DOCUMENT 1

RIVER TERRACE DEVELOPMENTS LIMITED

Request for a Change to the Operative Central Otago District Plan

1 March 2018



River Terrace Developments Limited: Request for a Change to the Operative Central Otago District Plan

1. Introduction

1.1 Overview

River Terrace Developments Limited (RTDL) requests a change (Change) to the operative Central Otago District Plan (DP). The Change will introduce to the DP a new Resource Area, the River Terrace Resource Area (RTRA) applicable to approximately 49ha of land adjoining Sandflat Road and State Highway 6, Cromwell. The RTRA enables a range of residential activities, including retirement living, and associated activities including a small neighbourhood centre, a network of open spaces, and the potential for a school.

The amendments proposed to the DP by the Change are the inclusion of the RTRA on Planning Map 44 and related change to the Planning Maps Legend, and the insertion of the RTRA provisions, as a new Chapter (Chapter 20). These provisions include:

- an introduction;
- a statement of resource management issues;
- the objectives for the RTRA;
- the policies;
- a statement on the methods of implementation;
- the principal reasons for adopting the objectives, policies and methods;
- · rules, including a Structure Plan and related plans; and
- a statement of the environmental results anticipated.

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 DP;

DOCUMENT 3: The assessment of effects on the environment:

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

DOCUMENTS 5 – 11: The technical reports in support of the Change.

1.2 The Requestor

The Requestor is River Terrace Developments Limited (RTDL). The address for service of RTDL is:

River Terrace Developments Limited C/- Brown and Company Planning Group, PO Box 1467 QUEENSTOWN

Attention: Jeff Brown/Alyson Hutton

T: 03 409 2258

E. jeff@brownandcompany.co.nzE. alyson@brownandcompany.co.nz

2. The property and existing environment

The property is located on the western side of Sandflat Road, south of and adjoining State Highway 6, Cromwell. It is approximately 5 kilometres south of the intersection of State Highway 6 and State Highway 8B, and approximately 1km west of Cromwell's employment / business area around Cemetery and McNulty Roads. The property is opposite the Highlands Motorsport Park.

The property is contained in the following certificates of title:

- Section 28 Block I Cromwell SD (CT OT7D/1155) containing 29.2208 ha; and
- Part Section 24 Block I Cromwell SD (CT OT16A/611) containing 20.6179 ha

The Certificates of Tile are attached. The total land area is 49.8387 ha.

The property is in open grassland on two distinct, flat terraces, separated by a gently sloping escarpment of height around 10m. The land is fenced but is otherwise vacant. There is some scrub along part of the escarpment, and no established trees other than parts of a shelter row of pines. The remnants of an old water race run along the base of the escarpment, and there are foundations of a former dwelling near the southern boundary of the property.

The property is within a mixed use rural environment. To the north, on the opposite side of the State Highway, is a rural lifestyle property and large expanses of orchards (mainly stonefruit). To the immediate east is Sandflat Road and two rural lifestyle properties. On the opposite side of Sandflat Road is Council-owned land containing the Highlands Motorsport Park (the main entrance and administration facilities) and a large plantation forest which is traversed by a corridor of electricity lines. A commercial winery/café is located immediately north of the Motorsport Park, adjacent to Cemetery Road. Further to the east is the employment / business area at Cemetery and McNulty Roads.

To the south of the property, stretching to Pearson Road, is a large vacant rural block in open grassland, and to the west are some small rural lifestyle blocks south of the escarpment. These are accessed from Pearson Road. To the west, north of the escarpment, is an orchard, separated from the subject land by tall, established shelter rows of pines. Orchards, with associated buildings and shelter rows, extend the length of the State Highway 6 "straight", through to the Kawarau Gorge. There are several commercial retail sales operations with frontage to this stretch of the highway.

The property and environs are described in more detail in the specialist technical reports including **DOCUMENT 6** (urban design assessment), and **DOCUMENT 9** (geotechnical assessment).

3. Reason for the Request

There is demand for more residentially zoned land to accommodate the growing population of Cromwell. The existing population of 5600 is expected to grow by between 5000 (the medium

growth scenario) and 8,600 (the high growth scenario) by 2030, and this will require an additional 2000 – 3400 dwellings¹.

