

BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL

IN THE MATTER OF of the Resource Management Act 1991

AND

IN THE MATTER OF Queenstown Lakes Proposed District Plan Hearing
Stream 14 (Wakatipu Basin – including mapping
submissions on Stage 1 for this area not yet heard) –
Arrowtown Urban Zoning

**STATEMENT OF EVIDENCE BY JOHN CLIFFORD KYLE
(SUBMITTER A FEELEY, E BORRIE & LP TRUSTEES LIMITED 2397)**

13 June 2018

1. INTRODUCTION

QUALIFICATIONS AND EXPERIENCE

- 1.1 My name is John Kyle. I am a founding director of the firm Mitchell Daysh Limited.
- 1.2 I have been engaged in the field of town and country planning and resource and environmental management for 30 years. My experience includes a mix of local authority and consultancy resource management work. For the past 23 years, this experience has retained a particular emphasis on providing consultancy advice with respect to regional and district plans, designations, resource consents, environmental management and environmental effects assessment. This includes extensive experience with large-scale projects involving inputs from a multidisciplinary team.
- 1.3 An outline of the projects in which I have been called upon to provide environmental planning advice in recent times is included as **Appendix A**.
- 1.4 I confirm my obligations in terms of the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014. I confirm that the issues addressed in this brief of evidence are within my area of expertise. I confirm that I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.
- 1.5 Mitchell Daysh Limited has been commissioned by the Mr A Feeley (on behalf of Feeley, Borrie and LP Trustees Ltd, being the submitter) (“submitter” or “Feeley submissions”) to provide resource management advice with respect to the Queenstown Lakes Proposed District Plan (“PDP”).
- 1.6 This hearing specifically relates to submissions regarding the rezoning requests in the Wakatipu Basin, including zoning in Arrowtown Urban Boundary and the location of urban growth boundaries and this township.

- 1.7 This evidence relates to the rezoning request made by the submitter in its submission. The submitter's land is proposed to be zoned Wakatipu Basin Rural Amenity Zone ("WBRAZ") in Stage 2 of the PDP, and the submitter has sought that this land be zoned Lower Density Suburban Residential Zone ("LDSRZ") with development managed via a Structure Plan.
- 1.8 The LDSRZ zoning for the site has been sought in order to match the urban Arrowtown zoning on the opposite side of the road to the site – being McDonnell Road. However, I am aware that the zoning of Arrowtown is also being deliberated on at this hearing. The submission seeks to extend the Arrowtown residential zone (however that might end up – likely to be LDSRZ) to the subject land.
- 1.9 As part of evaluating the merits of the Feeley submission I have undertaken a detailed evaluation of the proposal in terms of s32AA of the Resource Management Act ("RMA" or "the Act"). This has entailed commissioning a technical report addressing how services would be provided to the site and commissioning the preparation of visual simulations to demonstrate the visual impact of the proposed development enabled by the rezoning. These documents are included as Appendices to the s32AA Evaluation, which is attached to my evidence as **Appendix B**.

SCOPE OF EVIDENCE

- 1.10 By way of summary, in this statement of evidence I will:
- 1.10.1 Describe the Feeley submission and relief sought, and the alternative method I now propose for achieving this relief;
 - 1.10.2 Provide an overview of the other submissions and further submissions that relate to extending Arrowtown's western edge;
 - 1.10.3 Discuss the Council's recommendations on the Feeley submission;
- 1.11 In preparing this brief of evidence, I confirm that I have read:

- 1.11.1 The Feeley submission and Feeley's further submission on the PDP Stage 2;
- 1.11.2 Other relevant submissions and further submissions;¹
- 1.11.3 The section 42A report prepared for the Wakatipu Basin Hearing and the relevant expert evidence of Mr Dave Smith (Transport), Ms Andrea Jarvis (Infrastructure) and Ms Helen Juliet Mellsop (Landscape), dated 30 May 2018;
- 1.11.4 The relevant sections of the operative and decisions version of the Regional Policy Statement for Otago (the Operative RPS and the Proposed RPS respectively);
- 1.11.5 Chapter 24 as notified in Stage 2 PDP, and the Stage 1 decisions for the Strategic Directions Chapter 3, Urban Development Chapter 4, the Rural Residential Zone Chapter 22 and the LDSRZ Chapter 7.

OVERVIEW OF SUBMISSION AND FURTHER SUBMISSIONS

- 1.12 A Feeley, E Borrie and LP Trustees Ltd lodged a submission and further submission with respect to the PDP Planning Maps notified in Stage 2 of the District Plan review process. This evidence relates to the submitter's submission and further submissions which:
 - 1.12.1 Opposed the proposed Wakatipu Basin Rural Amenity zoning (WBRAZ) of the land at 508 Arrowtown-Lake Hayes Road, and sought it be rezoned for residential purposes, with development managed in accordance with a Structure Plan (note I have suggested a slightly altered methodology to achieve the relief sought which I discuss at paragraphs 1.26 to 1.28 of my evidence).
 - 1.12.2 Supported the submission on Trojan Helmet Ltd, which sought the rezoning on the land immediately adjacent to the submitter's

¹ Submissions 2281 – Roger Monk, 2505 – Arrowtown Retirement Village Joint Venture, and Trojan Helmet Ltd 2387.

land to reflect the resource consent held by Trojan Helmet Ltd which enables development of this land with 17 residential dwellings.

1.12.3 Feeley's submission was supported by Trojan Helmet Ltd, (subject to standards being imposed to manage interface effects at the boundary of these two sites). Feeley's submission was also supported by Banco Trustees Ltd, McCulloch Trustees Ltd 2004 Ltd and others.²

1.13 No further submissions opposing Feeley's submission were received.

1.14 I note that my firm did not prepare the Feeley primary submission but assisted with the further submissions. To assist my evaluation of the merits of the primary submission and to assist the panel, I have taken a fulsome approach to testing the request to rezone the subject site by undertaking an assessment in terms of s32AA of the Act. To assist this assessment, a number of technical assessments were also commissioned. The section 32AA assessment is attached to my evidence as **Appendix B**.

RELIEF SOUGHT BY THE FEELEY SUBMISSION

1.15 The submission sought the rezoning of a 6.2 hectare (approx.) parcel of land located contiguous with and immediately west of the current Arrowtown township. The site is triangular in shape and is bound by McDonnell Road and Arrowtown-Lake Hayes Road. The Hills Golf Course forms the third site boundary. One dwelling and a cottage currently occupy the site.

1.16 A large stand of pine trees along the McDonnell Road boundary of the subject site, which have been present for many years, are in the process of being removed by the land owner.

1.17 Surrounding land uses include the lower density residential areas of Arrowtown township to the east. This existing land use pattern extends

² Banco Trustees Ltd, McCulloch Trustees Ltd 2004 Ltd and others 2716.

south along the eastern side of McDonnell Road approximately 500m beyond the subject site boundary. Arrowtown South Special Zone has approved zoning for urban density type development that will extend this urban development another 100m (approx.) down McDonnell Road, and then transition to rural living development (with identified building platforms) further south to the Arrowtown Golf Course.

1.18 On the western side of McDonnell Road various developments are underway. The Hills Golf Course immediately south of the site has resource consent to develop 18 additional dwellings in accordance with a resource consent. Further south and immediately adjacent to the Hills the Arrowtown Lifestyle Village retirement village is under construction. This village provides for 195 residential retirement units and a care facility, refer masterplan for this village in Figure 1 below.



Figure 1: Arrowtown Lifestyle Village Master Plan.

1.19 This pattern of development on the western side of McDonnell Road has already extended Arrowtown's western and southern urban boundary well beyond those areas zoned Lower Density Suburban Residential Zone.

- 1.20 Similarly, urban residential and resort style residential development is provided for to the northwest of the site, with the Meadow Park Special Zone and the Millbrook Resort Zone.
- 1.21 The Feeley site is the only remaining pocket of land along this part of McDonnell Road that does not have planning approval for residential development.
- 1.22 Other submitters have sought that the PDP better reflect the consented or zoned pattern of development in this area. Submitter Trojan Helmet Ltd sought the zoning at the Hills Golf Course to be amended to reflect the consented activities at this site. Similarly, Monk has sought that the zoning for the Arrowtown South should be refined to better reflect the approved development for this area.
- 1.23 Arrowtown Retirement Village Joint Venture has submitted that the zoning and Proposed Plan provisions be amended to better reflect the Special Housing Area approval that has enabled the development of this site for a retirement village.
- 1.24 This existing and consented / zoned environment was carefully considered in the Wakatipu Basin Land Use Study³ (“WBLUS”). This study concluded that the Feeley land has a *high* capacity to absorb additional development and recommended an urban zone for this land. Chapter 24 of the notified Stage 2 PDP reiterates this finding in the discussion of the various Landscape Character Units (“LCU”) in the Wakatipu Basin, of which the subject site is contained in ‘LCU 23 Millbrook’.
- Notwithstanding these findings, the site has been zoned WBRAZ, which has an allowable residential density of one residential unit per 80 hectares.
- 1.25 In the context of the reasonably extensive development occurring along the western and eastern sides of McDonnell Road, and with the conclusions made in the WBLUS, the submitter has sought that its site be rezoned to enable residential development. The submission included a

³ Wakatipu Basin Land Use Study, March 2017, prepared by Barry Kaye Associates Ltd, Bridget Gilbert Landscape Architecture and Strateg.ease.

Structure Plan and sought that the entire site be zoned LDSRZ. The Structure Plan was a method proposed to manage development on the site to concentrate residential development along McDonnell Road, whilst limiting the remainder of the site to a maximum of five residential units. A 25m wide landscape protection area was shown on the Structure Plan along Arrowtown-Lake Hayes Road, and a 10m setback was shown along the southern boundary of the site.

1.26 Having considered the submission and having undertaken an assessment of it in terms of section 32AA, I hold the view that a small refinement to the planning method proposed to achieve the relief sought in the submission might be appropriate. In essence I suggest that the most appropriate approach for the said land is to rezone the land LDSRZ along McDonnell Road (as shown in the submission), with the exception of a building restriction area at the south-western corner of the site. This building restriction area is to largely prevent development on the elevated rocky outcrop located here. This outcrop provides a neat “divide” between the Feeley land and the adjacent land owned by the Hills and would serve to buffer any effects of development between the two sites. The bulk and location rules that therefore would apply to the LDSRZ part of the site include:

- minimum site size 450m² (between 450m²-300m² subdivision is restricted discretionary);
- building height for flat sites 6.5m and sloping sites 6m;
- maximum building coverage 40%;
- landscaped (permeable) surface areas at least 30%;
- any building in a building restriction area is a non-complying activity;
- recession planes (applies to all buildings on flat sites and only accessory buildings on sloping sites):
 - northern boundary: 2.5m and 55 degrees
 - western and eastern boundaries: 2.5m and 45 degrees;
 - southern boundaries: 2.5m and 35 degrees.

- setbacks - road boundary 4.5m, all other boundaries 2m (some exemptions apply);
- continuous building length shall not exceed 16m;
- density – one residential unit per 300m²;

1.27 For the remainder of the site I suggest that this should be rezoned Rural Residential Zone (“RRZ”). I consider this zone to be appropriate as it enables a similar density of development to that proposed within the Structure Plan (five residential units in the 23,035m² area). And it avoids the use of another site specific “Special Zone” which adds unnecessary complexity to the PDP. Notably, this zone already includes numerous site-specific provisions, such as the Bobs Cove Rural Residential sub-zone, and so any minor “bespoking” of rules for this land can be fitted into the current RRZ framework. This is considered appropriate for the subject site as I consider that some site-specific provisions are necessary to manage the effects of development in this RRZ part of the site. I discuss this further below.

1.28 I also note that the Wakatipu Basin Lifestyle Precinct Zone is another zone similar to the Rural Residential Zone that could result in a similar environmental outcome for the western part of the site. I do not favour this zone as it includes a minimum lot size of 6000m² / 1.0ha average lot area and setback from roads required is 75m. In my assessment, the subject land is capable of being developed more intensively than this without giving rise to adverse environmental effects and the RRZ is a better fit in this regard.

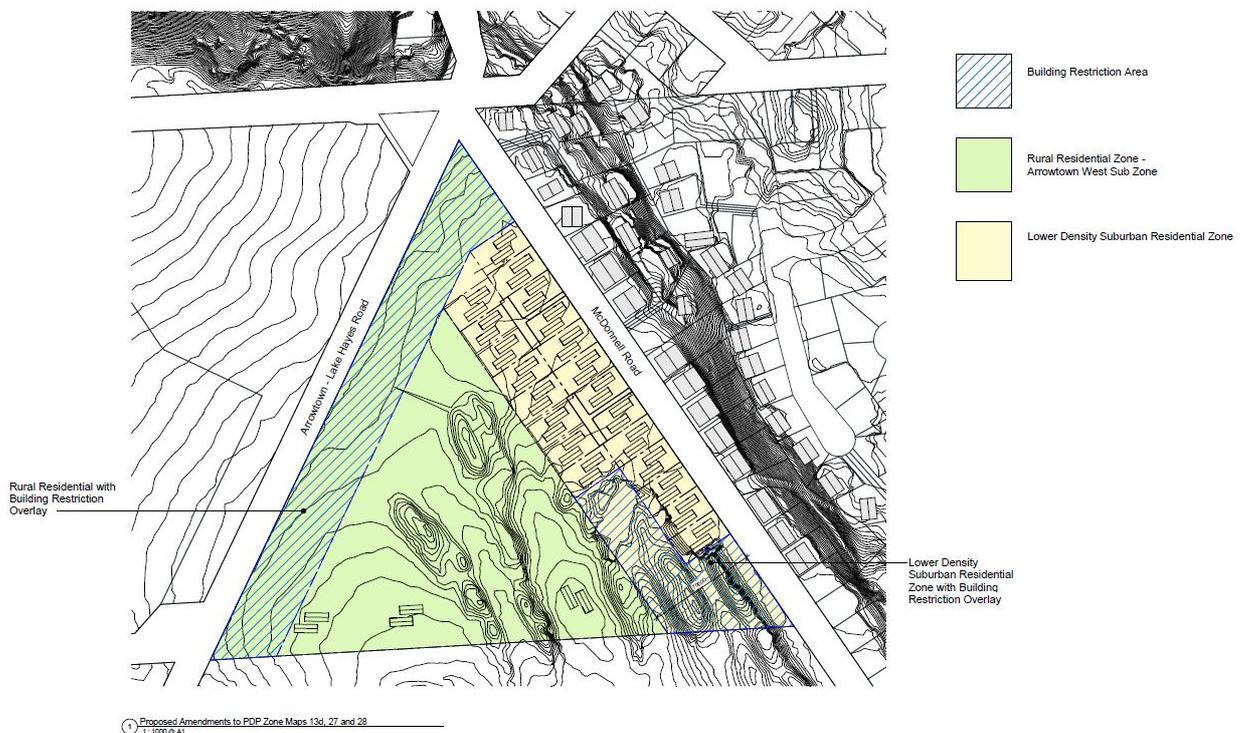
1.29 To properly manage the effects of development at the site, I suggest that site-specific rules be included in a new table at the end of the RRZ chapter, and contain the following rules:

1.29.1 Table 7: Rural Residential Zone at the Arrowtown West Sub-zone:

- There shall be no more than five residential units within the Rural Residential Zone at Arrowtown West Sub-zone;

- Building setback from Arrowtown-Lake Hayes Road – 25m;
- Building setback from southern zone boundary – 10m;
- Building setback from the LDSRZ – 6m;
- Landscaping: planting within the building restriction area adjacent to Arrowtown-Lake Hayes Road with two rows of trees along this road frontage shall be maintained by the land owner(s). This rule shall be given effect to by a consent notice registered against the title of the lot containing all or part of the building restriction area adjacent to Arrowtown-Lake Hayes Road.
- The erection of solid or paling fences is not permitted (non-compliance - NC);
- No more than two vehicle accesses shall be permitted on Arrowtown-Lake Hayes Road (non-compliance is NC)

1.30 The suggested zoning for the site is shown in the suggested zoning map below:



2. SECTION 42A REPORT AND COUNCIL EVIDENCE

- 2.1 The Council officer has recommended that the Feeley submission be rejected.
- 2.2 The Council officer has relied on the evidence of Landscape Architect, Ms Mellsop, who has concluded that the proposed urban zoning (as per the submission) would adversely affect the landscape character of the basin. She states that *“It would breach the current containment of Arrowtown’s urban form by McDonnell Road and could provide a precedent for further inappropriate spread of development into the rural land west of the road.”*⁴
- 2.3 However, Ms Mellsop also states that, in terms of visual amenity effects, a narrow strip of low density residential development could be absorbed on the western side of McDonnell Road, opposite existing development, if it was effectively screened from Arrowtown-Lake Hayes Road, and did not impact upon the open pastoral nature and remaining rural character of the approach to Arrowtown.⁵ She goes on to state that, from a wider perspective of the landscape character of this part of the Wakatipu Basin, she considers the low density residential zoning would not be appropriate as it would breach the current containment of Arrowtown urban form by McDonnell Road.
- 2.4 The findings of the WBLUS differ from those of Ms Mellsop. In particular, the WBLUS concluded that the current containment of Arrowtown along McDonnell Road has already been impacted by the consented Arrowtown Lifestyle Retirement Village, and the Hills and Millbrook golf courses and associated residential developments (existing and consented). The WBLUS attributed the subject site with a high potential to absorb change:

*“The **High** rating applied to the small triangular parcel at the eastern end of 23 Millbrook is the consequence of the proximity of this area to Arrowtown and its enclosure along its west and south edges by golf*

⁴ Evidence of Ms Mellsop, paragraph 3.1(f).

⁵ Evidence of Ms Mellsop, paragraph 7.57.

course landscapes. In essence, this parcel comprises an anomaly in the pattering of Arrowtown and rural residential golf course landscapes that define the western and southern margins of the settlement.⁶

- 2.5 The WBLUS recommended rezoning the site to enable a more urban-type development approach, that aligns with the South Arrowtown Precinct zoning⁷ – which provide an area of low density residential zoning along McDonnell Road, and a rural residential type zoning with identified building platforms further south towards Arrowtown Golf Course.⁸
- 2.6 Further, for the subject site, a clearly legible and robust defensible edge along the south boundary of this parcel was recommended.⁹ The Arrowtown Urban Growth Boundary (if retained) could provide this boundary.
- 2.7 I note that the WBLUS recommends three locations within the Wakatipu Basin for more urban development – these areas being area LCU 10 Ladies Mile, area LCU 24 South Arrowtown and LCU 23 Millbrook. For these three areas an urban parkland development approach is suggested, similar to Millbrook, with clusters of housing in areas determined by site-specific characteristics (as opposed to the Lake Hayes Estate type of development) and using a structure plan approach.¹⁰
- 2.8 Notably, the subject site, defined as the ‘small triangular area at the eastern end of LCU 23 Millbrook’ is specifically excluded from the recommendation for a structure plan approach to development.
- 2.9 My conclusion from reading the WBLUS is that the proposed approach to rezoning the subject land partly LDSRZ and partly RRZ is appropriate. It concentrates the urban density development immediately adjacent to the existing similar development on McDonnell Road. The remainder of the site would be developed at a density which is more akin to Millbrook and

⁶ Wakatipu Basin Land Use Study, paragraph 5.34.

⁷ Wakatipu Basin Land Use Study, paragraph 6.15.

⁸ Wakatipu Basin Land Use Study, Table 1 Landscape Character Unit Absorption Capability and Zoning, and Figure 1.

⁹ Wakatipu Basin Land Use Study, paragraph 6.17.

¹⁰ Wakatipu Basin Land Use Study, paragraphs 6.16 and 6.18.

with building restriction areas immediately adjacent to Arrowtown-Lake Hayes Road, and the rocky outcrop at the south eastern end of the site, providing landscape buffers.

- 2.10 This revised approach also addresses the concerns raised by the Council officer that the use of the LDSRZ for the land where development is limited to five residential units is counter intuitive.¹¹ It is his view that this zoning would invite a future plan change to remove the restriction and enable full development under the LDSRZ. I agree that it unconventional to zone a 2.8 hectare (approx.) piece of land LDSRZ, and then restrict the number of dwellings to five. In my view the RRZ, along with the site-specific provisions, better meets his concerns and with the environmental outcomes I consider to be appropriate for this land. Of course, the LDSRZ and Structure Plan method would also achieve the same environmental outcome, only that the use of another structure plan in the Plan leads to unnecessary complexity.
- 2.11 The s42A report author notes that the topography of the site is distinct from Arrowtown's established urban settlement, and that the LDSRZ land immediately across McDonnell Road is the distinct urban edge of Arrowtown's urban form, which is reinforced by the escarpment topography.¹² The s42A report considers that the rezoning would not align with Policy 4.1.2.5 which seeks to minimise urban development degrading the values derived from open rural landscapes.
- 2.12 I refer again to the findings of the WBLUS which concluded that the urban edge of Arrowtown is already beyond the western edge of McDonnell Road with the Hills golf course and its consented development and the Arrowtown Lifestyle Retirement Village which accommodates 195 residential retirement units and associated care facilities. The recommendations of this report were to extend the urban boundary for Arrowtown around the western edges of these developments and enable urban-type development similar to the Arrowtown South development.

¹¹ S42A report for Arrowtown Urban Rezoning, dated 30 May 2018, paragraph 13.20.

¹² S42A report for Arrowtown Urban Rezoning, dated 30 May 2018, paragraph 12.10.

The proposed rezoning of the submitter's land reflects this recommendation.¹³ In my view, the Council's earlier decisions to enable McDonnell Road to be developed for residential purposes to its frontage means that any containing effect the adjacent ridgeline had has been subsequently lost.

- 2.13 Ms Mellsop also states that the 25m wide landscape buffer from Arrowtown-Lake Hayes Road would be insufficient to maintain the visual amenity values and spaciousness of this approach to Arrowtown.¹⁴ In Ms Mellsop's view, if the strip of LDSRZ and five RRZ dwellings are visible from this road then this development would be perceived as a spread of development from urban Arrowtown into its rural surrounds, and any screening would obstruct views from the road to the Crown Escarpment and Crown Range.
- 2.14 The 25m landscaping buffer/setback along Arrowtown-Lakes Hayes Road is intended to ensure buildings are set back from this road boundary, and to enable amenity planting within this strip of land. Of course, Ms Mellsop did not have the benefit of detailed visual simulations and I can understand her initial reticence. However, as is evident from the visual simulations (which are included in the s32AA Evaluation, **Appendix B** attached) dwellings that would fall within the LDSRZ would blend very well with the existing residential development on McDonnell Road (and the terrace beyond) and this area would appear as a single, cohesive residential form.
- 2.15 Further, the large stand of pine trees along the McDonnell Road boundary of the subject site have the current effect of defining an urban edge. These trees are in the process of being removed, and this removal will open up views of the existing development along McDonnell Road, which serves to further emphasise the importance of the building restriction area along Arrowtown-Lake Hayes Road and the requirement to maintain the planting in this strip.

