

**BEFORE THE HEARINGS PANEL
FOR THE QUEENSTOWN LAKES DISTRICT COUNCIL**

UNDER	the Resource Management Act 1991
IN THE MATTER	of a variation to the QLDC Proposed District Plan – Urban intensification
BY	FRIENDS OF ARROWTOWN VILLAGE Various Submitters

SUBMITTERS' OPENING LEGAL SUBMISSIONS

Dated: 31 July 2025

MAY IT PLEASE THE COMMISSIONERS:

Outline of submissions

- [1] These submissions are presented on behalf of the Friends of Arrowtown Village submitters (**FOAV**) in relation to the urban intensification variation to the Queenstown Lakes District Council (**Council** or **QLDC**) Proposed District Plan (**PDP**) (**UIV** or **Variation**) and will address the following topics:
- (a) Introduction / summary
 - (b) A brief introduction to Arrowtown and its urban planning history relevant to the Variation
 - (c) The Council's case for intensification
 - (d) Application of the National Policy Statement on Urban Development (**NPS-UD**) to Arrowtown
 - (e) Section 32 assessment
 - (f) Comment on the Council's position in s42A reports and expert evidence
 - (g) Conclusion

Introduction and summary

- [2] The FOAV represent a consortium group of submitters on the Variation who have aligned interests in the application of the Variation to Arrowtown. The formation of the FOAV and full list of submitters represented by the FOAV is set out in the evidence of Mr Hosie.
- [3] As will be detailed by Mr Hosie, the FOAV is aligned with a significant majority of submissions on the UIV district-wide which focus on its application to Arrowtown. The overwhelming number of submissions (and wider community supporters) in opposition to the UIV applying to Arrowtown is testament in itself to recognition of the importance of the unique and special character values to the community.

- [4] In summary, the FOAV's position is that the Variation should not be applied to Arrowtown, and that the PDP provisions as they currently stand should remain unchanged:
- (a) Not applying the Variation to Arrowtown (or applying it in a modified form for Arrowtown) will still ensure the Variation 'gives effect to' the NPS-UD when read overall in light of both policy 5, particularly in the context of the Variation generally contributing to significant 'excess policy 2 capacity.'¹
 - (b) Policy 5 intentionally allows for tier 2 authorities (such as QLDC) to have flexibility in the ways in which they respond to intensifying urban environments commensurate with the greater of accessibility or relative demand. While some 'guidance' or consideration may be taken from the 'Qualifying Matters' applicable to tier 1 authorities, ultimately, the Panel are not constrained by the same requirements and has more flexibility to apply a nuanced intensification approach for broader reasons through this Variation process.
 - (c) While the obligation to 'give effect to' the NPS-UD is of course a strong statutory directive, this should be read as the whole of the NPS-UD in context, not just policy 5, and should also be read in the context of other remaining relevant statutory tests when assessing the merits of proposed district plan provisions derived from sections 31, 32, and 72 – 76 of the Resource Management Act 1991 (**RMA**). Of particular importance, is a consideration of whether the Variation is suitably justified as the most appropriate way to achieve the objectives of the PDP, by considering the matters listed in sections 32(1)(b) and 32(2).
 - (d) Application of the Variation to Arrowtown will risk significantly compromising and / or eroding the historic heritage values, amenity and character values, and unique community aspects of the town and, as such, will be contrary to:

¹ QLDC Memorandum in response to Minute 4, at [6].

- (i) The protection of historic heritage as a matter of national importance under section 6(f) of the Act.
- (ii) The maintenance and enhancement of amenity values under section 7(c) of the Act.
- (iii) Other higher-order policy objectives in the Otago Regional Policy Statement(s) and PDP itself.

[5] Overall, the Council's Variation, even as recommended to be amended through its s42A reports and expert evidence, fundamentally is not supported by section 32 of the Act in that it runs directly contrary to the objectives of the PDP which recognise and maintain or protect the special character of Arrowtown.

Summary of the FOAV's evidential position

[6] Ms Heike Lutz provides evidence on the effects of the Variation (including as proposed to be amended through the s42A report and Council's expert evidence) on the historic heritage values of Arrowtown. Ms Lutz's appended appraisal assesses Arrowtown's 'traditional' heritage features within the historic core of the township, but also importantly how the wider urban form of Arrowtown contributes to its heritage values and character.²

[7] Mr Phillip Blakely's evidence describes the close relationship Arrowtown has with its landscape setting and the role that local level landscape features play in creating character and amenity within Arrowtown.³

[8] Mr David Clarke's evidence provides an outline of the urban planning history of Arrowtown and the role the community has played in enabling development that is sympathetic to Arrowtown.⁴

[9] Mr Mark Hosie's evidence outlines how the FOAV was established and the strong community association with the heritage and

² At [80]-[84].