The National Policy Statement – Urban Development Capacity (NPS) directs all local authorities to provide sufficient development capacity for housing and business growth demand. The Requestor's analysis of the future housing demand in Cromwell is that, even if all current proposals for new urban residential development are approved and developed, the urban area of Cromwell is unlikely to provide adequate feasible capacity to meet housing demand in the long term (to 2043). In this period a significant shortfall of urban residential capacity is anticipated, in the order of around 1000 dwellings, unless further land is able to be zoned and developed. If any of the other development proposals do not materialise, the shortfall would be worse and affect the market sooner².

As with most smaller New Zealand local authorities experiencing population growth, the preferred method of providing for growth is urban expansion into suitable greenfields areas. Suitable greenfields areas are:

- Adjacent to or in reasonable proximity to existing urban areas;
- Able to integrate with available infrastructural services and roading;
- Able to be developed efficiently, in relation to construction costs and servicing;
- Able to co-exist with other land uses in the vicinity;
- Not committed to another activity worth retaining in the long term;
- Not affected by a natural value worth protecting, such as an ecological or a landscape feature, or land of high value for rural production;
- Able to contribute to a quality, compact urban form.

The subject land at Sandflat Road possesses all of these attributes and is a suitable greenfields location for Cromwell's urban expansion to assist in meeting the foreseeable demand for new residential stock.

Other greenfields areas that possess these attributes are already committed to development, and their rollout to the market will, collectively, not fulfil the demand for new housing stock at Cromwell.

The subject land is within the Rural Resource Area and the Rural Residential Resource Area in the DP. Endeavouring to subdivide and construct dwellings on the land by way of one or multiple resource consent applications would be complicated and very inefficient and inflexible for all parties, including the owner, the Council, future purchasers of properties, and the community. Rezoning the land to a suitable urban zone is the most efficient and effective resource management method for meeting the market demand.

Further, in line with wider urban trends in New Zealand and internationally, larger residential sections are giving way to smaller sections and smaller residential units, particularly where a development as a whole can offer more shared amenity including outlook and public open space, and strong pedestrian links. Smaller sections and units tend to be less expensive, thereby contributing to housing affordability. Greater density within the same area is also more efficient for roading and infrastructure. Convenient walkability and cyclability to a neighbourhood centre, open space, and potentially a school, also contributes to the overall "liveability" of a new urban area.

The plan change request to rezone this rural land for urban activities will contribute to fulfilling the demand for more – and more affordable – housing stock, in the short to medium term, and will, therefore, benefit Cromwell and the wider Central Otago area.

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¹ Rationale report to the CODC dated August 2016

² ME Consulting - Economic Assessment: River Terrace Private Plan Change Cromwell 30 November 2017

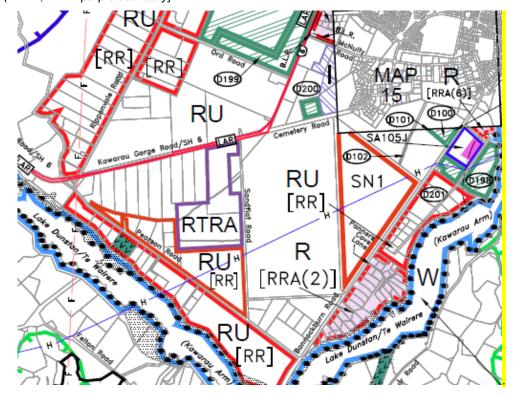
The Requestor therefore seeks to rezone the land to the "River Terrace Resource Area". The RTRA is the product of a comprehensive urban design analysis of the site, taking into account the wider urban trends. Development will be guided by a Structure Plan that delineates the layout of activities, roads, open spaces and development blocks, to achieve the overall vision of an integrated, connected, high quality residential neighbourhood with increased housing supply, variety and choice with a range of densities, typologies, and price options, all contributing to increase affordability of housing in Cromwell.

4. The Change

The amendments proposed to the DP are as follows:

(a) On Planning Map 44, on part of the land to the west of Sandflat Road (currently within the Rural Resource Area and the Rural Residential Resource Area), insert new boundaries and label as "RTRA", as set out in DOCUMENT 2, and as shown on the map extract on Figure 1 below.