¹³ Wakatipu Basin Land Use Study, page 10, Figure 2 Recommended Precincts and Zoning Map (assuming SHAs developed).

¹⁴ Evidence of Ms Mellsop, dated 28 May 2018, paragraph 3.1(f)(ii).

- 2.16 Moreover, the visual simulations show three additional dwellings in the Rural Residential Zone area of the site (which equates to a total of five dwellings when the existing dwelling and cottage are counted). In the locations shown on the simulations, these dwellings are screened by the topography of the site and are only visible in the Foxes Terrace walkway simulation, which is from an elevated viewpoint. In the locations shown on the simulations, these dwellings do not impact upon the visual amenity values of the approach to Arrowtown, as they are not visible.
- 2.17 As I have discussed earlier in my evidence, the premise for the proposed zoning at the site has arisen from the WBLUS findings that this parcel of land has a high capability to absorb development. This finding is included in the discussion on the Landscape Character Units of the Wakatipu Basin contained in the notified Chapter 24 'Wakatipu Basin' but is not carried through to the proposed zoning of the site in the PDP.¹⁵ In my view, zoning this land WBRAZ would prevent any further development on this land and will be a significant missed opportunity to provide additional residential accommodation within Arrowtown in a way that can make efficient use of Arrowtown's existing services, amenities, community life and school.

Servicing

- 2.18 Ms Jarvis has provided evidence on behalf of the Council in which she comments on the viability of servicing the resultant residential lots from the proposed rezoning. Ms Jarvis has estimated the number of lots that could theoretically be yielded from the site to be 93, and notes that the Structure Plan shows 35. It is clear that Ms Jarvis has calculated the yield of 93 on the whole site being developed for low density housing, whereas this is not the relief sought by the submitter. The Structure Plan, which I now suggest being revised to a dual zoning approach, will limit development to approximately 26 dwellings in total on the site.
- 2.19 Hadley Consultants Ltd have provided a servicing assessment for the rezoning proposal, and this is contained within the s32AA report,

¹⁵ Notified Proposed District Plan, Stage 2 Chapter 24, page 64.

(attached as **Appendix B** to my evidence). Hadley Consultants have advised that the site can readily connect to the water supply, wastewater network and stormwater network which have pipes along McDonnell Road, immediately adjacent to the site. Hadley Consultants note that should there be insufficient capacity in any of these reticulated networks then there is an option to manage these services on-site, or to upgrade this capacity.

- 2.20 Ms Jarvis states that the water supply network should have adequate levels of service from the perspective of flows and pressures, assuming development contributions are paid to off-set the headworks upgrades required in terms of borefields, treatment and reservoir storage.¹⁶
- 2.21 Ms Jarvis has concluded that there is no theoretical capacity constraint in the sewer line within McDonnell Road, based on the site accommodating 93. She has stated that the existing network currently services approximately 200 lots and could service up to approximately 300.¹⁷ Therefore, it should have capacity to accommodate an additional 25 lots. Hadley Consultants have advised that this existing sewer line in McDonnell Road is unlikely to be at capacity and has the ability to accommodate more than 250 lots. Accordingly, a connection to the existing Council wastewater scheme is the preferred option to service the site.
- 2.22 At the time of subdivision, a strategy for servicing the lots will be developed. The Hadley Consultants' servicing report finds no obstacle to the servicing of the lots.

Transportation Effects

- 2.23 The evidence of Mr Smith discusses the Traffic and Transportation related effects of the rezoning sought by submitters. For the Feeley submission, Mr Smith considers that access to the site can be safely provided from McDonnell Road. The site already contains two crossing places from Arrowtown-Lake Hayes Road, and the suggested rules do

¹⁶ Evidence of Ms Jarvis, dated 28 May 2018, paragraph 80.6.

¹⁷ Evidence of Ms Jarvis, dated 28 May 2018, paragraph 80.7.

not allow any more vehicle accesses from this road, to serve the RRZ lots from this road.

- 2.24 Mr Smith has assessed the development capacity of the site as being approximately 34 residential units. I note that the building restriction area now suggested at the south-eastern corner of the site would limit the development capacity to approximately 25 residential units. In any case, Mr Smith has concluded that the development is unlikely to have a significant effect on the efficiency of the local road network due to the relatively small number of additional units.
- 2.25 Mr Smith does however raise concerns with the capacity of the Shotover Bridge. He expects 50% of the traffic from the development to travel via this bridge to Queenstown/Frankton. The estimate of 5 additional trips per peak hour on the bridge would not be considered noticeable. However, concerns are raised about the long-term performance of the network when considered in the context of cumulative effects of development in the Wakatipu Basin. Therefore, given the capacity limitations associated with the Shotover Bridge, Mr Smith does not support the rezoning. I note that Mr Smith has made the same conclusion for all submissions seeking rezoning of land that would increase the number of vehicles crossing the Shotover Bridge to access Frankton/Queenstown.
- 2.26 Shotover Bridge is on State Highway 6. No submission has been received by NZ Transport Agency (“NZTA”) on the Feeley submission or on Stage 2 of the PDP, and Mr Smith does not refer to NZTA’s position in relation to any required upgrading of the Shotover Bridge.
- 2.27 In the s42A report, the Council officer refers to Mr Smith’s recommendation as part of his reason to recommend rejecting the Feeley submission. I note that the s42A author has taken a different approach to the zoning request of the Queenstown Lakes Community Housing Trust, which would result in approximately 67 - 102 residential lots in Arrowtown. The s42A report author supports this rezoning, despite it being opposed by Mr Smith. In relation to the Shotover Bridge capacity

issue as it relates to the Queenstown Lakes Community Housing Trust submission, the s42A concludes that:

The pressure of a growing Queenstown economy and growth from already consented developments in this area will necessitate investment in this critical route that resolves these capacity constraints within a reasonable time horizon. Protecting the capacity of the bridge in the meantime as a “dead hand” that prevents all additional urban growth north of the bridge is not tenable in my view.¹⁸

2.28 I agree with the s42A report author in this regard. It is untenable that traffic movement constraints at a bridge should justify a halt on all development east of the bridge, especially when already consented development would likely require this bridge upgrade in any case. The number of additional vehicles movements associated with this proposal is immaterial. Further, the subject site is well located to enable residents to make use of the public transport services connecting Arrowtown to Frankton and Queenstown. The new bus route service has a bus stop at Adamson Drive, which can be accessed on foot via the walkway between McDonnell Road to Foxes Terrace. This service is within easy walking distance of the site, and with the new pricing for the public transport service I would expect residents to make use of this service, which would reduce the potential number of vehicles using the Shotover Bridge.

3. STATUTORY AND NON-STATUTORY CONSIDERATIONS

3.1 Section 75 of the RMA requires that a district plan must give effect to:

(a) *any national policy statement; and;*

(b) ...

(c) *any regional policy statement.*

3.2 Of particular relevance to this hearing is the National Policy Statement on Urban Development Capacity 2016 and the proposed and operative RPS.

¹⁸ S42A report for Arrowtown Urban Rezoning, dated 30 May 2018, paragraph 11.32.

- 3.3 I have completed a s32AA evaluation of this rezoning proposal. This is attached to my evidence as **Appendix B**. This evaluation includes consideration of the policy documents that are relevant to the rezoning proposal, including the NPS-UDC, the Operative and Proposed Regional Policy Statement's, the relevant regional plans and the Iwi Management Plans.
- 3.4 I do not intend to repeat that discussion in my evidence. However, I note that the rezoning proposal finds considerable support within these higher order documents.

Proposed District Plan

- 3.5 Consideration of the proposal in terms of the relevant objectives of the Strategic Directions chapter, the Urban Development chapter, the RRZ and the LDSRZ chapters is provided in the s32AA report. I also consider the provisions that relate specifically to the location of the Urban Growth Boundaries to be relevant to this proposal. In my view, the proposal is an appropriate way to give effect to the relevant objectives and policies of the PDP, particularly those guiding the location of the Urban Growth Boundaries that:

- Define these boundaries to identify the areas available for growth of the main settlements;¹⁹
- Focus urban development on land within and at selected locations adjacent to the existing larger urban settlements and to a lesser extent, accommodate urban development within smaller rural settlements;²⁰
- Ensure the Urban Growth Boundaries encompass sufficient areas to meet anticipated demand, ensure the ongoing supply of a competitive land supply for urban purposes, make provision for the efficient use of infrastructure, result in a compact urban form, avoid

¹⁹ Policy 4.2.1.1.

²⁰ Policy 4.2.1.2.

sporadic urban development in rural areas, and minimise the loss of productive soil;²¹

- Minimise degradation of open rural landscapes;²²
- Review and amend Urban Growth Boundaries as required to address changing community needs;²³
- Integrate urban development with the capacity of existing or planned infrastructure so that the capacity of that infrastructure is not exceeded and reverse sensitivity effects on regionally significant infrastructure are minimized;²⁴
- Allocate land within Urban Growth Boundaries into zones which are reflective of the appropriate land use having regard to:
 - connectivity and integration with existing urban development;
 - convenient linkages with public transport;²⁵

3.6 The rezoning will extend Arrowtown in a contiguous and logical manner and is not a sporadic urban development in a rural area – resulting in housing that is fully connected and integrated with existing Arrowtown. The rezoning better aligns with the developments along the western side of McDonnell that already have planning permission (the Hills Golf Course and the Arrowtown Lifestyle Retirement Village), as well as Arrowtown South. In my view, retaining this pocket of rural land in the midst of urban residential and residential resort type developments is not a logical outcome.

3.7 The proposal can make efficient use of the existing urban infrastructure, including roads and three water services, and community amenities. The proposal will assist to provide an ongoing supply of a competitive land supply for urban purposes in Arrowtown, which is a highly desirable place to live.

²¹ Policy 4.2.1.4.

²² Policy 4.2.1.5.

²³ Policy 4.2.1.6.

²⁴ Policy 4.2.2.1.

²⁵ Policy 4.2.2.2 (d), (e).

3.8 In my view, the rezoning request for the Feeley site is appropriate and will enable the development of approximately 25 additional residential units at the site. The development of the site in accordance with the proposed zoning will extend the urban edge of Arrowtown in a logical manner that makes efficient use of the town's existing services and amenities.

4. CONCLUSION

4.1 The submission by Feeley, Borrie and LP Trustees Ltd seeks to rezone a 6.2 hectare parcel of land immediately adjacent to McDonnell Road to enable residential development. The site is proposed to be zoned Wakatipu Basin Rural Amenity Zone in Stage 2 of the PDP. The proposal seeks to zone the land partly LDSRZ and partly RRZ, with landscape buffer areas provided for via 'building restriction areas'.

4.2 Demand for residential property in Arrowtown is high. The proposed Wakatipu Basin Rural Amenity Zone is not the most appropriate zone for this site and would unduly limit the efficient development of the subject land that is suitable for residential uses.

4.3 The subject site is a parcel of land in single ownership that is located immediately adjacent to the western urban extent of Arrowtown. The site is the only remaining parcel of rural land in this area that does not have planning permission for further residential development. The site has been identified in the WBLUS as being of high ability to absorb development, and suitable for residential development. The servicing assessment prepared by Hadley Consultants Ltd concludes that the site can be serviced via existing reticulated Council services for water supply and wastewater.

4.4 An assessment of the proposed provisions under section 32AA of the Act has determined that the benefits and costs of the environmental effects of the proposed rules and other methods have been identified and properly assessed. In my view, the proposal is the most appropriate way to give effect to the relevant objectives and policies of the PDP,

particularly those guiding the location of the Urban Growth Boundaries that seek to:

- Focus urban development on land within and at selected locations adjacent to the existing larger urban settlements and, to a lesser extent, accommodate urban development within smaller rural settlements;²⁶
- Ensure the boundaries encompass sufficient areas to meet anticipated demand, ensure the ongoing supply of a competitive land supply for urban purposes, make provision for the efficient use of infrastructure, result in a compact urban form, avoid sporadic urban development in rural areas and minimise the loss of productive soil.²⁷
- Allocate land within urban boundaries with regard to connectivity and integration with existing urban development and convenient linkages to public transport.²⁸

4.5 The proposed rezoning has been drafted taking into consideration the policy statements, plans and other requirements imposed on territorial authorities when making a change to a district plan in accordance with the RMA.

4.6 In my view, the development enabled by the relief sought in the submission will result in the logical expansion of Arrowtown, that can make effective use of existing infrastructure and amenities. Retaining the WBRAZ at this site would be a missed opportunity to alleviate the housing demand in Arrowtown.

John Kyle

13 June 2018

²⁶ Policy 4.2.1.2.

²⁷ Policy 4.2.1.4.

²⁸ Policy 4.2.2(g)(e).

Appendix A

Summary of Recent Experience of John Kyle

- Alliance Group Limited – Lead consultant – renewal of all discharge and land use consents Lorneville Meat Processing Works, Lorneville - Southland Region.
- Alliance Group Limited – Air Discharge Consents – Pukeuri Meat Processing Works, Pukeuri - Otago Region.
- Alliance Group – advisor regarding various regional and district plans – nationwide.
- Queenstown Lakes District Council – preparation of a Plan Change to expand Queenstown town centre, including to accommodate a convention centre.
- Wellington International Airport Limited – Lead consultant - strategic and resource management advice with respect to the proposed runway extension – Wellington City.
- Environmental Protection Authority – advisor to the Minister appointed Board of Inquiry regarding a Plan Change by Tainui Group Holdings and Chedworth Properties for the Ruakura Inland Port Development, Hamilton.
- Environmental Protection Authority – advisor to the Minister appointed Board of Inquiry regarding a Notice of Requirement and resource consent applications by the New Zealand Transport Agency with respect to the Expressway between Peka Peka and North Otaki on the Kapiti Coast.
- Environmental Protection Authority – advisor to the Minister appointed Board of Inquiry regarding a Notice of Requirement and resource consent applications by the New Zealand Transport Agency with respect to the Expressway between MacKays Crossing and Peka Peka on the Kapiti Coast.
- Environmental Protection Authority – advisor to the Minister appointed Board of Inquiry regarding resource consent applications and designations by the New Zealand Transport Agency with respect to the proposed Transmission Gully Project – Wellington Region.
- Queenstown Lakes District Council – member of the review team commissioned to undertake a review of Council consenting and resource management policy operations.
- Environmental Protection Authority – advisor to the Minister appointed Board of Inquiry regarding a plan change application to the Wellington Regional Water plan to assist with the proposed Transmission Gully Project – Wellington Region.
- Queenstown Airport Corporation – lead consultant - Notice of Requirement for land adjacent to QAC in order provide for the future expansion of airport operations, Queenstown Lakes District.
- Genesis Power Limited – due diligence Slopedown Wind Farm, Southland District and Southland Region.

- TrustPower Limited – Planning witness - proposed Kaiwera Downs Wind Farm, Gore District and Southland Region.
- TrustPower Limited – Planning witness - proposed alteration to the Rakaia Water Conservation Order – Lake Coleridge Hydro Electric Power Scheme – Canterbury Region.
- Meridian Energy Limited – Planning witness -Proposed Mokihinui Hydro Electric Power Scheme, damming, water and land use related consents, Buller District and West Coast Region.
- TrustPower Limited – Planning witness - Wairau Hydro Electric Power Scheme, water and land use related consents, Marlborough District.
- Southern Health – Plan Change Invercargill Hospital Development - Invercargill City.
- Sanford Limited, various marine farm proposals Marlborough Sounds, Marlborough District.
- Port Marlborough Limited – Lead consultant - Plan Change proposal to alter the marina zone within the Marlborough Sounds Resource Management Plan to provide for consolidation of marina development in Waikawa Bay, Marlborough District.
- Port Marlborough Limited – Resource consent application for occupation of coastal space – Shakespeare Bay port facilities – Marlborough District.
- Meridian Energy Limited – Planning witness - proposed Wind Farm, Lammermoor Range, Central Otago District and Otago Region.
- Queenstown Airport Corporation – Lead consultant - Runway End Safety Area, designation and construction related consents, Queenstown Lakes District and Otago Region.
- Riverstone Holdings Limited – Lead consultant - Proposed Monorail Link – Lake Wakatipu to Fiordland, Department of Conservation Concession Application – Southland Conservancy.
- Ryman Healthcare Limited – Proposed rest homes – land use and regional consents – nationwide.
- Otago Regional Council – Planning witness - Consents required for controlling the Shotover River to mitigate flood risk – Queenstown Lakes District and Otago Region.
- Queenstown Airport Corporation – Lead consultant - aircraft noise controls and flight fan controls – Plan Change and Designations, Queenstown Lakes District.
- Todd Property Pegasus Town Limited – Pegasus Town, North Canterbury – Waimakariri District, Canterbury Region.
- Willowridge Developments – Lead consultant - 3 Parks Plan Change to create new commercial, large format retail, service, tourist and residential land use zones, Wanaka, Queenstown Lakes District.
- Gibbston Valley Station – Lead consultant - Land use and regional consents, Viticulture and Golf Resort, Gibbston – Queenstown Lakes District and Otago Region.
- Marlborough District Council – Business Park Plan Change, Blenheim - Marlborough District.

- Ravensdown Fertiliser Limited – Lead consultant - Coastal and Air Discharge Consent Renewal, Dunedin – Otago Region.
- Irmo Properties Limited – Resource consent application for retail complex, Green Island – Dunedin City.
- Infinity Investment Group and JIT Investments – Lead consultant - Hillend Station Farm Park development, Wanaka – Queenstown Lakes District.
- Infinity Investment Group – Lead consultant - Peninsula Bay Plan Change, Wanaka – Queenstown Lakes District.
- Genesis Power Limited – Planning witness - Tongariro Power Development, Water Related Consents, Central North Island – Environment Waikato and Horizons MW.
- Genesis Power Limited – Planning witness - Waikato District Plan review and provision for the Huntly Power Station, Waikato District.
- Matukituki Trust – Planning witness - Residential Development, Roy’s Peninsula, Wanaka – Queenstown lakes District.
- Department of Corrections – Planning witness - New Corrections Facility, Milton - Clutha District and Otago Region.
- Department of Child Youth and Family – Lead consultant -Youth Justice Facility, Rolleston – Selwyn District and Canterbury region.
- Telecom New Zealand Limited – Mobile Phone and Landline Infrastructure Developments, South Island, all Districts.
- Kuku Mara Partnerships – Planning witness - Large Scale Marine Farms, Marlborough Sounds – Marlborough District.
- Marine Farming Industry – Plan Appeals, Tasman Aquaculture Inquiry, Tasman and Golden Bays – Tasman District.
- Various clients – advice with respect to the promulgation of Resource Management Plans and Changes to those Plans – various Districts and Regions – predominantly South Island.

Appendix B

Section 32AA Evaluation



MITCHELL
DAYSH 

FEELEY, BORRIE AND LP TRUSTEES
LIMITED

**508 ARROWTOWN-LAKE
HAYES ROAD - REZONING
PROPOSAL**

Section 32AA Evaluation

13 June 2018

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REPORT INFORMATION

Report Status	Final
Our Reference	MDL000422
File Location	Dunedin
Author	Megan Justice
Review By	John Kyle

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1. INTRODUCTION

1.1 PURPOSE OF THE REPORT

This report has been prepared to fulfil the statutory requirements of section 32AA of the Resource Management Act 1991 (“**RMA**” or “**the Act**”). It specifically relates to the submission filed by A Feeley, E Borrie and LP Trustees Limited (“**the submitter**”) on Stage 2 of the Proposed Queenstown Lakes District Plan (“**the Proposed District Plan**”) to rezone 508 Arrowtown-Lake Hayes Road from Wakatipu Basin Rural Amenity Zone to Lower Density Suburban Residential Zone (“**LDSRZ**”) and to limit development in certain areas of the site with density restrictions and landscape buffer areas, in accordance with a Structure Plan. Through the section 32AA evaluation process some refinements to the relief sought have been considered and are presented in section 5 of this report.

1.2 STRUCTURE OF THE REPORT

This report is set out as follows:

- | | |
|-----------|---|
| Section 1 | Introduction and structure of the report. |
| Section 2 | Details the background and context of the site subject to the rezoning proposal. |
| Section 3 | Describes the rezoning proposal and its purpose. |
| Section 4 | Details the statutory requirements and relevant considerations for a section 32 and section 32AA evaluation. |
| Section 5 | Provides the evaluation of the proposal and the evaluation of the alternative planning options. This section summarises the assessment of environmental, social, economic and cultural effects likely to arise from the proposal, and in line with the section 32 requirements, evaluates the benefits and costs and risks of the provisions against the relevant objectives. |
| Section 6 | Provides the assessment of the proposal in relation to other relevant documents, including any relevant national policy statements, national environmental standards, regional policy documents and iwi management plans. |
| Section 7 | Provides a conclusion on whether the proposal is appropriate with regard to the resource management issues to be addressed. |

2. BACKGROUND

2.1 EXISTING SITE

The site is located at 508 Arrowtown-Lake Hayes Road and is legally described as Section 9 BLK VII Shotover Survey District. The site is triangular shaped and is approximately 6.2 hectares in area. The site is bound by Arrowtown-Lake Hayes Road to the west and McDonnell Road to the east. The southern boundary adjoins a property known as the Hills

Golf Course. The site is reasonably flat in contour, with a rocky outcrop located to the south-east of the site.

A single dwelling and a cottage are located in the central portion of the site, with access provided to both off Arrowtown-Lake Hayes Road.

Two rows of recently planted trees are located along the western boundary of the site (along Arrowtown–Lake Hayes Road). The first row comprises 15m+ specimen trees and a second row of 180+ grisenlinia bushes which when mature, will form a 5m high hedge.

The site is well positioned to receive excellent sunlight and has expansive mountain views in all directions.

The site is a short walking distance to all of Arrowtown’s amenities (shopping, parks, and school and pre-schools).

