to loop above the Quail Rise Zone. As this is the toe of the slope, it forms a natural edge to a new zone demarcating the area potentially available for some form of development.

The open views to K Number 2, Queenstown Hill and to Ferry Hill are mostly obtained over the open pasture of Sections 130 – 133 Shotover Survey District, a part of Hansen’s farm, as the land to both the east and the west is somewhat more enclosed by vegetation. A 50m setback already exists along this road frontage but this has a number of dwellings, the Aurora site and Dart Engineering located within it towards the eastern and western ends of the Flats. A duplication of Activity Area A on the northern side of the road would not, be effective in protecting these views to the north.

Activity Area B of the proposed zone was to be a transitional zone between the open space of Activity Area A and the more intensive urban development of Activity Area C. Commercial and retail activities (of less than 500m²) are proposed to be a permitted activity in Area C, with residential to be controlled. In the notified version of the Plan Change it was proposed that this Activity Area be predominantly open space with buildings restricted in area and height and landscaping required over a larger proportion of each site. A height restriction of 6m was proposed. Given that the land to the north of State Highway 6 is to be separated from the southern part of this zone by the State Highway and by at least one 50m setback (Activity Area A), this type of development would not make any sense, although the height restriction would be positive.

Recommendation:

It is true that the Frankton Flats Plan Change does not change the zoning of the area to the north of the State Highway, although this may be reconsidered further into the future. The submissions made do not give any real justification for the Plan Change to encompass that side of the road. There is no analysis as to whether a commercial zoning is appropriate – within Plan Change 19 Area C provides for commercial and residential zoning at a high density, and this has ramifications for roading, infrastructure provision, reserves, walkways and cycleways on the northern side. Extension of the Area C to the northern side would also fragment the commercial zoning in the Frankton area further with another area of commercial zoning on the northern side of the State Highway. This is not considered an appropriate option in terms of traffic and pedestrian safety. Without any specific Section 32 analysis to date and urban design advice to support this submission it is not appropriate to allow this submission.

The Resource Management Act does not provide for compensation to be payable in respect of controls on land (Section 85). Accordingly, this is not provided for by this Plan Change.

3.4 Quail Rise Limited

Quail Rise Limited submit that land between Hansen Road and Activity Area G should be included within the Plan Change. It submits that the area within 50 metres of the State Highway should be included as Activity Area A while the remainder of the land be rezoned as Activity Area B. Plan Change 19 promotes only landscaping on Activity Area A which would be supported as part of this submission (if it was considered appropriate to rezone this area as part of the Plan Change) while Activity Area B in the Plan Change as notified promotes a low density commercial development of 15% site coverage (up to 30% as a discretionary activity). The zoning allows commercial and residential development. As discussed in the narrative on the submission by **Brooks Family Trust**, it is not desirable to have commercial zoning on both sides of the State Highway. As stated regarding the earlier submission it is believed that it is necessary that the Council considers any rezoning of the northern side of the State Highway in the future.

Quail Rise also submits that the resource management issues, objectives and policies, and environmental results of the Frankton Flats Special Zone should be amended to reflect the wider area of the zone, as they propose it, and that, in particular reference to Ferry Hill as being in the foreground of the zone needs to be added. Objective 1 of the proposed plan

change focuses on views from the State Highway and from within future development looking south, west and east. It is considered necessary, whether or not land to the north of State Highway 6 is incorporated in the Plan Change that this Objective should be broadened to also include reference to views from within the proposed development area to the north to Ferry Hill, K number 2 and to Queenstown Hill. Accordingly, the recommended rewording of Objective 1 which is considered appropriate is noted below.

Recommendation:

That the submission is partially accepted, in that Objective 1 of 12.19.3 be amended as follows:

Objective 1

Connection to the Surrounding Landscape.

Policies

1.1 To ensure a buffer area is maintained between SH6 and any built development so that views are maintained. To give primacy to the protection of the significant landscape values and views of the landscape as they relate to this land.

1.2 To position the built form and open space areas in such a way that views to the Remarkables, Cecil and Walter Peaks, and Peninsula Hill, ~~area~~ Queenstown Hill, K Number 2 and Ferry Hill are maintained from the State Highway and from within the zone.

1.3 To ensure that the nature and location of landscaping proposed to soften development does not itself adversely affect background vistas or view shafts to the Remarkables.

1.4 To soften the effects of buildings heights and bulk through screening by mature trees.

Explanation and Principal Reasons for Adoption

Frankton Flats Special Zone (B) is located at the entrance to Queenstown, and as such provide a first impression of the Queenstown urban environment. The Frankton Flats area also adjoins the airport, the Events Centre, the Frankton Flats Special Zone, the industrial zone and, to the south of the airport runway, the Remarkables Park Zone and land to the north of State Highway 6.

It is recognised that any further development on the Frankton Flats must maintain and enhance the amenity of the approach to Frankton as well as accommodating the operational needs of the airport, the future needs of the events centre, and the projected land use requirements of the wider community.

To mitigate adverse effects on the amenities of the Frankton Flats, it is necessary to retain some areas of open space free from structures so that landscaping and tree planting can soften the views of the Frankton Flats Special Zone (B) development.

Objective 1 and the associated policies seek to preserve the important views of the outstanding natural landscapes surrounding the Frankton area, including The Remarkables, Peninsula Hill, the Crown Range, Walter Peak, Cecil Peak, and Queenstown Hill, K Number 2, Ferry Hill, and landscapes to the east, when viewed primarily from the State Highway and the Events Centre. Any development will be subject to appropriate controls to ensure that all development is assessed on an integrated basis and incorporates significant landscaping of a type and scale

appropriate to the built and natural environment to which it is related. It is also important that development and does not impede views to these outstanding natural landscapes.

Recommendation:

That Objective 3 Policy 3.5 should be amended as follows:

3.5 To provide cycle and pedestrian routes that provide linkages within Frankton Flats Special Zones, and between the Frankton Flats and Remarkables Park Zone, Quail Rise, Queenstown, Kelvin Heights, Arrowtown and the Wakatipu Basin;

That those parts of the submission (and further submissions) requesting the rezoning of land to the north of State Highway 6 be disallowed. As the notified plan change did not include the existing Quail Rise Zone or the Rural General Zoned land on the northern side of the State Highway the submissions are not on the plan change. This should be considered in the future following a Section 32 analysis undertaken to determine the appropriate zoning for the submitter's land.

3.5 Ladies Mile Partnership

Ladies Mile Partnership submit that its (Rural General zoned land) should be rezoned as part of this Plan Change as it considers that including its land in the Plan Change provides a better opportunity to provide for the community's social and economic wellbeing through the provision of additional educational and residential opportunities. The submitters consider that a mixture of low and medium density zoning would be appropriate for its land and suggests the following provisions are inserted within the zoning provisions:

- Indoor noise insulation standards across the site to mitigate the effect of aircraft noise
- Establishment of minimum floor levels for any residential housing development within the Residential 2 area to avoid or mitigate potential flood hazards from the Shotover River
- Controls relating to the protection and provisions to enable the enhancement of the Wetland Protection Area
- Provisions to enable low density housing opportunities within the area of Residential 2. Provisions to enable low to medium density housing opportunities within Residential 1 and 3.
- Provisions to enable educational facilities to develop within the area of Residential 3
- Adequate separation of buildings and structures from the existing Transpower transmissions lines.
- Access onto the highway to be restricted to the LMP land only using the legal and formed Stalker Road intersection with State Highway 6.

The submitter has not included any drafted provisions, section 32 analysis or other support that assists the Council is assessing this submission. The submission also alleges that there is a shortage of available land for residential building development within the District. In fact, the Council's dwelling capacity model, which includes several assumptions about how feasible development of land is, indicates there is zoning for more than 11,000 additional dwellings in the Wakatipu basin part of the District alone. The majority of these sections are within the following areas:

Queenstown Low Density Residential Zone (including Fenhill, Queenstown Hill, Frankton, Kelvin Heights, Arthurs Point, Lake Hayes, Lake Hayes Estate, Arrowtown and Queenstown Heights)
Remarkables Park
Jacks Point

Quail Rise
Meadow Park
Bendemeer

The area of land referred to in the submission is located outside of Queenstown's Urban Growth Boundary as provided for in the Growth Options Study following the Queenstown 2020 community planning exercise. This fact is not referred to in the submission. The submitter does not discuss the effects of the Airport or the proposed air noise boundaries on the area either. The **Otago Regional Council** has raised in its further submission its recommendations as to the future use of the land, as it is affected by flooding. The land is also subject to an Outstanding Natural landscape classification along part of its western and its southern river margins.

The land to the south of Slope Hill and to the east of the Shotover River is a part of the same geomorphological feature as the Frankton Flats. In this vicinity the fan delta has been eroded so as to create two areas of bow shaped terraces connecting the original level of the delta to the isolated and unnamed roche moutonnee which is located about a kilometre east of the mouth of the Shotover. On the more eastern of these terraces the low density subdivision of Lake Hayes Estate is being developed. The more western of these terraces remain zoned Rural General and have been the subject of a rural residential style subdivision (RM990450) creating some 20 lots. Only two dwellings are located within this subdivision to date meaning that the character of the area remains rural apart from the sealed access roads which have been constructed through the site. Landuse consent has been granted for the construction of a further twelve dwellings (RM071139) and for gravel extraction

The character of the area retains all of the qualities of the broader landscape in the vicinity and would be classified as being within the Visual Amenity Landscape which extends to the north around the western foot of Slope Hill and to the east to Lake Hayes and the slopes of Morven Hill. This character should be able to be largely retained under the current subdivision consent as the area subject to this subdivision is approximately 200ha in area. It is separated from Lake Hayes Estate by a narrow neck of land, and is separated from the Frankton Flats by the Shotover River. Visibility into the site is limited to the eastern extent of the Frankton Flats, the Remarkables Ski Field Road, and the Shotover River Delta. It is located under the flight path for planes taking off and landing at Queenstown Airport.

There are a number of further submitters that both support and oppose the original submission. Supporters are predominately neighbouring landowners and other submitters seeking rezoning of their land through this plan change process. Opposers of the submission include the **Queenstown Airport Corporation**, **Otago Regional Council**, and **Air New Zealand**.

Recommendation:

This submission should not be accepted as it does not give adequate justification for rezoning to enable additional development. Future development of this site is best addressed through a separate process, in that way a thorough analysis can be undertaken.

3.6 Queenstown Events Centre

Queenstown Events Centre has submitted that the Council re-zone the currently rural zoned and designated land (designation number 29) as Frankton Flats Special Zone and to create a new part of the structure plan enabling the Events Centre to provide for recreation activities and facilities identified in the Queenstown Events Centre Master Plan. The submission does not provide examples of the rules, policies and objectives envisaged by the Events Centre and, as such, does not provide any Section 32 analysis of those provisions.

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The Master Plan provides for the growth of the Events Centre including future expansion of the centre, the inclusion of grandstands and future layout and creation of further playing fields.

The Council is a requiring authority and as such has power to designate land for “public works”. Public works include sports fields, car parks, roads, water and sewerage infrastructure and parks. The designation process is provided for in Part 8 of the Resource Management Act. The Council can seek to add new designated sites, alter the designations or remove them at any time. This is a public process with a submission process and opportunities for submitters to be heard by Council or the Environment Court. Once a designation is confirmed an applicant has a more streamlined process for undertaking the works anticipated by the designation. If a designating authority wants to undertake works that are not provided for under the designation they default to the underlying zoning – in the case of the Events Centre at present, Rural General Zoning. This zoning treats all buildings and structures as a discretionary activity, and most applications of a certain scale and intensity are notified resource consents.

It can be seen why the Events Centre would want a specific zoning that caters for the activities upon it. However, a non specific zoning request (without suggestions of specific rules, policies and objectives) to an adjacent Plan Change is not the most appropriate way of achieving this. All reserves within the Queenstown Lakes District have an underlying zoning of Rural General – if this is not an appropriate zone it is considered that a new zone which provides for reserves and Council activities be proposed and tested via a Section 32 process and full public consultation.

Recommendation:

The **Queenstown Events Centre** should consider either undertaking a Private Plan Change to change the underlying zoning it considers is more appropriate, or promote changes to its existing designation that reflect the current master plan. In that way the **Queenstown Events Centre** can plan for its growth and have assurances that the regulatory environment anticipates its future development. The community will also have an opportunity to take part in this process. Accordingly, the submission should be rejected.

4.0 INDUSTRIAL ZONING AND PROVISIONS

4.1 Introduction

The purpose of Plan Change 19 is to partly meet the future development requirements of the District by providing appropriately zoned land within the urban growth boundary. In terms of employment-related activities, the District is critically short of industrially zoned land and this Plan Change seeks to provide for some of that need. In 2007 the Council published a study of business and industrial land needs.¹ The purpose of that study was to ascertain the future requirements of these zoning types as part of a balanced community providing for the anticipated growth of the District. The study concluded that within the Queenstown area additional land was required for business (including industrial) activities. The report stated that the existing industrial zone was not serving its intended functions very well. This was because of a combination of small lot sizes, weak policies and objectives which do not prevent retailing, and the ability of each industrial use to have an associated residential activity attached in the form of a custodial unit. As a result of the current lenient District Plan framework the price of industrial land has soared to the point where some industrial uses are uneconomic on that appropriately zoned land and various reverse sensitivity issues have arisen.

Accordingly, this Plan Change (as notified) seeks to rezone approximately 13 hectares of industrial zoned land (Area E), and 20 hectares of land for large lot sized (yard-based) activities (Area D), as well as amended policies and rules.

The submissions received to Plan Change 19 are nearly equally matched in terms of either supporting or opposing both the concept of industrial zoning in the proposed location as well as the actual provisions proposed. Submissions on this topic cover:

- The need for land for industrial activities
- Other locations for industrial / yard-based activities
- No need for industry / yard-based activities
- No need for additional commercial land in the Frankton Flats area
- Provisions that apply within the proposed Business areas (Areas D and E).

Important modifications to the proposed approach that are recommended in this report as a result of consideration of the submissions are:

- A revised structure plan taking into account possible new airport noise contours, land use arrangements as well as further analysis of roading patterns has led to a reconsideration of the boundaries of Area D and Area E. A new layout is proposed to allow for a more efficient arrangement of land uses, as set out elsewhere in this report. The revised Areas D and E covers similar amounts of land as was in the Notified version of the Plan Change.
- Issues raised in submissions about too much land being provided for retail activities has led to a recommendation that some form of control on the amount of retail floor space in Area C be inserted into the plan change. The purpose of such a control would be to ensure that a mix of uses (residential, visitor accommodation, office and retail) occurs as proposed, rather than all of Area C becoming dominated by retail activities.

4.2 Background

As background, in 2006 the Commercial Land Needs Assessment (CLNA) identified demand for 28 ha (gross) of general business land and 30ha of land for yard-based activities to cater

¹ Commercial Land Needs Analysis August 2006, QLDC

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for expected demand to 2026 in the Queenstown / Wakatipu area. This estimate was based on a projection of continued fast population growth and expansion of the employment base of the District. The 58ha of additional business land took into account:

- The likely capacity of existing zoned business area, including the intensification of activities within them
- The rapid take up of vacant land, such that most development in existing zoned areas will involve redevelopment which is not a likely scenario for some business activities
- The trend for some business activities to seek out a business area-based location, rather than a town centre-based location as land and rental values rise in the town centres
- The need to offer some choice over business location
- The potential to accommodate some jobs through mixed use zonings.

While the CLNA did not directly address commercial (town centre) land needs, it noted that with the proposed Five Mile development, there would be adequate land for commercial activities in the wider Queenstown / Frankton area for the foreseeable future.

While recent trends in visitor numbers suggest that the district may well see slower growth than predicted by the CLNA in the short term (meaning that the CLNA may well overstate demands for 2026) the district will continue to grow post 2026 and at some point the population and employment figures set are likely to be reached. This is the reason, the CLNA adopted a high population / high employment growth scenario. Such a scenario helps to highlight the choices facing the community as to how land should be allocated.

Relevant background issues include:

- The QLDC area has consistently outperformed population projections. In 1996 Statistics NZ projected – under a high growth projection - a district-wide population of 26,900 by 2021. In 2001 this was revised upwards to 34,000 only to be revised again in 2006 to 37,000 residents by 2021.
- Employment has been growing faster than population. Between 2001 and 2007, employment has grown by over 8% per annum, while population grew by 6% per annum. This fast growth is reflected in the age profile of the district, which is much more focused on working age people than New Zealand in general. A key issue raised in submissions is whether the trend of fast employment growth will continue, and whether there will be some broadening of the employment base of the district. Also at issue is whether there is capacity within existing zoned business areas to accommodate future employment growth (when the trend has been towards dispersal of some employment activities) or whether it would be a more effective use of land resource in question to accommodate business activities elsewhere in the district and to concentrate on residential and related mixed use development.
- The land demands identified by the CLNA are only partly addressed by PC 19, with the identification of 20ha of land for yard-based activities (Area D) and 13ha for general business (Area E). The CLNA noted the option of extending business areas on the southern side of the runway.
- The areas identified in the Frankton Flats area for business and yard-based activities reflect pragmatic considerations of the impact of airport noise contours, existing development and land parcels and likely roading patterns.

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- Zoning that provides for retail activities also provides flexibility for a range of residential, commercial, office and civic activities.

