

DISTRICT PLAN
FACT SHEET



Visitor Accommodation

Visitor Accommodation is a key part of the tourism industry in the Queenstown Lakes District and has in the past been provided mainly by hotels, motels, backpackers and camping grounds.

In addition to these more traditional forms of visitor accommodation, home-owners are increasingly letting out their house or holiday home to short-term paying visitors. Although this form of accommodation adds to the diversity of options available to visitors and provides income to home-owners, it also creates challenges.

A review of how to address some of the challenges and opportunities residential visitor accommodation brings has recently been completed and has led to proposed changes to how the district plan enables and manages the activity.

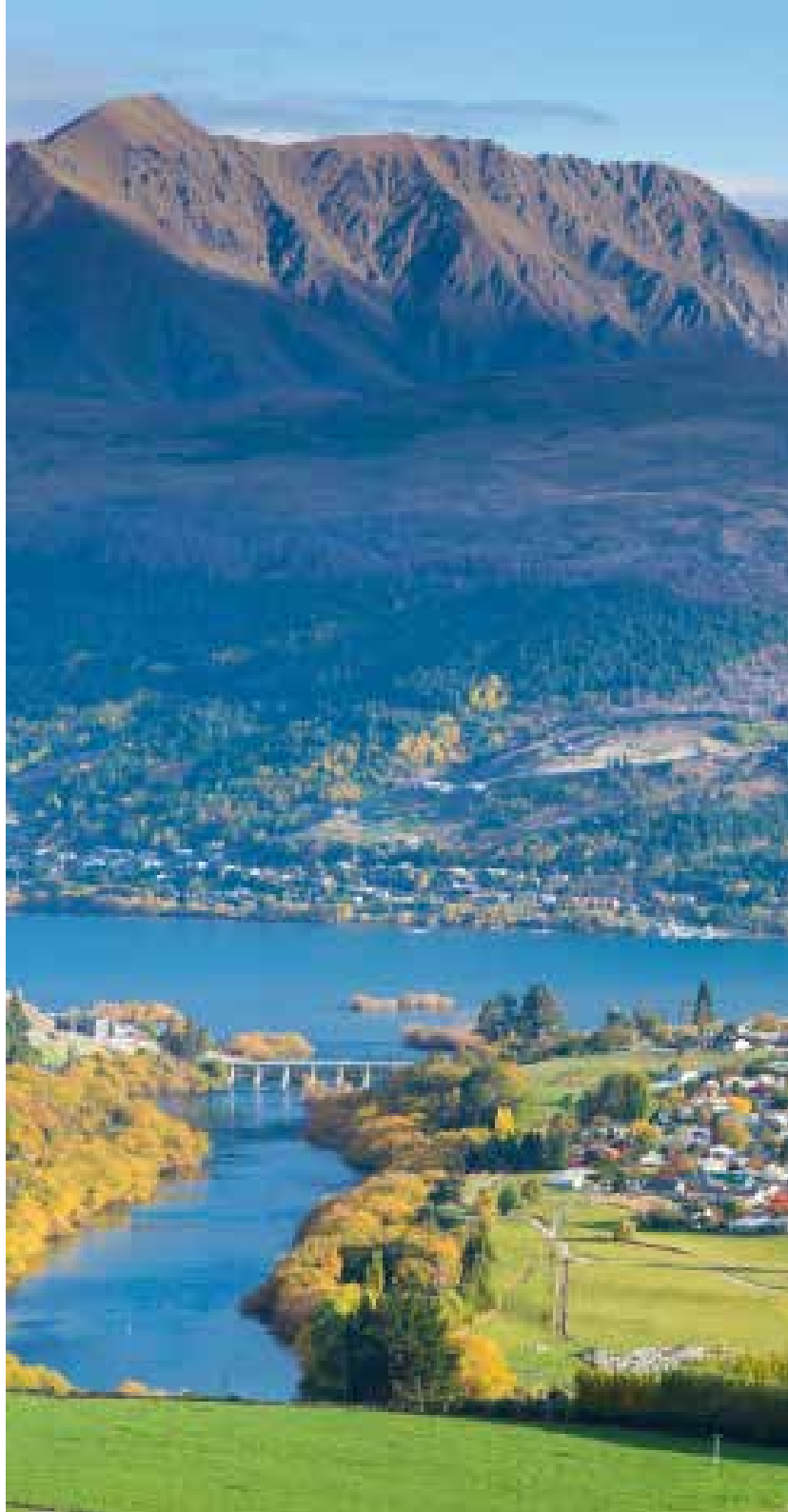
This wide-ranging review looked at rates policy, enforcement, building code requirements, local housing and incomes, visitor preferences as well as the district plan. It found that a significant and increasing amount of the district's housing stock is being used for short term visitor accommodation and that the activity has a range of positive and adverse effects:

