

**QLDC Council**  
**28 October 2021**

**Report for Agenda Item | Rīpoata moto e Rāraki take 2**

**Department: Planning & Development**

**Title | Taitara Te Pūtahi Ladies Mile Draft Masterplan and Plan Variation**

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

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- 1 The purpose of this report is to report back on the Te Pūtahi - Ladies Mile planning provisions and other methods to include a staged zoning approach that restricts development until the necessary transport interventions are confirmed and then to seek direction on how to proceed.

**EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA**

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- 2 At the 29 July 2021 Council meeting, Council directed that further work be undertaken on the planning provisions and other methods to include a staged zoning approach that restricts development until the necessary transport interventions are confirmed.
- 3 The report identifies that planning controls can be put in place that can discourage private car ownership and enable land-uses that facilitate and encourage trip internalisation, supporting the move to public and active mode transport. However, the plan provisions cannot directly address the traffic congestion issue.
- 4 Instead, a District wide transport intervention approach is required, because managing traffic congestion requires improvements to the public transport services, including infrastructure options to improve the speed of buses on the network, increased frequency and additional destinations. It also requires a suite of other mechanisms to be put in place and these will take time to deliver. Some of these interventions are still in the initial Business Case stages and so the timing and funding of these interventions is still uncertain.
- 5 Whilst there is uncertainty around the timing of the interventions, it is estimated that development of Te Pūtahi – Ladies Mile will occur gradually over the next 12 – 15 years in the current market conditions. This provides the different agencies time to plan, fund and implement an integrated approach to supporting the development of Te Pūtahi – Ladies Mile.
- 6 This report considers whether Council should continue with a Council-led approach or to stop work on the Masterplan, acknowledging that private developers will likely apply for resource consents and/or private plan changes.

**RECOMMENDATION | NGĀ TŪTOHUNGA**

That Council:

1. **Note** the contents of this report.
2. **Note** that work undertaken since the 29 July 2021 report to Council has confirmed that:
  - a. While the masterplan outcomes will support modal shift, transport demand management and travel behaviour changes, it will not on its own alleviate the current traffic congestion issues that occur at peak times;
  - b. Managing traffic congestion at Te Pūtahi - Ladies Mile and across the Queenstown network requires a district wide transport intervention approach to be delivered by the Queenstown Lakes District Council, Waka Kotahi and the Otago Regional Council, with an extensive programme being planned for but which currently has funding uncertainty; and
  - c. Development on Ladies Mile is likely to span 10-15 years allowing interventions to occur alongside any development.
3. **Adopt** the masterplan, noting the following matters are yet to be resolved:
  - a. The management and funding for stormwater across the site; and
  - b. The location of the high school.
4. **Note** that If Council continues with a Council led approach and adopts the masterplan, then the next steps would be to report back at the February 2022 Council meeting with:
  - a. Completion of the outstanding matters identified in 3 a. and 3 b. above and the final masterplan.
  - b. The final draft planning provisions and supporting Section 32 assessment that would ensure delivery of the masterplan.

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## CONTEXT | HOROPAKI

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### Background

- 7 Te Pūtahi Ladies Mile area has obvious attributes that make it an important consideration in planning future development in the district. It is sunny, flat, and an easily serviceable part of the Wakatipu Basin that is not prone to significant natural hazards or located in an Outstanding Natural Landscape. Although it is an amenity landscape, relative to other parts of the Wakatipu Basin it has a high capacity to absorb urban development without affecting the wider rural setting.
- 8 There is significant pressure to urbanise the area, with a number of major landowners along Te Pūtahi Ladies Mile, signalling their intention to seek development of their land in the short to medium term. In 2019, three Special Housing Area development applications were declined by Council through the now expired Housing Accords and Special Housing Area legislation, these landowners are still looking at mechanisms to develop their land.
- 9 The 12 March 2020 Council Report comprehensively addressed the full history of Ladies Mile and a link to the report is provided in Attachment A.
- 10 At the 29 July 2021 meeting, the Council considered the public submissions and the low level of Community support for the Masterplan. Concerns focused on whether development was appropriate in this location and the impacts on traffic congestion in the area. Positive outcomes identified included the provision of additional facilities and open spaces.
- 11 In response to the low level of community support, Council then had to consider whether a Council-led approach to developing the Ladies Mile was still preferred or whether to stop work on the Masterplan, acknowledging that private developers will likely apply for resource consents and/or private plan changes.
- 12 The 29 July 2021 Council Report comprehensively addressed the statutory requirements, public feedback, transport issues and staging options available for Te Pūtahi - Ladies Mile and a link to the report is provided in Attachment B.
- 13 It was recognised that Transport remained a key constraint to the potential development of Te Pūtahi – Ladies Mile, and that additional work was necessary to confirm the proposed transport interventions, the timing of these interventions and how they would be funded.
- 14 In addition to the Transport constraints, there were a number of other matters that still required additional work including:
  - a. The number of residential units to be provided and the height and density allowed for;
  - b. The management and funding for stormwater across the site;
  - c. The location of the high school;
  - d. The nature and extent of any community facilities;
  - e. The size, extent and the timing of the commercial and retail centre; and

- f. The final form of the planning provisions that would ensure the delivery of the masterplan, including consideration of available planning mechanisms to defer development until matters a. – e. have been resolved.

15 At the 29<sup>th</sup> July Council meeting, Council resolved:

- a. **Notes** the Council led Draft Te Pūtahi Ladies Mile Master Plan, noting that full implementation of the plan is dependent on an acceptable set of transport interventions being identified to minimise the impact on levels of service on the roading network;
- b. **Works** actively with Waka Kotahi and the Otago Regional Council to bring forward decisions on the transport interventions to address the traffic congestion on Te Pūtahi – Ladies Mile; and
- c. **Direct** that further work be undertaken on the planning provisions and other methods to include a staged zoning approach that restricts development until the necessary transport interventions are confirmed, to be considered at the October Council meeting.

16 This report specifically reports back on the planning provisions and other methods to include a staged zoning approach that restricts development until the necessary transport interventions are confirmed.

## ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

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### Staged Development Options

17 Planning advice from Brown and Company of the Ladies Mile Consortium (Attachment D – Brown & Company Staged Zoning Options Analysis) on the options available to Council to prevent development from occurring on Te Pūtahi - Ladies Mile and considers four options:

1. Identifying the land as a Future Urban Zoning;
2. Remodelling the existing draft provisions into a Deferred Zoning; by either identifying a future date at which the zoning will take effect, or by identifying an action or set of actions that must occur first before the zoning takes effect.
3. Modify and strengthen the existing draft provisions, by increasing the focus on ensuring that key transportation infrastructural works precedes development of the Te Pūtahi Ladies Mile area [**preferred option**]; and
4. Status quo, retaining the existing draft provisions as notified for public feedback in April 2021.

18 Future Urban Zoning is where QLDC rezones the land through a first schedule process to a zone that restricts or prevents development and preserves the land for future urban use, with any future residential development requiring a further plan change.

- 19 The planning advice (attachment D) sets out the pros and cons of Future Urban Zoning and whilst this option provides additional time to consider infrastructure solutions to the transport congestion issues, it may reduce the urgency with which Waka Kotahi and the Otago Regional Council consider and put in place additional transport solutions given the development is no longer going to occur in the short term.
- 20 In regard to the Future Urban Zone planning framework, there would be significant costs involved with developing the planning framework and carrying out the first schedule process. This cost would then be doubled when a subsequent plan change is required to re-zone the land for urban development.
- 21 Given that a Future Urban Zone, would be a completely new zone not currently anticipated by the Proposed District Plan (**PDP**), its introduction would have implications across the entire PDP with further changes required to the higher order strategic objectives and policies in the PDP.
- 22 In addition, establishing a Future Urban Zone may lead to some undesirable consequences where the Council comes under pressure to use the strategic direction to support additional future urban zoned land where the Council does not consider it is warranted. It also creates an opportunity for land that has already been reviewed in the PDP to seek this zoning if they were not successful in earlier re-zoning requests.
- 23 Ultimately the work to develop and implement a Future Urban Zone could take a considerable amount of time and given Council's intention to preserve the land for future urban development, landowners could use that time to apply for Resource Consents under the PDP or a private plan change.
- 24 Deferred zoning is where Council rezones land in accordance with masterplan outcomes but includes triggers that would prevent residential development until certain matters are achieved (i.e., transport/ infrastructure solutions). The current PDP zoning (i.e., Rural Lifestyle and Large Lot residential) would continue to apply until triggers are met.
- 25 Attachment D sets out the pros and cons of Deferred Zoning, and similar to Future Urban Zoning, whilst Deferred Zoning provides additional time to consider appropriate infrastructure solutions, the delay in development may reduce the incentive for third parties such as Waka Kotahi and Otago Regional Council to deliver additional transport solutions over and above NZUP until that development eventuates. The planning framework is also complex, as it requires triggers in the framework that will be sufficiently certain to satisfy the Resource Management Act (**RMA**) requirements and successfully implement through the first schedule process.
- 26 In addition, as the current PDP zoning remains in place under the deferred zoning option, the landowners would still have options to do very low-density development, which could result in further fragmentation of the northern side into 2-hectare blocks undermining the ability to give effect to the masterplan and removing the land uses and residential densities that would support public transport and reduce car dependency in the area.
- 27 Neither the Future urban zone, nor the deferred zone are considered appropriate, predominantly due to the high costs and uncertainty of implementing through a first

schedule process. And given that both options signal Councils intention to delay or prevent development, this may well reduce the incentive for third parties to engage in delivering additional transport solutions as well as incentivising landowners to consider other available planning mechanisms. Council would also need to carefully consider whether an approach to down-zone this land (Future urban) is consistent with the National Policy Statement Urban Development and relevant Regional Policy Statement provisions on urban form and development<sup>1</sup> as well as Councils own Spatial Plan.

- 28 However, a staged development is still achievable through planning controls and other methods. Option 3 (of Attachment D) considers continuing with the masterplan and rezoning but strengthening the draft provisions by including an Objective that focuses on minimising the generation of additional trips along the State Highway with supporting policies.
- 29 This will ensure that the development of Ladies Mile is Council led and supports the Councils Spatial Plan outcomes, to increase the provision of more affordable housing choices, creating a neighbourhood where public transport, walking and cycling can become an easily accessible choice, and that the area is a well-designed and can provide for everyday needs.
- 30 This approach also provides certainty that urban development will occur alongside improved public transport services.
- 31 A key risk with this approach, as with the other two methods, is that any new zoning requires a first schedule process, and any lengthy process may result in developers opting to develop under the existing Operative and Proposed District Plan. However, this method continues with the Council led masterplan approach which the majority of the Ladies Mile landowners are supportive of and given that it is Council led planning approach, it is also possible to apply for a Streamlined Planning Process which will help mitigate this risk.
- 32 The fourth option considers the status quo of retaining the draft provisions as notified for feedback in April 2021, a status quo option retains the existing work with no changes proposed. This does retain the ability to use elements of a deferred zoning, however, there is a lesser focus on the existing objectives and policies about the transport outcomes sought (when compared to Option 3), and less potential for the Council to use the tests under s104D to reject development proposals that precede completion of physical transportation works.
- 33 Overall, Option 3 is the preferred option, which is to continue with the rezoning of Te-Pūtahi – Ladies Mile with the modification and strengthening of the existing draft planning provisions.