The Partially Operative District Plan contains objectives and policies that signal that retail and industrial-type development is likely to occur in the Frankton Flats area. In particular Objective 4.9.6 states:

*Integrated and attractive development of the Frankton Flats locality providing for airport operations, in association with residential, recreation, **retail and industrial activity** while retaining and enhancing the natural landscape approach to Frankton along State Highway No. 6.*

The associated explanation and reasons note:

Expansion of industrial activity at Frankton is possible in a manner which does not detract from the amenities of other uses or the surrounding natural and physical resources.

It is recognised that Frankton is located at a central point in terms of the arterial road network and as such development can take place in a manner which can be efficiently accessed.

Environmental results anticipated include:

- *Urban growth and residential growth provided in a form which recognises the social and economic well being of the residential community.*
- *Improved and sustainable use of urban facilities including shops, recreation and community facilities.*
- *Commercial and community development which reflects and takes advantage of the outstanding natural setting.*

In regards to the size and function of the proposed town centre for the Frankton Flats area, Objective 4.9.4 and policies 4.9.4.1 and 4.9.4.2 identify the benefit of proximity between residential, retail and business development:

Objective 4 - Business Activity and Growth

A pattern of land use which promotes a close relationship and good access between living, working and leisure environments.

Policy 4.1 To promote town centres, existing and proposed, as the principal foci for commercial, visitor and cultural activities.

Policy 4.2 To promote and enhance a network of compact commercial centres which are easily accessible to, and meet the regular needs of, the surrounding residential environments.

The explanation and reasons note:

The District contains a range of compact commercial centres, which are the focus for much economic activity, and their well being is an essential part of the consolidation strategy. These centres must remain accessible and vibrant. In addition to the above, the Council recognises the longer term retail needs of the community as well as the need to protect and enhance the amenity values the Queenstown Town Centre.

In other words, the plan anticipates some form of retail development at Frankton Flats so as to provide for the economic and social well being of the future residents in the area. The plan anticipates multiple town centres meeting the needs of residents and visitors, rather one or two main centres.

4.3 Need for business land

The following submissions support the need to identify land for business activities:

| Submitter | Summary of submission |
|---|--|
| S Crosbie, N Dennis, S Forshaw, M Hanna L Hellyer, R Hodge, M Kennedy, M Reriti, G Osborne, R Qian, D Tepaa, | Supports office, commercial and light industrial activities, provided that they are screened from the State Highway |
| Firth Industries | Notes the need to protect existing industrial activities from reverse sensitivity affects and supports the proposed location and extent of Areas D and E. |
| Pegasus Rental Car Operations | Note the need for affordable business land. |
| Trojan Holdings | Supports the identification of additional industrial land, but is concerned some of the proposed development controls may limit the take up of the land for industrial activities. |

These submissions support identification of additional land for business activities, partly because of demand, and partly because of their compatibility with the airport operation. The CLNA identified the rapid take up of existing business land and, while it can be expected that there will be some redevelopment and intensification of existing business land, the study recommended that additional vacant land be identified in Queenstown and Wanaka. Additional land will help to:

- Provide choice for business enterprises
- Help to expand the economic base of the district, providing alternative economic opportunities to the visitor sector
- Recognise the importance of the tourism sector and construction industry to the district and provide room for necessary activities associated with the storage, display and sale of building related products and services, as well as assist the tourism sector (such as rental car storage).
- There is also a pragmatic recognition that land affected by the operation of the airport is most effectively and efficiently managed by way of a zoning that provides for non-noise sensitive activities.

Failure to provide some more business land is likely to have the consequence of:

- Higher cost goods and services as more services and products need to be transported in from places like Cromwell
- Less opportunities to diversify the economy
- Pressure for business development in less suitable locations, such as outside of the proposed urban growth boundary
- Increased transport pressures on the State Highway network.

The amount of land identified for business activities (Area D and E) takes into account the need to accommodate other activities, likely airport noise issues, roading patterns and lot

layout. The amount of land is smaller than demand estimates suggest, and any further diminishment is likely to lead to a number of adverse economic and social outcomes.

Recommendation

It is recommended that the submissions by **S Crosbie, N Dennis, S Forshaw, M Hanna, L Hellyer, R Hodge, M Kennedy, M Reriti, G Osborne, R Qian and D Tepaa, Firth Industries, Pegasus Rental Car and Trojan Holdings** be accepted on the basis that they support the need to secure land for non-residential, employment related development in the Frankton Flats area.

4.4 Alternative locations

This group of submissions raise a number of additional or alternative locations for business activities:

| Submitter | Summary of submission |
|----------------------------|---|
| Brooks Family Trust | Request that land on the northern side of the State Highway be rezoned for commercial subdivision and development. |
| C Gilmour | Generally supports the need for more industrial land (particularly where land is affected by air port noise contours) and suggests a better location may be to the south of the runway, parallel with Glenda Drive. |
| G Wilson | Suggests that the Stalker Downs land would be a suitable location for industrial activities, this is land at the southern end of Stalker Road. |

Bearing out the concern expressed in the CLNA that without the identification of additional business land within the urban growth boundary, alternative locations will be pushed by various interests, a number of submissions have suggested alternative locations.

These locations involve:

- Ad hoc conversion of rural general land to urban zones and consequent issues for planning of infrastructure
- Transport and access issues
- Potential spill over pressure for further urban development in the vicinity of the areas mooted.

Locations outside of the proposed growth boundaries are inferior options compared to development within the growth area. It is acknowledged that the amount of land to be devoted to industrial activities in the Frankton Flats area is less than anticipated demand. However the costs of providing for this land outside of the proposed urban growth area are likely to exceed to benefits of so doing.

The submission by **Cath Gilmour** raises valid points about alternative locations for industrial zoned land within the Remarkables Park Zone and on the Shotover Delta. However these can not be resolved through this Plan Change. This Plan Change is addressing an immediate need for industrial zoning but does not meet all of the needs and requirements for all the district for industrial zoning up to 2020 and beyond.

Recommendation

It is recommended that the submissions by **Brooks Family Trust, C Gilmour and G Wilson** be rejected on the basis that the alternative locations proposed are:

- Outside the scope of the plan change as notified; and/or

- Raise a number of resource management issues relating to growth outside of the urban boundaries of the Queenstown / Frankton area.

4.5 No need for more business land

This group of submissions question the need for business land to be set aside in the Frankton Flats area:

| Submitter | Summary of submission |
|---|--|
| Remarkables Park Limited and Shotover Park Limited | Have submitted that there is no need to zone additional business land particularly land for retail activities, and in support of this, they have undertaken their own assessment of land demands prepared by Market Economics Limited (MEL). Remarkables Park Limited and Shotover Park Limited both submit that the work undertaken by Hill Young Cooper Limited is incorrect in its assumptions for the future requirements for rezoning of industrial land and accordingly provides too much. While overall the MEL assessment concludes that there is no need for additional business land, MEL do state that 8-12ha of yard-based land may be appropriate to cover the worst case scenario to 2026. They suggest that this type of development could be accommodated around the proposed Eastern Arterial. They particularly stress their conclusion that there is no need for any additional commercial (town centre) land on the northern side of the airport. However this is qualified with the statement that demand for large format retail activities may push up land demands, meaning that at some point, more commercial land may be required. This is a significant qualification. |
| Foodstuffs (South Island) Limited | Have submitted that development of Frankton Flats will inhibit the development of a viable and vibrant centre at Remarkables Park, and that future retail development should be concentrated in the Remarkables Park zone. |
| Five Mile Holdings Limited | Submit that industrial and yard based activities are inappropriate within the Frankton Flats area and should be removed. Five Mile Holdings Limited also submit that light industrial activities can co-exist with residential or visitor accommodation without any adverse effects. They point out that there are significant opportunities for live-work activities in Activity Area C (the town centre area) that would not involve industrial activities. The submissions by Five Mile Limited requests changes to the structure plan as they submit that there is no scientific or other soundly based rationale for the boundaries between Activity Areas C, D and E. |
| J Hilhorst | Suggests that the land should be utilised for residential and associated commercial and business activities, not industrial activities. He suggests that the amount of land devoted to industrial activities could be reduced. |

To support their submission, **RPL** provide an assessment prepared by Market Economics (MEL)

This assessment looks out to 2026 and projects population and employment numbers, and from this, land demands to accommodate this employment. A similar methodology to that of the CLNA is undertaken with much of the base data being the same in terms of current employment make up and development intensity (floor space) in existing centres. The two estimates also have similar population projections. By 2026 the MEL report predicts a population of 45,000 compared to the CLNA assessment of 49,000. The difference of 4,000 people roughly equals 3 to 4 years growth. Where the two set of estimates differ substantially relate to the size and make up of the economy:

- By 2026 MEL estimate 23,500 people employed in the district under their Above High Growth Scenario, compared to CLNA projection of 32,000 workers. The difference in employment is more significant than the differences in relation to population.
- MEL assume that more of this employment will be accommodated in town centres and existing business and industrial areas compared to CLNA. Hence there is less need for additional business land, in particular town centre-type land. MEL estimate much more floor space (and hence employment) being accommodated in the existing industrial areas.

On the basis of their projection, the MEL report concludes that there is no need for additional business land up to 2026. However they do state that some yard-based land could be provided. Under their medium take up scenario there is also a small unmet demand for shop floor space by 2026 of 4,500 m² of GFA (page 67). Presumably this shortfall will grow rapidly post 2026. MEL provides no discussion of what should happen post 2026.

The key issues raised by the MEL assessment relate to retail activities. Important points are:

- Employment relative to population
- Existing capacity
- Town centre impacts.

These points are discussed in turn:

Employment relative to population

In relation to the critical assumptions relating to the number of people employed, it is noted that in 2001 there were 17,800 residents and 9,870 people employed in the QLDC district, or a ratio of 1.8 residents to each worker. By 2006 this ratio had fallen to 1.56, as per below.

Table 1 Population versus employment

| | QLDC Resident Population | Total people employed (from Stats NZ business demography) | Ratio of residents to workers |
|------|---------------------------------|--|--------------------------------------|
| 2001 | 17800 | 9870 | 1.80 |
| 2005 | 24100 | 15430 | 1.56 |

The CLNA assumed a ratio of 1.54 by 2026, that is 31,700 workers and 49,000 residents. MEL assumes a different trend whereby the ratio of workers to population reverses such that by 2026 there are 23,500 workers and 45,000 residents, or a ratio of 1.91, a ratio higher than in 2001. MEL base this assumption on the point that the population of the district is likely to become more diverse in age profile, with more older and younger people – that is a lower proportion of people of working age. However the implication of this is that employment growth slows considerable when compared with recent trends. The basis for slower economic growth is not stated.

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The trend between 2001 and 2006 has been the opposite – the population has become more concentrated in the working age sector, as set out in Table 2 as the economy has grown faster than the population.

Table 2 Working age population

| Year | QLDC population | Number of 15-64 year olds | % of total population 15 – 64 | Number of workers | % of 15 to 64 year olds |
|------|-----------------|---------------------------|-------------------------------|-------------------|-------------------------|
| 2001 | 17,800 | 12,900 | 72% | 9870 | 0.77 |
| 2006 | 24,100 | 18,200 | 76% | 15070 | 0.83 |

Statistics NZ 2006 medium series projections suggest that by 2026, 70% of the district's population will be in the age range of 15 to 65, down from 75% in 2006. The main driver of this trend is the aging population, with an expectation that the working age people moving into the district in recent years will retire there. A big question for Queenstown is whether this will in fact be the case. A more stable, broader based economy may attract more working age families. Equally the district may continue to rely heavily on a more transient younger workforce. It is possible that both trends will occur.

Future economic conditions are clearly going to have a big impact on population growth rates. MEL expects employment growth to be in the region of 2.5% between 2006 and 2026, with population growth leading to employment growth. The CLNA estimated an annual growth rate of 3.7% for employment, with this growth leading to population growth, as has been the recent trend.

The CLNA noted the importance of the visitor sector to the local economy, but also noted the importance of the construction industry, as well as other indications that the economy of the district was becoming more broadly-based. The more recent forecasts from the Tourism Research Council (released in August 2007) for visitor nights for the Queenstown RTO suggest an average growth rate of 2.9% between 2007 and 2013. More importantly, total expenditure in Queenstown RTO is forecast to rise from \$501.0m in 2006 to \$787.1m in 2013 – an increase of 57.1% at 6.7% p.a.

An under provision of opportunities for the business sector has serious ramifications for the social and economic wellbeing of the wider community and future generations. In a situation of uncertainty over future employment levels and hence land demands, it is considered more appropriate to err on the side of caution and where feasible increase opportunities for future generations, rather than decrease them, as would be the case if no future business land was identified.

Capacity of current zonings

RPL contend that current operative zonings can accommodate the anticipated number of jobs. In particular MEL assumes that existing business and industrial areas can become more densely developed. Five Mile suggests that most employment development can be accommodated in mixed use areas and therefore the size of Area D and E would be reduced.

Table 3 provides a connection about assumptions to future development levels within existing zoned areas of the District.

Table 3 Capacity comparisons CLNA and MEL – Existing employment issues.

| Type of employment area | Floor space M ² - CLNA | Floor space M ² - MEL | Difference | % Difference CLNA compared to MEL |
|-------------------------|-----------------------------------|----------------------------------|------------|-----------------------------------|
| Town centres | 385,900 | 414,400 | 28,500 | 7% |
| Business areas | 129,500 | 143,300 | 13,800 | 11% |
| Industrial areas | 74,900 | 122,600 | 47,700 | 64% |

Greater intensification of development in existing business areas is supported by the District Plan. So too is the mixed use development proposed by Five Mile.

However it is still anticipated that there will be demand for greenfields business land where there is no competition for that land from residential or retail activities (which tend to bid up land and rental values) and where there is less need to invest multi story buildings. In particular under MEL assumptions, the industrial areas of the district are assumed to be much more heavily developed. This is a questionable assumption, given the land extensive activities that typically occupy part of the industrial areas. These activities are the particular reason why the yard-based business area was identified. Equally not all employment activities will wish to locate in a mixed use area, as contended by Five Mile. It is noted that Five Mile’s alternative structure plan anticipates this as they still provide separate business areas (Area E1 and E2). The projections undertaken in the CLNA work assumed some mixed use development.

It is also noted that even with these assumptions, under MEL’s medium take up scenario, by 2026 there is a small shortfall in supply of commercial land in the Queenstown area, as well as demand for yard-type business land. Faster employment growth than that projected by MEL would indicate that these shortfalls will be bigger than predicted. Since the district will continue to grow post 2026, the MEL figures would suggest the need for additional commercial land above that provided for by current zonings, even if additional capacity can be secured within existing business areas.

Multiple Town Centres for Frankton

The more substantive issue raised by RPL is whether there is sufficient demand to support multiple commercial areas (retail centres) in the Frankton area.

RPL have objected to the proposed Area C zoning on the basis that they do not believe there is sufficient demand to support two large town centres (possibly three if Frankton corner is added) in the wider Frankton area. They contend that in the period 2006 to 2026, should Area C be provided for retail and commercial activities, then land supply will considerably exceed demand and as a consequence, in RMA terms, the following outcomes will eventuate:

- Poor amenity outcomes in the existing town centres
- Transport issues will arise

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- A lack of depth to the retail offering.

RPL have further stated that if any additional commercial land is to be provided, then this should occur on the south side of the airport, where it can complement the existing Remarkables Park retail centre.

Under current zonings, on the northern side of the airport retail development can occur in the Frankton Corner area, as well as in the Frankton Flats (A) Area. To the south of the airport, retail development can occur in the RP zone. Retail development can also occur in the business zoned areas of the District. The Plan Change would allow for a considerable expansion of retail activities on the Frankton Flats side.

The question raised by submissions is whether the wider Frankton area can sustain three centres, that is whether there are benefits from having one larger centre and two smaller centres or two more equally sized centres, plus a smaller centre at Frankton corner.

Arguments in support of two larger centres are:

- Both the Five Mile and Remarkable Park areas are striving to be complete communities offering a range of "living, working and playing" opportunities. It is reasonable that there be some retail in both areas, and that additional retail and commercial development in the Frankton Flats area will allow the planned and consented centre (Frankton Flats A) to be completed.
- The northern side of the airport has a large catchment extending into the Wakatipu basin (Lake Hayes Estate, Arrowtown, Quail Rise etc) easily accessible by the State Highway compared to the southern side (where the catchment covers Jacks Point and Kelvin Heights). Concentrating retail activities on the southern side will increase travel times compared to having retail activities on both sides.
- Concentration of retail activity in one location implies a degree of control over retail opportunities. Some competition between land owners will help to keep land and rental costs down, helping to reduce prices for retail operators and hence residents and visitors. If land supply is constrained, then pressure to develop retail activities outside of town centres (Such as in Gorge Road and Glenda Drive) is likely to mount, leading an even more dispersed pattern of retail development.
- The two centres can be connected in transport terms and both can form part of a Public Transport corridor that will link Frankton and the airport with the Queenstown CBD area.
- In an expanding, high wage, visitor-driven economy there are a number of drivers supporting a high quality retail product being offered. This a different context from a static market where expansion of one retail area implies a redirection of trade away from an existing centre, and therefore too much competition is likely to lead to a reduction in amenity due to uncertainty about future trade patterns.
- RPZ is a retail centre, not a town centre. It does not have the range of social and community infrastructure associated with the CBD. Generally centre-based retail policies seek to support this public investment. Consequently any adverse impacts on the viability of retail activities in the RPZ from expansion in Five Mile are more closely associated with retail trade competition effects than adverse effects on community infrastructure.
- If there is an oversupply of land for retail activities, then other activities can occupy the land in question in the interim (both in the RPZ and the Frankton Flats area), given the flexible nature of the mixed use zonings that apply – the land could be used for office development, visitor accommodation or residential development. Conversion to retail use is an option that can be exercised later.