³ At [39]-[43].

⁴ At [21]-[27].

landscape/amenity values of Arrowtown, and how these act as a driver for residents to reside in Arrowtown.⁵

Introduction to Arrowtown and its urban planning history

[10] Arrowtown has special qualities that create a distinctive residential amenity that generates a strong sense of place for the residents who live there and call Arrowtown home. As set out in the evidence of Mr Blakely and Ms Lutz, these qualities include:

- (a) A strong connection to the tangible history of the town and its origins represented in its historic core.⁶
- (b) The inextricable link Arrowtown has with its surrounding topography and panoramic alpine backdrop, which has influenced and controlled the development of the township.⁷
- (c) More nuanced/subtle features that instil a sense of place – including the pattern and layout of the settlement, its modest scale, the informal and organic development, the lack of contemporary streetscape elements, and abundant vegetation providing visual relief.⁸

[11] As Ms Lutz summarises in her evidence:⁹

Arrowtown's architectural and streetscape character is the product of its gold rush origins, historic continuity, and carefully managed growth. The township exhibits a rare blend of preserved 19th-century vernacular buildings and sympathetic modern development, shaped by strong community values and responsive planning controls.

[12] The special character of Arrowtown has also been recognised more broadly. Arrowtown has been recognised as the most beautiful small

⁵ At [21]-[24].

⁶ Evidence of Ms Lutz at [17] and Appendix 2, p. 35.

⁷ Evidence of Ms Lutz at [54]; Evidence of Mr Blakely at [20] and [31].

⁸ Evidence of Ms Lutz at [32]-[33] and [37]; Evidence of Mr Blakely at [22].

⁹ At [29].

town in New Zealand (most recently in 2023), lauded for its vibrant community, strong heritage focus, and environmental initiatives.¹⁰

- [13] The development of Arrowtown has been carefully curated since the 1970s. As set out in the evidence of Mr Clarke, Arrowtown has a history of town planning that has placed emphasis on its historic heritage, vegetation and viewshafts. As the town expanded, new development maintained these key features, incorporating pocket parks, low key infrastructure in line with the character of the town's historic core, and single-storey development protecting sunlight and viewshafts. Community-led initiatives supported by the Council responded to ongoing and increasing development pressures and the impact this may have on the historic heritage and landscape values of Arrowtown.¹¹
- [14] This led to the development of the first iteration of the Arrowtown Design Guidelines (**ADG**) produced in 2006 and revised in 2016.¹² The ADG focus on the historic town centre and early residential area with recommendations for newer areas of development. The ADG recognise Arrowtown as a coherent whole, encompassing the whole of Arrowtown and encouraging consistency throughout the town.¹³
- [15] The PDP, notified in 2016, upzoned areas of newer development in Arrowtown, introducing the MDRZ that allowed for increased building heights, density, and site coverage. Changes to the LDRSZ included increased building heights and density. This relatively recent PDP rezoning of Arrowtown however continued to recognise its unique character and heritage significance, and that increased density development needed to be well-managed and sensitive to its surroundings.¹⁴

¹⁰ Keep New Zealand Beautiful, 'Beautiful Awards 2023 winners announced at Parliament House.' Accessed at: <https://www.knzb.org.nz/beautiful-awards-2023-winners-announced-at-parliament-house/>.

¹¹ At [4]-[12].

¹² Evidence of Mr Clarke at [12]-[15].

¹³ Arrowtown Design Guidelines (2016). Accessed at: <https://www.qldc.govt.nz/media/w4kk1ahe/pdp-decision-of-council-chapter-10-reference-document-arrowtown-design-guidelines-11-june-2018.pdf>. See also: Evidence of Mr Clarke at [12], Evidence of Mr Blakely at [13], Evidence of Mr Knott at [6.8].

¹⁴ PDP Section 42A Report, p. 13.

