

# MOUNT CARDRONA STATION

## Request for a Change to the Operative Queenstown Lakes District Plan

6 December 2016

**BROWN&COMPANY**  
P L A N N I N G   G R O U P



# Mount Cardrona Station: Request for a Change to the Operative Queenstown Lakes District Plan

## 1. Introduction

### 1.1 Overview

Mount Cardrona Station Limited requests a change to the Mount Cardrona Station Special Zone (**MCSSZ** or the **Zone**) provisions of the operative Queenstown Lakes District Plan (**ODP**). The Change will alter the details of the residential and visitor accommodation activities in the MCSSZ and will enable the establishment of a golf course. The Change will amend:

- the MCSSZ Structure Plans and some of the provisions in Chapters 12.21 and 12.22 of the ODP; and
- the subdivision provisions for the MCSSZ in Chapter 15 of the ODP.

The Request documentation is structured as follows:

**DOCUMENT 1:** This document, which contains the Request for the Change . overview, property and existing environment, the background to the Request, the Request, and the statutory framework for the Request under the Resource Management Act 1991 (**RMA**);

**DOCUMENT 2:** The Change . proposed amendments to the ODP;

**DOCUMENT 3:** The assessment of effects on the environment;

**DOCUMENT 4:** The evaluation under section 32 of the RMA; and

**DOCUMENTS 5 – 14:** The technical reports in support of the Change.

### 1.2 The Requestor

The Requestor is Mount Cardrona Station Limited (**MCSL**). The address for service of MCSL is:

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## 2. The property and existing environment

The MCSSZ is located on the western side of Cardrona Valley, approximately 2 kilometres to the north west of Cardrona Township, immediately south of the Cardrona Ski Area access road, and approximately 20 kilometres south west of Wanaka. It is shown on **Map 24** of the ODP planning maps.

The property is contained in the following certificates of title:

- Lot 8 DP 446161 CT 561832
- Lot 7 DP 446161 CT 561831
- Lot 6 DP 446830 CT 561832
- Lot 5 DP 446161 CT 561829
- Lot 4 DP 446161 CT 561828
- Lot 2 DP 446161 CT 561826
- Lot 1 DP 446161 CT 561825
- Lot 3 DP 446161 CT 561827
- Lot 10 DP 446161 CT 680615
- Sec 6 SO 459975 CT680615
- Lot 11 DP 446161 CT 680615
- Lot 12 DP 446161 CT 680615
- Lot 7 DP 21223 CT 680615
- Lot 8 DP 21223 CT 680615

The total land area of the MCSSZ is **131** hectares more or less.

The land is largely greenfields, with a homestead, farm buildings, farm tracks and fencing, some areas of exotic and native vegetation, and grazed pasture. The main development areas provided for by the MCSSZ are contained within a broad, gently rolling plateau that is above and is separated from the Cardrona Valley Road by a steep escarpment.

The land is described in more detail in the specialist technical reports including [DOCUMENT 9](#) (ecological assessment), [DOCUMENT 10](#) (landscape assessment), and [DOCUMENT 13](#) (geotechnical assessment).

The MCSSZ, which became operative in 2011, provides for a range of activities including residential, visitor accommodation, recreational, commercial, educational and community activities. Development of the MCSSZ is managed by a Structure Plan, which identifies 8 Activity Areas. Each Activity Area provides for a range of uses and densities, with lower and higher density enabled where this can be absorbed, and where it assists in creating a logical, integrated development including related open spaces and amenities.

The MCSSZ is supported by specific provisions in District-wide chapters of the ODP (including the chapter managing subdivision) and by the bespoke Mount Cardrona Station Design Guidelines.

## 3. Background to and reasons for the Request

The MCSSZ has been operative for 5 years. Development has not commenced. This is due in part to the effects of the global financial crisis on market confidence generally, but also to an

increasing sense of uncertainty about whether the MCSSZ, in its operative form, contains the right mix of components to enable and encourage its development.

The wider Southern Lakes region has trended towards a broad 4-season destination for domestic and international visitors, rather than a 2-season (summer and winter) destination. This has sustained the continued steady growth of the main townships (Queenstown, Wanaka and Arrowtown). Cardrona has remained relatively static, however, despite the zoning and development opportunities, including the MCSSZ. One of the reasons for this is that Cardrona is often regarded as a 1-season (winter) destination, given the major winter sport attractions of the Cardrona Ski Area and Snowpark, with very few summer and equinox activities which are generally limited to walking and mountain biking.