On a positive note, it can add vibrancy to residential areas, generates supplementary household income, offers visitors a local experience and helps with shortages of tourist accommodation during peak times. On the negative side, it removes dwellings from the general housing pool for families and workers (including seasonal workers), adds to the district's issues with affordable housing, and can affect the settled character of residential neighbourhoods.

The rate of growth of short term letting in residential areas is an important driver for the changes. Around 14% of the current housing stock is listed on websites for short term letting and the majority of these are whole houses. The other thing driving the changes is that a lot of people are not following the existing rules and paying appropriate rates. The rules need to be easier to follow and simpler to apply.

WHAT ARE THE CURRENT RULES:

Under the existing rules, a house can only be let out for a single let of up to 28 nights per year without needing to be registered as a holiday home or applying for a resource consent, and apartments cannot be registered as holiday homes. Registering the holiday home with the Council is not the only requirement under the current rules. Using your property as a Holiday Home can be a permitted activity but it needs to be registered with the Council, the letting activity needs to be recorded and is limited to 90 nights per year, the minimum stay has to be 3 nights, there needs to be on-site parking provided and there can't be more than 2 persons in each bedroom. See the table below for further detail.



Visitor accommodation is defined as the short term letting of land and/or buildings to accommodate fee paying guests for less than 3 months.

WHAT'S BEING PROPOSED:

The proposed rules will increase the permitted limit to up to 28 nights per year consisting of up to 3 lets, and will remove the 3 night minimum stay and the 90 nights holiday home allowance. The permitted 28 nights will be broadened to apply to apartments, as well as standalone houses, residential flats and duplexes. Although it is not a district plan matter, registration is still required by Council to ensure appropriate rates are applied.

Generally, a more restrictive approach will apply within the Low and Medium Density Residential Zones, the Arrowtown Residential Historic Management Zone, and the Large Lot Residential Zone. A less restrictive approach is proposed for the High Density Residential Zone and the Visitor Accommodation Sub-Zones.

The new rules will categorise visitor accommodation into 3 types:

- Homestays: B & B style accommodation, where the usual occupants of the house remain living in the house and host paying guests
- Residential Visitor Accommodation: when the whole house is used by short term fee paying guests
- Visitor Accommodation: hotels, motels, backpackers, camping grounds etc.

Changes are also proposed for other PDP zones to ensure that these accommodation types are addressed and their effects are appropriately managed. In particular, residential visitor accommodation activities and homestay activities have been added to the following zones:

- Business Mixed Use Zone
- Rural Zone
- Rural Residential and Rural Lifestyle Zone
- Gibbston Character Zone
- Jacks Point Special Zone
- Waterfall Park Special Zone
- Millbrook Special Zone

The proposed provisions seek to provide a clearer framework which better balances the negative and positive effects of visitor accommodation activities and can be more easily enforced.



HOW WILL THIS IMPACT ON ESTABLISHED VISITOR ACCOMMODATION BUSINESSES?

Under the Resource Management Act businesses that have been lawfully established and operated in compliance with the rules in the district plan that were in place when the business was first established have 'existing use rights'. This means that they can continue operating and no new consent is needed when the rules are changed so long as the nature and scale of the activity stays the same.