- The MEL analysis suggests that by 2026, there is will be a small shortfall of commercial land. As it generally takes between 7 to 10 years to rezone land under the RMA (given the likelihood of appeals), then any shortfall would need to be begun to be addressed by 2016 at the latest – 8 years away. It is better to plan for such an eventuality now, where critical transport infrastructure is being considered, rather than at a later stage.

In conclusion, it is an efficient and effective use of resources to allow for additional retail development on the northern side of the runway. If the additional commercial land to be provided by PC 19 does slow the rate of growth of other commercial centres in the short to medium term, depending upon what is offered, it is unlikely to “cannibalize” other retail areas. There is not likely to be a decline in amenity, or adverse transport outcomes, as contended.

One issue that is raised by the submissions is whether there should be some form of control on how much of Area C should be taken up by retail activities. Area C is seen as a mixed use area where there will be a variety of activities. It is a particularly important area for residential development in terms of wider growth management objectives. Due to short term economic cycles there is a risk that only low intensity retail and commercial activities will develop. To address this risk, some form of ratio control could be inserted into the Plan Change, whereby non-residential development needs to be accompanied by residential development, such that a mix of activities does eventuate. Alternatively, development of retail activities beyond a certain threshold could only occur once a certain number of residential units have been built. Either approach raises issues of reduced flexibility and increased transaction costs. Counterbalancing these costs are the risks of limited residential development in the area, and the implications for development pressures in other areas. The submitters may wish to offer their thoughts as to the suitability of such a ratio or threshold provision.

Recommendations

It is recommended that the submissions of **Five Mile Holdings**, **Remarkables Park Limited** and **Shotover Park Ltd** be rejected as they relate to the provision of industrial land. This is on the basis of an identified need for additional business land. If in the case in the future (2026 and beyond), there is a surplus of industrial land then the Council (or private landowners by private plan change) can seek to rezone these areas to allow for higher value activities. It is very difficult to downzone to provide for additional industrial activities if sufficient areas have not been allocated for that purpose in the first instance. The industrial zoning proposed provides for a part of the projected need as well as providing a land use that is complementary to the operation and development of the Queenstown Airport. It is appropriate that it is provided for by this Plan Change.

It is recommended that the submission of **Remarkables Park Ltd** and **Shotover Park Limited** be accepted in part, to the extent that some form of control on the amount of retail activities within Area C may be appropriate from the point of ensuring that a mix of activities does occur.

It is recommended that the submission of **Five Mile Holdings** be accepted in part in so far as their request for an alternative arrangement whereby Areas D and E are modified so that they are smaller and run parallel to the airport runway and Glenda Drive. This is acknowledged in this planners report and recommendations have been made that amend the structure plan so that the industrial zoning (which is not noise sensitive) it is located within the proposed Outer Control Boundary, and the zoning pattern for the structure plan is now based on air noise effects as well as a sensible arterial roading pattern.

As the Business and Industrial Needs Analysis shows, the community requires industrial zoning to continue to grow over time. The Council must start to provide for this need for the economic wellbeing of the community. Therefore the submission of **John Hillhorst** cannot

be supported as providing less industrial zoning is not sensible at this time. Should the needs change over time it would be relatively simple to up-zone industrial land to allow for residential and commercial needs (as long as they are not noise sensitive within the airport air noise boundaries).

4.6 Business Area Provisions

This group of submissions question a number of the rules that will apply to the new business areas

Outline Plans

Aurora Energy Limited submitted that the Frankton Flats Special Zone (B) should be expanded to include the site owned by Aurora Energy Limited and to amend the rules relating to the Plan Change with regards to the industrial zoning provisions. The submitter contends that the industrial provisions are too onerous, especially the requirement for an outline development plan before resource consents are applied for.

The general issue of rezoning land on the northern side of the State Highway 6 has been addressed in Section 3.

An outline development plan process is a useful tool for managing the growth of greenfields development. The process prevents the lodgement of consents in a “building by building” manner. It is difficult for a local authority to manage the “big picture” development of a greenfields site in this manner, for instance how the building relates to the roading structures, reserves and walking tracks. This planning tool has been used successfully in other zones within the district such as the Jacks Point Resort Zone, Peninsula Bay Special zone, and within the Riverside Stage 6 development adjacent to Albertown. It has become apparent that the previous framework in which consents are applied for in isolation of each other is an ineffective way of requiring and achieving good outcomes.

For small lot owners within an area the provisions requiring an outline development plan may be quite onerous and require a duplication of time and costs in applying for an outline development plan as well as a resource consent for subdivision. It may be appropriate that small landowners within the development not be required to undertake the Outline Development Plan process as long as there are some additional requirements within that rule framework to require some form of increased compliance through rules (Limited Discretionary Activity status for subdivision).

Recommendation

It is recommended that the following legal descriptions: Lot 3 DP22742 Blk 1 Shotover SD; Lot 2 DP23278; Lot 2 DP23542 (or derivatives thereof) do not have to comply with the outline development plan provisions – they will however need to comply with a restricted discretionary framework for resource consents for subdivision as required throughout the zone, this allows the following to be taken into account;

- roading and pedestrian walkways connections
- subdivision design
- connections to parks and reserves
- placement of buildings to avoid reverse sensitivity from the effects of noise.

The provisions relating to the use of an Urban Design Panel are proposed to be amended as part of the recommendations of the officers. It is considered that only the outline development plans and buildings of significance should require reports by the Urban Design Panel. This is addressed more thoroughly in the report on urban design.

4.7 Landscaping Requirements

The provisions relating to landscaping requirements within the industrial areas were addressed by a number of submitters including **Aurora Energy Limited, Queenstown Airport Corporation and Trojan Holdings Limited**.

Landscaping is used within industrial areas to complement buildings and development. Landscaping can also have positive effects for working in the industrial area. Plan Change 19 as notified required 10% of land area to be landscaped permeable surface. The existing provisions within the Glenda Drive Industrial Area requires landscaping as a controlled activity as part of any consents for building or development within the zone. It is acknowledged that 10% requirement as notified as part of the Plan Change could be too extensive in some situations and could be removed in response to submissions. However it is necessary that some landscaping be required within each lot and controlled through the provisions relating to building and development. This is the case within the existing industrial zoning within the District. Therefore the 10% requirement should be removed, but the assessment matters in relation to the requirement for landscaping as a controlled activity be strengthened. The provisions and assessment matters relating to landscaping should promote robust landscaping such as trees and tussocks to mitigate the effect of large buildings and car parking areas.

Recommendation

It is recommended that the submissions of **Aurora Energy Limited, Queenstown Airport Corporation and Trojan Holdings Limited** in relation to landscaping be accepted in part. This is on the basis that landscaping helps to mitigate some of the adverse visual effects of business related development and should therefore remain as a controlled activity, but without reference to a specific percentage of an area.

4.8 Lot sizes and Subdivision

Lot sizes for industrial activities are addressed in the submission for **Trojan Holdings Limited**. As acknowledged by the report by Hill Young Cooper, the District is desperate for zoning that enables and promotes industrial uses of industrial zoned land. The present regulatory framework for industrial activities within the District Plan has not provided any restrictions to only provide for industrial activities. Accordingly the zoning in Glenda Drive is a mixture of industrial uses, businesses, residential activities (in the form of custodial units) and retail shops and showrooms. The increased density of activities not envisaged by the District Plan has resulted in a high density mixed business environment with no provision for walkways, insufficient car parking and more significantly has resulted in land values that are too high to undertake some forms of industrial activities.

The report by Hill Young Cooper concludes that the Council needs to provide for industrial activities with significant land needs. Examples of these activities are trucking and distribution companies, rental car companies, garages and workshops. It has been shown by the subdivision pattern of the existing industrial area that if land can be subdivided to small lot areas (e.g 200msq) then predominately this will occur, leaving no land for large lot size subdivision.

It has been shown by the subdivision pattern in the existing industrial zoned area (Glenda Drive), and the issues with loading and parking that the subdivision standards as a controlled activity are not strong enough for the Council to require sensible and workable subdivision of land. The proposed Plan Change seeks to make subdivision a Limited Discretionary activity to provide the Council will the ability to decline applications if required. As recommended elsewhere in this report the requirement for an Outline Development Plan will be removed for smaller lots within the Plan Change area (including the submitters) it is more important that

appropriate controls are placed on subdivision to ensure the quality of the resulting development.

Recommendation

It is recommended that the submission by **Trojan Holdings** be rejected and that the proposed minimum lot size and subdivision to be a Limited Discretionary Activity be retained.

4.9 Yard-based activities

Queenstown Airport Corporation (QAC) submits that the yard based industrial zoning proposed is not acceptable within the air noise boundary (with a maximum building coverage of 30%) as its open nature does not “provide any acoustic defence for activities beyond the Outer Control Boundary.”). It is not clear exactly what effect the submitter is referring to in this instance. Yard based industry is, by its nature, a relatively noisy activity often involving the use of heavy machinery outdoors and is therefore generally considered to be a suitable activity within areas exposed to aircraft noise as it is not sensitive to that noise. QAC may be suggesting that the placement of buildings inside the OCB will somehow act as an “acoustic wall” between the Airport and areas outside the OCB but there is no evidence that such an approach would be effective (especially given the nature of aircraft noise) or necessary (given that areas outside the OCB are by definition not exposed to significant aircraft noise).

QAC also submits that yard based activities would not provide an appropriate gateway to the District close to the airport runway where they can be seen by aircraft passengers. It is noted that at most major airports there are industrial and commercial areas (including yard based industry) which are overflowed at some point during final approach. This is because such land use is considered suitably located under aircraft flights paths rather than more sensitive activities. Bearing in mind the plans of the Queenstown Airport Corporation to develop further airport related activity between the runway and the northern boundary of the airport designation in the future, and yard-based industry within the PC 19 areas is likely to be screened from the view of passengers in aircraft using the runway by intervening development located within the airport designation.

Recommendation

It is recommended that the submission of **QAC** be rejected. It is clear that significant provision for yard based industry needs to be made within the PC19 area and it is considered that the submitter has not advanced any convincing effects-based reasons as to why there should be no such provision.

4.10 Heights of Industrial Buildings

Trojan Holdings Limited request that the heights of buildings within the industrial area are increased as they proposed heights would have no effect as viewed from the State Highway (12m as a permitted activity and 15m as a discretionary activity). The submitter does not provide any information on why additional height is required as the Plan Change as notified provides additional height from the existing operative industrial zone. The distance from the highway the effect of the views of key landscape features are only one reason why the heights were notified, height levels should fit the type of development proposed.

Recommendation

That the submission is declined unless it is demonstrated to the panel of the commissioners that additional height is required to undertake industrial activities.

5.0 SUBMISSIONS CONCERNING LANDSCAPE PROVISIONS

5.1 Five Mile Holdings Ltd

Five Mile Holdings Ltd supports the plan change in principle but submits that a number of changes are necessary. This section only comments on those relating to the landscape or to landscaping.

With regard to the proposed changes to 12.19.3 Objective 1 Policies 1.3 and 1.4 the wording change proposed by **Five Mile Holdings Ltd** is supported. It is considered that, in an urban setting particularly, it is much more appropriate to talk about landscaping ‘complementing’ development and the appearance of buildings than it is to talk about ‘screening’ and ‘softening’ buildings. The latter terms are from the picturesque aesthetic and imply that built form should be at least partially obscured from view, which is neither possible nor necessarily desirable in an urban setting.

Objective 3 Policy 3.3: It is agreed that there is no reason to protect views to the Events Centre. The views which are significant which currently receive no mention in the proposal are the views to Ferry Hill, K Number 2 and Queenstown Hill. These have been recommended to be changed as part of this report.

Requirements for an Outline Development Plan are proposed to be modified replacing requirement ‘(g) *The maintenance of view shafts and panoramas*’ with ‘(f) *Open space network including view shafts from State Highway 6 through to the Remarkables*’. This amendment is not supported. ‘Open space networks’ are not equivalent to view shafts and panoramas; it being possible to have an extensive network of open spaces that have no significant views out because of the placement of surrounding buildings etc. The views out of the development are important as well as views into or through the development from State Highway 6 and, while the Remarkables may be the primary focus other views to Walter Peaks, Cecil Peak, Peninsula Hill, Morven Hill and the Crown Range and to Ferry Hill and Queenstown Hill are also important.

Five Mile Holdings Ltd notes that as the landscape work in the 50m setback, deemed area A in the proposed plan change, is complete the proposed assessment matters in 12.17.6 are redundant. It is recognised that there may, at some point, be a desire to extend the zone, alter the landscaping or transpose the zone to the northern side of State Highway 6. Therefore, that provision in relation to that that part of the zone should remain.

Item 12.19.6(d) (incorrectly referred to as 12.17.6(d) in the **Five Mile Holdings Ltd** submission) includes the criterion ‘Maximises’ the use of trees and plants. **Five Mile Holdings Ltd** suggest that this is not appropriate and wishes the use of this term struck out. This is not supported. While it is agreed that the likely landscape within the Five Mile Development is likely to be one of hardscapes, the term ‘maximising’ leans towards the use of the most trees and plants possible. It is considered that in a hardscape landscape this is desirable as a way of connecting the character of the development to other parts of the Queenstown urban fabric.

5.2 Remarkables Park Limited

Remarkables Park Limited wish for the Plan Change to be withdrawn in its entirety, but failing that require a number of amendments. Of the 50m set back proposed in the plan (and already realised by Five Mile Holdings Ltd under resource consent) RPL state that such a limited set back would seriously diminish exposure to, and visual integrity of, the outstanding and iconic landscape features of the Remarkables; and Cecil Peak; degrade the aesthetic value and coherence of a green fields gateway to Queenstown; and allow for development

which would compromise both the quality of the landscape and the quality of the development. Further RPL notes that non-traditional agricultural uses for the land, incorporating tourism for example; have not been investigated. It is considered that the 50m setback proposed is adequate to protect views to the Remarkables, Cecil Peak, Peninsula Hill and the Walter Peak. It is correct to say that the current views of the Frankton Flats would be lost and their place as the foreground of these views would be gone.

Remarkables Park Limited submit that the Frankton Flats Special Zone (A) village should not be extended further than its current boundaries. The balance of the land south of a line drawn perpendicular to State Highway 6 just to the west of the existing Glenda Drive connection with State Highway 6 should retain large areas of open space. Buildings are to be designed as pavilions within the open space areas and are to have low site coverage. These buildings can be associated with the Airport's operations. The area is to provide for recreational and tourism uses, but may also include the development of a school and playing fields. Parking is to be at grade. The majority of these submissions are clearly aimed at maintaining the greenfields approach to Queenstown. It is considered this is already significantly compromised by existing development to the south of State Highway 6. It is further considered that it is more important to preserve the Lake Hayes – Shotover River as the greenfields approach to Queenstown. It is not considered that dotting buildings over the Frankton Flats would contribute to the amenity of the views over the Flats, especially with at grade parking facilities (although some roadside parking would be appropriate). The controls on building height; the protection of view shafts; and coherent and well designed development on the Flats would protect the amenity of this area better than the proposals included in this submission.

5.3 Shotover Park Ltd

Shotover Park Ltd duplicates the issues raised by **Remarkables Park Ltd**.

5.4 Queenstown Events Centre

Queenstown Events Centre supports the 50m buffer provided that recreational activities and associated structures, for example lighting are permitted. It is considered that the 50m buffer as it has been developed is a linear park and should be available for informal recreational activities. Further, once development occurs within the Frankton Flats Special Zone lighting of the walkway/cycle path would be an appropriate adjunct to street lighting and lighting internal to the development.

5.5 A Forbes

A Forbes requests that the plan change be disallowed in its entirety. Of specific landscape concern is her desire that the iconic view to the Remarkables and along their western flank should be maintained. This concern is acknowledged. However it is considered that these views can be adequately protected by good urban design and by control of the location and height of buildings.

5.6 R J Hodge

R J Hodge opposes the plan change in part. Aspects of the submission which relate to the landscape are:

- That there is inadequate provision to ensure that there is adequate open public space within the development area, and that some of it needs to be green park space. It is considered that the 50m landscape strip along State Highway 6 will provide a high amenity linear park as it develops. Further, the close proximity of the Events Centre also ensures the availability of green public open space within close proximity to the development.
- That there is a need to ensure that arterial routes through the industrial parts of the zone are landscaped. This is supported as it is considered more effective to landscape

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road corridors in industrial areas than to require large amounts of landscaping within lots. The latter will always be of very low priority to industrial land users.

6.0 AIRCRAFT NOISE

6.1 Partially Operative District Plan Provisions Regarding Aircraft Noise

The Outer Control Boundary (Ldn 55dBA) in the Partially Operative District Plan (PODP) is for the most part located in the order of 30-60 metres north of the southern boundary of the area subject to the Frankton Flats (B) Plan Change (Plan Change 19). However, the contour sweeps further north in the south western corner of the land as shown on Planning Map 31a (see Appendix 5 of this report).