Figure 1: Extract of Planning Map 44 showing inclusion of the River Terrace Resource Area (RTRA, within purple boundary]



- (b) On the Planning Maps Legend, insert "RTRA River Terrace Resource Area" into the list of Resource Areas in the left-hand column, as shown in the amended Planning Maps Legend, in DOCUMENT 2;
- (c) Insert a new Chapter (Chapter 20), to include the RTRA provisions as set out in **DOCUMENT 2**. They are summarised as follows:

Chapter 20.1	Introduction	
	A brief introduction to the RTRA – location, purpose and brief summary of the provisions.	

Chapter 20.2	Issues		
Chapter 20.2			
	A statement of the relevant resource management issues the RTRA is addressing, including, in summary:		
	 The spatial expansion of Cromwell to meet current and future residential land needs; 		
	Quality, compact urban development;		
	Maximising infrastructural efficiencies;		
	Ensuring compatibility with surrounding activities;		
Chapter 20.3	Objectives		
	There are 11 objectives for the Resource Area, responding to the resource management issues, and to achieve the purpose of the Act.		
Chapter 20.4	Policies		
	There are 14 policies, to achieve the objectives.		
Chapter 20.5	Methods of Implementation		
	A summary statement setting out the key methods to achieve the		
	objectives.		
Chapter 20.6	Principal reasons for adopting the objectives, policies and methods		
	A summary statement setting out the reasons. These all relate to the		
	section 32 evaluation (at DOCUMENT 4).		
Chapter 20.7	Rules		
	The rules include:		
	activity rules;		
	development standards;		
	assessment matters and criteria;		
	the Structure Plan and related plans, including the Movement Plan (showing roads, the roading hierarchy, and greenways); the Development Parcel Plan; Roading cross sections; the Structure Plan contains two residential areas: the Residential Sub-Area A and B, which differ in their allowable density capacity. There are three "overlays", each of which have their own set of activity rules and development standards:		
	the Retirement Living overlay;		
	the Neighbourhood Centre overlay; and		
	the Education Overlay.		
	Buildings within the overlays require resource consent, to ensure that they are of appropriate design quality.		
	The Neighbourhood Centre Overlay, which provides for neighbourhood-level amenities including potential for shops, café, and community activities (allied with the Retirement Living Overlay) is subject to development standards to ensure that the centre remains small in scale and does not undermine the main business and retail areas of Cromwell.		
	The standards also manage reverse sensitivity effects in relation to surrounding activities including the Motorsport Park, the State Highway and rural production activities.		
	Subdivision is to follow the Structure Plan, the Movement Plan, and, where relevant, the Development Parcel Plans, and road designs are guided by the cross-sections. This will ensure a cohesive quality of subdivision design throughout the Resource Area.		
Chapter 20.8	Environmental results anticipated		
L	I .		

A statement setting out the outcomes expected from implementation of
the RTRA provisions.

Aside from the change to Planning Map 44 and the Planning Maps Legend, no other specific changes to the District Plan are necessary.

For completeness, however, the Request includes any necessary, consequential changes to the DP that may be deemed necessary by the Council in relation to the change to Planning Map 44, the Planning Maps Legend, and the new Chapter 20.

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 by this Change, as discussed below.

No matters arise under section 8 of the RMA.

Sections 6 and 7

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

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

There are two historic water races within the property, constructed in the 1870s to provide irrigation to land on Cromwell Flat. The races have subsequently been truncated by 20th century development on either side of the plan change site, with the remaining portions falling into disuse and being partly filled in by natural accumulation processes; both races are almost imperceptible on the site. The remains of these water races have a moderate archaeological significance.

RTDL proposes to retain one of the races, the northern race, by including it within the open space reserve area (except where it is crossed by the proposed roads) and to commission topographical record work and seek the archaeological authority from Heritage New Zealand, prior to any development works occurring on the site, in fulfillment of the statutory requirements of the Heritage New Zealand Pouhere Taonga Act (2014).

