

QLDC Council  
18 March 2021

Report for Agenda Item | Rīpoata moto e Rāraki take : 7

Department: Corporate Services

Title | Taitara The Queenstown Lakes Spatial Plan

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

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- 1 The purpose of this report is to recommend the adoption of the supporting documentation and, the Consultation Summary document for the Draft Queenstown Lakes Spatial Plan, for public consultation.

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

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- 2 The draft Queenstown Lakes Spatial Plan is the first ever joint Crown-Council-Iwi plan and was established in 2018. Three principles and five spatial outcomes guide the direction of the Spatial Plan to 'Grow Well' and address the challenges and opportunities facing the Queenstown Lakes District. The Spatial Plan also identifies strategies and priority initiatives to achieve the outcomes.
- 3 The long-term vision and the direction of the Spatial Plan will also help to guide decisions about recovery and prioritisation of investments, that will support a more managed and sustainable approach to growth. It is intended for this Spatial Plan to inform and contribute to the development of a Future Development Strategy for 2024, as per the requirements of the National Policy Statement on Urban Development.
- 4 Following adoption of the Spatial Plan in July 2021 the Partnership will prepare a joint work programme to support the delivery and implementation of the Spatial Plan.

RECOMMENDATION | NGĀ TŪTOHUNGA

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That Council:

1. **Note** the contents of this report;
2. **Adopt** a special consultative procedure in accordance with section 83(1) of the Local Government Act 2002 in relation to the draft Queenstown Lakes Spatial Plan, and;
3. **Adopt** the supporting documentation, and the Consultation Summary document for the draft Queenstown Lakes Spatial Plan, to be publicly notified on 19 March 2021 for a period of submissions until 19 April 2021, followed by a hearing of submissions received;
4. **Appoint** the hearings panel [to be named], to hear submissions and make recommendations to the Council and Partnership on adoption of the Queenstown

Lakes Spatial Plan, in accordance with Schedule 7 of the Local Government Act 2002;

5. **Appoint** a Chairperson [to be named], to hear and consider the submissions on the proposal and make recommendations to Council and the Partnership on adoption of the Queenstown Lakes Spatial Plan; in accordance with Schedule 7 of the Local Government Act 2002;

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4/03/2021

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5/03/2021

## CONTEXT | HOROPAKI

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### Background

- 5 The draft Queenstown Lakes Spatial Plan (The Spatial Plan) is the first ever joint Crown Council-Iwi-Plan (The Partnership) and was established in 2018. This Partnership was originally formed to respond to growth related issues in Queenstown and government's expectation that high growth areas will manage growth in an integrated manner<sup>1</sup>. The Partnership is considering work relating to the Visitor Levy, the Spatial Plan and the Implementation Plan associated with it.
- 6 The Partnership consists of the following organisations:
  - a. Queenstown Lakes District Council;
  - b. Central Government – primarily the Ministry of Housing and Urban Development, Waka Kotahi New Zealand Transport Agency and the Department of Internal Affairs<sup>2</sup>;
  - c. Kāi Tahu<sup>3</sup> - Aukaka that represents iwi in Otago, and Te Ao Marama that represents iwi in Southland.
- 7 This Spatial Plan is one of several being prepared across the country as part of the government's Urban Growth Partnerships with others being completed for the Hamilton to Auckland corridor, metropolitan Hamilton-Waikato, Tauranga / Western Bay of Plenty and Wellington / Horowhenua.
- 8 In August 2020 Cabinet was updated on the progress<sup>4</sup> of the Urban Growth Partnerships (formed under the Governments Urban Growth Agenda) to seek endorsement (which was approved) of the strategic priorities of several of the joint spatial plans that are in progress, including the Queenstown Lakes Spatial Plan.
- 9 The Spatial Plan will guide new approaches and central government support to help address the challenges in the Queenstown Lakes district. These challenges include affordable housing, limited public transport, reliance on singular economic activities such as tourism and construction, and growth pressures on urban development. The long-term vision and the direction of the Spatial Plan will also help to guide decisions about recovery and prioritisation of investments, that will support a more managed and sustainable approach to growth.