The MCSL directors have therefore questioned whether the MCSSZ in a different form could better serve the market and attract to Cardrona the developmental growth being experienced elsewhere in the District. Their enquiries of the development and tourism communities have indicated that Cardrona's growth will likely remain comparatively low unless Cardrona's attractions can be expanded to beyond just winter activities.

The Queenstown-Lakes District has become one of the premier golf tourism destinations in New Zealand. The Wakatipu courses, including Millbrook, The Hills and Jacks Point, are at capacity and golf demand will soon exceed supply. There is potential to double the value of the golf tourism market over the next three years<sup>1</sup>.

To achieve this, development and improvement of new and existing facilities, along with associated short stay accommodation, is necessary. Diversity of location and style of golf will add to the golfing experience and to the reputation and distinctiveness of Queenstown-Lakes as a golf destination. A new golf course is being developed at Parkins Bay, Wanaka, creating a new dynamic of golf travel between Queenstown and Wanaka<sup>2</sup>.

Knowing the increasing importance of golf tourism to the District, and seeing the potential of the MCSSZ's gently undulating terrain for golf, the MCSL directors invited former international golfer and now renowned golf course designer Greg Turner to inspect the property with a view to ascertaining whether the land could accommodate golf. Various options were devised and debated, and a 12-hole configuration was settled on as the optimal design that would ensure a quality, unique alpine golf experience to complement the existing golf offering in the District without compromising the MCSSZ's core purpose of promoting a village for permanent residents, seasonal residents, and visitors.

Since signalling to the market the potential for a golf course and with it the potential for Cardrona to become a more rounded, 4-seasons destination in its own right, the MCSL directors have received new and invigorated enquiry into development of the Zone. In particular, four international brand hotel operators have expressed strong interest in establishing a 4+ star hotel facility within the MCSSZ<sup>3</sup>, based on the year-round market and the potential to co-locate a hotel with the golf clubhouse, pro-shop and food and beverage facilities for guests, golfers and residents. The hotel would accommodate a sector of the winter market, saving daily travel from either Queenstown or Wanaka.

Further, it is anticipated that the golf course and hotel development, and the employment opportunities they would likely generate, would stimulate residential development within the MCSSZ. In addition to permanent residents looking to enjoy year-round recreational amenity in the alpine setting, the MCSSZ would be attractive to second home owners and investors looking to provide rental accommodation to workers.

The development potential under the proposed MCSSZ configuration, including the golf course, delivers higher ongoing economic benefits than the operative configuration because the golf

<sup>1</sup> Ryan Brandenburg (Executive Director of Golf NZ) quoted in *Golf as a destination and marketing asset to MCS*, Golf Strategy Group, 31 May 2016 [DOCUMENT 5], p4

<sup>2</sup> *Golf as a destination and marketing asset to MCS*, Golf Strategy Group, 31 May 2016 [DOCUMENT 5], p4

<sup>3</sup> Chris Black (NZ hotel and tourism consultant) . information to MCSL, November 2016.

course helps support greater commercial activity and will attract additional visitors whose non-golf expenditure generates further ongoing benefits, for the wider District<sup>4</sup>. Further, the proposed MCSSZ configuration and provisions will directly support the New Zealand international golf tourism strategy, will enable Cardrona to become a year-round tourism destination, and will provide a more meaningful contribution to new dwelling supply<sup>5</sup>.

The Change represents an opportunity to remedy two other failings of the MCSSZ. Firstly, it has become apparent that the comparatively prescriptive MCSSZ provisions – for example the manner that the commercial core (Activity Areas 1a (retail/visitor accommodation and 6a (Village Green)) should be developed – was off-putting for commercial developers and hotel operators who prefer more flexibility in how to respond to meet market needs.

Secondly, housing needs and typologies have evolved since the MCSSZ was first prepared. In line with wider urban trends, larger residential sections are giving away to smaller sections and smaller residential units particular where a development as a whole can offer plenty of shared amenity including outlook and public open space and strong pedestrian links. Greater density within the same area is also more efficient for roading and infrastructure. Further, allowing a higher density across the MCSSZ, in addition to expanding some development areas, compensates for the development land occupied by the golf course.

The Change will have a wider benefit to the Cardrona area in that the wastewater infrastructure required to service the MCSSZ (which is authorised by various regional and district consents) can be constructed earlier and more economically. The systems can accommodate greater capacity than just the MCSSZ; the existing Cardrona village area, along with additional zoned but undeveloped capacity, can utilise the new systems once agreements are reached with the QLDC. This will therefore serve to unlock development capacity in the area earlier than would otherwise be the case.