The protection provided is therefore appropriate, 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 expand Cromwell in a location fit for the purpose of urban residential and related activities, in close proximity to the existing urban area and the physical and social amenities that the town provides;
- (b) It is efficient to co-locate a small neighbourhood centre within the plan change area, for convenience, walkability and the reduction of vehicle trips, without undermining the core retail and business services already provided in Cromwell;
- (c) It is efficient to provide for a school within the plan change area, for convenience and walkability for children, and in recognition of the growth of Cromwell generally.

Regarding amenity values and quality of the environment:

- (a) The settlement pattern promoted by the RTRA structure plan and the related provisions for subdivision and the built environment, including the provision of open spaces and "greenways", serve to establish and maintain amenity values and the quality of the environment for new residents;
- (b) The methods to manage the effects from external sources, including the state highway, the Motorsport Park and the rural production activities, will ensure that amenity values and the quality of the environment for all parties are established, retained and maintained.

Regarding **finite characteristics**, greenfields land that:

- (a) meets the various desirable attributes for urban expansion (as set out in the reason for the plan change request, in Part 3 above);
- (b) provides the opportunity to create a new masterplanned settlement area with a distinct urban design and character; and
- (c) 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 DP should recognise and should enable the inherent opportunities in the natural and physical resources.

The RTRA 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 to create the RTRA enables well-being for the Cromwell community by expanding the urban area to contribute to accommodating Cromwell's population growth, in a location and in a manner that promotes high quality of urban amenity and provides for a range of property sizes, house typologies and affordability levels.

While enabling these outcomes, the RTRA 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 RTRA sustains the potential of the natural and physical resources of the land and wider environs to meet the reasonably foreseeable needs of future generations, by accommodating growth for a full range of permanent residents, including, in particular, retirees and families, while complementing and not compromising the long term viability of Cromwell's existing amenities including the Cromwell town centre, business areas and physical infrastructure.

(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 through the protection of water and soil by the reticulation and disposal of wastewater to the established reticulated systems.

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

The RTRA provisions avoid, remedy or mitigate potential adverse effects on the environment, as necessary, in relation to traffic, infrastructure, and reverse sensitivities.

Summary - Part 2 of the Act

The RTRA will enable the spatial expansion of Cromwell to meet current and future residential land needs, and complement and enhance Cromwell's popularity as a place to live, work and visit. Adequate zoned capacity and the efficient use of finite land resources are necessary to meet housing demand and to maintain housing affordability.

Well thought-out master-planning that takes into account locational attributes, market needs, and best practice urban design will deliver high quality urban intensification. The diversity of housing choice, a variety of open spaces, safe walking and cycling connections, and slow-speed safe streets all contribute to a successful medium and higher density living environment that maintains long term amenity values, environmental quality and overall well-being, 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 4**, attached.

The assessment of effects on the environment, addressing Schedule 4's 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—
 - 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 DP 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, including the *NPS – Urban Development Capacity*, are addressed in **Part 10** of the section 32 evaluation (**DOCUMENT 4**).

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 4**). 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/Rārangi Kōrero;
- 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 (other than additional competition in the residential land and housing markets).

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. Any consents required under the regional plan to give effect to the development enabled by the RTRA will be applied for at the time of subdivision and development within the RTRA.

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.

6. Documents for the plan change

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

Document No.	Assessment / Discipline	Document name, author, company,	Date
DOCUMENT 1	Application for the Change	River Terrace Developments Ltd: Request for a Change to the Operative Central Otago District Plan Brown & Company Planning Group	1 March 2018
		(Jeff Brown, Alyson Hutton)	

