

**Queenstown Lakes District Proposed District Plan**  
**Section 32 Evaluation**  
**Stage 3 Components**

For:

**Rural Visitor Special Zone**

And consequential Variations to Proposed District Plan:

**Chapter 20 Settlements**

**Chapter 27 Subdivision and Development**

**Chapter 25 Earthworks**

**Chapter 31 Signs**

**Chapter 36 Noise**

**Planning Maps**

**Incorporation by reference, and amendments to the Cardrona  
Village Character Guideline 2012**

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## APPENDICES:

### 1. Chapter 46 Rural Visitor Zone proposed provisions and variations

Note: The provisions relating to the reviewed Rural Visitor Zone at Cardrona are contained in the Settlement Zone Chapter 20.

### 2. Queenstown Lakes District Council Rural Visitor Zone Review Landscape Assessment June 2019

### 3. Copy of Resource Consent decision RM110010 for a Structure Plan at Arcadia

### 4. Relevant objectives and policies of the Partially Operative Regional Policy Statement for Otago, 2019 and 1998 volumes.

### 5. Cardrona Village Character Guideline 2012.

Note: the text of the Cardrona Village Character Guideline 2012 that is proposed to be amended are contained in the Settlement Zone Chapter 20.

### 6. RM 180844 155 Arthurs Point Road

## **7. Pre notification feedback from Brooklynne Holdings Limited relating to the review of the Cardrona Rural Visitor Zone.**

### **1. EXECUTIVE SUMMARY**

- 1.1 This report is the section 32 evaluation for the review of the operative Rural Visitor Special Zone (**RVSZ**) and forms part of the Queenstown Lakes District Council's ('**QLDC**' or '**the Council**') District Plan Review process. The Stage 3b Proposed District Plan Rural Visitor Chapter 46 (**Rural Visitor Chapter**) applies to all land identified as Rural Visitor Zone (**RVZ**) within the Planning Maps available via a web link to the Stage 3b Proposed District Plan (**PDP**) notification bundle.
- 1.2 The RVZ is intended to provide for and manage visitor industry activities within the rural environment of the District, specifically the Outstanding Natural Landscapes (**ONL**). The RVZ is designed to provide for visitor industry facilities on sites that are too small to likely be appropriate for resort zoning (i.e. a stand alone special zone), and the principal activity is visitor accommodation and smaller scale commercial recreation activities, rather than a separate resort or special zone that is centred around substantial recreation activities (i.e. Millbrook Chapter 43 and the establishment and ongoing use of golf courses).
- 1.3 The key resource management issues relating to the RVZ are the effects of activities on landscape values and the appropriateness of various activities within the zone and relatively remote locations within the rural environment. Issues specific to different areas include the recognition of historic values, the effects of urban growth, community identify and reverse sensitivity effects.
- 1.4 The Operative District Plan (**ODP**) provisions, located in Section 12 of the ODP have been used as a baseline for this review, and the key changes that are recommended to address the key resource management issues are:
- (a) Objectives and policies aimed at enabling visitor-related activities provided landscape values are maintained or enhanced;
  - (b) The identification of areas of moderate – high and high landscape sensitivity on the Planning Maps, and rules restricting buildings within these areas;
  - (c) Rules that enable visitor accommodation, commercial recreation and farming activity subject to standards;
  - (d) Rules requiring a resource consent for any building to enable the Council to consider the effects of built development within the zone;
  - (e) Rules that discourage activities other than those specifically provided for, including residential activity (not ancillary to onsite commercial recreation or visitor accommodation) as a non-complying activity; and
  - (f) The inclusion of standards relating to setbacks, building coverage, height, external building appearance and glare.

- 1.5 The RVZ Chapter 46 will assist the Council to fulfil its statutory functions and responsibilities as required by the Resource Management Act 1991 (**the Act/the RMA**), in particular sections 35 (duty to gather information, monitor and keep records) and 79 (review of policy statements and plans).
- 1.6 The proposed Stage 3 Chapter 46 text is attached at Appendix 1 to this report. The proposed zoning is shown on a weblink on the Council's website.

## **2. INTRODUCTION**

- 2.1. Section 32 of the Act requires objectives in proposals to be examined for their appropriateness in achieving the purpose of the Act, and the policies and methods of those proposals to be examined for their costs, benefits, efficiency, effectiveness and risk of acting or not acting in achieving the objectives.
- 2.2. The purpose of this proposal is to introduce to the PDP a suite of objectives, policies and rules that provide for visitor accommodation and related activities in specific locations within the rural areas of the district, where the landscape can accommodate the change from visitor industry related development, primarily visitor accommodation. This proposal also recommends associated variations to the following PDP chapters to include RVZ-specific provisions within the district-wide provisions:
- (a) Chapter 20 Settlements (where the operative Rural Visitor Zone and some adjoining Stage 1 Rural Zoned land is proposed to be zoned Settlement);
  - (b) Chapter 25 Earthworks;
  - (c) Chapter 27 Subdivision and Development;
  - (d) Chapter 31 Signs; and
  - (e) Chapter 36 Noise.
- 2.3. Variations to the Planning Maps are included as part of the proposal.
- 2.4. While the RVSZ has been used as the basis of the review, and its revision informs the new Chapter 46 RVZ within the PDP, the review has taken a first principles approach as opposed to any assumption that the operative RVSZ is the most appropriate way to meet the objectives of the PDP and the Act.
- 2.5. Within the ODP there are seven different areas that are identified as RVSZ:
- (a) Arcadia;
  - (b) Arthurs Point;
  - (c) Blanket Bay;
  - (d) Cardrona;
  - (e) Cecil Peak;

- (f) Walter Peak; and
- (g) Windermere.

2.6. The evaluation of the appropriateness of the Rural Visitor Chapter is based upon addressing the following resource management issues:

- (a) Visitor industry activities within the Outstanding Natural Landscapes and effects of those activities on landscape values;
- (b) The appropriateness of various activities within the existing Rural Visitor zone;
- (c) Structure planning within the existing Rural Visitor zone provisions;
- (d) Urban growth at Arthurs Point;
- (e) Effects on historic values;
- (f) Community identity at Cardrona; and
- (g) Land use options at Windermere.

2.7. Addressing the issues set out above will result in a more appropriate regime of managing the effects of activities in the Rural Visitor Zones and is consistent with achieving the purpose of the Act.

2.8. The Strategic chapters, and a number of District Wide annotations and District Wide chapters were notified for submissions in Stage 1 and Stage 2 of the PDP and they therefore will apply to all land notified as part of Stage 3. Through Stage 3, some additional zone-specific District Wide provisions are being notified that apply specifically to the RVZ, for example new standards for subdivision, signs, earthworks and noise.

2.9. The Rural Visitor Chapter applies to land notified in Stage 3 of the District Plan Review and is shown on the Planning Maps.

### **3. DISTRICT PLAN REVIEW BACKGROUND**

3.1. The District Plan Review is being undertaken in stages. Stage 1 commenced in April 2014 and was publicly notified on 26 August 2015. Hearings on Stage 1 components comprising ten individual hearing streams for 33 chapters, 1 variation<sup>1</sup> and three separate hearing streams for rezoning requests and mapping annotations<sup>2</sup> were held from March 2016 to September 2017.

3.2. On 29 September 2016 the Council approved the commencement of Stage 2. As part of the resolutions the Council approved the separation of the District Plan into two volumes, Volume A and Volume B.

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<sup>1</sup> Variation 1 – Arrowsmith Design Guidelines 2016

<sup>2</sup> Ski Area Sub Zones, Upper Clutha Area and the Queenstown Area (excluding the Wakatipu Basin).

- 3.3. Volume A will comprise those parts of the ODP that have been reviewed and made operative. Volume B comprises land that has not been reviewed. Proposed District Plan Chapters 3, 4, 5, and 6 and designations apply over both volumes A and B.
- 3.4. Stage 3 of the District Plan Review includes the following topics:
- Mapping sites of significance to Iwi/Wāhi Tūpuna;
  - Settlement Zones (ODP Township Zones);
  - Design Guidelines to assist with the implementation of the Residential and Business Mixed Use Zones (PDP Chapters 7, 8, 9 and 15);
  - Industrial A and B Zones;
  - Rural Visitor Zone;
  - Ballantyne Road Mixed Use Zone; and
  - Three Parks Special Zone.
- 3.5. At the time of notification of Stage 3, decisions have been made on Stage 1 and Stage 2 and appeals have been lodged, and some matters have been heard by the Environment Court. An interim decision on Topic 1 Stage 1 – A resilient economy was issued by the Environment Court on 5 August 2019.

#### **4. PURPOSE OF THE REPORT**

- 4.1. Section 32 of the Act requires objectives in proposals to be examined for their appropriateness in achieving the purpose of the Act, and the policies and methods of those proposals to be examined for their efficiency, effectiveness and risk in achieving the objectives (MFE, 2014). This report fulfils the obligations of the Council under section 32 of the Act. The analysis set out below (within sections 5 to 17) should be read together with the text of the proposed RVZ at Chapter 46.
- 4.2. This report provides an analysis of the key issues, objectives and the policy response for the Rural Visitor Chapter under the following headings:
- a) The Consultation undertaken, including engagement with iwi authorities on the draft plan (Section 5).
  - b) An overview of the applicable Statutory Policy Context (Section 6)
  - c) A description of the Resource Management Issues, which provide the driver for the proposed provisions (Sections 7 to 12);
  - d) An Evaluation against Section 32(1)(a) and Section 32(1)(b) of the Act , that is:
    - (i) Whether the objectives are the most appropriate way to achieve the purpose of the RMA (Section 32(1)(a));
    - (ii) Whether the provisions (policies and methods) are the most appropriate way to achieve the objectives (Section 32(1)(b)), including:

- (i) identifying other reasonably practicable options for achieving the objectives;
- (ii) assessing the efficiency and effectiveness of the provisions in achieving the objectives; and
- (iii) summarising the reasons for deciding on the provisions; and
- (iv) The identification and assessment of the costs and benefits of the environmental, economic, social and cultural effects (Section 32(2));
- (v) The Risk of Acting or Not Acting (Section 14).

## **5. CONSULTATION**

5.1. The following consultation was undertaken in the development of the proposal.

5.2. Iwi were provided the opportunity to comment on draft provisions and the extent of the RVZ. No specific comments were received.

5.3. Letters were sent to property owners in the RVSZ, and immediately adjacent sites. Feedback was received from several persons and that feedback has been taken into consideration as part of the evaluation. Areas of particular interest were:

- (a) Arthurs Point, with particular reference to subdivision and land use that had occurred under the operative regime and the implications of the review on established activities and subdivisions.
- (b) At Arthurs point, the realisation that the area is being developed to urban densities and what the most appropriate alternative zoning regime could be.
- (c) The continuation of visitor activities at Blanket Bay.
- (d) At Windermere near Wanaka, whether the new PDP Airport Zone would be the most appropriate zoning due to the proximity of this land to the Wanaka Airport Zone.
- (e) At Walter Peak, provision for continuation of visitor industry related activities and further development opportunities and related infrastructure to support the ongoing activities and growth at Walter Peak.
- (f) Previous resource consents and landscape reports at Arcadia and potential for continuation of these into the PDP.
- (g) The ongoing provision for visitor activities at Blanket Bay.
- (h) At Cardrona, the extent of commercial areas, building heights and use of the Cardrona Character Guideline 2012.

## **6. STATUTORY POLICY CONTEXT**

### **Resource Management Act 1991**

- 6.1. The purpose of the RMA is to promote the sustainable management of natural and physical resources. Sustainable management is defined in the RMA as managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety while:
- (a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
  - (b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and
  - (c) avoiding, remedying, or mitigating any adverse effects of activities on the environment.
- 6.2 Guidance as to how the overall sustainable management purpose is to be achieved is provided in the other sections, including sections 6, 7 and 8 of Part 2 of the Act.
- 6.2. Section 6 of the RMA sets out matters of national importance that are to be recognised and provided for. The following section 6 matters are applicable:
- (a) Section 6(a) - the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development;
  - (b) Section 6(b) - the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development;
  - (c) Section 6(d) - the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers; and
  - (d) Section 6(h) - the management of significant risks from natural hazards.
- 6.3. Section 7 lists other matters that Council shall have particular regard to. Those most relevant to the proposal include the following:
- (a) Section 7(b) - the efficient use and development of natural and physical resources;
  - (b) Section 7(c) – the maintenance and enhancement of amenity values;
  - (c) Section 7(f) – the maintenance and enhancement of the quality of the environment; and
  - (d) Section 7(g) – any finite characteristics of natural and physical resources.
- 6.4. Section 8 requires the Council take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). The principles as they relate to resource management derive from Te Tiriti o Waitangi itself and from resource management case law and practice.
- 6.5. All of the RVZ areas are located within the rural environment of the District and within the ONL classification. Development within ONLs has the potential to degrade the important landscape character and visual amenity values that contribute to the importance of these landscapes at not only a District and regional, but at the national level. The Council is required to protect these landscapes from inappropriate use, subdivision and development.



- 6.6. The RVZ contains land utilised for visitor-related activities as well as rural production. The Act requires that particular regard is had to the maintenance and enhancement of amenity values, the quality of the environment and any finite characteristics of natural and physical resources. These matters are important in the context of the RVZ in determining the most appropriate way to manage the natural and physical resources of these areas. Careful management is required to ensure that the landscape quality and character of the RVZ is maintained. The Council must also have regard to the efficient use of land and resources as identified in section 7(b).
- 6.7. Section 31 of the Act provides the basis for objectives, policies and methods within a District Plan, to manage the effects of use, development or protection of land and associated natural and physical resources of the district. A strategic approach is necessary to manage future development within the RVZ in a logical and coordinated manner to promote the sustainable management of the valued landscapes within it.

#### **Other National Legislation or Policy Statements**

- 6.8. When preparing district plans, district councils must give effect to any National Policy Statement (NPS) or National Environmental Standard (NES).
- 6.9. The following NPS are currently in effect:
- (a) NPS on Urban Development Capacity (NPS-UDC)
  - (b) NPS for Freshwater Management (NPS-FW)
  - (c) NPS for Renewable Electricity Generation (NPS-REG)
  - (d) NPS on Electricity Transmission (NPS-ET)
  - (e) New Zealand Coastal Policy Statement

Work is currently underway on a proposed National Policy Statement for Indigenous Biodiversity.

- 6.10. The NPS-UDC is the most relevant NPS to the proposal and came into effect on 1 December 2016. The NPS-UDC sets out objectives and policies for ensuring that sufficient feasible development capacity for residential and business growth is provided for. It requires councils in high growth areas to produce a future development strategy which demonstrates that there will be sufficient, feasible development capacity in the medium and long term. The Queenstown Lakes District is identified as a high growth area.
- 6.11. The Housing Development Capacity Assessment 2017 (HDCA) was the first comprehensive assessment of urban residential dwelling demand and capacity undertaken in accordance with the NPS-UDC. The geographic scope of the HDCA was defined as the urban environment – those areas within the Wanaka, Arrowtown and Queenstown urban growth boundaries as well as the urban zones in Hawea and Luggate and the area of Low Density Residential zoning

adjacent to Lake Hayes<sup>3</sup>. Of the areas zoned RVSZ, only Arthurs Point would fall within the scope of the HDCA. Zones outside of the 'urban environment' (which include the RVSZ areas other than Arthurs Point) did not contribute to the modelled capacity of the HDCA<sup>4</sup>.