Water, sewer and stormwater services are located within McDonnell Road, immediately adjacent to the site. Additional capacity would need to be provided in the Council’s wastewater network, and if this is not provided, on-site disposal can be provided.

The site is located immediately adjacent to the residential boundary of Arrowtown, which is currently the opposite side of McDonnell Road.

2.2 RECEIVING ENVIRONMENT

The site is zoned Rural General in the Queenstown Lakes Operative District Plan (“**Operative District Plan**”).

The site is zoned Wakatipu Basin Rural Amenity Zone in Stage 2 of Proposed District Plan review.

The McDonnell Road frontage of the site is immediately opposite existing residential development located on the top and at the base of an existing terrace escarpment. This residential area comprises low density residential development with a mix of one and two storey residential dwellings, and extends along McDonnell Road approximately 500m beyond the southern boundary of the subject site, and then further along the top of the Terrace. The figures below depict the existing, consented and zoned residential development in the area. The Arrowtown Lifestyle Retirement Village is being developed further south on McDonnell Road on the same side of the road as the subject site.

In the Operative District Plan the residential area immediately opposite the site on McDonnell Road is zoned Low Density Residential Zone with an Arrowtown Scenic Protection overlay.

In the Proposed District Plan (Stage 1) (as notified) the residential area immediately opposite the site on McDonnell Road is zoned Low Density Residential.

Notified decisions on the Proposed District Plan Stage 1 in May 2018 did not include decisions on the zoning for Arrowtown. The decision on the zoning for Arrowtown has been deferred until the urban growth boundary for Arrowtown is determined.

2.2.1 Surrounding Environment

Immediately south of the site is the Hills Golf Course. This golf course provides a transition from the residential development of Arrowtown to the more sparsely developed rural areas of the Wakatipu Basin to the west.¹ This site already contains two golf courses, several dwellings one substantial dwelling, and a sculpture park. Further, there is a resource consent enabling a further 18 rural residential dwellings on this site.

South of the golf course along McDonnell Road is the recently approved SHA Arrowtown Lifestyle Retirement Village. This village is intended to accommodate up to 195 residential units plus aged care facilities. This is currently undergoing construction in accordance with the master plan in Figure 1 below:



Figure 1. Arrowtown Lifestyle Village Master Plan.

The residential area of Arrowtown South is located further down McDonnell Road, between McDonnell Road and Centennial Avenue. This development is now underway with the low density residential lots for sale. This area is being developed in accordance with the Arrowtown South Special Zone and structure plan, refer Figure 2 below:

¹ This land is the subject of a submission to enable residential development via a Structure Plan.

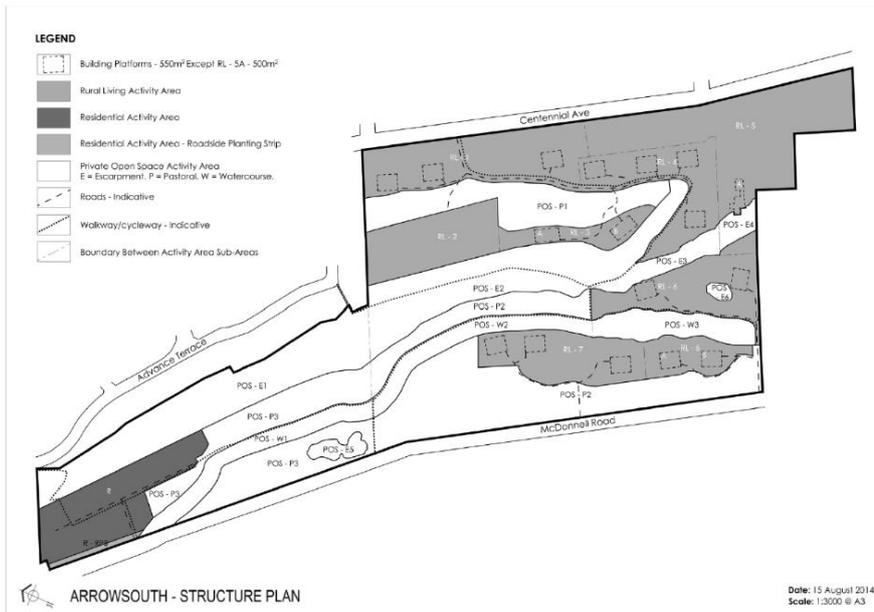
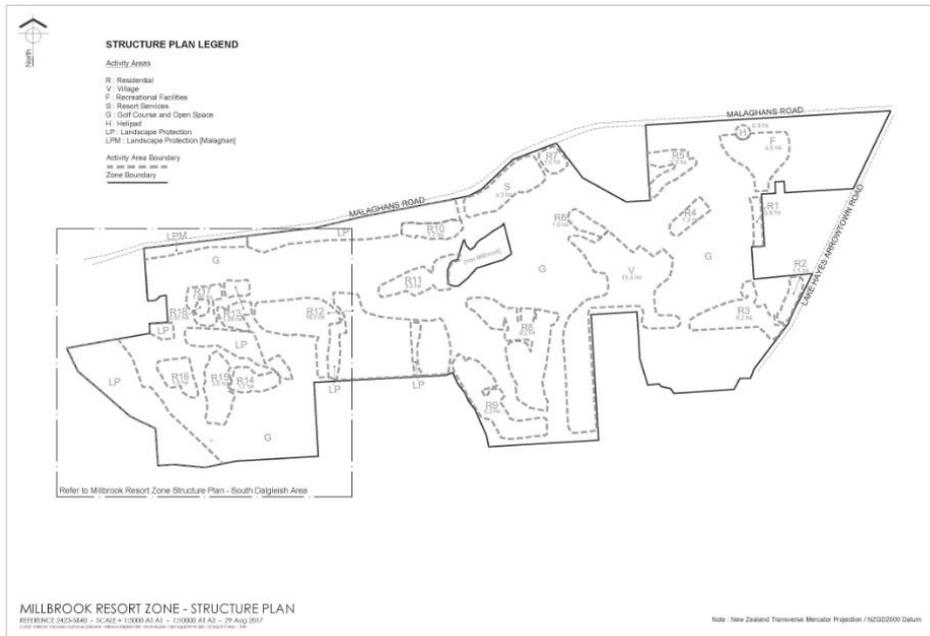


Figure 2: Arrowtown South Structure Plan from the Operative District Plan.

The Millbrook Cricket club is located to the west of the site, across Arrowtown-Lake Hayes Road, with Millbrook located beyond to the south-west. Millbrook comprises an extensive area with residential housing, golf course, resort and restaurants which is managed via the Millbrook Special Zone and associated Structure Plans. The Millbrook Special zone was notified in Stage 1 of the PDP and the notified decisions for the Zone include the Structure Plans shown in Figure 3 below, which enable a considerable amount of residential development:



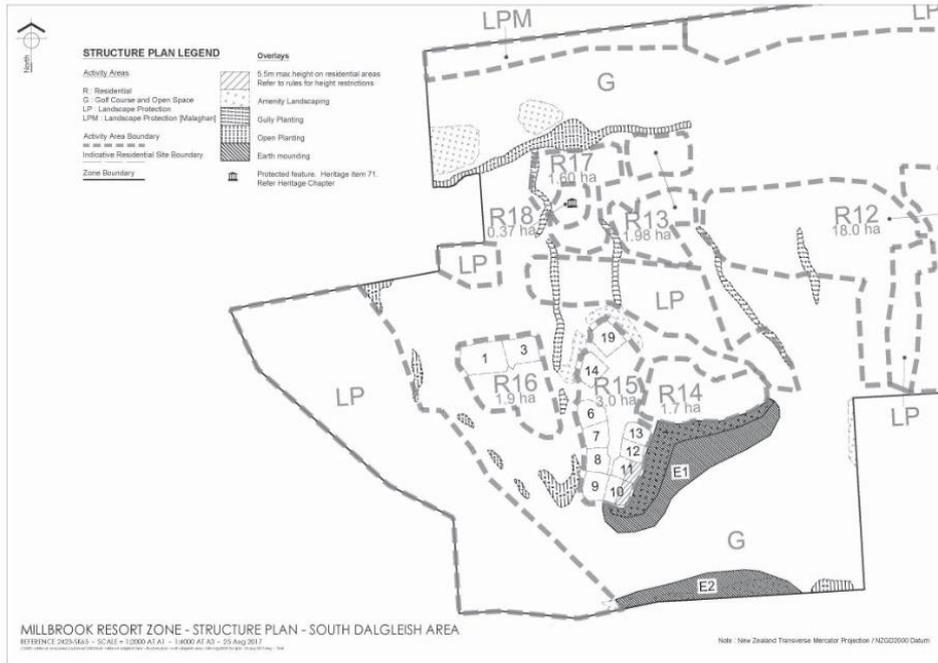


Figure 3: Millbrook Resort Zone Structure Plans.

To the north of the site is the Feehly Hill Scenic Reserve.

Beyond the Feehly Hill Scenic Reserve and to the west along Malaghans Road the north-western extend of Arrowtown (Meadow Park Special Zone) and the Arrowtown Industrial area are centred around Manse Road. To the west of Manse Road residential development is ongoing in accordance with the Meadow Park Special Zone. The most recent residential development in this area is occurring, known as Linksgate. The Meadow Park Special Zone Structure Plan is shown in Figure 4 below:

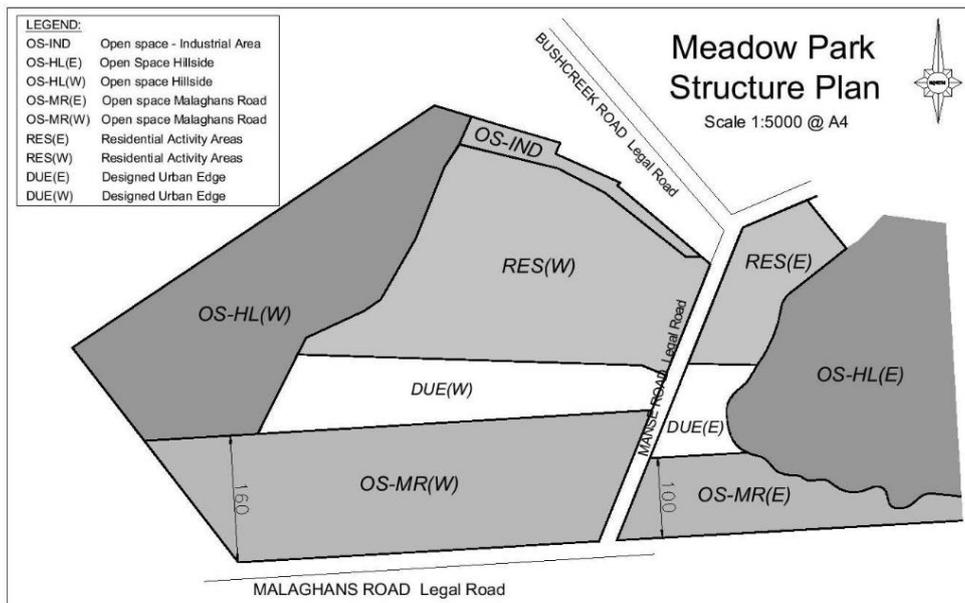


Figure 4: Meadow Park Special Zone Structure Plan, Arrowtown.

As is evident from the above description of surrounding land uses, zones and resource consents, the subject site is the last remaining block of rural land in the wider area.

2.3 OVERVIEW OF THE SUBMISSION

The submission by A Feeley, E Borrie and LP Trustees Ltd (“the submitter”) on Stage 2 of the Proposed District Plan sought:

- The rezoning of the subject site to Low Density Residential Zone (Chapter 7 of the Proposed District Plan Stage 1); and
- That development of the site be in general accordance with the Structure Plan submitted with the submission.
- That consideration of the Urban Growth Boundary for Arrowtown to take into account the outcome of the subject re-zoning request.

The Structure Plan contemplates two rows of low density residential housing along the eastern site boundary, adjacent to the McDonnell Road frontage of the subject site. A 25m wide landscape strip is shown along the boundary with Arrowtown-Lake Hayes Road, and up to five residential units are proposed within the remaining, approximately 23,035m² area.

A copy of the submission is attached as **Appendix 1**.

2.4 THE RESOURCE MANAGEMENT ISSUE

The resource management issue being addressed by this rezoning proposal is the housing capacity shortage in the District. The Council has commissioned a number of reports to fulfil its obligations set out in the National Policy Statement on Urban Capacity (“NPS-UDC”), and to inform the Proposed District Plan in terms of rezoning land for urban development and amending provisions to enable increased density. These reports include:

- Wakatipu Basin Land Use Study, prepared for the Council by Barry Kaye Associates Ltd, Bridget Gilbert Landscape Architecture and Strategic Ease, dated March 2017;
- Housing and Business Development Capacity Assessments, prepared by the Council to comply with the requirements of the National Policy Statement on Urban Capacity, dated 10 May 2018;
- Housing Development Capacity Assessment 2017, dated 27 March 2018 (draft -final), prepared by ME Consulting.

Findings of these reports is that the District’s population has grown substantially in the past two decades, from 14,800 at the 1996 Census to 34,700 by 2016.² Resident household

² Housing Development Capacity Assessment 2017 dated 27 March 2018 (draft -final), prepared by ME Consulting, page 5.

numbers have also increased correspondingly, from 5,800 in 1996 to 11,700 in 2013, and an estimated 13,600 by June 2016.³

Statistics New Zealand's Household projections from 2016-2046 expect to see substantial household growth, ranging from the low estimate of 7,300 additional households by 2046 or the high estimate of 14,000 new households by 2046.

The Housing Development Capacity Report states that projected total⁴ demand for housing will increase by 4,700 dwellings from 2026 and 11,600 dwellings by 2046 (based on the medium growth projections). This report has added a 15% margin (required by the National Policy Statement) to these projections, which results in the total number of dwellings in the District by 2046 predicted to be 30,900 (29,200 without the 15% margin added).

This demand is expected to arise within urban areas of the District, such as Arrowtown.

Turning to supply, the Housing Development Capacity Report calculates feasible capacity for new dwellings based primarily on zones that enable residential development (greenfield and infill opportunities). Several other factors and assumptions are taken into consideration which are not discussed here, however a primary assumption is the rate of uptake of infill housing. The Council proposes to monitor this uptake to determine whether or not the supply is keeping up with demand. While the report findings are that total housing capacity is in excess of demand in the short, medium and long term, there are some shortfalls in the lowest dwelling value bands as there is considerable demand growth expected for these lower values bands – generally under \$580,000, with limited supply currently and limited additional feasibility into the long term.⁵ Housing affordability remains an issue.

Because demand for housing remains so high, there is the potential for developers to sell houses at much higher prices than the lower band priced housing (under \$580,000), and as a result, the market is not delivering these dwellings.

Housing supply and affordability in Arrowtown is the resource management issue to be addressed by this proposal. The proposal would provide an additional 21 (approximately) feasible urban residential sites, and a limited number of rural residential properties to the market. The addition of any residential lots that are directly connected to the town of Arrowtown will increase the supply of property on the market and will assist in meeting demand for these properties in this highly desirable town.

Issues relating to affordability are in part determined by capacity, and in part determined by development costs. The efficiencies gained by developing land immediately adjacent to existing roading infrastructure and services infrastructure will reduce development costs.

³ Housing Development Capacity Assessment 2017 dated 27 March 2018 (draft -final), prepared by ME Consulting, page 6.

⁴ Total demand includes owner-occupier dwellings, investment and holiday home dwellings.

⁵ Housing Development Capacity Report, page 39.

Further, to achieve the requirements of the NPS-UDC, a mix of residential development is required. The proposal will provide a combination of high density and some rural residential type development within an existing township. This proposal will result in a compact and consolidated urban form that makes efficient use of existing urban infrastructure and services and avoids sporadic urban development in rural environments.

3. THE REZONING PROPOSAL

3.1 THE PURPOSE AND REASONS FOR THE PROPOSAL

Current Zoning

The current zoning at the site is Rural General Zone under the Operative District Plan and Wakatipu Basin Rural Amenity Zone in the Proposed District Plan Stage 2.

Purpose of and reasons for the rezoning

The submission sought the rezoning of the subject site to LDSRZ, and that development be in accordance with a Structure Plan that concentrated the low density residential uses along McDonnell Road, and restricted development of the remainder of the site to a total of five dwellings. This is one method of enabling the development of residential uses at the site.

Another method to achieve the same outcome is to rezone the site to partly LDSRZ and partly Rural Residential Zone ("RRZ"). The rezoning will enable 21 (approximately) residential dwellings within the area zoned LDSR as a permitted activity (subject to compliance with the relevant rules) and up to five residential dwellings on the RRZ portion of the site (including the existing dwelling and cottage). Site specific rules are proposed for the RRZ to manage development in this part of the site. These rules are contained in **Appendix 2** attached.

The rezoning of the land for residential purposes is considered efficient and feasible as it is immediately adjacent to the already formed McDonnell Road which provides roading access and contains water and wastes service pipes in the carriageway which the site can connect to (albeit with some additional capacity likely required in the wastewater system). This land is ready for imminent development for residential purposes and will therefore enable the supply of approximately 25 new residential sites to assist to meet demand for residential properties in Arrowtown.

4. STATUTORY REQUIREMENTS

4.1 EVALUATION UNDER SECTION 32AA

Any changes to a proposal that are made after the initial section 32 evaluation has been completed require further evaluation under section 32AA of the Act. This further evaluation must be undertaken in accordance with section 32(1) to (4) of the Act and must be undertaken at a level of detail that corresponds with the significance of the changes.

Section 32(1) and (2) specifies what the evaluation must examine:

- (1) *An evaluation report required under this Act must—*
 - (a) *examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and*
 - (b) *examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—*
 - (i) *identifying other reasonably practicable options for achieving the objectives; and*
 - (ii) *assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
 - (iii) *summarising the reasons for deciding on the provisions; and*
 - (c) *contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal.*
- (2) *An assessment under subsection (1)(b)(ii) must—*
 - (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced; and*
 - (b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and*
 - (c) *assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

Section 32(3) is relevant as the submission to rezone the site proposes to amend a District Plan that is already proposed. Section 32(3) states:

If the proposal (an amending proposal) will amend a standard, statement, regulation, plan, or change that is already proposed or that already exists (an existing proposal), the examination under subsection (1)(b) must relate to—

- (a) *the provisions and objectives of the amending proposal; and*
- (b) *the objectives of the existing proposal to the extent that those objectives—*
 - (i) *are relevant to the objectives of the amending proposal; and*
 - (ii) *would remain if the amending proposal were to take effect.*

Section 32(3) requires a proposal that amends objectives and provisions of an existing plan (whether operative or proposed) to be evaluated in terms of efficiency and effectiveness against the relevant existing objectives (where the existing objectives are relevant to the amending proposal and would remain if the amending proposal was to take effect). On this basis, the objectives of the Proposed District Plan, as set out in the Stage 1 Decisions, have been used as the basis for this evaluation.

4.2 EVALUATION OF EACH NEW OBJECTIVE

Section 32(1)(a) of the RMA requires the evaluation to examine the extent that a new objective is the most appropriate way to achieve the purpose of the Act. As no new objectives are proposed, section 32(6) is relevant:

s32(6) In this section,—

objectives means,—

(a) for a proposal that contains or states objectives, those objectives:

(b) for all other proposals, the purpose of the proposal.

Therefore, an evaluation is required of the extent to which the purpose of the proposal is the most appropriate way to achieve the purpose of the Act.

The purpose of the proposal is:

To provide additional residential housing in Arrowtown that is well connected to the town, existing roading and services, and is feasible and efficient to service.

The proposal will assist in providing the additional residential dwellings to meet identified demand, particularly demand in Arrowtown.

The Wakatipu Basin Land Use Study undertook a comprehensive review of the Wakatipu landscape and existing/zoned/consented land uses that provided in order to identify parts of the Basin that have capacity to absorb change and be suitable for development. This study is discussed in more detail in section 5.4.1 of this s32AA report. In brief, this study carried out:

- the investigation of the environmental characteristics, amenity values that should be maintained and enhanced;
- the identification of those areas of that could absorb change without adversely affecting the environmental characteristics and amenity values, and without adversely affecting the values associated with Outstanding Natural Landscapes and Outstanding Natural Features;
- the determination of whether there is any capacity for further development in the Wakatipu Basin floor, and if there is, where it should be located and what form it should take.

This study concluded that the subject site could be rezoned to an urban density residential zone. It is assessed that by giving effect to the purpose of the change, sustainable management will be achieved in terms of section 5 of the RMA. These themes are considered more fully throughout the assessment below.

5. EVALUATION OF POLICIES, RULES AND OTHER METHODS

Section 32(1)(b)(i) requires the identification of other reasonably practicable options for achieving the objectives (or in this case, as there are no new objectives proposed, the

purpose of the plan change/proposal) as part of the evaluation. These options must be examined to determine whether or not the proposed rezoning is the most appropriate way to achieve the purpose of the proposal.

5.1 CONSIDERATION OF ALTERNATIVE LAND USE ZONES

Option 1: Maintain Rural General Zoning

If the site was retained as Rural General Zone, it would be the only land in the Wakatipu Basin to do so. While this zone has no minimum lot size, enabling residential development to the density required to achieve the purpose of the rezoning would be very difficult to achieve via a resource consent process, in part, because it would not be consistent with the relevant objectives and policies of this zone which are focused on enabling rural uses.

The site is an isolated, small pocket of land immediately adjacent to residential development and highly manicured and controlled golf course environments. It is not suitable for rural production purposes due to its size and the surrounding land uses and is not currently used for rural production purposes. The current use of the site for one substantial dwelling (and a cottage) is not an efficient use of this land.

Option 2: Maintain Wakatipu Basin Rural Amenity Zone

The Wakatipu Basin Rural Amenity Zone enables one residential unit per 80 hectares. This option does not assist in achieving the purpose of the rezoning. This zoning is considered to be a highly inefficient use of this land, which is located immediately adjacent to an existing urban centre, existing roading and services, and is well placed to provide additional residential housing in Arrowtown. The Wakatipu Basin Rural Amenity Zone is not the most appropriate zone for this site.

Option 3: Rezone the site to enable Lower Density Residential Development⁶

This option could be delivered in two ways: (a) by rezoning the entire site LDSRZ and managing development via a Structure Plan; or (b) zoning part of the site LDSRZ and part of the site RRZ.