### **Option 3 - proposed changes to draft provisions**

- 34 The draft planning provisions have been redeveloped and strengthened to have a greater focus on transport and specifically on vehicle trip reduction. (See Attachment E – Draft Te

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<sup>1</sup> To be replaced by the Proposed Otago Regional Policy that was notified on the 26 June 2021, submissions closed 3 September 2021

Pūtahi – Ladies Mile Planning Provisions). A new objective has been added which focuses on reducing vehicle trips on State Highway 6 from the new development of Te Pūtahi - Ladies Mile, with six supporting policies that focus on:

- a. Providing a range of activities, such as education, commercial and community facilities that will reduce the need for travel;
- b. Encourage integration between Te Pūtahi – Ladies Mile and the existing residential communities by requiring safe crossing points across State Highway 6 and new road connections that will enable increased bus services;
- c. Promoting public transport through residential densities, discouraging private vehicle ownership through limited car parking and requiring public transport related infrastructure to be in place prior to development;
- d. Promotion of active travel, through limited car parking and requiring minimum cycle parking requirements;
- e. Avoid development where specific transport infrastructural works have not been completed, unless it can be demonstrated that development will avoid future and cumulative adverse effects from additional traffic movements, particularly at weekday daily peak periods, on State Highway 6; and
- f. To require workplace and school travel plans through resource consents that will promote reliance on public and active transport and reduce private vehicle trips.

35 To give effect to these policies, a number of specific transport interventions have been identified, that focus on either physical road improvements, active travel improvements, bus infrastructure improvements or support travel behavioural changes.

36 Each transport intervention has been assessed as to whether it can be included as an appropriate planning control in order to stage development. Under s76(2) of the RMA, rules have the force and effect of a regulation but must conform to common law principles and conventions regarding validity. Poorly written rules and a failure to conform could see the rule(s) challenged on one or more of the following grounds (and subsequently declared void through the hearings process):

- a. being ultra vires (i.e. either, outside the scope of the RMA or outside the powers given to councils under the RMA);
- b. unlawful reservation of discretion;
- c. uncertainty; or
- d. unreasonableness.

37 Those transport interventions that can be used to stage development and are considered possible to include as a planning provision (subject to a detailed s32 analysis), generally relate to physical infrastructure items that can be developer funded, are already funded or not reliant on third parties, these include:

<i>Intervention Type</i>	<i>Intervention Description</i>	<i>Facilitates</i>	<i>Responsibility and Funding</i>
<i>Road Improvement</i>	Howards Drive roundabout	Facilitates traffic flow	Funded by NZUP and due to be constructed by 2024
<i>Road Improvement</i>	Westbound bus lane	Prioritises public transport	Funded by NZUP and due to be constructed by 2024
<i>Road Improvement</i>	Western roundabout (lower Shotover/Spence road)	Facilitates traffic flow	Developer responsibility
<i>Road Improvement</i>	Eastern roundabout on SH6	Facilitates traffic flow	Developer responsibility
<i>Active Mode Improvements</i>	Pedestrian/Cycle crossing points between SH6 & Howards Drive	Safe crossing point (options - underpass, at grade crossing or overpass)	Developer responsibility
<i>Active Mode Improvements</i>	Active Travel - Cycle paths pedestrian links within the development	Provides alternative to cars	Developer responsibility
<i>Travel Behavioural Changes</i>	Workplace and School Travel Plans	Promote alternative travel behaviours	A QLDC and final land-use developer & MOE responsibility
<i>Bus Infrastructure Improvements</i>	New bus stops & connections on SH6	Supports Public Transport	Developer responsibility

Table 1 - specific transport related infrastructural works included in the draft Te Pūtahi – Ladies Mile Planning Provisions

38 In order to stage the development, Attachment E – Draft Te Pūtahi – Ladies Mile Planning Provisions identifies specific rules relating to key Transport Infrastructure works that must occur before development/subdivision in specific sub-areas (see Figure 1: Sub-Area Staging Plan below). Specifically, no development would be able to occur as follows:

- a. No development in sub-areas C, D or E can occur until the NZUP funded Howards Drive roundabout is constructed, alongside bus stops on State Highway 6 and active travel crossing points across State Highway 6.



- b. No development in sub-areas A or B can occur until the Lower Shotover Road roundabout is constructed and road connections to the areas approved, alongside bus stops on State Highway 6 and active travel crossing points across State Highway 6.
- c. No development in sub-areas F or G can occur until the eastern roundabout is constructed, alongside bus stops on State Highway 6, active travel crossing points across State Highway 6.
- d. H1, H2 and I are dependent on bus stops on State Highway 6 and active travel crossing points across State Highway 6.

