

**BEFORE THE INDEPENDENT HEARING PANEL
FOR THE QUEENSTOWN LAKES PROPOSED DISTRICT PLAN**

Under the	Resource Management Act 1991
In the matter	of the Urban Intensification Variation to the proposed Queenstown Lakes District Plan

**REPLY EVIDENCE OF RACHEL GRACE MORGAN
ON BEHALF OF QUEENSTOWN LAKES DISTRICT COUNCIL**

PLANNING: Residential Rezoning

1 October 2025



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1. INTRODUCTION

- 1.1 My full name is Rachel Grace Morgan. I hold the position of Director and Planner at Barker & Associates. My qualifications and experience are set out in my s42A Report at paragraphs 1.1 to 1.2.
- 1.2 I prepared the Section 42A Report on rezoning request for residential zones for Queenstown Lakes District Council (**QLDC** or **Council**) dated 6 June 2025 (**s42A Report**) and Rebuttal Evidence (**Rebuttal**) dated 24 July 2025 on the Urban Intensification Variation (**UIV** or **Variation**).
- 1.3 I appeared at the hearing and responded to questions from the Panel on 28 and 29 July 2025. I have been provided with reports of what has taken place at the hearing where relevant to my evidence.
- 1.1 Although this is a Council hearing, I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023 and that I agree to comply with it. I confirm that I have considered all the material facts that I am aware of that might alter or detract from the opinions that I express, and that this evidence is within my area of expertise, except where I state that I am relying on the evidence of another person.

2. SCOPE OF REPLY EVIDENCE

- 2.1 My Reply Evidence (or **EIR**) is provided in response to the following submissions or evidence presented on behalf of various submitters:
- (a) Maree Baker-Galloway / Laura McLaughlan and John Leslie Thompson on behalf of Kelvin Capital Limited (OS417);
 - (b) Representative on behalf of Friends of Bullock Creek Trust (OS450);
 - (c) Joshus Leckie and Neil Thomas on behalf of John O'Shea, Helen Russell, John Russell and Mary-Louise Stiasny (OS198); and
 - (d) Alison Devlin and Tim Williams on behalf of Willowridge Developments Limited (OS948).

2.2 My comments on the above evidence is limited to planning matters, taking into account any issues raised in the legal submissions, and technical or lay evidence presented.

2.3 Where I do not respond to a particular evidence statement, or general theme, this does not mean I have not considered the subject matter, but that I have nothing further to add and my views remain as expressed in my S42A Report.

3. KELVIN HEIGHTS

3.1 At the Hearing, legal submissions were presented by Maree Baker-Galloway / Laura McLaughlan on behalf of Kelvin Capital Limited (OS417). Written lay evidence was also provided by John Leslie Thompson on behalf of Kelvin Capital Limited. This evidence spoke to the relief sought in the submission that opposed any upzoning in Kelvin Heights, including via changes to the rules in the zone provisions.

3.2 This submission and the issues raised were addressed at a strategic level in the s42A Report of Ms Bowbyes. I provide a more detailed response on the matters raised in legal submissions and by Mr Thompson below.

3.3 First, no changes in zoning are proposed in Kelvin Heights. The zoning extents are shown in **Figure 1** below. The zoning is largely Lower Density Suburban Residential Zone (**LDSRZ**) with pockets of Medium Density Residential Zone (**MRDZ**), Local Shopping Centre Zone (**LSCZ**) and High Density Residential Zone (**HDRZ**) (over the hotel complex at the eastern end). The MDRZ land is undeveloped and there is a reasonable amount of greenfield development capacity available in the LDSRZ as shown by the size of the land parcels on the southern side of Peninsula Road.



Figure 1: Showing the mapped PDP zoning extents in Kelvin Heights, which was not varied by the UIV.

3.4 The legal submissions and Mr Thompson cite three reasons for opposing intensification via changes to the LDSRZ provisions:

- (a) Traffic congestion and lack of cycling and pedestrian facilities, and lack of commercial services and community services. The corollary being that the area has low accessibility and does not therefore justify intensification in line with Policy 5;
- (b) Lack of three waters infrastructure to service development, noting the comments from Mr Powell's evidence regarding the need for substantial upgrades in the area; and
- (c) The impact on the existing amenity and character of the Kelvin Heights area, including compromised access to sunlight, visual amenity, landscape values and views from private land.

