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 AMY BOWBYES ON BEHALF OF QUEENSTOWN LAKES DISTRICT COUNCIL

PLANNING: Strategic | Arrowtown | Definitions | LDSRZ

1 October 2025



TABLE OF CONTENTS

1.	INTRODUCTION	1
	SCOPE OF REPLY EVIDENCE	
	EXECUTIVE SUMMARY	
	MATTERS RELEVANT TO S42A REPORT ON STRATEGIC EVIDENCE	
	MATTERS RELEVANT TO S42A REPORT ON ARROWTOWN	
	MATTERS RELEVANT TO S42A REPORT ON CHAPTER 2 - DEFINITIONS	
1.	MATTERS RELEVANT TO S42A REPORT ON CHAPTER 7 – LDSRZ	2C

1. INTRODUCTION

- 1.1 My full name is Amy Narlee Bowbyes. I am employed at Queenstown Lakes District Council (Council or QLDC) as Principal Planner Resource Management Policy. My qualifications and experience are set out in my s42A Report on Strategic Evidence at paragraphs 1.1 to 1.4.
- 1.2 I prepared the Section 42A Reports on Strategic Evidence, Arrowtown, and the text of Chapters 2, 4 and 7 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 on behalf of the Council and responded to questions from the Panel on 28 and 29 July 2025. I watched the hearing when most submitters relevant to this evidence presented their submissions and 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. The Council, as my employer, has authorised me to give this evidence on its behalf.

2. SCOPE OF REPLY EVIDENCE

- 2.1 My Reply Evidence is provided in response to the following matters raised at the hearing and additional information provided on behalf of various submitters:
 - (a) Ms Charlotte Clouston for MacFarlane Investments Limited & JL
 Thompson (MIL) (OS767), Carter Queenstown 2015 Limited (Carter
 Group) (OS776) and Centuria Property Holdco Limited (Centuria) (OS743)

- has provided two memoranda outlining potential options for how the PC50 land could be included in the UIV;
- (b) Mr Ben Farrell for Well Smart (OS1168) has provided a memorandum that includes suggested amendments to rules related to managing construction noise;
- (c) Regarding Arrowtown, further analysis of alternative options;
- (d) Ms Charlotte Clouston has filed late evidence for Bush Creek Investments
 Limited (BCIL) (OS777, FS1342) seeking that the Bush Creek industrial
 area at Arrowtown be rezoned from PDP General Industrial and Service
 Zone to PDP Business Mixed Use Zone;
- (e) Regarding the s42A recommended definition of *Outlook Space*, analysis of how the recommended definition supports the outcome of ensuring adequate outlook from the main living area; and
- (f) Regarding notified Rule 7.4.9 consideration of whether the notified matter of discretion on "capacity of existing or planned infrastructure/servicing" is intended to be on three waters infrastructure only.

2.2 The following is attached to my evidence:

- (a) Appendix A: Reply Recommended Provisions. This is the "Reply Version" of the UIV provisions, as recommended in Council's reply;
- (b) Appendix B: Reply Recommended Decisions on Submissions. This is the "Reply Version" of the recommendations for accepting or declining submissions, as recommended in Council's reply; and
- (c) Appendix C: Reply Recommended Maps. This is the "Reply Version" of the UIV maps, as recommended in Council's reply.

3. EXECUTIVE SUMMARY

3.1 Material issues raised in evidence by submitters and in questions from the Panel to submitters and their experts are:

s42A on Strategic Evidence:

- (a) Ms Clouston's position that the 'PC50' land be included in the UIV; and
- (b) Mr Farrell's recommended amendments to PDP provisions on construction noise.

s42A on Arrowtown:

- (c) In response to questions from the Panel, consideration of alternative options for providing for additional capacity in Arrowtown; and
- (d) Ms Clouston's evidence for Bush Creek Investments Limited (BCIL), which seeks that the Bush Creek Industrial area be rezoned from PDP General Industrial and Service Zone (GISZ) to PDP Business Mixed Use Zone (BMUZ).

s42A on Chapters 2, 4 and 7:

- (e) In response to a question from the Panel, consideration of whether the s42A recommended version of the definition of *Outlook Space*, is appropriate to support the outcome of ensuring adequate outlook from the main living area; and
- (f) In response to a question from the Panel, consideration of whether the notified matters of discretion on "capacity of existing or planned infrastructure/servicing" are intended to be on three waters infrastructure only.
- In this reply, the only further change I recommend to the UIV provisions is the following change:
 - (a) that matter of discretion (g) in notified Rule 7.4.9 be amended as follows (reply version amendments shown in green font):

f. capacity of existing or planned infrastructure/servicing for potable water, stormwater and wastewater services;

