

QUEENSTOWN LAKES DISTRICT COUNCIL

Hearing of Submissions on Proposed District Plan

Report 17-3

Report and Recommendations of Independent Commissioners
Regarding Mapping of Fernhill

Commissioners

Denis Nugent (Chair)

Jan Crawford

David Mountfort

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PART A - TREVOR WILLIAM OLIVER

Submitter: Trevor William Oliver (Submission 479)

Further Submission:

FS1271 – Hurtell Proprietary Limited and Others - oppose

1. PRELIMINARY MATTERS

Subject of Submission

1. This submission related to several properties in Fernhill Road, Fernhill.

Outline of Relief Sought

2. The submission sought LDR zoning for those residential properties located on Fernhill Road between Greenstone Place and Cameron Place that were zoned MDR in the notified PDP.

Description of the Site and Environs

3. Fernhill is an inner suburban area occupied by single and two storey residential units and visitor accommodation. Many homes enjoy views of Lake Wakatipu and the wider mountainous landscape (see Figure 3-1).

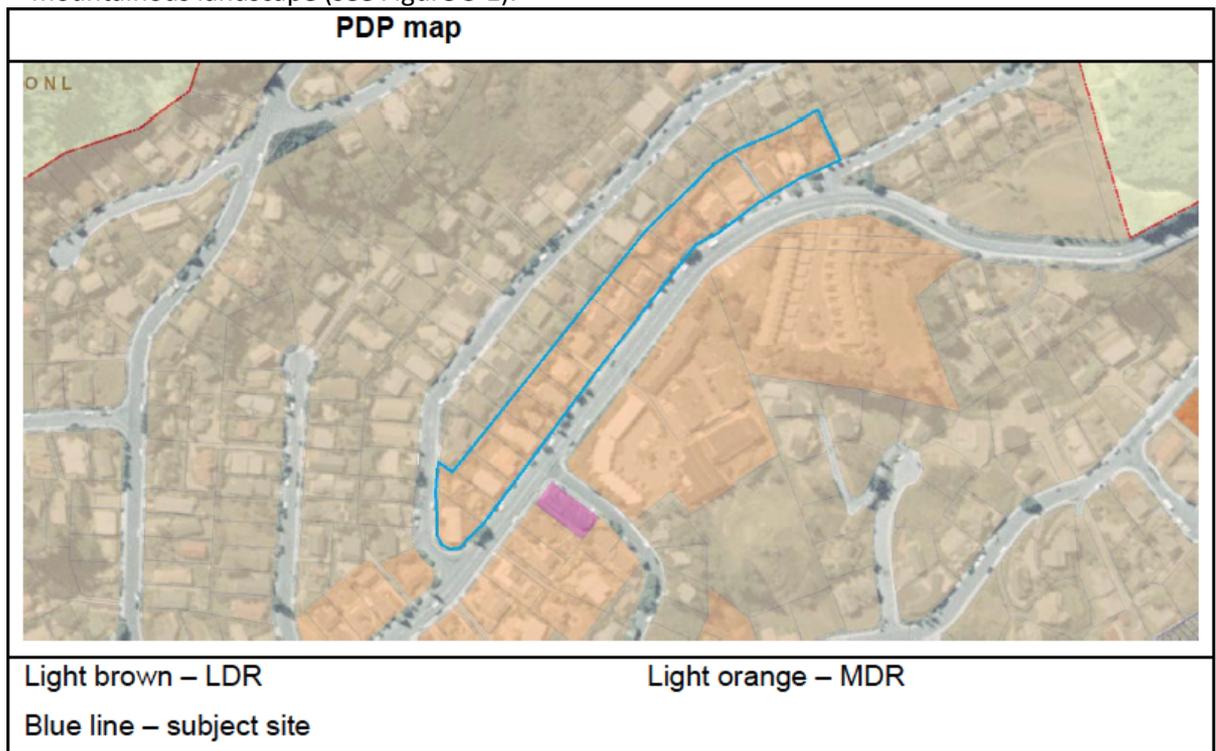


Figure 3-1 – Planning map of MDR zoned land in Fernhill Road (between Greenstone Place and Cameron Place) subject to the submission outlined in blue

The Case for Rezoning

4. Mr Oliver's submission said that a change in height and density due to MDR zoning of the land could detract from the amenity of their property (16B Wynyard Crescent). The low density character of this neighbourhood and being able to view the wider landscape inclusive of Lake

Wakatipu contribute to that amenity. The submitter did not attend the hearing and did not provide evidence.