Single Zoning Method (a)

Under method (a), the whole site would be zoned LDSRZ, and development on the site would be managed via a Structure Plan. The Structure Plan would enable LDSR density development (i.e. down to 450m² minimum site size) along McDonnell Road to enable two rows of housing here, and then limit the residential development on the remainder of the site to five residential units.

⁶ The following provisions are the Stage 1 Proposed District Plan decision version of Chapter 7 – Lower Density Suburban Residential Zone.

In brief, LDSRZ provides for one residential unit per 450m² (maximum permitted density), sites between 300m² and 450m² comprise Restricted Discretionary activities and sites less than 300m² comprise non-complying activities.

Other bulk and location requirements for the LDSRZ include:

- Height limit (Arrowtown) for flat sites – 6.5m
- Height Limit (Arrowtown) for sloping sites – 6m
- Maximum building coverage – 40%
- Landscaped area – at least 30% site area shall comprise landscaped (permeable) surface
- Recession plane – (*applies to all buildings on flat sites and only accessory buildings on sloping sites*):
 - northern boundary: 2.5m and 55 degrees
 - western and eastern boundaries – 2.5m and 45 degrees
 - southern boundaries – 2.5m and 35 degrees
- Minimum setbacks – road boundary – 4.5m, all other boundaries - 2m (some exceptions apply)
- Continuous building length – 16m

This option is acceptable to enable managed residential development at the site.

Dual Zoning Method (b)

Under this option, part of the site would be zoned LDSRZ and part of it would be zoned Rural Residential Zone. The LDSRZ (described above) would be located adjacent to McDonnell Road, and the remainder of the site would be Rural Residential Zone, with some additional rules to manage effects at this site and ensure a high quality environmental outcome.

Rural Residential Zone provides for:

- the construction and exterior alteration of buildings is permitted (subject to standards for buildings relating to colours);
- any building in a building restriction area is a non-complying activity (this would be the landscaping strip along Arrowtown-Lake Hayes Road)
- building coverage – maximum ground floor area of any building must not exceed 15% of the net site area;
- building size – the maximum ground floor area of any individual building must not exceed 500m²;
- setback – 6m from internal boundaries;
- building height – 8m;
- density – no more than one residential unit per 4,000m² net site area.

Additional rules (refer **Appendix 2** attached) would limit the total number of residential units in this zone to five, provide site specific setbacks from boundaries, control fencing, limit vehicle accesses from Arrowtown-Lake Hayes Road to two, and require the maintenance of the trees along Arrowtown-Lake Hayes Road.

This option applies an appropriate zone in the Proposed District Plan to align with the density considered appropriate on the site. The outcome would result in higher density residential development immediately adjacent to McDonnell Road, which will extend the urban area of Arrowtown to cover both sides of McDonnell Road, rather than just one side. The lower density Rural Residential area will provide a suitable transition for the rural and golf course areas adjacent to the south and west boundaries of the site, while still creating a distinct edge to the urban development along the southern boundary of the site.

Similarly, the Wakatipu Basin Lifestyle Precinct is another zone similar to the Rural Residential Zone that could result in a similar environmental outcome for the western part of the site. This zone has not been pursued in this s32AA evaluation as the minimum lot size (6000m² / 1.0ha average lot area) and setback from roads required (75m) would not enable the five dwellings within this part of the site. Site specific rules would therefore be required, and currently this zone does not contain any site-specific rules.

It is considered that both the single and dual zoning options would provide the same environmental outcome. However, the dual zoning options is better aligned with the zones in the Proposed District Plan and would result in the cleaner application of these zones. The analysis provided in **Table 1** below discusses this option in more detail.

5.2 CONSIDERATION OF ALTERNATIVE METHODOLOGIES

Resource Consent Process

An alternative method for enabling the additional residential sites/units would be to apply for a resource consent to subdivide the land and identify building platforms for the 21 residential density dwellings and the five rural residential dwellings. The existing zoning (Rural General in the Operative District Plan, and the Wakatipu Basin Rural Amenity Zone in Stage 2 of the Proposed District Plan) does not enable residential buildings as permitted activities, rather they are Discretionary Activities. The objectives and policies of the Rural General Zone chapter of the Operative District Plan seek to sustain the life supporting capacity of soils, provide for the diversification of farming and other rural activities that protect landscape and natural resource values and maintains the character of the rural landscapes. Comprehensive residential development is not envisaged in this zone.

The objectives and policies of the Wakatipu Basin Rural Amenity Zone are similar, and this zone includes the 80 hectare minimum lot size which is to protect landscape character and visual amenity values. Again, comprehensive residential development is not envisaged in this zone.

This method could also establish a precedent effect that could undermine the relevant District Plan.

This method is not the most appropriate way of providing for the purpose of the proposal.

5.3 CONCLUSION

It is therefore concluded that (in terms of section 32(1)(b)(iii) of the Act), either method identified under Option 3 is the most appropriate for achieving the purpose of the proposal (which is the relevant test in terms of section 32(6) given no new objectives are proposed).

5.4 ASSESSMENT OF ENVIRONMENTAL EFFECTS

5.4.1 Efficiency and Effectiveness (section 32(1)(b)(ii) of the Act)

Under section 32(2)(a) an assessment under section 32(2)(1)(b)(ii) must:

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for —*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced (section 32(2)(a));*
- (b) *if practicable, quantify these benefits and costs (section 32(2)(b)); and*
- (c) *assess the risks of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions (section 32(2)(c)).*

The following sections provide an assessment of environmental effects (“**AEE**”) arising from the proposal, and then assesses the benefits and costs of these effects in order to understand the efficiency and effectiveness of the proposed provisions. Specifically, the AEE addresses the following:

- Social and Economic Effects;
- Effects on Human Health;
- Infrastructural Effects;
- Natural Hazards; and
- Landscape and Visual Effects.

5.4.1.1 Social and Economic Effects

The proposal is expected to result in positive social and economic effects by supplying approximately 25 additional residential units/sites in Arrowtown in order to meet strong demand for residential properties in this town. The resultant increase in housing supply will assist in meeting this demand.

The site is located immediately adjacent to the existing urban edge of Arrowtown. The residential development would easily integrate into the Arrowtown community, providing excellent access to Arrowtown’s shops, schools, pre-school and sports fields, parks and other amenities. The outcome would retain the compact and efficient urban form of Arrowtown, and the efficient use of existing infrastructure.

The development of the land will also result in positive employment effects during construction works.

5.4.1.2 Effects on Human Health

The National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health 2012 (“**NES**”) provides clear direction for the assessment of sites when changing the use of certain types of land.

Investigations into the past uses of the land have not identified any Hazardous Activities and Industries List (“**HAIL**”) uses. There are no farm sheds, offal pits, landfills, or animal dips present at the site. The Otago Regional Council does not classify the site as contaminated. The site is therefore not considered to be a HAIL site.

Further, the provisions of the NES will apply at the time a subdivision resource consent is sought, and for any earthworks that require resource consent. Re-zoning the land does not preclude consideration of the NES for further land uses at the site.

5.4.1.3 Infrastructural Effects

An assessment of the three-water servicing and infrastructure network surrounding the site has been undertaken by Hadley Consultants Ltd to confirm that the site (if rezoned to partly LDSRZ and partly RRZ) can be serviced (refer to **Appendix 3** attached). A summary of the assessment is set out in the following sections.

Water

- Two Council water mains lie within McDonnell Road adjacent to the proposed site. A 200mm PVC main lies on the western edge of the road formation, and this line serves as a boost for reticulation in the newer area of south east Arrowtown.
- A 150mm UPVC water main lies along the east side of McDonnell Road and services the adjoining properties and the local fire hydrants.

Hadley Consultants Ltd have identified two possible options for supplying water to service the possible 26 dwellings at the site – via connecting to the existing Arrowtown water supply scheme or providing a water supply for the development via an on-site bore. Either option is considered feasible.

Waste Water

- There is an existing Council sewer main, 150mm UPVC, on the eastern side of McDonnell Road serving the adjacent properties. The sewer terminates at the McDonnell Road sewer pump station.

Hadley Consultants Ltd have identified two options for wastewater disposal from the site. The first would be to connect the lots to the existing Council reticulation service immediately adjacent to the site in McDonnell Road. Under this option, the majority of the site would connect using gravity sewer pipes, and some areas may require pump stations. This option is

reliant on some increasing of capacity in the existing wastewater system, which can be addressed at the time of subdivision.

The second option is to develop a communal wastewater treatment and disposal system for treating all wastewater flows, and then discharging to land.

Both of these options are considered feasible from an engineering perspective.

Stormwater

- There is an existing Council stormwater main, 375mm increasing to 450mm PVC, on the eastern side of McDonnell Road serving the adjacent properties and McDonnell Road carriageway. The stormwater network terminates to an open drain opposite the McDonnell Road sewer pump station.

Hadley Consultants Ltd have advised there is existing QLDC Stormwater reticulation in McDonnell Road to which the subject site could connect, subject to detailed analysis. If a single point of discharge was developed without any flow attenuation the required outlet pipe would be approximately 300 mm in diameter. This level of flow would likely exceed the capacity of the existing QLDC pipework in McDonnell Road, but these flows and their impacts could be mitigated using a Low Impact Design (LID) approach.

Alternatively, stormwater could be managed with the site.

Transportation

McDonnell Road is an existing road with a 50km/hr speed limit that provides access to dwellings situated along the road, to the Hills Golf Course, and connects through to Centennial Avenue, south of Arrowtown. The road is sealed and formed to a width of approximately 8.5m within a 20m legal corridor and comprises two traffic lanes and space for on-street parking along one side. There is one footpath formed on the side opposite the site.

There appears to be adequate width within the road reserve to widen the road to provide on-street parking and/or a footpath, should this be considered necessary.

The site is well connected to the public transport network, with the closest bus stop at Adamson Drive, which can be accessed on foot via the walkway between McDonnell Road to Foxes Terrace, which then connects to Adamson Drive at the bus stop location.

5.4.1.4 Natural Hazards

Geotechnical Considerations

Review of the Otago Regional Council Natural Hazard Database shows the western portion of the site is “possibly susceptible” to liquefaction. This is based on high level regional scale investigation undertaken in 2005.

Further investigations undertaken by Tonkin and Taylor (on behalf of QLDC) in 2012 has further refined and relocated the area of land identified as being subject to a low risk of

liquefaction (Queenstown Lakes District 2012 Liquefaction Hazard Assessment: Report prepared for QLDC).

With the exception of seismic shaking, for which the entire district is susceptible, no other known natural hazards risks have been identified.

5.4.1.5 Landscape and Visual Effects

The proposal will result in visual effects from public and private viewpoints, with approximately 25 additional houses provided for at the site. This change in visual effects is depicted in the visual simulations prepared by Assembly Architects Ltd, refer **Appendix 4** attached.

The site's appropriateness for residential development from a landscape and visual effects perspective has been carefully considered in the Wakatipu Basin Land Use Study. In this study, the site was categorised as part of the Millbrook landscape unit (23 Millbrook), and is described as:

The far eastern triangle comprises a discrete flat area that contrasts with the more rolling golf course / parkland landscape to the west and south and associated more closely with the adjacent urban area of Arrowtown.⁷

In the Wakatipu Basin Land Use Study, the site has been identified as a landscape that has the potential to absorb change, and suitable for urban style residential development. The study ranked all land in the study area with a 7-point ranking system between Very High ability to absorb change (which no land achieved), to High, Moderate-High, Moderate, Moderate-Low, Low and Very Low. In the study, the subject site was included in block 23: Millbrook.⁸

This study attributed the subject site with a **High** rating for its ability to absorb change:

*The **High** rating applied to the small triangular parcel at the eastern end of 23 Millbrook is the consequence of the proximity of this area to Arrowtown and its enclosure along its west and south edges by golf course landscapes. In essence, this parcel comprises an anomaly in the pattering of Arrowtown and rural residential golf course landscapes that define the western and southern margins of the settlement.⁹*

In terms of the recommended zoning, the study recommends that a more urban development approach is explored that aligns with the South Arrowtown Precinct zoning¹⁰ – which is a combination of medium and low density residential zoning, and rural living style

⁷ Wakatipu Basin Land Use Study, page 32.

⁸ Wakatipu Basin Land Use Study, page 32.

⁹ Wakatipu Basin Land Use Study, paragraph 5.34.

¹⁰ Wakatipu Basin Land Use Study, paragraph 6.15.

development.¹¹ Further, for the subject site a clearly legible and robust defensible edge along the south boundary of this parcel is recommended.¹² The Arrowtown Urban Growth Boundary (if retained) could provide this boundary.

It is noted that the Wakatipu Basin Land Use Study recommends three locations within the Basin for more urban development – these areas being LCU 10 Ladies Mile, LCU 24 South Arrowtown and LCU 23 Millbrook, and for these three areas an urban parkland development approach is suggested, similar to Millbrook, with clusters of housing in areas determined for site specific characteristics, as opposed to the Lake Hayes Estate type of development, using a structure plan approach.¹³

Notably, the subject site, defined as the ‘small triangular area at the eastern end of LCU 23 Millbrook’ is specifically excluded from the recommendation for a structure plan approach to development, but the recommendations to carefully consider where higher density land should be located within the site is retained. The proposed approach to rezone the land partly LDSRZ and partly RRZ is therefore considered appropriate, and it concentrates the urban density development immediately adjacent to the existing McDonnell Road urban density development. The remainder of the site would be developed in a style more akin to Millbrook with a much lower density and with building restriction areas immediately adjacent to Arrowtown-Lake Hayes Road, and the rocky outcrop at the south eastern end of the site, providing landscape buffers.

The subject site is the final pocket of rural land in the wider area. Land to the south has planning approval for residential development, including the Hills Golf Course, Arrowtown Lifestyle Village Retirement village, Arrowtown South Special Zone, Millbrook Resort Zone, and the Meadow Park Resort Zone, and the Waterfall Park Special Zone. This proposal will result in this final isolated pocket of rural zoned land able to be developed in a manner contiguous with these adjacent land uses.

¹¹ Wakatipu Basin Land Use Study, Table 1 Landscape Character Unit Absorption Capability and Zoning, and Figure 1.

¹² Wakatipu Basin Land Use Study, paragraph 6.17.

¹³ Wakatipu Basin Land Use Study, paragraphs 6.16 and 6.18.

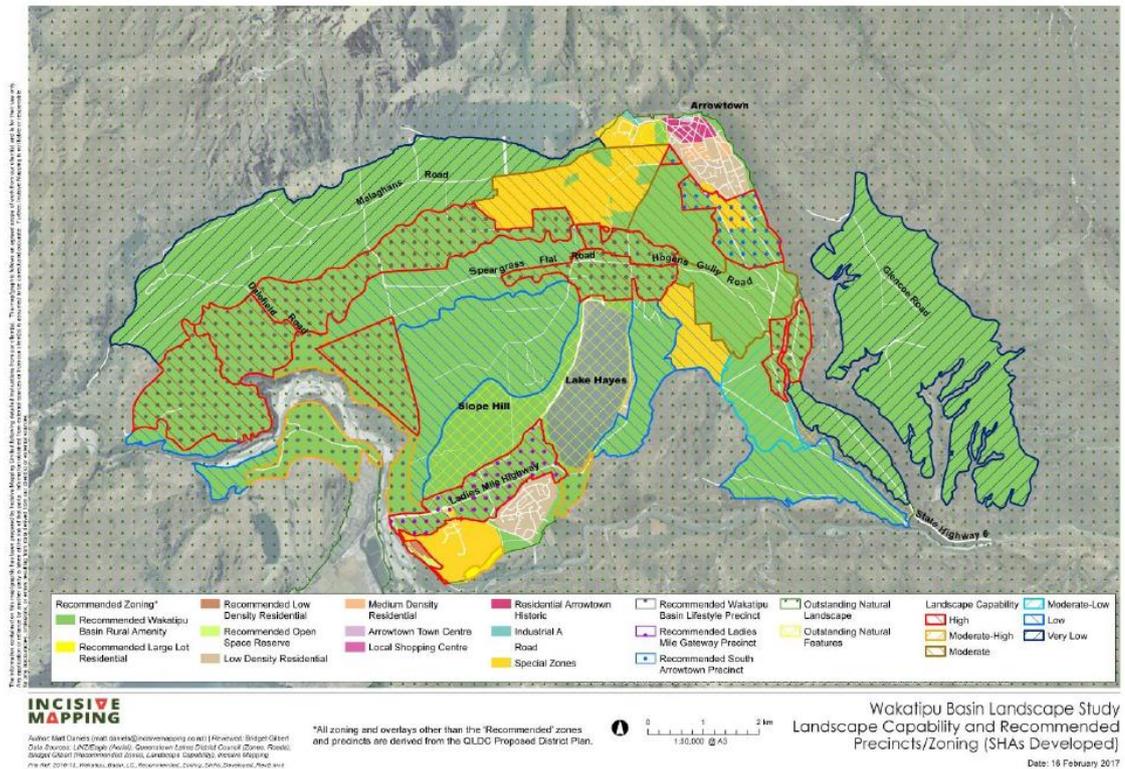


Figure 1: Landscape Capability and Recommended Zoning/Precincts (assuming SHAs developed)

Figure 5: copy of Figure 1 from the Wakatipu Basin Land Use Study.

It is noted that the urban zoning recommendations in the Wakatipu Basin Land Use Study for the subject site are reliant on the Arrowtown Lifestyle Retirement Village proposal proceeding, as this development redefines the western urban edge of Arrowtown. The Arrowtown Lifestyle Retirement Village development on the western side of McDonnell Road is now well underway with the earthworks at the site currently being carried out. This development will provide 195 retirement village apartments and an aged care facility. This proposal location is depicted in Figure 6 below:

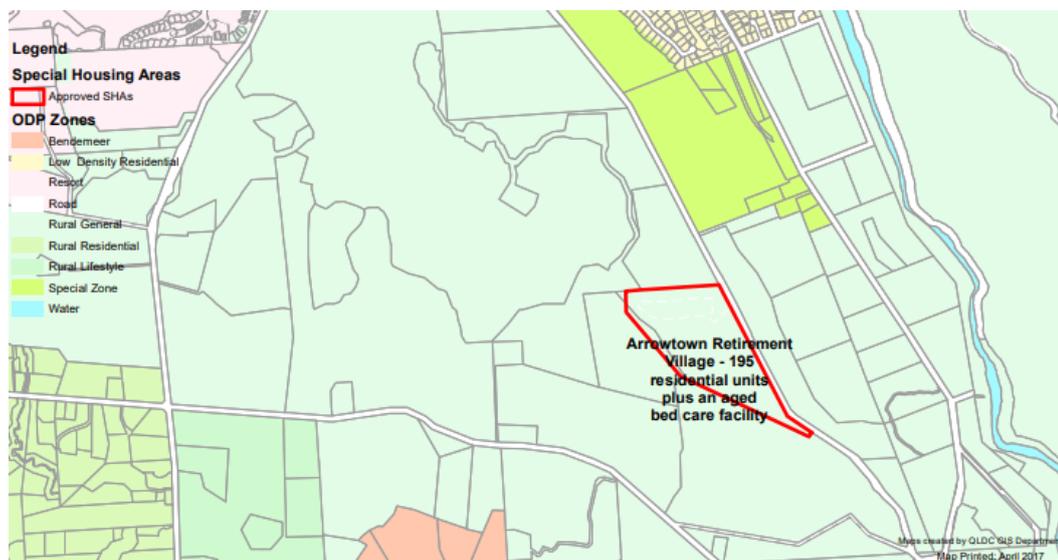


Figure 6: QLDC Map of approved Special Housing Area.

5.5 COSTS AND BENEFITS OF ENVIRONMENT EFFECTS

Under section 32(2)(a) of the Act an assessment under section 32(2)(1)(b)(ii) must:

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for —*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced (section 32(2)(a));*
- (b) *if practicable, quantify these benefits and costs (section 32(2)(b)); and*
- (c) *assess the risks of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions (section 32(2)(c)).*

The necessary assessment of the proposed rezoning under sections 32(1)(b) and (2)(a), is provided in Error! Reference source not found. below. The method has been assessed in terms of its appropriateness in achieving the purpose of the proposal, and against the Strategic Directions and LDSRZ and RRZ objectives (sections 32(3) of the Act).

The evaluation excludes the objectives of the Urban Development Chapter as the inclusion of the site in the LDSRZ would result in a consequential change to the extent of the Urban Growth Boundary for Arrowtown.