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

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

<sup>3</sup> The name for Ngai Tahu in the appropriate local dialect

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

### Consultation

10 The draft Spatial Plan has been developed and guided by inputs gathered from the Queenstown Lakes community, from a number of sessions as summarised below:

What	When	Where
My Place Sessions – Community Workshop Roadshow	February – March 2019	Makarora, Hāwea, Luggate, Albert Town, Wānaka, Glenorchy and Kinloch, Kingston, Queenstown – Wakatipu, Arrowtown and Arthurs Point
Grow Well Whaiora - Community Workshop Roadshow	November 2019	Wānaka, Frankton, Queenstown, Kingston, Glenorchy, Hāwea, Luggate
Grow Well online survey	November 2019	Let’s Talk – QLDC’s online community engagement website
Targeted Community Engagement, - Focus Area Stakeholder Workshops	November 2019	Upper Clutha and Wakatipu
Targeted Stakeholder Workshops	September 2020	Luggate and Hāwea
Pre-Consultation Engagement of the draft Spatial Plan	December 2020 – January 2021	Council, Council staff, Key stakeholders, government agencies and organisations that have provided information to the draft Spatial Plan

### Legislative Framework

11 The Spatial Plan was originally intended by Council to be a Future Development Strategy (FDS) under the National Policy Statement on Urban Development Capacity (NPS-UDC). This National Policy Statement has been superseded with the National Policy Statement Urban Development (NPS-UD), which was gazetted in August 2020. However, the NPS-UD contains some new requirements which had implications for the current Spatial Plan:

- The NPS-UD now states that FDS are required to be prepared in time to inform the 2024 Long Term Plan and 30 Year Infrastructure Strategy;
- The NPS-UD also states that if more than one local authority has jurisdiction over a Tier 1 or 2 urban environment, they are jointly responsible for preparing an FDS. For the Queenstown Lakes district, this means that if the current spatial plan were also to be an FDS, the ORC and QLDC would be jointly responsible for the development of it. When the Spatial Plan was initially discussed and negotiated between the Partnership members, the involvement of the ORC was not tabled.

12 Following engagement with Council and the ORC in late 2020, the decision was made by the Partnership to finalise the current Spatial Plan, and to work towards meeting the new

statutory requirements of NPS-UD, which state that a FDS must be prepared in time to inform 2024 long-term plans<sup>5</sup>.

- 13 This Spatial Plan is not a Future Development Strategy. It has been prepared to be consistent with the direction of the NPS-UD to provide sufficient development capacity and achieve well-functioning urban environments. It is intended for this Spatial Plan to inform and contribute to the development of a Future Development Strategy for 2024.
- 14 Regarding the relationship with Councils District Plan, the Spatial Plan incorporates the capacities and growth as enabled in the District Plan. The Spatial Plan has also taken into account the key objectives and strategic chapters of the Proposed District Plan.
- 15 The Government has recently announced major reforms of New Zealand's resource management system<sup>6</sup>. The independent Resource Management Review Panel has recommended three major new pieces of interrelated legislation:
  - The repeal of the Resource Management Act 1991 (RMA) and its replacement with new legislation suggested to be named the Natural and Built Environments Act (NBA).
  - New legislation called the Strategic Planning Act, which is proposed to integrate land use planning with the provision of infrastructure and associated funding and investment. Regional spatial planning is suggested to be a critical part of this Act.
  - Introduction of a potential Climate Change Adaptation Act (CCA) that will address complexities around managed retreat and other areas exposed to the impacts of climate change.
- 16 The work undertaken for this Spatial Plan will provide a starting point for input to a regional Spatial Plan required as part of a new resource management system.

### Development of the Spatial Plan

- 17 From early 2019 the Spatial Plan has been developed by a project team which consists of staff from Council, Ministry of Housing and Urban Development, Waka Kotahi New Zealand Transport agency and Kāi Tahu. The project team has been supported by a broader working group with wider representation from Council, Kai Tahu, the Otago Regional Council, and other government agencies.
- 18 The project team and working group have received guidance from a Steering Group which consists of senior officials from Council, Ministry of Housing and Urban Development, Waka Kotahi New Zealand Transport agency, Kāi Tahu and the Department of Internal Affairs.

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<sup>5</sup> <https://www.hud.govt.nz/urban-development/national-policy-statement-on-urban-development-nps-ud/>

<sup>6</sup> <https://www.mfe.govt.nz/rmreview>

19 Progress, key stages and updates to have been presented at Council and Wanaka Community Board workshops for feedback and input throughout the Spatial Plans development.

#### **ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU**

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20 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:

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

22 Spatial Plans present information visually and set out:

- areas to protect and enhance, such as locations with high natural values and culturally important sites;
- areas subject to constraints to urban development, such as locations at high risk from natural hazards, including climate change;
- the existing and future structure of urban areas, such as where people may live, work and how they get around;
- existing and future infrastructure needs;
- priority areas for investment and action; and
- other strategically significant priorities<sup>7</sup>.