Under the PODP the area subject to Plan Change 19 is currently predominantly zoned Rural General although a 100 metre wide band of Industrial Zone is located along and just inside its eastern boundary.

With regard to both these zones the PODP rules (Rural General Rule 5.3.3.5iii and Industrial Rule 11.3.3.5i) list any new residential activities, visitor accommodation or community activities as Prohibited Activities if they are on a site located within the Outer Control Boundary (OCB). In both zones alterations and additions to existing buildings containing these activities are controlled activities within the OCB subject to controls in relation to acoustic insulation.

6.2 Proposed Provisions for Aircraft Noise in Frankton Flats (B) Plan Change

Objectives and policies included in Plan Change 19 (PC19) make reference to the issue of aircraft noise and Objective 14 and its associated policies are as follows:

Objective 14

To ensure that the development of the Zone protects ongoing functioning of the Airport

Policies

To ensure that noise sensitive activities such as residential, visitor accommodation, community facilities, live/work units and educational establishments are located within Activity Area C.

To ensure that buildings standards are high and protect against the effects of aircraft noise.

To ensure outdoor open space areas are designed in such a way as to mitigate users from the effects of aircraft noise.

Unlike the provisions of the PODP, the rules of PC19 do not refer to the OCB or the Air Noise Boundary on the planning map but instead implement the above objective and policies through “Activity Areas” shown on a structure plan appended to the plan change. The activity area lying immediately north of and parallel to the Airport boundary is labelled “D” and has a width of about 170 metres in this location and to the north of that again is Area “E” which has a width of about 90 metres. The boundaries of these activity areas do not correspond with the OCB in the PODP which, as mentioned above, lies within Area D at about 30-60 metres north of the Airport’s northern boundary.

Rule 12.20.3.6 contains Table 1 which identifies the consent status of various activities within each of the activity areas. Within Area “D” “residential activities” and “visitor accommodation” are prohibited activities and “community facilities”, “educational facilities”, “health and day

care facilities” are non-complying activities. Within Area “E” all of those activities are listed as non-complying activities.

The rule also contains a separately listed activity:

“Residential, Visitor Accommodation, Educational and Community Activities within the Outer Control Boundary as shown on the Structure Plan”.

This activity is listed as being “not applicable” in all of the activity areas.

This provision is somewhat confusing in two respects. Firstly, the structure plan does not show the OCB and secondly, it is not clear why the activity is considered to be “not applicable” especially in the case of Area D which would be clearly subject to the OCB if it were shown in the same position as that shown on Planning Map 31a in the PODP. There is a footnote to the table which states that “Where this Table gives more than one classification to any Activity Area, the most restrictive classification shall override any other classification” and this may have the effect of making “residential activities” and “visitor accommodation” prohibited activities and “community facilities”, “educational facilities”, “health and day care facilities” non-complying activities within Area D.

However, the Rule does seem to be unnecessarily confusing in relation to the status of activities sensitive to aircraft noise. Further, at least in respect of the activity listed as “community activities” (which includes schools, hospitals, churches and community centres amongst other uses) in the PODP, PC19 clearly does not contain rules which provide the same degree of protection to the Airport from reverse sensitivity effects arising from the use of the land subject to PC19 as those found in the PODP.

6.3 Possible Changes To Aircraft Noise Provisions for Queenstown Airport

The existing aircraft noise contours which are shown on the PODP planning maps in the form of the OCB and Air Noise Boundary have not been reviewed since the PODP was notified in 1995. As is foreshadowed in the submission from the Queenstown Airport Corporation, the aircraft noise contours have recently been remodelled by acoustic consultants acting on behalf of the Corporation. That remodelling uses the latest predictions for aircraft movement growth to 2037 and the most recent version of the Federal Aviation Administration Integrated Noise Model. A copy of the contours produced by that exercise is attached in Appendix 6 to this report.

It is understood that the Airport Corporation is currently preparing a private plan change request for lodgement with the Council and as part of the pre-lodgement consultation process has produced a “Proposed Noise Plan Change Discussion Document (May/June 2008)” outlining the amended planning provisions it will be seeking as part of that Plan Change request.

In relation to the land which is subject to PC19, the amended 2037 noise contours indicate that the new location of the OCB at the Ldn 55 dBA contour will lie approximately 200 metres north of the Airport boundary within the PC19 area. The discussion document also makes it clear that the Corporation will be seeking that on any site located within the OCB any new noise sensitive activities (defined to be “...any residential activity, any visitor accommodation, any educational or community facilities or day care facilities”) are prohibited activities.

6.4 Issues Raised by Submissions

The submissions relating to the issue of aircraft noise can be broadly categorised into those that consider that PC 19 does not go far enough in protecting Queenstown Airport from reverse sensitivity effects arising from activities sensitive to aircraft noise and those that consider the provisions of PC19 are too onerous in that regard. In the former category are submissions from **Air New Zealand, Queenstown Airport Corporation, Jacks Point**

Limited, Peninsula Road Limited, Plethora Investments Limited, Albion Trustee Limited and 13 individual submitters. In the latter category is the submission from **Five Mile Holdings Limited**.

The issues raised by submitters who seek additional protection for Queenstown Airport and/or activities sensitive to aircraft noise can be summarised as follows:

- The objectives, policies and rules of PC19 fail to adequately consider or provide for any future growth and expansion of Queenstown Airport as regionally significant infrastructure and PC 19 should not have been publicly notified until that information was available;
- PC 19 should be placed “on hold” until QAC releases information (including the airport master plan) necessary to enable submitters to assess the adequacy and capacity of the existing airport noise contours;
- Policy 2.7 should be amended to read:
 - *“To ensure that development will not adversely affect the existing and future operational capability and capacity of Queenstown Airport and to avoid the establishment of noise sensitive activities in locations where reverse sensitivity considerations may constrain the existing and future operational capacity and capability of Queenstown Airport”.*
- Policy 14.1 fails to adequately acknowledge the adverse effects on health and amenity by locating residential, visitor accommodation and educational establishments within an area subject to aircraft noise, Policy 14.2 does not specify how “high building standards” will protect against the effects of aircraft noise and Policy 14.3 (and rule 12.19.5.2viii) does not recognise that there is no ability to mitigate aircraft noise outdoors. Specifically, Policy 14.2 should be amended to read:
 - *To ensure that the design and standard of construction of buildings take into [account] existing and future aircraft noise while achieving and maintaining appropriate indoor noise levels”;*
- Environmental results anticipated (clause 12.19.4vi) do not explain what “other design methodologies” are or how they will be implemented to ensure amenity values are not adversely affected by aircraft noise;
- There is no reference to registration of covenants against land adversely affected by aircraft noise to prevent future owners and occupiers of that land from taking steps to hinder the operations and future growth of the airport;
- A definition of “noise sensitive activities” incorporating all activities that could be potentially affected by noise arising from existing or future airport operations should be inserted in the plan change;
- Noise sensitive activities should be prohibited in the entire PC19 area or at least areas D and E so as not to prevent any future need for an extension outwards of the air noise boundary to accommodate additional aircraft movements;
- Council must retain discretion over all activities and subdivision as non-complying or discretionary activities so as to retain the ability to refuse consent for inappropriate developments in relation to aircraft noise;
- The requirement for acoustic insulation under rule 12.19.5.2 should be extended to include educational facilities;
- Table 2B in rule 12.19.5.2 should be amended so that noise sensitive activities must achieve appropriate daytime and night time internal noise levels and must not have external opening doors or windows;
- That rule 12.19.5.2viii requires that any buildings associated with commercial, retail and educational activities within Activity Area C are also insulated to achieve an indoor design sound level of Ldn 40dBA.
- Educational facilities should not be permitted within the OCB for safety and amenity reasons;

- In the absence of the results of the re-evaluation of the position of the OCB the only acceptable activity on the land subject to PC 19 is industrial activity (with requirements as to a minimum building coverage of 50%) and the retention of open space.

The issues raised by the submissions of **5 Mile Holdings Limited** in relation to reverse sensitivity to aircraft noise are:

- In clause 12.19.1 it should be made clear that the reverse sensitivity effects relate to aircraft noise;
- Policy 2.7, Objective 9 and its attendant policies (in this context particularly Policy 9.8), Objective 14 and Policies 14.1, 14.2 and 14.3 should all be “struck out”;
- There is no scientific or other soundly based rationale for the boundaries between Activity areas C, E and D to be arranged at a specific distance from and/or parallel to the main airport runway.

6.5 Discussion and Recommendation - Issues (a) and (b)

It is clear from the discussion in paragraph 6.3 of this report that recent remodelling of predicted aircraft noise contours for Queenstown Airport for the forecast period to 2037 has shown that the current noise contours in the PODP do not adequately predict areas that are likely to be exposed to greater than Ldn 55dBA over the 30 year forecast period. The Ldn 55dBA contour is now predicted to lie approximately 200 metres north of the Airport boundary within the PC19 area.

While it would have been preferable for that information to have been available prior to the notification of PC19 to inform the structure planning exercise that led to the definition of the activity areas, that was not the case. However, now that the information is in the public arena the implications it has for PC19 need to be considered.

The New Zealand Standard for Airport Noise Management and Land Use Planning is NZS 6805: 1992. This Standard has been widely adopted around New Zealand as the basis of district plan controls on aircraft noise generated at airports and also as the basis for controlling reverse sensitivity effects on airports which are potentially generated by activities sensitive to aircraft noise. The Standard specifies the methodology by which aircraft noise contours are to be calculated and recommends a minimum forecast period of 10 years although it has now become common practice to adopt a 30 year forecast period for regionally and nationally significant commercial airports.

The Standard contains recommended noise control criteria for land use planning inside the OCB (Ldn 55 dBA contour) and states that “*new residential, schools, hospitals or other noise sensitive uses should be prohibited unless a district plan permits such uses, subject to a requirement to incorporate appropriate acoustic insulation to ensure a satisfactory internal noise environment*”.

In general, this recommendation has been interpreted to mean that in “greenfields” situations where there are no existing commitments to residential development, activities which are sensitive to aircraft noise should be avoided within the Ldn 55 dBA contour. This recognises that while it is possible to mitigate aircraft noise in terms of the indoor environment it is not possible to mitigate that noise outdoors and that outdoor amenity values are important in the case of most activities which are sensitive to aircraft noise, particularly residential activities.

It is considered that in the context of a mixed use area such as that proposed by PC19 it should be possible to avoid activities sensitive to aircraft noise in the portion (approximately 25%) of the PC19 area which is predicted to be subject to aircraft noise in excess of Ldn 55dBA. Accordingly, it is recommended that activities sensitive to aircraft noise should be prohibited within the OCB in the PC 19 area. In this way the risk of any reverse sensitivity

effects on Queenstown Airport, which is widely recognised as a regionally and nationally significant airport, should be avoided in relation to the urbanisation of the land subject to PC19.

It is considered that the objective, policies and rules contained in PC19 relating to reverse sensitivity effects arising from activities which are sensitive to aircraft noise require some modifications to achieve this outcome. The following paragraphs in this section of the report deal with the specifics of those recommended modifications.

6.6 Discussion and Recommendation - Issues (c) and (d)

Policy 2.7 of PC19 as notified is:

“To ensure that development is complementary to the operational capability of Queenstown Airport”;

It is agreed that the current policy wording does not adequately reflect the need to provide for the future growth of aircraft movements at Queenstown Airport and to avoid reverse sensitivity effects arising from activities sensitive to aircraft noise. It is considered that the policy should be more focused on reverse sensitivity effects and the avoidance of activities sensitive to aircraft noise where those effects may constrain the airport in future.

It is recommended that the proposed rewording from the submitter **Peninsula Road Limited** be accepted (with some minor amendments) as follows:

“To ensure that development will not adversely affect the existing and future operational capability and capacity of Queenstown Airport and to avoid the establishment of activities sensitive to aircraft noise in locations where reverse sensitivity effects may constrain the existing and future operational capacity and capability of Queenstown Airport”.

It is also agreed that policies 14.1, 14.2 and 14.3 are not the most appropriate way to achieve Objective 14 pursuant to section 32(3)(b) of the Resource Management Act.

With regard to Policy 14.1 it would be more appropriately reworded to refer specifically to the OCB and the need to exclude activities sensitive to aircraft noise from within the OCB as follows:

“To prohibit activities sensitive to aircraft noise within the Outer Control Boundary relating to Queenstown Airport.”

With regard to Policy 14.2 it is considered that the policy requiring “high” building standards which protect against the effects of aircraft noise is not necessary if activities which are sensitive to aircraft noise are prohibited within the OCB. Activities may require high building standards for other reasons but it is not necessary to impose this policy on activities which are either not sensitive to aircraft noise or which are located outside the OCB as a means of achieving Objective 14. It is recommended that this policy be deleted.

Similarly, in regard to Policy 14.3, it is not necessary or practical to require open space areas which are either not associated with activities which are sensitive to aircraft noise or which are located outside the OCB to “mitigate users from the effects of aircraft noise”. For example, open space areas associated with yard based industry are quite appropriate within the OCB in terms of reverse sensitivity effects. In any event, it is not clear how open space areas could be designed to mitigate aircraft noise. It is recommended that this policy is also deleted.

However, it is appropriate in a policy sense that those areas outside the OCB should be protected from aircraft noise levels in excess of Ldn 55 dBA and that aircraft engine testing noise should be controlled notwithstanding that rules to achieve this policy will be required in relation to the land occupied by the Airport rather than in respect of the land subject to PC19. It is recommended therefore that Objective 14 be amended as follows:

To ensure that the development of the Zone protects ongoing functioning of the Airport and that the effects of noise from the Airport on activities within the Zone are controlled

and the following Policy 14.2 be included in PC19:

To ensure that activities located outside the Outer Control Boundary relating to Queenstown Airport are not subject to aircraft noise in excess of Ldn 55dBA and that aircraft engine testing noise is controlled.

6.7 Discussion and Recommendation - Issue (e)

Clause 12.19.4vi (Environmental Results Anticipated) of PC 19 states that:

To ensure a high quality living and working environment is achieved despite the presence of the airport, because suitable insulation standards and other design methodologies are employed to ensure that amenity values on the site are not impinged by noise from the airport.

Submitters have questioned the vague reference to design methodologies. It is agreed that the clause is poorly worded and that it would be better if it had a clear focus on the avoidance of reverse sensitivity effects on the airport on the one hand and the protection of activities sensitive to aircraft noise from exposure to more than Ldn 55dBA of aircraft noise on the other. The clause does not need to specify how these results will be achieved.

Accordingly, it is recommended that the clause be reworded as follows:

The avoidance of reverse sensitivity effects on Queenstown Airport from activities sensitive to aircraft noise and the protection of those activities located outside the Outer Control Boundary from exposure to more than Ldn 55dBA of aircraft noise.

6.8 Discussion and Recommendation - Issue (f)

Submitters have also questioned the lack of reference to registration of covenants against land adversely affected by aircraft noise to prevent future owners and occupiers of that land from taking steps to hinder the operations and future growth of the airport.

It is not entirely clear from the submission exactly how the submitters envisage such covenants being utilised. Given the recommendations regarding prohibiting activities sensitive to aircraft noise within the OCB the use of such covenants within the OCB will not be necessary. While covenants could be utilised outside the OCB to remove any residual concerns there might be regarding reverse sensitivity effects on the Airport their effectiveness remains in question and it is not recommended that any specific reference to their use be included in the district plan.

6.9 Discussion and Recommendation - Issue (g)

The PODP rules currently prohibit new “residential activities”, “visitor accommodation” or “community activities” in the Rural General and Industrial Zones if they are on a site located within the OCB. Each of these activities are clearly defined in the definitions section of the PODP with “community activities” in particular being quite widely defined to mean “*the use of*

land and buildings for the primary purpose of health, welfare, care, safety, education, culture and/or spiritual wellbeing” and to specifically include schools, hospitals, doctors surgeries and premises for other health care professionals, churches, halls, libraries and community centres. It is noted that the definition does include reference to some activities which would not normally be considered activities sensitive to aircraft noise. Those activities are “police stations, fire stations, courthouses, probation and detention centres and government and local government offices”.

There may be some advantage in including a separate definition of “noise sensitive activities” (or more accurately “activities sensitive to aircraft noise”) for use in the rules of the district plan to exclude these currently included activities. However, the submitter (Air New Zealand) has not been clear as to exactly what activities it envisages being included in such a definition other than to state that it would include “*all activities that could potentially be affected by noise arising from existing or future Airport operations*”. It is considered that the submitter should identify in evidence those activities sensitive to aircraft noise which it envisages should be included in the definition so that the usefulness of including a separate definition can be further considered. In the absence of such evidence, it is not recommended that such a definition be included at this stage and that the matter should be further considered in the context of the impending Queenstown Airport plan change process.

6.10 Discussion and Recommendation - Issue (h)

It will be evident from the foregoing discussion that it is not considered necessary to prohibit activities sensitive to aircraft noise over the entire PC19 area or even Activity Areas D and E in the structure plan as notified. Rather it is proposed that such activities (currently identified as “residential activities”, “visitor accommodation” and “community activities”) be prohibited within the portion of the area which falls within the OCB defined by the Ldn 55 dBA contour identified in the recent aircraft noise contour modelling exercise carried out by Queenstown Airport Corporation.

