

**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

**SECTION 42A REPORT OF AMY BOWBYES
ON BEHALF OF QUEENSTOWN LAKES DISTRICT COUNCIL**

STRATEGIC OVERVIEW

6 June 2025



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Appendix 1: s42A Recommended Provisions (for all s42A reports on the UIV)

Appendix 2: Summary of Submissions and Recommended Decisions (for all of the UIV)

1. QUALIFICATIONS AND EXPERIENCE

- 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. I have been in this position since October 2022, prior to which I was a Senior Policy Planner at QLDC.
- 1.2** I hold the qualifications of Bachelor of Science and Bachelor of Arts from Victoria University. I have worked for local authorities in district plan policy and plan administration roles since 2005. This has included various planning roles at Upper Hutt City Council and QLDC.
- 1.3** My involvement with the Council’s district plan review commenced in 2014, during the preparation of Stage 1 of the district plan review. Regarding work that is of particular relevance to the Urban Intensification Variation (**UIV**), I have either led or had direct involvement with the review of Chapter 13 Wānaka Town Centre Zone, Chapter 15 Local Shopping Centre Zone, Chapter 16 Business Mixed Use Zone, Chapter 28 Natural Hazards, the Visitor Accommodation Variation, and Chapter 18 Settlement Zone (which included the upzoning of Hāwea from Operative District Plan (**ODP**) Township Zone to Proposed District Plan (**PDP**) Lower Density Suburban Residential Zone).
- 1.4** More recently, my work has focussed on the Inclusionary Housing Variation, for which I provided evidence on the Council’s strategic approach to addressing the District’s housing issues. The Inclusionary Housing Variation was formally withdrawn in September 2024. At the current time no decision has been made regarding whether the Council will proceed with a revised Inclusionary Housing Variation or pursue an alternative method to establish a funding mechanism for retained affordable housing.
- 1.5** 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. INTRODUCTION

2.1 In this report, I provide an overview of the purpose of the UIV and explain the strategic context of the UIV, how it responds to the future urban growth challenges for the District and how it gives effect to the requirements of the National Policy Statement on Urban Development (**NPS-UD**). This report considers strategic matters raised in submissions. It has been prepared alongside the s42A Reports prepared by myself, Ms Frischknecht, Ms Morgan and Mr Matthee (**s42A Reports**) and is referenced in those reports where relevant.

2.2 My evidence is structured as follows:

- (a) **Section 4** describes the purpose of the UIV;
- (b) **Section 5** summarises the relevant statutory and planning context;
- (c) **Section 6** describes the District's growth challenges;
- (d) **Section 7** sets out the strategic approach to the UIV;
- (e) **Section 8** responds to submissions received on the strategic approach to the notified UIV;
- (f) **Section 9** responds to submissions on the scope of the UIV;
- (g) **Sections 10, 11 and 12** respond to submissions relating to the QLDC design guidelines, three waters infrastructure and transport respectively.

2.3 **Appendix 1** contains a set of marked up provisions that shows the notified provisions and all subsequent s42A recommendations on the provisions, in response to submissions. The s42A recommended provisions have an accompanying comment bubble that advises which s42A Report the recommendations are discussed in. S42A recommended revisions to planning maps are contained in Ms Morgan's and Frishknecht's s42A Reports on rezonings.

- 2.4** **Appendix 2** contains a table of the summary of submission points received and recommended decision on each submission point. The recommended decisions align with the position on submissions outlined in the s42A Reports.
- 2.5** Section 32AA evaluations contain a level of detail that corresponds to the scale and significance of the anticipated effects of the changes that are recommended. Therefore, recommendations on editorial, minor, and consequential changes that improve the effectiveness of provisions without changing the policy approach are not re-evaluated.
- 2.6** Due to the large number of submissions, not all submission points are individually addressed in the s42A Reports. Rather, submission points have been grouped into topics / the matters raised by them, and the topics / matters raised are addressed in the s42A Reports, as well as the relief sought in each topic / matter. A recommended decision on each individual submission point is provided in the table in **Appendix 2**.
- 2.7** Recommendations in relation to further submissions reflect the recommendations on the relevant primary/original submission.
- 2.8** When assessing the submissions, I refer to and rely on the evidence of:
- (a) Mr Cam Wallace, Barker and Associates (B&A) – Urban Design Evidence;
 - (b) Ms Susan Fairgray, Market Economics (ME) – Economic Evidence;
 - (c) Mr Richard Powell, Queenstown Lakes District Council - Senior Infrastructure Development Engineer;
 - (d) Mr Richard Knott, Richard Knott Limited – Urban Design / Arrowtown;
 - (e) Ms Corinne Frischknecht, Queenstown Lakes District Council – s42A Residential, and Mixed Use Rezoning; and
- 2.9** The key documents I have used, or referred to, while preparing this statement of evidence are:
- (a) National Policy Statement on Urban Development 2020 (**NPS-UD**);

- (b) Operative Otago Regional Policy Statement 2019 (**ORPS**) and proposed Otago Regional Policy Statement 2021 (**pORPS**).
- (c) Notified UIV – including the Section 32 Report attachments, and proposed provisions and mapping;
- (d) Queenstown Lakes PDP;
- (e) Queenstown Lakes ODP;
- (f) Queenstown Lakes Spatial Plan 2021 – 2023 (**2021 Spatial Plan**);
- (g) Queenstown Lakes 30 Year Infrastructure Strategy 2024 – 2054;
- (h) Queenstown Lakes Joint Housing Action Plan 2023 – 2028 (**JHAP**);
- (i) Queenstown Lakes Homes Strategy 2021 – 2031;
- (j) QLD Housing & Business Capacity Assessments (**HBAs**) 2017 and 2021;
- (k) QLD Mode Shift Plan (Better Ways to Go);
- (l) QLD Draft Parking Strategy (November 2023); and
- (m) NZTA State Highway Investment Proposal 2024 – 2034.

3. EXECUTIVE SUMMARY

3.1 This evidence focusses on outlining Council’s strategic approach to the notified UIV. It also addresses submission points that have direct relevance to the strategic approach to the notified UIV. I make the following recommendations on submissions:

- (a) that submissions seeking an alternative interpretation of ‘urban environment’ be rejected;
- (b) that submissions seeking retention of the status quo (no intensification) or seeking rejection of the UIV in its entirety because intensification is generally opposed be rejected;
- (c) that submissions generally seeking greater enablement of development be rejected;
- (d) that submissions generally seeking greater enablement of development in the Queenstown Airport Outer Control Boundary (as shown on plan maps) be rejected;
- (e) that submissions seeking the inclusion of Operative District Plan land in the UIV be rejected;

- (f) that submissions seeking changes to provisions that are not on heights and density (including submissions seeking amendments to provisions on visitor accommodation activities) be rejected;
- (g) that submissions on the notified amendments to design guide references be accepted; and
- (h) that submissions that generally oppose intensification due to infrastructure capacity constraints be rejected.

4. PURPOSE OF THE UIV

4.1 As a Tier 2 local authority, QLDC is required to implement the NPS-UD. The purpose of the UIV is to give effect to Policy 5 of the NPS-UD and the wider directive of the NPS-UD to ensure a well-functioning urban environment that responds to the diverse and changing needs of people, communities, and future generations.

4.2 Policy 5 of the NPS-UD requires territorial authorities to enable development in particular urban environments (including areas with many employment opportunities, that are well serviced by public transport or where there is high demand for housing or for business land in the area, relative to other areas within the urban environment.

4.3 The UIV aims to specifically give effect to Policy 5 of the NPS-UD, through enabling more efficient use of urban land, while also being consistent with the other objectives and policies of the NPS-UD. The implementation of Policy 5 will assist with the achievement of Policy 2 of the NPS-UD, however there are important differences between providing sufficient opportunity for growth on an overall basis (Policy 2) to the differentiated focus instead on the location and scale of development opportunity within the urban environment required under Policy 5. The development patterns encouraged through the application of Policy 5 have important effects on achieving the objectives of a well-functioning urban environment. It is important to ensure that different housing options are enabled in each location (and type of location) within the urban environment that align with the patterns of housing demand in the community in each area.

- 4.4** The aim of the UIV is to enable more development opportunity within existing urban zoned areas (with the exception of ODP zones¹ that are outside the scope of the UIV) in a way that contributes to a well-functioning urban environment. This is enabled by aligning enabled building heights and density to levels commensurate with the level of accessibility and relative demand across different locations within the urban environment. On this basis, the UIV focuses greatest development opportunity into areas of greatest accessibility and demand, enabling more development close to jobs, community services, public and active transport networks, and other amenities.
- 4.5** The UIV seeks to:
- (a) enable heights and densities in accordance with Policy 5 and to recognise the benefits of intensification;
 - (b) ensure adequate amenity values within intensification areas; and
 - (c) ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.
- 4.6** This generally means that intensification opportunities are enabled in locations that have greatest accessibility, the development opportunity is scaled to the level of relative demand in each location, and that this occurs within the context of other factors that are important for a well-functioning urban environment.
- 4.7** Intensification is focused into areas of greatest accessibility, the development opportunity is scaled to the level of relative demand in each location, and that this occurs within the context of other factors that are important for a WFUE (e.g. natural and character amenity).
- 4.8** In terms of the notified provisions, this means that HDRZ is applied across central parts of the Whakatipu Ward in areas of highest accessibility, MDRZ is applied in central parts of the wards and on a more widespread basis in accordance with patterns of demand, and lower scale opportunity is provided in outer areas. Also, that urban areas that function together as part of the same market are included.