The Change will have a specific benefit to patrons of the Cardrona Ski Area by providing for a carparking area adjacent to the access road north of the MCSSZ. The parking will link with shuttle buses, to alleviate the parking pressure at the ski area itself, and enable improved efficiencies in overall trip numbers and fuel use.

Finally, the proposed Change to the MCSSZ has also generated positive interest by the local community, which is eager to see the golf course and the likely benefits it will create for Cardrona, and eager for the Request to be accepted and adopted. The Cardrona Valley Residents and Ratepayers Association has endorsed the Change, and want the Council to receive and process it.

After many years of the MCSSZ lying dormant, the Change is likely to activate the market, commencing with the golf course construction, commercial golf facilities and the hotel. The MCSL directors, encouraged by the market response to the draft new structure plan, naturally wish to maintain this momentum and secure certainty to the market by changing the MCSSZ provisions as soon as possible without waiting for the proposed district plan review process.

## 4. The amendments sought

The specific amendments are set out in tracked change format in [DOCUMENT 2](#). The amendments proposed, and the reasons for the amendments, are summarised as follows:

### 4.1 Amendments to Chapter 12.21 – MCSSZ purpose, objectives and policies

The requested amendments to Chapter 12.21 are:

<sup>4</sup> *Economic impacts of the proposed Mount Cardrona Station development*, Fraser Colegrave (Insight Economics) November 2016 [[DOCUMENT 6](#)]

<sup>5</sup> *ibid*, p2

- (a) Delete the %supporting+ (but otherwise largely superfluous) information from the Zone, including the %issues+ statement, the %implementation Methods+, the %Explanation and Principal Reasons for Adoption+, and the Environmental Results Anticipated+, to simplify and streamline the provisions. These deletions are in accordance with the Council's draft changes proposed in 2012<sup>6</sup> and the Council's March 2013 section 32 analysis<sup>7</sup> in which the reasons for the deletions were described as:

***The MCSSZ provisions can be simplified by removing descriptive material and including that in the section 32 report. Descriptive material includes the identification of 'Issues', the 'Explanation and Principle Reasons for Adoption', the 'Implementation Methods' and the 'Anticipated Environmental Results'. This is consistent with section 75 of the RMA which states that district plans "must" identify objectives, policies and rules but that other material is optional.***

- (b) Insert a new %Zone Purpose+ statement (relocated from the equivalent statement in Chapter 12.22, in accordance with the Council's 2013 draft);
- (c) Modify various policies to reflect the amendments to the Structure Plan as set out in 1.5.2(a) below, and discussed in 1.5.2(b) below, including in relation to:
- the introduction of a golf course into the MCSSZ;
  - deleting the Activity Area 6a %Village Green+ area and replacing with a village square or public open space area within the village core in Activity Area 1a, allowing for more flexibility in the urban design of the village core;
  - gondola access to the Cardrona Ski Area;
  - the introduction of an area for carparking and shuttle bus operations for the Cardrona Ski Area.

## 4.2 Amendments to Chapter 12.22 – MCSSZ rules

The requested amendments to Chapter 12.22 are:

- (a) Reconfigure Structure Plans A, C and D, as follows:
- (i) Introduce a new activity area, Activity Area 9, to contain the golf course, while retaining:
- the Zone's underlying urban framework of a village core surrounded by a gradation of residential densities; and
  - the open space and walkways network and the heritage and landscape protection areas;
- (ii) Shift the village core (Activity Area 1a) so that it is more centrally located and so that it can better enable co-location and co-ordination of multiple purposes including:
- the Zone's commercial centre and focal core;
  - the main hotel; and
  - the commercial hub for the golf course (clubhouse, pro shop) .

and to enable shared facilities for these including food and beverage, access and parking;

<sup>6</sup> QLDC District Plan Review - version of the MCSSZ provisions prepared for Stage 1 of the Review, 2012

<sup>7</sup> QLDC District Plan Review, Section 32 Analysis, Mount Cardrona Station Special Zone, March 2013, part 5