For reasons set out elsewhere in this report, the structure plan activity area boundaries will not be aligned precisely with the OCB so an “overlay zone” will need to be created in a similar fashion to the way the current OCB overlays the existing Rural General zone on the site. This will require the amendment of the existing Table 1 in rule 12.20.3.6 by way of footnotes clearly identifying that “residential activities”, “visitor accommodation” and “community activities” which might otherwise be controlled, limited discretionary, discretionary or non-complying activities in one or more of the activity areas will be prohibited activities where the activity is to occur inside the OCB marked on the structure plan map. For clarity a separate listing of these activities where they occur within the OCB should be made so that they can be clearly identified as prohibited activities.

The tracked changes to Rule 12.19.3.6 Table 1 in the PC19 text included in Appendix 1 indicate how this should be achieved.

6.11 Discussion and Recommendation - Issue (i)

It is not considered necessary for Council to retain discretion over all activities and subdivision as non-complying or discretionary activities so as to retain the ability to refuse consent for inappropriate developments in relation to aircraft noise. It is only activities that are sensitive to aircraft noise that need to be prevented from locating within the OCB and there is no need to retain the ability to refuse consent for subdivision when the end use of that subdivision is not at issue. It is recommended this submission be rejected.

6.12 Discussion and Recommendation - Issues (j) - (l)

Rule 12.19.5.2viii requires that:

On any site located within the Zone any building or part of a building, or any alteration or addition to a building or part of a building, to be used for permanent and short term residential activities, visitor accommodation or community activities shall be acoustically insulated from aircraft noise, SH6 and industrial noise so as to achieve an indoor design sound level of 40 dBA Ldn, except for non-critical listening environments where no special sound insulation is required.

Acoustic studies² have shown that normal thermal insulation used in modern NZ houses is capable of providing noise attenuation of Ldn 18 dBA with windows ajar (100mm open). This means that an internationally recognised acceptable internal noise environment of Ldn 40dBA can be achieved without undertaking any special acoustic insulation measures in any area where the external aircraft noise environment is less than Ldn 58 dBA.

As is recommended that residential activities, visitor accommodation and community activities (which includes educational activities) are prohibited activities within the Ldn 55 dBA contour there is no need to require such activities to meet the insulation standard in Rule 12.19.5.2viii in relation to aircraft noise. The request that Rule 12.19.5.2viii require that any buildings associated with commercial, retail and educational activities within Activity Area C are also insulated to achieve an indoor design sound level of Ldn 40dBA is not supported in relation to aircraft noise as Area C is outside the OCB and will therefore easily meet the Ldn 40dBA standard without any special insulation measures being required. In any event, commercial and retail activities are not recognised as activities sensitive to aircraft noise.

Similarly, there is no need, in respect of aircraft noise, to amend Table 2B in rule 12.19.5.2 (as a submitter requests) so that noise sensitive activities must achieve appropriate daytime and night time internal noise levels and must not have external opening doors or windows.

It is recommended that rules 12.19.5.2 vii(d) and viii be amended to remove the unnecessary references to aircraft noise as per the tracked changes to the PC19 text included in Appendix 1.

6.13 Discussion and Recommendation - Issues (m) and (n)

It is agreed that educational facilities should not be permitted within the OCB for amenity and reverse sensitivity (but not necessarily safety) reasons and this is achieved by the prohibition of community activities which, by definition, include educational facilities. It is noted that the OCB is related to aircraft noise rather than safety issues. It is recommended that this submission be accepted in part

Given that this report has adopted the results of the re-evaluation of the position of the OCB undertaken by Queenstown Airport Corporation, it is possible to take a targeted approach to excluding activities sensitive to aircraft noise from the OCB and it is not considered that the only acceptable activity on the land subject to PC 19 is industrial activity (with requirements as to a minimum building coverage of 50%) and the retention of open space. It is recommended that this submission be rejected.

6.14 Discussion and Recommendation - Issue (o)

The relevant sentence in clause 12.19.1 is:

“The requirements of the airport also have a formative effect and raise issues of reverse sensitivity, which must be taken into account”.

² “Manukau City Mayoral Mediation Forum Auckland International Airport Appeals Sound Insulation and Ventilation Study” prepared by Beca Carter Hollings and Ferner Ltd and Marshall Day Acoustics (May 2000)

The submitter requests that it should be made clear that the reverse sensitivity effects referred to relate to aircraft noise and requests that the words “*within the air noise outer control boundary*” be added after the words “*reverse sensitivity*”. It is agreed that the sentence could be usefully clarified although the suggested words need refinement to ensure that the outer control boundary (Ldn 55dBA contour) is not confused with the air noise boundary (Ldn 65dBA contour).

Accordingly, it is recommended that the sentence be amended to read:

The requirements of the airport also have a formative effect and raise issues of reverse sensitivity within the Outer Control Boundary for Queenstown Airport, which must be taken into account.

6.15 Discussion and Recommendation - Issue (p)

With regard to the submitters request that Policy 2.7, Objective 9 and its attendant policies (in this context particularly Policy 9.8), Objective 14 and Policies 14.1, 14.2 and 14.3 should all be “struck out”, it will be evident from the foregoing sections of this report that it is considered that Policy 2.7 and Objective 14 and Policies 14.1 and 14.2 should be retained, albeit in amended form. The submitter’s assertion that the objective and policies to protect the airport are not necessary and that any reverse sensitivity effects can be dealt with by “methods outside the district plan” including within its “owners and occupiers constitution” are not accepted and are not considered to be in accordance with sound resource management practice in relation to the issue of reverse sensitivity to aircraft noise or the New Zealand Standard NZS 6805:1992 referred to earlier.

With regard to the other element of the submitter’s request, Policy 9.8 is:

“To require buildings design to allow for future adaptive reuse and to ensure office spaces are insulated from noise from both industrial activities and the Airport.

Offices are not normally considered to be activities sensitive to aircraft noise and it is recommended that reference to the Airport be removed from the policy.

6.16 Discussion and Recommendation - Issue (q)

It is agreed that, in terms of aircraft noise, there is no strong rationale for the boundaries between Activity areas C, E and D to be arranged at a specific distance from and/or parallel to the main airport runway. The recently remodelled aircraft noise contours (see Appendix 6) and specifically the Ldn 55dBA contour which demarcates the OCB do happen to lie roughly parallel to (and in the case of the Ldn 55dBA about 200 metres to the north of) the northern airport boundary. As discussed in paragraph 6.10 above, it is considered that the OCB should be used to define a overlay area within the PC19 structure plan that prohibits “Residential activities”, “visitor accommodation” and “community activities”.

7.0 INFRASTRUCTURE REQUIREMENTS – TRANSPORTATION

7.1 Aurora Energy Limited

The submission is made by Aurora Energy Limited including and on behalf of their related company Delta Utility Services Limited. Trojan Holdings Limited supports this in its entirety.

Transport Related Submission

The planned networks of cycleways, reserves, walkways and roading are important also for managing the effects of development of the Aurora land. The submitter wants the plan provisions to establish similar links along the northern side of SH6.

Recommendation:

The northern side of SH6 is outside the scope of the plan change application, and therefore it is not possible through this process to consider physical measures outside of the land involved in the plan change.

7.2 Brooks Family Trust

The submission is made by Berry and Co. on behalf of the **Brooks Family Trust**. This is opposed in part by Ministry of Education as the submission purports to encourage the majority of heavy traffic to enter the zone by Grant Road (instead of Glenda Drive) on the basis that it is inappropriate for heavy and industrial traffic to be routed through a proposed commercial and residential area. The submission is also opposed by Transit, as the internal road hierarchy will determine preferred intersections, and the eastern access road will by hierarchy be the preferred route for most destinations.

The submission is supported by **Shotover Park Limited** insofar as it would provide for a road connection to connect with a new relocated Eastern Access/SH6 intersection.

Transport Related Submission

The proposed plan change fails to take into account any effects it may have on the rural land to the north, and there is no proposed integration with this land.

Roading and Traffic. The submitter contends that:

- PC19 fails to make provision for the strategic goals set out under the Transit NZ Planning Policy Manual insofar as a heavy vehicle intersection is to be relocated and upgraded outside the entrance to the submitter's land.
- The development of an arterial route through Frankton Flats will contribute to a significant increase in vehicle movements at the proposed intersection to be located directly outside the entrance to the submitters land.
- PC19 is contrary to Principle 3 of the Growth Management Strategy 2007 insofar as it fails to make provision for how the proposed transport routes will "fit in" with the northern rural land. Furthermore, the proposed transport routes will facilitate development without regard to the adverse effects of that development on the northern rural land.
- PC19 is inconsistent with Objective 4.9.3(6) and Policies 6.1 and 6.2 of the Partially Operative District Plan (PODP) insofar as it fails to make provision for the current rural uses of State Highway 6.
- PC19 provides no detail as to how the adverse effects of developing State highway 6 will be avoided remedied or mitigated to ensure that the development is appropriate to the surrounding rural environment.
- Policies 5.1 and 5.2 of PC19 fail to make provision for a pleasant street environment in respect of the northern rural land.

The following changes relating to roading and traffic are sought:

- That Policy 5.2 is amended to read “To encourage the majority of heavy traffic entering the site to utilise Grants Road instead of Glenda Drive by traffic design measures”.
- That a new Policy 5.14 is inserted to read “To ensure that any future access onto the State Highway from the Frankton Flats Zone shall be located in a position that does not compromise the access or egress of, or have any other adverse effects on, the adjoining landowners to the north of the State Highway”.
- That Policy 13.16 is amended to read, “to ensure through appropriate road network design, that the impact of commercial traffic on other activity areas within the Zone and the adjoining landowners to the north of the State highway are minimised.”

Recommendation:

The proposed location for the Eastern Arterial intersection with SH6 is considered by both Transit New Zealand and QLDC as being the optimum location for an entranceway for the Glenda Drive industrial area and to the Eastern Arterial. This replaces the existing intersection at Glenda Drive that is regarded as unsafe. The Planning Policy Manual referred to is Transit’s guidance and avoiding heavy vehicle usage would only be warranted if there was a practicable alternative access to another road which in this case would be Grants Road. Grants Road is central to the site and in the middle of the airport runway and would therefore be entirely unsuitable for the primary heavy vehicle access route, as it would not directly link to the existing and proposed industrial area.

It is viewed that the location of the two entrances to the Five Mile site is appropriate and can if necessary provide access to comprehensive development if deemed appropriate in the future on the northern side of SH6. In addition, development of the land involved in Plan Change 19 has been signalled by the Council as appropriate for a considerable period of time. Rural activities can remain on the northern side but provisions must be made for practical access to all titles. This will be a key problem to be resolved in the future.

In relation to potential adverse effects from State Highway improvements it is the understanding that the widening will occur to the south with potential for a 4th access leg to accommodate growth on the northern side. It is also an understanding that investigative work is not far enough progressed to consider the detail of this issue further at this time.

In respect of the relief sought by the submitter:

- For the reasons outlined above it is not appropriate to change Policy 5.2.
- That it is not necessary to add a new policy on access to the northern side of the land at this time as this will be a matter for future consideration but all existing titles must have practicable access to a legal road.
- That Policy 13.16 remain as it is as the land involved is not part of the plan change and adverse effects can be internalised.

7.3 Five Mile Holdings Limited

Transport Issue

The submitter is concerned with

- Parking Policy (5.10) of PC19, as it states parking should be off-street on site. The submitter wants the policy to read: 5.10: To provide suitable and convenient safe and accessible areas for carparking on site off street rather than on street.
- The submitter also requests a change to the wording of Policy 13.6 concerning the Eastern Access Road from “*connecting*” with “*able to ultimately connect*” to ensure timing is not an issue.
- That Clause (vi) of Rule 12.19.3.3 that requires assessment of any road that connects with the State Highway in respect of “all Traffic effects on the State Highway” This should be more accurately refer to potential traffic effects.

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- In relation to Rule 12.19.5.1 vi Car parking requirements, where a holistic carparking assessment should be made as part of the Outline Development Plan process,
- Notwithstanding the above, in terms of carparking standards in Table 1B the submitter has a number of concerns.
 - That for industrial activities the rate of 1 per 25m² plus 1 per 100 m² storage space is too high and requests that this be altered to 1.5 spaces per 100m².
 - The definition of stores “which sell fast moving high volume goods” is clearly ultra vires and should be removed.
 - A ratio of 1.25 spaces per residential unit assumes that dwellings will be of the type that house several people and should be only to dwellings above 143m² per unit. Smaller units should be assessed at a rate of one space per 3 units.
- Rule 12.19.5.2 xvii seeks to restrict access to the State Highway to an arterial road” Discussions with Transit suggest that this need not be the case as there may be a number of accesses. The submitter requests that the words an arterial should be struck out.
- Clause h (we presume that this should be g) of the Assessment matters in 12.17.6 presumes that an arterial road should have no on street parking which is undesirable. The submitter requests that the words “no on street parking” should be struck out.
- In Part 14 carparking there is an inconsistency in this part of the plan and table 1B on page 22.

The submission is opposed in full by **Foodstuffs (South Island) Limited**, by **Jacks Point Limited**, **Trojan Holdings Limited** and by **Plethora Investments Limited**. The submission is supported and opposed by **Transit**, as follows

Support

- That “two” could be ambiguous as the Grant Rd intersection is not directly opposite the plan change area
- That the outline development plan should include relevant information.
- Information of traffic generation and parking is relevant information in assessing an outline Development Plan.

Support in Part

- Transit submitted that no activity have direct access to the State highway.

Oppose

- All traffic effects on the State highway should be assessed. The assessment should not be limited to potential effects only.

Recommendation:

- Parking Policy

It is not considered necessary to alter the wording of Policy 5.10 as it is clear from a literal reading that carparking associated with development should be provided for on site as opposed to on street which can be evidenced by the extent of on street carparking at Glenda Drive currently.

- Eastern Access Road Connection

In terms of the second part of the submission, the wording should remain. Council is committed to designating the key arterials so that timing will be a matter for both Council and the landowners to consider.

- Traffic effects on the State Highway

This part of the submission is acceptable. It will not be possible to manage all traffic effects as there will be significant volumes connecting to SH6. The word potential better reflects the intent.

- **Holistic Assessment of Parking Effects**

It is important that there be parking standards that are considered through the outline development plan process. Even though the submitter states that there will be one development concept this would only apply to land within the submitters control primarily related to mixed use activities. In addition there is no control in the future should there be subdivision. It is therefore important that site standards are considered.

- **Carparking Standards**

It is submitted for industrial activities the rate of 1 per 25m² plus 1 per 100 m² storage space is too high and requests that this be altered to 1.5 spaces per 100m².

This is the standard that exists in the current District Plan provisions in Part 8. It is considered until there is a comprehensive review of parking and transport provisions within the District Plan that these standards should remain.

The definition of stores “which sell fast moving high volume goods” is clearly ultra vires and should be removed.

It is not known why the submitter considers that this definition is ultra vires but presumably this relates to rule uncertainty and that it is important In terms of carparking requirements there is a distinction between larger retail activities such as supermarkets and those that are smaller and offer comparison retail items. As there could be uncertainty as to what the term means it is agreed that the term should be removed from Table 1B with the inclusion of supermarkets as this is the type of activity that requires a higher car parking standard.

A ratio of 1.25 spaces per residential unit assumes that dwellings will be of the type that house several people and should be only to dwellings above 143m² per unit. Smaller units should be assessed at a rate of one space per 3 units.

During the evaluation of carparking standards that should apply to the area consideration was given to a method of managing travel demand by controlling maximum carparking numbers. This was discounted by reason that the supply of alternatives to the private vehicle (ie public transport) were not currently available. In addition there has not yet been a comprehensive review of the Transportation provisions which was a recommendation of the Wakatipu Transportation Study. As such an average of 1.25 spaces per residential unit was applied that assumed 1 space per unit and the additional .25 spaces spread across larger units and as shared parking. As the carparking requirements are minimums these can be exceeded if it is deemed necessary or desirable by the landowner. In addition 1 space per three units is considered too low at this point in time for residential activities as a number of movements will require the use of the private vehicle. As these are standards and there is a need for consideration through the Outline Development Plan process the proponent can argue and justify a lesser provision.

- **Access to the State Highway**

Rule 12.19.5.2 xvii seeks to restrict access to the State Highway in preference to another arterial road”. The submitter refers to discussions with Transit that suggest that this need not be the case as there may be a number of accesses. It has always been assumed that there would be no additional accesses to the State Highway other than that provided at Grants Road and at Glenda Drive. It may be that the submitter and or Transit can provide clarification as to why a number of accesses may be acceptable.

- On street carparking

In response to the submission regarding on street parking the submitter refers to clause 12.7.6 g of Assessment Matters referred to. It is assumed that the submitter refers to clause g as h relates to Pedestrian and Cycle Accessways whereas g refers to Transport Networks particularly in relation to the Eastern Access Road. As can be shown in Appendix D there has been considerable work defining the location and the function of the Eastern Access Road and this incorporates a limitation on street parking. Other arterials also need to be defined and it may be appropriate that on-street carparking can be provided.

- Table 1B Inconsistency

The reason for the difference between the two tables in the Plan Change is that for permitted activities the standards are a minimum but where carparking is to be provided in excess of these as a discretionary activity the standards should be seen as a maximum where additional parking will be assessed through the Outline Development process. This will assist decision makers assessing the carparking requirements of the exact activity.