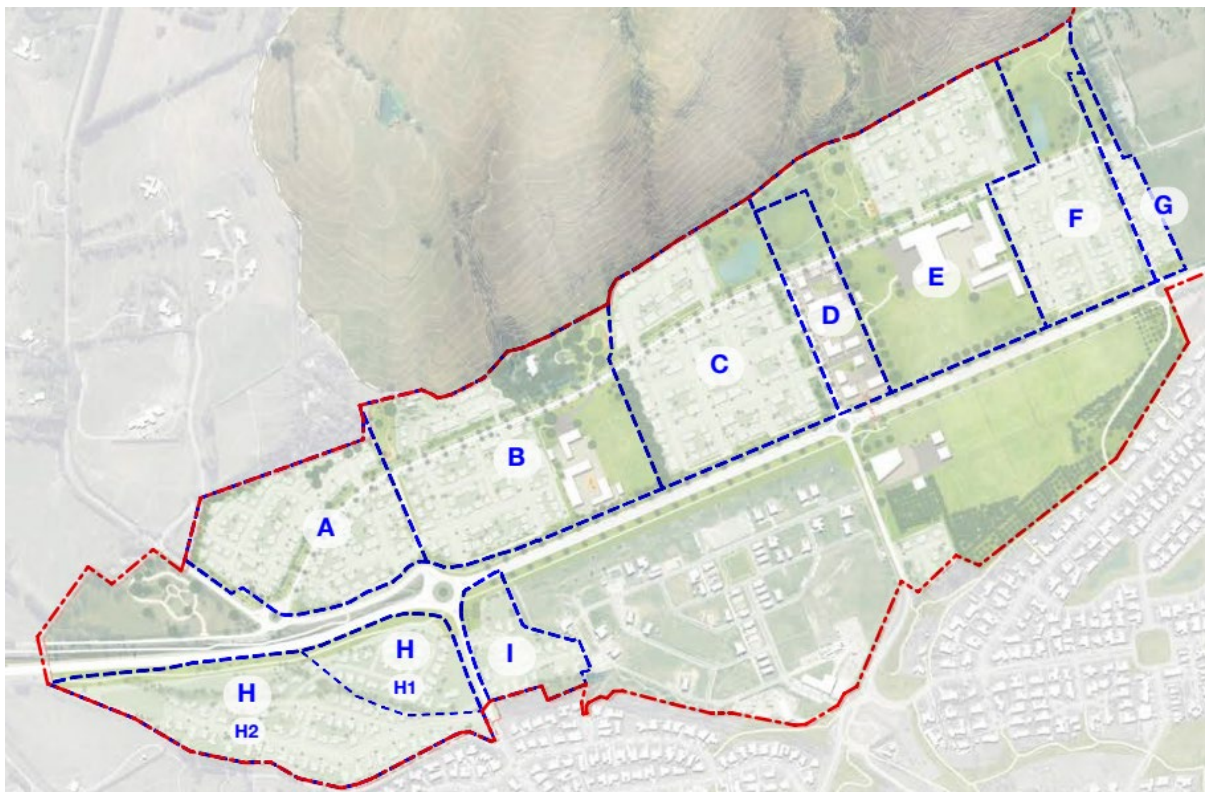


Figure 1: Sub-Area Staging Plan

- 39 These proposed Rules have been drafted with a Non-Complying activity status to provide a policy framework that requires key transport interventions to be constructed prior to either subdivision completion certificate (s224c) sign off or land-use whichever comes first). A Non-Complying activity status poses a high test for breaches, but still provides a consenting pathway for alternative methods, such as other transport solutions not previously considered whilst still achieving the objective of minimising vehicle trips onto State Highway 6.
- 40 A Prohibited activity status was considered as an alternative but is considered less appropriate. Prohibited activity status is generally used when an activity is not contemplated by the Plan, such as when certain activities are incompatible with a zones purpose, i.e., factory farming in a residential zone. As subdivision and development are anticipated in the Te Pūtahi – Ladies Mile zone, a prohibited status would be difficult to justify under the Resource Management Act.

- 41 However, a Non-Complying activity status is still a high test when compared to the other zoning solutions, and by not delaying zoning, it provides certainty on the proposed masterplan densities and incentivises third parties such as Waka Kotahi and Otago Regional Council to prioritise transport solutions instead of delaying planning and investment due to the lack of certainty in respect to how the area may develop. This approach will enable development to occur over time in a structured way as transport solutions are realised.
- 42 There are however, a number of other important possible interventions that cannot be included as staging triggers within the Planning Provisions as they are either uncertain, unreasonable or reliant on third parties, and these can be seen in table two below. For example, whilst a High School within the Ladies Mile catchment is supported by the Ministry of Education (MoE), the MoE have not yet been through a land acquisition process to confirm a specific site or confirm when construction works may start. Therefore, it would be unreasonable/ultra vires for Council to include a rule that is dependent on a third party (MoE) that neither Council nor the landowners have any control over.
- 43 Another example is the inclusion of mode shift targets, to successfully meet mode shift targets, there would need to be certainty around the provision of a frequent, accessible and reliable bus service (with supporting Travel Behaviour Changes, Travel Demand Management, active mode, bus lane interventions). However, all of these are reliant on third party interventions, which do not yet have confirmed funding in place, with continual acknowledgment through the process with Otago Regional Council and Waka Kotahi, that investment is not usually placed ahead of development, but occurs once there is demand, predominantly due to funding constraints.
- 44 This means that third parties such as the Otago Regional Council or Waka Kotahi would be in control of the development of Te Pūtahi – Ladies Mile, thereby providing no certainty to developers when they could develop, and potentially could have the perverse outcome of holding back the critical mass that would allow Public transport services to become viable.

<i>Intervention Type</i>	<i>Intervention Description</i>	<i>Responsibility and Funding</i>	<i>Reason for not being included as a planning provisions</i>
<i>Bus Improvement</i>	Public Transport service improvements	Otago Regional Council	Ultra vires (third party) DBC currently underway, no certainty of what the future services are
<i>Land Use</i>	High School constructed	Ministry of Education	Ultra vires (third party) Uncertainty in respect of timeframes
<i>Land Use</i>	Town Centre built first	Developers	Not an economic reality – unreasonable
<i>Road Improvement</i>	Speed Limit reduction on SH6 and traffic lights	Waka Kotahi via a safe system assessment and speed limit review	Ultra vires (third party) Uncertainty in respect of timeframes and outcome of assessment/review
<i>Travel behavioural changes</i>	Example: community-based travel plans	QLDC	Ultra vires (third party) District wide scheme
<i>Travel behavioural changes</i>	Mode shift percentages/take up	Developers / ORC / QLDC	Uncertain and Ultra Vires – difficulty in accurately monitoring and the majority of the mode share targets are reliant on delivery of transport interventions from third parties (Waka Kotahi/ORC/QLDC)

Table 2 – Transport Interventions that cannot be included as a planning trigger

**Planning next steps and other matters**

45 Since the 28th July 2021 Council meeting, an ecological assessment by e3 Scientific has been finalised, this report was commissioned to identify the ecological values and assess the potential impacts of future development within the masterplan land area. The review consists of a desktop assessment and two site visits (October 2020 and February 2021) to properties where access was provided. (Refer to Attachment H – Ladies Mile Ecological Assessment – e3 Scientific)

46 The assessment relating to Avifauna, concluded that a number of native bird species including the South Island pied oystercatcher which has a conservation status of ‘At Risk – Declining’ were observed during the site visits. The report also notes that whilst not observed, there is anecdotal evidence that the Threatened – Nationally Endangered black-fronted tern and the Threatened – Nationally Critical, black-billed gull are present. These are a migratory species which breed on inland South Island riverbeds and farmland before migrating to coastal areas for the remainder of the year.