- [16] As a result, the application of the PDP zones to Arrowtown required special treatment. Specific objectives and policies were included in the PDP to reflect the special character of Arrowtown (and an overall policy context to ensure that built form is compatible with the town's existing character).¹⁵ Development standards were tailored to an Arrowtown context, with Arrowtown-specific densities and building heights and breaches in the MDRZ are required to be assessed against Arrowtown's character, as described in the ADG. The PDP incorporated the ADG by reference, requiring development to be assessed against the guidelines (where resource consent is required).¹⁶
- [17] It is all of this context and history that makes Arrowtown particularly unique within the District, and socially, culturally, architecturally, and economically valuable for both residents and visitors. There seems to be no dispute between the Council and the FOAV that Arrowtown exhibits values and character that warrant a nuanced response to Policy 5 of the NPS-UD.¹⁷ The difference between the Council and FOAV, is how different that response should be.

Comments on Arrowtown community values

- [18] The provisions of the PDP are intended to be an expression of community views.¹⁸ The response to the Variation has shown the strength of support from Arrowtown residents for aspects of the township that residents value and appreciate.¹⁹ We are unaware of any evidence lodged that supports the notified Variation (or greater intensification) applying to Arrowtown.
- [19] As noted already, the urban planning and development of Arrowtown has been community-led in the past²⁰ There are a large number of formal submissions that oppose the Variation being applied to Arrowtown – around 40% of submissions received on the Variation districtwide related to Arrowtown alone – and the FOAV has a growing number of

¹⁵ PDP objectives 7.2.4; 8.2.4

¹⁶ PDP, 8.2.4.1.

¹⁷ Council Opening Legal Submissions at [7.1]-[7.2].

¹⁸ *Second Star Ltd v Queenstown Lakes District Council* [2024] NZEnvC 129 at [80].

¹⁹ Summary evidence of Mr Hosie: The submissions on behalf of Arrowtown have overwhelmingly asked for the Variation as it applies to Arrowtown to be withdrawn entirely and the status quo remain.

²⁰ Evidence of Mr Clarke.

supporters.²¹ Arrowtown's special character, amenity, and heritage values are a product of people not just place and this is reflected in the significant number of submissions and lay evidence that the Panel will have heard through this process.²²

Arrowtown's character is the product of layered planning, stewardship, and community involvement. A site-responsive approach is necessary to manage change, one that allows for housing diversity without undermining the qualities that make Arrowtown one of New Zealand's most exceptional heritage towns.

[20] Significant recognition should be given to lay evidence received from Arrowtown residents regarding what are important values (both in terms of s6 and s7 matters under the RMA) held by the community and how those values can be protected.²³

[21] It is noted that the s32 assessment was undertaken without heritage advice and the Variation was notified prior to heritage advice being sought. Mr Knott was engaged by the Council following the submissions to prepare evidence. Therefore the Variation as notified did not necessarily provide a sufficient analysis of the costs of intensification on s6 and s7 matters, nor how it would be the most appropriate way to achieve the objectives of the PDP having regard to such issues.

The Council's case for intensification

[22] The Variation is a response to Council's obligations as a tier 2 local authority under the National Policy Statement on Urban Development (**NPS-UD**), including specifically, policy 5.²⁴

[23] As stated by the Council in its opening legal submissions, policy 5 requires the district plan to enable heights and density of urban form **commensurate with** the greater of either the level of accessibility or the relative demand for housing and business use in that location.²⁵

²¹ Evidence of Mr Hosie at [13].

²² Summary statement of Ms Lutz.

²³ *Shundi Queenstown Ltd v Queenstown Lakes District Council* [2024] NZEnvC 25.

²⁴ Section 32 Report (16 May 2023, updated 21 August 2023), pp. 1-2.

²⁵ At [1.2].

- [24] No definitions are provided in the NPS-UD as to the terms 'commensurate' nor 'relative demand'.
- [25] The s32 documentation however further explains the Variation is intended to:²⁶
- (a) provide for increased heights and densities, which will encourage the development of smaller and attached housing typologies which typically have a smaller land area;
 - (b) ensure adequate amenity values within intensification areas;
 - (c) ensure that development can be services and to mitigate any potential increase in stormwater runoff; and
 - (d) provide greater housing affordability.
- [26] The FOAV consider that the Variation as applied to Arrowtown will not provide for these outcomes:
- (a) The existing PDP provisions already provide for multiple housing typologies within Arrowtown.²⁷
 - (b) The Variation will adversely impact heritage and special character values of Arrowtown. It risks introducing development outcomes that are out of scale, out of character, and poorly suited to the existing urban structure. Such development would irreversibly compromise the town's distinctive and valued character.²⁸
 - (c) There is no certainty that increased density will meaningfully contribute to the provision of affordable housing.
- [27] Policy 5 must be read in the overarching context of the NPS-UD, which intends to enable growth by requiring local authorities ultimately provide sufficient development capacity.
- [28] The NPS-UD creates three tiers of local authorities to which more prescriptive and less prescriptive policy directions apply. Tier 1

²⁶ Section 32 report, p.1 and 6.