Table 1

Purpose of the Proposal			
To increase the supply of residential units in Arrowtown to assist meeting demand for residential property			
Strategic Directions	Urban Development	Rural Residential Zone	Lower Density Suburban Residential Zone
<p>Objective 3.2.2 Urban Growth is managed in a strategic and integrated manner.</p> <p>Objective 3.2.3 A quality-built environment taking into account the character of individual communities.</p> <p>Objective 3.2.6 The District’s residents and communities are able to provide for their social, cultural and economic wellbeing and their health and safety.</p>	<p>Objective 4.2.1 Urban Growth Boundaries used as a tool to manage the growth of larger urban areas within distinct and defensible urban edges</p> <p>Objective 4.2.2 A compact and integrated urban form within the Urban Growth Boundaries that is coordinated with the efficient provision and operation of infrastructure and services.</p>	<p>Objective 22.2.1 The District’s landscape quality, character and amenity values are maintained and enhanced while enabling rural living opportunities in areas that can absorb development.</p> <p>Objective 22.2.2 The predominant land uses within the Rural Residential and Rural Lifestyle Zones are rural and residential activities.</p> <p>Objective 22.2.3 New development does not exceed available capacities for servicing and infrastructure.</p>	<p>Objective 7.2.1: Development within the zone provides for a mix of compatible suburban densities and a high amenity low density residential living environment for residents as well as users of public spaces within the zone.</p> <p>Objective 7.2.3: Encourage higher density development where it responds sensitively to the context and character of the locality and is designed to maintain local amenity values.</p> <p>Objective 7.2.4: Residential development in Arrowtown compatible with the town’s existing character.</p> <p>Objective 7.2.6: Development efficiently utilises existing infrastructure and minimises impacts on infrastructure networks.</p>
Method	Assessment under section 32(2) of the Act	Assessment under section 32(1)(b)(ii) of the Act	Assessment under section 32(1)(b)(ii) of the Act
	Environmental, economic, social and cultural benefits	Environmental, economic, social and cultural costs	Having regard to the appropriateness of the processions by assessing their efficiency and effectiveness in achieving the objectives
<p>Applying the Lower Density Suburban Residential Zone and provisions for Arrowtown to part of the site that is to be zoned LDSRZ the subject site.</p> <p><i>If this zone is approved, the Arrowtown Urban Growth Boundary would form the western edge of the site.</i></p>	<p>The site has been assessed as suitable for residential development in terms of effects on the landscape values of the Wakatipu Basin. The <i>no build area</i> at the south-eastern corner of the site will prevent buildings on the rocky outcrop, where the ground level is considerably higher than the remainder of the site. This <i>no build area</i> will avoid the potential visual effects of buildings at this higher elevation relative to McDonnell Road.</p> <p>The proposal will result in positive economic effects by contributing approximately 21 residential sections in Arrowtown to the market. The economic benefits include construction employment and an increase in residential housing supply to meet demand for residential property in Arrowtown.</p> <p>The proposal will result in social and cultural benefits as the resultant dwellings will be directly connected to the existing community of Arrowtown, including the pre-schools, schools, community facilities and shops. Public transport is also available with the closest bus stop on Adamson Drive, which can be accessed via the walkway through to Foxes Terrace.</p>	<p>The primary environmental effects resulting from the proposal is the change in visual effects. This change is depicted on the visual simulations (refer to Appendix 4 attached) and has been considered in the Wakatipu Basin Land Use Study, which found that the landscape values at the site have a high ability to absorb change, based on the surrounding land uses. The visual simulations demonstrate this position.</p> <p>The building restriction area presents lost opportunity for residential housing in close proximity to Arrowtown. However, it is considered more appropriate to cluster development on the lower and flatter areas of the site than to enable dwellings at a higher elevation which may result in additional visual effects.</p>	<p>Efficiency: The proposal is considered to be efficient as it would enable urban development alongside an existing urban road, and reticulated services. This aligns with Objective 4.2.2 and Objective 7.2.6.</p> <p>Effectiveness: the proposal uses the existing LDSRZ which will provide a consistent development approach with the opposite side of McDonnell Road, and the outer parts of Arrowtown. This is considered to be an effective planning method to manage the development of the site and ensure it is compatible with the town’s existing character (Objective 7.2.4).</p> <p>Appropriateness: The proposal is considered to be the most appropriate way to achieve the relevant objectives of the Proposed District Plan.</p>

The site is very well located to connect to existing roading infrastructure with access available directly to the formed McDonnell Road, and existing Council reticulated stormwater, water supply and waste water services (subject to capacity) which are located within McDonnell Road. On-site waste water disposal is available.

Applying the Rural Residential Zone and provisions rules to part of the site, and including site specific rules to limit the number of accesses to Arrowtown-Lake Hayes Road, apply a building restriction area to provide a landscape buffer and control fencing.

If this zone is approved, the Arrowtown Urban Growth Boundary would form the western edge of the site.

In terms of effects on landscape values, the RRZ portion of the site will provide an appropriate transition between the golf courses (Millbrook and the Hills) and the lower density suburban development along McDonnell Road. This aligns with the findings of the Wakatipu Basin Land Use Study which recommended that residential development should be site-specific, with higher density enabled in some areas, and lower density and landscape buffers elsewhere, as appropriate to the subject site.

The western boundary of the site would form the outer edge of the Arrowtown Urban Growth Boundary.

The economic and social benefits of the proposal to zone part of the site RRZ is to enable up to five residential units in this location, thus increasing the supply of residential units in Arrowtown. The sites are close to Arrowtown's existing community amenities and facilities such as schools, shops, sports fields and parks.

The site is very well located to connect to existing roading infrastructure with access available directly to the formed Arrowtown-Lake Hayes Road, and existing Council reticulated stormwater, water supply and waste water services (subject to capacity) which are located within McDonnell Road. Alternative options for services with three waters would be privately owned schemes so would not need to overextend Council's reticulated services.

The environmental cost of the proposal is the change in visual effects from a site that accommodates one/two dwellings to a site that accommodates five dwellings. The Wakatipu Basin Land Use Study concluded that this site has a high ability to absorb change and the density proposed is less than that recommended by this study in this location. The inclusion of the 25m wide landscape strip/building restriction area along Arrowtown-Lake Hayes Road will assist in managing adverse visual effects. The RRZ rules which control the colour of building exteriors will also assist to manage this change.

The economic cost of the proposal is the reduction in the number of residential units enabled across the RR zoned area of the site, which could be zoned LDSR. However, the transition from golf course landscape, to rural residential through to lower density suburban is considered appropriate in this location, and transitions well from the Millbrook style development.

Efficiency: The proposal is considered to be efficient as it would enable residential development alongside an existing road, and connection to existing reticulated services if waste water services are increased. This aligns with Objective 4.2.2 and Objective 22.2.3.

Effectiveness: The proposal uses the existing RRZ rules and some additional rules that have been developed specifically for the site to manage site specific effects. This will ensure development of the site is appropriate to this location. This is considered to be an effective planning method to manage the development of the site and ensure the landscape quality, character and amenity values are maintained and enhanced while enabling rural living opportunities in this area that has been identified as an area that can absorb development (Objective 22.2.1).

Appropriateness: The proposal is considered to be the most appropriate way to achieve the relevant objectives of the Proposed District Plan.

5.6 RISKS OF ACTING OR NOT ACTING IF THERE IS UNCERTAIN OR INSUFFICIENT INFORMATION

Section 32(2)(c) of the Act requires, in the evaluation of the proposed method, consideration of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter.

Part of the efficiency and effectiveness assessment is to identify if there is uncertain or insufficient information about the subject matter of the provisions. If there is uncertain or insufficient information, an assessment of the risk of acting or not acting in terms of the provisions is required.

For the purpose of section 32, risk relates to changes in circumstances or an unforeseen event. This circumstance or event may increase the potential economic, social, cultural or environmental costs that may be incurred by a proposal. Risk may also be associated with a failure of a provision to achieve or move significantly towards the benefits sought by the objective.

Uncertainty relates to possible changes in assumed circumstances which are unknown at the time of evaluation. Uncertainty also relates to a lack of scientific knowledge or other knowledge about the nature or scale of an issue.

There is not considered to be uncertainty, and there is sufficient information to enable the effects of the Submitter's rezoning proposal to be assessed, and the requisite evaluations to be undertaken.

While an assessment of the risk of not acting may not be required under section 32(2)(c), failing to extend the zone would result in a lost opportunity that would otherwise contribute to the availability of residential land, utilise existing capacity within the roading network and the infrastructure network (subject to increasing capacity in the wastewater system), while managing the visual and landscape effects. The status quo option, or "not acting", would most likely prevent any residential activity from occurring within the site and the associated social and economic benefits that accrue.

Also, the status quo would remain an isolated pocket or land unable to be developed, within an area where considerable residential development already has planning permission. This would be an anomaly, particularly in a new District Plan.

6. CONSIDERATION OF POLICIES, PLANS AND OTHER RELEVANT DOCUMENTS

Section 74(1) of the RMA sets out the matters which are to be considered by territorial authorities when preparing or changing district plans. That section states that any change

to district plans must be in accordance with the functions for territorial authorities set out in section 31, the provisions of Part 2, the duties under section 32, and any regulations.

Section 74(2) of the Act requires that when preparing or changing a district plan, a territorial shall have regard to:

- (a) any –
 - (i) Proposed regional policy statement; or
 - (ii) Proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and
- (b) any-
 - (i) Management plans and strategies prepared under other Acts; and
 - (ii) Repealed
 - (iia) Relevant entry [on the New Zealand Heritage List/Rarangi Korero required by the Heritage New Zealand Pouhere Taonga Act 2014]; and
 - (iii) Regulations relating to ensuring sustainability, or the conservation, management, or sustainability of fisheries resources (including regulations or bylaws relating to taiapure, mahinga mataitai, or other non-commercial Maori customary fishing),—
to the extent that their content has a bearing on resource management issues of the district; and
- (c) The extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.

Section 74(2A) requires that when changing a district plan a territorial authority must take into account:

Any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district.

Section 75 of the Act details the requirements for the content of district plans. Section 75 of the Act states that:

- (3) A district plan must give effect to –
 - a) any national policy statement; and
 - b) any New Zealand coastal policy statement; and
 - c) any regional policy statement.
- (4) A district plan must not be inconsistent with -
 - a) a water conservation order; or
 - b) a regional plan for any matter specified in section 30(1).

Consideration has been given to the matters detailed in sections 74 and 75 of the Act below.

6.1 NATIONAL POLICY STATEMENTS

- The National Policy Statement on Urban Development Capacity 2016 (“**NPS-UDC**”)

The NPS-UDC is relevant to the proposal. The Queenstown Lakes District Council classified this as a high growth District under the NPS-UDC and has obligations to ensure that sufficient and feasible opportunities are available for housing and businesses to be accommodated over the short (2016-2019), medium (to 2026) and longer (to 2046) terms.

The proposal assists in giving effect to this NPS-UDC by enabling the development of approximately 25 new residential units in Arrowtown. The development of these residential units is feasible as no impediments to developing the land in accordance with the proposed zoning has been identified. The land is in single ownership and is in close proximity to existing roads and existing reticulated services (or if the existing wastewater services are not available, could be developed with on-site services).

6.2 NATIONAL ENVIRONMENTAL STANDARDS

National environmental standards are regulations made under section 43 of the RMA. They can prescribe technical standards, methods or other requirements for environmental matters. In some circumstances, local authorities can impose stricter standards. There is one national environmental standard which is relevant to the proposal:

- The National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (“**NES**”)

Investigations into the history of the site have not identified any HAIL uses, so the site is not considered to be a HAIL site and the NES will not apply. In any case, the NES would apply at the time of subdivision and earthworks, so consideration of the NES is not precluded by the proposal.

6.3 REGIONAL POLICY STATEMENT

Otago's operative Regional Policy Statement (“**RPS**”) promotes the sustainable management of natural and physical resources by giving an overview of the resource management issues facing Otago, and by setting policies and methods to manage Otago's natural and physical resources. The RPS does not contain any rules. A copy of the relevant objectives and policies is attached as **Appendix 5**.

Key resource management issues identified by the operative RPS can be summarised as follows:

- Meet the reasonably foreseeable needs of the Region’s people and communities via development which is efficient and meets the community’s expectations regarding amenity values.
- Ensure efficiency of urban development and the efficient use of infrastructure by maximising the use of existing infrastructure.
- Minimise adverse effects of urban development and settlement on the region’s environment. Such effects include visual intrusion and a reduction of landscape qualities and significant irreversible effects.
- Maintain and enhance the quality of life for people and communities. This is to be achieved via the identification and provision of an acceptable level of amenity, avoiding, remedying and mitigating adverse effects on community health and safety, and adverse effects of subdivision, land use and development on landscape values.

The proposal will achieve the relevant objectives and their associated policies contained within the RPS. In particular:

- Assisting in meeting demand for residential properties in Arrowtown;
- Due to the site’s location immediately adjacent to McDonnell Road and Arrowtown-Lake Hayes Road, the proposal will ensure that the efficient use of existing infrastructure is maximised;
- From a landscape effects perspective, the site has been identified as having a high ability to absorb change so effects on landscape values are considered acceptable; and
- The proposal will provide a high quality living environment for the future residents. The site is well connected to Arrowtown and will result in a seamless extension to this town so the residents will enjoy the community amenities and facilities of Arrowtown.

In May 2015 the Otago Regional Council publicly notified the Proposed Regional Policy Statement for Otago (“**Proposed RPS**”). A copy of the objectives and policies relevant to this proposal is attached as **Appendix 5**.

Key objectives identified by the Proposed RPS of relevance to this proposal can be summarised as follows:

- The values of Otago’s natural and physical resources are recognised, maintained and enhanced.
- Otago’s significant and highly valued natural resources are identified and protected or enhanced to maintain their distinctiveness.
- Protection, use and development of natural and physical resources recognises environmental constraints.

- Good quality infrastructure and services meet community needs.
- Urban areas are well designed, sustainable and reflect local character.
- Adverse effects of using and enjoying Otago’s natural and built environment are minimised.

The AEE contained in Section 6.1 above canvasses the key themes set out in each of the objectives above. Overall, it is anticipated that the proposal will achieve the relevant objectives of the Proposed RPS.

6.4 REGIONAL PLANS

The purpose of the Otago Regional Plan: Air is to promote the sustainable management of the air resource in the Otago region. The Otago Regional Plan: Coast is relevant to the coastal marine area. This proposal does not raise any matters that are managed under either of these regional plans.

The Otago Regional Plan: Water addresses the use, development and protection of Otago’s rivers, lakes, aquifers and wetlands. If reticulated connections to water, waste water and stormwater are not available, then resource consents may be required under the Otago Regional Plan: Water for a water take, and discharge permits may be required, depending on the design of the infrastructure. These services can be designed and managed to be consistent with the objectives and policies of the Otago Regional Plan: Water.

6.5 IWI MANAGEMENT PLANS

6.5.1 Kai Tahu Ki Otago Resource Management Plan

The Kai Tahu Ki Otago Resource Management Plan (2005) (“**NRMP**”) is the principal planning document for KTKO (KTKO is used to describe the four Papatipu Runanga and associated whanau and ropu of the Otago Region).

- i. *The rakätirataka and kaitiakitaka of Kāi Tahu ki Otago is recognised and supported.*
- ii. *Ki Uta Ki Tai management of natural resources is adopted within the Otago region.*
- iii. *The mana of Kāi Tahu ki Otago is upheld through the management of natural, physical and historic resources in the Otago Region.*
- iv. *Kāi Tahu ki Otago have effective participation in all resource management activities within the Otago Region.*
- v. *The respective roles and responsibilities of Manawhenua within the Otago Region are recognised and provided for through the other objectives and policies of the Plan.*

Chapter 10 sets out objectives and policies as they are relevant to the Clutha/Mata-au Catchment, in which Arrowtown is contained. Given the proposal relates to a parcel of land that accommodates a residential dwelling which is connected to existing reticulated services, the provisions are not directly relevant. If services are not reticulated, then these activities can be carefully managed to achieve the relevant policies relating to water quality (Chapter 10, Policies 9 and 11) that encourage the adoption of sound environmental practices where land use intensification occurs and encourages consents for land use, water permits, and discharge permits to be applied for at the same time.

6.5.2 Ngai Tahu Ki Murihiku Natural Resources and Environmental Iwi Management Plan

The Ngai Tahu Ki Murihiku Natural Resources and Environmental Iwi Management Plan (“**Murihiku Plan**”) was issued in 2008 and consolidates Ngai Tahu Ki Murihiku values, knowledge and perspectives on natural resources and environmental management issues. The Murihiku Plan identifies kaitiakitanga, environmental and social, economic, health and wellbeing outcomes that need to be recognised when considering the proposal. The proposal is not expected to offend any of the relevant objectives and policies of this Plan.

7. CONCLUSION

This evaluation report is for a proposal to rezone a 6.2 hectare parcel of land immediately adjacent to McDonnell Road to enable residential development. The site is proposed to be zoned Wakatipu Basin Amenity Zone in Stage 2 of the Proposed District Plan. The proposal seeks to zone the land to enable residential development, with landscape buffer areas provided for via ‘building restriction areas’.

The proposed Wakatipu Basin Amenity Zone is not the most appropriate zone for this site and would unduly limit the efficient development of the subject land for residential uses.

The subject site is a parcel of land in single ownership that is located immediately adjacent to the western urban extent of Arrowtown and has been identified in the Wakatipu Basin Land Use Study as being of high ability to absorb change and therefore suitable for residential development. The servicing assessment prepared by Hadley Consultants Ltd concludes that the site can be serviced via existing reticulated Council services for water supply and wastewater (subject to improving available capacity in the wastewater system) or alternatively, can be serviced for on-site alternatives. The section 32AA evaluation has determined that the proposed zoning for this site is appropriate and will enable the sustainable development of the site.

The subject site is the final pocket of rural land in the wider area. Land to the south has planning approval for residential development, including the Hills Golf Course, Arrowtown Lifestyle Village Retirement village, Arrowtown South Special Zone, Millbrook Resort Zone, and the Meadow Park Resort Zone, and the Waterfall Park Special Zone. The developments along the western side of McDonnell Road in particular have had the effect

of extending the urban boundary of Arrowtown already. This proposal will enable this final isolated pocket of rural zoned land to be developed in a manner contiguous with these adjacent land uses.

An assessment of the proposed provisions under section 32 of the Act has determined that the benefits and costs of the environmental effects of the proposed rules and other methods have been identified and properly assessed. It has also been determined that the proposal is an appropriate way to give effect to the relevant objectives of the Proposed District Plan.

The proposal has been drafted taking into consideration the policy statements, plans and other requirements imposed on territorial authorities when making a change to a district plan in accordance with the RMA.



APPENDIX 1

Submission by Feeley, Borrie and LP
Trustees Ltd

FORM 5

SUBMISSION ON PROPOSED QUEENSTOWN LAKES DISTRICT PLAN

Clause 6 of Schedule 1, Resource Management Act 1991

To: Queenstown Lakes District Council

Submitter Details:

Name of Submitter: A Feeley, E Borrie & LP Trustees Limited

Address for Service: A Feeley, E Borrie & LP Trustees Limited
C/- Southern Planning Group
PO Box 1081
Queenstown 9348

Attention: Scott Freeman
scott@southernplanning.co.nz
021 335 998

1. This is a submission on the Proposed Queenstown Lakes District Plan.

2. Trade Competition

The submitter could not gain an advantage in trade competition through this submission.

3. Omitted

4. Scope of submission

Property address and description:

4.1 A Feeley, E Borrie & LP Trustees Limited ("the submitter") owns land legally described as Section 9 BLK VII Shotover Survey District (the "subject site"). The site is located at 508 Arrowtown – Lake Hayes Road and is 6.2117 hectares in area. The subject site contains a dwelling and associated outbuildings. The site has two established access points along Arrowtown – Lake Hayes Road.

4.2 The land is included within the Wakatipu Basin Rural Amenity Zone (WBRAZ) as identified in Figure 1 below.



Figure 1: Stage 2 PDP zoning - the land the subject of this submission is identified in green outline

5. The A Feeley, E Borrie & LP Trustees Limited ("the submitter") submission is that:

- 5.1 The submitter **opposes** Chapter 24 – Wakatipu Basin in its entirety as it applies to the land.
- 5.2 The submitter seeks that the land be included within the Low Density Residential Zone (LDR) as identified in the Structure Plan in **Appendix 1**.

Without derogating from the generality of the above, the submitter further states that:

- 5.3 A Structure Plan has been prepared to support this submission which contemplates two rows of low density residential properties¹ along the eastern boundary, replicating the existing residential character of McDonnell Road. A 25m wide landscape strip is proposed along the western boundary adjoining the Arrowtown – Lake Hayes Road to maintain the landscape corridor at the southern entrance to Arrowtown. The remainder of the site is proposed to contain up to five residential units.

¹ The density of this section of the Structure Plan is intended to reflect the outcome of the Chapter 7 – Low Density Residential when it is made operative

- 5.4 The proposed Structure Plan design is to apply a graduated approach to the density and form at the edge of the Arrowtown township rather than a boundary line approach. This approach is less severe and is akin to the other entrances into Arrowtown via Manse Road or Centennial Avenue, where residential development on larger land areas is replaced by dwellings on smaller land parcels the closer you get to the town centre.
- 5.5 The submitter considers that the land should be included within the LDR zone as it adjoins the existing residential boundary of Arrowtown. The site is opposite 1-43 McDonnell Road which all contain modest, low density residential dwellings and residential development along the opposite side of the road on the subject site would provide a balance to McDonnell Road, whereas at present the road is only one-sided.
- 5.6 The site is also a short walk from the Arrowtown town centre, parks, education providers and public transport stops².
- 5.7 Council water, sewer and stormwater services are located within McDonnell Road immediately adjacent to the site.
- 5.8 McDonnell Road is an existing road with a 50km/hr speed limit that provides access to dwellings along that road and connects through to Centennial Avenue, south of Arrowtown. The road is sealed and formed to a width of approximately 8.5m within a 20m legal corridor and currently has a footpath and allows for parking along one side. The 20m legal corridor width would allow for additional on-site parking and/or a footpath adjoining the subject site.
- 5.9 The subject site is topographically distinct from the adjoining land to the south being predominantly flat along the majority of the eastern and western boundaries with elevated areas in the southern portion of the site which continues into the adjoining property to the south. Consequently, the LDR zoning of the submitter's site would not necessarily result in a spread of urban development further to the south as the topography would contain the zoning.

² This is consistent with Objective 4.2.1 and Policies 4.2.1.2 & 4.2.1.3 of Chapter 4 – Urban Development (as notified)

- 5.10 The subject site has the ability to absorb urban residential development in a way that does not detract from the landscape and visual amenity values of the Wakatipu Basin area given that it adjoins existing low density residential development to the east³.
- 5.11 The suitability of the site to contain urban development was outlined within the Wakatipu Land Use Study (map provided in Figure 2 below) in which the submitter's site was identified as having a moderate capability to absorb development into the landscape. The submitter's site was included as part of the South Arrowtown Precinct of which the recommended planning strategy was for the Precinct to contain Medium and Low Density Residential Zoning (with densities of 1:250m² and 1:450m² respectively).