6.12. The HDCA concludes that the District's total housing capacity is well in excess of demand, for both urban Queenstown Lakes District and the total District in the short, medium and long-term and therefore satisfies Policy A1 of the NPS-UDC<sup>5</sup>.

6.13. Likewise, the Business Development Capacity Assessment 2017 (BDCA) was the first comprehensive assessment of urban business demand and capacity undertaken in accordance with the NPS-UDC. The geographic scope of the BDCA is the same as that for the HDCA<sup>6</sup>, and therefore only the Arthurs Point RVSZ area was considered. The BDCA concluded that the district plans provide a surplus of capacity for projected growth for Retail and Commercial sectors for the next 30 years, but that the Wakatipu Ward will not have sufficient industrial capacity beyond 2026<sup>7</sup>.

6.14. The proposal as it relates to the Arthurs Point RVSZ is the most relevant to the NPS-UDC, given the conclusion of the HDCA and BCDA that the remaining RVSZ areas are not within the 'urban environment' and were therefore not taken into account in the capacity modelling. The HDCA notes that the RVSZ provisions make it difficult to anticipate the likely residential yield in terms of density because the provisions provide for residential units as controlled activity up to 8 metres in height outside a 10 metre boundary setback. A conservative figure of 200 was applied to the Arthurs Point RVSZ, based on historical development within the zone<sup>8</sup>. The potential residential yield of the Arthurs Point RVSZ area is likely to be similar under a PDP residential zoning.

6.15. The NES that are currently in effect are:

- (a) NES for Air Quality;
- (b) NES for Sources of Drinking Water;
- (c) NES for Telecommunication Facilities;
- (d) NES for Electricity Transmission Activities;
- (e) NES for Assessing and Managing Contaminants in Soil to Protect Human Health; and
- (f) NES for Plantation Forestry.

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<sup>3</sup> [Housing Development Capacity Assessment 2017](#), page 2

<sup>4</sup> Ibid, page 58

<sup>5</sup> Ibid, page 214

<sup>6</sup> [Business Development Capacity Assessment 2017](#), page 2

<sup>7</sup> Ibid, page 149

<sup>8</sup> [Housing Development Capacity Assessment 2017](#), page 79

- 6.16. The proposal has a relatively narrow purpose in that it seeks to provide for visitor accommodation activities in appropriate locations within the ONL. It does not seek to change the overall policy direction of the PDP and does not introduce provisions that would be inconsistent with any of the NES. None of the RVSZ are affected by the existing National Grid or substation, which is located at Frankton.
- 6.17. The first set of National Planning Standards (the Standards) were gazetted on 5 April 2019 and include requirements to improve the efficiency and effectiveness of the planning system by providing nationally consistent structure, format, definitions, noise and vibration metrics and electronic functionality and accessibility.
- 6.18. Under the mandatory directions in Section 17 (Implementation Standard), Queenstown Lakes District Council is required to give effect to the following standards within seven years:
- (a) Foundation;
  - (b) Structure;
  - (c) Introduction and general provision;
  - (d) District-wide matters;
  - (e) Zone framework;
  - (f) Designations;
  - (g) Format;
  - (h) District spatial layers;
  - (i) Mapping; and
  - (j) Noise and vibration metrics.
- 6.19. The standard for Definitions must be given effect to within nine years. Given the timing, neither the first two Stages of the District Plan Review nor Stage 3 of the PDP is required to implement the NPS.

### **Iwi Management Plans**

- 6.20. When preparing or changing a district plan, Section 74(2A)(a) of the RMA states that Councils 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.
- 6.21. The following iwi management plans are discussed below.

*The Cry of the People, Te Tangi a Tauira*: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008 (MNRMP 2008); and

*Kāi Tahu ki Otago* Natural Resource Management Plan 2005 (KTKO NRMP 2005)

**The Cry of the People, Te Tangi a Tauira: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008**

- 6.22. Section 3.4, Takitimu Me Ona Uri: High Country and Foothills contain the following policies that have specific regard to development:

Provision	Detail
<b>Section 3.4 High Country and Foothills – Takitimu Me Ona Uri</b>	
3.4.8 Access and Tourism	<p>Ngā Kaupapa</p> <p>1. Ensure that adequate and timely consultation occurs between tangata whenua and landowners/managers with respect to issues of access in the high country. This includes proposed new development such as transport networks.</p> <p>2. Development that includes building activity should consider specific landscape and geographical features and the significance of these to Ngāi Tahu Whānui. Activity whereby buildings will protrude above ridgelines or displace sites of cultural significance should be avoided.</p> <p>5. Encourage consent and concession authorities to consider appropriate locations and durations for activities involving tourism, recreation and access to the high country. This includes assessing the long term and cumulative effects that the activity may have. Furthermore authorities should provide for the potential availability of improved techniques and processes that will reduce overall effects on high country landscapes.</p>

**Kāi Tahu ki Otago Natural Resource Management Plan 2005**

- 6.23. Part 10: Clutha/Mata-au Catchments Te Riu o Mata-au outlines the issues, and policies for the Clutha/Mataau Catchments. Generic issues, objectives and policies for all catchments across the Otago Region are recorded in Chapter 5 Otago Region.
- 6.24. The following policies are of particular relevance to the proposal:

Provision	Detail
<b>10.2.3 Wai Māori Policies</b>	
Land use	<p>9. To encourage the adoption of sound environmental practices, adopted where land use intensification occurs.</p> <p>10. To promote sustainable land use in the Clutha/Mata-au Catchment.</p>

**Regional Policy Statements**

- 6.25. Section 74 of the Act requires that a district plan prepared by a territorial authority must give effect to any operative Regional Policy Statement and have regard to any proposed regional policy statement.
- 6.26. The Proposed Otago Regional Policy Statement (**PRPS**) was notified for public submissions on 23 May 2015, with decisions on submissions released on 1 October 2016. A number of provisions were appealed. Consent orders have now been issued for most appeals and these now form the Partially Operative Otago Regional Policy Statement 2019 (**PORPS 19**). The provisions that have not been superseded by the PORPS 19 remain in the Partially Operative Otago Regional Policy Statement 1998 (**PORPS 98**).
- 6.27. There remains one chapter of relevance that has yet to be made operative (*Chapter 3: Otago has high quality natural resources and ecosystems*), however as a consent order has not been issued at the time of preparing this evaluation the appeal process is all but resolved and significant weight can be given to these provisions.

#### **Partially Operative Regional Policy Statement 2019 and Partially Operative Regional Policy Statement 1998**

- 6.28. Several objectives and policies of the PORPS 2019 and PORPS 1998 are relevant. These are contained in **Appendix 4**.
- 6.29. These objectives and policies highlight the importance of the rural resource both in terms of the productive resources of the rural area and the protection of the District's outstanding natural features and landscapes.

#### **Proposed District Plan – Decisions notified 7 May 2018**

- 6.30. The following strategic objectives and policies of the PDP are relevant to the proposal:

#### **Chapter 3 Strategic Direction:**

<b>Provision</b>	<b>Detail</b>
Strategic Objective 3.2.1	The development of a prosperous, resilient and equitable economy in the District.
Strategic Objective 3.2.1.1	The significant socioeconomic benefits of well-designed and appropriately located visitor industry facilities and services are realised across the District.
Strategic Objective 3.2.1.7	Agricultural land uses consistent with the maintenance of the character of rural landscapes and significant nature conservation values are enabled.

Provision	Detail
Strategic Objective 3.2.1.8	Diversification of land use in rural areas beyond traditional activities, including farming, provided that the character of rural landscapes, significant nature conservation values and Ngāi Tahu values, interests and customary resources, are maintained.
Strategic Objective 3.2.1.9	Infrastructure in the District that is operated, maintained, developed and upgraded efficiently and effectively to meet community needs and to maintain the quality of the environment.
Strategic Objective 3.2.4	The distinctive natural environments and ecosystems of the District are protected.
Strategic Objective 3.2.4.3	The natural character of the beds and margins of the District's lakes, rivers and wetlands is preserved or enhanced.
Strategic Objective 3.2.4.5	Public access to the natural environment is maintained or enhanced.
Strategic Objective 3.2.5	The retention of the District's distinctive landscapes.
Strategic Objective 3.2.5.1	The landscape and visual amenity values and the natural character of Outstanding Natural Landscapes and Outstanding Natural Features are protected from adverse effects of subdivision, use and development that are more than minor and/or not temporary in duration.
Strategic Policy 3.3.1	Make provision for the visitor industry to maintain and enhance attractions, facilities and services within the Queenstown and Wanaka town centre areas and elsewhere within the District's urban areas and settlements at locations where this is consistent with objectives and policies for the relevant zone.
Strategic Policy 3.3.19	Manage subdivision and/or development that may have adverse effects on the natural character and nature conservation values of the District's lakes, rivers, wetlands and their beds and margins so that their life-supporting capacity and natural character is maintained or enhanced.
Strategic Policy 3.3.20	Enable continuation of existing farming activities and evolving forms of agricultural land use in rural areas except where those activities conflict with significant nature conservation values or degrade the existing character of rural landscapes.
Strategic Policy 3.3.21	Recognise that commercial recreation and tourism related activities seeking to locate within the Rural Zone may be appropriate where these activities enhance the appreciation of landscapes, and on the basis they would protect, maintain or enhance landscape quality, character and visual amenity values.
Strategic Policy 3.3.25	Provide for non-residential development with a functional need to locate in the rural environment, including regionally significant infrastructure where applicable, through a planning framework that recognises its locational constraints, while ensuring maintenance and enhancement of the rural environment.
Strategic Policy 3.3.28	Seek opportunities to provide public access to the natural environment at the time of plan change, subdivision or development.

Provision	Detail
Strategic Policy 3.3.30	Avoid adverse effects on the landscape and visual amenity values and natural character of the District's Outstanding Natural Landscapes and Outstanding Natural Features that are more than minor and/or not temporary in duration.

6.31. The Strategic Directions seek to enable development while protecting the valued natural and physical resources of the District. The proposal is required to give effect to these obligations.

6.32. A key objective is SO 3.2.1.1 which realises the significant socioeconomic benefits of appropriately located visitor industry facilities and services are realised across the District. The outcome of appeals relating to landscapes and the rural environment is subject to the outcome of Topic 2 and this Strategic Objective has not yet been determined.

6.33. Given the locations of the RVSZ areas, Chapter 4 Urban Development is only relevant to the Arthurs Point RVSZ (being the only area located within an urban growth boundary (**UGB**)). The provisions of Chapter 4 encourage consolidation of urban growth within UGBs, and seek to utilise land and resources in an efficient manner while preserving natural amenity values, including avoiding impinging on outstanding natural landscapes.

#### **Chapter 5 Tangata Whenua:**

Provision	Detail	Decision
Objective 5.3.1	Consultation with tangata whenua occurs through the implementation of the Queenstown Lakes District Plan policies.	Stage 1  Treated as operative
Policy 5.3.1.1	Ensure that Ngāi Tahu Papatipu Rūnanga are engaged in resource management decision-making and implementation on matters that affect Ngāi Tahu values, rights and interests, in accordance with the principles of the Treaty of Waitangi.	Stage 1  Treated as operative

6.34. The Tangata Whenua objectives and policies seek to ensure tangata whenua involvement throughout the planning process. Details of consultation with iwi in relation to the proposal are addressed above at Section 5.

#### **Chapter 6 Landscapes and Rural Character:**

Provision	Detail
Policy 6.3.1	Classify the Rural Zoned landscapes in the District as: <ol style="list-style-type: none"> <li>Outstanding Natural Feature (ONF);</li> <li>Outstanding Natural Landscape (ONL);</li> <li>Rural Character Landscape (RCL).</li> </ol>
Policy 6.3.3	Provide a separate regulatory regime for the Gibbston Valley (identified as the Gibbston Character Zone), Rural Residential Zone, Rural Lifestyle Zone and the Special Zones within which the Outstanding Natural Feature, Outstanding Natural Landscape and Rural Character Landscape categories and the policies of this chapter related to those categories do not apply unless otherwise stated.

- 6.35. Following decisions on Chapter 6 in Stage 1 of the District Plan Review, from an implementation perspective the landscape categories and policies in Chapter 6 on the ONL and Rural Character Landscape areas (**RCL**) only apply to land zoned Rural. However, landscapes values can still be outstanding under section 6 of the Act without a mapping annotation and the RVZ land falls within section 6 as identified in Section 6.5 above.
- 6.36. In accordance with Policy 6.3.3, the policies in Chapter 6 do not apply to land within the Special Zones (which include the RVZ, being located in Part 6 of the PDP). The proposal includes objectives, policies and methods to manage landscape values independently of Chapter 6.

#### Other Council Documents Considered

- 6.37. The following Council documents and projects have informed this Section 32 evaluation.
- [Rural Visitor Zone Monitoring Report](#) (April 2010)
  - [Long Term Plan 2018-28](#) – Volume 1
  - [Long Term Plan 2018-28](#) – Volume 2
  - [Housing Development Capacity Assessment 2017](#)
  - [Business Development Capacity Assessment 2017](#)
  - [Cardrona Community Plan 2020](#)
  - [Cardrona Valley Structure Plan 2009](#)
  - [Cardrona Valley Character Guidelines 2012](#)

## 7. OVERVIEW OF RVSZ AREAS



## **Arcadia**

- 7.1. The Arcadia RVSZ is located north of Diamond Lake and comprises approximately 85 hectares of sloping land, mostly grassed but with some mature trees. The zone is made up of a half dozen property parcels, all currently held in the same ownership.
- 7.2. The Category 3 heritage-listed Arcadia House is located in the north of the RVSZ. Arcadia House was built in the early twentieth century and is identified (in Stage 1 of the PDP) as a heritage-listed item and is therefore subject to the protection of the rules relating to scheduled items in Chapter 26 Historic Heritage.
- 7.3. Council records show that a Structure Plan for Arcadia Station was granted as a controlled activity under Rule 12.4.3.2(i) of the ODP in 2011<sup>9</sup>. The decision and approved Structure Plan are included at **Appendix 3**. The Structure Plan provided for eleven different development areas within the following broad categories:
- (a) Residential development;
  - (b) Visitor accommodation;
  - (c) Commercial development;
  - (d) Lakeside recreational facility development; and
  - (e) Open space.
- 7.4. The application for the Structure Plan was accompanied by Arcadia Station Design Guidelines detailing density, materials and cladding, building height, roof pitch, vegetation and curtilage areas. One of the conditions of consent required the registration of a covenant on the title at the time consent is given effect to, requiring future development to be undertaken in accordance with the Structure Plan and the Design Guidelines.
- 7.5. A residential subdivision was granted resource consent in 2014 to establish eleven rural living style residential allotments, along with access lots and common areas, and associated earthworks, roading, site landscaping and servicing<sup>10</sup>. It also included a condition requiring a covenant to be registered requiring future development be undertaken in accordance with the Structure Plan and the Design Guidelines with the exception of the roading and landscaping approved by the 2014 consent. Certification under section 223 of the Act was issued in December 2018, which means that titles must be issued within the next three years or the consent will lapse under section 224(h) of the Act. At the time the resource consent was granted for eleven residential allotments, the consent for the Structure Plan was noted as not yet having been given effect to, with no covenant registered on the Certificates of Title.