¹ The ODP zones located within the urban environment are the following: Frankton Flats A & B, Remarkables Park, ODP Queenstown Town Centre Zone, Arrowtown South, Meadow Park, Quail Rise, Shotover Country, Northlake, Penrith Park, Mt Cardrona Station, Kingston Village.

4.9 In terms of planning provisions, this generally means that the:

- (a) High Density Residential Zone (**HDRZ**) is applied across central parts of the Whakatipu and Wānaka wards in areas of highest accessibility;
- (b) Medium Density Residential Zone (**MDRZ**) is applied in central parts of the Whakatipu and Wānaka wards on a more widespread basis in accordance with patterns of demand; and
- (c) lower scale opportunity is provided in outer areas, predominantly via the Lower Density Suburban Residential Zone (**LDSRZ**).

4.10 The changes made to the PDP where 'urban' by the notified UIV enable additional development opportunity within the District and will therefore contribute to the achievement of Policy 2 of the NPS-UD. The UIV sits alongside development opportunities that have been enabled by the PDP through the on-going district plan review process, and the future FDS will also play a role in terms of long-term development opportunities.

5. STATUTORY AND PLANNING CONTEXT

RMA requirements for district plans

5.1 Sections 72 - 76 of the RMA set out the requirements for district plans, including the matters to be considered by a territorial authority when preparing or changing its district plan (s74), the contents of district plans, which include a requirement to give effect to any national policy statement (s75(3)), and requirements for district rules (s76).

5.2 The tests are summarised as follows:²

- (a) whether the provisions accord with and assist the Council in carrying out its functions and achieve the purpose of the Act (s74(1) of the Act);
- (b) whether the provisions accord with Part 2 of the Act (s74(1)(b));

² The tests are from the case *R Adams and others v Auckland Council* [2018] NZEnvC 008. The summary is adopted from paragraph 53 of that Decision, but with some change to reflect the different duties in s32(1)(a) and s32(1)(b) and s32(2).

- (c) whether the provisions give effect to the regional policy statement (s75(3)(c)) and have regard to any proposed regional policy statement (s74(2));
- (d) whether the provisions give effect to a national policy statement (s75(3)(a));
- (e) whether the provisions [rules] have regard to the actual or potential effects on the environment, including, in particular, any adverse effect (s76(3));
- (f) the extent to which the objectives are the most appropriate way to achieve the purpose of the Act (s32(1)(a));
- (g) whether the policies and methods are the most appropriate way to achieve the objectives, having regard to their efficiency and effectiveness (s32(1)(b)) and taking into account (under s32(2):
 - (i) the benefits and costs of the proposed policies and methods; and
 - (ii) the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules of other methods.

National Policy Statement on Urban Development 2020

5.3 The UIV is proposed to specifically give effect to Policy 5 of the NPS-UD. As set out in clause 1.3 of the NPS-UD, the NPS-UD applies to:

- (a) all local authorities that have all or part of an urban environment within their district or region (i.e. Tier 1, 2 and 3 local authorities); and
- (b) planning decisions by any local authority that affect an urban environment.

5.4 Clause 4.1(2) specifically requires Tier 2 local authorities to implement Policy 5 of the NPS-UD within a certain timeframe. QLDC is specified as a Tier 2 Authority in the NPS-UD.³

3 NPS-UD Appendix, Table 2.

- 5.5** When implementing Policy 5, the UIV also seeks to implement other relevant objectives and policies of the NPS-UD to the extent that it can within the scope of the UIV.
- 5.6** The NPS-UD aims to ensure that New Zealand's towns and cities are well-functioning urban environments that meet the changing needs of our diverse communities. It recognises the national significance of:
- (a) having well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.⁴
 - (b) providing at least sufficient development capacity to meet the different needs of people and communities.⁵
- 5.7** The NPS-UD sets out objectives and policies that councils must give effect to in their resource management decisions. This includes overarching Objectives 1-8 as well as more specific policies, some of which only apply to Tier 1 and 2 Authorities.
- 5.8** Policy 5 of the NPS-UD requires that district plans applying to Tier 2 and 3 urban environments enable heights and the density of urban form commensurate with the greater of:
- (a) the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or
 - (b) relative demand for housing and business use in that location.
- 5.9** Tier 2 urban environment means an urban environment listed in column 1 of table 2 in the Appendix of the NPS-UD. For QLDC this is identified as Queenstown. A Tier 3 urban environment means an urban environment that is not listed in the Appendix of the NPS-UD.
- 5.10** Urban environment is defined in the NPS-UD as:

4 NPS-UD Objective 1.
5 NPS-UD Policy 2.

[...] any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that:

(a) (a) is, or is intended to be, predominantly urban in character; and

(b) (b) is, or is intended to be, part of a housing and labour market of at least 10,000 people.

5.11 QLD's urban environment is shown in **Figures 1 and 2** below. Urban areas that are not contiguous, but function together as part of the same market as the main centres are included, including Arrowtown and Hāwea. It meets the above requirements, was identified in the HBA 2021 and was also subject to submissions when the PDP was first notified, and subsequently the Council's decision on those submissions. The approach has been implemented in various planning documents since, including the 2021 Spatial Plan. The urban environment is comprised of a combination of existing urban areas and areas currently zoned for future urban expansion. Generally, the urban environment is located within the PDP's urban growth boundary. However, there are some exceptions to that, which are those parts of the District zoned PDP Settlement Zone, as well as the PDP Wānaka Airport Zone.

5.12 Areas for strategic future urban expansion are identified in the 2021 Spatial Plan as 'indicative future urban areas' that have not been upzoned to an urban zone in the intervening time since the 2021 HBA (with the exception of Lake Hāwea South, refer below), and are not included in the PDP urban environment. These areas are currently zoned rural zones and cannot be characterised as 'intended' to be predominantly urban in character. Future changes to the PDP that upzone this land to urban zones will bring the land into the 'urban environment'.

5.13 Lake Hāwea South is the only 'Indicative Future Urban Area' that has been upzoned in the PDP to urban zoning⁶ in the intervening time since adoption of the Spatial

6 The zoning of the Lake Hāwea South land was changed via an Environment Court consent order (Decision No. [2023] NZEnvC 110, issued on 29 May 2023) from PDP Rural Zone and Rural Residential Zone to PDP Lower Density Suburban Residential Zone, Medium Density Residential Zone and Local Shopping Centre Zone. The same consent order mapping adjusted the location of the Urban Growth Boundary to include the Lake Hāwea South land.

Plan in 2021. Lake Hāwea South is therefore now within the urban environment (and within the urban growth boundary) and is within scope of the notified UIV.

- 5.14** The spatial extent of QLDC's urban environment is shown in QLDC's 2021 HBA⁷ and in PDP Provision 4.1.2 (Housing Bottom Lines for the Queenstown Lakes urban environment) in the following figures:



Figure 1: QLD urban environment in the Wakatipu Ward. Source: HBA 2021, Fig 1.8.

7 <https://www.qldc.govt.nz/media/iqrjcgro/queenstown-lakes-district-housing-development-capacity-assessment-2021-main-report.pdf>; Section 1.4

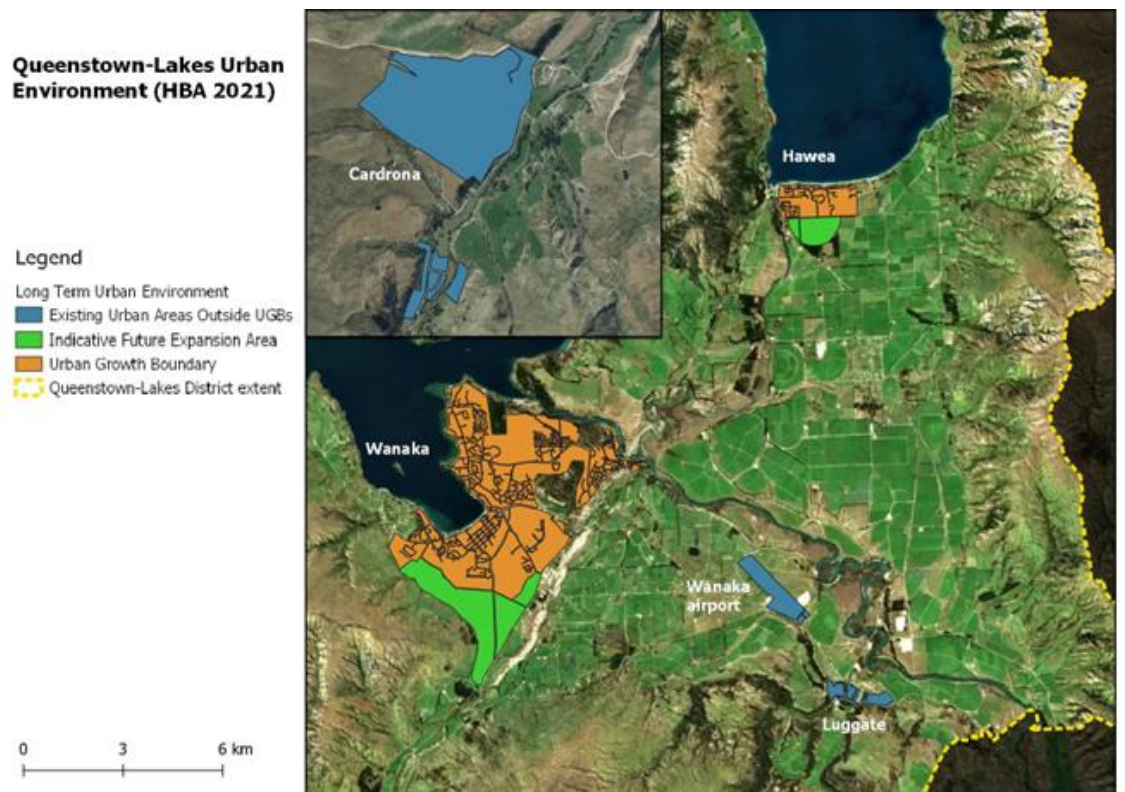


Figure 2: QLD urban environment in the Wānaka Ward. Source: HBA 2021, Fig 1.8.