5. The further submitter supported MDR zoning but did not attend the hearing or give evidence.
6. For the Council, Ms Devlin recommended retention of the notified MDRZ because the site is well suited for development at greater densities as it is close to the Fernhill shopping centre, a regular bus route and walking and cycling trails to the town centre. She said that Fernhill has sloping topography that would assist in minimising impacts on lake views. Overall, she considered that the notified MDR zoning was the most appropriate for this site in order to give effect to the objectives and policies of Chapter 3 Strategic Direction and Chapter 4 Urban Development in regard to contributing to a compact urban form that utilises land and infrastructure efficiently. In her opinion, LDR zoning could result in an inefficient use of urban land.¹

Discussion of Planning Framework

7. The PDP Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form, ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.
8. LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for *'a mix of compatible suburban densities and a high amenity low density residential environment for residents...'*. Policy 7.2.1.2 encourages development that *'maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.'* Policy 7.2.1.3 seeks to maintain amenity values between sites, in particular privacy and access to sunlight. A clear theme is the maintenance of suburban character and high amenity values. Commercial activities are generally discouraged.
9. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

2. ISSUES

- a. The most appropriate zoning for the subject land

3. DISCUSSION OF ISSUES AND CONCLUSIONS

10. This block of land is part of a larger area that was notified as MDRZ in Fernhill. It is close to a small shopping centre on the corner of Fernhill Road and Richards Park Lane. Fernhill is also

¹ R. Devlin, Section 42A Report, 24 May 2017, paragraph 38.7

close to the Queenstown Centre which is readily accessible via public transport, cycle and walking trails.

11. In addition, MDR zoning enables a greater density of development in a location accessible to the town centre. Enabling greater dwelling capacity in the Fernhill area was raised in Submission 391 (Sean & Jane McLeod). Mr McLeod's evidence focused on the strategic zoning pattern and identified opportunities to intensify development on land within the existing urban area to increase housing supply, including Fernhill/Sunshine Bay. He said that Fernhill began to develop about sixty years ago therefore it was ready for redevelopment. In his opinion, it would be timely to enable greater dwelling density because this would likely be taken up given the economics of redevelopment. He also said that redevelopment would not happen overnight. We agreed with Mr McLeod that increasing the area of MDR zoning in areas close to the town centre was desirable and that this should be recommended in places where there was a realistic likelihood of that capacity being taken up. In our view, Fernhill is one of those areas.
12. For these reasons, we agree with Ms Devlin that the notified MDR zoning would achieve the strategic purpose of the PDP and is therefore the most appropriate zoning for this land.

4. RECOMMENDATION

13. For the reasons set out above, we recommend that:
 - a. Submission 479 be rejected; and
 - b. FS1271 be accepted; and
 - c. MDR zoning be confirmed for the land in Fernhill Road between Greenstone Place and Cameron Place as shown on Planning Map 34.

PART B: COHERENT HOTELS LIMITED

Submitter: Coherent Hotels Limited (Submission 699)²

Further Submission:

None

5. PRELIMINARY MATTERS

Subject of Submissions

14. This submission related to 139 Fernhill Road, 10, 12, 14, 16 Richards Park Land and 20 Aspen Grove, Fernhill (9,764m²).

Outline of Relief Sought

15. The submitter sought MDR zoning for that part of the site which was zoned LDR in the notified PDP. Part of 139 Fernhill Road and 20 Aspen Grove were in the notified MDRZ (see Figure 3-2) whereas 10, 12, 14 and 16 Richards Park Lane and the balance of 139 Fernhill Road were in the notified LDRZ.
16. A Visitor Accommodation Sub-Zone was requested for the whole of the subject site however the Panel was advised at the hearing that Coherent Hotels had elected not to pursue this matter because visitor accommodation would be addressed in a later stage of the review.³ On 23 November 2017, the Council notified the Stage 2 Variations which provides for an MDR Visitor Accommodation Sub-Zone to apply to a substantial portion of the submitter's property. Accordingly, there is no need to consider this aspect of the relief here.

Description of the Site and Environs

17. Fernhill is a suburban area with a mix of single and double storey residential units and visitor accommodation. There is a small shopping centre on the corner of Richards Park Lane and Fernhill Road.
18. The site at 139 Fernhill Road is partly occupied by the Aspen Hotel Queenstown and partly vacant. There are residential units on 10, 12 and 14 Richards Park Lane whereas 16 Richards Park Lane and 20 Aspen Grove are vacant sites. A variety of indigenous and exotic plantings occupy the vacant land however this vegetation is of limited ecological value.