3.5 I make the following comments on these matters:

- (a) I agree that the area has low accessibility and it has been assessed as such by Mr Wallace.¹ However, in my opinion, it does not follow that intensification beyond the PDP should not be enabled. The increase in

¹ Refer to paragraph 15.24 of Mr Wallace's EIC.

intensification in the LDSRZ results from the proposed change in the permitted density from 450m² per site to an average of 300m² per site. This does provide additional opportunities for development to occur, particularly in the undeveloped greenfield sites in Kelvin Heights. However, the scale of that opportunity is relatively modest compared with moderate and highly accessible locations in Queenstown. Importantly, the bulk and location controls of the LDSRZ remain generally the same,² which together with the topography, other site features and feasibility/demand will be more important drivers of building density and form. In the context of there being a spectrum of intensification enabled consistent with the “commensurate” test of Policy 5, in my opinion, the level of development enabled by the modest changes to the LDSRZ is commensurate with the level of accessibility in Kelvin Heights even though that accessibility is considered to be low;

- (b) Mr Powell states that upgrades to the water supply and wastewater network would be required if the remaining land is developed at Kelvin Heights. To ensure this occurs, the matters of discretion in the LDSRZ and subdivision chapter³ enable this to be comprehensively assessed. As I understand from Mr Powell, these constraints are not fundamental and can be addressed at the time of subdivision or development. For the reasons I have set out in paragraphs 4.10-4.11 of my EiC, this is a valid resource management approach and should not be a constraint on changes to the zoning provisions.
- (c) In terms of impacts on character and amenity values, as stated above, there are limited changes to the bulk and location standards of the LDSRZ proposed in the UIV. While technically greater density can be achieved, the overall form and scale and development is consistent with that enabled by the PDP. I do not therefore consider that the proposed amendments will give rise to a meaningful change in adverse effects on existing amenity and character of the Kelvin Heights area. Notwithstanding, the NPSUD does not direct that existing amenity values

2 A 1m increase in building height is proposed (see 7.5.1); building coverage remains at 40%; landscaped permeable surface remains at 30%; recession planes remain at 2.5m & 35 – 55 degrees depending on the boundary; minimum boundary setback remain at 4.5m for the road and 2m for all other boundaries, building separation remains at 4m; building length remains at 16m.

3 Refer to Rule 7.4.9(f) of the LDSRZ.

are retained, and in fact, Policy 6(b) in particular contemplates change over time.

- 3.6 I do not recommend any changes to the LDSRZ provisions in response to the submitter's presentation.

4. WĀNAKA AQUIFER

- 4.1 At the Hearing, representatives for Friends of Bullock Creek Trust (submitter 450) and John O'Shea, Helen Russell, John Russell and Mary-Louise Stiasny (submitter 198) presented evidence in support of their submissions. Those submissions concerned the appropriateness of upzoning of land to MDRZ around the Wānaka Town Centre given the high groundwater table in and around Bullock Creek.

- 4.2 First I address the matter of scope and then I address the substantive matters raised. I have addressed this issue in my EiC with my key conclusion being that effects relating to groundwater dewatering are a matter for ORC to address through its Regional Plan. Having considered the Hearing evidence, I maintain this view in this EIR and consider that the evidence presented on behalf of John O'Shea, Helen Russell, John Russell and Mary-Louise Stiasny reinforce my reasons for this. I discuss this further below.

Scope of the original submission

- 4.3 The original submission of John O'Shea, Helen Russell, John Russell and Mary-Louise Stiasny clearly focusses on the Warren Street Properties⁴ and this is reflected in paragraph 15 of the original submission. Again, in paragraph 17, the original submission states that "The Submitters are concerned that the amendments proposed by the Variation are inappropriate for the Warren Street Properties" [emphasis added]. This is reflected in almost all of the detailed relief sought, which seeks specific provisions for the Warren Street properties. The exception to this is paragraph 19(b) of the original submission which seeks to amend Rule 8.4.10 to apply additional matters of discretion in the determination of resource consent applications for residential units in rule 8.4.10. In relation to

4 Defined in the submission as Lot 2 DP 18304, Lot 1 DP 18304 and Lot 3 DP 25998.

building height, paragraph 19(c) of the submission seeks to specify a maximum of 7m for the Warren Street Properties only.