- (iii) Expand Activity Area 4 to the west to (in part) compensate for residential development area lost by the inclusion of the golf course;
  - (iv) Introduce a new activity area, Activity Area 8c, at the northwestern part of the Zone, to enable the co-ordination of car parking and shuttle bus access to the Cardrona Ski Area, along with provisions to ensure that the parking and related activities do not adversely affect landscape values;
  - (v) Delete Activity Area 6a, the %illage Green+, as the village core is shifted (see (ii) above), to remove over-prescription in the provisions, and to allow the village core area in Activity Area 1a to develop more organically and in line with market needs;
  - (vi) Delete Activity Area 3a which is redundant as it is located within the golf course area in new Activity Area 9;
  - (vii) Delete Activity Area 3b which contains the %ducation and community precinct+in the southern part of the Zone, to remove over-prescription in the location of these activities, and noting that education and community activities are provided for as discretionary activities elsewhere in the Zone and therefore the opportunity for these activities, if there is market demand for them, is not foreclosed;
  - (viii) Expand Activity Area 5b adjacent to the Cardrona Ski Area access road, to enable appropriate activities adjacent to and which could benefit from proximity to the base of the access road.
  - (ix) Re-orient the main access road into the Zone from Cardrona Valley Road, to reflect the conclusions of the traffic engineers about the most appropriate location for the intersection;
- (b) Modify the provisions to reflect the changes to the Structure Plan (as set out in 1.5.2(a) above, including various consequential changes arising from the changes to the structure plans; removal of superfluous words; renumbering of rules; and other changes summarised as follows:
- (i) In Rule 12.22.2.2 (Controlled activities):
    - Insert provision to enable earthworks for construction and maintenance of the golf course and related activities including access and irrigation, and for construction of buildings;
    - Insert provision to enable buildings for golf course operations and maintenance;
    - Modify provisions relating to the village square / public open space area in Activity Area 1a;
    - Insert provision for commercial recreation activities in Activity Area 5;
    - Relocate (from Rule 12.22.2.3(v) (discretionary activity)) provision for gondola access from the village centre area to the Cardrona Ski Area;
    - Delete provision for visitor accommodation in Activity Area 1a, thereby elevating the status to permitted, to reflect the purpose of this activity area (and bearing in mind that buildings are a controlled activity subject to various development standards);
  - (ii) In Rule 12.22.2.3 (Discretionary activities):
    - Insert provision to require discretionary activity consent for commercial activities in Activity Areas 1b and 5;

- Provide for visitor accommodation in Activity Area 4 as a discretionary activity, to have the same status as Activity Area 3;
  - Insert provisions for Activity Area 8c . carparking and related activities and mitigation;
  - Consequential changes resulting from changes to other provisions, discussed above;
- (iii) In Rule 12.22.2.4 (Non-complying activities):
- Delete non-complying status for visitor accommodation in Activity Area 4 and in secondary units. Visitor accommodation in Activity Area 4 has been amended to be discretionary (as above). Visitor accommodation in secondary units should be encouraged, not discouraged, as the potential for short term accommodation in a secondary unit is likely to be an economic incentive for homeowners;
  - Consequential changes resulting from changes to other provisions, discussed above;
- (iv) In Rule 12.22.3 (Non-notification provision):
- Amend in accordance with the Council's 2013 draft;
- (v) In Rule 12.22.4.1 (Site standards):
- Modify provisions relating to the Village Green in Activity Area 1a, to enable flexibility in the location and design of the village square / public open space area;
  - Delete the exception to the minimum setback from the main access road within Activity Areas 1b and 2a, as the main part of the rule is sufficient to manage setbacks in these areas;
  - Reduce the minimum gross floor area control for residential units, to allow more flexibility in design and to enable more potential density;
  - Delete the trigger for commercial activities in Activity Area 1b, as these activities are now a discretionary (not permitted) activity;
- (vi) In Rule 12.22.4.2 (Zone standards):
- Delete the building line restriction as it relates to the western part of Zone (affecting Activity Area 4) to enable more area for development;
  - Change the site coverage provisions for some activity areas enabling greater urban density, to (in part) compensate for commercial and residential development areas taken up by the golf course;
  - Delete the provision for the education/community precinct;
- (vii) In Rule 12.22.5 (Assessment matters):
- Insert assessment matters for buildings in the new activity areas;
  - Insert assessment matters for the village square / public open space area in Activity Area 1a;
  - Insert assessment matters for controlled activity commercial recreation activities in Activity Area 5 and discretionary activity commercial activities in Activity Area 1b and 5;



- Revise the assessment matters in relation to the change from discretionary status to controlled status for gondola link;
  - Insert assessment matters for discretionary activity parking and related activities and visual mitigation in Activity Area 8c.
- (viii) Amendments to various provisions to reflect the new (2016) version of Design Guidelines for the Zone;