² Coherent Hotels are progressing the submission as successor to Reddy Group Limited; see J. Brabant, Legal Submissions, 14 July 2017, paragraph 3

³ J. Brabant, Legal Submissions for Coherent Hotels Limited, 14 July 2017, paragraph 22

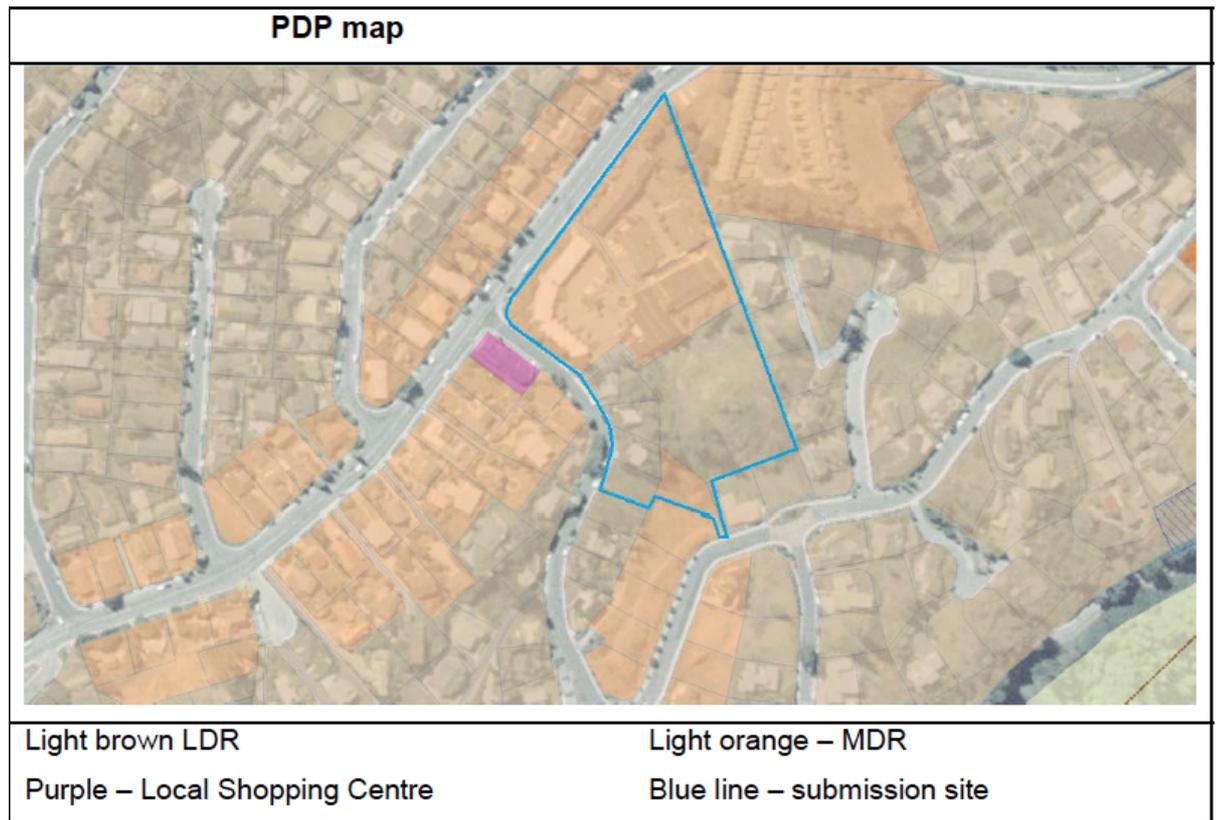


Figure 3-2 – Planning Map of the land subject to the submission outlined in blue

The Case for Rezoning

19. In this case, the planning witnesses for the submitter⁴ and the Council⁵ agreed that MDR zoning was the most appropriate for the whole of the submitter’s site. This evidence was not contested. They agreed that MDR zoning would achieve the objectives and policies of Chapter 3 Strategic Direction and Chapter 4 Urban Development.

