

**QLDC Council
25 October 2018**

Report for Agenda: 11

Department: Planning & Development

**Ratification of Hearings Panel's recommendation on Private Plan Change 53:
Northlake Special Zone**

Purpose

The purpose of this report is to provide the report and recommendations of the Hearings Panel on matters raised in submissions on Private Plan Change 53 – Northlake Special Zone and to seek ratification as a Council decision. A resolution from Council is sought to notify a decision on chapter 12.34 in accordance with Clause 10 and 11 of the First Schedule of the Resource Management Act.

Recommendation

That Council:

1. **Note** the contents of this report;
2. Adopt the Hearings Panel recommendation as a Council decision and direct staff to notify the decision in accordance with the First Schedule of the Resource Management Act 1991; and
3. Direct staff to alter the Operative District Plan provisions to reflect the recommended changes and to correct minor errors and make changes of minor effect in accordance with Clause 16(2) of the First Schedule of the Resource Management Act 1991.

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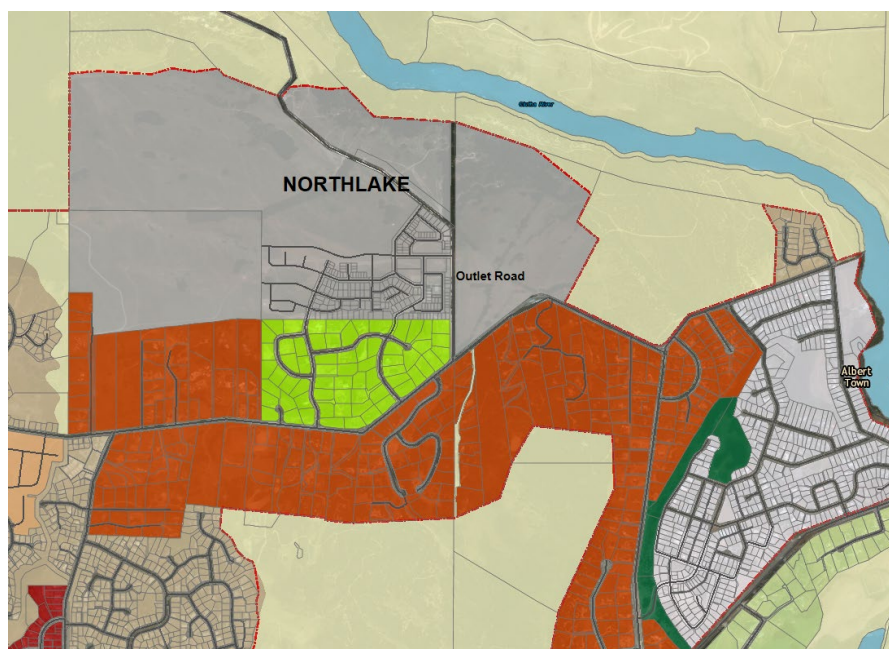
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10/10/2018

Background

- 1 The Operative Northlake Special Zone applies to 220 hectares of land located in-between Wanaka and Albert Town (refer to **Figure 1**). The Northlake Special Zone enables the development of approximately 1,520 residential homes within several different neighbourhoods with a range of different densities of development. The zone includes a small commercial and community facilities 'node' located alongside the main street, known as Northlake Drive.

Figure 1. Location of the Northlake Special Zone (shown in grey and light green).



- 2 Private Plan Change 53 (**PC53**) seeks to amend the boundaries of existing Activity Areas identified on the Northlake Special Zone Structure Plan in Chapter 12.34 of the Operative District Plan (**ODP**). The plan change does not seek to increase the overall size of the Northlake Special Zone.
- 3 The key reasons for the change to the boundaries of the Activity Areas are to increase Activity Area D1 to facilitate a retirement village and a supermarket. The specific changes sought by PC 53 seek to:
 - a. Alter the Northlake Special Zone Structure Plan boundaries. This will increase the size of the zone (Activity Area D1) where retirement villages and commercial activities are provided for (see Attachment A);
 - b. Modify the size of Activity Area B3 to reflect what is considered by the applicant as more efficient subdivision and land development patterns. The modifications will enable more intensive housing on flatter areas of the Northlake Special Zone;
 - c. Amend the rule limiting retail floor area from 200m² per activity with a maximum floor area of 1000m². It is sought to allow up to 2,500m² total retail floor area within the zone, a single retail activity of up to 1,250m²

gross floor area to facilitate a supermarket, while retaining the 200m² cap for other commercial and retail activities;