#### 4.3 Amendments to the subdivision rules for the MCSSZ in Chapter 15 of the ODP

The requested changes to Chapter 15 (Subdivision and Development) of the ODP are:

- (a) Reduce the minimum lot size required in Activity Area 3 (from 500m<sup>2</sup> to 300m<sup>2</sup>, with a 350m<sup>2</sup> minimum average, to provide for flexibility in subdivision design) and in Activity Area 4 (from 1000m<sup>2</sup> to 800m<sup>2</sup>) to increase the potential density in these areas and to (in part) compensate for commercial and residential development areas lost by the inclusion of the golf course.
- (b) Delete the provision restricting commercial development in Activity Area 1a to increase flexibility in overall development sequencing and to remove an unnecessary market intervention:
- (c) Add a new clause (v) requiring that any subdivision consent creating an allotment or allotments with a boundary adjoining the 1m buffer separation from the Walter Little's water race (archaeological site F41/590) shall include a condition or conditions requiring that prior to certification under section 224(c) of the Act a post and wire or post and rail fence shall be constructed along the western boundary of those allotment(s) and adjacent open spaces. This is to ensure that there are no adverse effects on the water race, and in accordance with the archaeological assessment ([DOCUMENT 11](#));
- (d) Minor consequential changes including updating the date of the MCSSZ Design Controls.

## 5. Statutory framework under the Resource Management Act 1991 (The Act)

### 5.1 Part 2 of the Act

The purpose of a district plan is to assist territorial authorities to carry out their functions in order to achieve the purpose of this Act (Section 72 of the Act). Part 2 of the Act sets out the Act's purpose and principles.

The purpose and principles of the Act are achieved by the outcomes promoted in this change to the MCSSZ, as discussed below.

No matters arise under section 8 of the RMA.

#### **Sections 6 and 7**

The key section 6 matters (matters of national importance) for this change are:

- (b) ***The protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:***

**(f) The protection of historic heritage from inappropriate subdivision, use, and development:**

The MCSSZ is consistent with the key landscape objectives for the *Outstanding Natural Landscape-District Wide* classification of Outstanding Natural Landscape . District-Wide that applies to the wider Cardrona Valley. The Change does not materially affect the landscape values of the immediate or the wider environs of the MCSSZ, as discussed in the landscape assessment by Ben Espie ([DOCUMENT 10](#)), and the development enabled by the Change is appropriate.

The MCSSZ provisions already achieve the protection of historic heritage including the water race and the chaff storage platform, and the Change does not affect those provisions as discussed in the archaeological assessment by Angela Middleton ([DOCUMENT 11](#)). Historic heritage will continue to be protected, and this achieves section 6(f) of the Act.

The key section 7 matters (matters to which regard must be given) are:

- (b) The efficient use and development of natural and physical resources:**
- (c) The maintenance and enhancement of amenity values:**
- (f) The maintenance and enhancement of the quality of the environment:**
- (g) Any finite characteristics of natural and physical resources:**

Regarding **efficiency**:

- (a) It is efficient to co-locate new urban development with more year-round recreational pursuits, to complement the existing winter sports activities and limited non-winter outdoor recreational offerings at Cardrona, to:
  - enable existing and future permanent Cardrona residents with easy access to year-round recreational activities; and
  - best utilize and maximize the efficiencies from shared visitor accommodation and associated activities such as food and beverage and retail;
- (b) It is efficient to expand the mix of activities within Cardrona, and in the MCSSZ, for walkability and the reduction of vehicle trips;
- (c) Efficiencies, and appropriate environmental outcomes, are gained from accelerating the potential growth of Cardrona and the critical mass of settlement to achieve the QLDC's goals for reticulated infrastructural services for the wider Cardrona Valley.

Regarding **amenity values** and **quality of the environment**:

- (a) The settlement promoted by the MCSSZ serves to achieve, maintain and enhance amenity values and the quality of the environment, and this will not change from the introduction of the golf course and resulting modifications to the Structure Plan.
- (b) The wide separation distances and large buffer areas and planting promoted by the Structure Plan and rules, and the attention to the sympathetic external appearance of buildings (promoted through the Design Guidelines) will continue to enable, for nearby residents:
  - spaciousness and uninterrupted views to the wider landscape;
  - privacy and quietness.

Regarding **finite characteristics**, land that:

- (a) provides the opportunity to co-locate a zoned settlement area with new recreational infrastructure, to complement existing popular recreational activities in the area; and

- (b) is in a single ownership and therefore able to be developed comprehensively and holistically through a masterplanned process .

is rare and a finite resource which the District Plan should recognise and should enable the inherent opportunities in the natural and physical resources.