- 5.15** A small number of submitters⁸ have questioned the Council’s interpretation of ‘urban environment’ under the NPS-UD because only ‘Queenstown’ is listed in Table 2 in the Appendix to the NPS-UD, which states the Tier 2 urban environments and local authorities.
- 5.16** For the reasons set out above I consider the ‘urban environment’ shown in **Figures 1 and 2** above meets limbs (a) and (b) in the NPS-UD definition of urban environment.
- 5.17** On this basis, it is recommended that submissions seeking an alternative interpretation of ‘urban environment’ be rejected, as shown in **Appendix 2**.
- 5.18** Other objectives and policies of the NPS-UD that are of particular relevance to the UIV are:

⁸ Including submissions 239, 132, 613, 684, 818.

- (a) Objective 1 states that New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future;
- (b) Policy 1 requires that planning decisions contribute to well-functioning urban environments, which are environments that, as a minimum:
 - (i) have or enable a variety of homes that:
 - A. meet the needs, in terms of type, price, and location, of different households; and
 - B. enable Māori to express their cultural traditions and norms;
 - (ii) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
 - (iii) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
 - (iv) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
 - (v) support reductions in greenhouse gas emissions; and
 - (vi) are resilient to the likely current and future effects of climate change.
- (c) Objective 4 states that New Zealand's 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;
- (d) Policy 6(b) requires decision-makers to have particular regard to certain matters, including that the planned urban built form in district plans may involve significant changes to an area, and those changes:
 - (i) may detract from amenity values appreciated by some people, but improve amenity values appreciated by other people, communities and future generations, including by providing increased and varied housing densities and types; and
 - (ii) are not, of themselves, an adverse effect.

- 5.19** Also, although not the main focus of the variation, by its nature intensification will also help to achieve other objectives of both the NPS-UD (such as Objectives 6 and 8) and the PDP strategic objectives (Chapter 3). These include important effects on the alignment of future dwelling mix with patterns of long-term housing need and levels of housing affordability. The increased level of development opportunity also provides greater scope for increased competition within the market, including the accessibility to different providers and parts of the market.
- 5.20** The intensification enabled by the UIV also contributes in achieving Policy 2 of the NPS-UD which requires QLDC to, at all times provide at least sufficient development capacity to meet expected demand for housing and business land over the short term,⁹ medium term,¹⁰ and long term.¹¹
- 5.21** The NPS-UD, at clauses 3.2 and 3.3, sets out what is sufficient development capacity. For housing this includes capacity for different housing typologies and for business it includes capacity for different business sectors, within the short, medium and long term. It specifies that the capacity needs to be:
- (a) plan-enabled;
 - (b) infrastructure-ready;
 - (c) feasible and reasonably expected to be realised (housing), or suitable to meet the demand of different business sectors (business); and
 - (d) meet the expected demand plus the competitive margin.
- 5.22** The NPS-UD, at clause 3.4, then outlines the meaning of plan-enabled capacity and infrastructure ready capacity as it applies over different timeframes. To satisfy both of these thresholds:
- (a) in the short term, land needs to be zoned for development within an operative plan (permitted, controlled or restricted discretionary activity

9 As defined in the NPS-UD, short term means within the next 3 years.

10 As defined in the NPS-UD, medium term means between 3 and 10 years.

11 As defined in the NPS-UD, long term means between 10 and 30 years.

status) and serviced by adequate existing infrastructure to support the development of the land;

- (b) in the medium term, land needs to be zoned for development within a proposed district plan (permitted, controlled or restricted discretionary) and at a minimum funding should be allocated for adequate development infrastructure to support development of the land within the long-term plan; and
- (c) in the long term, if not already zoned for development, land needs to be identified by the local authority for future urban use or urban intensification in an FDS or, if the local authority is not required to have an FDS, any other relevant plan or strategy. Infrastructure, if not already in place or within the long-term plan, needs to be within the local authority's infrastructure strategy.

5.23 Policy 5 of the NPS-UD does not require the UIV in and of itself to address any identified shortfalls in development capacity. However, its contribution to development capacity will be a relevant consideration and will assist with contributing to achieving Policy 2 of the NPS-UD.

5.24 As outlined in Section 6.2 of the s32 Report, the qualifying matters in clause 3.32 of the NPS-UD have been used a guide for the exclusions and partial exclusions applied to the notified UIV. This is discussed further in Section 7 of this Report.

5.25 As the Council is required by the RMA to implement the NPS-UD, submissions¹² seeking retention of the status quo (no intensification) or rejection of the UIV in its entirety because intensification is opposed are therefore recommended to be rejected as this is not a lawful or practicable option for the district plan. Submissions opposing the notified proposal in specific locations or on specific provisions are addressed in the respective s42A Reports on the provisions and mapping.

Otago Regional Policy Statement

¹² Including submissions 748, 951, 170, 226, 328, 361.

- 5.26** The UIV is also required to give effect to the Operative Otago Regional Policy Statement 2019 (**ORPS**) and have regard to the proposed Otago Regional Policy Statement (**pORPS**). The s32 Report (Section 2) includes an assessment of the relevant provisions of the ORPS. Regarding the pORPS, the objectives and policies of the Urban Form and Development (**UFD**) chapter, as well as the objectives and policies of the natural features and landscapes and hazards and risks chapters, which I consider relevant to the UIV, are still subject to appeals.
- 5.27** The weight to be given to a proposed regional policy statement is a matter for the decision maker. I understand that generally, the closer a plan comes to its final content, the more weight is given to it. In this case, I consider there are good reasons to give the decisions version of the pORPS some weight in decision making, despite being subject to appeals. This is because it has already been the subject of testing and public participation through the hearings process, is closer to its final content, and it has been prepared to give effect to the NPS-UD.
- 5.28** In my view, the UIV will assist with achieving pORPS Objective UFD-01 – *Development of urban areas*, by increasing development opportunities in accessible locations, including within and close to existing commercial centres. Additionally, the UIV will assist with implementing pORPS Policy UFD-P3 – *Urban intensification* by managing intensification in urban areas so that it contributes to establishing or maintaining the qualities of a well-functioning urban environment and enabling heights and densities that meet the greater of demonstrated demand for housing and/or business use or the level of accessibility provided for by existing or planned active or public transport. The notified UIV implements pORPS method UFD-M2 – *District Plans* (4) which requires territorial authorities to amend their district plans to identify and provide for locations that are suitable for urban intensification in accordance with UFD-P3.

PDP

- 5.29** As discussed in the s32 Report,¹³ relevant PDP Strategic Directions include:

13 See Appendix 3 to the s32 Report for the full list of relevant PDP objectives and policies.

- (a) Strategic Objective (**S.O**) 3.2.1 The development of a prosperous, resilient and equitable economy in the District;
- (b) S.O. 3.2.2 Urban growth is managed in a strategic and integrated manner;
S.O. 3.2.3 A quality built environment taking into account the character of individual communities; and
- (c) S.O. 3.2.6 The District's residents and communities are able to provide for their social, cultural and economic wellbeing and their health and safety.

5.30 In my view the UIV will assist with achieving the relevant PDP Strategic Directions, whilst giving effect to the ORPS and the NPS-UD, and having regard to the pORPS.

Housing Bottom Lines for the Urban Environment

5.31 Identification of Housing Bottom Lines into a district plan are required by clause 3.6 of the NPS-UD. Housing Bottom Lines represent the amount of feasible and reasonably expected to be realised development capacity that is sufficient to meet the expected household demand within the urban environment. The Council is required to enable the development represented in the bottom lines by increasing development capacity (ie. by enabling additional capacity through the district plan including structure plans) and otherwise enabling development (e.g. by developing and implementing the Spatial Plan / FDS and infrastructure strategies).

5.32 In addition to being identified in the 2021 HBA, these are replicated in PDP Chapter 4 at provision 4.1.2 - Housing Bottom Lines for the Queenstown Lakes urban environment

5.33 The Housing Bottom Lines in Chapter 4 of the PDP are not within the scope of the UIV. My understanding is that after the latest HBA that is currently being worked on, is finalised, and made publicly available, updated Housing Bottom Lines will be inserted into the PDP.