The proposed rules addressing homestays, residential visitor accommodation and visitor accommodation will not 'take legal effect' straight away. First, the submission period needs to be completed, then a hearing will be held with independent commissioners, and the Council will then issue a decision. These steps could take between 9 and 12 months to complete from the start of notification.

Once the provisions take legal effect, new businesses will have to comply with the new district plan provisions or obtain resource consent under the new provisions. Until then, the current rules apply.

The table on the following page provides an overview of the current rules and proposed rules for the residential zones. There are also some maps at the back showing the main zones affected.

CERTIFICATE OF COMPLIANCE

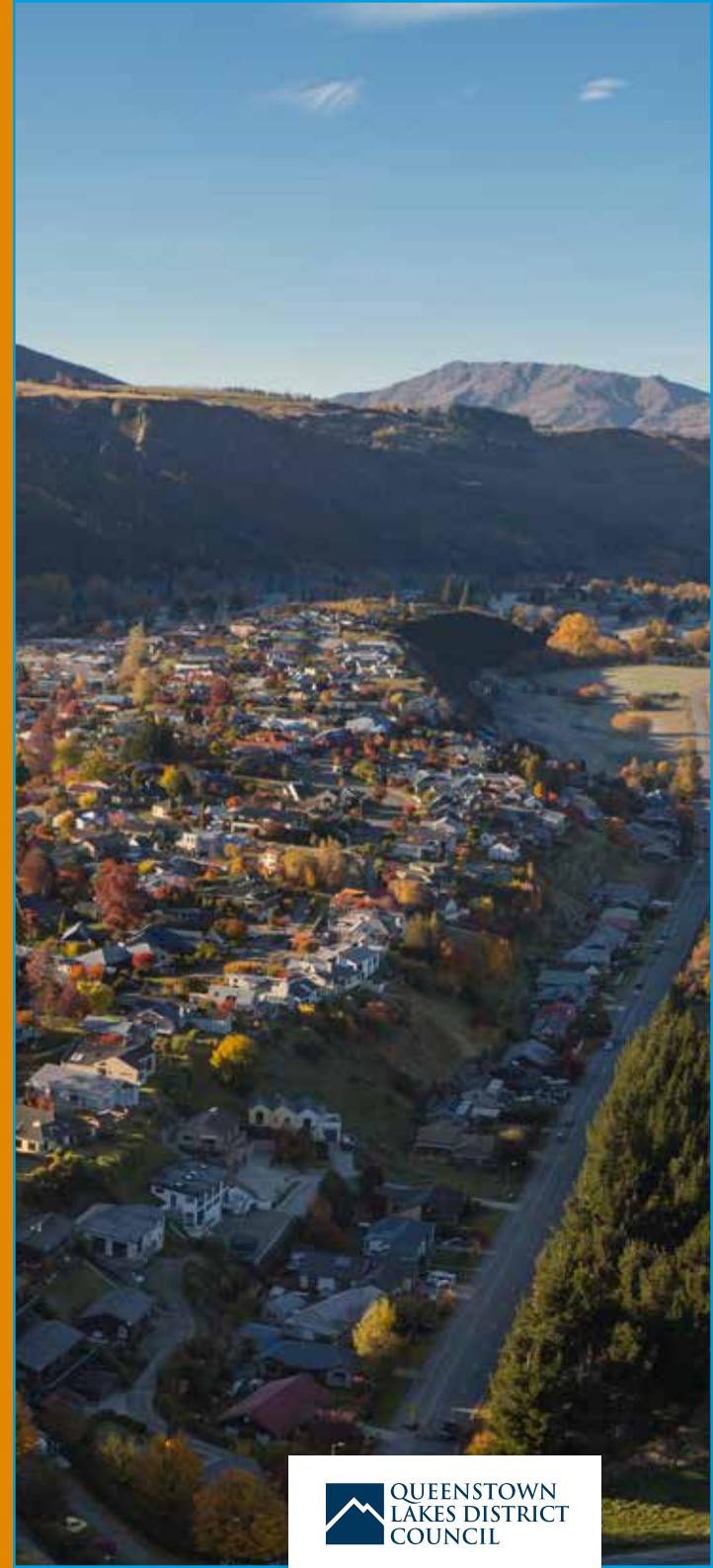
You can apply for a Certificate of Compliance from the Council to provide a legal document confirming the lawfulness of an activity under the current district plan rules.