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<sup>9</sup> RM110010

<sup>10</sup> RM130799

### **Arthurs Point**

- 7.6. The Arthurs Point RVSZ is approximately 20 hectares in area and is located at the eastern end of Arthurs Point Road and extends either side to the north and south of the road. The immediately surrounding zone is predominantly Rural Zone under the PDP, although the Medium Density Residential Zone (**MDRZ**) adjoins the RVSZ to the west on the northern side of Arthurs Point Road (over the Bullendale Special Housing Area), and to the southeast over Lot 2 DP 24233<sup>11</sup>, (commonly referred to as the 'Hangar Property'). Further west, the predominant zoning is Lower Density Suburban Residential Zone (**LDSRZ**), which continues onto the left bank of the Shotover River.
- 7.7. The Arthurs Point RVSZ is one of the most developed of all the RVSZ zones and constitutes an urban environment, rather than what could be envisaged by way of a 'rural visitor environment'. Development includes visitor accommodation and facilities, residential activity, commercial and industrial activities, and restaurants and cafes. The zone spreads across multiple sites held by various owners.
- 7.8. Following decisions on Stage 1 of the District Plan Review, the Arthurs Point RVSZ is within an UGB. In accordance with Policy 6.3.1, the landscape categorisations do not apply to the adjoining Arthurs Point land zoned LDSRZ or MDRZ, but does apply to the surrounding Rural-zoned land. The Arthurs Point RVSZ land contains a heritage item (the former Bordeaux's Store) identified in Stage 1 of the PDP and is subject to the protection of the rules relating to scheduled items in Chapter 26 Historic Heritage.

### **Blanket Bay**

- 7.9. The Blanket Bay RVSZ is approximately 20 hectares in size and comprises just one property parcel (Section 16 Block IV Glenorchy SD). It is located south of Glenorchy on the northern bank of Stone Creek, overlooking Lake Wakatipu and accessed from Glenorchy-Queenstown Road via a Right of Way. Recreation reserves adjoin the property to both the north and the south. Glenorchy aerodrome is located immediately to the south.
- 7.10. The Blanket Bay RVSZ has been developed over the last twenty to thirty years as luxury visitor accommodation complex with a lodge (including restaurant), villas, manager's residence, jetty and carparking. The level of development, compared to the size of the zone and the level of development enabled by the provisions, is low and has been undertaken in a sympathetic manner.

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<sup>11</sup> At the time of writing this zoning of this land was under appeal with Rural Visitor Special Zone sought (ENV-2018-CHC-076)

## Cardrona

- 7.11. The Cardrona RVSZ is approximately 14 hectares in total and covers Cardrona Village, located on Cardrona Valley Road. The operative zone extends over the Cardrona River to include a five-hectare (approximately) parcel of land on the western bank accessed via a bridge (Section 47 Block I Cardrona SD). The area is partially serviced, by a mixture of private and Council-owned infrastructure.
- 7.12. Existing development includes visitor accommodation (including the heritage-listed Cardrona Hotel and apartments), limited retail activity, and residential units. Many sites remain vacant. The Cardrona RVSZ is comprised of a large number of property parcels, held by a variety of owners.
- 7.13. Consented development not yet given effect to on that part of the RVSZ east of the river (Section 47 Block I Cardrona SD) includes a comprehensive development for a lodge (containing a restaurant, conference facilities, swimming pool and 36 guestrooms), 48 standalone units (for both residential use and visitor accommodation) and associated development including carparking and earthworks<sup>12</sup>. The consent was granted an extension of time in 2018 and is due to lapse in 2020. The current landowners Brooklynne Holdings Limited have provided additional detail on this site including feedback on potential changes to the operative RVSZ which is attached at **Appendix 7**.
- 7.14. Resource consents have also been granted for residential subdivisions east of Cardrona Valley Road but west of the river, including one for a 28-lot subdivision in 2008 that was subsequently varied to provide for the development to be completed in stages.
- 7.15. There is an existing structure plan for Cardrona, the *Cardrona Valley Structure Plan (CVSP)*<sup>13</sup>, although this was created through the LGA process rather than through a resource consent application under the RVSZ rules, or a plan change or other schedule 1 of the Act process. There is therefore no statutory requirement for development to comply with it, although regard may be had to it. The structure plan builds upon the work done in the *Cardrona 2020 Community Plan*<sup>14</sup>.
- 7.16. The principles in both the Community Plan and CVSP are further articulated in the Cardrona Village Character Guideline 2012 (**CVCG**), which details village structure, building design elements, and open space design. The building design elements of the CVCG seek to reflect the historical context of the area, taking into account the well-known heritage-listed buildings such

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<sup>12</sup> RM061204

<sup>13</sup> [Cardrona Valley Structure Plan 2009](#)

<sup>14</sup> [Cardrona 2020 December 2003](#)

as the Cardrona Hotel, identified in Stage 1 of the PDP and subject to the protection of the rules relating to scheduled items in Chapter 26 Historic Heritage. A common theme shared by these documents is to consolidate development within the Cardrona Village and to not detract from the wider ONL.

### ***Cecil Peak***

- 7.17. The Cecil Peak RVSZ is made up of two areas of approximately two hectares each. The northern area is located in the northeast corner of Section 1 Block VI Coneburn SD, fronting Collins Bay, while the southern area is located approximately 700 metres south along Cecil Peak Homestead Road. There is no built development within either area, although there is development elsewhere on Section 1 Block VI Coneburn SD including the Cecil Peak homestead, manager's residence, farm buildings, and an enclosed picnic shelter clustered in the north of the parcel. The Cecil Peak RVSZ is not accessible by road; access is by boat or aircraft only.
- 7.18. Neither of the Cecil Peak RVSZ areas has been developed. Council records show that resource consents issued to date have been for activities associated with the active station (including construction of sheep yards and clearance of vegetation). One commercial recreation activity (bungy jumping from a helicopter) was applied for in 1994 but was subsequently withdrawn. An application to establish helicopter landing sites within the district has been on hold since being lodged in 2008.

### ***Windermere***

- 7.19. The Windermere RVSZ is approximately 23 hectares of flat land located immediately south and west of Wanaka airport, approximately eight kilometres east of Wanaka on State Highway 6. The RVSZ is contained within one allotment (Lot 1 DP368240) of approximately 43 hectares, the parcel being split-zoned with the Rural Zone through Stage 1 of the PDP. The land is bisected by the Wanaka Airport Outer Control Boundary (**OCB**), also identified through Stage 1 of the PDP. The Rural-zoned land immediately north of the Windermere RVSZ is subject to a Building Restriction Area.
- 7.20. A review of Council records on eDocs shows that a resource consent<sup>15</sup> was granted for the construction of eleven aircraft hangars and associated development, but that this consent has since lapsed. An earlier subdivision, issued in 2009, to create a nearly five-hectare lot for unspecified future development has also lapsed<sup>16</sup>. The site is currently used for pastoral farming and contains farm sheds and a cottage. The land has recently been acquired by Queenstown

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<sup>15</sup> RM100030

<sup>16</sup> RM090722

Airport Corporation, who have also recently taken over from the Council as the requiring authority for the Wanaka Airport designation.

### **Walter Peak**

- 7.21. The Walter Peak RVSZ is located on the southern shore of Lake Wakatipu and contains a range of visitor-related facilities including a restaurant, café, shop, farm demonstrations, walking/cycling/horse-riding trails and staff accommodation. The primary form of access is by boat (the steamship Earnslaw operates a regular schedule from Queenstown Bay), although there is also limited road access from State Highway 94.
- 7.22. A search of the Council records on eDocs shows that a number of resource consents have been issued, including for the following activities:
- (a) Undertaking alterations to existing buildings;
  - (b) Removing protected trees (understood to be a wilding conifer);
  - (c) Commercial recreation activity;
  - (d) Construction of new buildings for utility, staff accommodation and recreational purposes; and
  - (e) Associated development such as earthworks and carparking.
- 7.24. A submission by Te Anau Developments Limited (Te Anau) in Stage 1 of the District Plan Review sought the extension of the Walter Peak RVSZ to the adjacent land, described as Pt. Sect 19 Block III Mid Wakatipu SD, recreation reserve, Section 1 SO 10828, and marginal strip adjoining this land and adjoining the land owned by Te Anau. The submission point was rejected by the Hearings Panel, who further recommended the Council consider the introduction of a variation to rezone this site when it reviews the ODP Rural Visitor Zone<sup>17</sup>.
- 7.25. The Homestead and associated buildings at Walter Peak contribute to a European/colonial high-country farming aesthetic, however are not identified in the PDP as heritage items. The Walter Peak RVSZ contain two trees identified as protected in Stage 1 of the PDP (a *Laurus nobilis* (bay laurel) and a *Taxus baccata* '*fastigiata*' (Irish yew)), which are subject to the provisions of Chapter 32 Protected Trees.
- 7.26. Walter Peak is accessible via Mt Nicholas – Beach Bay Road, however the primary access for visitors is from the TSS Earnslaw which makes regular trips from Queenstown Bay. There is an established jetty at Beach Bay for the TSS Earnslaw to berth.

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<sup>17</sup> [Hearing of Submissions on the Proposed District Plan Report 17-10: Report and Recommendations of Independent Commissioners Regarding Mapping: West of Lake Wakatipu.](#)

## 8. RESOURCE MANAGEMENT ISSUES

- 8.1. The following issues have been identified as the central themes associated with the proposal. Some issues are relevant to a number of RVSZ areas, and others are specific to certain areas.

### **Issue – Visitor industry activities within the Outstanding Natural Landscapes and effects of those activities on landscape values**

- 8.2. The operative RVSZ provisions have some recognition of landscape values:

**Objective** – *Provision for the ongoing operation of the existing visitor areas recognising their operational needs and avoiding, remedying or mitigating adverse effects on landscape, water quality and natural values. Scope for extension of activities in the Rural Visitor Zones.*

**Policy 2.** *To ensure development, existing and new, has regard to the landscape values which surround all the rural visitor areas.*

**Policy 3.** *To ensure expansion of activities occur at a scale, or at a rate, consistent with maintaining the surrounding rural resources and amenity.*

- 8.3. Policies 2 and 3 of the RVSZ above appear to be supported by a controlled activity status for buildings and commercial recreation and visitor accommodation activities. The matters of control (landscaping, screening, setbacks, external appearance) provide for some mitigation of the effects on landscape values. The standards in the ODP that may affect landscape values are limited to zone boundary setbacks (between 6 and 20 metres minimum), building height (between 7 and 12 metre maximum) and glare (down lighting and non-reflective finishes).
- 8.4. The extent of the zone differs between the seven areas, but in a number of areas (e.g. Blanket Bay, Arcadia, and Walter Peak) the zoning has a tendency to follow legal boundaries rather than any landscape features. This is possibly a result of the ODP definition of “Site”, in which a split-zoned parcel was deemed to be more than one site<sup>18</sup>, albeit that the consequences of this are relatively confined due to the surrounding Rural General Zone requiring a discretionary activity resource consent for most development. While hearsay, it is more likely that the identification of the zones was not the outcome of any testing of the environmental constraints of these areas through assessments of for instance, landscape sensitivity. Rather, there was an overly optimistic reliance on the intervention offered through the RVSZ provisions.
- 8.5. As part of the review of the RVSZ, an assessment of the landscape values of the seven operative RVSZ areas has been undertaken: *QLDC Rural Visitor Zone Review: Landscape Assessment (the Landscape Assessment)* and is attached as **Appendix 2**. The Landscape Assessment identifies the landscape values based on an evaluation of the landscape attributes of each of the

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<sup>18</sup> Following the notification of decisions on Stage 2 of the District Plan Review, under the PDP definition this is no longer the case.

RVSZ areas, spatially identifies areas of lower, moderate-high and high landscape sensitivity, the ability of the area to absorb development, and makes recommendations on an appropriate PDP landscape category and any controls considered necessary to ensure development is appropriately absorbed into the landscape.

- 8.6. The landscape assessment identifies the majority of the RVSZ areas as being located within the ONL, with some areas within the RVSZ areas being more sensitive to development than others.
- 8.7. As noted above, the release of decisions on Stage 1 of the District Plan Review (which included the Strategic Directions including Chapter 6 Landscapes and Rural Character), means that for plan implementation purposes the landscape categories as annotated on the Planning Maps do not apply to land other than that zoned Rural and the policies for ONLs in Chapter 6 only apply to Rural Zoned land, unless otherwise specified<sup>19</sup>. The RVZ, as a Special Zone under Part 6 of the PDP, would fall within the ambit of Policy 6.3.3 which, in areas other than the Rural Zone but where landscape value is still an issue, provides for a separate regulatory regime to manage the effects on landscape values.
- 8.8. The enabling provisions of the operative zoning (controlled activity status, no building coverage limit, generous maximum height) combined with the large extent of the zone areas and the identification of most of the RVSZ areas as being within wider ONLs, means there is a high risk if not absolute certainty that the operative regime is not protecting outstanding landscapes from inappropriate subdivision, use and development as required by section 6 of the Act. The RVSZ does not achieve the strategic direction of the PDP (i.e. Strategic Objective 3.2.5).

#### **Issue – The appropriateness of various activities within the existing Rural Visitor zone**

- 8.9. The ODP generally structure relies on a permitted activity status for activities not specifically listed (subject to compliance with site and zone standards). Within the RVSZ, the following land use activities are identified as either controlled, discretionary, or non-complying:
- (a) Commercial Recreation Activities (Controlled);
  - (b) Visitor Accommodation (Controlled);
  - (c) Commercial and Retail Activities (Discretionary);
  - (d) Airports (Discretionary);
  - (e) Farming Activities (Non-Complying);
  - (f) Factory Farming (Non-Complying);
  - (g) Forestry Activities (Non-Complying);
  - (h) Mining Activities (Non-Complying); and
  - (i) Industrial and Service Activities (Non-Complying).