7.4 John Hilhorst /Cath Gilmour

The submissions replicate each other and are opposed in full by **Jacks Point Limited** and **Plethora Investments Limited**. The consideration of pedestrians and cyclists and road access is supported by Transit.

Transport Issue

- Trail Connectivity

The submitters want to ensure that the unspecified cycle and pedestrian ways are logical routes, designed for cyclists and walkers, not for the ease of drivers (as the submitter contends is the case for the Frankton Road cycle path). It is stated that poorly planned non-vehicular routes will not be used. The submitters wants good arterial flow/links to outside this zone.

- Road Access

The submitter wants safe access/egress to State Highway 6

Recommendation:

John Hilhorst and **Cath Gilmour's** submissions are in support of the intent of Plan Change 19 in terms of pedestrian and cycles accessways and safe intersections with SH6.

7.5 Queenstown Airport Corporation

The submitter requests that the parking rule and standards in 12.19.5.1viii Table 1B relating to Industrial Activity Area D and E be amended to relate to Area E only.

Recommendation:

This is opposed as areas for manufacturing, fabricating, processing or packing goods will have the same carparking standards regardless of whether they are in Area D or E. In addition this standard is a replication of existing District Plan transportation provisions.

7.6 Quail Rise Estate Limited

The submission is made by Preston Russell Law on behalf of Quail Rise Estate Limited. It is opposed in its entirety by **Jacks Point Limited**, **Manapouri Beech Investments Limited**, and by **Plethora Investments Limited**.

Shotover Park Limited support the submission insofar as it would provide for a road connection to connect with a new relocated Eastern Access/SH6 intersection. It is supported in full by the **Thompson's** while **Transit New Zealand** support the submission in that road

access from the roundabouts is the best option for the northern land in the event that access is required.

Transport Issue

The submitter states that PC19 fails to achieve the integrated management of the effects and activities between the northern side of the State Highway and the southern side of the State Highway. Consider both sides of the State Highway form part of the Frankton Flats.

The submission seeks the following decision:

That provision be made to access the zone on the northern side of the State highway from one or more of the roundabouts being considered to access development on the southern side of the State highway. This may require amendment to the A Activity Area provisions to enable this to occur as a permitted activity.

Recommendation:

Frankton Flats area is only the area on the south side of State Highway 6, due to the physical barrier created by the highway and therefore the Quail Rise land does not need to be considered as part of the Plan Change. However Council is committed to working with Transit and landowners to ensure that future planning takes into account the needs of northern landowners. It is also our understanding that the widening proposed by Transit requires land from the southern side of the existing SH6 from within the Plan Change.

7.7 LongShot Limited

This submission was made by George Wilson of LongShot limited. No further submissions were received. It is concerned about heavy transport and does not think it is necessary to have industry located in the Frankton Flats area.

Response

Industry is already established in the area, and it is appropriate to provide for Queenstown's needs into the future on this site.

7.8 Remarkables Park Limited

This submission was made by Brown & Pemberton Planning Group Ltd on behalf of **Remarkables Park Limited**. This is supported in its entirety by **Air New Zealand Limited**, **Foodstuffs (South Island) Limited** and **Trojan Holdings Limited** in relation to the roading provisions of this submission (relating to the eastern access road).

The submission is opposed in full by **Manapouri Beech Investments Limited** and opposed by the **Ministry of Education** because of the view that the Eastern Access Road intersection with State Highway 6 is in a dangerous location and should be moved further west as shown per the arterial roads in blue on the proposed plan change site plan.

Transport Issue

The submission is concerned about a number of transportation issues, that are outlined as follows. In view of the number a response provided to each individual point.

- **Car Parking**

The submission is concerned that the proposed car parking provisions are inconsistent with others in the district. It is considered that the provisions are inadequate and that it could cause people who are going to activities in the Frankton Flats Zone to park in the Remarkables Park Zone, thereby putting pressure on the Remarkables Park parking resource.

Recommendation:

The parking provisions within the plan change are primarily those that have been utilised within the existing Part 14 of the District and have been analysed as a result of the Wakatipu Transportation Study's recommendations. There are two main changes one in relation to residential and the other in relation to "other retail". The purpose is that there needs to be a tension between parking availability and the direction in the strategy of aiming to suppress unnecessary travel by single occupant car. Consideration was also given to maximum parking supply instead of minimums but it was considered through the s32 process that this step was premature in that the supply of transport alternatives was not well provided for at this point in time. Should a developer choose to increase parking over the standards this should be justified in relation to the assessment criteria. No further changes are required.

Rule 12.19.5.2 seeks to restrict access to the State Highway to an arterial road" Discussions with Transit suggest that this need not be the case as there may be a number of accesses. Submitter requests that the words "an arterial" should be struck out.

- Proposed Road Links

The submitter considers that it cannot see any provision for how the proposed link roads through the Activity Areas will be implemented. There is a perceived uncertainty of where these links will be established, as it is totally reliant on landowners and this has implications for the Eastern Access Road (EAR).

Recommendation:

The primary method of achieving the link roads and the eastern arterial is through the designation provisions of the Act. This is outlined in terms of the work currently being carried out in conjunction with landowners.

Council has already agreed that it is appropriate to designate the key arterials and this can be progressed once there is agreement about location and function. The Council will work in with the developers as stated previously and this work is continuing. The designation of the key arterials will also mean that Council has control over when certain links happen as it will take financial responsibility for the work and consider funding of these through developer contributions or through the LTCCP process the costs of the arterials

- Eastern Access Road

QLDC, RPL, Shotover Park Limited and QAC have contractually agreed to realign the Eastern Access Road. PC19 does not follow the alignments. The road is sited too far to the west at the intersection with SH6. This will fail to enable a proposed new intersection with Glenda Drive to the east. The detailed surveyed drawings from the contractual agreement have not been considered. These drawings were shown in the Wakatipu Transportation Study.

The activity types proposed for along the Eastern Access Road (heavy industrial and yard based activities) are the wrong activity types, as this road is expected to take 33% of all traffic movements in and out of Remarkables Park. The activities, and their subsequent heavy traffic movements, are incompatible with the anticipated resident, visitor and shopper traffic utilising this road. No consideration has been given to the role of the Eastern Access Road as an important arterial connection.

Recommendation:

There has been considerable work carried out since notification of the plan change on defining the location of the Eastern Arterial Road and there has been good progress with regard to landowner intentions. It is also understood that there has been submissions about

activity area boundaries and this report recommends changes to these boundaries. These changes have the intention of aligning the activity boundaries with the arterials so that development can occur in accordance with both Council and landowner intentions. These changes are covered in section 10 of this report.

- **Grant Road Realignment**

The submission states that Plan Change 19 does not provide any justification for the need to realign Grant Road. The realignment has implications for connection with the Link Road and proposed Eastern Access Road and further clarification from Council is sought.

Recommendation:

Since the notification of the Plan Change there has been agreement with Five Mile Limited about the location of the realigned Grants Road.

- **Link Road – Extending from Grant Road to the Eastern Access Road**

The legal boundaries of this paper road are shown in terms of their original alignments, which were based on investigations for a proposed crosswind runway being located to the south and east of that road in terms of an earlier agreement between Queenstown Airport Corporation and Shover Park Limited and Remarkables Park Limited. That proposal was subsequently abandoned by mutual agreement between the parties. As a result this road has already been realigned at its eastern end and vested in Council, with provision for the link road to be stopped and vested in SPL and QAC respectively according to their adjacent ownership. PC19 does not contain an explanation as to why the Eastern Access Road is now proposed to be relocated further west nor how this road is proposed to be used. Further there is no planning rationale or traffic engineering basis to the arrangement of the Activity Areas C and D which are aligned at approximately a 35 degree angle to this road.

Recommendation:

The Eastern Access Road is an important strategic link in Frankton Flats, and this is reflected in the proposed objectives, policies and rules for the Zone. The link from Grants Road to the Eastern Access Road is proposed to be repositioned. Its importance as an arterial linking Remarkables Park to SH6 is also reflected in the provisions.

7.9 Shotover Park Limited

This submission was made by Brown & Pemberton Planning Group Ltd on behalf of Shotover Park Limited.

Transport Issue

The transport issues are the same as for **Remarkables Park** (above), with the inclusion of: proposed road bisecting SPL Land adjacent with Activity Area C where the company states that there is no justification concerning why this alignment is necessary. The alignment may breach a contractual agreement between QLDC and Shotover Park Limited.

Recommendation:

As with the submission responses to Remarkables Park, the Eastern Access Road is an important strategic link in Frankton Flats, and this is reflected in the proposed objectives, policies and rules for the Zone. The link from Grants Road to the Eastern Access Road is proposed to be repositioned as shown on the plan accompanying the officer's report.

7.10 Transit New Zealand

The submission is opposed in its entirety by **Jacks Point Limited, Manapouri Beech Investments Limited** and opposed in part by **Trojan Holdings Limited**, concerning the financial contributions rule Transit submits is required.

The submission states that Transits role is to actively manage and protect the present State Highway resource as a key component of the land transport system. As such, they are concerned about the effect the Plan Change may have on State Highways 6 and 6A.

Transit is generally supportive of the Plan Change in terms of how it affects its responsibilities, and suggests minor alterations involving the wording of the objectives, policies and rules in the Plan Change document.

It does however have some concerns as follows

- Amend Objective 12 as follows

Objective 12. To enable comprehensive mixed use development within the zone while providing for ~~restraint on single occupancy private car use~~ travel demand management.

Add a new policy

Policy 12.x To provide for restraint on single occupancy private car use.

Response

These are considered an acceptable change, as “travel demand management” is more than single occupancy car restraint.

- Rule 12.9.3.2 (ii) controlled activities
Seeks the addition to the 3rd bullet point:

Traffic generation, ~~and~~ vehicle access and direct and indirect effects on the State highway network.

Recommendation:

Direct effects on the State Highway relate to where property access is directly to the state highway and there are issues of safety that need to be considered. Indirect effects are those matters such as traffic generation where even though there is no direct linkage, the volume of vehicles using the highway may affect influence safety and capacity. This change is acceptable as it reflects the need to maintain the function of the strategic network.

- Zone standard 12.19.5.2 (i) (Structure Plan)
Transit seeks that the structure plan be replaced with a revised plan reflecting agreements within the Plan Change Area

Recommendation:

This submission should be accepted as there have been changes to the proposed structure plan which are outlined in Appendix 3.

- Zone Standard 12.19.5.2 (xvii) (Access to State Highway)
Transit seeks a correction to the zone standard in that it is a numerical coding mistake. The relief requested is that Zone standard 12.19.4 (xvii) be amended as follows:

No activity in any Activity Area shall have direct access to the State highway

Recommendation:

This is acceptable as it reflects the policy intention of the zone. However there is already an existing access that needs to be accommodated. Therefore the provision should be amended to read.

No new activity in any Activity Area shall have direct access to the State highway.

- Zone Standard 12.19.5.2 (xviii) (Outline Development Plan)

Transit support the Outline Development Plan concept but opposes the uncertainty for affected parties such as Transit. This is in relation to a rule gap insofar as developers are not required to implement their developments in accordance with the approved ODP.

Recommendation:

The submitter is correct in that there the Plan Change as notified does not provide a suitable rule requiring developers to develop in accordance with the Outline Development Plan. This may result in development that is contrary to the framework of any approved outline development plan.

It is recommended that an additional rule is added under 12.19.3.4 (Non-complying Activities) as follows:

(ii) That any development not in accordance with an Outline Development Plan approved in accordance with Rule 19.3.3(ii) is a non complying activity.

- Objective 13 (Integration with Surrounding Land Uses)

Transit supports the objective with one exception but requests that the explanation is added to in respect of financial contributions for works on the State Highway.

Recommendation:

Section 108 (10) of the RMA 1991 requires the purpose for which contribution will be taken and the level of contribution to be defined.

(10) A consent authority must not include a condition in a resource consent requiring a financial contribution unless -

(a) The condition is imposed in accordance with the purposes specified in the plan (or proposed plan) including the purpose of ensuring positive effects on the environment to offset any adverse effect; and

(b) The level of contribution is determined in the manner described in the plan (or proposed plan).

QLDC entirely relies on development contributions under the Local Government Act 2002 for the purposes of funding growth related infrastructure.

There is no empowering legislation for TNZ to recover state highway infrastructure growth costs from the development community. However in the Environment Court case of Transit NZ v Southland DC ENVC C042/06 the decision stated that

“We agree that the only sensible interpretation of this provision must be that it relates to any financial condition, no matter who the beneficiary is. We are strengthened in that view by reference to the Land Transport Management Act section 10(6)(iv) that financial contributions made by developers will be taken into account in making funding payments for the national land transport account. We can see nothing in the Act which would prevent Transit being included within a District Plan in relation to financial contributions.”

There is no legal obligation for QLDC to include Transit New Zealand in their District Plan for the purpose of recovering contributions towards State Highway infrastructure. Contributions

towards State Highway infrastructure should be negotiated through development agreements between TNZ and the developers.

- Policy 13.3 (Connections to State Highway Prior to Construction)

Transit has some concerns with the policy, as it does not see it as practical for connections to the State Highway to be in place prior to construction. It requests that the policy be amended as follows:

Policy 13.3 To require that safe and effective connections to the site from the State Highway are in place prior to any construction a development becoming operational within the zone.

Recommendation:

This is acceptable as a change in principle but there are concerns with defining what becoming operational actually means. For greater certainty it would be preferable to amend the Policy by substituting the word *operational* with occupied as follows.

Policy 13.3 To require that safe and effective connections to the site from the State Highway are in place prior to ~~any construction~~ a development becoming occupied within the zone.

7.11 Trojan Holdings Limited

Submission is made by themselves and on behalf of their related companies Monaghan Holdings Limited and Grant Road Properties Limited. It is opposed by **Air New Zealand Limited**, by **Manapouri Beech Investments Limited**, opposed in its entirety by **Plethora Investments Limited** and opposed by **Shotover Park Limited** insofar as it is inconsistent with their original submission.

Transport Issue

Request that the structure plan is amended to address the following issues:

- Indicative road layouts
- Areas of public open space, reserve and networks for pedestrians and cycle ways
- The location of public transport nodes

Recommendation:

Indicative road layouts are shown on the amended structure plan, while a network of public open space, reserve and networks for pedestrians and cycle ways as well as public transport nodes will be considered as part of the detailed development of Outline Development Plans.

8.0 INFRASTRUCTURE REQUIREMENTS WATER SUPPLY, WASTEWATER AND STORMWATER

8.1 Five Mile Holdings Limited

Page 13 of the submissions requests amendment of 12.19.3.3 (ii) (a) to (v). Part (e) of the proposed amendment excludes any reference to wastewater. Any remedy should consider this.

Recommendation:

That any remedy considered shall include the words wastewater or its equivalent.

8.2 Jacks Point Limited

Section 6 of the submission includes sub-sections (a) to (i) relating to the wastewater activity. These are addressed below:

The submission relates principally with the wastewater treatment facilities. The submitter considers “it is contrary to the principles of sustainable management and the efficient use of natural and physical resources [to] allow new zonings to develop and to utilise the currently finite wastewater capacity at the expense of existing zoned areas that have reasonable expectation to develop”.

There are no issues to be addressed from a wastewater reticulation perspective due to the location and relative ease of delivering wastewater to the treatment facilities.

From a wastewater treatment perspective, the mere rezoning of land does not generate additional wastewater demand. Wastewater demand will remain unchanged if the Frankton Flats plan change proceeds. The outcome of rezoning land will be a geographical reallocation of growth from other areas and the resultant wastewater demand will remain unchanged as a consequence.

QLDC growth projections have identified there is at least 20 years of zoned land available for development. If all the currently zoned land was built on today at permitted densities there would be infrastructure shortfalls. Council has a programme of capital works to ensure infrastructure capacity is available in advance of development. Hydraulic models are used for this purpose. The capital works for the treatment facilities are based on projected growth in wastewater generation and not specifically to areas of land available for development.

Council is currently addressing the treatment facilities upgrade. A 35 year consent has been lodged with the Otago Regional Council to upgrade the wastewater treatment facilities and will be notified shortly. Treatment facility demand has been assessed based on projected growth including the rezoning of the plan change land.

Upgrading the wastewater treatment facilities, is identified for 2010/11 and 2011/12. The 2009 Long Term Council Community Plan process will provide greater certainty as to the timing and cost of the upgrades. The submitter identifies uncertainty that the existing ponds may not be allowed to continue in operation and that Council currently completes only 60% of its capital works. This is a risk and is a risk to all current users, to those with land holdings already zoned and to those seeking zone changes. This risk is a function of growth in the entire wastewater catchment (Includes Queenstown, Frankton, Arthurs Point, Lake Hayes and Arrowtown) and not specific developments or rezoning of land. This risk is not exacerbated by the rezoning of additional land.

The Otago Regional Council’s (consenting authority for wastewater discharges to the environment) submission on the plan change is silent on the issue of wastewater treatment.

In (e) the submitter has identified an inconsistency between the Rationale report and the Section 32 report where it identifies Frankton Flats will be at capacity between 2011 and 2021. It is suggested that the statement in the Section 32 relates to currently zoned land and not that land forming part of the plan change. To support this, QLDC's 2008 projections are not projecting the plan change land to be at capacity before 2029.