A Certificate of Compliance can't be issued if the building or site does not comply with the current rules, or if the proposed rules reach the stage where they require a resource consent to carry out the activity lawfully – for example the point where the rules have legal effect.

EXISTING USE RIGHTS

Existing use rights may not apply if there is inadequate information to confirm lawfulness, if an activity ceases for more than 12 months, or if the effects of the activity are not the same or similar as when the business was established.

Registering the business with the Council for rates purposes is not the only requirement to be a permitted activity – see the table below for further detail.



EXISTING VISITOR ACCOMMODATION RULES			PROPOSED VISITOR ACCOMMODATION RULES		
NO RESOURCE CONSENT REQUIRED (Permitted activity)	RESOURCE CONSENT REQUIRED (Discretionary Activity)	RESOURCE CONSENT REQUIRED (Controlled Activity)	NO RESOURCE CONSENT REQUIRED	RESOURCE CONSENT REQUIRED (non complying)	RESOURCE CONSENT REQUIRED (Restricted Discretionary)
<i>Applies to Low Density, Medium Density, High Density and Arrowsmith Residential Historic Management, and Visitor Accommodation Sub-Zones</i>	<i>Applies to Low Density, Medium Density Residential, Arrowsmith Residential Historic Management Zones</i>	<i>Applies to High Density Residential and Visitor Accommodation Sub-Zones</i>	<i>Applies to Low Density, Medium Density, High Density and Arrowsmith Residential Historic Management, Large Lot Residential and Visitor Accommodation Sub-Zones</i>	<i>Applies to Low Density, Medium Density, Arrowsmith Residential Historic Management, and Large Lot Residential Zones</i>	<i>Applies to High Density Residential Zone and Visitor Accommodation Sub-Zones</i>
Homestay <ul style="list-style-type: none"> No more than 5 guests Must be registered Records of letting must be kept Dwelling must be occupied If residential flat, does not have to be occupied if dwelling is occupied Can occur in dwelling and flat at the same time No limit on the number of days or lets 1 car park per bedroom Holiday Home <ul style="list-style-type: none"> Minimum stay of 3 nights No more than 90 days/year Must be registered Records of letting must be kept Only applies to standalone or duplex units; apartments cannot register and need a resource consent Single let <ul style="list-style-type: none"> Single annual let of no more than 28 nights 	A homestay with more than 5 guests A homestay that is not registered or has no letting records A holiday home that is not registered or has no letting records. A house or flat let for more than 90 days and/or less than 3 night stays Other visitor accommodation i.e. hotels/motels A homestay that does not provide adequate parking Apartments used as Holiday Homes	A homestay with more than 5 guests A homestay that is not registered or has no letting records A holiday home that is not registered or has no letting records A house or flat let for more than 90 days and/or less than 3 night stays Other visitor accommodation i.e. hotels/motels A homestay that does not provide adequate parking Apartments used as Holiday Homes	Homestay <ul style="list-style-type: none"> No more than 5 guests May occur in: <ul style="list-style-type: none"> An occupied dwelling, or An occupied flat* May not occur in both a dwelling and a flat No limit on the number of days or lets 1 car park per bedroom Less than 8 traffic movements per day and no heavy vehicles or buses. Residential visitor accommodation <ul style="list-style-type: none"> No more than 28 days/yr No more than 3 lets/yr No minimum stay Less than 8 traffic movements per day and no heavy vehicles or buses Includes use of apartments 	Homestay <ul style="list-style-type: none"> More than 5 guests Occurs in: <ul style="list-style-type: none"> An unoccupied dwelling, or An unoccupied flat* Occurs in both a dwelling and a flat even if occupied Less than 1 carpark per bedroom More than 8 traffic movements per day or heavy vehicles or buses Residential visitor accommodation <ul style="list-style-type: none"> More than 28 days/yr More than 3 lets/yr More than 8 traffic movements per day, heavy vehicles or buses. Other visitor accommodation i.e. hotels/motels	Homestay <ul style="list-style-type: none"> More than 5 guests Occurs in: <ul style="list-style-type: none"> An unoccupied dwelling, or An unoccupied flat* Occurs in both a dwelling and a flat even if occupied. Less than 1 carpark per bedroom More than 8 traffic movements per day or heavy vehicles or buses Residential Visitor accommodation <ul style="list-style-type: none"> More than 28 days/yr More than 3 lets/yr More than 8 traffic movements per day, heavy vehicles or buses. Other visitor accommodation i.e. hotels/motels