4. MATTERS RELEVANT TO S42A REPORT ON STRATEGIC EVIDENCE

ODP PC50 Land

- 4.1 Ms Clouston appeared at the hearing on 1 August 2025 and 8 August 2025 for MacFarlane Investments Limited & JL Thompson (MIL) (OS767), Carter Queenstown 2015 Limited (Carter Group) (OS776) and Centuria Property Holdco Limited (Centuria) (OS743) outlining her view that PC50 land should be included in the UIV. Ms Clouston provided a memorandum¹ and a subsequent supplementary memorandum² which responded to questions from the Panel regarding the PC50 land.
- 4.2 The questions put to Ms Clouston by the Panel, as outlined at paragraphs 9.1, 9.2 and 10 of Ms Clouston's memorandum dated 1 September 2025 (and addressed by Ms Clouston in that memorandum), were the following:
 - (a) Whether there is any plan-administration risk of applying UIV provisions to PC50 land (either all the PC50 land or alternatively the 'L-shaped block);
 - (b) Whether there are any issues, including in terms of scope, in simply including some or all of the PC50 land in the PDP completely so that both the UIV provisions would apply, but also the remainder of the PDP provisions, and ODP provisions cease to apply; and
 - (c) An assessment of any unintended consequences of making such changes.
- 4.3 I have considered Ms Clouston's response to these questions, and in my view,
 Ms Clouston has failed to consider the following:
 - (a) the UIV is a variation to the PDP, not a plan change to the ODP;
 - (b) the UIV it is not a full review of all provisions that apply to the notified PDP land; and
 - (c) applying the UIV to the PC50 land, and in doing so bringing the PC50 land into the PDP, would require a significant amount of planning evaluation. That would include:

4

¹ Memorandum of Charlotte Clouston, Carter Queenstown 2015 Limited (**Carter Group**) (OS776) and Centuria Property Holdco Limited (**Centuria**) (OS743), 22 August 2025.

Memorandum of Charlotte Clouston (for MacFarlane Investments Limited & JL Thompson (MIL) (767), 1 Septembers 2025.

- a full evaluation including under section 32 and an assessment of alternatives, of what provisions are the most appropriate to achieve the PDP Strategic Chapter objectives and policies;
- (ii) assuming the PC50 land would become subject to the Queenstown Town Centre Zone (which is only an assumption for the purposes of responding to Ms Clouston's evidence given the assessment has not been undertaken), an assessment of the appropriateness of applying all PDP district wide chapters as set out in Part 5 of the PDP to the PC50 land. Those district wide chapters include: Earthworks, Historic Heritage, Subdivision and Development, Natural Hazards, Transport, Energy and Utilities, Signs, Protected Trees, Indigenous Vegetation Biodiversity, Temporary Activities and Relocated Buildings, Noise and Wāhi Tūpuna.³ This assessment has not been undertaken. It is not a matter of simply saying they apply - for example in many of these chapters, there may be a need for 'site specific' provisions for the PC50 land, to ensure their appropriateness. The full assessment of all ODP provisions that currently apply to the PC50 land, and the appropriateness of the zone and district wide provisions are significantly outside the ambit of the objectives of the UIV and are not within scope of the UIV.
- **4.4** This suggestion from Ms Clouston will also be addressed in counsel's reply submissions from a legal perspective.
- 4.5 A potential hybrid approach is discussed in paragraphs 18 27 of Ms Clouston's memorandum, which would result in selected Queenstown Town Centre objectives, policies and rules from the PDP applying to the PC50 land, along with the current ODP provisions that currently apply. At paragraph 24 of her memorandum, Ms Clouston states that a hybrid approach would... "...add a layer of uncertainty to plan administration, in that plan users have two sets of town centre zone provisions to reference." I agree with Ms Clouston on this point. In my

For example, whether Wāhi Tūpuna overlays need to be notified for the PC50 land would need evaluation (and consultation) with mana whenua.

view this is not an appropriate option and am advised by legal counsel that there is no legal mandate for this to occur under the RMA.

