

Attachment A – Non-technical Summary of Plan Change 29 and Plan Change 39

- a. Council proposed drawing an urban growth boundary that tightly followed the existing extent of built development in Arrowtown. This was Plan Change 29 (PC29).
- b. The Council backed up the urban growth boundary with policies that sought to contain growth within the urban growth boundary, and avoid new development outside it.
- c. At the same time, a private plan change called Arrowtown South sought to rezone additional land on the outskirts of Arrowtown, which was outside of the Council's proposed urban growth boundary. This was Plan Change 39 (Arrowtown South).
- d. Both the plan changes were appealed.
- e. The Environment Court heard evidence for both plan changes over 4 days in May 2012.
- f. The Environment Court largely agreed with the Council's approach and kept the urban growth boundary tight around Arrowtown, but added in an extra bit of land within the urban growth boundary off McDonnell Road.
- g. The Environment Court also tweaked the policies slightly but largely they remained as per the Council version.
- h. The Court determined the area subject to PC39 was not suitable for urban development.
- i. The Environment Court specifically considered:
 - All the relevant planning documents e.g. the district plan
 - All the other relevant documents such as the Council's Growth Management Strategy and the Arrowtown Community Plan
 - The physical setting / geography of Arrowtown including its entrances
 - Predictions for population and housing growth (including evidence from three economists)
 - Effects on landscape and amenity values
 - The benefits of increased residential land supply in Arrowtown
- j. The Environment Court specifically concluded that *"the proposed development of Arrow South is not likely to have any impact on housing affordability in Arrowtown or the wider Wakatipu basin"*. [paragraph 47]. The Court concluded that *"the Arrow South development is unlikely to have any impact on housing affordability or place any downward pressure on the local housing market"*. [paragraph 65]
- k. It was common ground that without the Arrowtown South expansion, at some point in the next decade or so there would be no land available for new residential development in Arrowtown.
- l. The Court broke this down further raising three matters [paragraph 75]:
 - Given expected continued population growth, does some of that growth need to be allowed for in Arrowtown?
 - Given continued preferences for households to seek an Arrowtown location, does this need to be provided for?
 - Does the ongoing viability of Arrowtown require continued population growth?
- m. The Court concluded that stabilising Arrowtown's population at some time in the future to be sustainable, and that growth does not necessarily have to be provided for in Arrowtown.
- n. Evidence presented by economists at the hearing acknowledged that growth is being provided for elsewhere in the district [paragraph 46]. Specifically this included reference to the new Shotover Country Special Zone (PC41) which provides for between 750 and 1200 residential units, and even *"without PC41, there is still sufficient land identified for residential development in the Wakatipu [Census Area Unit] to meet the overflow demand from Arrowtown for at least the next 20 years"*.
- o. Arrowtown South was subsequently reduced in scale to be more akin to a rural residential area.