²⁷ PDP, 7.1 and 8.1.

²⁸ Summary statement of Ms Lutz.

authorities are highest on the hierarchy, identified as places where intensification is needed the most. As a result, these authorities have prescriptive policies to ensure development capacity is achieved, the presumption being that the directives would apply, except where enabled by the NPS-UD (i.e. Policy 4 allowing modified intensification to accommodate prescribed qualifying matters). Tier 2 sits lower on the hierarchy, capturing authorities that have the “capability to implement some of the directive policies where there will be benefits from implementing them.”²⁹ There are no prescriptive policies around zoning, heights, and densities applying to tier 2 authorities (compared to that of Tier 1), suggesting that tier 2 authorities have greater flexibility in implementing the NPS-UD and a response to policy 5.

[29] MfE guidance on implementation of the intensification requirements of the NPS-UD also acknowledges this nuanced approach through the following:

- (a) None of the intensification requirements are intended to override or undermine good quality urban design or quality urban environments.³⁰
- (b) The heights and densities that should be enabled by local authorities in Policies 3 and 5 will look different across urban environments. The policies require local authorities to consider the local context.³¹
- (c) NPS-UD guidance anticipates that lower heights and densities, or no intensification at all, may be an appropriate response to qualifying matters existing.

[30] The QLDC s32 report acknowledges that a range of heights and density changes could be suitable to achieve policy 5 of the NPS-UD³² and its wider objectives. There is therefore not a one size fits all ‘uplift’ that is necessarily appropriate across the board to ensure that the Variation

²⁹ NPS-UD s 32, p 7.

³⁰ MfE guidance – understanding and implementing the intensification provisions. Found at: <https://environment.govt.nz/assets/Publications/Files/Understanding-and-implementing-intensification-provisions-for-NPS-UD.pdf> p.28

³¹ Ibid.

³² From p. 56.

overall 'gives effect to' the NPS-UD. That is particularly the case where it is accepted that the PDP already achieves more than sufficient plan enabled capacity in the short, medium, and long term.³³ This is supported by the MfE guidance on intensification which provides significant guidance for tier 1 authorities, but very limited for tier 2.

- [31] QLDC, as a tier 2 authority, has more flexibility in implementing intensification than a tier 1 authority. I agree with my friend Ms Scott that some 'guidance' could be taken from defined Qualifying Matters that operate as 'exemptions' for tier 1 intensification, but is not as constrained by them, nor is such a rigorous assessment required as that through subpart 6, clause 3.33 of the NPS-UD. Such an approach would undermine the drafting of the NPS-UD which applied such matters only to tier 1 authorities, but left comparative open-ended discretion in policy 5.
- [32] The QLDC s32 report explains how the costs of the Variation in applying to the heritage overlays and town centre of Arrowtown would outweigh any benefits, and consistent with s6(f) RMA those areas were excluded from the Variation. There is no legal barrier to a finding that areas of Arrowtown beyond those recognised heritage overlays (of the ATCZ and ARHMZ) exhibit s7 RMA amenity qualities to a degree that would also warrant exclusion under the Variation given overall alignment of the Variation with the broader policy direction of the NPS-UD and the objectives of the PDP.
- [33] As will be discussed in the evidence of Ms Lutz, the blend of historic heritage and special character (s6 and s7 RMA) is nuanced in Arrowtown. In any event, it is submitted the Panel are not constrained to s6 matters or matters of national importance in qualifying matters.

Commensurate approach to heights/density

- [34] Underpinning the implementation of policy 5 is the requirement that planning decisions contribute to well-functioning urban environments

³³ QLDC Section 32 report, p. 26.

that enable a variety of housing typologies and have good accessibility, among other factors.

[35] Arrowtown was assessed as a moderately accessible area, with the extent of this moderately accessible area aligning with the Town Centre PDP zoning.³⁴ Arrowtown is relatively isolated from Queenstown and its wider suburbs.

[36] The accessibility assessment recognises that:³⁵

Arrowtown does not have good access to a large range of employment opportunities within a 45-minute journey time via walking, cycling or public transport. As such, no additional up-zoning over and above the existing medium density provisions for Arrowtown is considered warranted based on the results of this analysis.