- 4.6 Council is currently reviewing all ODP provisions that apply to the PC50 land with the intention to notify a separate plan change to the ODP, that will consist of a full review of all ODP provisions that currently apply to that land. The work underway by Council includes engagement with key landowners, which I understand includes Ms Clouston's clients. Council is investigating the option of applying for a discretionary exemption to Government's "plan stop" policy to proceed with the PC50 plan change and, as an alternative pathway has the option of progressing the PC50 plan change using the Streamlined Planning Process. Private Plan Changes also remain an option under "plan stop".
- land is not within scope of the UIV and consider a significant amount of evaluation needs to take place (and be tested). Despite this view, I have considered the alternative options discussed during the course of the hearing for reviewing the PC50 land via the UIV. In my view the alternative options are less appropriate than the option of undertaking a full review of the entire PC50 land via a plan change to the ODP.

Construction Noise

- 4.8 Following his appearance at the hearing for Well Smart (OS1168) Mr Farrell filed a statement⁴ that seeks that PDP Rule 36.5.13 Construction Noise be amended so it does not apply to the construction of buildings and associated earthworks that are provided for in the PDP as a controlled or restricted discretionary activity consent.
- 4.9 In conjunction with the amendment to PDP Rule 36.5.13, Mr Farrell seeks that a matter of discretion for "management of noise construction effects" be added to the following rules:
 - (a) Rule 9.4.5 in relation to residential buildings in the High Density Residential Zone (**HDRZ**);
 - (b) Rule 9.4.6 in relation to visitor accommodation buildings in the HDRZ;

⁴ Memorandum of Ben Farrell - Updated relief sought by Well Smart (submitter 1168), 27 August 2025.

- (c) Rule 12.4.7 in relation to buildings in the Queenstown Town Centre Zone (QTCZ); and
- (d) Rule 25.7.1 in relation to earthworks.
- 4.10 At paragraphs 7 and 8 of Mr Farrell's memorandum, he states that..."...there is no need for developments that 'already' require resource consent to also be subject to the construction noise standards in Rule 36.5.13, especially where the development is provided for as a controlled or restricted discretionary activity. For these activities, construction noise can be managed through resource consent conditions, with consideration of the appropriate construction noise impacts as a matter of control or discretion."
- 4.11 In my view, the changes sought by Mr Farrell are not within scope of the UIV, which implements Policy 5 of the NPS-UD through changes to heights and densities of urban form.
- by Mr Farrell, I note that the management of construction noise effects is subject to an existing district-wide planning framework (which includes associated objectives and policies) in PDP Chapter 36. The amendments sought by Mr Farrell to PDP Rule 36.5.13 do not specify the HDRZ and QTCZ and therefore would not be limited to exempting those zones only. The provisions recommended by Mr Farrell would result in a significant gap in the provisions, which is a less appropriate option and may have significant unforeseen consequences.
- 4.13 Furthermore, PDP Rule 36.5.13 provides specific parameters for compliant construction noise as a permitted activity. The amendments recommended by Mr Farrell to the provisions listed at paragraph 4.9 above, would require consideration of all construction noise, irrespective of whether it is within the limits prescribed by PDP Rule 36.5.13. Mr Farrell's amendments are less effective and efficient than the status quo, and would in some instances result in construction noise that is currently permitted, requiring consent.
- **4.14** I recommended that the relief sought be rejected on this basis.

5. MATTERS RELEVANT TO \$42A REPORT ON ARROWTOWN

- As set out in Council's reply legal submissions, the Council's approach (through the s42A and at the hearing) in Arrowtown has only promoted intensification insofar as it will protect Arrowtown's historic heritage and maintain and enhance its amenity values. It has meant that no intensification has been promoted in the 'old town' (historic heritage area), and a reduced amount of intensification has been promoted in the 'new town' LDSRZ and MDRZ (amenity areas). This approach has been guided by the qualifying matters that apply to Tier 1 authorities and is intended to give effect to the requirements of both the NPS-UD and the RMA.
- As discussed in my s42A Report on Arrowtown, in my view the existing PDP policy framework for Arrowtown, which includes specific recognition of Arrowtown's character, sets it apart from other parts of the urban environment.
- I note that Hearing Panel Minute 6 includes a question on Arrowtown (Question 4(i)). Council's response to this question is included Appendix A in Council's reply legal submissions. The sections below provide an analysis of alternative options and may also assist with the Panel's consideration of the matters contemplated in Question 4(i).