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<sup>19</sup> Policy 6.3.1

- 8.10. Perversely, activities not specifically listed are permitted, and these include Community Activities and Residential Activities (provided zone and site standards are met). A number of other activities that would fall under the wider defined terms listed above but are more specifically defined in the Definitions section could be considered to be permitted (for example, Service Station, which could fall under Commercial or Service Activity), depending on how the ODP is interpreted. There is some ambiguity around this, and it could result in activities not anticipated in, or meeting the purpose of, the RVSZ being enabled. Residential activity and community activity are considered to have little association with rural visitor activities. A fundamental flaw of the RVSP is that there appears to have been none, or little justification from an effects perspective to identify these areas (i.e. a lack evidential proof that those areas are appropriate from a landscape or natural hazards risk) and that despite the well-intended objective that sought an outcome of ‘*Provision for the ongoing operation of the existing visitor areas*’ a raft of unspecified activities that have no strong relationship with the visitor industry are permitted.
- 8.11. There is currently little guidance in the RVSZ provisions as to the appropriate level or amount of the permitted activities that should occur within the zone. While the objective of the RVSZ states that the zone is intended to provide for the ongoing operation of existing visitor areas there are no rules that would support the protection of this land for visitor-related purposes rather than for other activities. For example, there are no provisions that would prevent a RVSZ from being developed as a high density residential area, given that buildings are controlled (and therefore the Council must grant any such application) and there are no controls that would limit density or building bulk beyond the setback requirements and building height limits. The outcome at Arthurs Point is a clear illustration of the failing of the operative provisions and poor identification of the location of the zone.
- 8.12. In addition to the lack of protection for these areas for visitor-related activity, and given the large areas of land that make up the RVSZ, there is the potential that the lack of controls could result in urban-type growth occurring within the wider rural areas in which the RVSZ are generally located.
- 8.13. The lack of specific identification of permitted activities has not continued through the District Plan Review. The structure of the PDP has (generally) reversed the permitted activity presumption, instead applying a non-complying or discretionary activity status to activities where they have not been specifically identified.

#### **Issue – Structure planning within the existing Rural Visitor zone provisions**

- 8.14. Rule 12.4.3.2(i) of the ODP provides for the application for a Structure Plan as a controlled activity within the RVSZ. The matters of control are listed within the rule as “*Showing the locations where*



*activities are to be undertaken, landscaping, open space and details of the density of development.”*

- 8.15. As noted above, only one RVSZ (Arcadia) had a Structure Plan applied for under the RVSZ rules. It provided for eleven development areas including residential activity, visitor accommodation, commercial activity and open space. The application for the Structure Plan was accompanied by Arcadia Station Design Guidelines detailing density, materials and cladding, building height, roof pitch, vegetation and curtilage areas. One of the conditions of consent required the registration of a covenant on the title at the time consent is given effect to, requiring future development to be undertaken in accordance with the Structure Plan and the Design Guidelines.
- 8.16. At the time resource consent was granted for eleven residential allotments at Arcadia in 2014, the consent for the Structure Plan was noted as not yet having been given effect to, with no covenant registered on the Certificates of Title. The Arcadia Station Structure Plan is not incorporated into the ODP in any way.
- 8.17. While it is a controlled activity to apply for a Structure Plan under the ODP provisions, there are no other rules that require compliance with any such plan, currently requiring consistency with Structure Plans to be enforced through conditions of consent. As evidenced by the consent granted at Arcadia, consent conditions requiring title instruments be registered are required in order to ensure compliance on an on-going basis. However, as with all resource consents, there is no obligation on the consent holder to complete the consent for the Structure Plan. This is evidenced by the Arcadia RVSZ, which does not appear to have registered any such covenants as required by the consent conditions, and the consent has now presumably lapsed under section 125 of the Act.
- 8.18. Where a condition of consent required a covenant to be registered but that covenant was not registered (as in Arcadia), development could technically be consented without any reference to the previously approved Structure Plan as there is no ODP rule requiring it and no legal mechanism importing such an obligation. In the event such a covenant was registered, non-compliance would then become a legal matter between the parties to the covenant (likely to be the Council and the property owner) and not necessarily a consenting matter, although a discretionary consent for a change of conditions to the consent establishing the Structure Plan could be required.
- 8.19. Rule 12.4.3.2(i) also raises a potentially much larger issue, addressed by the Environment Court in its third interim decision on Plan Change 19 (Frankton Flats B Zone)<sup>20</sup>, of exactly what activities are allowed following the grant of consent for a spatial layout exercise such as a structure plan.

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<sup>20</sup> [\[2014\] NZEnvC 93 issued 28 April 2014](#)

The matters of control in Rule 12.4.3.2(i) refer to the location of activities and density of development. In accordance with the decision of the Environment Court, as the rule does not actually identify the activity for which resource consent is granted (noting also that there is no definition of a structure plan in the ODP), it could be considered ultra vires<sup>21</sup>.

8.20. In RVSZ areas which are made up of numerous property parcels held in a variety of ownership (for example, Arthurs Point and Cardrona) it is not clear from the RVSZ provisions how a Structure Plan for these areas would work in practice.

8.21. The structure plan in place for Cardrona followed from community consultation on a Community Plan and was promulgated under the LGA rather than the RMA (i.e. the District Plan). The use of the LGA for creating a structure plan for Cardrona, rather than the RVSZ provisions, would suggest that there are limitations in the ability of the RVSZ provisions to provide for comprehensive planning. Similarly, the enabling RVSZ provisions (including generous bulk and location standards and a controlled activity status for buildings) would raise the question of in what way such a spatial planning exercise would benefit the applicant, or, achieve the objective of avoiding, remedying or mitigating adverse effects on landscape, water quality and natural values.

#### **Issue – Urban growth at Arthurs Point**

8.22. Following decisions on Stage 1 of the PDP review, the Arthurs Point RVSZ is within a UGB, and located outside the ONL, being part of a wider UGB that incorporates all of the land within Arthurs Point zoned Lower Density Suburban Residential Zone (**LDSRZ**), MDRZ and RVSZ. UGBs are identified in the PDP Chapter 4 provisions as identifying areas that are available for the growth of the main urban settlements.

8.23. The Arthurs Point RVSZ is located approximately six kilometres from Queenstown and is on a public transport route. It is the closest RVSZ to a town centre and would appear not to currently meet one of the three distinguishing features of the RVSZ (as identified in the ODP) as being the distance of the RVSZ from the main urban centres.

8.24. Residential activity is the dominant activity within the wider Arthurs Point area, with residential zoning surrounding the existing RVSZ. The LDSRZ provides for a maximum residential density of one residential unit per 300m<sup>2</sup> with any breach of this standard being a non-complying activity, while the MDRZ provides for one residential unit per 250m<sup>2</sup> with any breach being a restricted discretionary activity. There is one Visitor Accommodation Sub-Zone (VASZ) existing within the

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<sup>21</sup> Ibid, paragraph 168

wider Arthurs Point area at 70 Arthurs Point Road (Queenstown Top 10 Holiday Park), with an underlying zoning of LDSRZ.

- 8.25. The Arthurs Point RVSZ has had the most development occurring in it of all the RVSZs, is adjacent to a residential zoning and now has a mostly urban character. The existing Arthurs Point RVSZ contains a mix of medium to high density residential activity, visitor accommodation and ancillary service and facilities and commercial office activity. The continued development under the enabling provisions of the RVSZ has the potential to impact on the residential amenity of the adjoining zones, and also on the residential activity located within the zone itself. Overall though, the development at Arthurs Point, while fitting as part of the existing urban environment that is present today, illustrates the failure of the RVSZ to achieve an outcome that manages landscape values, or provide what is understood to have been visitor-related activities in the rural environment.

#### **Issue - Historic values**

- 8.26. Three of the RVSZ areas are identified by the RVSZ as having heritage values. The RVSZ has the following policy relating to heritage at Arcadia, Cardrona and Walter Peak:
- 4. To recognise the heritage values of the Rural Visitor Zones and in particular the buildings at Walter Peak, Cardrona and Arcadia Station.*
- 8.27. Both Arcadia and Cardrona contain listed heritage items: Arcadia House, and the Cardrona Hotel. These buildings are subject to the provisions of Chapter 26 Historic Heritage. The heritage value of the Homestead and associated buildings at Walter Peak are unknown.
- 8.28. There are no specific rules relating to heritage values within the RVSZ provisions. All buildings are controlled activities, and while control over location and external appearance of buildings is listed, it is limited to avoiding or mitigating adverse effects on landscape and visual amenity values, nature conservation values and the natural character of the environment<sup>22</sup>. This could result in limitations in the ability to deal with the effects on historic values from new buildings and alterations to existing buildings. A further matter arising is the relevance of heritage to the rural visitor zone, the development undertaken to date cannot be said to have any strong connection to heritage. The notable exception could be Walter Peak, where the visitor experience is focused on traditional low intensity high-country pastoral farming. However the actual heritage values of the Homestead are not known.

#### **Issue – Community identity at Cardrona**

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<sup>22</sup> Rule 12.4.3.2(iii)(a)(i) of the ODP

8.29. The Cardrona RVSZ is comprised of a large number of property parcels, held by a variety of owners. The area is currently only partially serviced with Council reticulated infrastructure.

8.30. There is an existing structure plan for Cardrona, the *Cardrona Valley Structure Plan* (CVSP), although this was created through the LGA process rather than through a resource consent application under the RVSZ rules. There is therefore no statutory requirement for development to comply with it, although regard may be had to it. The structure plan builds upon the work done in the *Cardrona 2020 Community Plan*<sup>23</sup>, which identified the key community outcomes for Cardrona as:

- (a) To create defined entranceways into the Cardrona townships with appropriate signage, subtle lighting and landscaping;
- (b) To increase traffic safety by lowering the speed limit to 50 km through the township and 70 km near the approaches to the ski fields, and to create slipways or similar in order for traffic to turn safely into these areas;
- (c) To create and maintain walkways and reserve areas adjacent to the Cardrona River and between and around the towns for the enjoyment of residents and visitors;
- (d) To retain the general character of the landscapes surrounding the townships;
- (e) To enhance public facilities and services to provide for the needs of a growing community and growing visitor numbers;
- (f) To retain the size of the current zoning of the Rural Visitor Zones<sup>24</sup>, with some amendments in its location to enable logical development to occur;
- (g) To provide for the cost-effective reticulation of water and sewerage as the population increases and this becomes more economically viable;
- (h) To set up a strategy to eradicate all noxious weeds and pests from the Cardrona Valley area;
- (i) To enhance the historic theme in the main Cardrona township area and for all new buildings to respect the existing character and scale of the township; and
- (j) To provide accommodation for service providers.

8.31. The CVSP identifies a character precinct along Cardrona Valley Road, with retail and commercial activity identified for the ground floor of buildings within the precinct, and a riverside commercial/retail node. It also provisionally identifies locations for a number of community facilities such as recreation reserves, information centre, playground, camping areas and recycling facilities.

8.32. The principles in both the Community Plan and CVSP are further articulated in the Cardrona Village Character Guideline (CVCG), which details village structure, building design elements,

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<sup>23</sup> Cardrona 2020 December 2003

<sup>24</sup> At the time the Community Plan was written there was more than one area of Rural Visitor Zone in the Cardrona Valley; the northern area of the zone has since been rezoned Mount Cardrona Special Zone.

and open space design. The building design elements of the CVCG seek to reflect the historical context of the area, taking into account the well-known heritage-listed buildings such as the Cardrona Hotel.

- 8.33. Like the CVSP, the CVCG is non-statutory and is not included in the ODP directly or by reference, although the CVCG does note that the Council will use these guidelines under section 104(1)(c) of the Act when assessing resource consent applications.
- 8.34. The Community Plan, CVSP and CVCG are evidence that the area within the Cardrona RVSZ has a strong sense of community and identity. The documents also identify that, while visitor accommodation is acknowledged as an important function of the village, it also has existing residential activity and commercial activity, and at the time these plans were being prepared the community sought that these land uses increase. Development at Cardrona is currently somewhat constrained by water and wastewater servicing, however new water supply and wastewater schemes are provided for in the Long-Term Plan<sup>25</sup>. There has recently been progress made by the Council and the landowner of Mt Cardrona Station Special Zone for the installation of a community wastewater treatment system<sup>26</sup>.

#### **Issue – Land use options at Windermere**

- 8.35. As previously noted above, the Windermere RVSZ has not been developed for visitor-related purposes and is currently used for pastoral farming. The zone is located only eight kilometres from Wanaka, immediately adjacent to State Highway 6. After Arthurs Point, it is the RVSZ located the closest to an urban area.
- 8.36. Approximately half of the land zoned Windermere RVSZ is located within the Outer Control Boundary (OCB) noise contour for Wanaka Airport identified on the District plan map. The RVSZ provisions contain Windermere-specific rules, including making residential activity non-complying throughout the Windermere RVSZ (except for onsite custodial management outside of the OCB which is discretionary) and visitor accommodation located within the OCB discretionary. The RVSZ provisions also contain a zone standard that requires new buildings or alterations to buildings that contain an activity sensitive to airport noise within the Wanaka Airport OCB to achieve an internal design sound level of 40 dB Ldn<sup>27</sup>.
- 8.37. As noted above, consented activity within this RVSZ was for airport-related activity, although this has resource consent has lapsed. The need for area-specific provisions that exclude visitor-

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<sup>25</sup> [Long Term Plan](#), pages 69 and 81

<sup>26</sup> [QLDC website information](#) uploaded 24 September 2019.

<sup>27</sup> Rule 12.4.5.2(vii)

related activities from within half of the Windermere RVSZ would tend to suggest that the area may not be fit for the purpose it has been zoned for. This would appear to be supported by the fact that the consented activity sought there was airport-related, rather than visitor-related.

8.38. Queenstown Airport Corporation, both the leaseholder and requiring authority for Wanaka Airport, has recently been undertaking a number of planning exercises, including master planning of both airports and drafting a Statement of Intent for the 2020/2022 year. Neither of these planning processes have been completed, with the Statement of Intent being received at a Council meeting in June 2019, but subject to further changes being sought by the Council to better reflect community concern and expected direction<sup>28</sup>. This has resulted in some uncertainty regarding the future development of Wanaka Airport and the effects that any such future development may have on adjacent land.

8.39. Windermere's location (eight kilometres from Wanaka and on a main transport route), close proximity to Wanaka Airport, and its current and historical use for pastoral farming raises the question of whether the current zoning to enable visitor-related activity is appropriate.

## **9. IDENTIFICATION AND EVALUATION OF OPTIONS**

### **ARCADIA, BLANKET BAY, CECIL PEAK AND WALTER PEAK**

9.1. There are a number of potential options to address the issues identified; these options differ depending on whether there are issues specific to particular RVSZ areas.

9.2. The following options are available to address the resource management issues relating to the following"

- (a) Arcadia
- (b) Blanket Bay;
- (c) Cecil Peak; and
- (d) Walter Peak.

- **Option 1: Retain the operative provisions (status quo)**

Option 1 would involve retaining the operative provisions and the mapped extent in their entirety.

- **Option 2: Retain the Rural Visitor Zone and refine the extent of the zone and the provisions**

Option 2 would involve the continued application of the Rural Visitor zoning, with a review of the operative provisions and the extent of the zoning.

