

**Planning & Strategy Committee**  
**10 September 2020**

**Report for Agenda Item | Rīpoata moto e Rāraki take 1**

**Department: Planning & Development**

**Title | Taitara: 296 Glenorchy – Queenstown Road Sunshine Bay – Further Information**

**PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO**

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- 1 The purpose of this report is to provide further detail on two matters raised by members of the committee regarding options for access to the site and in regards to the cost of a plan change to the ratepayer/Council.

**RECOMMENDATION | NGĀ TŪTOHUNGA**

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- 2 That the Planning & Strategy Committee:

1. **Note** the content of this report.

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## ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 3 The Sunshine Bay Rezoning agenda item was left lying on the table at the meeting of 30 July 2020 pending further information on access to the Glenorchy-Queenstown Road, and the costs to Council of including the rezoning in Stage 4 of the Proposed District Plan. The landowner's planner, Mr Devlin has also written (attachment 3) to officials responding to these matters.

### Additional Access

- 4 Officials were requested to investigate the provision of an additional vehicle access from the Glenorchy to Queenstown Road (**GY – QTN**) and investigate whether the development of the site through Arawata Terrace alone would create any significant traffic issues.
- 5 A transportation assessment prepared by Stantec was referred to in the 30 July agenda item and was available on request, but was not attached to the report. It is attached (**attachment a**) to this report. It considers the traffic effects of accessing the site from forming a new road along the existing legal road alignment (paper road) that runs above the site and connects to Arawata Terrace. The assessment was based on the site providing for approximately 100 - 200 new dwellings, in line with a MDR zone. The assessment found that although the new development will increase the volume of movements on Arawata Terrace and Fernhill Road, these roads have sufficient capacity to accommodate the additional movements with no noticeable effects on intersection performance. The new intersection with Arawata Terrace was also able to meet Council standards.
- 6 The landowner has investigated forming a through route / second access to the site from the GY – QTN road (which is not a State Highway route). The plans and sight line diagrams for two access options off GY- QTN road are attached (**attachment b**).
- 7 These options would require substantial earthwork cuts (10+ metres high) and lowering of the speed limit across this section of the road to 80km/h to comply with the sightlines for vehicles turning onto GY-QTN road. The earthworks needed to establish this new road connection would need to be carried out on steep terrain, they may have to be stepped and are likely to be difficult and costly to engineer in a way that is safe from rock fall and subsidence.
- 8 The scale of these works will also have a set of visual effects on the natural character of the setting adjoining the lake and may be contentious for Iwi. While costly, the landowner has confirmed that the access can be formed and that the cost could potentially be offset by increasing the number of houses in the development. However, the formation of an access onto GY-QTN road can't be guaranteed and further analysis would be required to assess the feasibility of this option, notably concerning geotechnical matters, traffic safety effects, effects on mana whenua values and visual effects.
- 9 The request for rezoning was put forward on the basis of access being provided onto Arawata Terrace, which is already a viable access with multiple options to connect to the GY – QTN Road via Fernhill Road, however further investigation of access onto the GY-QTN Road is not precluded.

- 10 The purpose of the 30 July agenda item is to seek approval in principle to notify rezoning to an urban residential zone. A plan change will be subject to a section 32 evaluation assessment report and further steps to prepare and consult on a future variation. The suitability of different zones, associated potential land use intensities, access options and associated traffic effects will be further quantified and subject to further assessment prior to notification.
- 11 A key consideration, affecting the access issue, will be the correlation of the development intensity/density of the enabled yield to offset the costs of an additional access (if any) onto GY – QTN Road, its benefits, alternative options and development feasibility. This can be addressed through a section 32 evaluation.
- 12 Another key consideration is that the PDP aims to reduce traffic generation, to encourage transit oriented developments and to achieve integration between land use and transportation and an increase uptake of non-motorised transport.
- 13 The proposed PDP Transport chapter specifically exempts High Traffic Generating Activities (50 residential unit threshold, among others) from any minimum parking requirements. It aims to control the adverse effects of high traffic generating activities on the transport network and the amenity of the environment by taking into account the location and design of the activity and the effectiveness of the methods proposed to limit increases in traffic generation and to encourage people to walk, cycle, or travel by public transport.
- 14 In line with this, the new National Policy Statement Urban Development (NPSUD 2020) directs Councils to remove minimum parking requirements (leaving it to the market) and prioritises densification to encourage the use of public transport. It is generally more costly to provide car parking on steeper sites such as the subject site and it is likely that less parking spaces will be provided on steep sites, once the PDP has been updated to be in line with the new NPSUD 2020.
- 15 It is relevant to note that the centre of the site is 400m from the peak hour existing bus route along Arawata Terrace and 800m from the existing regular bus route on Fernhill road. Generally it is considered that bus users are comfortable walking approximately 400m maximum to access a bus stop depending on a range of factors such as the nature of the terrain and the quality of the service. Notwithstanding this, the option of a road design that can accommodate a potential future extension of the existing public transport route along Arawata Terrace will be investigated. This can be accommodated through the site with or without an access onto the Queenstown – Glenorchy Road, or into the site with a suitable turnaround area. These options will be explored further with the Otago Regional Council prior to notification, however the extension of the existing bus route should not be taken as guaranteed.
- 16 In terms of the effects of these access options on residential amenity, it is acknowledged that these roads currently carry low volumes of traffic. However, traffic will pass through an established urban area and unlike in a rural living, rural lifestyle or rural environment,

effects associated with urban activities, traffic and development should be anticipated in such areas.

