

**BEFORE THE INDEPENDENT
HEARINGS 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.

**STATEMENT OF EVIDENCE OF
WARWICK OSBORNE IN SUPPORT OF SUBMISSION #1258**

8 July 2025

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Introduction

1. My name is Warwick Osborne and I have resided at 33 Suburb Street, Queenstown for 21 years.
2. I hold qualifications of a B Hort, PG Dip Marketing and Commerce and undertook academic urban planning experience at Lincoln University as part of above. I have held prior management roles in Telecommunications and the Oil industry.
3. My current role is as the Managing Director of Harcourts Real Estate Otago, based in Queenstown, in which I am a major shareholder. I started in Harcourts as a sales consultant in 2002.
4. I am a member of the Real Estate Institute of New Zealand.
5. I have over 23 years experience in real estate in Queenstown across all areas of real estate in particular residential, development, property acquisition and planning, property management, holiday homes and visitor accommodation facets.
6. I have developed skills and expertise in the Queenstown property market and consider myself to have a degree of expertise in this matter, having seen over time, Queenstown clearly become defined as a GLOBAL RESORT. I have been witness to growth patterns unseen in any other areas of New Zealand.
7. Queenstown is jewel in New Zealand's tourism crown and is certainly a unique part of the world and an internationally acclaimed Global Resort.

Providing for Queenstown's growth

8. It is inevitable that Queenstown will grow, however it must be treated in a manner that provides growth and continuity for future generations.

9. I have been witness to the growing pains of Queenstown as a global resort in relation to balance and growth and impacts of affordability versus the exceptional demand for Visitor Accommodation (VA). In respect of the latter, it has in my experience grown exponentially in the last 10 years comparable to other global resorts at the expense of delivering a balance to meet all population requirements.
10. One of my main concerns with the Variation is that it is applying a blanketed “one size fits all” approach to Urban Intensification. I am also concerned that it will result in unintended outcomes as I discuss later.
11. Queenstown Lakes is unique, it deserves better.
12. Over 23 years I have developed an intimate understanding of Queenstown property, its drivers, frictional points, its potential and limiting factors.
13. I have a strong understanding of the “property matrix” and the factors that influence, inhibit and drive demand, the suburbs and their complexities down to street granularity and the factors that inhibit growth. I have also witnessed Queenstown through pressure points of SARS, GFC and COVID.
14. We must look forward however we must take learnings from the past.
15. For example, the QLDC Lynch and Reserve Blocks (that sit below Ben Lomond Reserve) commenced the sell off of licence to occupy cabins more than twenty years ago with the commitment to have them replaced with accommodation built on the site in partnership to provide residential accommodation. We are 20 years on and there is no building commenced and any development, should it happen, will be largely VA with minimal benefit for residents and workers of Queenstown needing residential dwellings to live in.

The submission process

16. This is a complex planning proposal to understand and submit on.

17. As a ratepayer it has been a difficult and time-consuming process to follow and equally difficult to know where to go for assistance.
18. The reality is that a large percentage of ratepayers may have seen it as perhaps too hard to understand or to engage the right party to assist with making a submission, and for that reason has never engaged. For example, reading the s42A Reports online memo “states that you are not expected to know it all”.
19. The report reading is significant, and I suspect that it has not been read by a huge percentage of impacted parties. The first they will know of it will be a 16.5m high building being erected in front of them.

Our submission

20. The NPS-UD is focussed on an urban intensified perspective and therefore it is very centred on significantly increased development potential. In my experience however, given the opportunity (as this Variation does, albeit I think inadvertently), the greatest development in and around the Queenstown Town Centre of recent years, has leaned towards the development in the HDR zones having dual rights to provide VA in order to maximise commercial return for developers and absentee holiday homeowners.
21. The commercial reality in my experience in working in the real estate industry is that development in Queenstown over the HDR zone **has not** delivered a reasonable level of development of residential housing because the development costs are too high, margins are too low, and the potential market cannot afford to therefore purchase that product. I do not see anything offered by the Variation that will address these fundamental obstacles to providing the type of housing products envisaged by the Variation.
22. In this regard, developers will continue to target lifestyle investors as end users who utilise VA to meet the market and provide a product that will deliver stronger returns for a developer.