QLDC Housing and Business Development Capacity Assessments (HBAs) and Updated Capacity Assessments for the Notified UIV

- 5.34** In accordance with the NPS-UD and its predecessor the National Policy Statement on Urban Development Capacity 2016, the Council developed HBAs in 2017 and 2021, and is currently working towards finalising an updated HBA in 2025.
- 5.35** The purpose of the HBA (as outlined in clause 3.20 of the NPS-UD) is to provide information on the demand and supply of housing and business land in the urban environment, and the impact of planning and infrastructure decisions on that demand and supply to inform RMA planning documents, FDSs and long-term plans. In the QLDC context the HBA also assists with our understanding of the competition for the housing resource (such as the use of residential units for short-term letting), and how this impacts on the availability of housing stock for long-term occupation.
- 5.36** In summary, the 2021 HBA identified that the District has sufficient **plan-enabled capacity** to accommodate housing growth across the urban environment that is more than sufficient to meet the projected demand in all locations of the District in the short, medium¹⁴ and long¹⁵ term. However, the 2021 HBA identified a shortfall in housing in the affordable price bracket. The shortfall is projected to increase over time due to house prices increasing faster than growth in real incomes in the District, resulting in declining affordability.¹⁶
- 5.37** The 2025 HBA is not yet finalised. Ms Fairgray has therefore relied on her updated assessment of the notified UIV capacity and updated demand assessment, which is contained within her evidence and uses the same demand projections that will be used in the next HBA. She has also drawn upon her base analyses of the current market undertaken in the early stages of preparation of the next HBA.
- 5.38** From a **demand perspective**, a summary of the dwelling demand projections for the long term (30 years) used from the various HBAs and the updated 2025 assessment currently available from Ms Fairgray's evidence is set out in the following table:

14 Nearly 48,000 additional dwellings in the medium term.

15 Nearly 65,000 additional dwellings in the long term.

16 QLDC Housing Development Capacity Assessment 2021, page 5.

Dwelling Demand Component	Medium-Term			Long-Term		
	2017 HBA	2021 HBA	QLDC May 2025 Projections	2017 HBA	2021 HBA	QLDC May 2025 Projections
Urban Demand (No Margin)						
Whakatipu Ward		3,100	4,100		9,900	12,200
Wanaka Ward		2,100	3,400		6,500	10,400
Total Urban Environment	4,300	5,200	7,500	11,400	16,500	22,600
Total Demand (No Margin)						
Whakatipu Ward		3,200	4,600		10,300	13,300
Wanaka Ward		2,100	3,600		6,800	10,600
Total District	5,800	5,400	8,200	12,900	17,100	23,900
Total Demand (With Margin)						
Whakatipu Ward		3,900	5,500		11,900	15,500
Wanaka Ward		2,600	4,300		7,900	12,400
Total District	6,700	6,400	9,900	14,600	19,800	27,900

Source: M.E Ltd, 2017 and 2021 QLD HBAs; M.E Ltd Updated Demand Assessment using QLDC May 2025 Projections (Utility Ltd, 2025).

Figure 3: Summary of dwelling projections from the 2017, 2021 and QLDC Demand Projections May 2025, as reported in Ms Fairgray's evidence.

5.39 From a **supply perspective**, the following table summarises the results for medium and long-term housing capacity (Greenfield, Infill and Redevelopment) from the last two HBAs (across live zoned areas and long-term Spatial Plan areas) together with the updated capacity assessment contained in Ms Fairgray's evidence. The updated assessment includes an updated estimated baseline capacity from the current PDP and the capacity estimated with the PDP as amended by the notified UIV. The updated assessment covers zoned areas where the notified UIV is applied, as well as ODP Special Zones, but excludes Long-Term Spatial Plan areas.¹⁷

5.40 Figure 4, below, shows that the notified UIV substantially increases the plan enabled capacity from the level of capacity estimated through the previous HBAs for the District and from that estimated under the current PDP.¹⁸ It shows that plan-enabled and feasible capacity within the District has been steadily increasing over the last six years as decisions and appeals on the PDP have been resolved. Although only a portion of the plan enabled capacity is likely to be realised, the differences between the assessments demonstrate the sizeable increases in development opportunity enabled by the UIV.

¹⁷ The UIV is discussed in more detail below. The figures included here are from the notified proposal and may change as the variation progresses through the Schedule 1 RMA process.

¹⁸ Section 4 of Ms Fairgray's evidence also calculates the increase in capacity specifically on areas where the notified UIV is applied. Plan enabled capacity on these areas increases by 38% from that under the current PDP. The largest increases occur within the attached dwelling typologies and within central parts of the urban environment.

5.41 The evidence of Ms Fairgray shows that, in addition to increasing total capacity, the UIV provides for an expanded range of dwelling types, with the greatest focus on attached dwellings. This increases the enabled opportunity for development to align with patterns of future housing need in different parts of the urban environment.

Type of Capacity	Medium-Term				Long-Term			
	2017 HBA	2021 HBA	2024 Assessment		2017 HBA	2021 HBA	2024 Assessment	
			Current PDP	Notified UIV			Current PDP	Notified UIV
Plan Enabled Capacity								
Whakatipu Ward	25,900	30,100	54,500	70,800	25,900	38,700	56,500	72,900
Wanaka Ward	11,700	17,800	28,400	35,300	11,700	25,800	28,400	35,300
Total Urban Environment	37,600	47,900	82,900	106,100	37,600	64,500	85,000	108,200
Commercially Feasible Capacity (Current Prices)								
Whakatipu Ward	16,700	21,900	21,200	36,700			21,200	36,700
Wanaka Ward	7,500	10,200	19,500	25,200			19,500	25,200
Total Urban Environment	24,200	32,100	40,700	61,900			40,700	61,900
Commercially Feasible Capacity (Market Growth)								
Whakatipu Ward			35,600	50,900	25,100	32,500	48,800	65,200
Wanaka Ward			22,900	29,000	11,500	18,900	25,900	32,400
Total Urban Environment			58,500	79,900	36,500	51,400	74,700	97,600
Infrastructure-Served Capacity								
Whakatipu Ward		6,100	16,600			12,000		20,400
Wanaka Ward		3,000	6,900			8,200		16,000
Total Urban Environment		8,600	23,600			19,700		36,400
RER Capacity								
Whakatipu Ward		5,600				11,600		
Wanaka Ward		2,900				7,700		
Total Urban Environment		8,500				19,200		

Source: M.E Ltd 2017 and 2018 QLDC HBAs; M.E Ltd, 2024. Updated QLDC Capacity Assessment (Ms. Fairgray EIC); QLDC Infrastructure Capacity Data (2024).

Notes: Includes capacity for ODP Special Zones and areas covered by Structure Plans. HBA long-term outputs include capacity in Spatial Plan growth areas.

Type of Capacity	Medium-Term				Long-Term			
	2017 HBA	2021 HBA	Notified UIV Assessment	2025 HBA	2017 HBA	2021 HBA	Notified UIV Assessment	2025 HBA
Plan Enabled Capacity								
Whakatipu Ward	25,900	30,100	61,200	TBC	25,900	38,700		TBC
Wanaka Ward	11,700	17,800	30,400	TBC	11,700	25,800		TBC
Total Urban Environment	37,600	47,900	91,600	TBC	37,600	64,500		TBC
Commercially Feasible Capacity								
Whakatipu Ward	16,700	21,900	43,900	TBC	25,100	32,500		TBC
Wanaka Ward	7,500	10,200	25,000	TBC	11,500	18,900		TBC
Total Urban Environment	24,200	32,100	68,900	TBC	36,500	51,400		TBC
Infrastructure-Served Capacity								
Whakatipu Ward		6,100		TBC		12,000		TBC
Wanaka Ward		3,000		TBC		8,200		TBC
Total Urban Environment		8,600		TBC		19,700		TBC
RER Capacity								
Whakatipu Ward		5,600		TBC		11,600		TBC
Wanaka Ward		2,900		TBC		7,700		TBC
Total Urban Environment		8,500		TBC		19,200		TBC

Figure 4: PDP with notified UIV Assessment compared to the 2017 and 2021 HBAs, sourced from Ms Fairgray's evidence¹⁹. RER Capacity referred to in the Figure means Reasonably Expected to be Realised Capacity.

¹⁹ Ms Fairgray's evidence, Appendix 1.

5.42 Figure 4 above also shows the further stages of capacity contained in each of the assessments, including the updated 2025 assessment from Ms Fairgray's evidence. These include the portion of plan enabled capacity that is estimated to be commercially feasible²⁰ (if available to the market), the RER capacity, and the dwelling capacity supported by the infrastructure networks. The 2021 HBA identified only a small surplus in capacity in the long-term, with the main limitations from infrastructure constraints. Within this, it identified shortfalls in attached dwelling capacity across a number of locations.

5.43 Figure 4 shows that the notified UIV also substantially increases the feasible capacity within the District's urban environment.²¹ The largest increases occur within the attached dwelling typologies and within central parts of the urban environment. Sections 4 and 5 of Ms Fairgray's evidence show this occurs through a combination of the greater enabled dwelling yields on parcels already feasible to develop as well as a greater number of parcels becoming feasible to develop. Her evidence considers that the increased development options enabled by the notified UIV also increase the total capacity to assist with having sufficient (Policy 2) feasible development opportunities to meet future growth needs across most parts of the District.²²

Queenstown Lakes Spatial Plan 2021

5.44 The 2021 Spatial Plan sets out a long-term framework for managing future urban growth. It prioritises consolidated growth of the existing urban environment which aligns with the intensification outcomes sought by the NPS-UD and is primarily implemented through changes to the district plan and through infrastructure funding decisions made by the Council.

5.45 The UIV aligns with and assists with implementing the broad outcomes sought by the 2021 Spatial Plan, including Outcome 1: Consolidated growth and more housing

20 Note that there are differences in technical requirements between the assessments that account for some of the increase in medium-term feasible capacity between the assessments. The HBA applies a current market estimate of feasible capacity (reducing feasibility) while the notified UIV assessment allows for market growth in the medium-term. Both assessments apply market growth in the long-term.