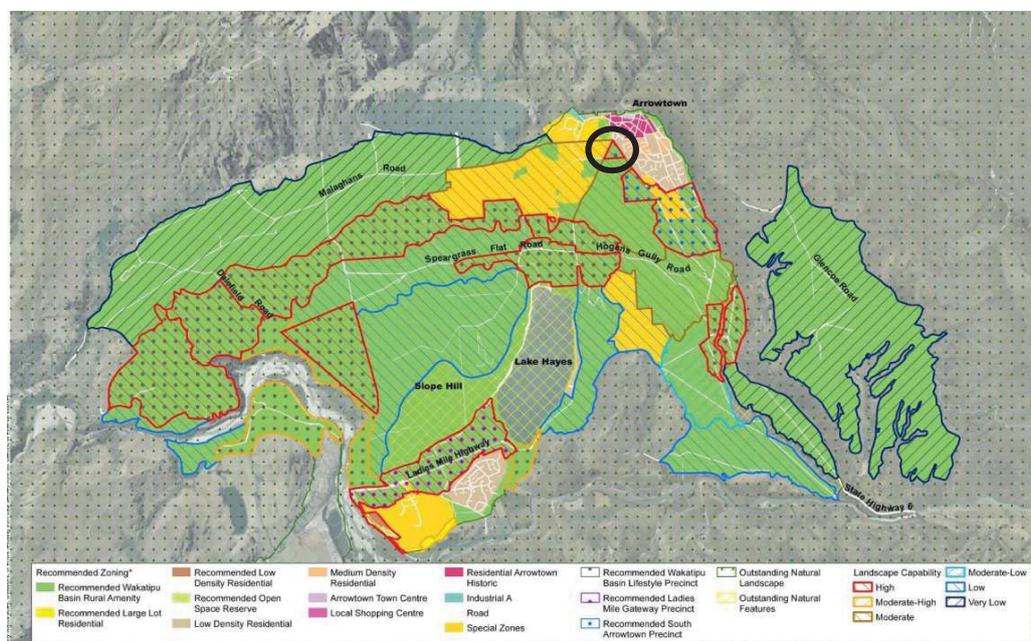


Figure 2: Landscape Capability and Recommended Zoning/Precincts identified within the Wakatipu Basin Land Use Study (submitter's site circled in black)

- 5.12 Chapter 24 – Wakatipu Basin and the zoning of the land within the Wakatipu Basin as notified, is based upon many of the findings within the Wakatipu Basin Land Use Study, however the urban zoning of the submitter's land has not been incorporated as recommended by the Study. The Section 32 report⁴ on Chapter

³ This is consistent with Policy 3.2.2.1.7 of Chapter 3 – Strategic Directions and Objective 4.2.1 and Policies 4.2.1.1 & 4.2.1.5 of Chapter 4 – Urban Development (as notified)

⁴ Page 27

24 addresses the inclusion of the land to the south of Arrowtown within the WBRAZ and states:

“Any provision for subdivision or development beyond that provided for in the WBRAZ should require a comprehensive structure plan process to be completed and incorporated in a future Variation or Plan Change.”

- 5.13 It is unclear from the Section 32 report as to why the zoning of the land has not been considered holistically along with the remainder of the land covered by Chapter 24. Furthermore, it is considered that the abovementioned strategy could lead to an ad hoc approach to the zoning of the land within the Precinct identified by the Wakatipu Basin Land Use Study given the land within the Precinct are owned by various parties. Notwithstanding, the submitter has prepared a Structure Plan to inform the consideration of the requested zoning of the land as recommended by the Section 32 report.
- 5.14 It is noted that the subject site is located outside of the Arrowtown Urban Growth Boundary (UGB) which was notified as part of Stage 1 (and that the Stage 2 maps do not include the UGB). Notwithstanding, the Second Minute of the Hearings Panel⁵ outlined that any submissions relating to the location of the UGB lines would be heard as part of the mapping hearings. The mapping hearing in relation to the land within the Wakatipu Basin is yet to be held. Should the Hearings Panel be of the mind to approve the proposed zoning of the submitter's land, a potential consequential relief would be to also alter the Arrowtown UGB to incorporate the proposed LDR zoning.
- 5.15 Given that the submitter's site is located outside of the Arrowtown UGB as notified, the LDR zoning of the submitter's site is not consistent with Policies 4.2.2.1 and 4.2.5.1 of Chapter 4 – Urban Development. However, given that the submissions in relation to the zoning of land surrounding the Arrowtown UGB have yet to be considered by the Hearings Panel in terms of whether the land is suitable to be zoned for urban development, it is considered that the UGB location may require amendment following this determination. Accordingly, these policies should apply to the land located within the UGB as determined by the Hearings Panel following consideration of all of the

⁵ Dated 5 February 2016

submissions and not to assess the suitability of the zoning of the land outside the UGB at the outset.

- 5.16 The LDR zoning of the subject site would enable increased market competition in Arrowtown in line with that sought by Chapter 3 – Strategic Directions⁶. This is important as there are very few undeveloped areas within the notified Arrowtown Urban Growth Boundary which may over time reduce the affordability of the suburb further than it is currently.

6. The submitter seeks the following decisions from the Queenstown Lakes District Council:

- 6.1 That the land be included within the Low Density Residential Zone.
- 6.2 That the attached Structure Plan be appended to Chapter 7 with a corresponding new Rule 7.5.16 as a discretionary activity as follows:

*Structure Plan – Section 9 BLK VII Shotover Survey District
Development shall be undertaken in general accordance with the Structure Plan.*

7. Conclusion

- 7.1 The inclusion of the subject site within the LDR zone is considered to be the most suitable zoning compared to the notified Wakatipu Basin Rural Amenity zoning of the land when the context surrounding the land is taken into account. The inclusion of the land within the LDR zone would also accord with all of the objectives and policies within Chapter 7 – Low Density Residential Zone as well as those applicable provisions within Chapter 3 – Strategic Direction and Chapter 4 – Urban Development (as notified).
- 7.2 In utilising the existing Chapter 7 provisions as much as possible, the inclusion of the land will not introduce any overly complicated provisions and will contribute to the streamlining of the District Plan.

⁶ In particular Policy 3.2.2.1.6

- 7.3 Utilising the existing Chapter 7 provisions will also ensure that any future residential development of the land would be in keeping with that which has occurred on the adjoining properties along McDonnell Road and will ensure that the amenity of the neighbouring land is maintained.
- 7.4 In addition to the above, the submitter seeks any such further, consequential or alternative amendments necessary to give effect to this submission (including the necessary adjustment of the urban growth boundary), and to:
- (a) promote the sustainable management of resources and achieve the purpose of the Resource Management Act 1991 ("Act");
 - (b) meet the reasonably foreseeable needs of future generations;
 - (c) enable social, economic and cultural wellbeing;
 - (d) avoid, remedy or mitigate the adverse effects of the activities; and
 - (e) represent the most appropriate means of exercising the Council's functions, having regard to the efficiency and effectiveness of other means available in terms of section 32 and other provisions of the Act.

7. The submitter wishes to be heard in support of their submission.

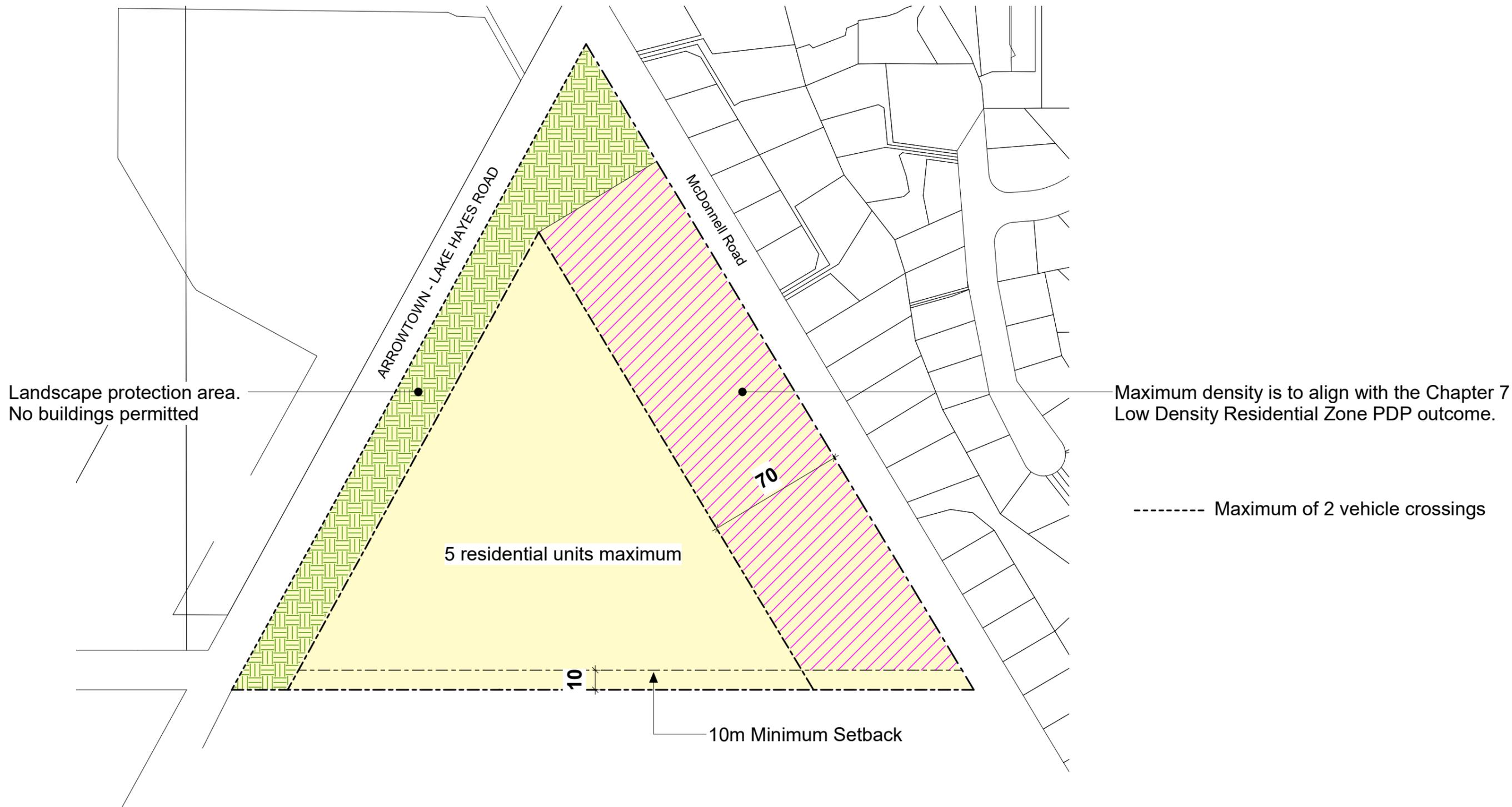
8. If others make a similar submission the submitter will consider presenting a joint case with them at a hearing.

Signature



(Scott Freeman on behalf of A Feeley, E Borrie & LP Trustees Limited)

Date: 23 February 2018



1 Site - Structure Plan
1 : 1000

1808 Feeley 508 Arrowtown-Lake Hayes Road	© COPYRIGHT ASSEMBLY ARCHITECTS LIMITED 6 ARROW LANE P.O. BOX 192 ARROWTOWN, 9351 Justin Wright 021 565 363		
	2	21/02/18	Planning Issue
	1	19/02/18	Review
NOT FOR CONSTRUCTION	ISS	DATE	NOTE
			21/02/2018

ASSEMBLY
ARCHITECTS
LIMITED

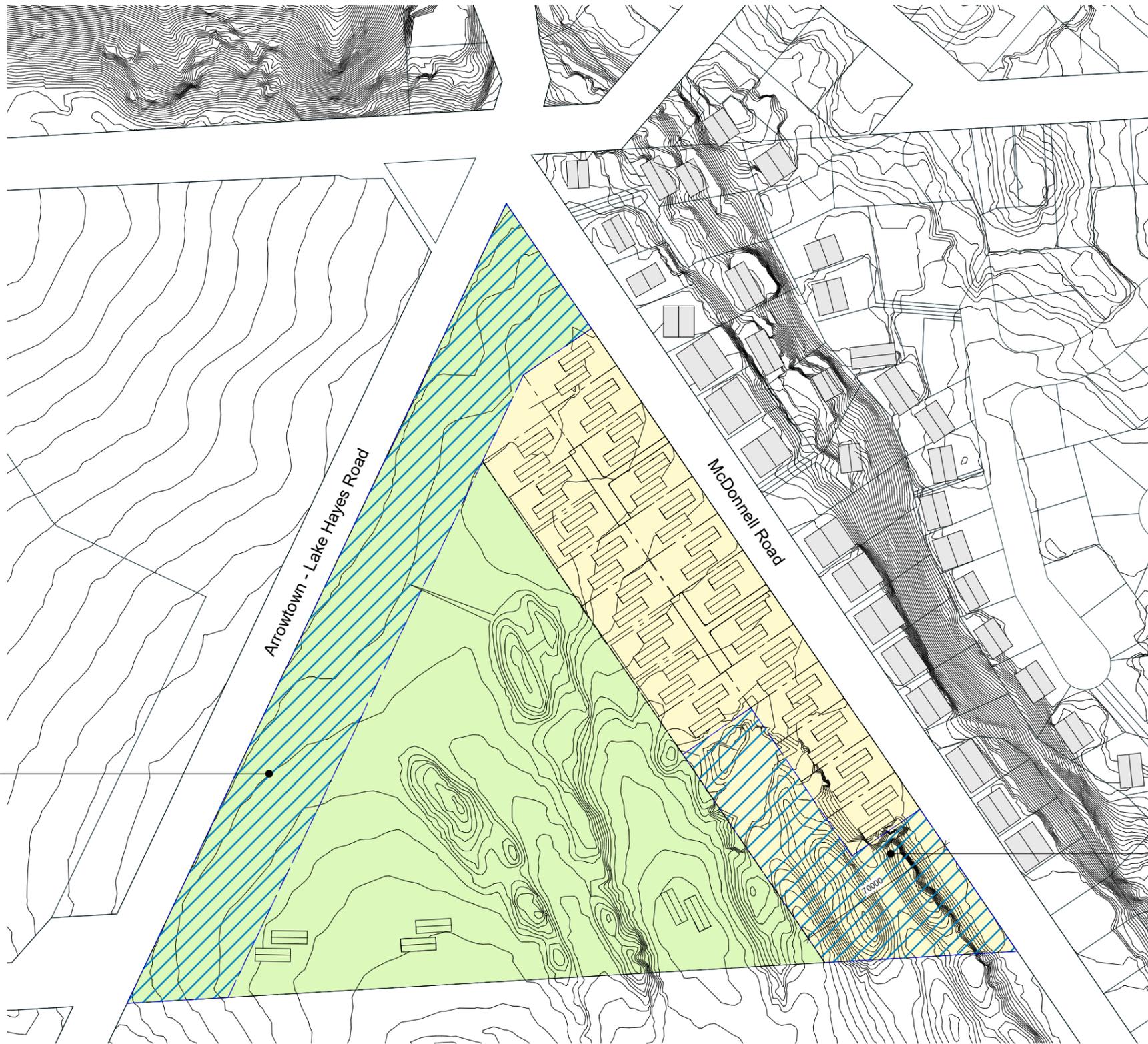
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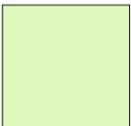
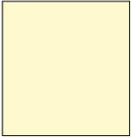


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APPENDIX 2

Proposed Provisions



-  Building Restriction Area
-  Rural Residential Zone - Arrowtown West Sub Zone
-  Lower Density Suburban Residential Zone

Rural Residential with Building Restriction Overlay

Lower Density Suburban Residential Zone with Building Restriction Overlay

1 Proposed Amendments to PDP Zone Maps 13d, 27 and 28
1:1000 @ A1

Proposed Provisions to be included in Chapter 22: Rural Residential and Rural Lifestyle

	Table 2 Standards – Rural Residential and Rural Lifestyle Zones	Non-compliance Status
22.5.5	<p>Setbacks form roads The minimum setback from any building from a road boundary shall be:</p> <p><u>This rule does not apply to the Arrowtown West Sub Zone.</u></p>	NC

	Table 7 Rural Residential – Arrowtown West Sub Zone	Non-compliance Status
<u>22.5.39</u>	<p><u>Residential Density</u> There shall be no more than five residential units within the Rural Residential Zone</p>	<u>NC</u>
<u>22.5.40</u>	<p><u>Building Setbacks</u></p> <p><u>22.5.40.1 The minimum setback of any building from Arrowtown - Lake Hayes Road shall be 25m.</u></p> <p><u>22.5.40.2 The minimum setback of any building from the southern zone boundary shall be 10m.</u></p> <p><u>22.5.40.3 The minimum setback of any building from the Lower Density Suburban Residential Zone boundary shall be 6m.</u></p>	<u>NC</u>
<u>22.5.41</u>	<p><u>Landscaping</u> The row of specimen trees and the hedging within the building restriction area adjacent to Arrowtown - Lake Hayes Road shall be maintained by the land owner(s).</p> <p><u>This rule shall be given effect to by a consent notice registered against the title of the lot containing all or part of the building restriction area adjacent to Arrowtown-Lake Hayes Road.</u></p>	<u>NC</u>
<u>22.5.42</u>	<p><u>Fencing</u> Solid or solid paling fences shall not be erected.</p>	<u>D</u>
<u>22.5.43</u>	<p><u>Vehicle Accesses</u> No more than two vehicle accesses shall be permitted on Arrowtown-Lake Hayes Road.</p>	<u>NC</u>




3

APPENDIX 3

Servicing Report – Hadley
Consultants Ltd

Rafa Trust

Proposed Land Rezoning

QLDC District Plan Submission Stage 2 Review

3 Waters Infrastructure Feasibility

Contact Details:

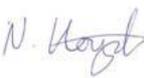
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Responsible Engineer:
Nigel Lloyd
Civil Director

Document Status

Revision	Author:		Reviewer:		
	Name	Signature	Name	Signature	Date
A (Initial Issue)	N. Lloyd		J. Hadley		28 May 2018

Limitations

This report has been written for the particular brief to HCL and no responsibility is accepted for the use of the report for any other purpose, or in any other context or by any third party without prior review and agreement.

In addition, this report contains information and recommendations based on information obtained by inspection, sampling or testing at specific times and locations with limited site coverage as outlined in this report. This report does not purport to completely describe all site characteristics and properties and it must be appreciated that the actual conditions encountered throughout the site may vary, particularly where ground conditions and continuity have been inferred between test locations. If conditions at the site are subsequently found to differ significantly from those described and/or anticipated in this report, HCL must be notified to advise and provide further interpretation.

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1. Introduction

This report has been prepared to inform a Submission to Queenstown Lakes District Council's (QLDC) Proposed District Plan Review – Stage 2 to re-zone approximately 6.2 hectares of land immediately adjacent to Arrowtown from Rural General to a mixed zone of Rural Residential and Low Density Residential ("the site"). The Submission is to be made by the Rafa Trust (Rafa).

The site is located in the "triangle" between Arrowtown-Lake Hayes Road and McDonnell Road, directly adjacent to the entry to Arrowtown and opposite the Millbrook Reserve. The site is contained in one parcel and is currently zoned Rural General under the Operative Queenstown Lakes District Plan.

Rafa seeks the re-zoning of the site to create Rural Residential, Low Density Residential and Landscape Protection Areas, thereby enabling development of up to 26 Residential Units including the existing dwelling on the site.

Rafa has engaged Hadley Consultants Limited (HCL) to investigate and report on the feasibility of providing the necessary 3 Waters Infrastructure (water supply, wastewater services and Stormwater services) for the development of the site.

This report considers the nature of the proposed development, the site conditions affecting the implementation of the necessary development infrastructure and describes the proposed implementation of the following elements:

- Water supply reticulation,
- Wastewater reticulation and,
- Stormwater control.

2. Nature of Proposed Development

Rafa proposes to develop the existing site near Arrowtown. The site to be rezoned, immediately south of Arrowtown and covering approximately 6.2 ha, will cover land legally described as:

- Part Section 9, Block VII, Shotover SD.

No subdivision plan for the proposed zone has been developed as yet. However, a Zone Plan indicating the proposed zone areas and landscape areas has been prepared and has been used as the basis of this feasibility reporting. A copy of the Zone Plan is included in Appendix 1. On the basis of this Zone Plan, 26 Residential Units will result including the existing dwelling on the site.

We note that the assessment of the necessary development infrastructure provided herein is limited to consideration of the scale of the development as it is currently proposed and excludes consideration of any specific stages and the specific locations of future dwellings and infrastructure within the site.

3. Site Description

The site is located on 6.2 ha of land bordered by Arrowtown-Lake Hayes Road to the west and McDonnell Road to the east (refer Figure 1). The site is currently accessed from Arrowtown-Lake Hayes Road. There is existing QLDC infrastructure for water supply and wastewater located along McDonnell Road east of the site and a large QLDC water main traverses the western boundary of the site.

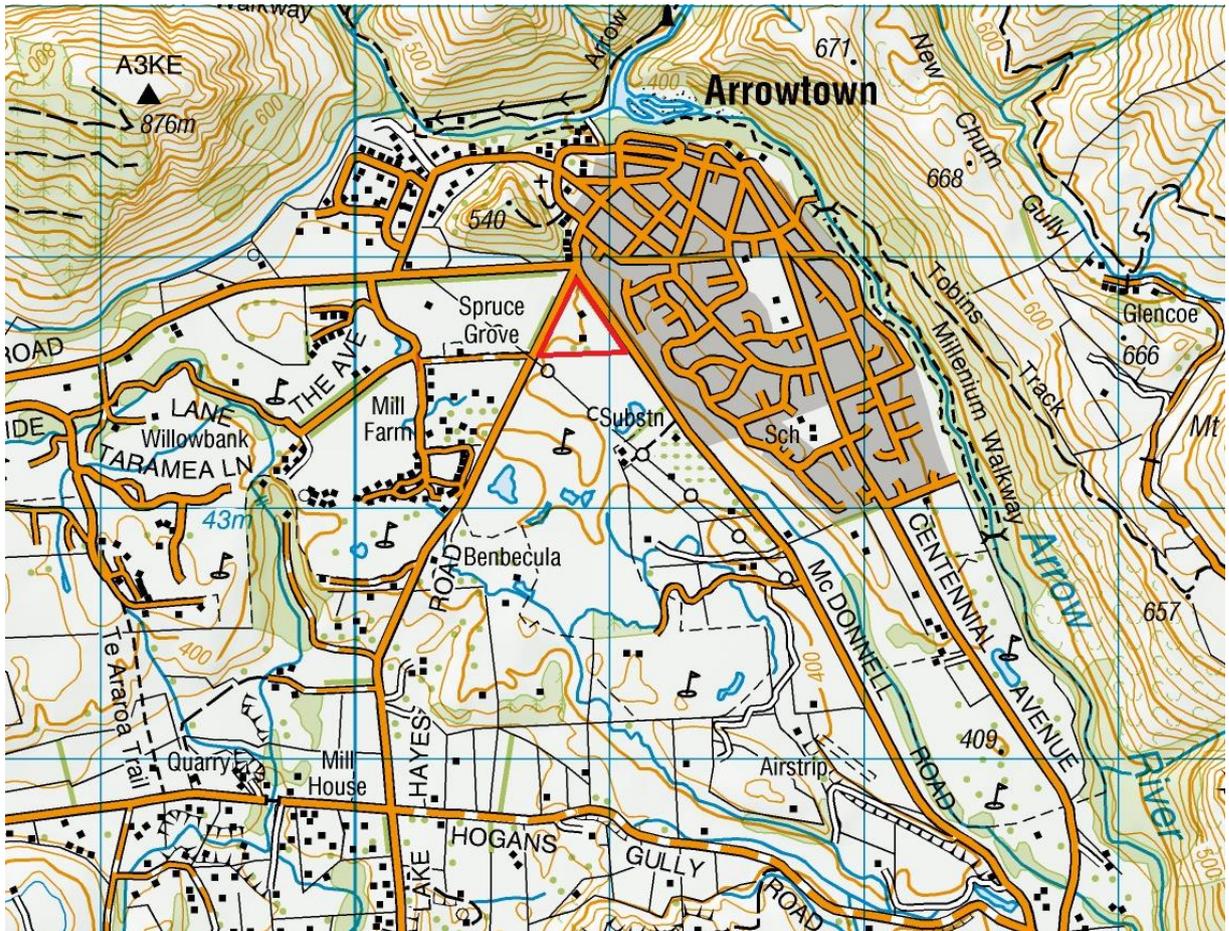


Figure 1 - Topographical Map Excerpt Showing Subject Site Highlighted

The site comprises generally flat land elevated by a metre or two above McDonnell Road. The overall topography of the site is gently falling to the east. The site includes an existing and occupied rural residential dwelling.

