

A unique place. An inspiring future. He Wāhi Tūhāhā. He Āmua Whakaohooho

QLDC Council 29 July 2021

Report for Agenda Item | Rīpoata moto e Rāraki take 2

Department: Corporate Services

Title | Taitara Queenstown Lakes Spatial Plan Adoption

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

1 The purpose of this report is to adopt the Queenstown Lakes Spatial Plan (Attachment A).

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

2 The Council adopted the draft Queenstown Lakes Spatial Plan and supporting documents for public consultation on 18 March 2021. Consultation closed on 19 April 2021 with 147 submissions received. See the Hearings Panel report (Attachment B). Hearings took place in Wānaka and Queenstown on the 3 and 4 May 2021 with 35 people choosing to appear to speak to their submissions. The draft Queenstown Lakes Spatial Plan (Spatial Plan) has been updated to reflect the recommendations of the Hearings panel, which includes minor corrections as per the attached schedule of changes. This reflects the response to submissions as outlined.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

- 1. Note the contents of this report;
- 2. Adopt the Queenstown Lakes Spatial Plan; and
- 3. **Authorise** the Chief Executive to make any agreed minor amendments to the Spatial Plan as required.

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15/07/2021

Reviewed and Authorised by:

M.D. M.M

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16/07/2021

CONTEXT | HOROPAKI

Background

- 3 The draft Queenstown Lakes Spatial Plan (The Spatial Plan) is the first ever joint Crown-Council-Iwi-Plan (The Partnership) and was established in 2018. This Partnership was originally formed to respond to growth-related issues in Queenstown and government's expectation that high growth areas will manage growth in an integrated manner¹. The Partnership is considering work relating to the Visitor Levy, the Spatial Plan and the Implementation Plan associated with it.
- 4 The Partnership consists of the following organisations:
 - a. Queenstown Lakes District Council;
 - b. Central Government primarily the Ministry of Housing and Urban Development, Waka Kotahi New Zealand Transport Agency and the Department of Internal Affairs²;
 - c. Kāi Tahu³ Aukaha that represents iwi in Otago, and Te Ao Marama that represents iwi in Southland.
- 5 In August 2020 Cabinet was updated on the progress⁴ of the Urban Growth Partnerships (formed under the Governments Urban Growth Agenda) to seek endorsement (which was approved) of the strategic priorities of several of the joint spatial plans that are in progress, including the Queenstown Lakes Spatial Plan.
- 6 In June 2021 Cabinet was updated on the progress of the Queenstown Lakes Spatial Plan and formally endorsed the Crown joining the Grow Well Whaiora Partnership (see Attachment B). The first meeting of the Partnership Governance Group will be in September 2021.

Legislative Framework

- 7 This Spatial Plan is not a Future Development Strategy for the purposes of the National Policy Statement for Urban Development (**NPS-UD**). It has been prepared to be consistent with the direction of the NPS-UD to provide sufficient development capacity and achieve well-functioning urban environments. It is intended for this Spatial Plan to inform and contribute to the development of a Future Development Strategy for 2024.
- 8 The Government has recently announced major reforms of New Zealand's resource management system⁵. The work undertaken for this Spatial Plan will provide a starting

³ The name for Ngai Tahu in the appropriate local dialect

¹ https://www.hud.govt.nz/urban-development/urban-growth-agenda/

² Noting that Ministry of Transport, Treasury, Ministry of Business, Innovation and Employment, Kainga Ora and Ministry of Education have also been involved in the process.

⁴<u>https://www.hud.govt.nz/assets/News-and-Resources/Proactive-Releases/Cabinet-paper-Urban-Growth-Partnership.pdf</u>

⁵ <u>https://www.mfe.govt.nz/rmreview</u>

point for input to a regional Spatial Plan required as part of a new resource management system.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

9 The Queenstown Lakes Spatial Plan is a long-term vision (30 years) and framework for how and where the communities of the Wakatipu and Upper Clutha can Grow Well and develop to ensure our wellbeing and prosperity.

Submissions and Hearings

- 10 Consultation was undertaken on the Spatial Plan in accordance with the Special Consultative Procedure. 147 Submissions were received. 35 submitters spoke in support of their submission, split between the Upper Clutha and Wakatipu. The submissions were heard by a panel comprising a representative from each of the Partnership members, and an independent chairperson.
- 11 In general, the submitters were supportive of preparing a long term plan. The main themes that emerged from the submissions included:
 - population and visitor projections;
 - future of the airports in the region;
 - extent of urban expansion;
 - degree of reliance on public and active transport; and
 - mix of development.
- 12 The district's airports and growth in general were the top two themes from the submissions.
- 13 No submitters raised any issues or concerns with the strategic direction of the Spatial Plan. The priority development areas and the future urban areas were generally supported, although some submitters chose to make specific and detailed comments within these areas.
- 14 It should be noted that many of the submissions were more granular and detailed than Spatial Planning can consider. This level of detail is still relevant and important and can be further investigated as part of the joint work programme⁶.

Updates to the Spatial Plan

- 15 The Hearings Panel Report recommended updates were made on the following themes:
 - a. Population and employment projections;
 - b. Climate change;
 - c. Wakatipu growth pattern;
 - d. Wānaka and Lake Hāwea Growth Patterns;

⁶ The Council will be fully briefed on the joint work programme.