21 Section 4 of Ms Fairgray's evidence shows that the notified UIV increases commercially feasible capacity by 63% across areas where it applies.

22 Although RER has not been estimated as part of her assessment, Ms Fairgray has examined the differences between projected demand and the level of capacity required to be taken up to consider the sufficiency of development opportunity from a Policy 2 perspective.

choices; Outcome 2: Public transport, walking & cycling are everyone's first travel choice; and Outcome 4: Well-designed neighbourhoods that provide for everyday needs.

5.46 The 2021 Spatial Plan was developed by the Whaiora Grow Well Partnership which is an urban growth partnership between Central Government, Kāi Tahu, QLDC and Otago Regional Council. However, the current 2021 Spatial Plan is a non-statutory QLDC policy document and therefore does not have the same statutory status of a FDS, as discussed in the next section of my report. This is because when the 2021 Spatial Plan was developed (initially under the National Policy Statement on Urban Development Capacity), the Otago Regional Council was not able to work in direct partnership with QLDC, and the 2021 Spatial Plan is not an ORC-endorsed document.

5.47 The Spatial Plan is therefore a relevant strategy prepared under the Local Government Act that regard is to be had to under section 74(2)(b)(i). The Spatial Plan is not an FDS for the purposes of the NPS-UD and therefore there is no mandatory requirement to have regard to it under clause 3.17 of the NPS-UD.

Spatial Plan Gen 2.0 & Future Development Strategy (FDS)

5.48 Pursuant to subpart 4 of Part 3 of the NPS-UD, as a Tier 2 authority, QLDC is required to prepare an FDS for its urban environment every 6 years, in time to inform the next long-term plan. FDSs are then required to be reviewed every 3 years.

5.49 Clause 3.13 of the NPS-UD sets out the purpose of an FDS, which includes setting how a local authority intends to achieve a well-functioning urban environment in its existing and future urban areas, and how it intends to provide at least sufficient development capacity over the next 30 years to meet expected demand. FDSs also assist the integration of planning decisions with infrastructure funding decisions.

- 5.50** QLDC’s Spatial Plan Gen 2.0 (which includes the FDS) is currently being prepared.²³ The Grow Well Whaiora Partnership will oversee the Spatial Plan review, and QLDC and ORC have statutory responsibility for preparing the FDS content which will become the statutory document that provides a community strategy for how and where future growth will be strategically enabled. It will build upon the 2021 Spatial Plan which identified a number of Priority Development Areas and Priority Initiatives. The FDS and updated Spatial Plan Gen 2.0 are currently programmed for completion mid to late 2026.
- 5.51** Whilst the UIV focusses on increasing plan-enabled capacity in appropriate existing urban locations through enabling opportunities for intensification, the FDS will provide a strategic blueprint for future urban expansion. Intensification is therefore not the only means by which the District’s future strategic growth will be supported. Notably, the urban expansion signalled in the FDS through the identification of future urban areas will assist with meeting the requirements of Policy 2 of the NPS-UD, which requires local authorities to at all times provide at least sufficient development capacity to meet expected demand for business and housing land over the short, medium and long term.

QLD Homes Strategy and Joint Housing Action Plan

- 5.52** The Queenstown Lakes Joint Housing Action Plan 2023-2028²⁴ (**JHAP**) implements a specific action in the Homes Strategy.²⁵ Strategically, the JHAP was developed in partnership with central government (Te Tūāpapa Kura Kāinga Ministry of Housing and Urban Development and Kāinga Ora-Homes and Communities) and the Queenstown Lakes Community Housing Trust in order to achieve agreement on the extent of the District’s housing challenges and to determine key actions for each agency.
- 5.53** The JHAP is a non-statutory document that provides an overview of the District’s housing challenges and sets a clear mandate for the Council to continue working

23 As per clause 3.12(5) of the NPS-UD, an FDS may be prepared and published as a stand-alone document or be treated as part of any other document such as a spatial plan. Spatial plans are prepared by ‘urban growth partnerships’ between central government, local government, and hapu and iwi.

24 [Improving housing outcomes in Queenstown Lakes \(gldc.govt.nz\)](https://www.gldc.govt.nz/improving-housing-outcomes-in-queenstown-lakes)

25 The Queenstown Lakes Homes Strategy 2021-2031 is a QLDC Strategy document that sets out QLDC’s strategic direction and vision for housing. It includes a description of the District’s housing challenges and an action plan.

with Registered Community Housing Providers (and with central government where possible) to implement various District-specific methods to address housing issues.

5.54 The main findings of the JHAP align with the findings of the previous HBAs and other assessments that support the notified UIV. These include expected shortfalls in lower dwelling value bands in the short–medium term and challenges in housing affordability identified in the HBAs.

5.55 The UIV assists with addressing issues identified in the JHAP by increasing housing choice in terms of both a greater range of dwelling types and sizes in different parts of the urban environment. As discussed in Ms Fairgray’s evidence at section 7, this will improve the level of affordability (from that likely to occur under the current PDP) for households across the demand profile generally through providing viable trade-offs between different dwelling options, location and price. However, it will not necessarily add a significant number of new affordable dwellings in the lower value bands. Importantly, increases in housing affordability are likely to occur gradually through time as more dwellings are constructed, with effects becoming more significant over the medium to long-term. The notified UIV is unlikely to generate any market-wide change in prices in the short-term.

5.56 In summary, the Homes Strategy and JHAP are non-statutory documents that regard has been had to in the preparation of the UIV.

6. QLD’S GROWTH CHALLENGES

Past Growth and Planning Response

6.1 The District has experienced significant population growth over the past two decades, generating a strong demand for housing and rapid outward expansion of the urban environment. Population growth rates have been substantially faster than the rest of New Zealand, with the population increasing by 140%²⁶ between 2004 and 2024. This is four and a half times New Zealand’s increase of 31% across the same period.

26 Statistics New Zealand Estimated Resident Population.

- 6.2** The enablement of housing and business growth has consequently been a key issue for the District and forms a major focus of the district plan review. The district plan review commenced in 2015 and was initially structured as a ‘staged review’, whereby tranches of ODP chapters were reviewed and notified as a group. More recently the Council has focused on discrete reviews of specific parts of the ODP (eg Northlake Special Zone private plan change), and variations on discrete matters / topics within the PDP, being heard individually. Approximately 98% of the District’s land area is currently governed by PDP zones, and most of the remaining 2% land area is within the ODP ‘Special Zones’ (albeit already subject to the PDP strategic chapters)²⁷ which are in the early stages of review.
- 6.3** The HBAs and updated capacity assessments for the notified UIV (summarised in Section 4 above) show that the plan review is enabling significant increases to plan-enabled capacity, which the UIV will further contribute to.
- 6.4** The NPS-UD requires Tier 1 and 2 authorities to update their HBAs every 3 years.²⁸ As set out earlier, the Council is in the process of preparing its latest update to the HBA.

Population growth and demand projections

- 6.5** Substantial population growth is projected to continue to occur across the District, generating further demand for housing. In May 2025, the Council updated its dwelling demand projections,²⁹ informed by the past alignment with population projections and updated Statistics New Zealand Estimated Resident Population. The demand projections model four different growth scenarios – Low, Medium, High and High Plus, with QLDC adopting the High Plus series.³⁰

27 Pursuant to PDP provision 1.1B – Structure of the District Plans.

28 NPS-UD cl 3.19(1).

29 These scenarios have been prepared by Walter Clarke (Utility Ltd) with assistance from Council staff, with the spatial distribution of growth within each ward influenced by the availability of residential capacity. (Source: Utility Ltd, 2025. *Queenstown Lakes District Demand Projections*, 13 May 2025 – Final.)

30 QLDC have adopted the High Plus projection series as the District has historically exceeded projected growth, with the use of this series providing a conservative approach to planning for future growth needs of the District. The High Plus series reflects a level of growth above that of the SNZ High projections.

- 6.6** Ms Fairgray's evidence (Section 4) shows that the updated projections contain substantially higher levels of growth than the previous projections (dated May 2022) used in the assessments to inform the notified UIV. The projections contain 40% more growth in the long-term, with larger shares of growth projected for the Wanaka Ward. Ms Fairgray has updated her assessment post notification of the UIV, which is contained in Section 4 of her evidence. The differences between the projection series are also summarised in Section 4 and Appendix 1 of her evidence.
- 6.7** The updated projected dwelling demand for the District is summarised in **Table 1** below. This is the total dwelling demand, including demand for resident households, holiday dwellings and allowance for vacant dwellings, and includes the NPS-UD competitiveness margins. The District's dwelling demand base is projected to approximately double over the long-term. There is a projected demand for an additional 9,900 dwellings over the medium-term and an additional 27,900 dwellings over the long-term.
- 6.8** Over half (56%) of growth is projected to occur within the Whakatipu Ward, which has projected demand for an additional 15,500 dwellings over the long-term. The Wānaka Ward is projected to account for around 44% of the district's long-term dwelling growth (+12,400 dwellings), which is greater than its estimated past share (33%-36%) of p of the District's population growth.³¹

31 Ms Fairgray's evidence (Section 4) bases this off Statistics New Zealand estimated resident population (2018 to 2023) and Statistics New Zealand Building Consent data (2015-2024).