Based upon the published geological information (Institute of Geological and Nuclear Sciences (IGNS), 1:250,000 Geological Map 18, Geology of the Wakatipu) and geological examination carried out by others, the underlying geological materials within the site are comprised of

outwash gravels and till and morainic deposits. These soils overlie schist bedrock that can be seen as outcropping in various locations.

The existing land use at the site comprises mainly of intermittently grazed paddock. Vegetation covering the area is mainly grass. There is an existing row of conifers along the McDonnell Road boundary.

No standing water such as streams, ponds and landscape features were observed on site. It is expected that ephemeral watercourses may be formed in some of the topographic depressions on site during periods of high precipitation although these are expected to be short lived and are poorly defined.

The proposed development site and surrounding Arrowtown area experience generally cold winters with severe frosts at times and hot dry summers. Strong north-westerly winds are also a climatic characteristic of the area. The land receives approximately 850mm of rainfall per annum and may be subject to drought conditions during the summer months.

4. Water Supply

4.1 General

The site is located south of the QLDC water supply scheme for Arrowtown Township, however infrastructure for the water scheme is laid immediately adjacent the site boundaries in both Arrowtown-Lake Hayes Road and in McDonnell Road (refer Figure 2). The existing dwelling on the site is currently serviced by a single household connection to the QLDC Water Main in Arrowtown-Lake Hayes Road.

4.2 Water Demand Assessment

Peak water demand would be expected during the summer months when seasonal populations are at their peak and irrigation usage will be at its highest. The following conservative design figures have been adopted.

Demand Item	Potable Demand (litres/day)	No.	Total (litres/day)
Dwelling (average day)	2,100	26	54,600

The additional average daily water supply demand of 54.6 m³ per day equates to 0.63 litres per second average flow over twenty four hours.

From the QLDC Land Development and Subdivision Code of Practice the peaking factors for the Arrowtown water supply scheme are as follows:

Item	Peaking Factor
Average daily flow to peak daily flow	3.3
Average daily flow to peak hourly flow	6.6

Using the QLDC peaking factor, the peak hour flow is estimated at 4.2 litres per second.

It is also noted that in recent times QLDC have acknowledged that their prescribed per capita water demand figure of 2,100 litres/day/unit for new development may be too high. Indeed, QLDC have approved use of lower NZS 4404:2010 figures of circa 1,400 litres/day for some recent projects. It is likely that by the time the District Plan Review process has been completed, these new and lower per capita water demand figures will have been widely

adopted by QLDC. This will further reduce demand from this development to approximately two thirds of what is reported herein. Notwithstanding this, a conservative approach has been taken to this assessment and the existing higher figure of 2,100 l/day/unit has been used when assessing feasibility.

4.3 Fire Fighting Demand

In accordance with *SNZ PAS 4509:2008 New Zealand Fire Service Firefighting Water Supplies Code of Practice*, the usage for the developed site is expected to fall into the "Housing: includes single family dwellings, multi-unit dwellings but excludes multi storey apartment blocks" category. This will result in a fire fighting water supply classification of FW2. An FW2 classification requires 12.5 l/s of water flow available within a distance of 135 metres and an additional 12.5 l/s of water flow available within a distance of 270 metres.

Alternatively, in the absence of suitable flows and pressures to enable construction of fire hydrants, the future dwellings may be provided with a static firefighting reserve of 20,000 litres (fitted with appropriate fire service couplings) within 90 metres of any future dwelling. A further alternative includes the use of a communal static reserve for multiple lots of 45,000 litres with appropriate fire service couplings.

4.4 Water Supply - Option 1

The first option to provide a water supply to the proposed zone, is to connect to an existing QLDC water supply scheme. Given the relative elevations and proximity of the site to the existing QLDC water main, it would be most appropriate to connect to the Arrowtown water supply scheme.

No network modelling has been undertaken due to time constraints. However, it would appear that the relatively modest levels of flow required would be able to be accommodated. Additionally, if hydraulic performance was a concern, the ability exists to effectively ring main the subject site by creating a connection through the site from the Arrowtown-Lake Hayes Road main to the main in McDonnell Road. Such a connection would minimise system losses and would aid residual pressures under fire fighting conditions. The supply connection would be by way of either a direct reticulation connection to the existing QLDC Mains or via some on site storage and buffering to reduce the peak demands on the existing water supply scheme. If buffering was required, it is expected that booster pumping will be required to then reticulate water to the development areas around the site, and/or to meet fire flow requirements.

In order to connect to the QLDC Water Supply Scheme, approval of Council would be required to extend the water supply scheme boundary to include the proposed zone. In addition, Development Contributions would need to be paid for each dwelling connected. Notwithstanding that we believe there is adequate existing capacity to serve the site at this time, Council may include other conditions for extending the water supply scheme to include the proposed zone which may result in additional upgrade costs being borne by the developer. The availability of capacity and need or otherwise for upgrades will be a function of timing of when the connection is made. Early liaison with Council will be required in order to determine exact Council requirements and potential cost liabilities.

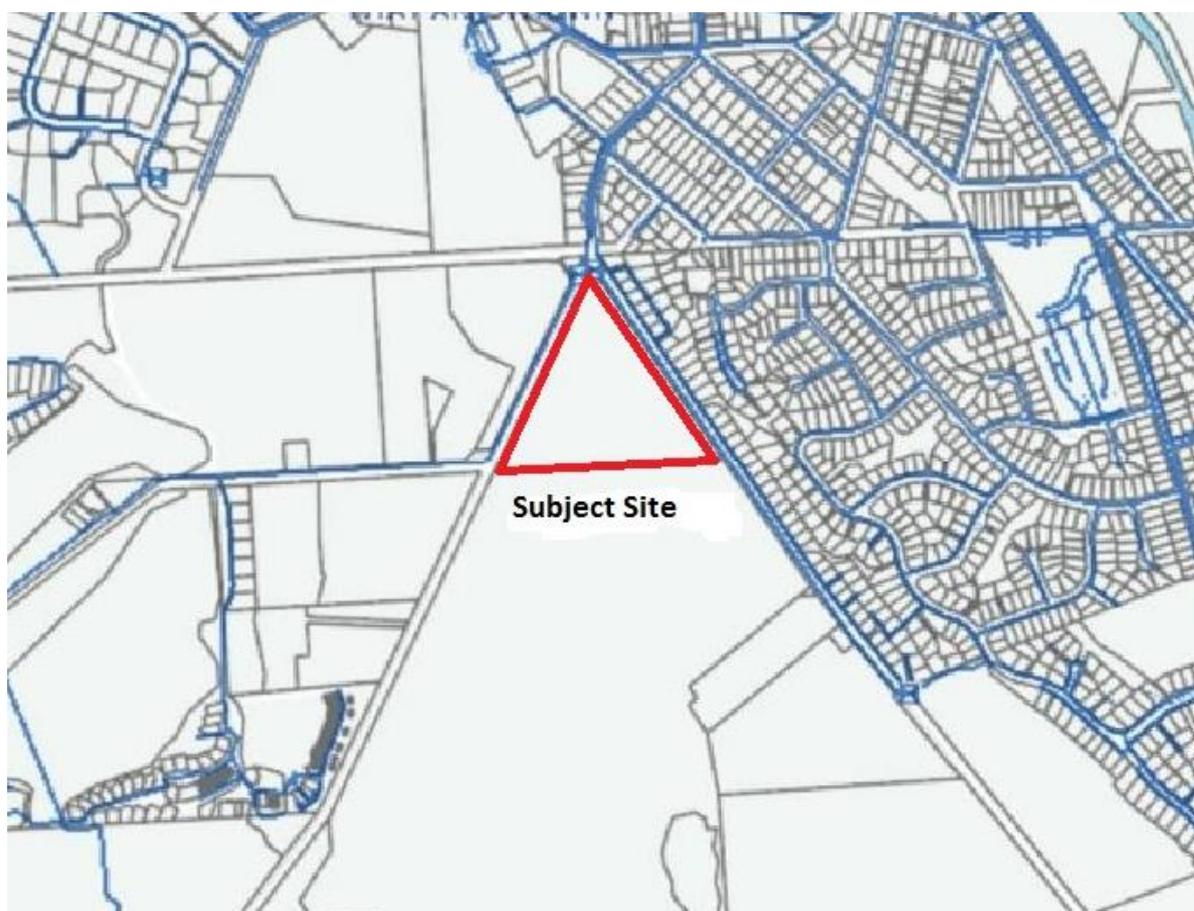


Figure 2 - Map Showing Existing QLDC Water Supply Infrastructure.

4.5 Water Supply - Option 2

The second option for providing a water supply for the development would be to establish a new water bore to supply the proposed zone with potable water. This would mean that the zone would have a standalone water supply that was separate from any Council reticulation.

The basic components of such a system would include the water bore intakes and pumps, rising main and storage reservoir as well as a water treatment system sufficient to bring the supply in line with Drinking Standards for New Zealand 2005 (Revised 2008) (DWSNZ).

The water supply storage reservoir for the proposed zone would be relatively small as it would be a buffer only and would likely be accommodated within a 90,000 litre tank or similar incorporating the necessary firefighting reserve volumes. From this buffer storage, water would be supplied to the zone or zones by a water pressure boosting pump station to provide domestic pressures. With the use of pressure boosting pump systems it is feasible to bury water storage facilities below ground if this becomes necessary.

As well as the physical construction issues involved with this option a number of consenting and maintenance matters may need to be addressed. A resource consent will be required to construct any new bore and it is likely that a further consent may be required for the water take itself if either the calculated total daily demand or the peak hourly flow exceed the permitted water take rates set out in the Otago Regional Council's Regional Plan for Water. Land use and building consents may also be required for the reservoir and water treatment facilities.

We note that there are existing productive bores on neighbouring sites indicating adequate groundwater.

The main issue to be considered with regards to this option would be the on-going maintenance and management of the water supply and treatment system. For a system of the expected size to service this site, the water supply could be owned by a lot owners association (or similar) responsible for the on-going management and maintenance of the infrastructure. Similar systems to this have been used for various small private schemes around Queenstown for a number of years.

4.6 Conclusions and Recommendations

Both of the two options outlined above to supply water to the subject site are feasible, however due to the close proximity of the site to existing Council water main infrastructure, and the ability to provide a ring main type connection through the site to further minimise hydraulic impacts on the QLDC Scheme, Option 1 (being connection to the existing QLDC Water Scheme) is recommended as the preferred and most cost effective option for both QLDC and for Rafa.

5. Wastewater Disposal

5.1 General

A Council reticulated sewerage scheme exists in McDonnell Road along the eastern boundary of the site (refer Figure 3). In addition, there is the possibility of constructing a standalone communal treatment and disposal system to cater for the wastewater drainage from the development of the proposed zone.

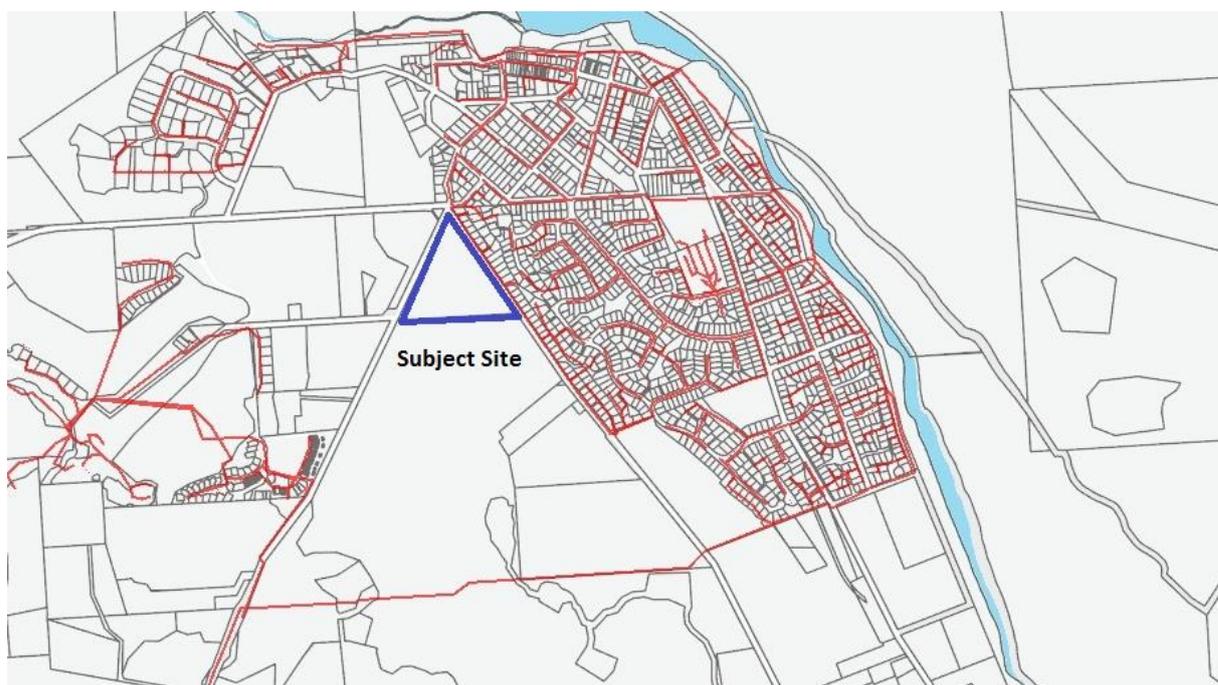


Figure 3 - Map Showing Existing QLD Council Wastewater Drainage Infrastructure.

Both of these options are considered further below.

5.2 Demand Assessment

Peak wastewater generation is expected to coincide with peak water demand. The following design figures have been adopted:

Wastewater Generation Item	Wastewater Generation (litres/day)	No.	Total (litres/day)
Dwelling (average day)	1,050	26	27,300

The additional average daily wastewater generation of 27.3 m³ per day equates to 0.32 litres per second average flow over twenty four hours.

From the QLDC amendments to NZS4404:2004 Land Development and Subdivision Engineering, the peaking factors for the wastewater network are as follows:

Item	Peaking Factor
Dry weather diurnal peak flow	2.5
Wet weather dilution/infiltration factor	2

Using the QLDC peaking factors, during the wet weather peak flow is estimated at 1.6 litres per second.

5.3 Wastewater Drainage – Option 1 – Council Reticulated Scheme

This option involves connecting to the existing Council reticulation in McDonnell Road to the north and east of the site. Depending on final subdivision design this connection would be by gravity if grades allowed, or via a small diameter rising main and pump station to be located centrally within the Rafa site.

The existing reticulation in McDonnell Road comprises a 150mm diameter sewer main which receives flows from the existing Arrowtown township catchment. This 150mm diameter sewer main falls along McDonnell Road in a southeast direction and discharges into the McDonnell Road Pump Station.

The catchment area currently served by the existing 150mm sewer is approximately 20Ha with a potential ultimate development level of between 250 and 300 residential units depending on reserve area allocation and infill subdivision. QLDC standards state that for a 150mm sewer laid at a minimum grade of 0.55%, a capacity of 250 lots or residential units can be assumed without the need for specific hydraulic modelling.

Review of QLDC GIS data shows that the 150mm sewer in McDonnell Road is laid at an average grade of 1.2% from the Rafa site to the McDonnell Road Pump Station. This is twice that of the minimum grade permitted by QLDC for 250 lots, therefore the main will have significantly more capacity than the minimum 250 lot equivalent listed by the Council standard.

The proposal by Rafa involves an increase in contributing lots of only 26 residential units. Given that the existing 150 sewer is not laid at the minimum grade, but is in fact laid considerably steeper than that, we believe that by inspection, detailed hydraulic modelling will likely show that there is capacity within this existing sewer to receive additional flows from the Rafa site.

In the unlikely event that a capacity constraint was identified, it would likely involve only a small section of the existing gravity sewer or an upgrade of emergency storage provisions at the McDonnell Road Pump Station. We also believe pump station upgrades are unlikely given the recent connection of the Arrowtown Lifestyle Retirement Village flows to this station.

Further, in the event capacity constraints existed elsewhere in the Council network any required upgrades could be mitigated by the inclusion of on-site holding tanks and a pump station to buffer and reduce flows in to the existing Council reticulation at peak times (if necessary).

In order to connect to the QLDC Wastewater Drainage Scheme, approval of Council would be required to extend the wastewater scheme boundary to include the proposed zone. In addition, Development Contributions would need to be paid for each dwelling connected. Council may include other conditions for extending the wastewater scheme to include the proposed zone that may result in additional upgrade costs being borne by the developer. Early liaison with Council will be required in order to determine exact Council requirements and potential cost liabilities.

5.4 Wastewater Drainage – Option 2 – Communal System

This option involves constructing a new communal wastewater treatment and disposal system at a suitable location on site and treating all wastewater flows from the proposed development prior to discharge to land.

It is envisaged that a package plant system similar to that used at Jacks Point or other remote sites in the District could be accommodated to service the site. The system would involve the primary treatment of wastewater at each individual dwelling by way of a septic tank to remove solids. Primary treated effluent from each septic tank is then pumped or drained to the communal package treatment facility where it undergoes secondary and possibly tertiary treatment prior to disposal to land.

This type of system has a number of positive attributes including:

- The ability to stage expansion of the treatment plant to cater for staged development of the zone.
- No pond based treatment.
- Possible reuse of water for irrigation purposes.

The system would be made up of the following components:

1. Each dwelling would drain wastewater flows to a septic tank located close by. This septic tank would be installed at the time the dwelling was constructed. Depending on the location and topography, the tank would be fitted with a pump and rising main to reticulate flows to gravity reticulation or would simply connect via gravity to nearby reticulation. The septic tanks will require routine inspections and maintenance. This will mostly involve pumping out the solid wastes from time to time. The inspections and maintenance would be managed by a lot owners association or similar.
2. It is likely that a mix of gravity and pumped mains will reticulate flows to a suitably located treatment facility. In the case of pumped mains, individual tanks would connect to this via a non-return valve kit.
3. At this stage, a sub-surface package treatment plant and disposal field is anticipated to be located within the Landscape Protection area. The Landscape Protection area offers a significant area available for sub surface soakage of treated effluent. This plant will receive all wastewater flows into a buffer tank and then treat it using a proprietary treatment system. This system would be a package treatment plant from a proprietary manufacturer/supplier. The actual process adopted will be the subject of detailed design and procurement evaluation. For some guidance, the system used at Jacks Point involves the use of textile packed bed reactors. If deemed necessary at the time of detailed design, tertiary treatment such as UV disinfection could be included to further treat the effluent.
4. The final treated effluent would be reticulated to a suitable disposal location. If suitable tertiary treatment is included, it is likely that this treated effluent could be used for shallow subsurface irrigation around the site. This would need to be carefully considered at the time of detailed design to ensure freezing pipes and public access were appropriately managed.

Similar to the water supply system, one of the main issues to be considered with regards to this option would be the on-going maintenance and management of the wastewater treatment and disposal system. For a system of the expected size to service this site, the wastewater drainage and treatment system could be owned by a lot owners association (or similar) responsible for the on-going management and maintenance of the infrastructure. A similar

approach to this has been adopted at Jacks Point near Queenstown and accepted by QLDC and applied at several other remote locations across the District in Glenorchy and elsewhere.

5.5 Conclusions and Recommendations

Wastewater servicing of the site is feasible by both connection to QLDC services and a communal on-site treatment and disposal system. However, the proximity of the existing QLDC wastewater services to the Rafa site and the apparent capacity of the existing 150mm diameter sewer to receive the marginal increase of 26 residential units offers the most economic outcome for both QLDC and Rafa in this instance. It is therefore recommended that the wastewater generated from the proposed development be disposed of by way of connection to the QLDC reticulated scheme under Option 1.

6. Stormwater Disposal

6.1 General

Generally, it is proposed to maintain the runoff characteristics of the existing catchment. However the proposed development on the site will alter the existing stormwater run off patterns and will serve to increase the peak flow runoff. We recommend to collect and control the stormwater runoff and dispose via connection to local water courses or to dispose of on site using stormwater infiltration and soakage features.

6.2 Planning Rules and Regulations

Rule 12.5.1.1 of the Regional Plan: Water for Otago states that the discharge of drainage water to water (or onto land where it might enter water) from any drain is a permitted activity so long as certain conditions are met. The conditions of particular relevance to the discharge of stormwater from the proposed new roads and domestic allotments are as follows:

12.5.1.1 (b) The discharge, after reasonable mixing, does not give rise to all or any of the following effects in the receiving water:

- (i) The production of any conspicuous oil or grease films, scums or foams, or floatable or suspended materials; or*
- (ii) Any conspicuous change in the colour or visual clarity; or*
- ...*
- (v) Any significant adverse effects on aquatic life.*

It is further stated that:

The discharge of drainage water under Rule 12.5.1.1 will have no more than minor adverse effects on the natural and human use values supported by water bodies, or on any other person. This rule is adopted to enable drainage water to be discharged while providing protection for those values and the interests of those people. Any other activity involving the discharge of drainage water is a restricted discretionary activity in order that any adverse effects can be assessed.