Document No.	Assessment / Discipline	Document name, author, company,	Date
DOCUMENT 2	The Change – Planning Map changes and the RTRA provisions	River Terrace Developments Ltd: Changes proposed to the Central Otago District Plan Brown & Company Planning Group / Warwick Goldsmith (Barrister) / River Terrace Developments Ltd / Jasmax Architects	1 March 2018
DOCUMENT 3	Assessment of Effects on the Environment	River Terrace Developments Ltd: Assessment of Effects on the Environment Brown & Company Planning Group (Cathy Wallace, Jeff Brown)	1 March 2018
DOCUMENT 4	Section 32 evaluation	River Terrace Developments Ltd: Evaluation under Section 32 of the Resource Management Act 1991 Brown & Company Planning Group (Alyson Hutton, Jeff Brown)	1 March 2018
DOCUMENT 5	Market / economics assessment	Economic Assessment River Terrace Private Plan Change Cromwell ME Consulting (Natalie Hampson)	19 December 2017
DOCUMENT 6	Design and masterplanning	River Terrace Design Report Jasmax Architects (Alistair Ray, Nick McKay)	7 December 2017
DOCUMENT 7	Transport assessment	Proposed Plan Change – Cromwell Transportation Assessment Carriageway Consulting (Andy Carr)	14 December 2017
DOCUMENT 8	Infrastructural services engineering assessment	River Terrace Developments Limited Private Plan Change Request Infrastructure Report Patterson Pitts Partners (Peter Dymoch)	4 December 2017
DOCUMENT 9	Geotechnical assessment	Geotechnical Report for Plan Change Geosolve	September 2017
DOCUMENT 10	Soil contamination assessment	Pearson Road, Cromwell Preliminary Site Investigation e3 Scientific (Glenn Davis)	21 November 2017
DOCUMENT 11	Archaeological assessment	Sandflat Road, Cromwell Archaeological Assessment Origin Consultants (Benjamin Teele)	February 2018



COMPUTER FREEHOLD REGISTER UNDER LAND TRANSFER ACT 1952



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IdentifierOT7D/1155Land Registration DistrictOtagoDate Issued14 May 1982

Prior References

OT160/271

Estate Fee Simple

Area 29.2208 hectares more or less

Legal Description Section 28 Block I Cromwell Survey

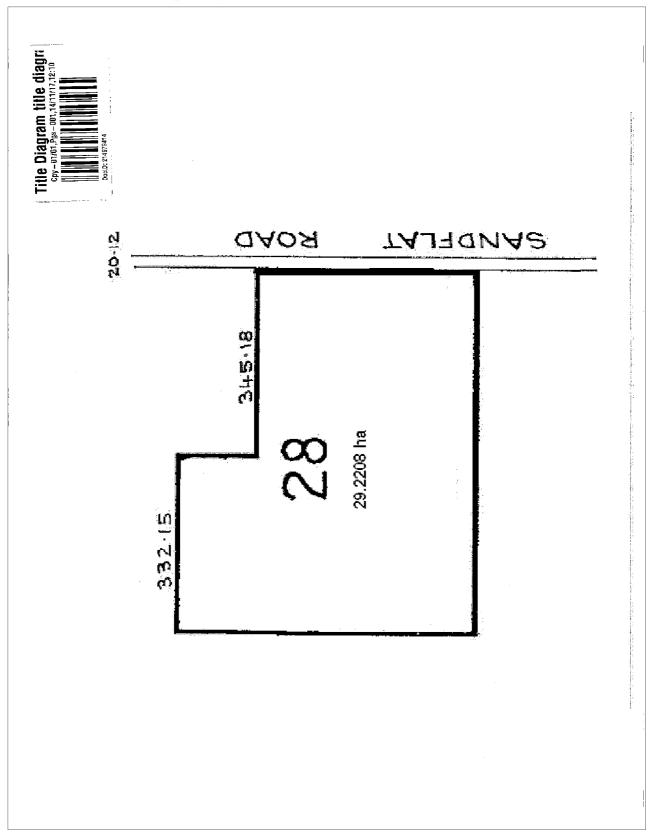
District

Proprietors

River Terrace Developments Limited

Interests

Prospecting Licence embodied in Register 5D/213 - 18.2.1982 at 9.56 am 11003798.2 Mortgage to Bank of New Zealand - 16.2.2018 at 2:18 pm





COMPUTER FREEHOLD REGISTER UNDER LAND TRANSFER ACT 1952



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OT16A/611 **Identifier** Land Registration District Otago

07 December 1994 **Date Issued**

Prior References

OTB2/320

Fee Simple **Estate**

Area 20.6179 hectares more or less

Legal Description Part Section 24 Block I Cromwell Survey

District

Proprietors

River Terrace Developments Limited

Interests

5041502.1 Gazette Notice (2001/1044) declaring adjoining road (S.H. No 6) to be limited access road - 11.5.2001 at 9:31 am

11003798.2 Mortgage to Bank of New Zealand - 16.2.2018 at 2:18 pm