The MCSSZ therefore achieve the principles in sections 6 and 7 of the Act.

## **Section 5**

The purpose of the Act, in section 5, is:

### **5 Purpose**

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—*
- (a) *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
- (b) *safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
- (c) *avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

When a person or community wishes to use resources to enable wellbeing and for their health and safety, they can only do so if the potential of that resource is sustained, its life-supporting capacity is safeguarded, and adverse effects on the environment are avoided, remedied or mitigated.

The Change:

- (a) enables well-being by appropriately adapting the MCSSZ provisions to facilitate the expansion of outdoor recreation opportunities for residents in and visitors to the Zone and the wider Cardrona Valley, while maintaining the Zone's capacity to accommodate population growth at Cardrona, taking into account diverse accommodation types (permanent residential, second homes, worker, and visitor accommodation; in the high, mid and budget sectors, including affordable housing);
- (b) enables improved market attraction and viability for the MCSSZ by creating the opportunity to reduce the seasonality of the area and increase the range of businesses and accommodation products and associated facilities and services, ensuring a wider cross-section of residents, workers and visitors;
- (c) enables a reduction of resident, visitor and commuter trips to and from Wanaka or Queenstown by providing for more year-round stability and less seasonal fluctuation in visitor numbers;
- (d) will contribute to enabling faster achievement of the critical mass of development necessary to ensure the economic provision of infrastructural services for the Cardrona Valley.

While enabling these outcomes, the MCSSZ also achieves the regulatory matters in section 5(2)(c), as follows:

**(a) Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations;**

The Change better enables the MCSSZ to sustain the potential of the Cardrona resources to meet the reasonably foreseeable needs of future generations, by:

- catalysing the growth of the MCSSZ; and
- not foreclosing the capacity of the MCSSZ to accommodate growth in permanent residents, visitors and seasonal workers;
- playing a critical role in the viability of the future planned infrastructure upgrades for the Cardrona Valley;

**(b) Safeguarding the life-supporting capacity of air, water, soil, and ecosystems;**

The intrinsic values of the air, water, soil and ecosystems will continue to be safeguarded by the protection of the ecological values of Homestead Creek, the protection of the fingers of open space containing ecological / overland flow paths, and the protection of water and soil by the reticulation and disposal of wastewater to a comprehensive system.

**(c) Avoiding, remedying, or mitigating any adverse effects of activities on the environment.**

The MCSSZ can avoid, remedy or mitigate the adverse effects on the environment arising from the current dependence of Cardrona on Wanaka and Queenstown by reducing trips and energy consumption.

The MCSSZ was originally designed to avoid, remedy or mitigate potential adverse effects on the environment, and the modifications to the Structure Plan will continue to allow the Zone to meet this imperative.

In summary, by enhancing market viability for residential and visitor accommodation and businesses, the Change will likely accelerate Cardrona's growth and potential to be more self-sustaining, while sustaining the potential of the resources, safeguarding the intrinsic values of natural resources, and avoiding, remedying and mitigating adverse effects on the environment.

The Change is therefore necessary to achieve the sustainable management purpose of the Act.

## **5.2 Section 73 and Schedule 1 to the Act**

Under Section 73(2) of the Act any person may request a territorial authority to change a district plan, and the plan may be changed in the manner set out in Schedule 1. Clause 22 of Schedule 1 (Form of request) requires that the request:

- shall be made in writing and shall explain the purpose of, and reasons for, the change to the plan and contain an evaluation report prepared in accordance with section 32 for the proposed plan or change; and
- Where environmental effects are anticipated, shall describe those effects, taking into account clauses 6 and 7 of Schedule 4, in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the implementation of the change.

The evaluation under section 32 of the Act is set out in [DOCUMENT 2](#), attached.

The assessment of effects on the environment, addressing Schedule 4 Clause 6 (information required in assessment of environmental effects; and Clause 7 (matters that must be addressed by assessment of environmental effects) is set out in **DOCUMENT 3**, attached.