4.4 Reading this, in my opinion, the original submission does provide scope to amend the matters of discretion in 8.4.10, given that it applies generally to the MDRZ and does not specifically reference the Warren Street Properties. This would apply to the alternative relief sought by the submitter set out in paragraph 28(a) of Mr Leckie's legal submissions.⁵

4.5 However, in my opinion, the original submission does not provide scope to seek an amendment to lower the building height in the MDRZ to 7m beyond the Warren Street properties as sought in paragraph 28(b) of Mr Leckie's legal submissions. Paragraph 19(c) of the original submission makes this clear. Nor is there scope to make the amendments as sought in paragraph 28(c) and (d) of Mr Leckie's legal submissions. Paragraph 19(d) and (g) of the original submission make this clear.

What is the effect being managed?

4.6 The evidence of Mr Thomas sets out the potential effects on the "hydrogeologically sensitive area adjacent to Bullock Creek" arising from the deeper foundations typically associated with medium density development. He states that deeper foundations have the potential to lower groundwater levels and reduce flows in springs and streams. I do not dispute this broad point and accept that there may be a high groundwater table in this location and that deeper foundations do have the potential to generate adverse effects. As I have stated in my EiC, a high groundwater table is not unusual in an urban context and is typically a matter for engineering review and consideration at the concept design and resource consent stage. Napier for example is a location that has a high groundwater table across much of its urban area. I am not aware of any other district plan that uses a high groundwater table as a reason to lower building heights and densities.

4.7 In response to multiple questions from the Panel I note that Mr Thomas was unable to quantify the level of adverse effects associated with the high groundwater table in this location, other than to say that dewatering was required. I also note that

5 Dated 27 August 2025,

Mr Thomas stated that he had walked the 100m on the right bank but did not comment on whether this had occurred for the 500m on the true left bank. I am therefore concerned about the rigor applied to the assessment to the extent that it would inform a mapped overlay. Even without a technical peer-review, there does need to be confidence in the technical reporting provided. While I accept the general premise of Mr Thomas's evidence, I have concerns about the more detailed commentary used to inform the proposed mapped overlay.

Status and Role of the Regional Plan

- 4.8 Both Mr Leckie and Mr Thomas commented on the effectiveness of the Otago Regional Plan and managing the effects of dewatering. This related to both the content of the Regional Plan and the process, given it is a matter considered separately to a land use and subdivision consent under the District Plan.

- 4.9 On this first point, Mr Leckie's legal submissions state:⁶

The proposed Otago Land and Water Regional Plan (LWRP) enables dewatering rates up to 40L/s for up to 60 days as a permitted activity provided various conditions are met. As Mr Thomas explains, unlike the current operative rules, a typical dewatering activity for the construction of foundations would be unlikely to require resource consent under the proposed rules. As such, there is a risk that dewatering for the construction of buildings in the MDRZ in proximity to Bullock Creek would be a permitted activity and therefore the dewatering would not be adequately managed by Otago Regional Council.

- 4.10 First, the relevant operative plan is the Regional Plan: Water for Otago. The Otago Regional Council published a Draft Otago Land and Water Regional Plan in October 2024. This is not a proposed plan and will not be until it is publicly notified. It is unclear when this is scheduled to occur (if at all, given the Government's Plan Stop changes to the RMA).