Recommendation:

That the plan change proceed as the wastewater treatment facilities are a risk to all future development. The rezoning of land does not exacerbate the risk as growth in wastewater demand will continue at the same rate with or without the plan change.

8.3 Plethora Investments Limited

A submission relating to wastewater is provided that is word for word to the Jack's Point submission. Therefore the commentary and recommendation is unchanged to that provided in 10.2 above.

8.4 Generic Submissions

Generic submissions were received from the following:

- Murray Kennedy
- Many Reriti
- Craig Osbourne
- Rong Qian
- Philipa Saxon
- Duane Tepaa

Section 5 of these submissions is virtually identical in context to the submission received from Jacks Point Limited regarding wastewater treatment. On this basis the commentary and recommendation is unchanged to that in 10.2 above

8.5 Remarkables Park Limited (RPL)

Section 3.1 of the RPL submission considers that the "infrastructure funding and servicing report is generic and simply refers to funding mechanisms, modelling and growth projections. It does not meaningfully assess current infrastructure capacities. RPL considers there is insufficient infrastructure capacity for existing zoned uses, in particular water supply and wastewater, let alone to provide for additional land uses proposed under Plan Change 19."

The first part of the statement is that the report does not meaningfully assess current infrastructure capacities. The report does however contain a capital programme for remedying capacity issues. The capital programme being derived from capacity issues identified from hydraulic modelling which are reported elsewhere by a number of different QLDC consultants. The hydraulic modelling makes provision for the plan change. The derivation of the capital programme is transparent and can be traced back to specific asset capacities. It is unreasonable and unnecessary to require the capacity of specific assets to be quantified. As an example, the capacity of the distant Kelvin Height's intake and reservoir, which currently service Frankton Flats. A capital project is identified and the derivation can be followed back to detailed consultant reports. In this instance a new reservoir is required whether or not the plan change proceeds, as will most of the other capital projects identified in the rear of the Rationale Report.

The key questions are: 1) Has the plan change been considered in terms of infrastructure servicing? Yes, as development has been modelled. 2) Are there infrastructure impediments or significant risks for servicing the plan change area? Not generally with the exception of wastewater treatment where the issue is progressing well and is not deemed to be

insurmountable. This issue needs to be resolved for existing zoned land so the risk is not further exacerbated by zoning further land.

Many projects in the schedule of works are not only to service the plan change land but also to service RPL land and others on Frankton Flats. There is no evidence by way of submission to QLDC's 2006-16 LTCCP that RPL are concerned with the water and wastewater infrastructure plans for serving their developments. Rationale worked with RPL to identify servicing options. The additional infrastructure capacity is required not only for the plan change area but also to service existing zoned land including RPL land on Frankton Flats. There are no specific projects that are directly attributable to the plan change land and many of these projects are required for RPL to fully develop their land also.

Recommendation:

That asset capacities are well understood and frequently updated. That the capital programme clearly demonstrates capacity deficiencies and these can be confirmed by other QLDC documentation. The Plan Change proceeds as proposed.

8.6 New Zealand Fire Service (NZfS)

The NZfS is concerned that Fire Service Code of Practice for Firefighting Water Supplies (SNZ PAS 4509:2003) will not be met for the plan change area.

It can be confirmed that QLDC does work to this standard when constructing its own water supply network assets and requires the same for subdivision/development assets.

Recommendation:

That the Plan Change proceeds as proposed.

8.7 Transit New Zealand (Tnz)

TNZ submits that Policy 13.9 should be amended to enable financial contributions to be collected for the purposes of upgrading the State Highway network.

There are two issues, namely 1) the legality of proposal and 2) the assessment criteria.

Legally the question is whether the district plan can make provision for collecting financial contributions as defined by the RMA 1991 for parties other than the consenting.

Section 108 (10) of the RMA 1991 requires the purpose for which contribution will be taken and the level of contribution to be defined.

- (10) *A consent authority must not include a condition in a resource consent requiring a financial contribution unless -*
- (a) *The condition is imposed in accordance with the purposes specified in the plan (or proposed plan) including the purpose of ensuring positive effects on the environment to offset any adverse effect; and*
 - (b) *The level of contribution is determined in the manner described in the plan (or proposed plan).*

QLDC entirely relies on development contributions under the Local Government Act 2002 for the purposes of funding growth related infrastructure.

There is no empowering legislation for TNZ to recover state highway infrastructure growth costs from the development community. However in the Environment Court case of Transit NZ v Southland DC ENVC C042/06 the decision stated that

“We agree that the only sensible interpretation of this provision must be that it relates to any financial condition, no matter who the beneficiary is. We are strengthened in that view by reference to the Land Transport Management Act section 10(6)(iv) that financial contributions made by developers will be taken into account in making funding payments for the national land transport account. We can see nothing in the Act which would prevent Transit being included within a District Plan in relation to financial contributions.”

There is no legal obligation for QLDC to include Transit New Zealand in their District Plan for the purpose of recovering contributions towards State Highway infrastructure. Contributions towards State Highway infrastructure should be negotiated through development agreements between TNZ and the developers.

The assessment criterion lacks any consideration for other growth that uses the upgraded transport assets. The proposed formula assumes the cost of construction or upgrading is the sole responsibility of the subdivision or development that caused the need for capital expenditure (The straw that broke the camel's back). Namely the marginal cost is allocated entirely to the entity that exceeded the capacity of existing assets. This takes no account that the expenditure will almost certainly provide capacity to service other subdivisions or developments in the future.

Consider the Glenda Drive intersection upgrade as an example. Using the formula (a) can be determined, (b) cannot be determined as it is not apparent who caused the need and (c) is the entire project cost which needs to be apportioned over a number of future developments not just one.

When discussing construction costs it should be clear that these are growth costs only and not other components of cost including asset renewal and improved service levels.

Further to this the catchment for which TNZ wish to collect contributions should be refined to ensure the demand for the new assets can be reasonably tied back to the plan change land. At present the wording could arguably require the plan change to contribute to state highways outside the district.

Recommendation:

That the amendment not be included in the plan change.

9.0 STRUCTURE PLAN AND URBAN DESIGN

9.1 Outline Development Plan Requirement

The plan requires an outline development plan covering an area, or part of an area, to be lodged as a limited discretionary resource consent prior to lodgement of consents for individual buildings and sites. Submissions include:

- Remarkables Park/Ltd Shotover park Ltd: Outline Dev. Plan process cumbersome and unnecessary....should be addressed by comprehensive structure plan ... inhibits cohesive and integrated development as land owners are forced to develop sites in isolation.
- Remarkables Park Ltd/Shotover Park Ltd: Inadequate design assessment criteria to ensure delivery of high quality outcomes. “The broad activity areas within the structure plan do not allow for comprehensive and integrated development to occur – but rather on a site by site basis.”
- Aurora Energy Ltd: Remove outline development plan requirement as the matters over which Council seeks to exercise control are too broad, whereas industrial interests are discrete and surrounded by compatible activities.
- Five Mile Holdings Ltd: Outline development plan supported in principle but revise information required and assessment criteria:
 - Oppose outline development plan requirement to indicate densities of VA and residential as flexibility is required in order to respond to public demand.

Discussion & Recommendation

The Outline Development Plan mechanism is regarded as a means of ensuring cohesive and or complementary development across the zone but has particular relevance within the mixed use activity areas B and C where good urban design outcomes are dependant on interrelated issues over a wide area, straddling future lot boundaries. They are most likely to be of use where one party has a major landholding. The submission that more cohesive and integrated development is better addressed by a comprehensive structure plan is not supported, and would appear self contradictory as the level of detail and information called for under the outline development plan provisions are far in excess of what could be expected in a structure plan.

The extent to which the above rationale applies to industrial areas D and E is less apparent. The most likely scenario for the first stage of development is subdivision with the majority of issues covered under the assessment criteria coming into play when future owners or occupants seeks resource consent for individual lots. There remains a case for an Outline Development Plans submitted for subdivisions, in order to ensure that roading layouts and amenity levels are compatible with adjoining areas and appropriate in respect to the Town Gateway location and proximity to the airport.

It is therefore important that a clear distinction is made between the mixed use areas and the industrial areas in terms of the extent of the of the matters Council it to give consideration to.

Five Mile Holdings support the principle of the outline development plan process however take issue with the level of resolution implied in the provisions listed under 12.19.3.3 ii as matters for consideration in respect to the Council's approval and have submitted an

alternative list of outline development plan layers. The submission is partially supported to the extent of the list of outline development plan layers. The submission is partially supported to the extent that the matters listed in the Plan Change exceed the level of detail that can be expected prior to more detailed design of the buildings, streetscapes and other public spaces, which can be provided in subsequent resource consent applications. It is recommended that the list of issues to be considered in relation to Council's approval (12.19.3.3.ii (a) to (iv) be modified as per the revised Plan Change attached as Appendix 1 to this report.

9.2 Urban Design Panel Requirement

Provisions of the Plan Change stipulate that all Limited Discretionary Activities be subject to review by the Council convened Urban Design Panel prior to lodgement for resource consent. Where such applications are not accompanied by a statement of support from the urban design panel, their status switches to Discretionary.

Submissions in regard to provisions regarding urban design panel include:

- Aurora Energy Ltd: Oppose all rules that refer to or base a requirement for consent on urban design panel comments on the basis that in the field of urban design outcomes are seldom black and white terms being either support or non-support and the rules create a mechanism whereby all limited discretionary applications not accompanied by a statement of support from the urban design panel become discretionary.
- Five Mile Holdings Ltd: Oppose the requirement to take proposals to the urban design panel prior to lodgement for resource consent and suggest that such a requirement is ultra vires. FMH would have their own design review process and challenge the credibility of Council's panel should they hold a view contrary to that of FMH's advisors.

Discussion & Recommendation

The Queenstown and Wanaka Urban Design Panels have, since November 2007, been issuing a statement at the end of each report indicating support, non support or deferral (which requires the applicant to resubmit demonstrating how the panel's recommendations have been subsequently incorporated). Although it is inevitably correct to portray the field of urban design as less clear cut than rigid quantified plan rules, it is usual for panels to reach a level of consensus as to the merits of a proposal. By contrast, it is regarded as difficult and arguably impossible to establish a set of measurable design rules within a district plan framework that can assure good design outcomes. As Objective 4 sets the clear goal "to achieve a high quality urban environment" it is therefore necessary to create mechanisms whereby a high level of expertise is available to assess the urban design merits of development proposals.

Again the complexities of the mixed use/town centre areas, together with the high aspirations held for their urban design outcome provide a more compelling reason to raise the design bar level for these areas than do industrial areas. However in order to retain a coherent and integrated zone outcome a consistent application of assessment mechanisms is recommended. Furthermore the Limited Discretionary threshold that triggers the urban design panel's involvement, is less likely to be invoked in the industrial areas other than at subdivision stage.

Five Mile Holdings state they are not opposed to Council seeking advice from the Panel after lodgement however this regarded as contrary to best practise workings of the panel and likely to ensure conflict. The urban design panel proceedings take the form of a collegial design critique and involve dialogue with the proponents. Feedback from the urban design panels in both Queenstown and Auckland suggest this is most likely to be of benefit at the earliest possible stage when the design is relatively fluid and the scheme isn't developed to the extent that the designers are locked-in to their design and the developer remains less heavily committed to it financially. Progress and improvements through the urban design

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panel process area best be achieved by mutual consent. However, once the design is lodged the applicant has a firmer commitment to that proposal and any changes recommended by the panel are likely to create an adversarial reaction.

In terms of the credibility of the panel members, they provide independent expertise and champion/ represent the interests of the region. Notwithstanding the calibre of the consultants a developer can bring to a project, the independence of the panellists from financial engagement in the project underpins their integrity and credibility.

It is therefore recommended the plan provisions in regard to the urban design panel be retained.

Should it however be deemed ultra vires to require an applicant to go before a panel and/or ultra vires that the panel can determine that RMA status of the activity, an alternative would be to include the panel in the plan change as a mechanism used by council to provide urban design expertise relative to the proposal. Provided all Limited Discretionary activities have urban design standards and/or amenity levels included under assessment criteria, a negative report from the panel would most likely result in the consent planner concluding that the affects of the proposal are more than minor and contrary to the objectives and policies of the District Plan. This would then retain the similar outcome as the intended provisions of the notified plan change, in that the applicant could anticipate notification in the absence of support from the urban design panel. Although this may not require an applicant to go to the panel prior to lodgement, it can be recommended as the best approach for the reasons set out above.

10.0 Structure Plan Issues

Submissions relating to the Structure Plan include:

- **Five Mile Holdings Ltd:** Delete area B, and incorporate this area into Area C in order to establish a 'well designed crisp hard edge to the urban development' as seen from SH6 and match the hard edge already allowed for in Frankton Flats Special Zone A west of Grant Road.
- **Remarkables Park Ltd / Shotover Park Ltd:** The structure plan pays no regard to property boundaries in Structure Plan activity boundaries.

Discussion & Recommendation

Area B is an area of limited activity intended to act as a 50m wide buffer to high density Area C as seen from State Highway 6. However a suitable urban design outcome is in no way assured given the framework of the plan at the time of notification. The same activities are anticipated in both zones (B & C), with the exception of commercial activities greater than 500m² being controlled in area B as opposed to Non Complying in Area C. This together with the low 15% site coverage allowable in Area B enables large areas of surface parking surrounding large format detached buildings. Furthermore it is most likely that such buildings would be serviced off a road running between the two Areas with frontages addressing that road, as no access would be available to the activities in area B from SH6 or Area A. In all likelihood the backs to buildings in area B would face SH6. Although these effects could be mitigated to an extent by landscaping, it denies the opportunity for a clear crisp hard urban edge with a lively active frontage fronting a street parallel to SH6 and viewed across the Area A foreground. This is a not uncommon, and often very successful, urban treatment to a park edge where a hard edge of apartments or terrace houses align the street edge on the opposite side to a park. It is therefore recommended that Area B should be incorporated into Area C.

The Structure Plan, at the time of notification, also split the property of **Trojan Holdings** across two areas. This site is not regarded as being of sufficient area to sustain this split in activities and it is recommended that the whole of the site be incorporated into Area D.

An amended Structure Plan has been prepared incorporating the above recommendations. In addition it addresses matters dealt with under sections 4.0, 6.0 and 7.0 above.

Section 4.0 Industrial Zoning Provisions recommend a more efficient layout of land use between areas D and E in preference to the more lineal layering proposed at the time of notification.

Section 6.0 Aircraft Noise Boundary recommends the Outer Control Boundary (Ldn55dBA) as recently remodelled by acoustic consultants for Queenstown Airport Corporation be adopted and form the boundary between Areas C and D to ensure the noise sensitive activities anticipated in area C fall outside that boundary.

Section 7 Infrastructure Requirements – The Transportation Study recommends the adoption of the proposed roading layout by Traffic Design Group agreed to by affected parties for the position of the eastern access road and its connecting road to Glenda Drive.

In addition the revised Structure Plan includes a (proposed secondary road – dashed) set 45m to the north of the revised boundary between Areas C and D in order to ensure the change of activities occurs mid block in accordance with best practise urban design principles, as opposed to a change of activities from one side of the road to the other,

10.1 QUEENSTOWN ENTRY LANDSCAPE VALUES IN RELATION TO INTENSITY OF DEVELOPMENT

Submissions relating to the impact of the development enabled by the plan change on landscape values relating to the eastern entry to Queenstown include:

- **Remarkables Park Ltd / Shotover Park Ltd:** Impact of buildings within 50-100m of SH6... likely to have significant effects on views of the base of the mountains and the flats which are integral to landscape values of mountains
- **A Forbes:** The enabling of activities will negatively impart on high value views corridor
- **A Forbes:** The Plan Change Encourages housing counter to NZ cultural values of home and garden
- **Remarkables Park Ltd / Shotover Park Ltd:** Advocacy for low density development of pavilion type buildings set back from SH6
- **Remarkables Park Ltd / Shotover Park Ltd:** Insignificant level of set backs, building heights and yards to retain the primary of iconic views
- **Remarkables Park Ltd / Shotover Park Ltd:** The negative visual impact of the intended location of yard based activities adjacent to the airport ... the natural environment should be the key impression of Queenstown upon arrival.

Discussion & Recommendation

The enabling of activities proposed does inevitably impact on Outstanding Natural Landscape values as viewed from SH6 on entering Queenstown, given the existing rural character of the area under consideration.

Under District Wide Issues in the District Plan, landscape values are given significant weighting: 4.2.4 Issues states *'The District's landscapes are of significant value to the people who live, work or visit the District, and need to be protected from inappropriate subdivision, development and use. Increasing development and activity makes the District's landscape particularly vulnerable to change.'*

The primacy of the regions outstanding natural landscapes is further emphasised under 4.2.1 (1) General Landscape Issues which states: *'The landscape provides both a backdrop to development as well as the economic base for much activity.'* This addresses both the significance to the urban experience of Queenstown of the juxtaposition of development with outstanding natural landscape backdrop and the significance of that backdrop as the generator of much of our economic activity. Council – through its Growth Strategy and existing District Plan provisions is committed to urban consolidation and not urban sprawl that is an alternate mechanism for accommodating the order of growth enabled by the proposed Plan Change. The landscape values and character of Queenstown, both town and region, is therefore argued to be better sustained by (in this case) a single intensive zone with an Outstanding Natural Landscape back-drop than the extent of sprawling low density development that would achieve the same capacity across wide swathes of the significant landscapes beyond Queenstown's natural boundaries.