- e. Types of growth;
- f. Specific areas;
- g. General points.
- 16 These suggestions have been incorporated in the final draft Spatial Plan and are supported by the Steering Group and the Executive Leadership Team. The Council was also briefed at a workshop on 29 June 2021. See the detailed schedule of changes at Attachment C.
- 17 The priority development areas were not subject to any changes, except for Hāwea. The panel recommended that the consolidation of Wānaka should occur first therefore Hāwea has been removed and replaced by Southern Wānaka.
- 18 In response to the submissions on growth, a new document has been prepared to provide context to the demand projections (see Attachment D). This document will also be referenced within the Spatial Plan and published on Council's demand projections webpage.

Post Adoption

- 19 Following adoption of the plan, the Partnership will prepare a joint work programme to support the delivery and implementation of the Spatial Plan. This will initially focus on advancing the priority initiatives identified under each outcome.
- 20 An annual monitoring report will be produced to track progress on the priority initiatives and how growth is occurring in relation to the Spatial Plan's strategic direction.

Governance

- 21 The governance arrangements for the Partnership are detailed in the corresponding paper.
- 22 It is important to note that the governance of the Partnership will provide high level and strategic oversight of the Spatial Plan and the associated joint work programme. For the avoidance of doubt, it will not replace any established governance arrangements and accountabilities for the individual projects outlined in the joint work programme.

23 Option 1 Adopt the Queenstown Lakes Spatial Plan

Advantages:

- 24 Create opportunities for greater alignment, investment, integration and coordination between central and local government and mana whenua around housing, land use, transport and infrastructure planning;
- 25 Bring existing but disparate processes and agencies together to prepare long-term and integrated land use and infrastructure plans that improve housing supply and help to create thriving, sustainable communities;
- 26 Provide for enhanced and improved interagency collaboration, at a local and national level;



- 27 Provide Council with the following:
 - a. strategic direction regarding urban growth and key areas of focus;
 - b. strategic inputs to Council's standard planning workstreams, strategies, policies and guidelines where appropriate;
 - c. greater internal coordination and collaboration;
 - d. potentially raised profile and improved relationships with central government;
 - e. meets the agreed timelines prepared with the Partnership;
 - f. responds to the aspirations of Vision Beyond 2050;
 - g. positions Council well for forthcoming Resource Management Act (RMA) reforms and the 2024 FDS.

Disadvantages:

28 There was clearly a perception from some elements of the community that the Spatial Plan was a mechanism for managing growth. There may also be a perception that adopting the Spatial Plan is enabling of growth rather than its true purpose of strategically visioning the best outcomes for our communities based on projected growth.

29 Option 2 Do not adopt Queenstown Lakes Spatial Plan

Advantages:

30 This approach would appeal to the perception that the Spatial Plan is designed to enable rather than manage growth.

Disadvantages:

- 31 This decision would negatively impact the Partnership with Iwi and Central Government and is contrary to the future direction of spatial planning signalled by Central Government. It will also remove the ability for Council to manage projected growth in a manner that optimises opportunities to grow well.
- 32 Officers will need to reschedule the programme with the Partnership and re-draft the document for further consideration given the requirement for a Spatial Plan signalled under RMA reforms and the 2024 Future Development Strategy pursuant to the National Policy Statement on Urban Development.
- 33 Advantages outlined in option 1 will not be realised.
- 34 Failing to adopt the Spatial Plan would be disingenuous towards our community, which we engaged in good faith before the draft was produced and once it was produced.
- 35 This report recommends Option 1.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 36 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because of the social, economic cultural and environmental importance this plan has, both locally and nationally.
- 37 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community, central government agencies, Kāi Tahu, the developer community, visitors to the district, businesses, community organisations, other local and central government agencies, schools, Council staff, and households.
- 38 The consultation undertaken was in accordance with section 83(1) of the Local Government Act.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

39 This matter relates to the Strategic/Political/Reputation category. It is associated with RISK0039 within the QLDC Risk Register – failure to deliver the strategic plan. This risk has been assessed as having a moderate inherent risk rating.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

40 There are no financial implications to adopting the Queenstown Lakes Spatial Plan. However, once the joint work programme is finalised it is anticipated that a submission on Council's Annual Plan may be required.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

41 The following Council policies, strategies and bylaws were considered:

- Vision Beyond 2050
- District Plan
- Proposed District Plan
- Ten Year Plan
- 30 Year Infrastructure Strategy
- Climate Action Plan
- Queenstown Town Centre Masterplan
- Frankton Masterplan
- 42 The recommended option is consistent with the principles set out in the named policy/policies.
- 43 This matter is included in the draft 2021-2031 Ten Year Plan:
 - The Queenstown Lakes Spatial Plan correlates with the Ten Year Plan as it includes the high level infrastructure requirements to meet the projected growth of the

district, these are contained in Part 4 of the Spatial Plan. All the infrastructure requirements identified in the short and medium term are also included in the Ten Year Plan. It should be noted that these requirements are shown spatially.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAKA WAETURE

44 The Queenstown Lakes Spatial Plan is a document prepared under the Local Government Act and is not a Future Development Strategy prepared in accordance with the National Policy Statement on Urban Development.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 0 TE KĀWANATAKA Ā-KĀIKA

45 The recommended option:

- Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The Queenstown Lakes Spatial Plan is a long-term vision (30 years) and framework for how and where the communities of the Wakatipu and Upper Clutha can Grow Well and develop to ensure our wellbeing and prosperity. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan; and
- Is consistent with the Council's plans and policies.

ATTACHMENTS | NGĀ TĀPIRIHANGA

Α	Queenstown Lakes Spatial Plan (circulated separately)
В	Hearings Panel Report
С	Spatial Plan Schedule of Changes
D	Demand Projections Document