- 17 It is also worth noting that the road serving as an access road to the site is an existing legal/paper road and that both the Operative and Proposed District Plan (PDP) rules such as road boundary setbacks apply to protect the residential amenity of the adjacent properties as is the case for all roads. However, residents in houses adjacent to the existing track, will likely experience the change from a walking track to a road as an adverse effect on their residential amenity. Any approved road would also be constructed to Council standards with adequate drainage and it is not anticipated that the formation would exacerbate storm water issues, and could help alleviate it.
- 18 The PDP provides for gentle densification of existing residential areas including the Sunshine bay LDSR area, which will have some effects on residential amenity. The residential area which the traffic will pass through is anticipated to densify over time under the PDP provisions and there will be associated changes such as an increase in traffic volumes and an increase in demand and provision of public transport services associated with this.
- 19 Based on the above, it is considered that there are no fundamental issues with access options and associated transport effects, the receiving environment and constraints that can't be resolved appropriate in the process of preparing and considering a zone change for this area. The proposed zoning, access arrangement and potential public transport links will all be considered in detail within a S32 assessment prior to notification.

#### **Potential costs of a variation:**

- 20 When considering the cost to the ratepayer it is important to consider the benefits of the proposal outlined within the original report as well as the context. These include:
  - The 5 % contribution of developed land area to the Queenstown Lakes Community Housing Trust (QLCHT), which has a monetary value which would likely far exceeds the cost of the plan change.
  - The fact that a number of large rezoning's are currently being sought through submissions to the PDP stages 1-3 and that these rezoning's generally do not offer any contributions to the QLCHT even though the cost of hearing these submissions are being met by ratepayers as part of the district plan review process.
  - A benefit of the proposal is that it will link the Sunshine Bay track to the Arawata track through the site.
- 21 Notwithstanding the above, the Land owner (Sunshine Bay limited) has offered to contribute up to \$40,000 (including GST, upon evidence of direct expenses incurred) towards the cost to the plan change.
- 22 The variation will form part of Stage 4 of the district plan review and many of the notification and hearing costs associated with Stage 4 are fixed and shared across a balance of proposals. Including this site will result in additional submissions, and

consequent officer and hearing time but this is expected to be a small addition to the total cost of running Stage 4.

- 23 A development agreement could be used to ensure the landowner will continue to cover the cost of the expert reports necessary for the plan change. The landowner has also offered assistance in the preparation of the S32 report.
- 24 The Council's records shows that the cost of comparable (although not directly equivalent) somewhat recent private plan changes was within a range of \$93,000 - \$152,000:

Plan Change 54 Northlake	\$123,303.00
Plan Change 52 Mt Cardrona Station	\$111,846.00
Plan Change 51 Peninsula Bay North	\$151,150.00
Plan Change 44 Henley Downs	\$93,949.56

## CONSULTATION PROCESS | HĀTEPE MATAPAKI:

### > SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHİ I KĀ WHAKAARO HIRAKA

- 25 This matter is of medium significance, as determined by reference to the [Council's Significance and Engagement Policy](#) because it is a matter relating to the administration of Council affairs and has the potential to impact on the environment, culture and people of parts of the District.
- 26 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes District community, more particularly the residents located in the Sunshine Bay residential area and local iwi groups (Aukaha and Te Ao Marama). Particular individuals and entities affected will have substantial opportunities to participate in submitting on the notified provisions and participating in hearings, appealing the decisions and joining any appeals.

### > MĀORI CONSULTATION | IWI RŪNANGA

- 27 Consultation with Tangata Whenua under the Resource Management Act 1991 (RMA) is a legal requirement before notifying a district plan and it is noted that legal requirements in this regard will have to be met.
- 28 As outlined above, the landowner has sought a preliminary comment from local iwi groups (Aukaha and Te Ao Marama), who do not support the proposal at this stage. However, the landowner is in conversation with local iwi on whether they can reflect cultural values through a future urban development.

29 Iwi entities will have the opportunity to submit if this proposed variation were to proceed to notification.

## RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

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30 This matter relates to the Strategic/Political/Reputation risk. It is associated with SR1 ‘Current and future development needs of the community (including environmental protection)’ within the QLDC Risk Register. This risk has been assessed as having a high inherent risk rating, because it is considered to be of significant importance in terms of the managed growth and regulation of development for the District.

31 This report sets out measures to reduce and mitigate the risk with options that implement additional controls for this risk.

## FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

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32 There are no budget or cost implications resulting from the decision. The recommended approach can be implemented through current funding under the 10-Year Plan and Annual Plan.

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

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33 The following Council policies, strategies, assessments and reports were considered:

- The Operative District Plan
- The Proposed District Plan
- The Queenstown Lakes Housing Development Capacity Assessment 2017
- Mayoral Housing Affordability Taskforce Report – October 2017

34 The recommendations are consistent with the principles set out in the above named policies.

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

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35 The process for undertaking plan changes and variations to a Proposed Plan is set out in the First Schedule of the Resource Management Act.

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

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36 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;

- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

**ATTACHMENTS | NGĀ TĀPIRHANGA**

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A	<b>Transportation and Access Report – Stantec</b>
B	<b>Proposed Access Feasibility</b>
C	<b>Letter from Sunshine Bay Ltd</b>