Under Clause 25 of Schedule 4 the Council is to consider the request and may reject the request in whole or in part but only on certain grounds, as follows:

- (a) *the request or part of the request is frivolous or vexatious; or*
- (b) *within the last 2 years, the substance of the request or part of the request—*
  - (i) *has been considered and given effect to, or rejected by, the local authority or the Environment Court; or*
  - (ii) *has been given effect to by regulations made under section 360A; or*
- (c) *the request or part of the request is not in accordance with sound resource management practice; or*
- (d) *the request or part of the request would make the policy statement or plan inconsistent with Part 5; or*
- (e) *in the case of a proposed change to a policy statement or plan, the policy statement or plan has been operative for less than 2 years.*

The Council would not have adequate grounds to reject the request because:

- the request is not frivolous or vexatious;
- within the last 2 years, the substance of the request has not been considered by the Council or the Environment Court;
- the request accords with sound resource management practice;
- the request would not make the operative Plan inconsistent with Part 5 of the Act;
- the MCSSZ has been operative for more than 2 years.

### **5.3 Sections 75(3) and (4) and section 74(2)(a) of the Act**

Under Section 75(3) a district plan must give effect to any national policy statement, any New Zealand coastal policy statement, and any regional policy statement.

The National Policy Statements are addressed in **Part 10** of the section 32 evaluation (**DOCUMENT 3**).

The coastal policy statement is not relevant to this Change.

The relevant matters in the *Otago Regional Policy Statement* are addressed in **Part 9.1** of the s32 evaluation (**DOCUMENT 3**). In summary, the Change is consistent with and achieves the relevant objectives and policies of the operative RPS.

Under section 75(4) a district plan must not be inconsistent with a regional plan for any matter specified in section 30(1). The relevant regional plans are addressed in **Part 9.3** of the s32 evaluation. In summary, no inconsistency with any relevant regional plan arises.

Section 74(2)(a) of the RMA requires that, when preparing or changing a district plan, a territorial authority shall have regard to any proposed regional policy statement or proposed regional plan. The *Proposed Otago Regional Policy Statement (Decisions Version)* is addressed in **Part 9.2** of the s32 evaluation. In summary, the Change is consistent with and achieves the relevant objectives and policies of the Proposed RPS.

In relation to s74 (in addition to the matters in s74(2)(a)):

- There are no relevant management plans or strategies prepared under other Acts;

- There are no relevant entries on the New Zealand Heritage List/Rangiri Kōwhiri;
- There is no relevant planning document recognised by an iwi authority and lodged with the territorial authority, that has a bearing on the resource management issues of the land affected by this Variation or any land further afield;
- The Change does not give rise to any potential for trade competition.

Section 75 sets out the contents of district plans. All of the contents required to be included in a District Plan are included as it relates to this Change, as follows:

- the objectives; and
- the policies to implement the objectives; and
- the rules to implement the policies.

Under s75(4), there are no relevant water conservation orders and no relevant regional plans. Consents required under the regional plan (including a change to conditions of the existing water take and effluent discharge consents<sup>8</sup>) will be implemented at the time of the resource consents for subdivision and development within the Zone.

The changes to the rules promoted in this Change are consistent with s76 of the RMA.

#### **5.4 Any other relevant provision of an enactment**

There are no other provisions of any enactments that are relevant to the Change.

#### **5.5 The QLDC Proposed District Plan**

During 2013 the Council was in the process of preparatory work for the proposed District Plan Review (**Review**). The Council consulted with MCSL about proposed amendments to the MCSSZ. As a result of that consultation process, MCSL reached agreement with the Council on proposed amendments to the MCSSZ to be implemented through the Review.

In April 2014 the Council resolved to formally commence the Review but to exclude the MCSSZ from the Review. The reasons for excluding the MCSSZ from the Review included the fact that the MCSSZ had only been operative for 2 years, that it generally appeared to be functioning satisfactorily from a policy perspective, and that there was no strategic urgency to review the MCSSZ. The decision made by the Council on 17 April 2014 was that the MCSSZ would be excluded completely from the Review.

In 2014 MCSL was becoming concerned about lack of progress in implementing the MCSSZ and was considering alternative development options which might increase the likelihood of the MCSSZ being able to be developed. Those considerations resulted in a decision that amended development proposals were unlikely to be able to be consented under the current District Plan provisions and would have to be advanced through a change to the District Plan. It was clear to MCSL from the Council's 17 April 2014 resolution that the MCSSZ was unlikely to be reviewed for a number of years. That left MCSL's only option being a private plan change Request.

In August 2015 the Council notified Stage 1 of the Review. Stage 1 included proposed District-wide provisions and proposed new zone provisions for parts of the District. Stage 1 did not include zone provisions for other parts of the District, including for the MCSSZ.