[37] The use of the word ‘commensurate’ in policy 5 indicates a scaled approach, where intensification should reflect an area’s accessibility to jobs, services, and amenities and / or relative demand. As the LDR and MDR zones did not perform well in accessibility, intensification of these areas cannot be commensurate with accessibility.

[38] The current PDP provisions within Arrowtown already provide sufficient dwelling capacity commensurate to demand.³⁶ Demand was assessed according to high land prices and proximity to amenities. High relative demand was identified within the Arrowtown Town Centre Zone and ARHMZ, and generally decreased away from these zones.³⁷

[39] The current MDR zone already provides for increased density and a range of housing. Evidence for QLDC during hearings for the PDP noted that the MDR zone provisions of the PDP provided for increased densities and “a range of housing, typically including terrace, semi-

³⁴ Barker and Associates, Memorandum to Queenstown Lakes District Council, Re: Method Statement – Accessibility & Demand Analysis – NPSUD Policy 5, 16 May 2023 at p. 27.

³⁵ Ibid, at p. 27.

³⁶ Evidence of Susan Fairgray, Appendix 2.

³⁷ Ibid, at 6.1.2; Figure 14.

detached houses (duplexes), and small townhouses that will generally be under two storeys...”³⁸

- [40] Although housing within Arrowtown is predominantly single storey, the LDR and MDR zones already anticipate some two-storey development.
- [41] Effectively, Arrowtown has already ‘done its bit’ in contributing to intensification consistent with Policy 5 and the wider objectives of the NPS-UD, and further intensification is not only not justified, but will have greater economic costs than any benefits in terms of adverse effects on special character, amenity, and heritage values.³⁹

Section 32 evaluation

- [42] Section 31 provides that a function of territorial authorities is, through the establishment of objectives, policies and methods, to achieve integrated management of the effects of the use, development or protection of land and natural and physical resources. The Variation must therefore be designed to accord with (and assist the Council to carry out) its functions so as to achieve the purpose of the RMA.⁴⁰
- [43] Under section 32, an evaluation report must examine whether objectives of the plan change are the most appropriate way to achieve the purpose of the RMA, and whether the provisions (policies and other provisions) are the most appropriate way of achieving those objectives. This requires:
- (a) identifying reasonably practicable options and assessing the efficiency and effectiveness of the provisions through identifying, assessing and, if practicable, quantifying the benefits and costs of the environmental, economic, social and cultural effects including opportunities for economic growth and employment; and
 - (b) assessing the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.

³⁸ Evidence of Garth Falconer at 4.1.

³⁹ Summary statement of Ms Lutz.

⁴⁰ Section 32 assessment, p. 5.

- [44] The overarching strategic objectives and policies of the PDP provide direction for the purpose of plan development, in relation to the strategic issues of the District.⁴¹ No changes are proposed to these strategic objectives as part of the Variation.
- [45] There is a clear and established policy direction in the PDP that Arrowtown is unique and future development should be compatible with existing character:
- (a) LDSR zone, 7.2.4 – Residential development in Arrowtown compatible with the town's existing character.
 - (b) MDR zone, 8.2.4 – In Arrowtown medium density development occurs in a manner compatible with the town's character.
- [46] The Otago Regional Policy Statements contain provisions that protect historic heritage by avoiding adverse effects on areas or places with historic heritage values or qualities.⁴²
- [47] The legal test for ascertaining what is the 'most appropriate' under section 32 of the RMA, whether for objectives, policies or other provisions, requires a comparison to be made between at least two options. The Courts have often described the comparative test by asking which is the 'better' option or outcome:⁴³
- (a) Retention of the status quo (existing PDP) is an available option. Unlike tier 1 authorities, a change to the status quo is not mandated in all areas under policy 5.
 - (b) For the reasons set out above, an intensification planning response in Arrowtown is not necessary and is also not the most appropriate option.
 - (c) The status quo is the most appropriate option when considering the significant and irreversible costs of loss of important heritage

⁴¹ See 3.1B.

⁴² Proposed Otago Regional Policy Statement, HCV-HH-P5.

⁴³ *Eldamos Investments Ltd v Gisborne DC* EnvC W047/05; *Long Bay-Okura Great Park Soc Inc v North Shore CC* EnvC A078/08; *TKC Holdings Ltd v Western Bay of Plenty DC* [2015] NZEnvC 100.

and special character and community values of Arrowtown (New Zealand's most beautiful town).