- 47 The e3 Scientific report recommends that off-site impact management measures are considered necessary due to the loss of habitat for avifauna. This essentially means that monitoring of the Shotover riverbeds where these birds are known to nest and breed. However, it is unclear how off-site impact management of the Shotover riverbeds will have any impact on the masterplan land area.
- 48 The initial advice from Brown & Company, is that off-site measures relating to monitoring and protection of gulls and terns within the Shotover River is not sufficiently linked to the effects of the development of Te Pūtahi – Ladies Mile to include provisions requiring this work to be undertaken. However, it would potentially be suitable to be addressed as a non-regulatory method such as education, funding programmes, and community care or voluntary pest management initiatives, this will need to be more fully considered as part of the supporting Section 32 assessment.
- 49 If Council continues with a Council led approach and adopts the masterplan, then the next steps would be to report back at the February 2022 Council meeting with the final draft planning provisions and supporting Section 32 assessment that would ensure delivery of the masterplan.
- 50 It is the intention to develop the planning provisions into a single special purpose zone rather than dispersed throughout the Proposed District Plan using the existing zoning framework. New special purpose zones can only be created when certain criteria are met. The National Planning Standards Zone Framework Standard states that a special purpose zone must only be created when the proposed land use activities or anticipated outcomes of the additional zone meet all of the following criteria:
- a. are significant to the district, region or country
  - b. are impractical to be managed through another zone
  - c. are impractical to be managed through a combination of spatial layers.
- 51 Given that Te-Pūtahi – Ladies Mile is Council’s first key priority development area under the Spatial Plan, with a number of bespoke rules that focus on offering a variety of different housing choices as well as trying to address the complex transport constraints on the Eastern Corridor (unlike any of the PDP’s existing residential zones), it is considered that Te-Pūtahi – Ladies Mile would meet all the Zone Framework Standard criteria.
- 52 Developing a special purpose zone would also provide an opportunity to consider other bespoke rules such as preventing visitor accommodation activities. This would need to be considered through the supporting Section 32 assessment, which can be provided at the February 2022 Council meeting, alongside advice on whether an application for Streamlined Planning Process is requested/provided for. It should also be noted that inclusionary zoning is a matter being separately considered as a District wide initiative and Council would need to decide as part of that process, what areas it should apply to, and that could include Te Pūtahi – Ladies Mile.

### Other Staging Methods and Commercial Feasibility

53 Other three water services such as water and wastewater are not included as a direct staging trigger, but serviceability will be a natural staging mechanism. Recent analysis completed as part of Queenstown Lakes District Housing Development Capacity Assessment 2021, indicates the level of servicing, (QLDC Long Term Plan) over the short term (3 years), medium term (10 years) and long term (20 years).

- a. Short term – 17 dwellings
- b. Medium term – 737 dwellings
- c. Long term – 2,737 dwellings

Note: Council has the ability to reprioritise planned spending in the Long-Term Plan which could change these timeframes.

54 There is also the matter of commercial feasibility and what is possible for the current market to deliver. Analysis of housing growth within the 2017 – 2020 period, shows that the Wakatipu Ward delivered between 470 – 570 houses per year with the strongest growth recorded in Jacks Point, which delivered 242 new dwellings in 2019-2020. However, construction numbers elsewhere did not break over 60 dwellings in other locations which indicates the Districts limits as construction is restricted by access to availability of labour and materials.

55 Accordingly, given that Te Pūtahi – Ladies Mile dwelling growth will be governed by the proposed planning provision transport interventions, three waters servicing constraints and what is commercially feasible to develop. It is anticipated that the occupation of dwellings is unlikely to start until approximately 2025 at the earliest, allowing for completion of the masterplan work, the plan variation process proceeding, followed by landowners then applying for consent and beginning construction. Beyond 2025, given competing locations (Frankton and the Southern Corridor), it is assumed that no more than 200 dwellings per year could be reasonably expected to be constructed (resulting in 12-15 years (2037 - 2040) to fully develop Te Pūtahi – Ladies Mile).

### Sequencing, timing of built housing and how it fits with the transport interventions

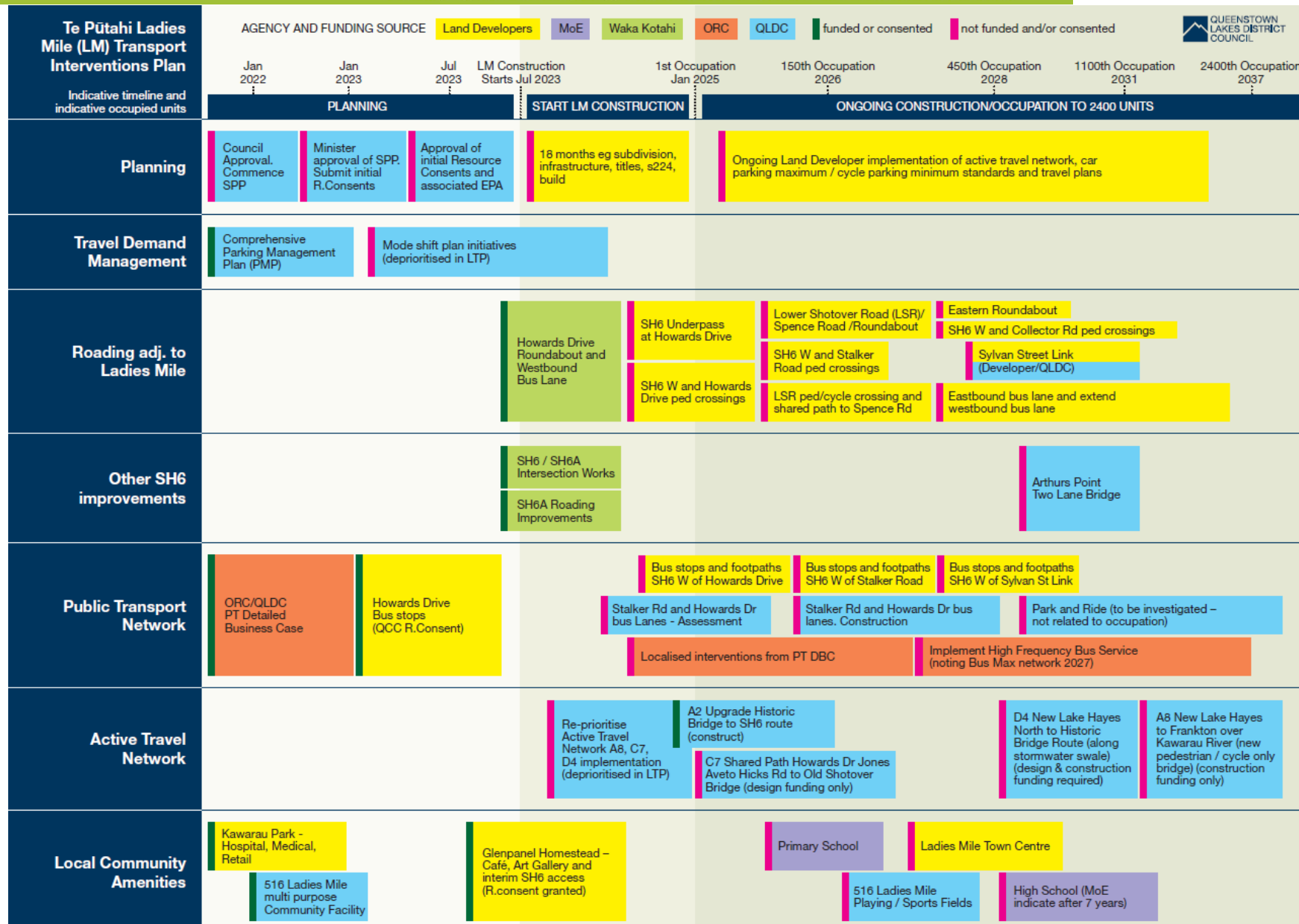
56 The sequencing, timing of built housing and how it fits with the transport interventions is a key consideration for Council. Figure 2 below (also refer to Attachment F Te Pūtahi - Ladies Mile Planning and Transport Intervention Plan) outlines the indicative timelines based on potential key planning milestones, first and final occupation of units and the various interventions that can assist in reducing vehicle trips.