6.9 Table 1. Projected Dwelling Demand in Queenstown Lakes District (QLDC February 2025 Projections)

		Projected Additional Dwelling Demand by Typology (Incl. Margin)							
		Detached	Duplex/Terrace	Apartments	TOTAL		Detached	Duplex/Terrace	Apartments
Time Period	Area								
		Baseline Demand Scenario				Higher Demand Substitution Scenario			
		Net Additional Dwellings (QLDC Updated May 2025 Projections - High Plus Series)							
Medium-Term Demand Growth	Wanaka Ward	2,900	1,200	300	4,300	2,500	1,300	500	4,300
	Whakatipu Ward	3,600	1,600	400	5,500	3,000	1,800	800	5,500
	Total District	6,500	2,800	600	9,900	5,400	3,100	1,300	9,900
Long-Term Demand Growth	Wanaka Ward	7,100	4,400	900	12,400	5,500	4,500	2,400	12,400
	Whakatipu Ward	7,800	6,400	1,300	15,500	5,800	6,100	3,500	15,500
	Total District	14,900	10,800	2,200	27,900	11,400	10,600	6,000	27,900
		Share of Projected District Growth by Location							
Medium-Term Demand Growth	Wanaka Ward	45%	42%	42%	44%	46%	43%	40%	44%
	Whakatipu Ward	55%	58%	58%	56%	54%	57%	60%	56%
	Total District	100%	100%	100%	100%	100%	100%	100%	100%
Long-Term Demand Growth	Wanaka Ward	48%	41%	41%	44%	49%	42%	41%	44%
	Whakatipu Ward	52%	59%	59%	56%	51%	58%	59%	56%
	Total District	100%	100%	100%	100%	100%	100%	100%	100%
		Share of Project Growth by Dwelling Type							
Medium-Term Demand Growth	Wanaka Ward	67%	27%	6%	100%	57%	31%	12%	100%
	Whakatipu Ward	65%	29%	7%	100%	53%	32%	14%	100%
	Total District	66%	28%	6%	100%	55%	32%	13%	100%
Long-Term Demand Growth	Wanaka Ward	57%	35%	7%	100%	45%	36%	20%	100%
	Whakatipu Ward	50%	41%	9%	100%	38%	39%	23%	100%
	Total District	53%	39%	8%	100%	41%	38%	21%	100%

Source: M.E Ltd QLD Dwelling Demand Model; QLDC Dwelling Projections (May 2025).

Impact of population growth on demand for housing (including relative demand)

6.10 Relative demand refers to the levels of demand for different dwelling types at each location across the urban environment. For instance, in some locations, there will be more demand for standalone dwellings than attached dwellings, and in other locations, there will be greater demand for more affordable dwellings. Understanding of demand, and the socio-demographic make-up of the market, is very important to understand relative demand, and make appropriate provision for varying patterns of demand in an urban environment.

6.11 Ms Fairgray's evidence (Section 4) estimates there are likely to be important differences in the patterns of demand for different types of dwellings between the Ward's, reflecting the differences in these local housing markets. The Wanaka Ward is generally less intensive, with greater shares of demand for detached dwellings than the Whakatipu Ward. She estimates that Whakatipu Ward is likely to have an increased focus on attached dwellings, with these likely to be generally more intensive than attached dwellings within the Wanaka Ward. The patterns of housing demand within both Wards are likely to gradually change through time to contain an increasing share of attached dwellings. This includes a greater share of more intensive attached dwellings in the long-term as the market becomes more established.

- 6.12** There also important differences in the patterns of housing demand by location within each Ward. These are a function of the trade-offs made by households between location, dwelling type, size and price, and are influenced by the scale and timing of demand for different types of dwellings at the overall ward housing market level. Ms Fairgray considers that demand for higher density dwellings is concentrated into central areas of highest accessibility with these types of dwellings making up a smaller component of demand than in larger urban economies. Demand for medium density dwellings is also directed toward central parts of each ward but is sustained across greater distances than higher density demand due to the larger overall market size and alignment of this housing type with a broader share of demand. Less central suburban areas are instead characterised by demand for detached dwellings and less intensive attached dwellings.

Housing Affordability in QLD

- 6.13** Within the large growth in housing demand, housing affordability is a significant issue for the District. As part of this picture, the 2021 HBA projected shortfalls in dwellings in lower value bands within the District.³²
- 6.14** Housing affordability issues occur as a result of the alignment (or, misalignment) between the patterns of demand and supply for housing, taking into account both the types of dwellings and their value bands. Some of the factors contributing to this alignment are influenced by the development opportunity enabled by the planning approach to managing future growth.
- 6.15** Ms Fairgray notes an important distinction between Housing Affordability and Affordable Housing. The former considers the level of affordability of different housing options for households across the demand profile, while the latter refers to a sub-set of dwellings which are provided to the market at or below a defined affordable price point. I note that the UIV is not specifically an affordable housing plan change, rather it seeks to enable more efficient use of urban land in certain

32 2021 HBA, Section 10.3.

locations, and opportunities to diversify the District's current housing stock, including through enabling opportunities for smaller homes and attached housing.

- 6.16** Policy 1 of the NPS-UD requires that planning decisions contribute to well-functioning urban environments, which at a minimum have or enable a variety of homes that meet the needs, in terms of type, price, and location of different households (Policy 1 (a)(i)); and support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets (Policy 1(d)).
- 6.17** Ms Fairgray addresses the matter of price/affordability in her evidence.³³ She considers the notified UIV is likely to encourage a pattern of development that makes a greater contribution to housing affordability than that encouraged by the current PDP. Increased housing options are likely to provide viable trade-offs for households within different locations between dwelling size, type and price, enabling improvements in housing affordability. She considers this is likely to occur gradually through time, becoming more significant in the medium to long-term as more dwellings are constructed and the market for more intensive dwellings becomes more established. She considers that the notified UIV is unlikely to have any market-wide effect on prices in the short-term and may not necessarily deliver affordable dwellings.

Changes to Character and Amenity Values

- 6.18** A common issue raised by submitters is that the notified UIV will adversely impact current levels of amenity or the character of existing communities or localities. Individual submission points on the notified UIV provisions and mapping that relate to changes to character and amenity are addressed in the respective s42A Reports.
- 6.19** The term 'amenity values' is defined in section 2 of the RMA as "[...] *those natural or physical qualities and characteristics of an area that contribute to people's appreciation of its pleasantness, aesthetic coherence, and cultural and recreational attributes.*"

33 Ms Fairgray's evidence Section 7.

- 6.20** The RMA does not define ‘character’, however it forms a component of an area or localities amenity. The PDP’s Strategic Objective 3.2.3 (A quality built environment taking into account the character of individual communities) also seeks that the built form takes character into account.
- 6.21** Amenity values are inherently subjective and can be influenced by a broad range of variables. A person’s appreciation of amenity values is not fixed and cannot be quantified.
- 6.22** Changes to existing character and amenity values will occur as a result of implementing Policy 5 of the NPS-UD, including through enabling more opportunity for medium and high-density housing. To assist with achieving the outcomes sought by NPS-UD, Objective 4 and Policy 6 of the NPS-UD seek to help decision-makers balance the changes required to enable more efficient use of the urban environment with the impacts of change on the community including current residents.
- 6.23** The notified UIV includes provisions designed to limit impacts on residential amenity, however when implementing change within established urban areas, not all impacts on the amenity of current residents are able to be mitigated. Council’s functions under s31 of the RMA extend beyond meeting the needs of the current population and require Councils to establish, implement and review objectives, policies and methods to ensure that there is sufficient development capacity in respect of housing and business land to meet the expected demands of the District (s31AA RMA). In this District, key demands relate to housing supply, location, and choice.
- 6.24** The notified UIV focusses most changes in zones where increased density is anticipated (being town centres, mixed use zones and the High and Medium Density Residential Zones). Key changes proposed to the Lower Density Suburban Residential Zone (**LDSRZ**) seek to remove barriers to achieving the density already anticipated in the zone. These barriers were identified through s35 monitoring of the effectiveness and efficiency of the operative provisions. My evidence on the

LDSRZ provides further explanation of how the notified LDSRZ provisions assist with enabling the anticipated density to be realised.

- 6.25** The PDP includes existing strategic policy that supports efficient use of urban-zoned land,³⁴ and due to the existing alignment of the PDP with the NPS-UD, only minor changes are proposed to PDP Chapter 4 in the notified UIV.

2024-2025 Economic Assessment³⁵

- 6.26** The recent assessment shows that, at a total level, there is likely to be sufficient capacity within the District's urban environment to meet the projected future growth across most locations. A comparison of the assessments (shown in Figure 4 above) shows that the level of capacity has continued to increase through time in the District. This is as a result of planning provisions that enable increases to development opportunity. The increased levels of development have also increased the feasibility of development through time. This is largely because of the greater development potential on most sites in the urban environment, in terms of dwelling yields, sizes and types.
- 6.27** Although the assessments in Figure 4 above all show substantive increases in total capacity, a key effect of the UIV is to increase the different types of dwellings able to be constructed in different parts of the urban environment. This is done by increasing densities and building heights in areas commensurate with the greater level of accessibility or demand. This is critical for understanding how the proposed levels of development opportunity align with patterns of demand for different types of housing in each part of the District (relative demand).
- 6.28** Ms Fairgray's assessment³⁶ distinguishes between the level of dwelling capacity required to meet Policy 2 vs the level of development opportunity (as above, taking into account the types, sizes and intensity of enable dwellings) that is needed to align with the patterns of demand for different types of housing in each location. She notes that level of development opportunity required to align with the level

34 Objective 3.2.2, Policy 3.2.2.1; Objective 4.2.2A, Policy 4.2.2.2, Policy 4.2.2.3.

35 Contained within Ms Fairgray's evidence at Sections 4, 5 and 6.

36 Ms Fairgray's evidence at Section 4.

and type of demand for housing in a location may produce a higher level of dwelling capacity than required to only meet Policy 2.