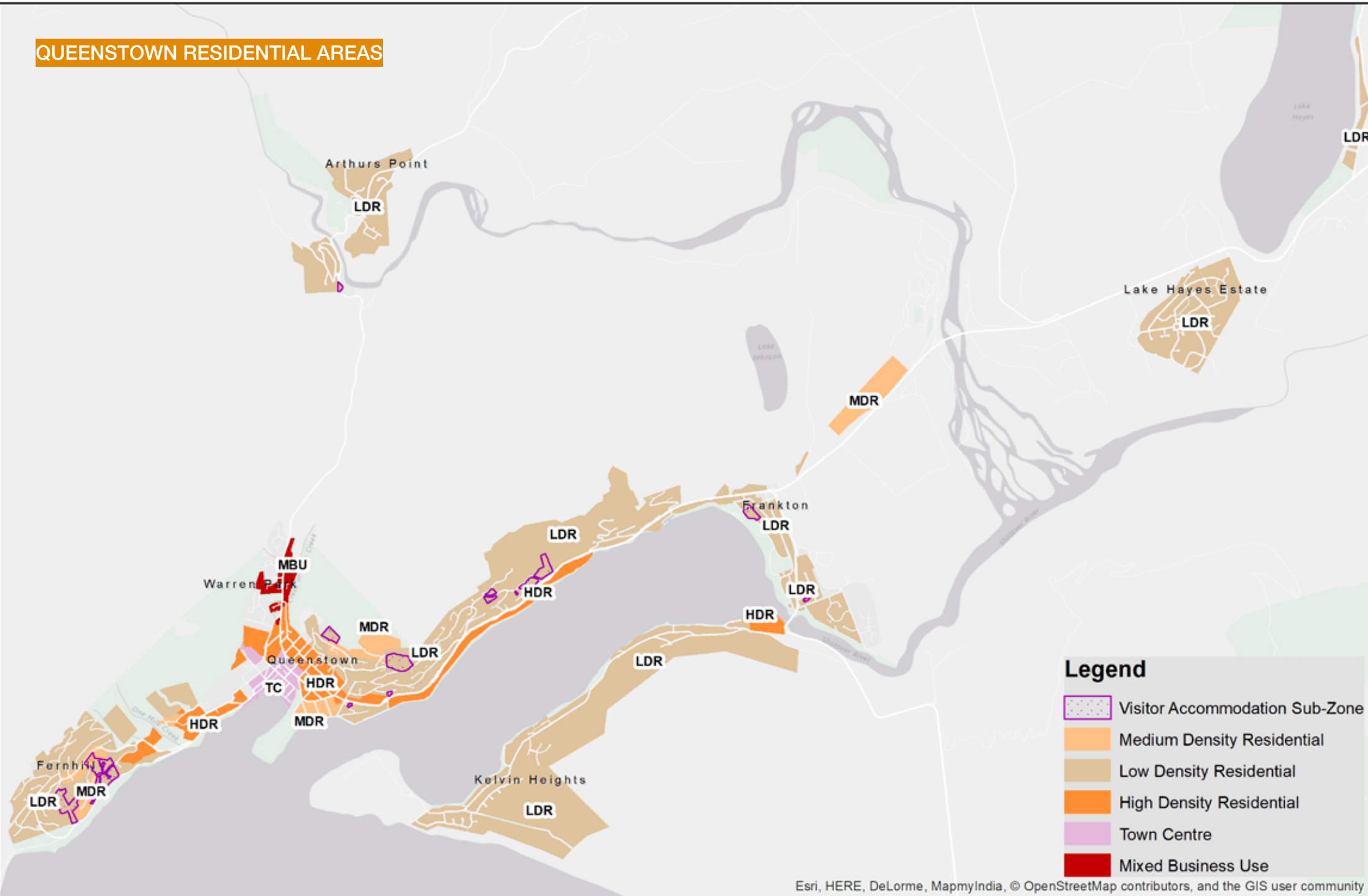
* Note: 'occupied' means inhabited for residential purposes i.e not for short term visitor accommodation