Alternative options to the notified and s42A recommended provisions for Arrowtown

- 5.4 During the hearing the Panel was interested in understanding alternative options for the provisions that would apply to the LDSRZ and MDRZ at Arrowtown. Whilst no planners appeared or provided evidence for Arrowtown submitters, to assist the Panel, in the following paragraphs I discuss alternative options (including commenting on whether they are appropriate or not). These alternative options are:
 - (a) Option 1: Extend Arrowtown's urban environment;
 - (b) Option 2: Retain the current PDP LDSRZ and MDRZ provisions for Arrowtown and apply the ADG to activities that are currently permitted;

- (c) Option 3: Apply the <u>s42A recommended</u> provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings; and
- (d) Option 4: Apply the <u>notified</u> provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings.
- As set out at paragraph 5.18 below, I remain of the view that the provisions recommended in my s42A on Arrowtown are the most appropriate option and are superior to all four of these options.

Option 1: Extend Arrowtown's urban environment

- Whilst Policy 5 of the NPS-UD applies to tier 2 and 3 urban environments, which does not include rural land, there may be future opportunities to extend Arrowtown's urban environment which would require that the Urban Growth Boundary (UGB) be moved subject to specific consideration of the policies set out in Chapter 4 of the PDP that relate to urban growth boundaries (and the Arrowtown UGB in particular), and then upzoning adjoining or nearby rural land to urban zones. The UIV has not assessed this option, as the focus of the UIV (and therefore its scope at notification) is the parts of the current urban environment that are currently regulated by the PDP (as opposed to the ODP).
- 5.7 The QLD Spatial Plan 2021, which is the Council's current strategic blueprint for growth, does not identify any land located in the Arrowtown area for future urban expansion. The future review of the ODP Arrowtown South Special Zone may provide opportunities for additional housing, however an assessment of appropriate heights and density is yet to be undertaken for this zone, and the plan change for that ODP land will need to give effect to the NPS-UD at that time.
- I maintain my position that the option of extending Arrowtown's existing urban environment (and therefore the UGB) is not within scope of the UIV, nor is it within the ambit of Policy 5 of the NPS-UD which applies to the urban environment. In my view a separate variation or plan change would be necessary to enable increased heights and density of built form on land that is located outside the urban environment.

Option 2: Retain the current PDP LDSRZ and MDRZ provisions for Arrowtown and apply the ADG to activities that are currently permitted

- One option put forward by submitters⁵ during the hearing is to reject the notified variation as it relates to Arrowtown, thereby retaining the current PDP provisions, and amend the current application of the Arrowtown Design Guideline 2016 (ADG) to all development in the LDSRZ and MDRZ, including those that are currently permitted in the PDP.
- 5.10 As outlined in paragraphs 5.11 to 5.15 of my Rebuttal (in response to the relief sought in the lay evidence provided by Mr Wright⁶), in my view this option is not within scope of Mr Wright's original submission. Further, this option would result in increased consent requirements compared to the status quo, with no additional height or density of urban form, and therefore would result in additional barriers to development than the status quo. This outcome would not achieve any objectives of the UIV.
- 5.11 The ADG describes the character of Arrowtown, including by providing examples of building design elements that contribute to the character. The ADG does not (and cannot in its current form) operate as a 'standard' applied to development. In my view, applying the ADG as a 'standard' that applies to all development is not how the ADG has been drafted to be applied, and is a less appropriate option than the s42A recommended provisions.
 - Option 3: Apply the <u>s42A recommended</u> provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings (including permitted activities)
- This option was discussed by the Panel on several occasions during the first day of the hearing in Arrowtown. This option would apply the s42A recommended provisions, which would result in some increase in heights and density of urban form, but to a lesser degree than the notified proposal for Arrowtown. In addition to the s42A recommended provisions, this option would apply the ADG to all buildings, including those that are currently permitted in the PDP.

⁵ Including J Wright OS747.

⁶ Evidence of J Wright, 8 July 2025.

5.13 The costs and benefits of this option are as follows:

Costs

- (a) This option does not target consideration of the ADG on the increases to heights and densities enabled by the s42A recommended provisions, and rather it would apply a blanket requirement for all buildings to require resource consent to achieve consistency with Arrowtown's character, as described in the ADG. The ADG describes the character of Arrowtown, including by providing examples of building design elements that contribute to the character; however it does not operate as a 'standard' that can be applied to development in a manner that is measurable and certain;
- (b) Increased compliance costs and less certainty compared to the status quo
 due to activities that are currently permitted requiring resource consent;
- (c) Matters in the ADG that are not currently subject to PDP requirements but are included in the ADG as contributing to Arrowtown's character (including established vegetation, swales, informal footpaths and informal street parking), would remain unregulated by the PDP as they are not matters regulated by the district plan. The ADG would therefore still have limited regulatory influence on achieving consistency with the overall character within the LDSRZ and MDRZ; and
- (d) This option may result in unusual design outcomes in instances when an addition is proposed to an existing building that has not been designed in accordance with the character described in the ADG.