Section 6 matters of national importance

[48] Section 6(f) of the Act provides for the protection of historic heritage from inappropriate subdivision, use, and development. The definition of 'historic heritage' is broad, meaning natural and physical resources that contribute to an understanding and appreciation of New Zealand's history and cultures and includes surroundings associated with those resources.⁴⁴

[49] The wider urban area of Arrowtown is closely tied to its historic core. On the basis of evidence of Ms Lutz, it is submitted that historic heritage values of Arrowtown encompass the Town Centre zone and ARHMZ and the wider urban surroundings of Arrowtown. These surroundings are characterised by development coherent with the township's historic core and continuity of urban form and how this relates to their landscape setting.⁴⁵

- (a) the overall pattern and rhythm of development within the neighbourhood;
- (b) the number, scale, and extent of buildings, structures, hard surfaces, and modifications to topography and vegetation;
- (c) the landscape quality of sites, particularly the spatial relationship between built form, open space, and the street; and
- (d) the coherence and consistency of built character, including architectural form, materiality, and siting.

[50] Ms Lutz identifies that the importance of these surroundings on Arrowtown's historic heritage values cannot be disregarded.⁴⁶

that Arrowtown is a heritage town of rare and cohesive character, defined by its modest scale, historic built form, and strong integration with topography and landscape. This character extends beyond the formally protected historic zones, encompassing the wider

⁴⁴ RMA 1991, s 2.

⁴⁵ Evidence of Ms Lutz at [41] and [61]-[62].

⁴⁶ At [80].

township, which acts as both a buffer and continuation of the town's historic values. Its significance is widely acknowledged and is not comparable to other settlements in the Queenstown Lakes District.

- [51] Section 6(b) of the Act provides for the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development. Arrowtown adjoins multiple Outstanding Natural Landscapes (**ONL**) and Outstanding Natural Features (**ONF**), including the Crown Range, German Hill, Brow Peak, Feehly Hill, and the Arrow River.
- [52] As assessed by Mr Blakely, increased building heights would be highly visible within the wider landscape. The Variation will affect the human-scale of the urban development and how this is experienced within the landscape.⁴⁷
- [53] Although it is recognised that there will always be tension between development and maintenance of viewshafts to ONL and ONF,⁴⁸ the importance of those ONL and ONF in close proximity to Arrowtown provide it with a unique position. The Te Putahi Ladies Mile (**TPLM**) decision referenced by Ms Bowbyes is not binding and was focused on creating viewshafts within a greenfield development. ONL and ONF surrounding Arrowtown creates the unique setting, backdrop, and context of Arrowtown. Development within the foreground of these ONL / ONF will affect the experiential / perceptual qualities of the landscape, beyond just impacted viewshafts.⁴⁹

Section 7 matters

- [54] Section 7(c) of the Act requires that particular regard shall be given to the maintenance and enhancement of amenity values. Policy 6 of the NPS-UD recognises that the amenity that current residents experience may change, but does not prohibit amenity considerations altogether.
- [55] Historic heritage values can often provide areas with amenity contributing to the character of a community and, as such, the two can

⁴⁷ At [34].

⁴⁸ Rebuttal evidence of Ms Amy Bowbyes at [5.4]-[5.10].

⁴⁹ Evidence of Mr Blakely at [34] and summary statement.

be linked and interrelated.⁵⁰ The heritage values of Arrowtown's historic core have underpinned its ongoing development, contributing to its cohesive sense of place and character – physical qualities and characteristics that current and future residents of Arrowtown enjoy.

[56] As noted by Ms Lutz and Mr Blakely, the Variation will affect amenity values by:⁵¹

- (a) Substantially altering Arrowtown's low rise, open landscape, and streetscape character.
- (b) Impacting viewshafts to surrounding mountains and landscapes currently enjoyed by residents; and
- (c) Increased population will put further pressure on fragile characteristics of the township's heritage infrastructure.

[57] Mr Knott for the Council also concluded that the increased building heights and more lenient recession planes within the LDSR and MDR zones would impact the "fine balance of the existing Arrowtown character and sense of place, and in some places have a negative effect on the immediate surroundings of the ARHMZ and ATCZ."⁵²

Comments on Council position in s42A reports

[58] The section 42A reports relevant to Arrowtown recommended a reduction in the notified building heights and density within the LDSR and MDR zones. In her evidence, Ms Fairgray confirms that the dwelling capacity created by the revised height and recession planes recommended by the s42A reports are "still likely to be large in comparison to projected future demand within Arrowtown."⁵³

[59] As outlined in the evidence of Ms Lutz, Mr Blakely, Mr Clarke, and Mr Hosie, this scaled-down intensification will still have adverse effects on Arrowtown:

⁵⁰ Evidence of Ms Lutz at [27].