57 The various interventions relate to either; key community amenities, physical infrastructure, public transport or physical roading improvements. The Planning and Transport Intervention Plan identifies the agencies/parties responsible and whether the interventions are funded or not funded. The majority of funded interventions are within the next three years, any interventions further out (2024 onwards) tend to be unfunded. This is discussed in more detail in the following section: funding of transport interventions.

- 58 This Planning and Transport Intervention Plan whilst indicative, does provide visibility over the anticipated timeframes of all the multiple suites of interventions, which provides the different agencies time to plan, fund and implement an integrated approach to supporting the development of Te Pūtahi – Ladies.

# Council Report | Te Rīpoata Kaunihera ā-rohe

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## District Wide Traffic Congestion Initiatives

- 59 Whilst there are certain triggers that can be used to stage development (refer Table 1 - specific transport related infrastructural works included in the draft Te Pūtahi – Ladies Mile Planning Provisions above), none of these can reduce the traffic congestion on State Highway 6. The masterplan and supporting planning provisions can only focus on rules that apply to a defined area being Te Pūtahi – Ladies Mile, so planning provisions are limited to rules and standards that can discourage private car use and provide for land uses that can facilitate and encourage trip internalisation and support the move to public and active transport.
- 60 However, the benefits of the masterplan, such as the proposed schools, new town centre and community facilities as well as the residential densities that will support improved public transport will extend and assist in reducing vehicle trips from the adjacent Shotover Country and Lake Hayes Estate communities.
- 61 Management of traffic congestion is a larger district wide issue that requires work between multiple agencies and investment in an efficient public transport system. Once in place, there are also other methods that can be utilised as part of a push towards changes to travel behaviour and demand management. However, as well as being an integral part of the future Te Pūtahi - Ladies Mile development proposal, these must be designed over the entire network to facilitate change.
- 62 Therefore, a different District wide approach is required, of which a large suite of transport intervention projects is currently underway, that forms part of the Queenstown Transport Business case.

### Funding of Transport Interventions

- 63 As part of this programme of work, there are a number of interventions that will directly benefit the Te Pūtahi - Ladies Mile corridor (and form part of the masterplan proposed transport strategy), which are described below, noting only some of the interventions have confirmed funding, others are partially funded, and some have no current funding or have had funding deprioritised through the Long-Term Plan.
- 64 These interventions are an important part of managing traffic congestion and may need to be reprioritised as Te Pūtahi – Ladies Mile develops, as in order to reduce private car use there needs to be viable alternatives in order to disincentivise car use. Relevant interventions to Te Pūtahi – Ladies Mile include:

#### Funded and Confirmed interventions

- 65 The **Public Transport Services Detailed Business Case** that is being completed by Otago Regional Council in conjunction with QLDC and Waka Kotahi, this is a further business case to identify Wakatipu Basin-wide improvements to Public transport services and will take approximately 18 months to complete (mid-end 2022). Low-cost Interventions from the Business Case may start as early as 2024, with any major changes such as increases in frequency and new services from 2027 onwards.



- 66 Funding relating the actual interventions will be subject to a successful business case and funding availability from Waka Kotahi and Otago Regional Council. Whilst this business case offers the possibility of improved Public transport services, it is unknown at this stage what would be delivered, but it an opportunity to push the need for improved services responding to the proposed Te Pūtahi – Ladies Mile development.
- 67 The **New Zealand Upgrade Programme** is funding both the Howards Drive roundabout and the Western Bus lane and is expected to be completed by the end of 2024. The Howards Drive roundabout was originally included in the Housing Infrastructure Fund detailed business case but was transferred and brought forward.