Benefits

- (e) Requiring all buildings in the LDSRZ and MDRZ to be assessed against the ADG would assist with achieving buildings that are consistent with the character, as described in the ADG; and
- (f) Would assist with implementing PDP Objectives 7.2.4 and 8.2.4, and Policies 7.2.4.1 and 8.2.4.1, which seek to ensure that residential development in the LDSRZ and MDRZ at Arrowtown is compatible with Arrowtown's existing character.

- 5.14 In my view this option is less appropriate than the s42A recommended provisions for Arrowtown for the following reasons:
 - (a) It would result in consent requirements on activities that are currently permitted which would be more onerous than the status quo;
 - (b) It would not implement Policy 4 of the NPS-UD, which enables modifications to the relevant building height or density requirements only to the extent necessary to accommodate a qualifying matter. In my view, including a requirement to apply the ADG to development that is currently enabled by the PDP as a permitted activity would not meet the 'extent necessary' test in Policy 4 because the current PDP provisions anticipate departures from the ADG. Applying the ADG to development that is currently permitted by the PDP is not necessary to implement Policy 5 of the NPS-UD; and
 - (c) Objective 4 of the NPS-UD seeks that urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations. The current approach in the PDP which comprises targeted application of the ADG (i.e. by only applying the ADG in specific matters of discretion), in my view responds to this Objective by enabling flexibility for a range of design outcomes in the LDSRZ and MDRZ, and thereby enabling incremental changes in Arrowtown's character. In my view, applying the ADG to all development in the LDSRZ and MDRZ at Arrowtown would be less effective in achieving Objective 4; and
 - (d) Policy 1 of the NPS-UD requires that planning decisions contribute to well-functioning urban environments that have a variety of homes that meet the needs, in terms of type, price, and location of different households. In my view, compared to the s42A recommended provisions, this option is a less effective and efficient method to implement Policy 1, as the additional resource consent requirement on activities that are currently permitted would add to the cost of development, and would decrease the flexibility of the provisions that enable a variety of design outcomes and subsequent housing 'types'; and
 - (e) Regarding PDP Objectives 7.2.4 and 8.2.4, and Policies 7.2.4.1 and 8.2.4.1, which seek to ensure that development is compatible with existing

character, in my view the s42A recommended provisions would still implement this policy, with provision for permitted development within the permitted activity parameters. Whilst the ADG provides a detailed description of the contributors to Arrowtown's character, many of the matters listed in the ADG are not regulated by the district plan. The ADG therefore currently has limited regulatory influence. In my view, enabling some development in the LDSRZ as a permitted activity, as recommended in the s42A recommended provisions, appropriately balances the influence of the ADG.

Option 4: Apply the <u>notified</u> provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings

- 5.15 This option would apply the notified UIV provisions for Arrowtown and additionally would apply the ADG to all buildings in the LDSRZ and MDRZ at Arrowtown, including those that are currently permitted in the PDP.
- 5.16 The costs and benefits of this option are as follows:
 Costs
 - (a) Same costs as for Option 3 above;
 - (b) This option would not address the impact of three storey development on Arrowtown's character and would create a significant disconnect between the building height enabled in the MDRZ and the character described in the current ADG;
 - (c) The ADG describes the character of Arrowtown, including by providing examples of building design elements that contribute to the character; however, it does not operate as a 'standard' that can be applied to development in a manner that is measurable and certain;
 - (d) Restricted Discretionary activity status, with consideration of the ADG as a matter of discretion, is still a relatively enabling activity status for anticipated development. A stronger activity status, such as Discretionary, may be more effective for influencing design outcomes that adversely affect Arrowtown's character as described in the ADG. However, Discretionary activity status is a less certain consent pathway and is a more onerous consent process as it enables a full range of

matters to be considered. Additionally, pursuant to clause 3.4(2) of the NPS-UD, only permitted, controlled or restricted discretionary activities are considered to be 'plan-enabled'. Discretionary activity status is therefore a less effective method for enabling additional plan-enabled capacity.