⁵¹ Evidence of Ms Lutz at [41]-[84]; Evidence of Mr Blakely at [34].

⁵² Evidence of Mr Knott at [7.4].

⁵³ Evidence of Ms Fairgray at [6.59].

- (a) Although building height has been reduced to 8m plus 1m for pitched roofs in the MDRZ, this remains a significant change for Arrowtown. There is a contradiction of evidence as to whether this will facilitate three-storey dwellings or not. Either way, it will enable larger, more visibly dominant built form set against the existing low-scale development characteristic of Arrowtown.⁵⁴ The impact of three-storey dwellings presenting a significant departure from the existing in Arrowtown is acknowledged by Mr Knott and Ms Bowbyes for the Council.⁵⁵
- (b) Assessment against the ADG is triggered where resource consent is required.⁵⁶ While it is a useful document, it is not designed or fit for purpose to guide development under the uplifted heights and densities now proposed. It will not be an effective constraint to the adverse effects created by height uplift alone.
- (c) This highlights an existing vulnerability within the current planning framework, that will be amplified by further relaxation of development provisions within Arrowtown.⁵⁷

[60] The Council maintains that the uplift proposed in the s42A reports will only allow two-storey development within Arrowtown. As two-storey development is already enabled within Arrowtown under the current PDP provisions, there is no need to allow for further uplift in building height.

[61] Overall, the revised intensification will have costs in terms of adverse effects on special character and heritage values, be contrary to Part 2 of the RMA, and contrary to Arrowtown-specific provision of the PDP and higher order strategic provisions.

[62] Intensification of Arrowtown should not be further enabled at the cost of adverse impacts on historic heritage values and amenity, which cannot

⁵⁴ Evidence of Ms Lutz at [19] and [79]; Evidence of Mr Blakely at [38]; Evidence of Mr Hosie at [15].

⁵⁵ Evidence of Mr Knott at section 6; Evidence of Ms Bowbyes at [4.42].

⁵⁶ Evidence of Ms Lutz at [67]; Evidence of Mr Clarke at [19].

⁵⁷ Evidence of Ms Lutz at [67]-[68]; Evidence of Mr Clarke at [19]; Evidence of Mr Hosie at [16].

otherwise be replicated or replaced, particularly where there is no need for intensification.

Conclusion

[63] The Council has flexibility in how and where it elects to intensify urban areas. While the Variation needs to give effect to the NPS-UD overall, policy 5 allows for an approach to intensification tailored to accessibility or relative demand and which recognises s6 and s7 matters.

[64] The Variation as notified proposes a capacity that is beyond commensurate to accessibility / relative demand. Any benefit to increasing development opportunity in Arrowtown at the scale proposed will be at the cost of adverse effects on its historic heritage and amenity values. The status quo, being the current PDP provisions, is expected to exceed total demand within Arrowtown albeit in more detached housing typologies.⁵⁸ If the Council is targeting a long-term shortfall in apartment housing typologies in Arrowtown, uplift across the entirety of Arrowtown is not required to ensure a commensurate urban form (i.e. an approach that is scaled or proportionate to) relative demand.

[65] The FOAV will call evidence from:

- (a) Mr Mark Hosie
- (b) Mr David Clarke
- (c) Mr Philip Blakely
- (d) Ms Heike Lutz

Dated: 31 July 2025

.....
G M Todd / R E M Hill
Counsel for the Submitters

⁵⁸ Evidence of Ms Susan Fairgray, Appendix 1, p. 6-7.