6 At paragraph 54.

- 4.11 The legal submissions clearly highlight that Mr Leckie/Mr Thomas's issue sits squarely with the Regional Plan provisions. They are concerned that the rules are too enabling and hence are looking to address the matter through the PDP. Mr Leckie also confirmed verbally at the Hearing that the height of buildings is not the key issue, further reinforcing this. In seeking to regulate the same effects through the District Plan in a different and potentially more restrictive way than the Regional Plan, there is a risk that the PDP would be inconsistent with a Regional Plan for the purpose of s75(4).
- 4.12 Regarding matters of process both Mr Leckie and Mr Thomas stated that they wanted to avoid an "ambulance at the bottom of the cliff" situation, where land use and/or subdivision consent is granted prior to seeking consents from the Regional Council. The inference is that the Regional Council are then somehow pressured into approving any regional consents required to enable the development. While this is a constant challenge for councils with separated functions, the regional consenting process is entirely separate, and applications will be considered on their merits under the planning framework that applies. Further, I do not agree that an efficient response to this issue is to introduce a rule framework to the District Plan that effectively duplicates the regional council's functions. There are several more efficient options available to the Council to address this matter. This includes, as the Panel pointed out, clear advice notes in the PDP in appropriate places to advise plan users about Regional Plan requirements. This also includes good pre-application processes, including clear notations on the Council's website, application forms and pre-application minutes etc. These options have not been considered by the submitter.
- 4.13 Mr Leckie states that it is appropriate for a Regional and District Council to have overlapping rule making powers. In support of this he refers to *Re Otago Regional Council*⁷. In this example, I understand that it concerned earthworks rules that sat in both the regional and district plan. In my experience, it is standard practice to have earthworks rules sitting in both regional and district plans, provided that those rules relate to carrying out the relevant council's functions. While they are the same activity, they regulate different effects on the environment relating to

7 [2022] NZEnvC 101, [2022] ELHNZ 152.

that activity. For example, earthworks rules in District Plan's typically include consideration of effects on the transport network and visual amenity. Whereas earthworks rules in regional plans include consideration of potential effects on receiving waterbodies. This is quite a different proposition to that put forward by the submitter, which seeks a rule trigger to assess "impacts on the groundwater table" which directly overlap with the provisions and effects being managed by Section 12 of the Regional Plan: Water for Otago.

Planning methods available to manage those effects (s32 evaluation)

- 4.14 The legal submissions contain a brief two paragraph Section 32AA analysis. This is inadequate and does not justify the inclusion of a new rule framework across a large part of the Wānaka township. I provide a more fulsome Section 32AA analysis below. This serves to highlight where there are gaps in the analysis put forward by Mr Leckie.
- 4.15 Below is a list of the reasonably practicable options as I see them:
- (a) **Option 1:** Status quo – operative zoning and no overlay;
 - (b) **Option 2:** UIV – expanded MDRZ and increased enablement in zone rules, no overlay, and non-statutory measures (i.e. advice notes in the PDP and good pre-application processes); or
 - (c) **Option 3:** Submitter's option – MDRZ with 7m height and new overlay.
- 4.16 I assess these options in the table below.

Table 1: Reasonably practicable options - Wānaka Aquifer

Option 1: Status quo – operative PDP zoning and no overlay	Option 2: notified UIV – expanded MDRZ and increased enablement in zone rules, no overlay, and non-statutory measures (i.e. advice notes in the PDP and pre-application advice)	Option 3: Submitter’s option – MDRZ with 7m height and new overlay
Benefits		
<p>There may be a perceived benefit to existing residents who wish to maintain existing amenity values. The PDP does allow additional development to occur although not to the same scale and density as Option 2.</p> <p>Some additional development capacity is enabled.</p> <p>Developers would be alerted early to the presence of high groundwater table (through non-statutory means e.g. pre-application meetings and advice notes in the PDP).</p>	<p>By increasing heights and densities, greater housing choices may be delivered if they are taken up by the market. The demand and capacity analysis undertaken by Ms Fairgray suggests that greater housing choices are likely to be delivered over time under the UIV.</p> <p>The location is close to the Wānaka Town Centre and the amenities and services it provides meaning that additional development would reduce the burden on future infrastructure, albeit some upgrades will be required.</p> <p>Developers would be alerted early to the presence of high groundwater table (through non-statutory means e.g. pre-application meetings and advice notes in the PDP).</p>	<p>There may be a perceived benefit to existing residents who wish to maintain existing amenity values. The PDP does allow additional development to occur although not to the same scale and density as Option 2.</p> <p>Some additional development capacity is enabled.</p> <p>Developers would be alerted early to the presence of high groundwater table via consenting requirements of a mapped overlay.</p>