- d. Undertake amendments to rules controlling landscaping and the bulk and location of development to recognise the extension to Activity Area D1, with regard to the setback of buildings, building height, access, and landscaping adjacent to Outlet Road;
 - e. Amend existing Rule 12.34.2.6 that states that fish and meat processing is prohibited. It is sought to add an exemption to this rule that would permit fish and meat processing that is ancillary to a retail activity such as a supermarket;
 - f. Delete a rule in the Subdivision, Development and Financial Contributions Chapter 15 that requires a minimum amount of house lots to be approved prior to permitting community facilities; and
 - g. Amend the sign rules in Chapter 18 Signs where they relate to the Northlake Special Zone;
- 4 Plan Change 53 was accepted for processing and notification for submissions by Council at its meeting on 14 December 2017. It was then publicly notified for submissions on 18 January 2018. A total of 14 original submissions and 3 further submissions were received. 7 submissions were subsequently withdrawn.
- 5 A Hearings Panel consisting of Commissioner David Whitney (Chair), Commissioner David Mead and Councillor Scott Stevens were appointed to hear submissions and make recommendations to Council. A hearing was held in Wanaka on the 5th and 6th June 2018.

Comment

- 6 The Hearings Panel recommendation is that PC53 should be accepted, generally in accordance with the changes outlined above. However, the following amendments have been recommended by the Hearings panel:
- a. Amendments to Policies 1.6 and 2.7 to identify and provide for one single supermarket up to 1,250m². This is to ensure that retail activity in the Northlake Special Zone does not compromise the function and viability of the Wanaka Town Centre and Three Parks Commercial Zones. A new policy (Policy 2.8) has also been recommended to ensure satisfactory urban design outcomes associated with what is likely to be a single large format retail scale building within Activity Area D1;
 - b. That additional retail floor area is limited to 1,250m², 250m² less than that requested by the applicant. The additional 1250m² retail floor area is for the purposes of a small supermarket. Further, this is only to be provided at one of two locations within Activity Area D1. The applicant volunteered this during hearing to ensure the activity is located centrally within the development area and not adjacent to Outlet Road;

- c. Although an additional 250m² of retail activity was sought, the Hearings Panel considered that insufficient evidence was provided in support of this aspect of the increase in retail activity and as such the Panel felt it appropriate to retain the existing 1000m² cap on any other retail activity.
- 7 The Hearings Panel have recommended the following rules in Chapter 12.34 are amended consistent with the Plan change request;
- a. Amend Rule 12.34.2.6i to allow for fish or meat processing ancillary to retail or restaurant activity;
 - b. Amend Rule 12.34.4.1ii(b) in relation to minimum setbacks for Outlet Road;
 - c. Amend Rule 12.34.4.1viii to restrict residential and non-residential access directly onto Outlet Road for any of the new Activity Area D1 sites;
 - d. Amend Rule 12.34.4.1x(d) to provide for specific landscaping requirements along Outlet Road;
 - e. Amend Rule 12.34.4.2iv(a) in relation to building height. The 10m maximum height limit is to be modified such that any building within 40m of Outlet Road legal boundary, north of Mt Burke Drive, should have no more than two levels;
 - f. Amend Rule 12.34.4.2viii to provide for one small supermarket, no greater than 1250m², within one of two specified sites;
 - g. Replace the Northlake Structure Plan to reflect the changes in the Activity Areas D1 and B3; and
 - h. The Hearings Panel have recommended that Section 18.2 Signs rules are amended so that signage consistent with other commercial areas are provided for within Activity Area D1 and that the existing Northlake residential signage rules exclude Activity Area D1.
- 8 The Hearings Panel have also recommended that Rule 15.2.16.3 subdivision zone standard be deleted in relation to the requirement for provision of community facilities as part of subdivision and development of a minimum number of residential units. Specifically, Rule 15.2.16.3 required the provision of community facilities such as a indoor 20m – 25m lap pool, a fitness/gym facility, a children's play area, and at least one tennis court.
- 9 The Hearings Panel recommend deletion of this rule on the basis that some of the facilities have been, or are to be provided by the applicant. The Hearings Panel also accepted that a swimming pool is no longer a prerequisite associated with development at Northlake because the Council has constructed and operates an indoor swimming pool at Three Parks. During the hearing, the applicant confirmed that Northlake have provided a tennis court and playground in Activity Area D1, and a gym is proposed to be constructed by way of resource consent (RM161230 granted on 5 May 2017).