23. One only has to do a tour of the streets surrounding the town centre. Significant development in areas such as Hallenstein Street and surrounds have seen development where residential sites have been amalgamated with the end result being VA with a significant reduction in residential property offerings.
24. Examples are 21 Hallenstein, Holiday Inn, off plan developments in Hallenstein Street, development site corner York and Hallenstein VA, corner Suburb Street and Frankton Road VA, Eight on Suburb includes 365-day VA consent. Those are just some of the once residential properties that have been or will be sold as end VA.
25. This serves to highlight the trend of development in our high-density zones, which are very enabling of visitor accommodation, probably more so than multi unit apartments. On my understanding of the rules, the Variation will allow and enable visitor accommodation to a greater extent than residential development. For example, there are 14 matters of discretion for residential development and only 6 matters of discretion for visitor accommodation, none of which relate to residential amenity.
26. I cannot see how this pattern of development will meet objectives of the Variation – to provide a greater variety of residential homes which meet people’s needs in terms of price, type and location, nor meet Policy 1 of the NPS to ensure planning decisions contribute to well-functioning urban environments. I consider the opposite will be the outcome – high density ‘development’ environments occupied with tourists and visitors who do little to support the core function of town centres, other than hospitality businesses.
27. In my experience, these high-density sites are purchased by developers looking for the highest return. The highest return is VA activity.
28. My concerns in this regard are borne out by expert evidence that has been filed in opposition to the Variation, and which I have had the benefit of reading before finalising my own statement of evidence.

29. I agree with the experts¹ that:

- The Variation, particularly in the HDR zone, creates an imbalance where VA appears to be more favoured over residential development;
- The provisions require a major reworking to ensure that the HDR zone remains primarily residential and achieves the objectives of the Variation which is to enable a diverse range of housing typologies to provide greater housing choice and affordability;
- Instead of prioritising residential housing development, it diminishes the distinction between VA and other commercial activities and the provision of residential housing – this would seem at odds with the objective of the Variation.
- The Variation significantly alters the nature of the HDR zone without adequately assessing the effects of those changes in terms of achieving the objectives of the Variation and the NPS UD itself.
- The significance of the adverse effect of the Variation on our views, privacy and amenity are illustrated by the cross sections included with my evidence. In this regard we think a critical point is identified by Mr Edgar at paragraph [62] of his evidence. If the provisions of the Variation do not give effect to the NPS, then Policy 6 cannot be relied upon to justify the significant changes to residential amenity that are likely to occur as a result of the variation. This is well captured in Mr Edgar's evidence where he says:

Policy 6 acknowledges that in achieving the purpose of the NPS UD the amenity values of existing residents may have to be sacrificed for the greater good and to support and provide for the well being of the wider community and future generations....if the amenity values of existing residents are to be sacrificed for the greater good, it is vitally important to ensure that the outcomes of the NPS UD are achieved.²

¹ C Vivian and S Edgar

² At [64]

- The HR zone provisions will further allow VA to outcompete residential development through an easier consenting pathway.

30. In addition, I cannot see that the Council have done any analysis of the demand for visitor accommodation land in the HDR zone (noting it was specifically excluded from the BDCA 2017) and have done no s35 monitoring of the effectiveness and efficiency of the visitor accommodation provisions. The economic evidence doesn't appear to consider at all the impact of further enabled visitor accommodation in the HDR on the town centres, for that matter.
31. Overall it appears to me, on my 'layman's' understanding of the provisions, that the Variation is significantly altering the intended outcomes for the HDR zone and while it is being progressed on the basis that it will enable more residential opportunities and more diverse housing choice while supporting housing affordability, the changes to the HDR zone favour visitor accommodation which is in my opinion and experience highly likely to outcompete residential intensification and have the opposite effect.
32. While I appreciate the issues are not straight forward, the proposal that is now before the Panel is riddled with unintended outcomes and consequences that will do more to worsen than solve the problem of meeting the towns future residential housings needs.

Specific comments on 33 Suburb Street Queenstown

33. My wife and I own the property at 33 Suburb Street, located on the corner of Suburb Street and Panorama Terrace.
34. Over the period of our ownership, we have seen less permanent residents, less rental properties and a significant percentage of the housing utilised for VA. These VA properties occupancy rates are impacted by national and international micro and macro factors and therefore the fulltime occupancy potential is rarely utilised and is also driven by the QLDC VA approved consent level for property.

35. The reality is that this area is VA orientated and that the increase of the HDR zone into this area will only accentuate and encourage this type of land use. As above, it will not deliver on residential housing and housing affordability.