#### Partially Funded Interventions

- 68 **Comprehensive Parking Management Plan**, this is a strategic approach to planning in the District and is seen as a significant ‘lever’ to discourage private car usage. The Transport Strategy team is currently working on the strategic outcomes that will inform the interventions required and subsequent work plan to implement these interventions.
- 69 The **Housing Infrastructure Fund** is an interest free loan of \$19.2m, alongside \$6.5m of Funding Assistance Rates (FAR) from Waka Kotahi from the National Land Transport Fund and is expected to be repaid by developer contributions. The original Detailed Business Case included a number of three waters and transport interventions for Te Pūtahi – Ladies Mile which included an underpass and bus stop infrastructure. It is understood that this funding is still available, but that would require a discussion with the Crown to confirm. It should also be noted that the Housing Infrastructure Fund is only available if development of the 1100 houses is confirmed, there is also a time limit on this fund, and it is possible that the Housing Infrastructure Fund could be withdrawn if the project stalls for a period of two years or more.
- 70 The **Wakatipu Active Travel Network** work aims to provide an integrated network of trails for walking and cycling that connects to public transport and can provide a genuine alternative to the private vehicle. A programme of work to deliver new walking and cycling facilities has been approved by Council and joint funding for the new network has been approved by Waka Kotahi. This work is split into three stages which can be seen in Attachment F – Staging Map preferred network – Active Travel.
- 71 In respect of Te Pūtahi - Ladies Mile, there are a number of new or improved routes over the following three stages; Stage 1 (2018-2021), Stage 2 (2021-2024) and Stage 3 (2024 - 2030) and comprises of items that are either funded for construction or design only, or not yet funded, these include:
- a. Stage 1 - a new trail that runs from Shotover Bridge to Frankton (A2 on the map) – Funded for construction
  - b. Stage 1 - Lake Hayes Estate to Frankton trail (A8 on the map) – Funded for design only (construction funding deprioritised in the LTP)
  - c. Stage 2 - the Lake Hayes Estate to Shotover River (C7 on the map) – funded for design only (however this funding was deprioritised in the LTP)

- d. Stage 3 - Lake Hayes North to Shotover Bridge trail (D4 on the map) - not funded (both design and construction funding deprioritised in the LTP)

Note: refer to Attachment G - Staging-map-preferred-network - Active Travel

#### Interventions that are not Funded

72 **Travel Demand Management** strategies and policies are an important component of reducing traffic congestion, these aim to reduce travel demand, or to redistribute this demand via alternative locations or in time, travel demand management is viewed as a cost-effective alternative to increasing capacity. There is a substantial list of potential interventions that forms the basis of the District's Draft Mode Shift Plan. Examples could be a community-based travel plan for the Ladies Mile, and the use of shared streets in any new developments.

73 In respect of Travel Demand Management funding, QLDC has funding support available from Waka Kotahi subject to a further business case which will be completed towards the end of 2021. QLDC is also required to fund 49% of the costs. However, the Council funding was deprioritised in the 2021 – 2024 Long Term Plan, so it is uncertain when the interventions proposed by the mode shift plan will be able to be funded and implemented.

#### Interventions that will be developer funded

74 The Landowners themselves are also critical to the unlocking of Te-Pūtahi Ladies Mile, and this comes with the added complexity of land fragmentation and multiple land ownership. Given the planning provisions require certain Infrastructure items (identified in Table 1) to be in constructed prior to development occurring, and that these infrastructure items have a wider benefit outside of each individual lot owner. The landowners themselves will need to partner together in respect of cost sharing and construction timing. It is expected that developer agreements will need to be formalised in order to make this happen.

#### Other Funding

75 Whilst not yet confirmed, the **Infrastructure Acceleration fund (IAF)** is a potential funding option which is for infrastructure investment to support new housing supply, its aim is to increase the pace and scale of housing delivery by helping to fund critical infrastructure. QLDC recently put in an application relating to the Spatial Plan growth priority corridors being the: Eastern Corridor / Te Pūtahi – Ladies Mile, Frankton and the Southern Corridor.

76 The application submitted relates to planning work (rather than actual physical infrastructure) that will build upon Councils existing work, exploring the options to integrate, accelerate and stage infrastructure in order to meet the districts ongoing demand for housing and local amenities. In addition, this programme of works will look at ways to best partner with landowners, developers and the supply market to ensure the programme can be delivered successfully.

## Conclusions

- 77 Managing traffic congestion requires improvements to the public transport services, including infrastructure options to improve the speed of buses on the network, increased frequency, and additional destinations etc. It also requires a suite of other mechanisms to be put in place, and these will all take time to deliver, many of these necessary transport interventions are within the early Business Case stages and so timing and funding is still uncertain.
- 78 Planning controls can be put in place that will discourage private car ownership and provide for land-uses that facilitate and encourage trip internalisation (via the town centre, the schools and the sporting and community facilities proposed), as well as implementing standards that encourage the move to public transport through design and the densities required to provide the critical mass that will support new and improved public transport services.
- 79 In addition, the Te Pūtahi - Ladies Mile planning provisions will provide for development that minimises vehicle trips onto State Highway 6, with supporting policies, that includes preventing development until specific transport related infrastructure works are in place, such as the new roundabouts proposed on the masterplan, new bus stops to support the services and safe crossing points across the SH6 (whether that be an underpass or an at grade crossing) as well as new active travel links for pedestrians and cyclists.
- 80 Whilst none of these methods can fix the traffic congestion, a Council led development does provide more certainty which will help with the staging and sequencing of the development and provide the timing needed for the interventions required to be implemented.
- 81 In the meantime, Te Pūtahi - Ladies Mile will come under ongoing pressure to develop, with the landowners recently signalling their intention to pursue their own approval path should the Council led process stall.

## Next steps

- 82 If a Council led masterplan process isn't continued with, there is a high likelihood of Council receiving applications for substantial private led development of an unknown quantum that is unlikely to deliver on the masterplan's original objectives. It is possible through the Transport Chapter of the Proposed District Plan to try and avoid or mitigate high traffic generating developments on the basis that it will only add to the traffic congestion. But it may not necessarily result in Council being able to refuse applications for development that would precede completion of the physical transportation works that are proposed as part of the Te Pūtahi – Ladies Mile planning framework.
- 83 If a Council led masterplan is supported, it would rely on a view that the future interventions proposed will be delivered as more certainty is provided through the Te Pūtahi – Ladies Mile masterplan and associated zoning. A Council led approach would set out a legible and clear structure to mitigate sporadic development as well as providing an opportunity to continue working with Otago Regional Council & Waka Kotahi on delivering

a transport solution that addresses the needs of both the existing and future communities of Te Pūtahi - Ladies Mile.

84 Irrespective of any future development at Te Pūtahi - Ladies Mile, it should be noted that traffic volumes are expected to continue to increase on the State Highway, as a result of development potential to the east of the Shotover Bridge, including Wanaka, Arrowtown, Gibbston Valley and Cromwell and so work will need to continue in this area.