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<sup>28</sup> [Minutes of Full Meeting of the Queenstown Lakes District Council, 27 June 2019](#)

- **Option 3: Rezone to Rural with an ONL classification**

Option 3 would involve rezoning the land to Rural, identifying it as ONL and applying the PDP provisions as set out in Chapter 21.

- 9.3. An assessment of the extent to which the options outlined above are the most appropriate way to achieve the objectives of the proposal is set out in **Table 1** below.

**Table 1: Assessment of options to address issues relevant to Arcadia, Blanket Bay, Cecil Peak and Walter Peak RVSZ**

	<b>Option 1 Status quo/no change</b>	<b>Option 2: (Recommended) Retain the Rural Visitor Zone and refine the provisions</b>	<b>Option 3: Rezone to Rural with an ONL classification</b>
<b>Costs</b>	<ul style="list-style-type: none"> <li>• The spatial application of the RVSZ is not considered to adequately reflect the ability of the area to absorb additional development without compromising landscape values;</li> <li>• Landscape values are potentially subject to degradation;</li> <li>• The zoning controls do not give effect to the Strategic Direction of the PDP relating to the appropriate locations for urban growth being within UGBs;</li> <li>• Potential for adverse effects on residential amenity from a lack of controls (such as setbacks from internal boundaries, density, height in relation to boundary) and from the location of incompatible activities nearby;</li> <li>• Potential for reverse sensitivity effects from residential activities locating near visitor-related activities;</li> <li>• The existing confusion over the status of and compliance with structure plans would remain, potentially resulting in administrative costs and inefficiencies;</li> <li>• Potential for development to impinge on and detract from the amenity values of Arcadia House, Walter Peak Homestead and the surrounding areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Would reduce development potential (although development that has already been consented could still be given effect to in accordance with the conditions of consent);</li> <li>• Would reduce the amount of land available for residential activity at a time where housing affordability within the District is an issue;</li> <li>• Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> </ul>	<ul style="list-style-type: none"> <li>• Would substantially reduce development potential (although any development that has already been consented could still be given effect to in accordance with the conditions of consent);</li> <li>• Would not give effect to the Strategic Direction of the PDP by not recognising the socioeconomic benefits of well-designed and appropriately located visitor industry places, facilities and services;</li> <li>• Higher transaction costs for resource consents moving from controlled/restricted discretionary to fully discretionary;</li> <li>• Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Retains the established approach which parties are familiar with;</li> <li>• Would continue to enable visitor-related activities;</li> </ul>	<ul style="list-style-type: none"> <li>• Applying a more development restrictive regime would enable the Council to more effectively protect, maintain and enhance the district's landscapes as required by section 6(b) of the Act;</li> </ul>	<ul style="list-style-type: none"> <li>• Applying a more development restrictive regime would enable the Council to more effectively protect, maintain and enhance the district's landscapes as required by section 6(b) of the Act;</li> </ul>



	<b>Option 1 Status quo/no change</b>	<b>Option 2: (Recommended) Retain the Rural Visitor Zone and refine the provisions</b>	<b>Option 3: Rezoned to Rural with an ONL classification</b>
	<ul style="list-style-type: none"> <li>• Would make land available for residential activity at a time when housing affordability in the District is an issue;</li> <li>• No 'cost of change' for Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Would give effect to the Strategic Direction of the PDP by recognising the significant socioeconomic benefits of well-designed and appropriately located visitor industry places, facilities and services;</li> <li>• Would discourage residential activity (other than that which has already been consented) from establishing in a rural area;</li> <li>• Would protect the land for visitor-related purposes;</li> <li>• More refined provisions would enable visitor accommodation in accordance with the zone purpose but would also provide for those activities that are anticipated within rural areas and are keeping with the level of amenity anticipated, such as Farming Activity.</li> </ul>	<ul style="list-style-type: none"> <li>• This option would better achieve SO 3.2.5.</li> <li>• Retains a relatively high level of control for the Council to manage the effects of activities, including through the use of landscape assessment matters and the application of the policies in Chapter 6;</li> <li>• Would bolster the protection of productive rural land and provide activities anticipated in rural areas, such as Farming Activity;</li> <li>• Relatively low degree of change to administer due to existing PDP framework.</li> </ul>
<b>Ranking</b>	<b>3</b>	<b>1</b>	<b>2</b>

- 9.4. The preferable option is to retain the Rural Visitor zoning for these areas, but to refine the extent of the zone and improve the provisions. These areas are remote from the District's towns and settlements are either already developed or operating as visitor attractions/accommodation or could have the capability to do so. In pursuing Option 2, specific issues with the ODP provisions that have been identified as requiring amendment are explained briefly below, but this option is also evaluated in more detail in Sections 10 to 14 below.

#### ***Landscape values***

- 9.5. As noted previously, the RVSZ provisions are limited in their ability to consider the effects of built development on landscape values and the mapped extent of the zone does not tend to take into account landscape sensitivity. A controlled activity status and the limited matters of control mean that the Council is restricted in its ability to decline applications even where this might result in significant effects within the parts of the RVSZ that are more sensitivity to development. A limited number of site and zone standards exacerbate the problem.
- 9.6. A more refined approach to the location of development within the zone, based on the ability of the landscape to absorb development, could provide an opportunity for the enabling of visitor-related activities within these areas while maintaining landscape values. Additional or more restrictive controls on building bulk and appearance could also help address the issue.

#### ***Appropriateness of activities***

- 9.7. The RVSZ permits residential activity in RVSZs but lists Farming Activities as non-complying. This appears unreasonable considering the location of RVZs within the wider Rural Zone where Farming Activity is the primary activity provided for in the rural areas of the District. It also does not reflect the current activities taking place on both Walter Peak and Cecil Peak Stations, particularly at Walter Peak where farm tours and horse treks are part of the visitor experience on offer.
- 9.8. As previously noted, the current provisions do not specifically protect these areas for visitor-related activities by failing to control residential activity. A restriction on the activities permitted within the RVZ, and the recognition of farming activity as an appropriate activity within rural areas, could help address the issue.

#### ***Effects on historical values***

- 9.9. The RVSZ limits the consideration of control with respect to buildings to adverse effects on landscape, visual amenity, nature conservation, and natural character values. As noted above, the introduction of restrictions on building appearance will help address these matters, however it would not provide for the recognition of those areas of the RVZ that contain buildings with historic value. The identification of these areas of historic value and their exemption from standards relating to building appearance could help address the issue.

## ARTHURS POINT

9.10. The following options are available to address the specific resource management issue of urban growth relating to the Arthurs Point RVSZ:

- **Option 1: Retain the operative provisions (status quo)**

Option 1 would involve retaining the operative provisions and the mapped extent in their entirety.

- **Option 2: Retain the Rural Visitor Zone and refine the extent of the zone and the provisions**

Option 2 would involve the continued application of the Rural Visitor zoning, with a review of the operative provisions to implement structure and readability improvements, and some refinement to reflect any landscape values of the area.

- **Option 3: Rezone to MDRZ with a VASZ**

Option 3 would involve rezoning the land to MDRZ consistent with the adjacent zoning to the east and west, with a VASZ overlay, and applying the PDP provisions as set out in Chapter 8.

- **Option 4: Rezone to HDRZ**

Option 4 would involve rezoning the land to HDRZ and applying the PDP provisions as set out in Chapter 9.

9.11. An assessment of the extent to which the options outlined above are the most appropriate way to achieve the objectives of the proposal is set out in **Table 2** below.

**Table 2: Assessment of options to address issues relevant to the Arthurs Point RVSZ**

	<b>Option 1 Status quo/no change</b>	<b>Option 2: Retain and refine</b>	<b>Option 3: (Recommended) Rezone to MDRZ with VASZ</b>	<b>Option 4: Rezone to HDRZ</b>
<b>Costs</b>	<ul style="list-style-type: none"> <li>Does not give effect to the relevant objectives of Chapter 4 relating to urban growth boundaries;</li> <li>Lack of a density standard has the potential to adversely affect landscape values and residential amenity.</li> </ul>	<ul style="list-style-type: none"> <li>Would not provide for residential activity within an area that is in close proximity to Queenstown and is on a public transport route;</li> <li>Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> <li>Retaining the RVZ at this location would not be likely to be consistent with the 'special nature' of the rural visitor zones and the balancing of the socioeconomic benefits of enabling visitor industry activities in appropriate locations.</li> </ul>	<ul style="list-style-type: none"> <li>Greater provision for infill development has the potential to impact on amenity from effects associated with noise, privacy and traffic (although rules are in place in Chapter 8 to address these effects);</li> <li>Has costs associated with going through the District Plan Review process (although this is required by legislation);</li> <li>Additional burden on infrastructure, however the MDRZ is likely to potentially generate less demand and be more quantifiable than the RVZ.</li> </ul>	<ul style="list-style-type: none"> <li>Greater provision for infill development has the potential to impact on amenity from effects associated with noise, privacy and traffic;</li> <li>Lack of a density standard in relation to site area and a maximum height limit of 12 metres, with ability through a restricted discretionary activity resource consent up to 15m (R. 9.5.1) has the potential to adversely affect landscape values and residential amenity.</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Retains the established approach which parties are familiar with;</li> <li>Enables residential activity at a potentially high density at a time where there is an issue with housing affordability in the District;</li> <li>No 'cost of change' for Council.</li> </ul>	<ul style="list-style-type: none"> <li>Would enable visitor-accommodation activity in close proximity to Queenstown and on a public transport route;</li> <li>The Zone is currently experiencing a "coming of age" and is providing for relatively high-density visitor accommodation development.</li> <li>The Zone is located in close proximity to Coronet Peak Ski Field, which is positive for both provision of visitor accommodation and staff accommodation.</li> </ul>	<ul style="list-style-type: none"> <li>Supports the efficient use of land within urban growth boundaries;</li> <li>Potential for more development and a greater range of housing options;</li> <li>Providing for residential activity in conjunction with a maximum density would enable effects on amenity to be controlled;</li> <li>The use of a VASZ over existing visitor accommodation activities would recognise the existing activities established under the ODP RVSZ and that visitor accommodation in this location can be positive;</li> <li>Would more appropriately integrate with the immediately surrounding zoning.</li> </ul>	<ul style="list-style-type: none"> <li>Supports the efficient use of land within urban growth boundaries;</li> <li>Potential for more development and a greater range of housing options;</li> <li>Potential to improve housing affordability through enabling smaller housing forms.</li> <li>More favourable than options 2 and 3 in terms of efficient use of land.</li> <li>Closer to the existing building scale and intensity of the RVSZ that allows buildings at the following heights: <ul style="list-style-type: none"> <li>Visitor accommodation: 12m</li> <li>Commercial, recreation and residential: 8m</li> <li>Other: 7m.</li> </ul> </li> </ul>
<b>Ranking</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>2</b>

9.12. The preferable option is to apply either the HDRZ or, the MDRZ to the land and identify VASZ over existing visitor accommodation activity. This will enable residential activity at a variety of densities within an area close to central Queenstown that has the capacity to absorb additional development from a landscape perspective. It will also provide for visitor accommodation and commercial activity where this maintains residential amenity. Option 3 is evaluated in more detail in Sections 11 to 14 below.

## **CARDRONA**

9.13. The following options are available to address the specific resource management issue of community identity relating to the Cardrona RVSZ:

- **Option 1: Retain the operative provisions (status quo)**

Option 1 would involve retaining the operative provisions and the mapped extent in their entirety.

- **Option 2: Retain the Rural Visitor Zone and refine the extent of the zone and the provisions**

Option 2 would involve the continued application of the Rural Visitor zoning, with a review of the operative provisions to implement structure and readability improvements, and some refinement to reflect the landscape values of the area.

- **Option 3: Rezone to Settlement Zone with Commercial Precinct and Visitor Accommodation Sub-Zone overlays**

Option 3 would involve rezoning the land to Settlement Zone, applying precincts and subzones to provide for non-residential activities, and applying the PDP provisions as set out in Chapter 20.

9.14. An assessment of the extent to which the options outlined above are the most appropriate way to achieve the objectives of the proposal is set out in **Table 3** below.

**Table 3: Assessment of options to address issues relevant to the Cardrona RVSZ**

	<b>Option 1 Status quo/no change</b>	<b>Option 2: Retain and refine</b>	<b>Option 3: (Recommended) Rezone to Settlement Zone with commercial precincts and VASZ</b>
<b>Costs</b>	<ul style="list-style-type: none"> <li>The enabling provisions for both visitor-related activities and residential activity could result in adverse effects on residential amenity or reverse sensitivity effects arising.</li> </ul>	<ul style="list-style-type: none"> <li>Would not provide for residential activity in an area that has an established residential community;</li> <li>Enabling provisions for visitor-related activities have the potential to result in adverse effects on residential amenity relating to noise, traffic and privacy;</li> <li>Provisions would not necessarily reflect the character and historical context of the village as identified by the community and development could result in the erosion of these values;</li> <li>Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> </ul>	<ul style="list-style-type: none"> <li>Greater provision for residential and infill development has the potential to impact on amenity from effects associated with noise, privacy and traffic (although rules are in place in Chapter 20 to address these effects);</li> <li>A reduction in the current development rights afforded by the Rural Visitor Zone;</li> <li>Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Retains the established approach which parties are familiar with;</li> <li>Enables residential activity at a potentially high density at a time where housing affordability is an issue in the District;</li> <li>No 'cost of change' for Council.</li> </ul>	<ul style="list-style-type: none"> <li>Would enable visitor-related activity in close proximity to existing tourism activities (ski fields).</li> </ul>	<ul style="list-style-type: none"> <li>Potential for additional residential development at a time when housing affordability is an issue in the District;</li> <li>Providing for residential activity in conjunction with a maximum density would enable effects on amenity to be managed;</li> <li>The use of a VASZ over existing visitor accommodation activities would recognise and provide for existing activities established under the RVSZ;</li> <li>The use of a commercial precinct over existing community and retail facilities would recognise and provide for these legacy activities, and enabling more where the effects on amenity can be managed;</li> <li>Would ensure development occurs in a manner consistent with the capacity of infrastructure and servicing, including planned upgrades;</li> <li>The character and historical context as identified by the community as important would be recognised through the use of area-specific provisions, in particular the Cardrona Village Character Guidelines 2012. The Guideline in its current form is attached at Appendix 5.</li> </ul>
<b>Ranking</b>	<b>3</b>	<b>2</b>	<b>1</b>

9.15. The preferable option is to apply the Settlement Zone to the land and identify VASZ over existing visitor accommodation activity and a commercial precinct over existing commercial activities. This will enable residential activity at a low scale and provide for visitor accommodation and commercial activity where amenity is retained. Option 3 is evaluated in more detail in Sections 11 to 14 below.

## **WINDERMERE**

9.16. The following options are available to address the specific resource management issue of the land use options relating to the Windermere RVSZ:

- **Option 1: Retain the operative provisions (status quo)**

Option 1 would involve retaining the operative provisions in their entirety.