20. Mr Grala summarised the reasons why application of MDR zoning over the whole site matched the purpose of the PDP. The site is:
 - a. Within the urban growth boundary for Queenstown;
 - b. Adjacent to a local shopping centre
 - c. On a public transport route; and
 - d. Within a 10 minute cycle or 30 minute walk from Queenstown Town Centre.⁶

21. Ms Devlin considered that the proposed rezoning would provide a contiguous zone by joining two MDR zones currently separated by LDR. In her opinion, *“rezoning the land would be more consistent in terms of built form and density, and would be compatible with the adjoining LDRZ in regard to amenities”*.⁷

Discussion of Planning Framework

22. The PDP Chapter 3 Strategic Direction seeks to manage urban growth in a strategic and integrated manner. Urban development should promote a compact, integrated urban form,

⁴ N. Grala, EIC, 9 June 2017, paragraphs 17 -22
⁵ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 39.5 – 39.9
⁶ N. Grala, EIC, 9 June 2017, paragraph 20
⁷ R. Devlin, Section 42A Report, 24 May 2017, paragraph 39.5

ensure a mix of housing opportunities and be integrated with existing and planned infrastructure (recommended Objective 3.2.2.1). This objective is given effect by recommended Objectives 4.2.2A and 4.2.2B Urban Development which provide for the allocation of land within the UGB into zones which are reflective of the appropriate land use having regard to transport, a mix of housing densities and forms and the function and role of town centres, among other matters.

23. LDRZ is the largest residential zone in the District. In Chapter 7, as recommended, it is renamed the Lower Density Suburban Residential zone to more accurately capture the range of traditional and modern suburban densities and housing types enabled. Objective 7.2.1 provides for *'a mix of compatible suburban densities and a high amenity low density residential environment for residents...'*. Policy 7.2.1.2 encourages development that *'maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.'* Policy 7.2.1.3 seeks to maintain amenity values between sites, in particular privacy and access to sunlight. A clear theme is the maintenance of suburban character and high amenity values. Commercial activities are generally discouraged.
24. The purpose of the MDRZ is to enable a greater supply of diverse housing options for the District at a higher density than the LDRZ. Development controls are designed to ensure that the reasonable maintenance of amenity values is maintained. MDR zones should be easily accessible to local shopping centres, town centres or schools by public transport, cycling or walking.

6. ISSUES

- a. The most appropriate zone for the subject land

7. DISCUSSION OF ISSUES AND CONCLUSIONS

25. We accept and rely on the planning evidence presented for the submitter and the Council. Accordingly, we find that the requested MDR zoning would achieve the strategic objectives and policies of the PDP and would be compatible with the residential amenities of the surrounding area.
26. In other locations close to Queenstown Town Centre, we have recommended rezoning to MDRZ to enable greater dwelling capacity within the existing urban area. We consider that Fernhill and Sunshine Bay are areas suited to intensification by way of MDR zoning.

8. RECOMMENDATION

27. For those reasons, we recommend that:
 - a. Submission 699 be accepted in part; and
 - b. MDR zoning be confirmed for the balance area of 139 Fernhill Road, and 10, 12, 14 and 16 Richards Park Lane as shown on Planning Map 34.

PART C: JADE LAKE QUEENSTOWN LIMITED

Submitter Jade Lake Queenstown Limited (Submissions 97) **8**

Further Submissions

None

9. PRELIMINARY MATTERS

Subject of Submissions

28. This submission related to a block of land identified as 102 – 108 Wynyard Crescent, Fernhill.

Outline of Relief Sought

29. The submission requested rezoning of this site from LDRZ to MDRZ or HDRZ.

Description of the Site and Environs

30. The site has an area of 1.5237 ha and is located off Wynyard Crescent (see Figure 3-3). It is steep and bisected by a gully containing a stream running more or less in a north-west to south-easterly direction.

31. The surrounding area comprises single and two storey residential units and visitor accommodation. Several properties with frontage to Wynyard Crescent and Von Place back on to the site.