10 A copy of the Hearings Panel's recommendation is appended as Attachment B.

Options

11 Option 1 – Accept the Commissioner's Recommendation

Advantages:

- a. The plan change has been through a thorough a process under Schedule 1 of the RMA. An experienced Hearings Panel had the benefit of submissions and further submissions, expert evidence from the applicant's representatives, submitters, and Council staff in the form of an officer's recommendation and accompanying expert reviews from traffic, urban design and retail economics experts. It is considered the Hearing's Panel have reached a robust recommendation.
- b. The submissions and hearing process gave people the opportunity to either support or oppose the proposal and be heard in relation to their submissions.
- c. Would advance the plan change towards being made operative.

Disadvantages:

- d. None. Council appointed the Hearings Panel to hear and make recommendations on the submissions received.

12 Option 2- Reject the Hearings Panel Recommendation

Advantages:

- a. Would allow Council to appoint new Hearings Panel to re-hear submissions on any aspects of the recommendation it was unhappy with.

Disadvantages:

- b. Council cannot make changes to the Hearings Panel recommendation as they have not heard the evidence presented at the hearing or read the submissions. To change the recommendations would not demonstrate fairness or natural justice to the applicant or submitters.
- c. All submitters and their expert evidence would need to be re-heard at another hearing, requiring additional Council, applicant and submitter cost and delays.

13 This report recommends **Option 1** for addressing the matter because the issues raised by the by the PC53 have been thoroughly addressed through the hearing process and changes recommended by the Commission.

Significance and Engagement

- 14 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it impacts on the environment and people of the district, and has a degree of community interest.
- 15 The level of significance determines the level of compliance necessary with the decision making requirements in sections 76-78 of the Local Government Act 2002. A higher level of compliance must be achieved for a significant decision.

Risk

- 16 This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection), as documented in the Council's risk register. The risk is classed as high. This matter relates to this risk because it relates to residential and commercial land supply providing for future development needs of the community.
- 17 Option 1, as recommended above, mitigates the risk by adopting the recommendations of the experienced Hearings Panel who heard all the evidence before them and made a decision based on that evidence. Their consideration of the issues and risks generated by the proposed PC53 and their recommended changes in response to these is considered to have 'treated the risk' by putting measures in place which directly impact the risk.

Financial Implications

- 18 There are no budget or cost implications that would arise from adopting the decision in line with Option 1.

Council Policies, Strategies and Bylaws

- 19 The following Council policies, strategies and bylaws were considered:
 - Operative District Plan: in that the PC53 directly relates to its provisions.
- 20 The recommended **Option 1** is consistent with the principles set out in the named Operative District Plan ("ODP") in that any conflict between PC53 and the ODP has been addressed by the Commission in its recommending report.

Local Government Act 2002 Purpose Provisions

- 21 The recommended option:
 - Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing a decision on PC53 in a timely fashion;
 - Is consistent with the Council's plans and policies; and
 - Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

22 The community has had the opportunity to submit on PC53 through the notified plan process and submissions and further submissions were received. A public hearing was also held. The Commissioners considered submissions and hearing appearances.

Legal Considerations and Statutory Responsibilities

23 Making the plan changes operative is in accordance with Clause 17 of the First Schedule of the RMA.

Attachments

- A Northlake Special Zone Structure Plan – current and proposed
- B Report and recommendations of hearings panel – PC53 dated 6 September 2018