85 It is considered there are only two options available, one is to continue with the Council led masterplan approach, noting that there are a number of uncertainties around the funding and timing of certain matters. Or secondly, to stop work and manage any future development proposals through the Resource Management Act, noting that this also comes with its own uncertainties in respect of the form and density of development that may occur and whether private led development would deliver on any of the masterplan's objectives.

## OPTIONS

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**Option 1: Continue with a Council-led approach, adopt the Masterplan, continue to work through best options for the funding and implementation of transport Interventions and stormwater.**

86 This would entail continuing with the suggested 2,400 dwellings that would support the Masterplan objectives, but noting that there are number of matters that still require more work before a final Masterplan could be adopted, including:

- a. The management and funding for stormwater across the site;
- b. The location of the high school; and
- c. The final form of the planning provisions that would ensure the delivery of the masterplan.

87 *Advantages*

- a. Council and the community retain control over how the area will develop
- b. Offer a range of quality housing typologies, sizes and affordability that would support public transport, commercial activity and community facilities for the area;
- c. A Council-led Masterplan and plan variation will set out a legible and clear structure to mitigate sporadic development; and
- d. Provides opportunity to continue working with Otago Regional Council & Waka Kotahi on delivering a transport solution that addresses the needs of both the existing and future communities of Te Pūtahi - Ladies Mile;

88 *Disadvantages*

- a. The feedback received shows a low level of community support;

- b. There are still a number of additional but unknown costs associated with the implementation, these still need to be understood; and
- c. Even with additional work, it may not be possible to achieve the desired transport solutions ahead of residential development.
- d. As with both options, traffic issues are expected to continue to increase from development capacity available in Frankton, Arrowtown, Gibbston, or further afield from Cromwell.

**Option 2: Stop any further work on a Council-led Master Plan and manage any future development proposals through the Resource Management Act Proposed District Plan and resource consent processes.**

89 This option involves Council making a decision to change its position on the urbanisation of Te Pūtahi - Ladies Mile. The zoning and plan provisions in the PDP that provide for Rural Lifestyle and Large Lot residential zones will be implemented instead of a Council led master planned development.

90 This could ultimately mean losing the opportunity to more fully manage the urban outcomes of any future development of the Ladies Mile, acknowledging that private developers will likely apply for resource consents or private plan change(s) in support of their development aspirations for their land.

91 *Advantages:*

- a. Council can continue to work on progressing the district wide transport interventions;
- b. Private developers will take on a greater level of the risks and more of the costs;

92 *Disadvantages:*

- a. Private developers may lodge ad-hoc resource consents and private plan changes which will result in limited Council control over future development;
- b. Lose ability to require the density which supports the shift to public transport and active travel, as well as the town centre that would assist in reducing vehicle trips .
- c. Risk that the land is further fragmented under the current rural densities, meaning any intention to urbanise effectively in the future will be limited, resulting in sub-optimal planning and urban design outcomes.
- d. As with both options, traffic issues are expected to continue to increase from development capacity available in Frankton, Arrowtown, Gibbston, or further afield from Cromwell.

93 This report recommends **Option 1** to continue with a Council-led approach, adopt the Masterplan, continue to work through the best options for funding and implementation of the transport Interventions and stormwater.

## CONSULTATION PROCESS | HĀTEPE MATAPAKI:

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

- 94 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because of the social, economic and environmental importance the plan has locally.
- 95 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community, central government agencies, other local and central government agencies, Council staff, and local residents.

### > MĀORI CONSULTATION | IWI RŪNANGA

- 96 The Council has consulted with iwi on this particular matter with both Aukaha and Te Ao Marama included as part of the broader consultation on the emerging plan and plan variation documentation.

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

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- 97 This matter relates to the Community & Wellbeing risk category. It is associated with RISK00056: Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.

## FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

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- 98 The original budget for the Te Pūtahi Ladies Mile masterplan and planning variation was approved via a Council resolution 23 July 2020, the total budget approved was \$1.4M. The Te Pūtahi Ladies Mile project is still within the overall budget of \$1.4M. Total spend is expected to reach \$1,221,683. If Council were to approve Option 1, to proceed with the additional work on investigating the options for funding and implementation of the Transport Interventions and other matters, then the remaining budget of \$178,317 to the maximum of \$1.4M would be required. But as all costs are unknown, it is likely that additional budget would be required.

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

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- 99 The following Council policies, strategies and bylaws were considered:

- The Operative and Proposed District Plan;
- Housing Our People in our Environment Strategy 2007;
- Wakatipu Basin Land Use Strategy 2017;
- 2020/2021 Annual Plan Mahere ā-Tau;
- Ten Year Plan 2021-2031;
- Significance and Engagement Policy 2017;
- Queenstown Integrated Transport Business Case 2017;
- The Spatial Plan 2021; and

- The Climate Change Action Plan

100 The recommended option is consistent with the principles set out in the named policy/policies.

101 This matter is included in the draft 2021-2031 Ten Year Plan/Annual Plan.

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

102 There is no statutory requirement to review the District Plan provisions for the Ladies Mile area at the present time. Master planning is a non-statutory process that falls under the general provisions of the Local Government Act 2002 around decision making and meeting the needs of communities and for infrastructure services (see section below).

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

103 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. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act because it serves to provide for and manage growth;
- 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**

A	29 April 2021 Council Report - ITEM 1 - <a href="https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council">https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council</a>
B	12 March 2020 Council Report - ITEM 3 - <a href="https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council">https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council</a>
C	29 July 2021 Council Report - ITEM 3 - <a href="https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council">https://www.qldc.govt.nz/your-council/council-documents/agendas-minutes/full-council</a>
D	Brown & Company Staged Zoning Options Analysis
E	Draft Te Pūtahi – Ladies Mile Planning Provisions
F	Te Pūtahi - Ladies Mile Planning and Transport Intervention Plan
G	Staging-map-preferred-network - Active Travel
H	Ladies Mile Ecological Assessment – e3 Scientific