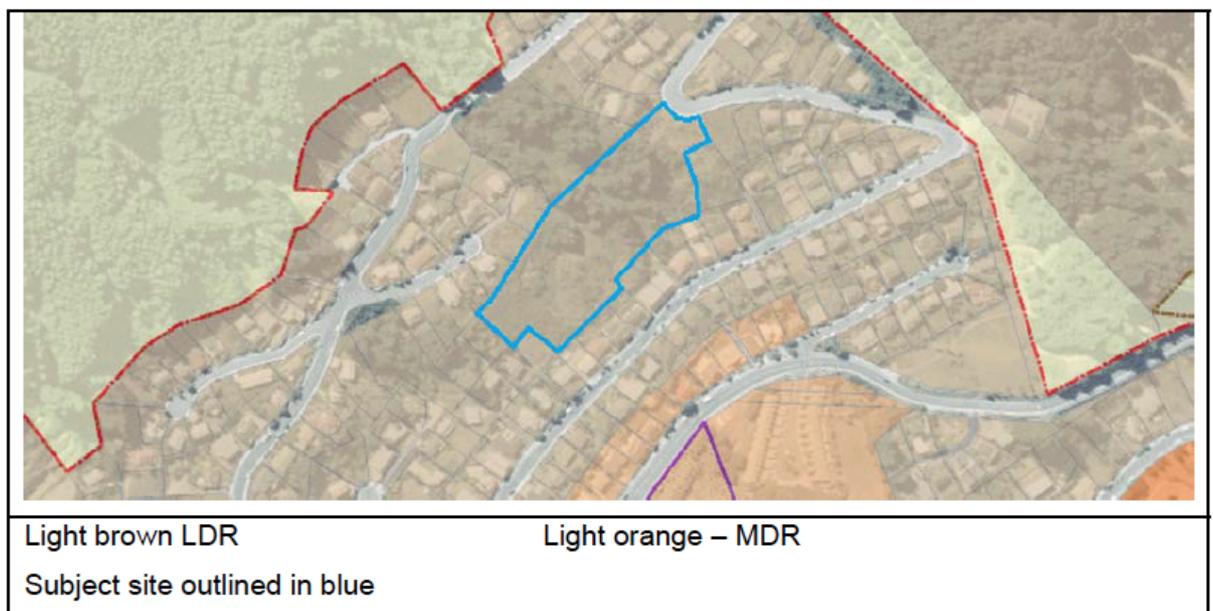


Figure 3-3 – Planning Map of 102 – 108 Wynyard Crescent showing the land subject to the submission outlined in blue

The Case for Rezoning

32. The submission states that without bridging the gully, half of the property remains landlocked. To date, it has proved uneconomic to develop. In the submitter's opinion, the land is suitable for medium density residential development as a block. It is also suitable for visitor accommodation which has proved successful elsewhere in Fernhill, given the steeper

⁸ Memorandum of Counsel for Jade Lake Queenstown Limited, 1 February 2018, advising that JLQL would be pursuing the submission as successors to Hurtell Proprietary Limited, Landeena Holdings Limited and Shellmint Proprietary Limited

topography and outstanding views but fewer sunlight hours. In the submitter's opinion, the land is inherently suitable for a higher density of development. The submitter did not attend the hearing or provide evidence.

33. For the Council, Ms Devlin recommended that the rezoning request be rejected and the notified LDR zoning be confirmed. In her opinion, a 'spot zone' of either MDRZ or HDRZ surrounded by LDRZ in this location would be inappropriate in regard to character and residential amenities.⁹
34. With respect to HDR zoning, Ms Devlin did not have any evidence to show whether there are any parts of the site that might qualify as 'flat' i.e., that would be eligible for building heights up to 12m. She said that substantial additional height and increased bulk and density would be enabled by HDR zoning with consequential effects on neighbouring residential amenity however there was no analysis provided in this regard.¹⁰
35. Ms Devlin considered proximity to the town centre in terms of transport. The site is 3.2km by road from Queenstown Town Centre and there are walking and cycling tracks. However, in her opinion, the steep uphill return journey may not encourage a reduction in private vehicle movements. Consequently, HDR zoning would not be consistent with the relevant objectives and policies of Chapter 9 HDRZ in regard to providing high density housing close to town centres.¹¹
36. Solely from a locational perspective, she considered that there could be merit in rezoning the land to MDR if adjoining land could also be rezoned MDR to join the Fernhill MDR zone as requested by Submission 391 (Sean & Jane McLeod). The site is reasonably accessible to a local shopping centre zone and public transport along Fernhill Road. The MDRZ provisions would result in development that would have lesser effects on the character and amenity of surrounding land in the LDRZ, compared to HDRZ.¹²
37. Mr Glasner did not support rezoning to HDRZ from an infrastructure perspective. He said that:

"...changing the zoning to HDR would increase the anticipated firefighting demand to FW3. The results showed that the growth scenarios cannot provide FW3 firefighting demand where the site adjoins Wynyard Cres. The area is part of the Upper Fernhill zone feed from Fernhill #3 reservoir. The model shows this area has high head loss, >10 m/km. Increasing the demand will further increase the head loss which may result in pipe upgrades."
38. He also said that the wastewater model showed there were downstream constraints which are identified to be remediated in the LTP. If this area is rezoned, the timeframe when it will be serviceable will depend on the timing of the related LTP projects.¹³
39. Ms Devlin relied on Mr Glasner's evidence in coming to her conclusion that the notified LDRZ was the most appropriate for this site. In her opinion, the rezoning request was not consistent with the relevant objectives and policies of Chapter 3 Strategic Direction and Chapter 4 Urban Development *"in regard to urban development being coordinated with infrastructure and*

⁹ R. Devlin, Section 42A Report, 24 May 2017, paragraphs 40.6

¹⁰ Ibid, paragraph 40.7

¹¹ Ibid, paragraphs 40.7 & 40.8

¹² Ibid, paragraph 40.10

¹³ U. Glasner, EIC, 24 May 2017, paragraphs 7.89 – 7.91

services, and designed and located in a manner consistent with the capacity of existing networks.”¹⁴

10. ISSUES

- a. The most appropriate zoning for the subject land

11. DISCUSSION OF ISSUES AND CONCLUSIONS

40. We accept and rely on the evidence of Ms Devlin that a ‘spot zone’ of HDR would not be appropriate in this location because the development enabled by the provisions could lead to adverse effects on the character and amenity of the surrounding neighbourhood. Ms Devlin’s evidence was uncontested.
41. We accept and rely on Mr Glasner that rezoning to HDR could not be accommodated by the existing firefighting infrastructure.
42. We find that rezoning this block of land to HDR would not be consistent with the objectives and policies of the PDP because it is not in close proximity to the Queenstown Town Centre. Further, it would create a ‘spot zone’ which is contrary to our zoning principles.
43. Ms Devlin considered that a ‘spot zone’ of MDR would be inappropriate. We agree.
44. She saw merit in MDR zoning solely from a locational perspective if adjoining land could also be rezoned MDRZ and joined to the MDR zoning sought by Submission 391 (Sean & Jane McLeod). Ms Devlin did not take this matter any further, appearing to rely on Mr Glasner’s infrastructure evidence to reject MDR zoning as well as HDR zoning.
45. Submission 391 sought “*that the medium density zone is extend (sic) to include most Fernhill and sunshine bay on the lower slopes within 4-500m of Fernhill Road.*” We interpreted this statement as referring to the lower slopes of Fernhill Road adjacent to Glenorchy-Frankton Road but not the land on the northern side (or upper slopes) of Fernhill Road. Ms Devlin took a similar interpretation of the area affected as depicted on the Planning Map included in the Council’s Section 42A Report relating to Submission 391.¹⁵ Mr McLeod presented evidence on Submission 391 during the hearing and did not dispute this depiction. Ms Devlin was not prepared to recommend that we rely on Submission 391 for scope to change the zoning of this site or the wider area in a way that connected to other MDR zoning. We concur.
46. Accordingly, we are satisfied that the available relief is limited to ‘spot zoning’ the site to MDR and we have already said that this would not be consistent with our zoning principles. In our opinion, the notified LDR zoning is the most appropriate for this site because it encourages development that *‘maintains suburban residential amenity values including predominantly detached building forms, and predominantly one or two storey building heights.’*

12. RECOMMENDATION

47. For those reasons, we recommend that;
 - a. Submission 97 be rejected; and

¹⁴ R. Devlin, Section 42A Report, 24 May 2017, paragraph 40.11

¹⁵ Ibid, paragraph 37.1

- b. LDR zoning be confirmed for 102 – 108 Wynyard Crescent, Fernhill, as shown on Planning Map 34.

PART D: SUMMARY OF RECOMMENDATIONS

48. For the reasons set out above, we recommend that:
 - a. Submission 479 be rejected and Further Submission 1271 be accepted [refer Part A];
 - b. Submission 699 be accepted in part [refer Part B];
 - c. Submission 97 be rejected [refer Part C].

49. As a consequence of those recommendations we recommend that all of 139 Fernhill Road and 10, 12, 14 and 16 Richards Lane be zoned Medium Density Residential.

For the Hearing Panel



Denis Nugent (Chair)
Dated: 4 April 2018