Through 2015 and early 2016 MCSL carried out market research and other investigations to determine its preferred alternative development path for the MCSSZ. Relying on the Council

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<sup>8</sup> Consent 25219

resolution of 17 April 2014, in early 2016 MCSL commenced preparation of a private plan change Request to enable implementation of its preferred alternative development path.

On 13 September 2016 MCSL met with Council staff about the private plan Request which MCSL intended to lodge with the Council in late November 2016. That meeting was followed on 16 September 2016 by written confirmation to Council of MCSL's intention. At that point in time MCSL's position was that the Request was almost ready for lodging, would be lodged in late November 2016, would be expected to be processed during the first half of 2017, and a final decision (excluding any appeal) could be expected by mid 2017.

At its 29 September 2016 meeting the Council resolved to commence Stage 2 of the Review. The Council resolved that Stage 2 of the Review would include review of the MCSSZ, and that Stage 2 of the Review would be notified by September 2017.

The Agenda Paper which informed the Council resolution of 29 September 2016 did not detail any reason for reversing the resolution of 17 April 2014 to exclude the MCSSZ from the Review, or to explain why its 2014 conclusion that the MCSSZ did not require reviewing needed to be revisited.

There are two practical consequences of changes to the MCSSZ being advanced through the Review rather than through a private plan change. The consequence to the Council is that ratepayers will meet the cost of reviewing the MCSSZ rather than MCSL meeting the cost. The consequence for MCSL is a potential delay of 18 months . 2 years in achieving the changes to the MCSSZ necessary to implement MCSL's current objectives. The Agenda Paper for the 29 September 2016 resolution does not identify or comment on either of those consequences.

MCSL has serious concerns that, if review of the MCSSZ is left until the Stage 2 District Plan Review process, market conditions may change and the opportunity to secure the investment to develop this unique large area of land contained in one ownership may no longer be able to be secured. If notified in September 2017 it is likely that decisions on submissions would not be available until late in 2018 at the earliest and possibly 2019. Any appeals would result in it being likely that new MCSSZ provisions would not be operative until late 2019 or 2020. This timeframe could result in the loss of this opportunity, and will delay or prevent the significant benefits that will be achieved from development of the area as outlined in section 1.4 above. These include the benefits of Cardrona having a four-seasons attraction that will increase commercial and tourism activity and provide the catalyst for an extended permanent residential community. In addition, the opportunity for a community-wide solution to the provision of wastewater disposal for the Cardrona area will be delayed, resulting in the implementation of development capacity that exists in the lower Cardrona Village to also be delayed.

Further, other parties who will benefit from this plan change request strongly prefer to not wait for the proposed District Plan to run its course. The Cardrona community, and developers of properties in the Cardrona village, will benefit from the plan change as it will deliver wastewater infrastructure for the Valley in a more timely manner than waiting for the PDP process. Real Journeys, which owns the Cardrona Ski Area, will benefit from the carpark area adjacent to the Cardrona Ski Rea access road. The carpark supports Real Journeys' initiative for a shuttle bus service to the mountain (akin to a park and ride) to alleviate parking pressures on the mountain and mitigate the adverse effects of traffic inefficiencies, road safety, and fuel use and emissions.

It is clear that there are considerable resource management, community and economic benefits that will result from the private plan change to the MCSSZ being accepted for processing in advance of Stage 2 of the Review.

## 6. Supporting documents

The following documents are required to provide detail on specialist subjects to support the Change:

<b>Assessment / Discipline</b>	<b>Name of company / author</b>	<b>Document No.</b>
Golf Assessment	Golf Strategy Group . Greg Turner	<a href="#">DOCUMENT 5</a>
Market / economics assessment	Insight Economics . Fraser Colegrave	<a href="#">DOCUMENT 6</a>
Urban Design Assessment	Ian Munro	<a href="#">DOCUMENT 7</a>
Cultural impact assessment	Kai Tahu ki Otago . Chris Rosenbrock	<a href="#">DOCUMENT 8</a>
Ecological assessment	Neill Simpson	<a href="#">DOCUMENT 9</a>
Landscape assessment	Vivian+Espie . Ben Espie	<a href="#">DOCUMENT 10</a>
Archaeological Assessment	Angela Middleton	<a href="#">DOCUMENT 11</a>
Transport assessment	Traffic Design Group . Don McKenzie / Chris Rossiter	<a href="#">DOCUMENT 12</a>
Geotechnical assessment	Geosolve . Fraser Wilson	<a href="#">DOCUMENT 13</a>
Soil Contamination assessment	Davis Consultants . Glenn Davis	<a href="#">DOCUMENT 14</a>