7. OVERVIEW OF THE COUNCIL'S APPROACH TO THE NOTIFIED UIV

7.1 This section of my evidence briefly summarises how the UIV meets the requirements of Policy 5 of the NPS-UD and other strategic direction for managing the District's growth challenges. It then sets out the approach undertaken to inform the development of the UIV, including the location, scale and spatial extent of provision for intensification opportunity across different parts of the urban environment. This covers the Accessibility and Demand Analysis appended to the Section 32 Report, and Ms Fairgray's evidence on the level of enabled and feasible development opportunity, including its alignment with patterns of relative demand across different parts of the urban environment. This section also addresses areas that are excluded from the intensification provisions and responds to submissions.

7.2 Ms Fairgray's assessment has also considered how the development patterns encouraged by the notified UIV over the medium to long-term are likely to contribute to a well-functioning urban environment. She considers the economic effects from the urban form and the effects on housing affordability from the encouraged development patterns.

Methodology

7.3 The s32 Report sets out the methodology used to implement Policy 5 of the NPS-UD. This methodology included the following key steps:

- (a) mapping accessibility and relative demand overall;³⁷ then
- (b) understanding which existing PDP zones correspond to the levels of accessibility / relative demand, including the housing typologies enabled via the anticipated building heights and densities in each zone³⁸ and what changes would be needed to the zone provisions and spatial extent of the zones to implement the NPS-UD, including Policy 5; then

37 Explained in the Accessibility & Demand Analysis – Method Statement appended to the s32 Report.
38 Explained in the Urban Design Report appended to the s32 Report.

- (c) evaluating the implications of different intensification options and how each option would influence changes to plan-enabled and commercially feasible capacity. This included analysis of overall changes in capacity (NPS-UD Policy 2 approach³⁹) as well as how these options correlate with the relative demand for different housing typologies in different locations over time (NPS-UD Policy 5 approach);
- (d) consideration of the resulting urban form implications from the development patterns encouraged by each option (including for infrastructure efficiencies and household's access to commercial and social amenities and employment opportunities);⁴⁰ together with consideration of the effect of the encouraged dwelling mix on levels of housing affordability in the district; then
- (e) using the information gathered, along with information from s35 monitoring, to inform the s32 options analysis.

7.4 A range of different intensification options were tested during the development of the notified UIV, as set out in the s32 Report. They included different spatial extents of the HDRZ and MDRZ and different levels of enabled development opportunity within each zone.

7.5 Section 9 of the s32 Report describes the notified amendments to PDP zoning and provisions. In broad terms, the proposal implements Policy 5 by proposing changes to the physical extent and locations of PDP zones, and to the provisions of the zones that relate to intensification. The key changes proposed to PDP provisions are increased building heights and building densities, acknowledging that changes to amenity values need to be balanced against the need to meet the diverse and changing needs of people, communities and future generations (Objective 4 of the NPS-UD).

39 Ms Fairgray's assessment covers part, but not all, of the technical stages of the NPS-UD Policy 2 sufficiency assessment. Although infrastructure information was not available at the time of the assessment, and RER was not calculated, she has considered the sufficiency through the scale of differences between feasible capacity and the share required to be taken up to meet demand. The focus of her assessment was necessarily instead on understanding the effect of the development opportunity enabled through planning as distinct from limitations arising from infrastructure constraints.

40 Explained in the Economic Modelling & Report prepared by Market Economics appended to the s32 Report.

- 7.6** No new zones are proposed in the notified UIV, and only minor amendments to strategic provisions in Chapter 4: Urban Development are proposed. As discussed in the s32 Report, the UIV generally assists with implementing the existing PDP Strategic Directions for the District’s urban environments.
- 7.7** The level of development enabled correlates with the greater of the areas’ level of accessibility or relative demand. To achieve this alignment the notified UIV proposes changes to planning maps and provisions within the applicable zones.
- 7.8** The notified UIV is underpinned by three key aspects:
- (a) Accessibility and Demand Analysis;
 - (b) Urban Design Assessment; and
 - (c) Economic Assessment.
- 7.9** I will address each of these in turn.

Accessibility and Demand Analysis

- 7.10** An Accessibility and Demand Analysis Report was developed based on the guidance set out in the September 2022 Ministry for the Environment guidance document⁴¹ on implementing the NPS-UD intensification provisions. The methodology is further explained in Mr Wallace’s Method Statement Memorandum (Barker & Associates), also appended to the s32 Report.⁴² The methodology sets out the Council’s strategic approach to applying Policy 5 by establishing a consistent and evidence-based method for measuring accessibility and relative demand, and ultimately identifying the locations where intensification is proposed to be enabled.
- 7.11** The concept of ‘accessibility’ is explained in the Accessibility & Demand Analysis Report, including how the level of accessibility was determined within the local context, and then consistently applied via the notified proposal within the District’s context. The following matters are particularly relevant to the local context:

⁴¹ [*Understanding and implementing the Intensification Provisions for the National Policy Statement on Urban Development, MfE, September 2022.*](#)

⁴² [*Accessibility & Demand Analysis – Method Statement – B&A, 16 May 2023.*](#)

- (a) walking catchments are given more weight to ensure that there are meaningful differences between areas as Policy 5 requires a determination of the areas' "level of accessibility", which inherently requires comparison between areas;
- (b) given the compact nature of the main urban areas, goods and services are all easily accessible within relatively short timeframes via either cycle or public transport. An overemphasis on these transport modes therefore does not assist in determining the areas level of accessibility;
- (c) total journey times are included in the assessment to account for the time it takes to change modes of transport, walk to and from bus stops and layover periods between transport stops; and
- (d) overall proximity (i.e. location relative to) to activities and destinations is a determinant of accessibility.

7.12 Mr Wallace's evidence⁴³ confirms that no changes to the methodology used for the Accessibility and Demand Analysis are recommended in response to submissions received. Mr Wallace also considers submissions on specific zone provisions and rezoning requests and makes recommendations from an urban design perspective. Ms Fairgray considers submissions on the level of intensification proposed for different areas and site-specific rezoning requests and make recommendations based on her assessments of capacity and demand, the alignment of development opportunity with relative demand and the economic effects of urban form.

Urban Design Report

7.13 The s32 Report is accompanied by an Urban Design Report prepared by Mr Wallace⁴⁴ that provides a high-level urban design review of the PDP in light of the changes to National Direction introduced by the NPS-UD.

7.14 The Urban Design Report assisted with preparation of the s32 Report (including the notified provisions) by making recommendations on urban design-related provisions, principally relating to heights and densities in the PDP zones that are

43 Mr Wallace's evidence, Section 4.
 44 Appendix 4 to the s32 Report.

within scope of the UIV. The Urban Design Report was intended to be read in conjunction with the Method Statement and supporting map series of the Accessibility and Demand Assessment.

Economic Assessment: Capacity and Demand Modelling

- 7.15** The Intensification Economic Assessment, undertaken by Market Economics and finalised in 2023 (also appended to the s32 Report), assessed the application of the different intensification options. ME consulting advised on these intensification options, the impact of the provisions and zone extent on the plan-enabled and commercially feasible capacity (including the effect on feasibility as well as resulting levels of capacity) of different housing typologies, impacts on business land, urban form implications and implications for the existing infrastructure and transport constraints.
- 7.16** Importantly, the assessment has considered both overall capacity (total capacity for each Ward's housing market) as well as the levels of capacity/demand for different types of dwellings in each location, which is important for assessing the alignment of intensification areas with relative demand. The enabled development opportunity has been "pressure tested" where Ms Fairgray has taken a conservative approach through testing a range of demand scenarios. This includes demand with a greater focus toward detached dwellings, and separately, a scenario with a greater demand preference shift toward medium to higher density dwellings.
- 7.17** Ms Fairgray has subsequently (in 2024 and 2025) undertaken further economic assessment post notification of the UIV (**2024-2025 Economic Assessment**), which informs her evidence. The 2024-2025 Economic Assessment included updated capacity modelling to reflect the notified UIV (which differed in some areas to the originally modelled options), the incorporation of QLDC's updated High Plus demand projections, and further modelling of the effects of the notified UIV on feasible capacity.⁴⁵

45 Ms Fairgray's evidence Sections 4 and 5.

- 7.18** The most recent demand figures from May 2025 (discussed in Section 4 of Ms Fairgray’s evidence) are substantially higher than the previous projections considered during the Section 32 assessment and generally during the 2024 Economic Assessment. However, Ms Fairgray did test a higher range scenario in 2024, which is higher than the updated Medium Series projections for the District (and also for the Whakatipu Ward High and High Plus series).
- 7.19** The updated 2024-2025 Economic Assessment⁴⁶ found the notified UIV substantially increases plan-enabled and feasible capacity from the baseline PDP. The capacity is large relative to projected demand, suggesting the UIV is likely to provide sizeable development opportunity for the market to meet the District’s long-term growth needs in most locations. It also found the feasibility of development, and resulting capacity, across large parts of the urban environment would be substantially increased in areas of upzoning and through the increased enabled development opportunity within zones. Findings on the alignment of the development opportunity with relative demand are set out in the next sub-section.
- 7.20** Ms Fairgray’s evidence⁴⁷ considers that the notified UIV is likely to encourage urban form development patterns that produce economic benefits and contribute toward a well-functioning urban environment. This occurs locally through the intensification within and around the District’s commercial centres, with the associated economic benefits; and at a broader spatial scale through encouraging a greater concentration of growth to occur in central parts of each of the two wards that are more aligned with infrastructure networks than the pattern of growth likely to occur under the district plan prior to the notified UIV.
- 7.21** Ms Fairgray (in Sections 5 and 7 of her evidence) considers that the market is likely to respond to the increased development opportunity provided by the UIV to deliver an increasing range of dwelling types and sizes. The increased housing choice is likely to improve housing affordability through enabling households to make viable trade-offs between dwelling type, size and price within and between locations. This is likely to occur gradually through time as more dwellings are added

46 Ibid.

47 Ms Fairgray’s evidence, Section 6.

to the stock, becoming more significant in the medium to long-term. It is unlikely to generate any immediate reduction in prices across the total dwelling stock.