THE FOLLOWING TABLE SUMMARISES THE RULES FOR OTHER ZONES:

ZONE	RESIDENTIAL VISITOR ACCOMMODATION		HOMESTAY	
	No Resource Consent Required	Resource Consent Required	No Resource Consent Required	Resource Consent Required
	<ul style="list-style-type: none"> No more than 28 days/year No more than 3 lets/yr No minimum stay Less than 8 traffic movements per day and no heavy vehicles and buses Includes use of apartments 	<ul style="list-style-type: none"> More than 28 days/yr More than 3 lets/yr More than 8 traffic movements per day and no heavy vehicles and buses 	<ul style="list-style-type: none"> No more than 5 guests May occur in: <ul style="list-style-type: none"> An occupied dwelling, or An occupied flat* May not occur in both a dwelling and a flat 1 car park per bedroom Less than 8 traffic movements per day and no heavy vehicles and buses 	<ul style="list-style-type: none"> More than 5 guests Occurs in: <ul style="list-style-type: none"> An unoccupied dwelling, or An occupied flat* Occurs in both a dwelling and a flat even if occupied Less than 1 car park per bedroom Less than 8 traffic movements per day and no heavy vehicles and buses
Business Mixed use	Permitted	Controlled	Permitted	Controlled
Rural	Permitted	Discretionary	Permitted	Discretionary
Rural Residential and Rural Lifestyle	Permitted	Non-complying	Permitted	Non-complying
Gibbston Character	Permitted (specific areas)	Discretionary	Permitted (specific areas)	Discretionary
Jacks Point, Waterfall Park, Milbrook	Permitted (specific areas)	Non-complying	Permitted (specific areas)	Non-complying
Wakatipu Basin Rural Amenity Zone (including the Lifestyle Precinct)	Permitted	Discretionary	Permitted	Discretionary

* Note: 'occupied' means inhabited for residential purposes i.e not for short term visitor accommodation