Benefits

- (a) Under this option, if Restricted Discretionary activity status was used to enable consideration of the ADG, more plan-enabled capacity than the s42A recommended provisions would be enabled, particularly in the MDRZ which is located closer to Arrowtown town centre and is more accessible than the LDSRZ;
- (b) More development opportunity for attached housing, compared to the s42A recommended provisions and the status quo provisions, thereby increasing the variety of homes enabled in Arrowtown.
- 5.17 In my view this option is less appropriate than the s42A recommended provisions for Arrowtown for the reasons outlined above in paragraph 5.14.
- 5.18 In summary, I remain of the view that the provisions recommended in my s42A Report on Arrowtown are the most appropriate option and are superior to the options outlined above.

Bush Creek Rezoning

- Ms Clouston appeared at the hearing for Bush Creek Investments Limited (BCIL) (OS777, FS1342) on 25 August 2025 and spoke to her late statement of planning evidence dated 22 August 2025.⁷
- 5.20 Ms Clouston's evidence seeks that the BCIL land, described as 11-31 Bush Creek Road (Lots 1 & 2 DP 18134), is rezoned from PDP General Industrial and Service Zone (GISZ) to PDP Business Mixed Use Zone (BMUZ).

14

⁷ Statement of evidence of Charlotte Clouston for Bush Creek Investments Limited (OS777, FS1342), 22 August 2025.

- 5.21 At paragraph 15 of her evidence, Ms Clouston summarises the relief sought in the original submission (OS777), which seeks that the BCIL land be rezoned to PDP MDRZ. As outlined at paragraph 26 of her evidence, in Ms Clouston's view the BMUZ is within scope of the original submission as 'alternative relief' that gives effect to matters raised in the original submission.
- 5.22 In my view, there is a question of whether BCIL's relief seeking BMUZ rezoning is within scope of BCIL's original submission. Additionally, the Council did not notify any changes to existing GISZ land, and therefore there is a question of whether this rezoning is an outcome available through this UIV process. These matters of scope are addressed further in the Council's Reply Legal Submissions.
- 5.23 I note that BCIL did not participate in evidence exchange, and the evidence provided by Ms Clouston has been submitted during the hearing. Legal submissions by Ms Appleyard for BCIL (22 August 2025) sought leave for Ms Clouston's evidence to be filed late. The BCIL submission is briefly addressed at paragraph 9.1 9.2 of my s42A evidence on Arrowtown, which was issued prior to the evidence now provided by Ms Clouston.
- Despite Council's position on scope, I have considered the evidence provided by Ms Clouston for BCIL. In my view Ms Clouston's evidence fails to address several important matters relevant to the BCIL site.
- Industrial capacity and the use of industrial land for non-industrial activities

 No assessment has been provided by the submitter regarding the impact on industrial development capacity. The economic assessment undertaken by Market Economics⁸ appended to the s32 Report (ME Report) did not assess industrial land, as no industrial-zoned land was included in the notified UIV.
- 5.26 The updated QLD Housing & Business Development Capacity Assessment is currently being finalised and indicates that there is a shortage of industrial land in the Whakatipu Ward, which will become particularly acute in the long term. That update is not available at the time of finalising this reply evidence.

^{8 &}lt;u>https://www.qldc.govt.nz/media/bkpdnvaa/appendix-5-economic-modelling-and-report-me.pdf</u>

- 5.27 The current QLD Business Development Capacity Assessment (2017) (BDCA) found that industrial capacity in the Whakatipu ward is not expected to be sufficient to accommodate long-term growth and found that (at the time the BDCA was prepared in 2017) the remaining capacity would be exhausted shortly after 2026.
- Further economic analysis on industrial capacity was undertaken in Stage 3 of the district plan review, when the PDP GISZ was created, which included rezoning the Bush Creek industrial land from ODP Industrial A Zone to PDP GISZ. The s32 Report for the GISZ was informed by an Economic Assessment of Queenstown Lakes District's Industrial Zones (May 2019) prepared by M.E Consulting. In summary, the report found that the District's industrial economy was growing rapidly, with growth expected to continue, however the industrial economy's share of business in the district's industrial zones has been declining over time. The report recommended changes to the planning framework for industrial land to provide for a narrower range of activities in the zone (compared to the ODP Industrial A Zone) to provide greater protection for industrial activities that have a functional need to be in industrial zones. These recommendations informed the PDP GISZ and are a key distinction between the GISZ and the ODP Industrial A Zone that applied to the Bush Creek area prior to decisions on the GISZ in 2021.