23 The overarching goal of the Partnership and the Queenstown Lakes Spatial Plan is to 'Grow Well' or 'Whaiora' in Te Reo Māori which translates to "in the pursuit of wellness". This reflects the three key principles of the plan – resilience, wellbeing and sustainability and aligns with Vision Beyond 2050, the communities' vision for the district.

24 Three principles and five spatial outcomes guide the direction of the Spatial Plan to Grow Well and address the challenges and opportunities facing the Queenstown Lakes district. The Spatial Plan also identifies strategies and priority initiatives to achieve the outcomes. These outcomes are:

1. Consolidated growth and more housing choice;
2. Public transport, walking and cycling are everyone's first travel choice;
3. A sustainable tourism system;

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<sup>7</sup> <https://www.hud.govt.nz/assets/News-and-Resources/Proactive-Releases/Cabinet-paper-Urban-Growth-Partnership.pdf>

4. Well-designed neighbourhoods that provide for everyday needs;
5. A diverse economy where everyone can thrive.

25 The Spatial Plan focuses on the Wakatipu and Upper Clutha areas and has several key elements:

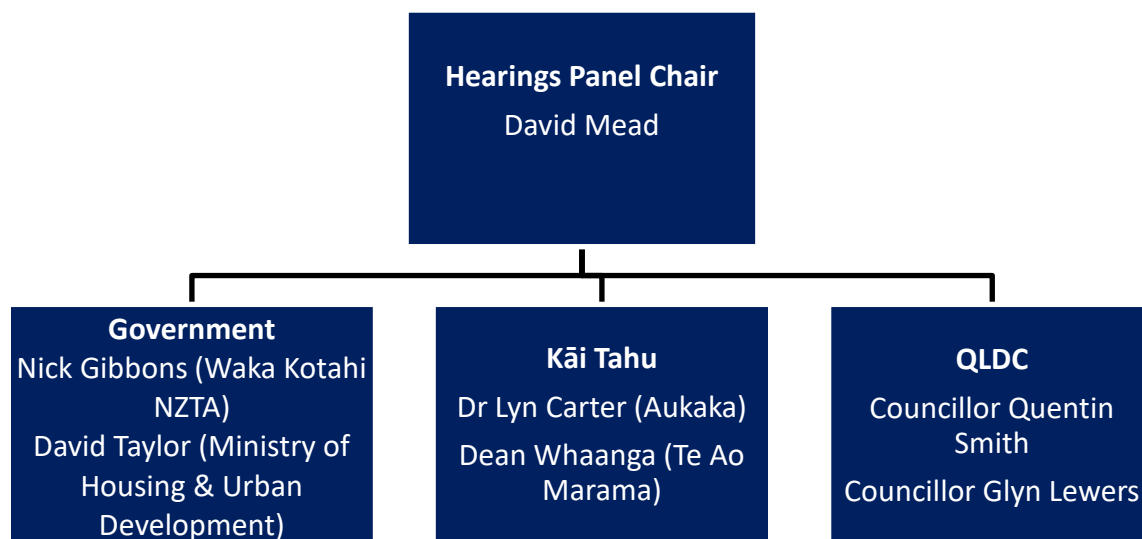
- Growth is consolidated within the existing urban area and avoids areas of Outstanding Natural Landscape and Outstanding Natural Features;
- Avoiding urban development across the character areas of the Wakatipu Basin, Gibbston Valley and Hāwea Flat;
- A focus on intensification through increasing density in the Queenstown Town Centre, Wānaka Town Centre and /Frankton and along frequent public transport corridors;
- Establishing a new frequent public transport network in Wakatipu that connects mixed use centres, providing access to jobs, schools and major community facilities (events centre, hospital);
- In the long-term, establishing public transport networks in Wānaka / Upper Clutha and that connect Queenstown-Wanaka and Cromwell; and
- Supporting growth in other settlements if they are connected by public transport and can support local services and community facilities.

26 By increasing density around improved and expanded public transport networks these key elements provide high level opportunities to reduce household emissions and the chance to live with a lighter carbon footprint. The consolidation of future growth in and around the existing urban areas also allows for greater protection of areas of high landscape and environmental value.

27 The Spatial Plan has identified twenty-two priority initiatives that sit underneath the five outcomes, these will be developed into a joint work programme by the Partnership, following the adoption of the Spatial Plan in July 2021.

### Hearings

28 Utilising the Special Consultative Procedure, Hearings will be conducted to hear submissions on the Spatial Plan. The proposed membership of the Hearings Panel is detailed below:



29 To allow equal representation from each partnership organisation, the Hearings Panel is proposed to be chaired independently.