QUEENSTOWN RESIDENTIAL AREAS



Queenstown Proposed Residential Areas

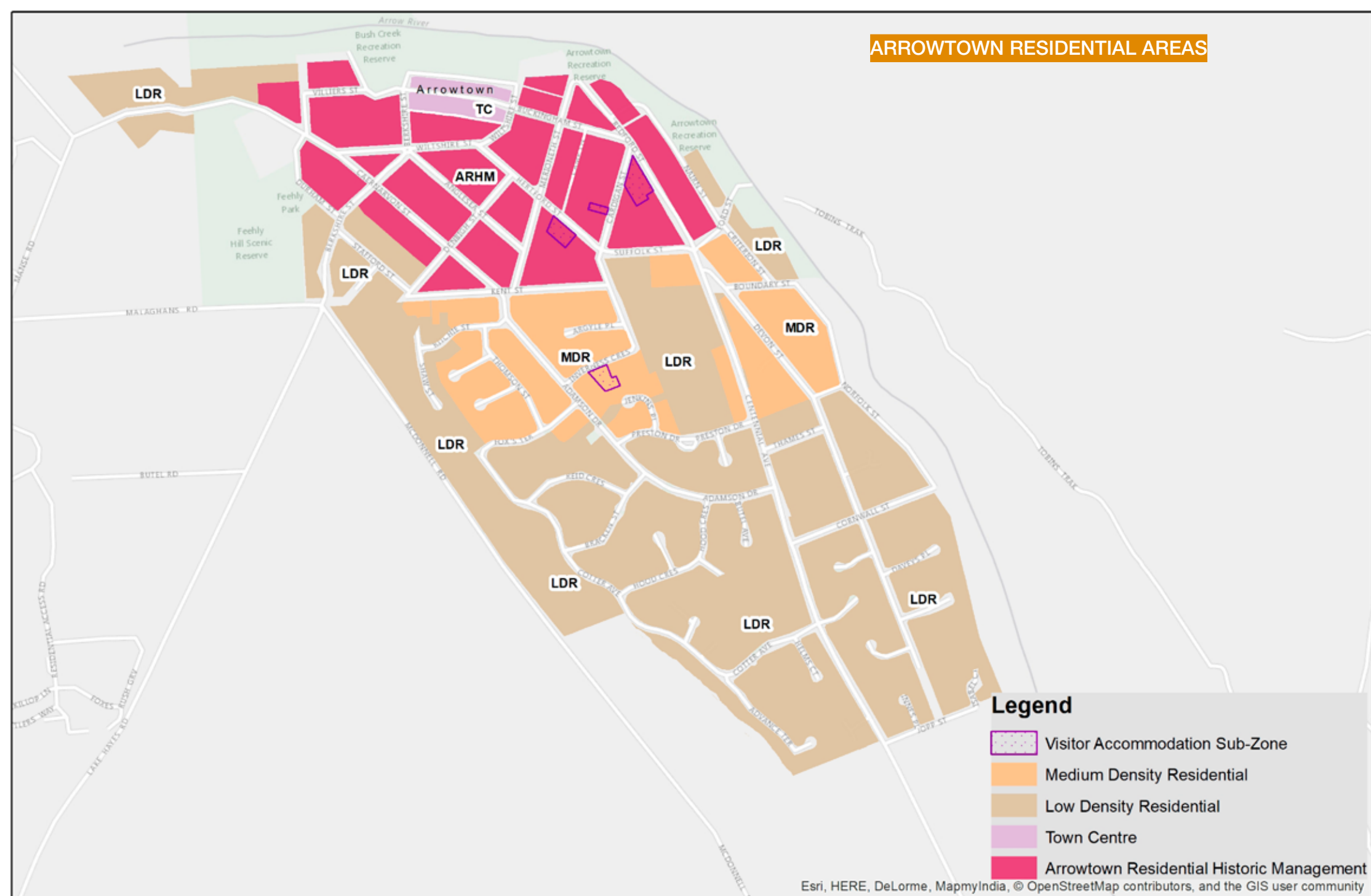
Other Proposed District Plan Zones that are impacted by the proposed changes to Visitor Accommodation are: Rural Residential, Rural Lifestyle, Rural, Gibbston Character, Jacks Point, Waterfall Park and Millbrook Zones. Other areas not highlighted on the map or listed above will not yet be affected by proposed changes to visitor accommodation.