36. We are opposed to the extension of the HDR zone on the land at 1 – 17 Panorama Terrace in particular.³

37. Further to the points made in the original written submission I wish to highlight the following.

- The named ‘dress circle’ location of Panorama Terrace is elevated above The Kingsgate Hotel (physically situated some four storeys below Panorama Terrace) and the Ponamu Apartments, further along Frankton Road (hence Panorama Terrace was so named for this reason).
- The elevation between Panorama Terrace and Frankton Road has been a natural topographical point demarcating HDR (which again in this location is mostly VA fronting Frankton Road) and residential development, of typically stand-alone dwellings - a point not obvious from a plan view, but obvious from a site visit by the panel or report contributors.
- This makes the edge of the current HDR a logical boundary as the edge of the HDR zone.
- As the cross sections appended to this statement illustrate, the difference in built form resulting from the height limits proposed by the HDR zone in the notified variation particularly along 1 – 17 Panorama Terrace obliterate views from uphill properties and serve to reinforce the appropriate boundary of the HDR remaining in the status quo (operative plan) location.

The cross section demonstrates the contour across the area in question however it does not clearly demonstrate the actual contour. The Copthorne Hotel and Apartments were the first managed apartments in Queenstown along Frankton Road and sat beside the historical Bottle House on Frankton Road and the accommodation which is now the Pounamu Apartments managed by

³ Our submission also opposed the HDR zoning of 26-34 Suburb Street and 7 – 13 Dublin Street. We remain opposed to that rezoning for the reasons set out in this statement of evidence, with respect to highest return visitor accommodation use.

Swissotel. (A number of residential apartments which have now converted to predominantly VA. At the rear of Pounamu Apartments was to be the Hilton Hotel however the GFC and strong collective opposition from residents saw the development of that hotel never happen.

The contour and elevation of Frankton Roads and Copthorne allowed for a development to be built while not impeding amenity values above, including views from above Panorama Terrace.

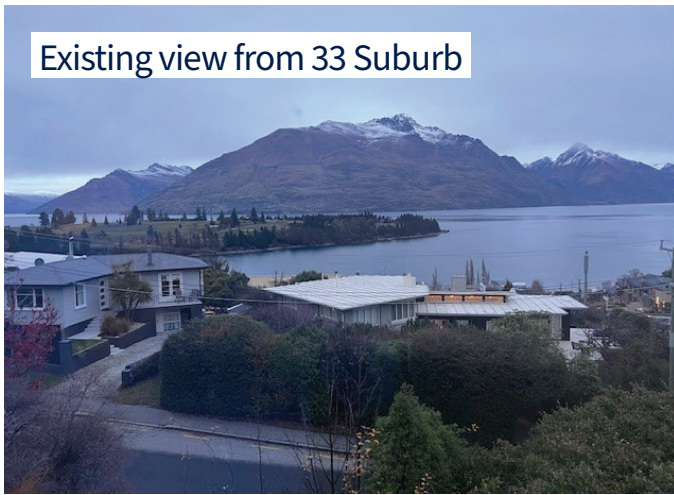
38. The very real potential for a substantial VA development on any one or more of the land holdings at 1-17 Panorama Terrace to a height of 16.5m, with no matters of discretion related to residential amenity is a significant concern to us. There is no striking of any balance between urban intensification and amenity values in that development scenario. Amenity values will be significantly affected beyond any level of change or 'evolution' that might have been anticipated by the NPS.
39. The photos **attached** to this statement of evidence highlight the actual view from 33 Suburb Street over Panorama Terrace. The view from Suburb Street highlights the land contour from Copthorne to Panorama to Suburb and the contour. These photos are appropriately viewed in conjunction with cross sections.
40. I urge the Panel to take a step back to get the formula right and understand the complexity of Queenstown compared to other urban centres where this 'cookie cutter' approach may work in practice.
41. Based on the potential unintended consequences of the NPs and Variation, and the objectives possibly not being delivered, we oppose changing the LDR zone on 1 – 17 Panorama Terrace, as its impact will be the obliteration of the views at 33 Suburb Street as shown on the attached photos.
42. The extent to the HDR zone should remain at the Copthorne Hotel due to the existing land contour, again as evidence from the attached photos. A site visit could clearly outline this unique contour. I note that the Council evidence is that there is sufficient development capacity for housing in the short, medium and long term.