30 Following the hearing of submissions, the panel will produce a summary report which will include recommendations for any updates to the plan, prior to adoption in July 2021.

### Post Adoption

31 Following adoption of the plan the Partnership will prepare a joint work programme to support the delivery and implementation of the Spatial Plan. This will initially focus on advancing the priority initiatives identified under each outcome.

32 An annual monitoring report will be produced to track progress on the priority initiatives and how growth is occurring in relation to the Spatial Plan’s strategic direction.

33 Following community consultation, hearings and adoption of the Spatial Plan in July 2021, it will be reviewed and updated in 2024.

34 **Option 1 Adopt the supporting documentation and, the Consultation Summary document for the draft Queenstown Lakes Spatial Plan.**

#### Advantages:

35 It provides communities with the opportunity to comment on a Spatial Plan which will:

- a. create opportunities for greater alignment, integration and coordination between central and local government and mana whenua around housing, land use, transport and infrastructure planning;



- b. bring existing but disparate processes and agencies together to prepare long-term and integrated land use and infrastructure plans that improve housing supply and help to create thriving, sustainable communities;

provide for enhanced and improved interagency collaboration, at a local and national level;

- c. provide Council with the following:
  - i. strategic direction regarding urban growth and key areas of focus;
  - ii. strategic inputs to Council's standard planning workstreams, strategies, policies and guidelines where appropriate;
  - iii. greater internal coordination and collaboration;
  - iv. potentially raised profile and improved relationships with central government;

36 It meets the agreed timelines prepared with the Partnership;

37 respond to the aspirations of Vision Beyond 2050;

38 positions the organisation well for forthcoming RMA reforms and the 2024 FDS.

Disadvantages:

39 There is a risk given the current economic climate due to the impacts of COVID 19 that there will be greater sensitivities to the adoption of a growth strategy;

40 It will not meet the timelines agreed with the Partnership.

**41 Option 2 Do not adopt the supporting documentation and, the Consultation Summary document for the draft Queenstown Lakes Spatial Plan.**

Advantages: The risk that there will be greater sensitivities to the adoption of a growth strategy due to the impacts of Covid 19 will be removed.

Disadvantages:

42 Officers will need to reschedule the programme with the Partnership and re-draft the document for further consideration.

43 Advantages outlined in option 1 will not be realised.

**44 This report recommends Option 1.**

## CONSULTATION PROCESS | HĀTEPE MATAPAKI:

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

- 45 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because of the social, economic and environmental importance this plan has, both locally and nationally.
- 46 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community, central government agencies, Kai Tahu, the developer community, visitors to the district, businesses, community organisations, other local and central government agencies, schools, Council staff, and households.
- 47 The consultation undertaken will be in accordance with section 83(1) of the Local Government Act. There is no requirement to use the Special Consultative Procedure (SCP), however, given the strategic importance of the Queenstown Lakes Spatial Plan, Council and the Partnership intend to use the SCP process to ensure our community can provide feedback.

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

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

## FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

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- 49 There are minor costs in relation to print and circulation costs for consultation, and the cost of supporting the Hearings Panel is estimated at a maximum sum of \$60,000.

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

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

- Vision Beyond 2050 was a key input to the formation of the Spatial Plan
- District Plan
- Proposed District Plan
- Ten Year Plan
- 30 Year Infrastructure Strategy
- Climate Action Plan
- Queenstown Town Centre Masterplan
- Frankton Masterplan

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

- 52 This matter is included in the draft 2021-2031 Ten Year Plan

- The Queenstown Lakes Spatial Plan correlates with the Ten Year Plan as it includes the high level infrastructure requirements to meet the projected growth of the district, these are contained in Part 4 of the Spatial Plan. All the infrastructure requirements identified in the short and medium term are also included in the Ten Year Plan. It should be noted that these requirements are shown spatially.

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

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53 The Queenstown Lakes Spatial Plan is a document prepared under the Local Government Act and is not a Future Development Strategy prepared in accordance with the National Policy Statement on Urban Development. There is no statutory requirement to use the Special Consultative Procedure other than the Partnerships desire to ensure the community has been consulted with and has a chance to provide feedback on the draft Spatial Plan.

54 The recommended option to use the Special Consultative Procedure is consistent with legal advice received.

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

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55 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing strategic direction regarding how the district will grow.
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

**ATTACHMENTS | NGĀ TĀPIRIHANGA**

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A	Consultation Summary Document
B	Draft Queenstown Lakes Spatial Plan
D	Queenstown Lakes Spatial Plan Scenario Analysis Report
E	Queenstown Lakes Spatial Plan Engagement Report