Contaminants associated with vehicular traffic can include oils, rubber, heavy metals and sediments. In large amounts these contaminants can greatly decrease the natural and human use values of bodies of water. As the stormwater from the site will likely be discharging either directly into local water courses or to ground, appropriate protections will need to be installed in the on-site drainage system in order to remove such contaminants

from the stormwater. The aim of stormwater quality treatment used at the site would be to ensure that the runoff from the new development is in a similar condition to that being achieved before the development. Of particular concern are the "first flush" flows that carry the highest pollutant loadings.

Appropriate technologies to separate contaminants from the stormwater flows might include the use of mud-tanks located in the on-site drainage sumps and a vortex separator mechanism such as a Hynds Downstream Defender which provide high removal efficiencies of suspended solids and floatables over a wide range of flow rates.

Careful design of the stormwater reticulation for the site will ensure that the requirements set out in the Regional Plan: Water for Otago are met.

6.3 Stormwater Quantities

At this early stage in the development of the proposed zone, it is difficult to determine the increase in storm water runoff from the site. Initial calculations have been undertaken and these indicate that for a 10 minute rain event with an average reoccurrence interval (ARI) of 10 years the development is expected to increase the storm water flow rate by approximately 150 to 200 litres per second. This will vary depending upon the density of the development and the permeability of the site.

This level of increase in runoff would result in potentially significant infrastructure if the traditional approach of reticulating all the flows from the site was adopted. There is existing QLDC Stormwater reticulation in McDonnell Road to which the subject site could connect subject to detailed analysis. If a single point of discharge was developed without any flow attenuation the required outlet pipe would be approximately 300 mm in diameter. This level of flow would likely exceed the capacity of the existing QLDC pipework in McDonnell Road, but these flows and their impacts could be mitigated using a Low Impact Design (LID) approach.

From NZS4404:2010 Land Development and Infrastructure:

Low impact design aims to use natural processes such as vegetation and soil media to provide stormwater management solutions as well as adding value to urban environments. The main principles of low impact design are reducing stormwater generation by reducing impervious areas, minimising site disturbance, and avoiding discharge of contaminants. Stormwater should be managed as close to the point of origin as possible to minimise collection and conveyance. Benefits include limiting discharges of silt, suspended solids, and other pollutants into receiving waters, and protecting and enhancing natural waterways.

And:

Low impact design is a type of storm water system that aims to minimise environmental impacts by:

- (a) Reducing peak flow discharges by attenuation;*
- (b) Eliminating or reducing discharges by infiltration or soakage;*
- (c) Improving water quality by filtration;*
- (d) Installing detention devices for beneficial reuse.*

The types of low impact devices and practices that could be included in the zone include the following:

- Detention Ponds (Wet and Dry);
- Vegetated swales;
- Rain gardens;
- Rainwater tanks;
- Soakage pits and soak holes;
- Filter strips; and
- Infiltration trenches/basins.

Subdivision urban design principles may also assist in mitigating runoff from the site. These include clustering development to increase open area around developed areas and decreasing road setbacks in order to decrease the likely impervious areas.

In addition to reducing the peak discharge from the site, LID approaches are also likely to improve the quality of the runoff from the site.

6.4 Conclusions and Recommendations

We consider that the collection and subsequent disposal of stormwater from the proposed development is entirely feasible via collecting and controlling the stormwater runoff and disposing by draining to the local depressions within the site and using soakage galleries to reduce site runoff to no greater than the pre development levels.

Subject to detailed hydraulic analysis to confirm capacity within the existing QLDC Stormwater services in McDonnell Road, the preferred solution is to incorporate low impact design features (particularly attenuation) to reduce flows leaving the site to levels within the capacity of the QLDC Stormwater pipe. Secondary flow paths would be incorporated within the subdivision to allow connection to the existing secondary flow paths available in McDonnell Road.

7. Conclusions and Recommendations

The subject site and the proposed development have been assessed to determine the suitability for development in relation to infrastructure services. No significant constraints have been identified and the proposed rezoning of the Rafa land is suitable for the proposed development from an infrastructure servicing viewpoint.

The key findings are summarised as follows;

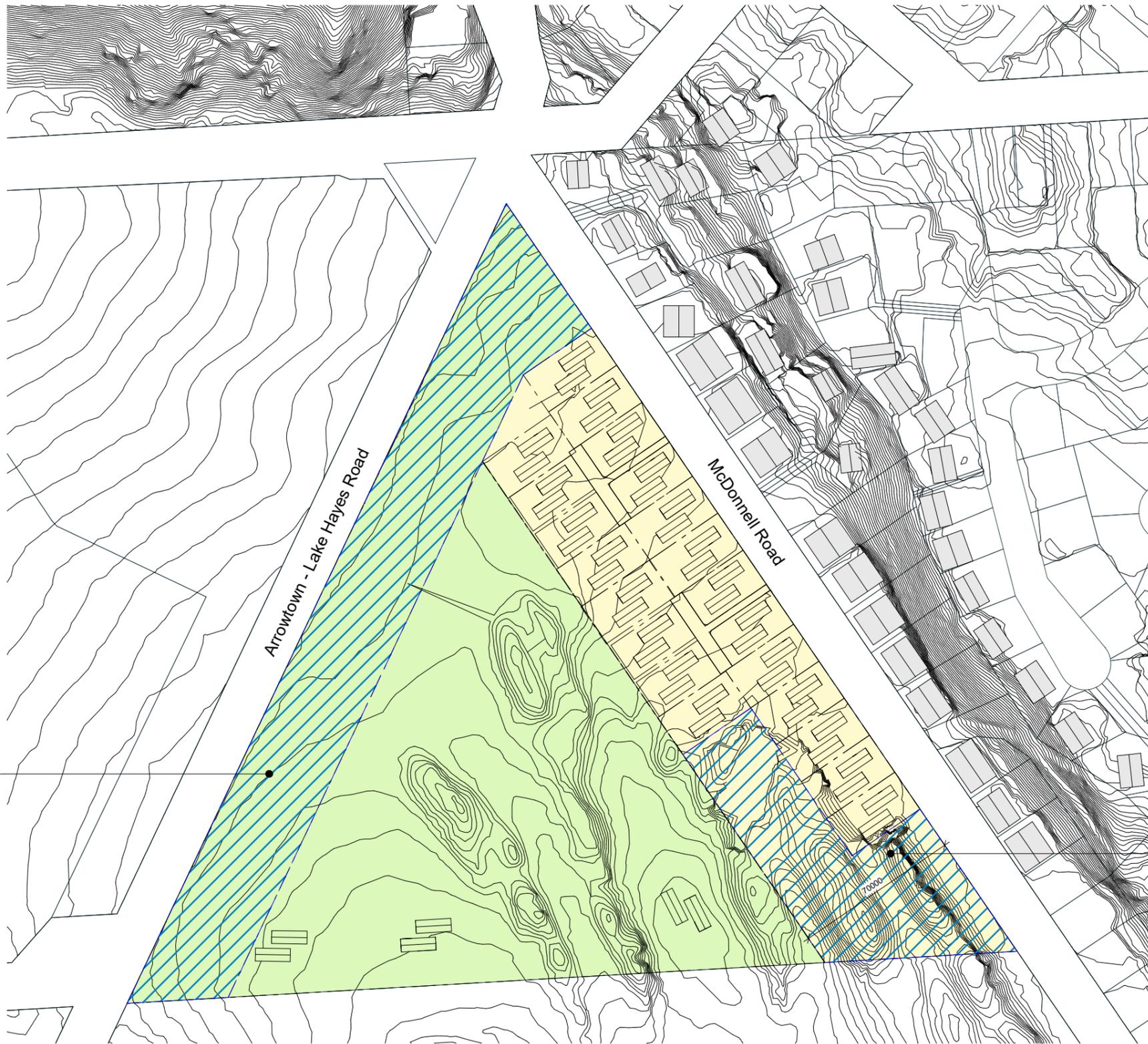
- i. There are adjacent options for supplying water to the site. The first option would be to utilise the QLDC reticulated water supply. The second option would be to install a new, private water bore intake and treatment along with a new reservoir and a water supply boosting pump station. Based on the efficient ability to ring main the site from existing Council water mains in Arrowtown-Lake Hayes Road and McDonnell Road, the preferred option is to connect to the existing QLDC water supply scheme.
- ii. Wastewater drainage reticulation from the site will be able to be catered for with either connection to the existing and adjacent QLDC reticulation or construction of a proposed wastewater reticulation and treatment and disposal system. The majority of the site will be able to be reticulated by the construction of gravity sewer pipes. However, it is anticipated that parts of the development site will require pump stations in order to convey flows to either the existing QLDC infrastructure or a new communal treatment plant. Preliminary capacity analysis shows that the existing 150mm sewer in McDonnell Road is unlikely to be at its capacity limit and has the ability to accommodate more than 250 lots. Accordingly, connection to the existing QLDC wastewater scheme is the preferred option to service the site.
- iii. Stormwater runoff from the site can be satisfactorily disposed of by the construction of necessary reticulation with disposal to local stormwater features. It is recommended that in order to reduce the peak runoff and to improve runoff quality, low impact design approaches are adopted, and subject to capacity analysis, connection is made to the existing QLDC Stormwater pipework in McDonnell Road.

Overall, we confirm that there are no significant impediments to development of the site with respect to Infrastructure Services.

We recommend that the timing and scale of any proposed infrastructure upgrades be further assessed once the layout of the proposed zone has been further progressed and staging of

development has been confirmed. Given the level of proposed rezoning in the adjacent area we strongly recommend that, should it be required, QLDC lead an Area Wide expansion of their water and wastewater networks. Such an approach would provide a level of coordination and would avoid the first come first served approach to existing system capacity and would maximise development contributions to QLDC to fund any necessary infrastructure expansion. It would also avoid a proliferation of discrete private schemes in the area, which ultimately represent duplication and potentially inefficient use of resources.

Appendix 1
Zone Plan



-  Building Restriction Area
-  Rural Residential Zone
-  Lower Density Suburban Residential Zone

Rural Residential with Building Restriction Overlay

Lower Density Suburban Residential Zone with Building Restriction Overlay

1 Proposed Amendments to PDP Zone Maps 13d, 27 and 28
1:1000 @ A1




4

APPENDIX 4

Visual Simulations



1 VIEW KEY
1: 1000



View 1: Arrowtown Lake Hayes Road View - Before



View 1: Arrowtown Lake Hayes Road View - After



View 2: Cricket Pitch View - Before



View 2: Cricket Pitch View - After



View 3: Berkshire Street View - Before



View 3: Berkshire Street View - After



View 4: McDonnell Road View - Before



View 4: McDonnell Road View - After



View 5: Fox's Terrace View - Before



View 5: Fox's Terrace View - After



View 6: Fox's Terrace Walkway View - Before



View 6: Fox's Terrace Walkway View - After



View 7: Cricket Pitch and Lake Hayes Road View - Before



View 7: Cricket Pitch and Lake Hayes Road View - After




5

APPENDIX 5

Operative Otago Regional Policy
Statement Provisions and Proposed
Otago Regional Policy Statement
Provisions

Operative and Proposed Otago Regional Policy Statements

Relevant objectives and policies in the Operative Otago Regional Policy Statement

Chapter 5 Land

5.4 Objectives

5.4.1. *To promote the sustainable management of Otago's land resources in order:*

- (a) *To maintain and enhance the primary productive capacity and life-supporting capacity of land resources; and*
- (b) *To meet the present and reasonably foreseeable needs of Otago's people and communities.*

5.4.2. *To avoid, remedy or mitigate degradation of Otago's natural and physical resources resulting from activities utilising the land resource.*

5.5. Policies

5.5.3 *To maintain and enhance Otago's land resource through avoiding, remedying or mitigating the adverse effects of activities which have the potential to, amongst other adverse effects:*

- (a) *Reduce the soil's life supporting capacity*
- (b) *Reduce healthy vegetative cover*
- (c) *Cause soil loss*
- (d) *Contaminate soils*
- (e) *Reduce productivity*
- (f) *Compact soils*
- (g) *Reduce soil moisture holding capacity.*

5.5.4 *To promote the diversification and use of Otago's land resource to achieve sustainable landuse and management systems for future generations.*

Chapter 9 Urban Environment

9.4 Objectives

9.4.1. *To promote the sustainable management of Otago's built environment in order to:*

- (a) *Meet the present and reasonably foreseeable needs of Otago's people and communities; and*
- (b) *Provide for amenity values; and*
- (c) *Conserve and enhance environmental and landscape quality; and*
- (d) *Recognise and protect heritage values.*

9.4.2. *To promote the sustainable management of Otago's infrastructure to meet the present and reasonably foreseeable needs of Otago's communities.*

9.4.3. *To avoid, remedy or mitigate the adverse effects of Otago's built environment on Otago's natural and physical resources.*

9.5 Policies

9.5.1 *To recognise and provide for the relationship Kai Tahu have with the built environment of Otago through:*

- (a) *Considering activities involving papatipu whenua that contribute to the community and cultural development of Kai Tahu; and*
- (b) *Recognising and providing for the protection of sites and resources of cultural importance from the adverse effects of the built environment.*

9.5.2 *To promote and encourage efficiency in the development and use of Otago's infrastructure through:*

- (a) *Encouraging development that maximises the use of existing infrastructure while recognising the need for more appropriate technology; and*
- (b) *Promoting co-ordination amongst network utility operators in the provision and maintenance of infrastructure; and*
- (c) *Encouraging a reduction in the use of non-renewable resources while promoting the use of renewable resources in the construction, development and use of infrastructure; and*
- (d) *Avoiding or mitigating the adverse effects of subdivision, use and development of land on the safety and efficiency of regional infrastructure.*

9.5.4 *To minimise the adverse effects of urban development and settlement, including structures, on Otago's environment through avoiding, remedying or mitigating:*

- (a) *Discharges of contaminants to Otago's air, water or land; and*
- (b) *The creation of noise, vibration and dust; and*
- (c) *Visual intrusion and a reduction in landscape qualities; and*
- (d) *Significant irreversible effects on:*
 - (i) *Otago community values; or*
 - (ii) *Kai Tahu cultural and spiritual values; or*
 - (iii) *The natural character of water bodies and the coastal environment; or*
 - (iv) *Habitats of indigenous fauna; or*
 - (v) *Heritage values; or*
 - (vi) *Amenity values; or*
 - (vii) *Intrinsic values of ecosystems; or*
 - (viii) *Salmon or trout habitat.*

9.5.5 *To maintain and, where practicable, enhance the quality of life for people and communities within Otago's built environment through:*

- (a) *Promoting the identification and provision of a level of amenity which is acceptable to the community; and*

- (b) *Avoiding, remedying or mitigating the adverse effects on community health and safety resulting from the use, development and protection of Otago's natural and physical resources; and*
- (c) *Avoiding, remedying or mitigating the adverse effects of subdivision, landuse and development on landscape values.*

Relevant objectives and policies in the Proposed Otago Regional Policy Statement (Incorporating Council Decisions, 1 October 2016)

Objective 1.1 *Recognise and provide for the integrated management of natural and physical resources to support the wellbeing of people and communities in Otago.*

Policy 1.1.2 *Economic wellbeing*

Provide for the economic wellbeing of Otago's people and communities by enabling the use and development of natural and physical resources only if the adverse effects of those activities on the environment can be managed to give effect to the objectives and policies of the Regional Policy Statement.

Policy 1.1.3 *Social and cultural wellbeing and health and safety*

Provide for the social and cultural wellbeing and health and safety of Otago's people and communities when undertaking the subdivision, use, development and protection of natural and physical resources by all of the following:

- a) *Recognising and providing for Kāi Tahu values;*
- b) *Taking into account the values of other cultures;*
- c) *Taking into account the diverse needs of Otago's people and communities;*
- d) *Promoting good quality and accessible infrastructure and public services;*
- e) *Avoiding significant adverse effects of activities on human health.*

Objective 2.1 *The principles of Te Tiriti o Waitangi are taken into account in resource management processes and decisions*

Objective 3.1 *The values of Otago's natural resources are recognised, maintained and enhanced.*

Objective 4.1 *Risk that natural hazards pose to Otago's communities are minimised.*

Policy 4.1.2 *Natural hazard likelihood*

Using the best available information, assess the likelihood of natural hazard events occurring, over no less than 100 years.

Policy 4.1.3 *Natural hazard consequence*

Assess the consequences of natural hazard events, by considering all of the following:

- a) *The nature of activities in the area;*
- b) *Individual and community vulnerability;*
- c) *Impacts on individual and community health and safety;*

- d) *Impacts on social, cultural and economic wellbeing;*
- e) *Impacts on infrastructure and property, including access and services;*
- f) *Risk reduction and hazard mitigation measures;*
- g) *Lifeline utilities, essential and emergency services, and their co-dependence;*
- h) *Implications for civil defence agencies and emergency services;*
- i) *Cumulative effects;*
- j) *Factors that may exacerbate a hazard event.*

Policy 4.1.4 *Assessing activities for natural hazard risk.*

Assess activities for natural hazard risk to people and communities, by considering all of the following:

- a) *The natural hazard risk identified, including residual risk;*
- b) *Any measures to avoid, remedy or mitigate those risks, including relocation and recovery methods;*
- c) *The long term viability and affordability of those measures;*
- d) *Flow-on effects of the risk to other activities, individuals and communities;*
- e) *The availability of, and ability to provide, lifeline utilities, and essential and emergency services, during and after a natural hazard event.*

Policy 4.1.5 *Natural hazard risk*

Manage natural hazard risk to people and communities, with particular regard to all of the following:

- a) *The risk posed, considering the likelihood and consequences of natural hazard events;*
- b) *The implications of residual risk, including the risk remaining after implementing or undertaking risk reduction and hazard mitigation measures;*
- c) *The community's tolerance of that risk, now and in the future, including the community's ability and willingness to prepare for and adapt to that risk, and respond to an event;*
- d) *The changing nature of tolerance to risk;*
- e) *Sensitivity of activities to risk.*

Policy 4.1.6 *Avoiding increased natural hazard risk.*

Manage natural hazard risk to people and communities by both:

- a) *Avoiding activities that significantly increase risk including displacement of risk off-site; and*
- b) *Avoiding activities that increase risk in areas potentially affected by coastal hazards over at least the next 100 years.*

Policy 4.1.7 *Reducing existing natural hazard risk.*

Reduce existing natural hazard risk to people and communities, including by all of the following:

- a) *Encouraging activities that:*
 - i. *Reduce risk; or*
 - ii. *Reduce community vulnerability;*
- b) *Discouraging activities that:*
 - i. *Increase risk; or*
 - ii. *Increase community vulnerability;*

- c) *Considering the use of exit strategies for areas of significant risk to people and communities;*
- d) *Encouraging design that facilitates:*
 - i. *Recovery from natural hazard events; or*
 - ii. *Relocation to areas of lower risk;*
- e) *Relocating lifeline utilities, and facilities for essential and emergency service, to areas of reduced risk, where appropriate and practicable;*
- f) *Enabling development, upgrade, maintenance and operation of lifeline utilities and facilities for essential and emergency services;*
- g) *Reassessing natural hazard risk to people and communities, and community tolerance of that risk, following significant natural hazard events.*

Policy 4.1.9 *Protecting features and systems that provide hazard mitigation.*

Avoid, remedy or mitigate adverse effects on natural or modified features and systems, which contribute to mitigating the effects of both natural hazards and climate change.

Objective 4.3 *Infrastructure is managed and developed in a sustainable way*

Objective 4.5 *Urban growth and development is well designed, reflects local character and integrates effectively with adjoining urban and rural environments*

Policy 4.5.1 *Managing for urban growth and development*

Manage urban growth and development in a strategic and coordinated way, by all of the following:

- a) *Ensuring there is sufficient residential, commercial and industrial land capacity, to cater for demand for such land, over at least the next 20 years;*
- b) *Co-ordinating urban growth and development and the extension of urban areas with relevant infrastructure development programmes, to provide infrastructure in an efficient and effective way;*
- c) *Identifying future growth areas and managing the subdivision, use and development of rural land outside these areas to achieve all of the following:*
 - i. *Minimise adverse effects on rural activities and significant soils;*
 - ii. *Minimise competing demands for natural resources;*
 - iii. *Maintain or enhance significant biological diversity, landscape or natural character values;*
 - iv. *Maintain important cultural or historic heritage values;*
 - iv. *Avoid land with significant risk from natural hazards;*
- d) *Considering the need for urban growth boundaries to control urban expansion;*
- e) *Ensuring efficient use of land;*
- f) *Encouraging the use of low or no-emission heating systems;*
- g) *Giving effect to the principles of good urban design, as detailed in Schedule 5;*
- h) *Restricting the location of activities that may result in reverse sensitivity effects on existing activities.*

Policy 4.5.2 *Planned and coordinated urban growth and development*

Where urban growth boundaries or future urban development areas, are identified in a district plan, control the release of land within those boundaries or areas, by:

- a) *Staging development, using identified triggers to release new stages for development; or*

- b) *Releasing land in a way that ensures both:*
 - i. *a logical spatial development; and*
 - ii. *efficient use of existing land and infrastructure before new land is released; and*
- c) *Avoiding urban development beyond the urban growth boundary or future urban development area.*

Policy 4.5.3 *Urban design.*

Encourage the use of Schedule 5 good urban design principles in subdivision and development of urban areas

Policy 4.5.4 *Low impact design*

Encourage the use of low impact design techniques in subdivision and development to reduce demand on stormwater, water and wastewater infrastructure and reduce potential adverse environmental effects

Policy 4.5.7 *Integrating infrastructure with land use.*

Achieve the strategic integration of infrastructure with land use, by undertaking all of the following:

- a) *Recognising functional needs of infrastructure of regional or national importance;*
- b) *Locating and designing infrastructure to take into account all of the following:*
 - i. *Actual and reasonably foreseeable land use change;*
 - ii. *The current population and projected demographic changes;*
 - iii. *Actual and reasonably foreseeable change in supply of, and demand for, infrastructure services;*
 - iv. *Natural and physical resource constraints;*
 - v. *Effects on the values of natural and physical resources;*
 - vi. *Co-dependence with other infrastructural;*
 - vii. *The effects of climate change on the long term viability of that infrastructure;*
 - viii. *Natural hazard risk.*
- c) *Locating growth and development:*
 - i. *Within areas that have sufficient infrastructure capacity; or*
 - ii. *Where infrastructure services can be upgraded or extended efficiently and effectively;*
- d) *Coordinating the design and development of infrastructure with land use change in growth and redevelopment planning.*