Option 1: Status quo – operative PDP zoning and no overlay	Option 2: notified UIV – expanded MDRZ and increased enablement in zone rules, no overlay, and non-statutory measures (i.e. advice notes in the PDP and pre-application advice)	Option 3: Submitter’s option – MDRZ with 7m height and new overlay
Costs		
<p>Opportunity cost of reduced development capacity in an otherwise accessible and serviced location, and reduced ability to deliver a range of housing choices.</p>	<p>Potential to adversely affect existing amenity values in terms of sunlight access, visual amenity and privacy, depending on how and when development capacity is taken up.</p>	<p>There would likely be significant additional costs on developers with this option. They would need to engage technical experts to inform consenting processes under the PDP to assess effects on the aquifer. This cost would need to be paid again at the regional plan stage if a resource consent is required. There are also the costs associated with managing potentially different outcomes sought by the PDP and the Regional Plan. This is likely if the rules are different and the experts engaged by the councils are different. This is highly inefficient.</p> <p>Opportunity cost of reduced development capacity in an otherwise accessible and serviced location, and reduced ability to deliver a range of housing choices. The submitter has not quantified the extent of this lost opportunity and whether this would have Policy 2 implications. They have also not provided clear evidence that</p>

Option 1: Status quo – operative PDP zoning and no overlay	Option 2: notified UIV – expanded MDRZ and increased enablement in zone rules, no overlay, and non-statutory measures (i.e. advice notes in the PDP and pre-application advice)	Option 3: Submitter’s option – MDRZ with 7m height and new overlay
		a reduction in height is actually necessary to manage potential effects on the Aquifer.
Efficiency & effectiveness		
<p>This option efficiently and effectively achieves Strategic Objective 3.2.4.1 given that effects on groundwater would be considered, albeit under a different plan. The fact the matter is considered by a different plan does not make the option less effective.</p> <p>This option would not enable medium density development close to employment centres, which encourage travel via non-vehicular modes and would therefore not achieve Objective 8.2.1.</p>	<p>This option efficiently and effectively achieves Strategic Objective 3.2.4.1 given that effects on groundwater would be considered, albeit under a different plan. The fact the matter is considered by a different plan does not make the option less effective.</p> <p>The enablement of medium density close to the Wanaka Town Centre means that this option would efficiently and effectively achieve Objective 8.2.1. For the same reason this option would efficiently utilise existing infrastructure in Wanaka and therefore achieves Objective 8.2.5.</p>	<p>This option effectively achieves Strategic Objective 3.2.4.1 as it would require effects on groundwater to be assessed, however, it would not do so efficiently, given that this matter is already regulated by the regional plan and would incur the additional costs I have outlined above.</p> <p>This option would not enable medium density development close to employment centres, which encourage travel via non-vehicular modes and would therefore not achieve Objective 8.2.1. There is also no clear evidential link between limiting building height to 7m and maintaining and enhancing the ecological values of the Wānaka Aquifer.</p> <p><i>Note: the policies referenced in Mr Leckie’s assessment are not relevant to the assessment</i></p>

Option 1: Status quo – operative PDP zoning and no overlay	Option 2: notified UIV – expanded MDRZ and increased enablement in zone rules, no overlay, and non-statutory measures (i.e. advice notes in the PDP and pre-application advice)	Option 3: Submitter’s option – MDRZ with 7m height and new overlay
		<i>under s32(1)(b) which requires an evaluation of whether the objectives (not policies) are achieved.</i>
Risks of acting / not acting		
Not applicable. There is sufficient information available to make a decision on this matter.	Not applicable. There is sufficient information available to make a decision on this matter.	Not applicable. There is sufficient information available to make a decision on this matter.

5. THREE PARKS

- 5.1 I have listened to the Hearing presentation of Alison Devlin of Willowridge Developments Limited and have reviewed the summary statement of Tim Williams on behalf of the submitter. Alongside my recommendations on changes to zoning in Three Parks, I maintain my recommendation to amend the activity status of subdivision complying with the Three Parks Structure Plan in 27.7.1 and 27.7.15 of the PDP from controlled to restricted discretionary. In addressing this, Mr Williams references some of the matters of control and the standards that limit the number of rear sites created. I agree that these matters are relevant, however, it does not address the crux of my concern, which is the effectiveness of assessing qualitative design matters and achieving the design-based objectives through a controlled activity consent, which cannot be declined.
- 5.2 This is a particular concern in Three Parks (as opposed to the urban area generally) because the parent lot is large and subdivision activities, as a precursor to land use, would significantly influence the form and design outcomes for the area. For these reasons, I maintain my recommendation in paragraph 4.5 of my Rebuttal Evidence.



Rachel Morgan

1 October 2025