Appendix 1: QLDC Proposed District Plan Provisions – Arrowtown

Provision		FOAV Comment (in relation to the Variation)
Chapter 3 – Strategic Direction		
3.1A	<p>Strategic Issue 2: Growth pressure impacts on the functioning and sustainability of urban areas, and risks detracting from rural landscapes, particularly its outstanding natural features and outstanding natural landscapes.</p> <p>Strategic Issue 3: High growth rates can challenge the qualities that people value in their communities.</p>	Chapter 3 sets out the overarching strategic objectives of the PDP – to manage growth, land use, and development while managing the special qualities of the District, pressures on these qualities, and how these can be protected by managing growth. The impact of growth on existing communities is identified a strategic issue to be managed.
3.2.2	Urban growth is managed in a strategic and integrated manner. (<i>addresses Issue 2</i>) (SO 3.2.1.9 also elaborates on SO 3.2.2).	This objective and supporting policies provide for integrated urban growth, that reflects and builds upon historical urban settlement patterns. For Arrowtown, urban development should be cohesive with the development of the town represented in its historic core and later patterns of subdivision.
3.2.2.1	<p>Urban development occurs in a logical manner so as to:</p> <ol style="list-style-type: none"> promote a compact, well designed and integrated urban form; build on historical urban settlement patterns; achieve a built environment that provides desirable, healthy and safe places to live, work and play; minimise the natural hazard risk, taking into account the predicted effects of climate change; protect the District's rural landscapes from sporadic and sprawling urban development; ensure a mix of housing opportunities including access to housing that is more affordable for residents to live in; contain a high quality network of open spaces and community facilities; and be integrated with existing, and proposed infrastructure and appropriately manage effects on that infrastructure. 	
3.2.3	A quality built environment taking into account the character of individual communities. (<i>addresses Issues 3 and 5</i>) (SO 3.2.2.1 also elaborates on SO 3.2.3).	For Arrowtown, this means the built environment should reflect the heritage values and special character of the township. At its

Provision		FOAV Comment (in relation to the Variation)
3.2.3.1	The District 's important historic heritage values are protected by ensuring development is sympathetic to those values.	core, Arrowtown is a heritage settlement; its historic heritage values should be protected by enabling development that is sympathetic to those values.
3.2.3.2	Built form integrates well with its surrounding urban environment.	
Chapter 4 – Urban Development		
4.2.2.19	<p>Ensure that development within the Arrowtown Urban Growth Boundary provides:</p> <ul style="list-style-type: none">a. an urban form that is sympathetic to the character of Arrowtown, including its scale, density, layout and legibility, guided by the Arrowtown Design Guidelines 2023⁴⁶ 2016;b. opportunity for sensitively designed medium density infill development in a contained area closer to the town centre, so as to provide more housing diversity and choice and to help reduce future pressure for urban development adjacent or close to Arrowtown's Urban Growth Boundary;c. a designed urban edge with landscaped gateways that promote or enhance the containment of the town within the landscape, where the development abuts the urban boundary for Arrowtown;d. for Feehley's Hill and land along the margins of Bush Creek and the Arrow River to be retained as reserve areas as part of Arrowtown's recreation and amenity resource;e. recognition of the importance of the open space pattern that is created by the inter-connections between the golf courses and other Rural Zone land.	As above, the character of Arrowtown is sensitive to inappropriate urban development. This policy provides for development within Arrowtown that is sympathetic to its character, expressed in its low-scale and cohesive urban form.

Provision		FOAV Comment (in relation to the Variation)
Chapter 7 – Lower Density Suburban Residential		
7.2.1	Objective - Development within the zone provides for a mix of compatible suburban densities and a high amenity low density residential living environment for residents as well as users of public spaces within the zone	Provisions within Chapter 7 outline that a mix of housing typologies is enabled within the zone.
7.2.4	Objective - Residential development in Arrowtown compatible with the town's existing character	Again, the special character of Arrowtown is recognised with objectives and policies in the LDRS zone requiring development to be compatible with the existing character of Arrowtown.
7.2.4.1	Ensure development, including infill housing, community activities and commercial development is of a form that is compatible with the existing character of Arrowtown, guided by the Arrowtown Design Guidelines 2023 ⁴⁶ 2016 , with particular regard given to: a. building design and form; b. scale, layout and relationship of buildings to the street frontage(s) ; c. materials and landscape response(s).	
Chapter 8 – Medium Density Residential		
8.2.1.4	Enable medium density development through a variety of different housing forms including terrace, semi- detached, duplex, townhouse, or low-rise apartments , small lot detached housing .	Provisions within Chapter 8 outline that a mix of housing typologies is also enabled within the zone.
8.2.2	Objective - Development contributes to the creation of a new, high quality built character within the zone through quality urban design solutions which positively respond to the site, neighbourhood and wider context.	More broadly, this objective requires development to respond to its wider context.
8.2.4	Objective - In Arrowtown medium density development occurs in a manner compatible with the town's character.	As above, Chapter 8 also contains provisions recognising and providing for development in the MDR zone that is compatible with the town's existing character.
8.2.4.1	Ensure development, including infill housing, community activities and commercial development is of a form that is compatible with the existing character of Arrowtown guided by the Arrowtown Design Guidelines 2016 with particular regard given to: a. building design and form; b. scale, layout and relationship of buildings to the street frontage(s) ; c. materials and landscape response(s) including how landscaping softens the building mass relative to any street frontage(s) .	