GISZ - BCIL Rezoning Submission and Appeal

- The Council decision on the GISZ was notified on 1 April 2021 and adopted all recommendations in the relevant IHP Report. Section 5.3 of the IHP Report addressed a rezoning request by BCIL on the BCIL land and the surrounding Bush Creek industrial area that sought the BMUZ. The IHP Report recommended that the rezoning request be rejected for the following key reasons:
 - (a) rezoning the land to BMUZ would create the potential for it to become mostly or fully occupied by medium to high density residential development, or commercial activities that would be better suited within Arrowtown Town Centre;

^{9 &}lt;u>https://www.qldc.govt.nz/media/b2admy0j/pdp-s32-general-industrial-zone-appendix-1-economic-assesment-of-queenstown-lakes-district-council-2019.pdf.</u>

¹⁰ https://www.qldc.govt.nz/media/nvanqzlv/qldc-stage-3-report-20-3-gisz-with-appendix-2.pdf

¹¹ Ibid, paragraph 267.

- (b) the loss of this area of industrial and service-based employment land would be both problematic and inappropriate; and
- (c) given the importance of employment land outside the higher-value and constrained Arrowtown Town Centre, protecting this as a resource is a valid resource management priority in terms of Chapter 3 of the PDP.
- 5.30 The IHP did, however recommend that the notified GISZ provisions be modified to place more emphasis on service activities and existing lawfully established non-industrial activities than the notified GISZ. As this amendment expanded the breadth of activities anticipated in the GISZ, it addressed the relief sought by BCIL in part.
- 5.31 In May 2021 BCIL then appealed¹² the Bush Creek zoning decision and sought that the land be rezoned BMUZ or an amended GISZ/BMUZ with provision for more mixed-use commercial and residential activities. The Council opposed the appeal in its entirety. The appeal was withdrawn in April 2024, prior to a timetable being put in place to take the appeal to a hearing.

Whether Bush Creek is a 'mixed-use neighbourhood'

- 5.32 At paragraph 61.2 of her evidence for BCIL, Ms Clouston describes the existing Bush Creek area as a 'mixed-use neighbourhood' and states that the rezoning of the BCIL land to BMUZ would better reflect this and enable better integration of built form. I disagree.
- 5.33 The established activities on the submitter's sites at 11-31 Bush Creek Road are clearly industrial. The wider Bush Creek area comprises existing activities that are predominantly a mixture of heavy and light industrial activities, with non-industrial activities being a lesser component.
- The PDP GISZ has been applied to the Bush Creek area relatively recently in April 2021. One of the key changes when the GISZ provisions were formulated, was a shift to prohibit residential activities from establishing in the zone (PDP GISZ Rule 18A.4.19).

^{12 &}lt;a href="https://www.qldc.govt.nz/media/ekyprlw4/notice-of-appeal-by-bush-creek-limited.pdf">https://www.qldc.govt.nz/media/ekyprlw4/notice-of-appeal-by-bush-creek-limited.pdf.

- 5.35 As discussed at paragraph 5.28 above, prior to being zoned GISZ, the land was zoned ODP Industrial A Zone. Pursuant to ODP Site Standard 11.3.5.1i Residential Accommodation, one residential unit per site for the purposes of on-site custodial management was enabled as a permitted activity.
- 5.36 The existing residential development in the Bush Creek industrial area was therefore established prior to the current GISZ, which prohibits residential activities, and does not anticipate a "mixed use neighbourhood". Whilst caretaker accommodation has been established prior to the current PDP GISZ, this accommodation predominantly comprises small above-ground-floor units that are ancillary to the main use of the sites, consistent with the residential activities previously enabled under the ODP Industrial A Zone.
- 5.37 A desktop review and site visits to the Bush Creek GISZ were undertaken between 12-16 September 2025, and the following businesses currently operate on Bush Creek Road:

Address	Business Name	Туре
43 Manse Road	Queenstown Self Storage	Storage
7 Bush Creek Road	Bush Creek Automotive	Mechanic
7 Bush Creek Road	Fergbutcher	Retail
4/9 Bush Creek Road	Mech Lab	Bicycle repair shop
Unit 7-9/9 Bush Creek Road	Arrowtown Engineering	Metal workshop with in-house manufacturing
9 Bush Creek Road	ABH Outlet Store	Retail (used bicycle shop)
Unit 2/9 Bush Creek Road	A J Saville Builder Limited	Building/Construction
13 Bush Creek Road	Central Otago Machinery Services	Sandblasting
23 Bush Creek Road	Base Contracting	Workshop/yard
13 Bush Creek Road	Southern Landmarx	Landscape designer
10 Bush Creek Road	Arrow Trailer Hire	Trailer rental service

4 Bush Creek Road	Arrowtown Trade Services	Trade
4 Bush Creek Road	Horsempire	Saddlery
49 Manse Road	David John Gallery	Art Gallery
Unit 1/9 Bush Creek Road	Gibbston Valley Cheese	Cheesery
5/9 Bush Creek Road	Heatpumps on Q	Trade
7 Bush Creek Road	Queenstown Plumbing and Gas	Trade

5.38 The above businesses are predominantly industrial and service activities, consistent with the types of business activity anticipated by the GISZ. In summary, in my view the Bush Creek area is not a 'mixed use area'.

Reverse sensitivity effects

- 5.39 No assessment has been provided by Ms Clouston regarding how reverse sensitivity effects arising from conflict between effects from established industrial activities on new residential activities enabled by the BMUZ would be managed.
- In conclusion, I stand by my position at paragraph 9.2 of my s42A Report on Arrowtown, that the relief sought be rejected as it is not within scope of the UIV. If the Panel is of the view that it is in within scope of the UIV and within scope of BCIL's original submission, in my view the current GISZ is a more appropriate zone for the Bush Creek area than either the MDRZ or BMUZ.
- **5.41** I recommended that the relief sought by BCIL be rejected on this basis.

6. MATTERS RELEVANT TO S42A REPORT ON CHAPTER 2 - DEFINITIONS

During my appearance at the hearing, the Panel asked that I consider whether the s42A recommended version of the definition of *Outlook Space*, is appropriate to ensure adequate outlook from the main living area (which is the outcome sought by the various provisions that use the term *Outlook Space*) is achieved. I undertook to respond to this question in my statement of reply.

- 6.2 Criteria a) of the s42A recommended definition of *Outlook Space* addresses scenarios when there is more than one window or glass door in a room and directs that outlook space be measured from the largest window or glass door. In my view, this addresses this scenario.
- 6.3 I therefore do not recommend any changes to the s42A recommended version of the definition of *Outlook Space*.

7. MATTERS RELEVANT TO S42A REPORT ON CHAPTER 7 – LDSRZ

Matters of Discretion on Infrastructure Capacity/Servicing

- 7.1 During the hearing, the Panel asked Council witnesses if the notified matters of discretion that enable consideration of "capacity of existing or planned infrastructure/servicing" are intended to be on three waters infrastructure only. As currently drafted the matters of discretion may be interpreted to apply to many types of infrastructure, including transport infrastructure.
- 7.2 The matters of discretion are intended to apply to infrastructure services for three waters infrastructure only, being potable water, stormwater and wastewater. Mr Powell has also confirmed that this interpretation is correct.
- 7.3 I recommend that the matter of discretion (g) in notified Rule 7.4.9¹³ be amended as follows (additions shown in green font):

<u>f. capacity of existing or planned infrastructure/servicing</u> for potable water, stormwater and wastewater services;

7.4 Ms Frischknecht has also addressed this matter in her reply evidence on text, regarding the same matter of discretion in notified Rules 8.4.10 and 9.4.5.

I note that in the s42A version and Rebuttal version of Rule 7.4.9 the numbering of matter of discretion c. has been accidentally deleted. The reply version reinstates the correct numbering of the matters of discretion.

7.5 Scope for this recommended amendment is provided through submission points OS834.17, OS836.32, OS839.17, 840.17, which seek that the matter of discretion be deleted.

S32AA Analysis

n my opinion, the amendments to matter of discretion (g) in notified Rule 7.4.9, as shown in the recommended reply provisions attached at **Appendix A**, is more appropriate in achieving s42A recommended Objective 7.2.6 and implementing notified Policy 7.2.6.2, as it focusses the matter of discretion on three waters infrastructure, which is the intent of the matter of discretion. In my view this amendment would improve alignment with PDP Strategic Objectives 3.2.2 and 3.2.2.1 by identifying the infrastructure for which discretion applies to ensure that urban development is integrated with existing and proposed infrastructure.

Amy Bowbyes

1 October 2025