- **Option 2: Retain the Rural Visitor Zone and refine the extent of the zone and the provisions**

Option 2 would involve the continued application of the Rural Visitor zoning, with a review of the operative provisions to implement structure and readability improvements, and some refinement to reflect the landscape values of the area.

- **Option 3: Rezone to Rural with a Rural Character Landscape classification**

Option 3 would involve rezoning the land to Rural in accordance with the adjacent zoning to the west and south and applying the PDP provisions as set out in Chapter 21.

- **Option 4: Rezone to Airport Zone**

Option 4 would involve rezoning the land to Airport Zone in accordance with the adjacent zoning to the east and north and applying the PDP provisions as set out in Chapter 17.

9.17. An assessment of the extent to which the options outlined above are the most appropriate way to achieve the objectives of the proposal is set out in **Table 4** below.

**Table 4: Assessment of options to address issues relevant to the Windermere RVSZ**

	<b>Option 1 Status quo/no change</b>	<b>Option 2: Retain and refine</b>	<b>Option 3: (Recommended) Rezone to Rural Zone with a Rural Character Landscape classification</b>	<b>Option 4: Rezone to Airport Zone</b>
<b>Costs</b>	<ul style="list-style-type: none"> <li>• Would continue to apply site-specific provisions to the Windermere area, increasing complexity;</li> <li>• Approximately half the zoned area would continue to not be fit for the purposes of residential activity and visitor accommodation activity;</li> <li>• The retention of this land for visitor industry activities, principally visitor accommodation would not be likely to achieve SO 3.2.1.1, by providing for visitor industry activities in appropriate locations.</li> </ul>	<ul style="list-style-type: none"> <li>• Has costs associated with going through the District Plan Review process (although this is required by legislation);</li> <li>• Would either continue to need to apply site-specific provisions to the Windermere area to prevent reverse-sensitivity effects from arising, increasing complexity, or potential for reverse sensitivity effects to arise;</li> <li>• The retention of this land for RVZ may not accord with the special nature of the RVZ, in that they provide for visitor related activities in remote locations within the ONL.</li> </ul>	<ul style="list-style-type: none"> <li>• Would substantially reduce development potential, however development has not been taken up on this land under the planning period of the ODP;</li> <li>• Has costs associated with going through the District Plan Review process (although this is required by legislation).</li> </ul>	<ul style="list-style-type: none"> <li>• Uncertainty of application of provisions given the PDP Airport Zone provisions are subject to appeal;</li> <li>• Potential to undermine future master-planning strategy for Wanaka Airport;</li> <li>• The zoning controls do not reflect a sufficiently strong link to the Strategic Directions or Landscapes chapter and the landscape resource is subject to potential degradation;</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Retains the established approach which parties are familiar with;</li> <li>• No 'cost of change' for Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Retains a similar level of development rights to the operative provisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Would limit reverse sensitivity effects in relation to Wanaka Airport;</li> <li>• Would better reflect the Strategic Directions chapter of maintaining the vitality of the Wanaka Town Centre by restricting the ability to develop visitor-related activities;</li> <li>• Retains a relatively high level of control for the Council to manage the effects of activities</li> <li>• Provides for additional time for Council and the community to provide for a strategic direction for Wanaka Airport.</li> </ul>	<ul style="list-style-type: none"> <li>• Would limit reverse sensitivity effects in relation to Wanaka Airport;</li> <li>• Would enable airport-related development which, to date, is the only development that has been contemplated;</li> <li>• Would enable expansion of Wanaka Airport on land directly nearby to Wanaka Airport.</li> </ul>
<b>Ranking</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>2</b>



9.18. The preferable option is to apply the Rural Zone to the land and identify it as a Rural Character Landscape. This is consistent with the treatment of land within the Wanaka OCB in the PDP and avoids the establishment of incompatible activities within close proximity to Wanaka Airport. It also avoids pre-empting the Wanaka Airport master-planning process or the outcome of appeals on the PDP by QAC as these relate to the Wanaka Airport Zone Chapter 17. Option 3 is evaluated in more detail in Sections 11 to 14 below.

## 10. EVALUATION OF PROPOSED OBJECTIVES SECTION 32(1)(a)

10.1. Section 32(1)(a) requires an examination of the extent to which the proposed objectives are the most appropriate way to achieve the purpose of the Act.

<i>RVZ Proposed Objectives</i>	<i>Appropriateness</i>
<p><b>46.2.1 Visitor accommodation, commercial recreation and ancillary commercial activities within appropriate locations that maintain or enhance the values of Outstanding Natural Landscapes.</b></p> <p><b>46.2.2 Buildings and development that have a visitor industry related use are enabled where landscape character and visual amenity values are maintained or enhanced.</b></p>	<p>The proposed objectives are the most appropriate way to achieve the purpose of the Act because they recognise the importance of the landscape resource to the District and the benefits derived from the visitor industry (section 5(2)(c) of the Act). The objectives acknowledge the expectation of providing for development in the zone, but only where it avoids degrading the landscape.</p> <p>Objective 46.2.1 provides a framework for provisions to address the effects of visitor activities on landscape values. The objective contemplates that visitor activities are anticipated in the RVZ, but that their effects on landscape and amenity values must be managed so that the values of the landscapes these zones are located within are maintained. The objective recognises that the District contains high quality landscapes that are of national importance and that inappropriate subdivision, use and development is to be avoided (section 6(b) of the Act).</p> <p>Objective 46.2.2 provides a framework for provisions to address the effects of built development on landscape values. The objective contemplates that built development associated with visitor activities is anticipated within the zone, but that its effects on landscape and amenity values must be managed. The objective recognises that the District contains high quality landscapes that are of national importance and that inappropriate subdivision, use and development is to be avoided (section 6(b) of the Act).</p> <p>The objectives recognise and provide the basis for a policy framework to implement the Council's functions as required under section 31 of the Act, in particular the management of the effects of development. The policy framework in summary:</p> <ul style="list-style-type: none"> <li>• Ensures developments are designed to maintain and enhance the landscape character and visual amenity values of the zone;</li> </ul>

	<ul style="list-style-type: none"> <li>• Requires all buildings to be located and designed so that they do not compromise the qualities of the surrounding landscapes;</li> <li>• Identifies those areas within the zone that are most sensitive and avoids development in those areas;</li> <li>• Provides for control over the colour, scale, form, coverage, location and height of buildings;</li> <li>• Controls earthworks to minimise adverse changes to landscape character and visual amenity values.</li> </ul> <p>The objectives are consistent with the following Strategic Direction and Landscapes and Rural Character objectives and policies:</p> <p>Strategic Directions:</p> <ul style="list-style-type: none"> <li>• 3.2.1.1 – <i>The significant socioeconomic benefits of well designed and appropriately located visitor industry places, facilities and services are realised across the District.</i></li> <li>• 3.2.5.1 - <i>The landscape and visual amenity values and the natural character of Outstanding Natural Landscapes and Outstanding Natural Features are protected from adverse effects of subdivision, use and development that are more than minor and/or not temporary in duration.</i></li> <li>• 3.3.19 - <i>Manage subdivision and / or development that may have adverse effects on the natural character and nature conservation values of the District's lakes, rivers, wetlands and their beds and margins so that their life-supporting capacity and natural character is maintained or enhanced.</i></li> <li>• 3.3.20 - <i>Enable continuation of existing farming activities and evolving forms of agricultural land use in rural areas except where those activities conflict with significant nature conservation values or degrade the existing character of rural landscapes.</i></li> <li>• 3.3.21 - <i>Recognise that commercial recreation and tourism related activities seeking to locate within the Rural Zone may be appropriate where these activities enhance the appreciation of landscapes, and on the basis they would protect, maintain or enhance landscape quality, character and visual amenity values.</i></li> <li>• 3.3.30 - <i>Avoid adverse effects on the landscape and visual amenity values and natural character of the District's Outstanding Natural Landscapes and Outstanding Natural Features that are more than minor and or not temporary in duration.</i></li> </ul> <p>Landscapes and Rural Character:</p> <ul style="list-style-type: none"> <li>• 6.3.3 - <i>Provide a separate regulatory regime for the Gibbston Valley (identified as the Gibbston Character Zone), Rural Residential Zone, Rural Lifestyle Zone and the Special Zones within which the Outstanding Natural Feature, Outstanding Natural Landscape and Rural Character Landscape categories and the policies of this chapter related to those categories do not apply unless otherwise stated.</i></li> </ul>
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## 11. EVALUATION OF THE PROPOSED PROVISIONS SECTION 32(1)(B)

11.1. The following tables consider whether the proposed provisions are the most appropriate way to achieve the relevant objectives. In doing so, it considers the costs and benefits of the proposed provisions and whether they are effective and efficient. For the purposes of this evaluation the proposed provisions are grouped by issue.

### **Issue – Visitor industry activities within the Outstanding Natural Landscapes and effects of those activities on landscape values**

A summary of proposed provisions of the Rural Visitor Chapter that address this issue and give effect to the objectives:

- Policy 46.2.1.1 – Provide for innovative and appropriately located and designed visitor accommodation, including ancillary commercial activities and onsite staff accommodation, recreation and commercial recreation activities where the landscape values of the District's Outstanding Natural Landscapes will be maintained or enhanced.
- Policy 46.2.1.2 – Provide for tourism related activities within appropriate locations within the Zone where they enable people to access and appreciate the District's landscapes, provided that landscape quality, character, visual amenity values and nature conservation values are maintained or enhanced.
- Policy 46.2.1.3 - Encourage the enhancement of nature conservation values as part of use and development in the Zone.
- Policy 46.2.1.5 - Ensure that the group size, nature and scale of commercial recreation activities do not degrade the level of amenity in the surrounding environment.
- Policy 46.2.1.6 – Ensure that any land use or development not otherwise anticipated in the Zone, protects or enhances landscape values and nature conservation values.
- Policy 46.2.2.1 – Protect the landscape values of the Rural Visitor Zone and the surrounding Rural Zone Outstanding Natural Landscapes by:
  - a. providing for and consolidating buildings within the Rural Visitor Zone in areas that are not identified on the District Plan maps as a High Landscape Sensitivity Area, nor within an area of Moderate – High Landscape Sensitivity;
  - b. ensuring that buildings within areas identified on the District Plan maps as Moderate – High Landscape Sensitivity are located and designed, and adverse effects are mitigated to ensure landscape values are maintained or enhanced; and
  - c. avoiding buildings within areas identified on the District Plan maps as High Landscape Sensitivity Areas.
- Policy 46.2.2.2 – Land use and development, in particular buildings, shall maintain or enhance the landscape character and visual amenity values of the Rural Visitor Zone and surrounding Outstanding Natural Landscapes by:

- a. controlling the colour, scale, design, and height of buildings and associated infrastructure, vegetation and landscape elements;
- b. within the Homestead Area of Walter Peak and at the homestead at Arcadia, providing for a range of external building colours that are not as recessive as required generally for rural environments, but are sympathetic to existing development;
- Policy 46.2.2.3 – Within those areas identified on the District Plan maps as High Landscape Sensitivity or Moderate – High Landscape Sensitivity avoid buildings and development where the landscape cannot accommodate the change, and maintain open landscape character where it is open at present.
- Policy 46.2.2.4 – Ensure that the location and direction of lights does not cause excessive glare and avoids unnecessary degradation of views of the night sky and of landscape character, including of the sense of remoteness where it is an important part of that character.
- Policy 46.2.2.5 – Within the Walter Peak Water Transport Infrastructure overlay provide for a jetty or wharf, weather protection features and ancillary infrastructure at Beach Bay while:
  - a. maintaining as far as practicable natural character and landscape values of Beach Bay while recognising the functional need for water transport infrastructure to locate on the margin of and on Lake Wakatipu;
  - b. minimising the loss of public access to the lake margin; and
  - c. encouraging enhancement of nature conservation and natural character values.

#### **Walter Peak Specific provisions**

In recognition of the existing established visitor industry activities at Walter Peak, coupled with the Zone's particular attraction as a journey on the TSS Earnslaw as much as a destination, the following location specific policy and rules have been identified for Walter Peak:

Policy is 46.2.2.5 contemplates, subject to a restricted discretionary activity resource consent, the development of a jetty/wharf, weather protection feature and ancillary infrastructure on the lake margin and out onto Lake Wakatipu at Beach Bay. This policy acknowledges the long standing use and reliance of the visitor industry activities at Walter Peak on water based transport. The area where this policy would be implemented would be identified on the Plan maps as a 'Water Transport Infrastructure overlay'. Notwithstanding this provision that contemplates structures on the margin and onto Lake Wakatipu, the matters of discretion in Rule 46.4.8 require an assessment of natural character and landscape values (amongst other relevant matters), reflecting that the management of natural character and landscape values of Lake Wakatipu are a matter of national importance as provided for in sections 6(a) and (b) of the RMA. Similar provisions are provided for in Jacks Point (Open Space and Boating Facilities Area) and in Queenstown Bay where the Queenstown Town Centre Rules apply, rather than the Rural Zone rules which generally apply to surface of lakes and rivers. The water transport infrastructure overlay would be located over the existing jetty at Beach Bay.

Rule 46.4.9 provides for other buildings (i.e. other than jetty/wharf and infrastructure) as a discretionary activity. The purpose of Rule 46.4.9 is to also clarify that the structure and buildings provided for in Rule 46.4.8 as a restricted discretionary activity are restricted to essential infrastructure and associated buildings associated with Jetties and Wharfs. Buildings such as administrative offices are provided for as a controlled activity on the landward margin of the Zone and are encouraged to locate in those less visually sensitive areas.

PDP Chapters 6 Landscapes (Policy 6.3.30), Queenstown Town Centre (Policy 12.2.5.7) Rural Zone (Policy 21.2.12.7) and Chapter 29 Transport (Objective 29.2.1.a, Policy 29.2.1.2) make provision for water based transport. Provision for water based transport at Walter Peak is considered commensurate with the recognition for water based transport in Queenstown Bay.