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ARROWTOWN RESIDENTIAL AREAS

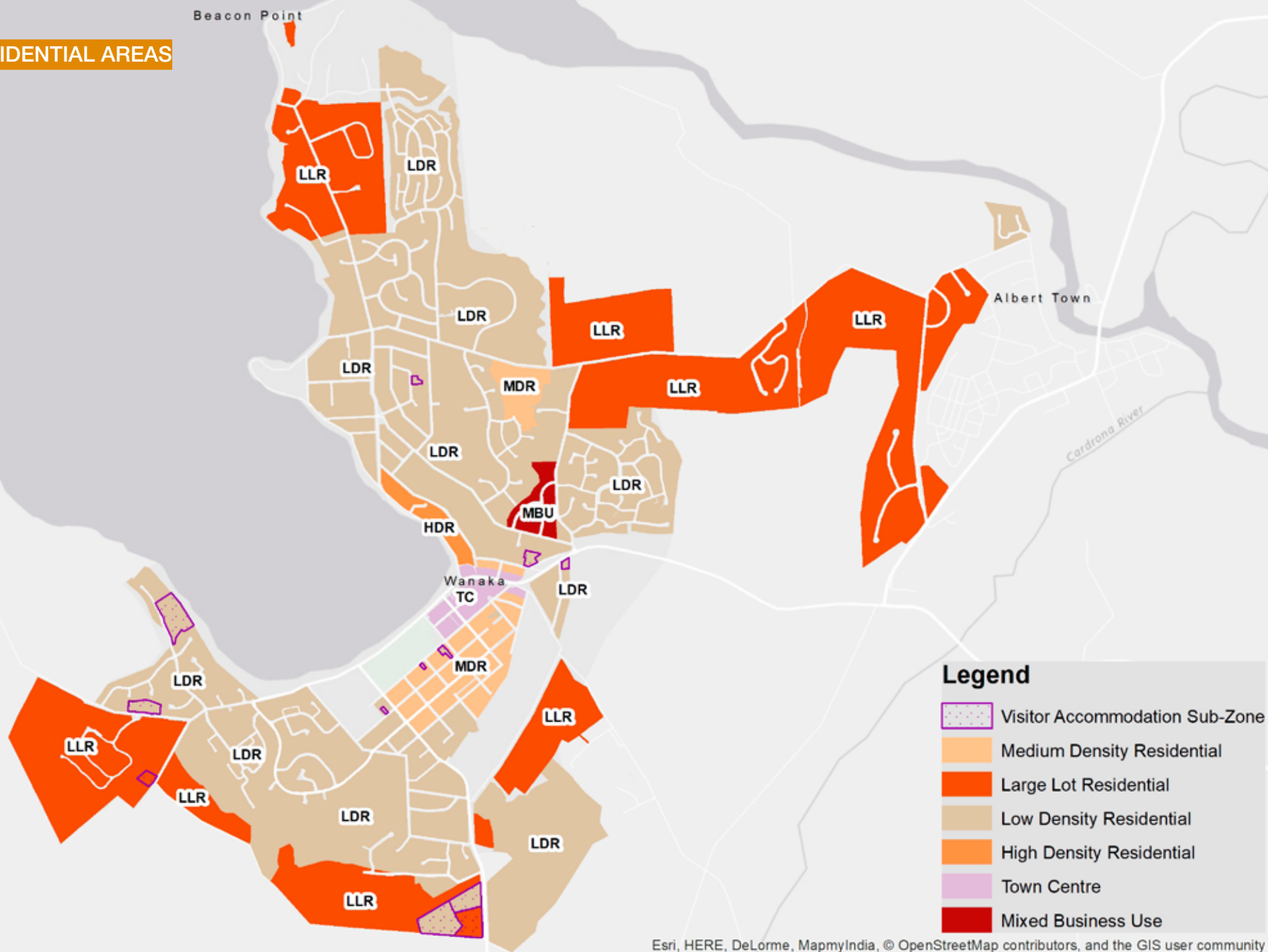


Arrowtown Proposed Residential Areas

Other Proposed District Plan Zones that are impacted by the proposed changes to Visitor Accommodation are: Rural Residential, Rural Lifestyle, Rural, Gibbston Character, Jacks Point, Waterfall Park and Millbrook Zones. Other areas not highlighted on the map or listed above will not yet be affected by proposed changes to visitor accommodation.



WANAKA RESIDENTIAL AREAS



Wanaka Proposed Residential Areas

Other Proposed District Plan Zones that are impacted by the proposed changes to Visitor Accommodation are: Rural Residential, Rural Lifestyle, Rural, Gibbston Character, Jacks Point, Waterfall Park and Millbrook Zones. Other areas not highlighted on the map or listed above will not yet be affected by proposed changes to visitor accommodation.

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