A greater emphasis on set backs within the plan change area, would lend a more suburban character and could initially create a more open character with a larger portion of the mountain back-drop in view from the highway. However once such areas become established, the maturing vegetation enabled by the wider open spaces would also impact significantly on the backdrop. Such a suburbanised foreground is more likely to create a dilution to the appreciation of the outstanding backdrop than the potential for a dramatic contrast of the kind of hard edged built form referred to in submissions from **Five Mile Holdings** against the same backdrop.

In regard to the visual effects of yard based activities adjacent to the airport, these are regarded as are not dissimilar to large format retailing roofscape and the associated areas of

car parking to the south of airport when viewed from the air. The structure plan as proposed provides for screening the visual impact of yard based activities from SH6 by the intervening activities in Areas A and C. The submission is therefore not supported. However the visual impact of yard based activities from the air does give weight to the retention of landscaping mitigation within those yard based areas.

The above submissions are not supported.

10.2 Visitor / Residential Activity at Ground Level

Proposed Plan Change policy 8.14 require that residential and visitor accommodation activities are not located at street level as a means of encouraging active street frontages. Submissions in relation to this requirement are:

- **Five Mile Holdings Ltd:** Oppose policy 8.14 which precludes residential and visitor accommodation locating at street level in order to ensure active frontages. This assumes the whole area will be business oriented (at ground level). FMH state their intention of providing accommodation at a half level below ground as well as at ground level as has already been consented for Frankton Flats Special Zone A.

Discussion & Recommendation

The submission is supported to the extent that it is preferable to concentrate energy and vitality associated with retail activity in key main street areas as opposed to dispersing it throughout all street level frontages of Area C. Where retail activity does occur at street level it is recommended that the provisions of the plan change be upheld.

The issue with locating accommodation at street level, especially when no set backs from the street are intended, is the internal privacy is compromised, with windows hard against the footpath and with inevitable screening with blinds or similar to protect privacy outlook and daylight are in turn compromised. This has a corresponding negative relationship to the amenity of the street by inevitably presenting drawn blinds or other screening devices. In areas of active retail frontage the effect of ground floor residential windows thus breaks up the continuity of the active frontage and the two activities side by side on the street are regarded as incompatible. This would appear to be appreciated by the submitter in stating that they do not contemplate the whole of Area C being 'business oriented'. Issues raised in submissions about too much land being provided for retail activities has led to a recommendation in section 4.0 of this report that some form of control on the amount of retail floor space in Area C be inserted into the plan change. A mechanism to effect such control would be for applicants to identify streets intended for active retail frontages in the Outline Development Process with a cap on the percentage of such streets in the Area. This would then allow the provisions preventing residential and visitor accommodation at street level being upheld for those streets with active retail frontages so identified.

The negative impact of allowing residential and visitor accommodation at ground level however still remains beyond streets with active retail frontages. This can be countered by a requirement for street level accommodation to have finished floor levels raised a minimum 1m above footpath level, thus enabling a standard window sill height to be above eye level of pedestrians. This allows for passive surveillance over the street from within residences while at the same time attaining an appropriate level of privacy.

The recommendation is thus that residential and visitor accommodation only be excluded from areas of identified active retail frontage to be identified by applicants on outline development plans, and that for remaining streets a minimum finished floor level of one metre above footpath level be required for residential and visitor accommodation activities fronting onto streets.

10.3 Outdoor Living Space Requirement

Submissions in relation to provisions requiring outdoor living space for residential activities are:

- **Five Mile Holdings Ltd:** Oppose requirements for outdoor living space for residential activities on the grounds that this is an urban rather than suburban area and communal open space will be provided in courtyard areas.

Discussion & Recommendation

The plan change offers a local interpretation of urban environment rather than a generic one. There are many examples of urban areas where decks and terraces to apartments both improve residential amenity and add visual interest and contribute to a more articulated streetscape. The provisions also fall in line with existing high density provisions for outdoor living space in the District Plan. The submission is partially supported however to the extent that the requirements for outdoor space for each residential unit could be offset where suitable communal courtyard space at a specified ratio is provided and is specifically reserved for the residents.

10.4 Landscaped Permeable Space Requirement

Submissions in relation to the requirement for landscaped permeable space are:

- **Five Mile Holdings Ltd:** Oppose requirement for 10% landscaped permeable space as majority of town will be underlain with parking, and subdivision will follow construction with lots featuring 100% site coverage.

Discussion & Recommendation

Where carparking is located underground a number of beneficial outcomes occur, including increasing the amount of public realm space available to people as opposed to carparking, and enabling more intensive development thereby facilitating more vitality and vibrancy within the public realm. It is therefore recommended that the submission be supported to the extent that the requirement for 10% landscaped permeable space be waived where development is underlain with carparking.

However this does raise the issue as to how planting, and in particular urban trees, can be grown in any areas underlain by parking. A proviso should therefore be included that the applicant should demonstrate how provision has been made for accommodating trees in the public realm areas underlain by parking.

10.5 Site Coverage and Set Back Standards

Site standards for Area C stipulate a maximum building coverage of 55% and a minimum building setback of 2m from internal boundaries. Zone standards stipulate a maximum site coverage of 80% for Area C.

- **Five Mile Holdings Ltd:** Oppose site coverage and set backs stipulated in site standards as being wasteful and contrary to 100% site coverage intentions.

Discussion & Recommendation

The 55% site coverage as prescribed in the site standards is particularly low and counter to good urban outcomes for an intensive and vibrant town/village centre environment. Furthermore there is no rational apparent in the 2m internal boundary requirement. The resultant 4m gaps between sites along street frontages would create alternating gaps to any intended active frontage streetscapes, undermining intensity and vitality of activity. The stated intention of Five Mile Holdings is to develop on a broad scale prior to any subdivision at which stage 100% site coverage is anticipated over the individual sites. Under such scenario the critical stage for the establishment of a high standard of public amenity within the public realm is the outline development plan stage where the overall development principles the zone standards can apply.

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100% site coverage is supported as a site standard within Area C, however a lower Zone standard in the order of (70%) is regarded as appropriate as this will encompass streets lanes public squares and courtyards. The submission is also supported in relation to deleting set back requirements from internal boundaries from Area C. It is suggested that consideration be given to removing the internal boundary setbacks from Area E.

11.0 AFFORDABLE HOUSING

1.1 Background

The **Queenstown Lakes Community Trust** submitted that the intention to provide for affordable housing as stipulated in Object 2 Policy 2.4 be reflected as a requirement in the rules of the Plan Change or an alternative arrangement be made to the satisfaction of the Trust outside of the Plan Change that Affordable Housing be delivered in Frankton Flats. The Trust also submitted that calculations in accordance with linkage zoning calculations are undertaken.

The Frankton Flats represent a significant component of the District's future supply of urban land, and thus care must be taken that it deliver its residential components in such a manner as to ensure they cater for the needs of the very workforce it will take to make the proposed development in the Frankton Flats successful. The principle underlying a requirement to deliver affordable and community housing through the Frankton Flats Plan change is that the development is of a scale and intensity that enables it to meet the majority of the demand for affordable housing generated by the growth it represents.

These sections of the report outline the affordable housing policy of Council as expressed through the Housing Our People in our Environment (HOPE Strategy) as adopted in June 2005 and amended September 2007, and further expressed through Plan Change 24: Affordable and Community Housing. Further, these sections propose development of an Affordable Housing Plan, using the methodology of an Affordable Housing Impact and Mitigation Statement (AHIMS -as outlined in PC24) to be developed in concert with the Outline Development Plan process for the Frankton Flats. While the specific provisions of PC24 may carry only partial weight for the Frankton Flats, there is no doubt that the planning goals of the Frankton Flats would not be fully achieved without regard to the matter of housing affordability.

1.1 HOPE Strategy Overall Goal

The HOPE Strategy illustrates the Council's overall expectations on the issue, which have particular relevance for a new greenfields development like the Frankton Flats.

The Overall Goal of the HOPE Strategy is:

'To increase access to quality, affordable housing that is integrated into the community so as to support the community's outcomes related to the sustainable economic, social and environmental development of the QLDC area.'

"to increase access" means to enact measures that

- *prevent the demand for Affordable and Community Housing from increasing beyond the levels measured in 2006; and*
- *enable 70% of the District workforce which is in need of and eligible for Affordable and Community Housing to live within the QLDC area by 2016.*

This goal reflects three main 'pillars' of a long-term sustainable affordable housing strategy. At a high level, the Strategy needs to signal that it is not just a matter of increasing the supply of affordable housing. Affordable housing also needs to be of good quality and integrated into the community.

Quality therefore refers to:

- *the suitability of the dwelling to meet the specific needs of the household, in terms of size and layout; and;*

- *the quality of the design and construction of the dwelling and its facilities and services, including reasonable physical condition, energy efficiency and privacy.*

Integration therefore refers to:

- *the suitability of the location enabling the household to access employment, shops, schools and community facilities without long trips by car; and*
- *all suburbs and settlements having some affordable housing, avoiding an over-concentration of affordable housing in some areas.*

Since the Frankton Flats are a new greenfields development of land zoned Rural General, there are virtually no existing residents, existing businesses or existing housing supply. Therefore, application of the HOPE Strategy goal suggests that development of the Frankton Flats needs to deliver a quantum of housing, including affordable and community housing, at various levels of affordability, that meet the needs of 70% of the workforce required by all development throughout the Frankton Flats. This appears to be the only way to ensure that the Frankton Flats does not place an affordability burden on the existing community.

PC 19: Frankton Flats contains plan provisions for Section 12.19.3, with Policy 2.4 consistent with the above HOPE Strategy goal. Policy 2.4 (paraphrased) states:

'To provide for a suitable range of local services and business activities. . . affordable housing. . . which provides for projected land use requirements

The proposed solution of preparation of an Affordable Housing Plan for the Frankton Flats, including all affected land owners, would remedy this matter, and is consistent with the relief sought by the Queenstown Lakes Community Housing Trust in their submission.

1.1 Relationship to Plan Change 24: Affordable and Community Housing

PC24 was notified October 2007, with its hearing scheduled for August 2008. PC24 provides a sound basis in its definitions, the method for calculating the quantum of Affordable and Community Housing, and a framework for its long term retention. There is flexibility in the framework and methods outlined in PC24 that can be utilised, and tailored to a solution relevant to the Frankton Flats.

Following is an excerpt from the Section 32 report for PC 24, with regard to possible regulatory actions. These actions provide a sound framework for consideration in a Frankton Flats – specific Affordable Housing Plan, and can be achieved regardless of the status of PC24. It is noted that

2.1.2 Possible regulatory actions

The planning system (developed under the RMA) has a key role in encouraging or hindering a supply of housing. A range of local actions were identified in the HOPE Strategy, among them the following planning based actions which sought to promote a supply of housing:

- *Introduce the issue of affordable housing into the objectives and policies of the District Plan so that it can become a relevant matter when plan changes/ variations are proposed, as well as when resource consent applications are considered, for example in relation to activities that seek to exceed density standards. This is so the impacts of development proposals on affordability, both positive and negative, can be addressed.*
- *Investigate how to implement a distinction in the District Plan between visitor accommodation areas and higher density residential areas to help provide a stock of more affordable housing for permanent residents and ensure that a*

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- *clear separation is provided in any new urban zoning, thereby reducing the pressure on the residential land market from the visitor accommodation sector.*
- *Investigate the potential for incentives, such as density bonuses for affordable housing, in any proposals for up-zoning and when zoning new urban areas and, if appropriate, including these in the District Plan. Tie the provision of affordable housing to a suitable retention mechanism, and introduce location criteria to ensure affordable housing is located close to jobs, activities and transport.*

The HOPE Strategy also noted the need to consider alternative forms of housing for workers, as well as the role that residential flats play in providing a pool of affordable rental units.

The Council is currently considering land supply issues through a number of investigations:

- *The Visitor Accommodation and Residential Amenity work is looking at the High Density Residential Zone, and whether there would be benefits from limiting visitor accommodation developments to parts of this zone so as to offer a permanent residential area (and therefore opportunity for high quality, high density residential developments that will be more affordable compared to stand alone dwellings).*
- *The Frankton Flats development in Queenstown and the Wanaka Structure Plan Review are also addressing land supply issues.*

Plan Change 24 provides a mechanism for calculating the quantum of affordable housing that should accompany development, referred to as an “Affordable Housing Impact and Mitigation Statement” (AHIMS).

For the Frankton Flats, the standard AHIMS formula would generate the following quantum of affordable housing, delineated by unit type and retention method:

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| Residential | Visitor Accommodation | Commercial Intensive | Commercial Large |
|---|-----------------------|----------------------|---------------------------------------|
| | | Office or Retail | Bulk Retail, Industrial, Warehouse |
| GFA (m2) | GFA (m2) | GFA (m2) | GFA (m2) |
| 460,000 | 26,000 | 90,000 | 90,000 |
| Relative Household Equivalents (RHE) | | | |
| 170.20 | 32.76 | 392.40 | 302.40 |
| 897.76 | | | |
| Note: 898 RHE's becomes a total of 762 Residential Units after allowing for unit size weighting | | | |

| Total Affordable Housing required: | | Retention Method: | | |
|------------------------------------|-------------|--------------------|-------------------------|----------------------------|
| Accommodation type | Total units | Affordable Housing | Community Housing Trust | Community Housing Covenant |
| Shared Living/Dorm | 173 | 121 | 21 | 31 |
| Studio | 77 | 54 | 9 | 14 |
| 1 BR | 204 | 143 | 24 | 37 |
| 2 BR | 202 | 141 | 24 | 37 |
| 3 BR | 60 | 42 | 7 | 11 |
| 4 BR | 46 | 32 | 6 | 8 |
| | 762 | 533 | 91 | 138 |

The above is an indicative amount only based on the total square meterage figures provided with the PC19 application. Final number would be dependent on the actual square meterage proposed for consent through various stages. A different rate of delivery could be used, depending on the mix of uses, and levels of employment indicated by the Frankton Flats developers. It is also suggested that a method be developed where a change of use be recorded, and a higher or lower level of delivery be secured based on actual use. Such a tool would require further development through the Housing Plan process.

The above calculation is intended to satisfy the relief sought by the submission of the **Queenstown Lakes Community Housing Trust**. The specific quantum may differ based on the employment needs of the Frankton Flats but in any case should be based on delivering a range of residential opportunities for 70% of the temporary and permanent residents working in the Frankton Flats. This is not a requirement for 70% to be restricted as affordable; but to provide evidence that the combination of market rate, covenanted, and dedicated affordable units would be available to meet the needs of 70% of the Frankton Flats workforce. There is opportunity to demonstrate that market rate product can deliver a solution for a significant majority of the Frankton Flats workforce.

Recommendation

It is suggested that the Affordable Housing Plan for the Frankton Flats be developed by landowners when they develop their land and to include but not be limited by the following components:

- targets for affordable housing delivery, by quantum, unit size, level of affordability, eligibility requirements
- targets for urban design and residential quality standards
- form of legal instrument to be used to ensure delivery, and to achieve long term retention of affordability
- incentives that may be attributed to particular sites to achieve affordability, as a way to trade development rights that may not be used on other sites within the zone, and a process for tracking achievement and transferring development rights within the zone
- identification off specific sites via an Outline Development Plan
- a timetable for delivery of land and building to the marketplace in accordance with the Outline Development Plan.

All landowners in the Frankton Flats Plan Change area will need to formulate an Affordable Housing Plan as part of their resource consent for their Outline development Plan. The Further Submission of **Shotover Park Ltd** is acknowledged in that they would need to also undertake an Affordable Housing Plan for their own developments within the Plan Change Area.

It is acknowledged that not all areas within the Frankton Flats are suitable for residential development. With regard to the further submissions of **Air New Zealand** and **Plethora Investments Ltd**, it is intended that any affordable housing comply with the same residential standards used elsewhere in the Frankton Flats. Residential uses of any sort (including affordable housing) are not provided for within the Outer Noise Boundary or industrial zones.

Proposed Rules:

Add to 12.19.3.3. (ii)

As part of an Outline Development Plan an affordable housing plan must be submitted that illustrates the following:

- targets for affordable housing delivery, by quantum, unit size, level of affordability, eligibility requirements
- targets for urban design and residential quality standards
- form of legal instrument to be used to ensure delivery, and to achieve long term retention of affordability
- incentives that may be attributed to particular sites to achieve affordability, as a way to trade development rights that may not be used on other sites within the zone, and a process for tracking achievement and transferring development rights within the zone
- identification of specific sites via the Outline Development Plan
- a timetable for delivery of land and building to the marketplace in accordance with the Outline Development Plan.
- All Resource Consents for property on which an affordable Housing unit is to be delivered shall contain a condition of consent specifying that a covenant, in a form acceptable to the Council, shall be executed in favour of the Council and/or the Queenstown Lakes Community Housing Trust to provide for matters addressed in the

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Affordable Housing Plan for the Frankton Flats with regard to the quantum of affordable residential units to be delivered on the property governed by the Consent as indicated by the indicative subdivision plan, their level of affordability, and the retention of affordability over time.