43. It must be noted that the traditional “Town Centre” has moved with retailers, banks, professional services to name but a few moving to Five Mile, Queenstown Central and Remarkables Park Town Centre, thus changing the dynamic of the traditional “Town Centre”. This is an ongoing trend especially with the “new” Town Centre environs. There are a number of HDR housing developments in this “new” area built and under construction.
44. Overall based on this evidence, I consider the Variation HDR provisions will not achieve a well-functioning urban environment, will compromise amenity values while failing to achieve the objectives of the NPS US and the Variation. The Variation will result in development that is ad hoc, will not significantly contribute to housing, will not improve competitive land and will have unintended consequences such as the delivery of VA at the expense of residential housing.
45. As a lay person, I consider it is imperative that all involved reconsider all parameters and drivers to ensure they get it right, as we will only get one change to protect the future of Queenstown for future generations.

8 July 2025

Warwick Osborne

Existing view from 33 Suburb



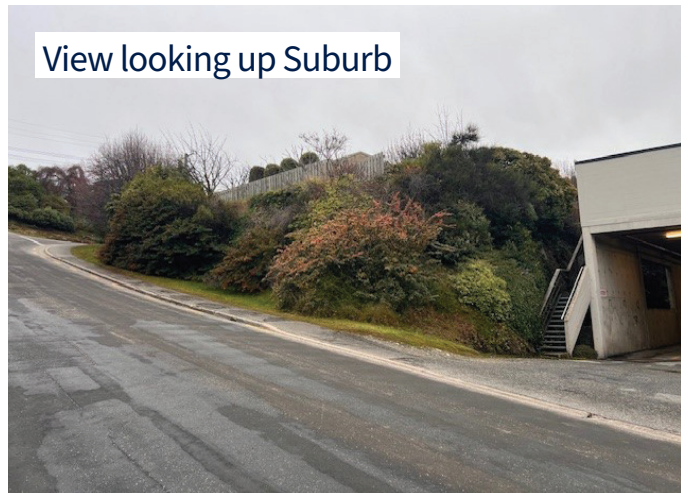
33 Suburb



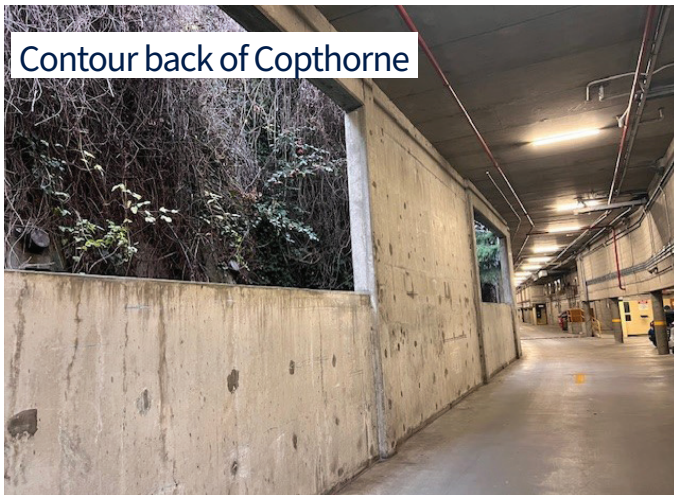
Copthorne with 1 and 3 Panorama behind



View looking up Suburb



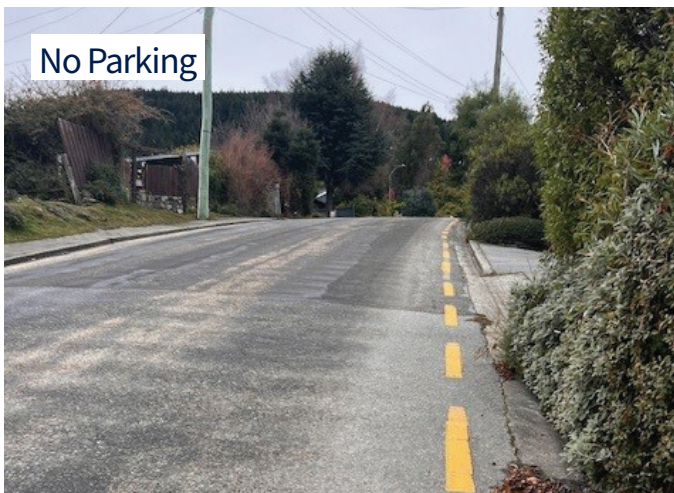
Contour back of Copthorne



No Parking

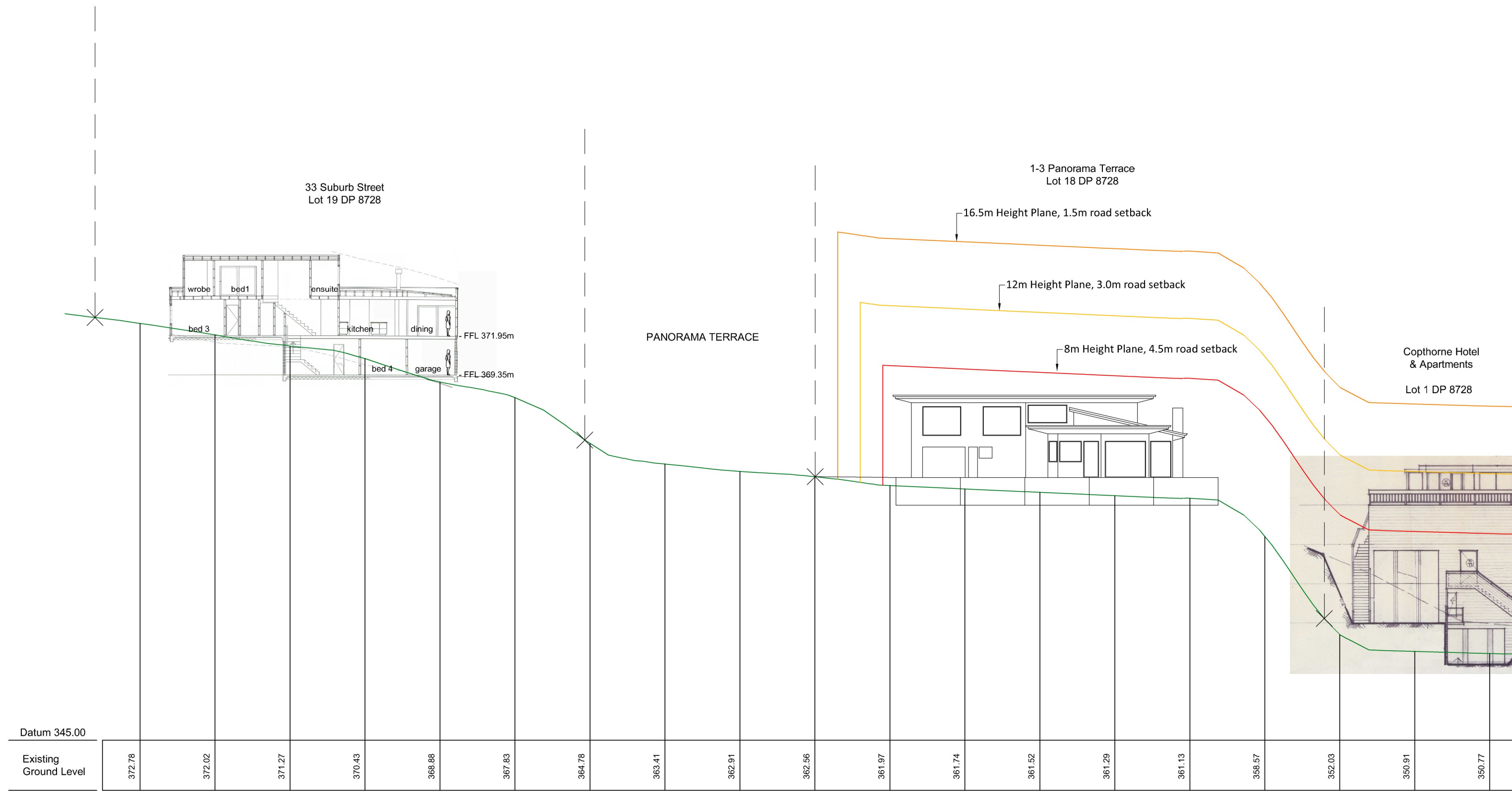


No Parking



No Parking






PART SECTION A
Scale 1:250 @ A3

- NOTES:
- Ground contours have been sourced from QLDC GIS derived from 2021 Lidar data
 - Floor levels of existing dwellings have been estimated from available information and are indicative only but would be expected to be within 300mm of actual levels

REV	DESCRIPTION	DATE
A	draft for discussion	02.07.25

HEIGHT PLANE ASSESSMENT 33 SUBURB STREET Queenstown for Warwick and Marie Osborne		PART SECTION A		 JASON RHIND DRAUGHTSMAN Architectural (LBP 2), Engineering, Resource Consent Phone: 027 6080231
		Date	02.07.25	
		Drawn by	JDR	
		Checked by	-	
SK02				Scale 1 : 250 @ A3