**Matters addressed in rules:**

- Avoid non visitor-related activities other than farming;
- Ensure that any buildings and development in areas identified as having moderate-high landscape sensitivity are appropriate from a landscape and natural hazards perspective;
- The construction of buildings will be subject to matters of control over all of the following:
- Building design;
- Landform modification and landscaping;
- Lighting;
- Design of any associated carparking;
- The maximum building height shall be 6m
- The maximum ground floor area of any building shall be 500m<sup>2</sup>;
- The minimum setback of buildings from the bed of a river, lake or wetland shall be 20m;
- The minimum setback of buildings from a zone boundary shall be 10m;

<b><i>Proposed Provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
<p><b>Policies:</b> 46.2.1.1 to 46.2.1.4 46.2.1.7 46.2.2.1 - 46.2.2.6</p> <p><b>Rules:</b> 46.4.1 - 46.4.14 46.5.1 - 46.5.9</p>	<p><b><i>Environmental</i></b></p> <p>The RVZ provides for buildings within the ONL. However, the costs of this are low due to differentiation between landscape sensitivity areas within the zone, setbacks from zone boundaries, and moderate building heights.</p> <p>The provision at Walter Peak for heights up to 12 metres has the potential for visual dominance effects, in particular if this scale of development is located in proximity to the lake margin at Beach Bay.</p>	<p><b><i>Environmental</i></b></p> <p>Enables development in those areas that have been assessed as being capable (from a landscape perspective) of absorbing this level of change.</p> <p>The proposed colour range is considered to provide a suitable balance to control the visual effects of buildings by ensuring that built development is visually recessive.</p> <p>Natural character of Beach Bay would still be maintained with the inclusion of the provision for a jetty/wharf and associated infrastructure.</p>	<p>The provisions are effective at protecting the landscape resource within the zone. The differentiation between landscapes of differing sensitivity is an efficient method for enabling development within the zone without affecting the District's landscape resource.</p> <p>The proposed provisions permit buildings subject to a clear range of controls to achieve the objectives and policies of maintaining landscape values.</p> <p>The introduction of more controls is necessary to enable the controlled activity status of buildings; in this context the additional standards are both effective and</p>

	<p>The provision for a new wharf or jetty and associated infrastructure will have adverse effects on the natural character of Beach Bay. Policy 46.2.2.6 would ensure these effects are minor.</p> <p><b>Economic</b></p> <p>Relative loss of development potential for landowners due to change of residential activity to non-complying, reductions in permitted height, and limitations on ground floor area of buildings.</p> <p><b>Social &amp; Cultural</b></p> <p>Landowners will incur costs to obtain resource consent (e.g. controlling the scale, form, colour and location of buildings) to ensure they do not result in adverse effects on landscape values.</p>	<p><b>Economic</b></p> <p>The District relies heavily on the landscape resource for tourism; the provisions enable access to areas of high landscape value while protecting these areas from development that would degrade landscape values.</p> <p>The provisions would ensure that development within the ONL is appropriate and the maintenance of landscape value would safeguard the landscape resource from an economic viability perspective.</p> <p>Specific provision for water based transport infrastructure at Walter Peak is not afforded in the operative district plan. The specific policy 46.2.2.6 and overlay will provide certainty and confidence any future resource consent would be granted providing the proposal is appropriate.</p> <p>The location specific policy 46.2.2.5 would provide an increase in building height from generally 1 to 3 storeys, subject to achieving resource consent.</p> <p><b>Social &amp; Cultural</b></p> <p>Maintaining the landscapes within the zone will provide for people's well-being by minimising adverse effects on these landscapes.</p> <p>More certainty for future landowners with regard to locations with development potential.</p>	<p>efficient and are more appropriate than the ODP provisions in meeting the purpose of the Act.</p>
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**Issue – The appropriateness of various activities within the existing Rural Visitor zone**

A summary of proposed provisions of the Rural Visitor Chapter that address this issue and give effect to the objectives:

- Policy 46.2.1.1 – Provide for innovative and appropriately located and designed visitor accommodation, including ancillary commercial activities and onsite staff accommodation, recreation and commercial recreation activities where the landscape values of the District's Outstanding Natural Landscapes will be maintained or enhanced.
- Policy 46.2.1.2 – Provide for tourism related activities within appropriate locations within the Zone where they enable people to access and appreciate the District's landscapes, provide that landscape quality, character, visual amenity values and nature conservation values are maintained or enhanced.
- Policy 46.2.1.6 – Ensure that any land use or development not otherwise anticipated in the Zone, protects or enhances landscape values and nature conservation values.
- Policy 46.2.1.7 – Avoid residential activity within the Rural Visitor Zone with the exception of enabling on-site staff accommodation ancillary to commercial recreation and visitor accommodation activities.

Matters addressed in rules:

- Enable visitor-related activities through a permitted activity status subject to standards;
- Avoid non-visitor related activities through a non-complying activity status;
- Support farming activity as an appropriate use of rural land while controlling the construction of farm buildings;
- The construction of buildings will be subject to matters of control over all of the following:
  - Building design;
  - Landform modification and landscaping;
  - Servicing;
  - Lighting;
  - Design and location of related carparking.

<b><i>Proposed provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
<b>Policies:</b>  46.2.1.1 - 42.2.1.2 46.2.1.6 - 46.2.1.7	<b><i>Environmental</i></b> Low. The provisions emphasise that the predominant activity is visitor accommodation, recreation and rural use while managing built development to minimise adverse effects on landscape character and visual amenity.	<b><i>Environmental</i></b> The provisions will better protect the zone and surrounding ONL from development unrelated to the purpose of the zone.  <b><i>Economic</i></b>	The proposed provisions restrict the enabling of activities to those related to the purpose of the zone, and better reflect development that has occurred (or is anticipated to occur).

<p><b>Rules:</b> 46.4.1 - 46.4.14</p>	<p><b><i>Economic</i></b> The provisions will constrain residential, industrial and commercial activities within the zone. Loss of development potential related to these activities for landowners.</p> <p><b><i>Social &amp; Cultural</i></b> Landowners will incur costs to obtain resource consents.</p>	<p>The provisions will provide more certainty for the Council and for people contemplating activities in the zone.</p> <p>Protects these areas for visitor-related activities, which the District economy relies heavily on.</p> <p>Reduces development pressure on the zone while allowing for more efficient use of the limited resource for visitor-related activities.</p> <p><b><i>Social &amp; Cultural</i></b></p> <p>More certainty for future landowners with regards to locations suited or not suited to development, and the type of development.</p>	<p>It is more efficient to identify those activities anticipated in the zone as permitted, restricted discretionary or discretionary, and identify non-specified activities as non-complying, than to default to non-complying. It is also more effective in that it is less likely to allow an unanticipated activity through accidental omission.</p>
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#### **Issues – Effects on historic values and structure planning within the existing Rural Visitor zone provisions**

A summary of proposed provisions of the Rural Visitor Chapter that address this issue and give effect to the objectives:

- Policy 46.2.2.1 – Protect the landscape values of the Rural Visitor Zone and the surrounding Rural Zone Outstanding Natural Landscapes by:
  - a. providing for and consolidating buildings within the Rural Visitor Zone in areas that are not identified on the District Plan maps as a High Landscape Sensitivity Area, or within an area of Moderate-High Landscape Sensitivity;
  - b. ensuring that buildings within areas identified as Moderate – High Landscape Sensitivity are located and designed and adverse effects are mitigated to ensure landscape values are maintained or enhanced; and
  - c. avoiding buildings within areas identified on the District Plan maps as High Landscape Sensitivity Areas.
- Policy 46.2.2.2 – Land use and development, in particular buildings, shall maintain or enhance the landscape character and visual amenity values associated with the Rural Visitor Zone and surrounding Outstanding Natural Landscapes by:
  - a. Controlling the colour, scale, design, and height of buildings and associated infrastructure, vegetation and landscape elements;
  - b. Within the Homestead Area of Walter Peak and at the homestead at Arcadia, provide for a range of external building colours that are not as recessive as required generally for rural environments, but are sympathetic to existing development;



<p>Matters addressed in rules:</p> <ul style="list-style-type: none"> <li>• Discourage non visitor-related activities other than farming;</li> <li>• Discourage buildings in areas identified on the Planning maps as Moderate-High Landscape Sensitivity;</li> <li>• The construction of buildings will be subject to matters of control over all of the following: <ul style="list-style-type: none"> <li>- Building design;</li> <li>- Landform modification and landscaping;</li> <li>- Servicing;</li> <li>- Lighting;</li> <li>- Design and location of any associated carparking;</li> </ul> </li> <li>• The maximum building height shall be 6m</li> <li>• The maximum ground floor area of any building shall be 500m<sup>2</sup>;</li> <li>• The external appearance of buildings shall be limited to a range of browns, greens or greys except at the homestead at Arcadia or any buildings within the Homestead Area of Walter Peak.</li> </ul>			
<b><i>Proposed Provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
<p><b>Policies:</b></p> <p>46.2.2.1, 46.2.2.2</p> <p><b>Rules:</b></p> <p>46.4.1 - 46.4.14</p> <p>46.5.1 - 46.5.3</p> <p>46.5.7</p>	<p><b><i>Environmental</i></b></p> <p>Potential for some impact on landscape values due to the exemption of the identified areas from the recessive colour standard, although this is likely to be low given the controlled activity for buildings gives the Council discretion over building design. It is also noted that Arcadia is a listed heritage item in the PDP and effects on the building are managed by way of Chapter 26.</p> <p><b><i>Economic</i></b></p> <p>The structure planning exercise that has already been undertaken at Arcadia at cost to the landowner will no longer be applicable (although it appears that this consent has lapsed without having been given effect to anyway).</p>	<p><b><i>Environmental</i></b></p> <p>Buildings and development will be undertaken through a resource consent that, while cannot be declined, can manage with some effect the adverse effects of building.</p> <p>The identification of areas within the High Landscape Sensitivity Area as a non-complying activity, and areas of moderate to high landscape sensitivity as a discretionary activity, act as a proxy for structure planning.</p> <p><b><i>Economic</i></b></p> <p>The amenity values of the RVZ are important part of the attraction of these areas for visitor-related activities.</p>	<p>The provisions are effective at providing for amenity values by spatially identifying the area at Walter Peak RVZ and applying an exemption to the colour rules for buildings within this area.</p> <p>The removal of the ability to apply for a structure plan is efficient given the additional provisions that would be required in order to ensure that development is undertaken in accordance with it, and the level of development that is already existing within the RVZ areas.</p> <p>The provisions are efficient by not duplicating the Historic Heritage provisions Chapter 26 of the PDP that apply to the homestead at Arcadia in.</p>

	<p><b><i>Social &amp; Cultural</i></b></p> <p>Uncertainty for plan users in applying the structure plan provisions.</p>	<p>Reduced costs for landowners from the removal for the requirement for consent notices on certificates of title in order to give effect to a structure plan.</p> <p>Reduced costs for landowners as no longer need to apply for a change of conditions when plans diverge from the approved structure plan.</p> <p><b><i>Social &amp; Cultural</i></b></p> <p>The provisions will result in an improvement from a social and cultural perspective from the continued maintenance of the amenity values of the Homestead Area at Walter Peak and the homestead at Arcadia.</p>	
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#### **Arthurs Point Issue – Urban growth**

A summary of proposed provisions of the Medium Density Suburban Residential Zone Chapter that address this issue (the appropriateness of the objectives in achieving the purpose of the Act has already been considered in Stage 1 of the District Plan Review):

- Policies which support increased density in appropriate locations to support a compact urban form;
- Policies which acknowledge that change within the zone is expected over time to address residential demands, and rules which allow for change with appropriate controls to protect amenity to a reasonable level;
- Policies setting expectations on good urban design and the wider built environment;
- Policies which enable consideration to the extent to which development efficiently uses land and infrastructure;
- Policies which encourage built forms and amenities to improve uptake and convenience of walking and cycling;
- Rules for building height, setbacks and recession planes to enable increased site density while maintaining a reasonable protection of amenity;
- Provision for non-residential activities including visitor accommodation where these are appropriately located and of a scale and intensity that ensures amenity is protected.

A mapping method that as set out below is considered efficient and effective, but that is not recommended in the landscape assessment (**Appendix 2**) is the zoning of the properties at 155 Arthurs Point Road (Lot 3 DP 331294) and a small adjacent property to the east (Lot 2 DP515200) to MDRZ, as opposed to

the Rural Zone. The landscape assessment recommends this land has an ONL classification on the basis of the existing lack of development 'on the ground' and being part of the slopes on the toe of Mt Dewer that are highly visible from Arthurs Point and public roads.

These properties have had subdivision activity undertaken on them through the RVSZ regime that means all of the site at 155 Arthurs Point Road is located within the recommended ONL. While acknowledging the landscape assessment findings that this land is considered to be ONL, and the recommended ONL classification, the existing RVSZ planning regime has enabled fee simple subdivision at these properties such that the Rural Zoning would not be most efficient or effective zone for this land, from an overall planning and land use perspective.

Therefore, the planning implications are such that from an implementation perspective, the ONL classification (and Rural Zoning) is not efficient or effective and the MDRZ zoning is more effective in this circumstance. The reasons for this departure from the Rural Zoning that typically accompanies land with ONF/L classification, and as directed by Chapter 6 Landscape Policy 6.3.1 are:

- A resource consent (RM180844) has recently been granted for urban development (Refer to **Appendix 6**). While existing resource consents are not considered to be a springboard for determining the zoning, the property boundary configuration and size created through the operative zoning is considered an exceptional circumstance to depart from the landscape assessment recommendation;
- The resource consent authorises in the order of 30,000m<sup>3</sup> earthworks. Consistent with the preceding point that resource consents should not predetermine the zoning, it is however acknowledged that earthworks at this scale (should they be implemented) would be likely to require reconsideration of the status of this property as part of the ONL;
- The boundaries created through the operative RVSZ regime would be likely to render any future productive land use difficult, by comparison a resource consent application for the creation of a site of this shape and size, on the gradient under the Rural Zone would be highly unlikely to be successful given that the outcome would be creating a site that cannot reasonably be said to be able to be used for the zone purpose, or as part of a wider farming activity;
- The detail and design of the subdivision proposal of RM180844 is considered to be a relatively honest attempt at subdivision on what is otherwise a difficult site and this proposal is not considered speculative. This matter and the current high demand in the Queenstown Lakes District for housing and the location of the property directly adjacent to existing urban development would make the zoning relatively contiguous with the balance of those parts of the RVSZ that are recommended to be zoned MDRZ.

For the above reasons it is considered appropriate to depart from the landscape assessment recommendations and notwithstanding the recommended ONL classification, in this circumstance the most appropriate zoning is MDRZ in favour of the Rural Zone. The planning implication is that the MDRZ provisions do not have any direct provisions to maintain the landscape values as ONL. The clear benefit is that the recommended zoning of MDRZ would facilitate housing and visitor accommodation opportunities that appear to be contemplated under the operative RVSZ.

<b><i>Proposed Provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
Medium Density Suburban Residential Zone	<b><i>Environmental</i></b> An urban residential zoning may potentially exacerbate environment effects	<b><i>Environmental</i></b>	Avoiding the need for resource consent for residential activities that protect amenity values is an effective and efficient method

	<p>associated with stormwater runoff, waste generation, water treatment, energy consumption and air quality (although the operative zoning, while called 'Rural', does not prevent development to an urban level).</p> <p>Zoning the land at 155 Arthurs Point Road (Lot 3 DP 331294) and a small adjacent property to the east (Lot 2 DP515200) to MDRZ where the landscape assessment (Appendix 2) has recommended Rural Zone and ONL would be highly likely to result in a very different environmental outcome. The zoning of this land would also result in an incongruous ONL boundary at this location.</p> <p><b>Economic</b></p> <p>The provisions will introduce a maximum residential density standard and visitor accommodation activities outside of VASZ are non-complying, which is a reduction in the development abilities available under the operative zoning.</p> <p>Introduction of a density control rule may limit market opportunities to provide increased density housing (although increased density is provided for via resource consent).</p> <p>The reduction in height contemplated from 12 metres for visitor buildings in the RVSZ down to 8 metres in the PDP Medium Density Residential Zone would result in an economic cost to landowners who had envisaged development up to 12 metres in height.</p>	<p>Development standards will help protect residential amenity values and minimise adverse effects on the landscape.</p> <p>Enabling residential activity in locations close to public transport networks, employment centres and town centres may support increased uptake of public transport and use of activity transport networks, reducing reliance on the private vehicles.</p> <p>Enabling urban zoning within an area that has existing infrastructure to support it and therefore minimise effects from stormwater runoff, waste generation, and water treatment on the environment are minimised.</p> <p>The maximum height rule aligns with the recommended maximum height to protect landscape values as set out in the Landscape Assessment for the Arthurs Point area.</p> <p><b>Economic</b></p> <p>Enabling residential buildings as a permitted activity reduces costs and minimises development costs through potentially minimising delays associated with processing resource consents.</p> <p>Better enabling residential infill development of an area that has a level of residential activity already will help minimise expenditure on road and infrastructure associated with a less compact urban form.</p>	<p>of enabling residential capacity in an area that supports a compact urban form.</p> <p>Amenity is protected by standards including maximum coverage and height in relation to boundary as well as retaining and refining the operative standards including maximum height and setbacks.</p> <p>The application of an existing PDP zone and provisions that address the issues is more efficient than creating area-specific provisions within the RVZ or creating a new area-specific zone.</p> <p>For the land at 155 Arthurs Point Road (Lot 3 DP 331294) and a small adjacent property to the east (Lot 2 DP515200), the zoning to MDRZ would result in an overall effective outcome on the basis of the existing property boundary configuration that has come about as a result of subdivision under the RVSZ.</p>
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	<p><b>Social &amp; Cultural</b></p> <p>Increased uncertainty in the consenting process for landowners over the restricted discretionary, discretionary and non-complying activity statuses for visitor accommodation in VASZ, commercial recreation, and visitor accommodation outside of VASZ respectively.</p> <p>The zoning of 155 Arthurs Point Road (Lot 3 DP 331294) and a small adjacent property to the east (Lot 2 DP515200) to MDRZ would result in a social and cultural cost in terms of loss of amenity and landscape values. However the development of this land is also a social benefit.</p>	<p><b>Social &amp; Cultural</b></p> <p>Avoids demand for housing being met in locations further removed from centres where living costs (associated with travel) are likely to be higher.</p> <p>The zoning of 155 Arthurs Point Road (Lot 3 DP 331294) and a small adjacent property to the east (Lot 2 DP515200) to MDRZ would result in a social and cultural benefit through the provision of housing or visitor accommodation opportunities</p>	
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### **Cardrona Issue – Community identity**

Matters addressed in policies and rules:

- Enabling low intensity residential activity, by permitting residential activity where it meets a density standard of one residential unit per 800m<sup>2</sup> of net site area;
- Providing for commercial activity and commercial recreation activities within commercial precincts, and visitor accommodation within commercial precincts or VASZs, as restricted discretionary activities, with discretion restricted to the following matters:
  - a. The location, nature and scale of activities;
  - b. Parking, access and traffic generation;
  - c. Landscaping;
  - d. Noise generation;
  - e. Servicing;
  - f. Hours of operation, including in respect of ancillary activities;
  - g. Design, scale appearance of buildings; and
  - h. At Cardrona, consistency with the Cardrona Village Character Guidelines 2012, to the extent provided by the matters of discretion;

- Maximum retail area of 200m<sup>2</sup> gross floor area (GFA) and maximum office floor area of 100m<sup>2</sup> GFA within a commercial precinct;
- Maximum building coverage of 40%, except within the commercial precinct at Cardrona the maximum is 80% and within the VASZ at Cardrona the maximum building coverage is 50%;
- Minimum road setback of 4.5 metres, or 3 metres from Cardrona Valley Road, and all other boundaries is 2 metres;
- Primary roof form is to be gable with a minimum pitch of 25 degrees;
- Maximum building height of 12 metres at Cardrona, and not more than three storeys, and recession planes applying on the boundaries.
- Varying the Cardrona Character Guideline 2012 to acknowledge that this document has been incorporated by reference into the provisions, namely the policies and matters of discretion for use and development in Cardrona.

<b><i>Proposed Provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
Settlement zone, and related variations to provisions in Chapter 20 (Policy 20.2.2.4, Rules 20.3.2.6, 20.4.6, 20.4.7, 20.5.5, 20.5.7, 20.5.8, 20.5.9, 20.5.12, 20.5.13), Chapter 27 (27.6.1 and 27.7.15.1), Chapter 31 (31.2.3.3c and 31.19.3.7) and the Cardrona Character Guideline 2012	<p><b><i>Environmental</i></b></p> <p>Some potential for effects on landscape values from the 12-metre height limit, although this is still also subject to recession plane, setback requirements and buildings would be a restricted discretionary activity and subject to the Cardrona Village Character Guideline 2012..</p> <p><b><i>Economic</i></b></p> <p>Relative to the RVSZ in the ODP, the introduction of commercial precincts and VASZ limit the amount of visitor accommodation and commercial recreation development by reducing the areas in which they are provided for.</p> <p>Introduction of a density control rule may limit market opportunities to provide increased density at a time when housing affordability is an issue within the District and when the community has indicated that this is an activity that they would like to see increase.</p>	<p><b><i>Environmental</i></b></p> <p>Standards including maximum coverage and recession planes will help manage adverse effects on landscape values.</p> <p>The density of 800m<sup>2</sup> per residential unit is sufficient land area to enable on-site servicing where required and maintaining discretion over the servicing of commercial and visitor accommodation activities will ensure effects from stormwater runoff, waste generation, and water treatment are minimised.</p> <p><b><i>Economic</i></b></p> <p>The provisions provide for small-scale commercial activity within appropriate locations.</p> <p>Enabling residential buildings as a permitted activity minimises development costs through potentially minimising delays associated with processing resource consents.</p>	<p>The provisions are effective in recognising the range of activities that are existing within Cardrona and provide for this to continue subject to compliance with standards that ensure these activities are small-scale and in fitting with the character of the area.</p> <p>The provisions are efficient in incorporating the Cardrona Valley Character Guideline 2012 by reference, and limiting the design elements incorporated via standards to building height and roof pitch to avoid the need for a number of area-specific provisions.</p> <p>It is efficient to apply alternative PDP zone where one is available to address the issues rather than creating a new area-specific zoning.</p>

	<p><b><i>Social &amp; Cultural</i></b></p> <p>Uncertainty in the consenting process for commercial recreation and visitor accommodation activities due to the restricted discretionary activity status.</p> <p>Potential for landowners to feel that their design choices are being limited by the reference to Cardrona Valley Character Guidelines and requirement for a minimum roof pitch.</p>	<p>Better enabling residential infill development of an area that has a level of residential activity already will help minimise expenditure on road and infrastructure associated with a less compact urban form.</p> <p>Coverage limits provide greater certainty for the Council to plan and invest in infrastructure.</p> <p>Visitor accommodation and ancillary commercial activities will promote the wellbeing and viability of Cardrona Village.</p> <p><b><i>Social &amp; Cultural</i></b></p> <p>Community values are given voice through reference to the Cardrona Valley Character Guidelines 2012.</p> <p>The requirement for buildings to have a minimum roof pitch ensures the alpine village character and historical context of the Cardrona area is retained and enhanced, as anticipated in the Cardrona Village Character Guidelines 2012.</p>	
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#### **Windermere Issue – Land use options**

A summary of proposed provisions of the Rural Zone Chapter that address this issue (the appropriateness of the objectives in achieving the purpose of the Act has already been considered in Stage 1 of the District Plan Review):

<p>Matters addressed in policies and rules:</p> <ul style="list-style-type: none"> <li>• A range of uses within the Rural Zone are enabled, including farming, recreation, commercial and tourism activities provided that these activities have a genuine link with the rural land and protect landscape and amenity values;</li> <li>• Non-farming activities are controlled to minimise conflict between uses;</li> <li>• Excluding activities that are sensitive to aircraft noise within the OCB;</li> <li>• Prohibited activity status for new activities sensitive to aircraft noise within Wanaka Airport's OCB;</li> <li>• Acoustic insulation requirements for alterations or additions to existing buildings within Wanaka Airport's OCB to achieve an internal design sound level of 40 dB Ldn.</li> </ul>			
<b><i>Proposed Provisions</i></b>	<b><i>Costs</i></b>	<b><i>Benefits</i></b>	<b><i>Effectiveness &amp; Efficiency</i></b>
Rural Zone	<p><b><i>Environmental</i></b></p> <p>Costs are limited to those effects permitted in Chapter 21, such as pastoral farming.</p> <p><b><i>Economic</i></b></p> <p>Requirement for sound insulation and/or mechanical ventilation to alterations or additions to existing buildings containing activities sensitive to aircraft noise (ASANs) (which would apply to the one existing residential dwelling) will add cost to development for the landowner.</p> <p>Loss of development potential in relation to ASANs from the application of a prohibited activity status within OCB (although this is likely to be small given the operative non-complying status).</p> <p>Costs to the landowner from the RVSZ provisions that provide for visitor related activities whereas the Rural Zone provisions require a discretionary activity for buildings and visitor related activities</p>	<p><b><i>Environmental</i></b></p> <p>The requirement for sound insulation and/or mechanical ventilation within the OCB will support an appropriate level of amenity for existing activities sensitive to aircraft noise.</p> <p>The application of the Landscape Assessment Matters for Rural Character Landscapes will ensure that potential effects on landscape values are addressed.</p> <p>Rural zoning would ensure that any unanticipated effects that may arise given the uncertainty over the status of the Wanaka Airport Zone, arising from appeals from Queenstown Airport Corporation are avoided.</p> <p>Applying the Rural Zone while there is uncertainty over the Council spatial plan/Future Development Strategy and the Queenstown Airport's Wanaka and Queenstown Master Plan would ensure that any alternative zoning does not inadvertently undermine the viability and</p>	<p>The PDP Rural Zone provisions prohibiting ASANs give effect to existing resource management regime promulgated through Plan Change 35 to the ODP and made operative in 2018.</p> <p>It is efficient to continue this regime that has only recently been established as the most appropriate way to manage reverse sensitivity effects in relation to Wanaka Airport.</p> <p>The application of an existing PDP zoning and provisions that manages reverse sensitivity effectively already is more efficient than creating Windermere-specific provisions within the RVZ or creating a new area-specific zoning to address the matter.</p>



	<p>(i.e. visitor accommodation and commercial recreation).</p> <p><b><i>Social &amp; Cultural</i></b></p> <p>None identified.</p>	<p>role of the Wanaka Town Centre, strategic directions, and non-statutory strategic planning documents that have not yet been finalised.</p> <p><b><i>Economic</i></b></p> <p>The provisions will contribute to protecting Wanaka Airport from reverse sensitivity effects; supporting the operation of the airport and the associated economic benefits to the District.</p> <p>The Rural Zoning will ensure that the economic viability of Wanaka and Three Parks is sustained. The Wanaka Airport zone has rules that limit retail and office activities so that they are limited in area and ancillary to airport related activities. These rules have been appealed and an uplift in retail or commercial activity could undermine the role of Wanaka Town Centre or Three Parks. It is considered premature to rezone this land to Wanaka Airport.</p> <p><b><i>Social &amp; Cultural</i></b></p> <p>The requirement for sound insulation and/or mechanical ventilation within the OCB will support an appropriate level of amenity for existing activities sensitive to aircraft noise.</p>	
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## **12. SCALE AND SIGNIFICANCE EVALUATION**

- 12.1. The level of detailed analysis undertaken for the evaluation of the proposed objectives and provisions has been determined by an assessment of the scale and significance of the implementation of the proposed provisions. In making this assessment, regard has been had to the following, namely whether the proposed objectives and provisions:
- (a) Result in a significant variance from the existing baseline in the ODP Section 12 – RVSZ;
  - (b) Have effects on matters of national importance;
  - (c) Adversely affect those with specific interests;
  - (d) Involve effects that have been considered implicitly or explicitly by higher order documents;
  - (e) Impose increased costs or restrictions on individuals, communities or businesses; and
  - (f) Are more appropriate than the existing.
- 12.2. The level of detail of analysis in this report is low to moderate. The ODP Section 12 – RVSZ has been used as a basis for the revised provisions, with the most notable changes within the proposed rules being the change in activity status for residential activity from permitted to non-complying, farming activity from non-complying to permitted, and the introduction of mapped areas within which development is more strictly managed. The objectives and policies have been revised to provide greater clarity regarding the desired environmental outcomes, specifically the management of adverse effects on landscape values. Although articulated in a more comprehensive manner, these outcomes align with those generally anticipated by the operative RVSZ chapter.
- 12.3. Rules in the operative chapter that have been identified as having uncertain application have been removed to ensure the provisions can be implemented and enforced more effectively. The format and structure of the operative chapter has not been continued, with the chapter structure developed for the PDP used instead. This is a departure from the ODP; most notably the tables for activities have been re-ordered. Maintaining consistency with the PDP chapter structure is important to ensure that the PDP is implemented as a cohesive whole. Accordingly, the drafting style conventions that have been established in Stages 1 and 2 of the District Plan Review have been applied to this proposal.
- 12.4. An analysis of alternative options has been undertaken and the Arthurs Point, Cardrona and Windermere RVSZ are proposed to be rezoned to MDRZ, Settlement Zone and Rural Zone respectively. This will result in the ability for more residential development in the MDRZ and Settlement Zone, while still providing for visitor accommodation and small-scale commercial activities where this maintains residential amenity.

- 12.5. The proposal will result in variance from the existing baseline for those areas proposed to be rezoned. In most instances the current approach to managing the effects of visitor-related activity is recommended to remain.

### **13. EFFICIENCY AND EFFECTIVENESS OF THE PROVISIONS**

- 13.1. The proposed provisions strike an appropriate balance to achieve the integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district. In doing so, the proposed provisions are more appropriate than the alternatives considered.

### **14. THE RISK OF ACTING OR NOT ACTING – SECTION 32(2)(C)**

- 14.1. Section 32(2)(c) of the RMA requires an assessment of the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions. It is not considered that there is uncertain or insufficient information about the subject matter of the provisions.
- 14.2. There is no significant risk of action (i.e. proceeding with the proposal). Any environmental risk has been addressed in the provisions of the RVZ.
- 14.3. The risks of not acting include the potential for adverse effects from development on landscape values that may result in the failure to protect an outstanding natural landscape in accordance with section 6 of the Act and enabling residential development in rural areas.
- 14.4. The issues identified and options taken forward are the most appropriate way to achieve the purpose of the RMA. If these changes were not made there is a risk the District Plan would fall short of fulfilling its functions.