- 7.22** Importantly, the economic assessment (summarised in Section 7 of Ms Fairgray's evidence) explains the difference between improving housing affordability and delivery of affordable dwellings (which is only one contributor to affordability). Improvements in affordability are likely to occur across the demand profile more generally through the greater housing choice as it applies to different parts of the market,⁴⁸ and within locations through the greater mix of typologies and associated prices. However, it does not suggest that the UIV is likely to result in the delivery of affordable dwellings (as determined by a particular price point).

Assessment of alignment of development opportunity with relative demand

- 7.23** The concept of relative demand for housing relates to market demand for different types of housing in different locations. This is further explained in Section 4 of Ms Fairgray's evidence and then applied to assess the notified UIV areas for intensification in Section 6.

- 7.24** Ms Fairgray has considered the alignment of development opportunity in the different intensification options with patterns of relative demand across different parts of the urban environment. She has examined this alignment for areas where greatest intensification is enabled by the UIV as well as this alignment in other parts of the urban environment.

- 7.25** For the areas of greatest intensification, Ms Fairgray (Sections 4 and 6 of her evidence) has considered the following factors in her assessment of the alignment with relative demand:

- (a) location of intensification opportunity within the spatial structure of the urban environment;
- (b) the spatial extent of provision in each location; and
- (c) the scale (e.g. height) of provision in each location.

48 For example, a 3–4-bedroom duplex (as enabled by the UIV) may form a viable cheaper housing option for a household that would otherwise occupy a detached dwelling.

- 7.26** Ms Fairgray's evidence⁴⁹ explains that the above factors are influenced by the scale and timing of market demand in each location. This is driven by factors such as percentage of overall demand (in the short, medium and long term), current and future market establishment, extent to which the demand can be sustained by a given centre or node of accessibility, commercial feasibility, and other factors which collectively form the structure of market demand for different housing types in different locations.
- 7.27** Ms Fairgray explains in her evidence that considering relative demand is important as over or under-supplying the market, or enabling supply in unsuitable locations, could lead to urban form outcomes with a reduced economic benefit. The UIV therefore selects the most appropriate intensification option, along with a zoning pattern and intensification level that aligns with relative demand. These factors ensure a compact, efficient urban form, well-functioning urban environments (as defined in NPS-UD Policy 1), and alignment with the PDP Strategic Directions (PDP Chapter 3).
- 7.28** Ms Fairgray considers that the notified UIV generally aligns with the relative demand across the District, but she supports some changes in light of the updated higher demand, and refinements for specific locations to better align the development enabled with the relative demand for housing in those locations. Recommendations on these matters are made in the respective s42A Reports. In particular, Ms Fairgray supports greater provision for attached dwelling development opportunity within Wanaka as a result of the higher projected demand.
- 7.29** Ms Fairgray has conducted further assessment on the proposed changes to development opportunity provisions in Arrowtown⁵⁰. While the s42A recommended changes would reduce the capacity for terraced dwellings, sites are likely to still remain feasible to develop, albeit at a lower dwelling yield. The reduced capacity is still large relative to projected demand (including in the

49 Ms Fairgray's evidence, Section 4.

50 Ms Fairgray's evidence, Section 6.

updated projections). Ms Fairgray considers that although the market may be able to sustain some more intensive terraced dwellings in the MDRZ at Arrowtown in the future, the enabled dwelling mix is still likely to provide diversified housing choice in this location where demand is generally focused towards less intensive dwellings.

Identified Exclusions and Partial Exclusions to Intensification

7.30 The s32 Report outlines the approach taken for locations where the level of development directed by Policy 5 of the NPS-UD is not suitable due to location-specific matters that are a development constraint. In identifying these exclusions, the s32 Report used the NPS-UD criteria for Qualifying Matters for Tier 1 authorities⁵¹ as a guide.

7.31 In summary, the exclusions outlined in the s32 Report⁵² are the following:

- (a) Gorge Road ODP High Density Residential Zone has been excluded due to ongoing investigations into the natural hazard risk from alluvial fan debris flow, flooding and rockfall (s6(h) RMA, management of significant risks from natural hazards);
- (b) Arrowtown Town Centre Zone (including the Heritage Precinct) and the Arrowtown Residential Historic Management Zone have been excluded due to historic heritage (s6(f) RMA, protection of historic heritage⁵³ from inappropriate subdivision, use, and development). I note that in my evidence on the Arrowtown submissions⁵⁴ I recommend Arrowtown-specific changes to the notified MDRZ and LDSRZ provisions. These changes are supported by evidence from Mr Knott;
- (c) Queenstown Town Centre Heritage Precinct due to historic heritage (s6(f) RMA, protection of historic heritage from inappropriate subdivision, use, and development); and
- (d) Land within the Queenstown Airport Air Noise Boundary (**ANB**) and Outer Control Boundary (**OCB**) identified on PDP planning maps (for the

51 NPS-UD Clause 3.32 – Qualifying Matters.

52 Section 32 Report, Section 6.2.

53 Noting that the RMA definition of ‘historic heritage’ includes historic sites and surroundings associated with the natural and physical resources.

54 Amy Bowbyes s42A Report – Arrowtown.

purpose of ensuring the efficient operation of nationally significant infrastructure⁵⁵). As outlined in the s32 Report, a partial exclusion was applied to this land, whereby changes to zone provisions were applied to the existing zones located within the ANB and OCB, however no changes were notified to planning maps on land within the ANB and OCB.

7.32 The following partial exclusions are also outlined in the s32 Report:⁵⁶

- (a) Wānaka Town Centre building heights: a partial exclusion was applied to this land in respect of building heights due to concerns with potential impacts on character and amenity. I note that Ms Frischknecht's s42A Report and Mr Wallace's evidence on the Wānaka Town Centre Zone (**WTCZ**) have considered submissions on the notified heights and recommend amendments to WTCZ provisions to enable taller buildings whilst managing anticipated effects;
- (b) several existing location-specific building height standards are proposed to be retained⁵⁷;
- (c) measures to manage effects of stormwater runoff, including limiting impervious surfaces and generally maintaining existing site coverage rules. This approach was also developed in response to feedback from Rūnaka regarding concern with impacts on water quality; and
- (d) existing provisions relating to setbacks from State Highways are proposed to be retained to address potential reverse sensitivity effects from State Highway traffic noise.⁵⁸

7.33 While these constraints are largely informed by the NPS-UD criteria for Qualifying Matters for Tier 1 authorities they also in effect address policy conflicts between the NPS-UD's directive to intensify and PDP's strategic direction for the management of growth, land use and development in a manner that ensures

55 Nationally Significant Infrastructure is defined in the NPS-UD and includes "any airport (but not its ancillary commercial activities) used for regular air transport services by aeroplanes capable of carrying more than 30 passengers).

56 Section 32 Report, Section 6.2.

57 Section 32 Report, Section 6.2.2.

58 Section 32 Report, Section 6.2.9.

sustainable management of the QLD's special qualities. This then in effect ensures continued alignment with the PDP Strategic Directions (PDP Chapter 3), and contributes to achieving a well-functioning urban environment (Policy 1 of the NPS-UD).

8. SUBMISSIONS RECEIVED ON THE COUNCIL'S APPROACH TO THE NOTIFIED UIV

- 8.1** Submitters' views on the notified UIV range from seeking more or less intensification (in some cases generally, in some cases focusing on specific locations) or retention of the status quo. I only address submission points that apply to the UIV generally.

Submissions generally seeking greater enablement of development

- 8.2** The submissions of the Ministry for Housing & Urban Development (**HUD**) (800), NZ Infrastructure Commission (**Commission**) (1238), and NZ Transport Agency (**NZTA**) (200) generally seek that the notified UIV should be amended to be more enabling of additional development.
- 8.3** HUD's submission states that limited space for greenfield expansion necessitates a high need for the District's urban land to be used much more efficiently and the submission seeks that more enabling and 'ambitious' zoning should be considered. In HUD's view, this is needed in order to "...ensure a sufficient supply of homes across a range of typologies are built to provide residents with greater housing choice and access to more affordable homes". The submission only provides a general statement on amendments to the notified UIV and does not recommend any specific changes to implement the relief sought.
- 8.4** I agree with HUD's reasoning that the UIV is an important opportunity to enable more efficient use of urban land. I also note that planning decisions (including the UIV) are required to *contribute to* well-functioning urban environments,⁵⁹ which are determined by a range of factors in addition to sufficient development opportunity. In my view, the notified UIV makes a significant contribution in this regard through appropriately balancing increased growth opportunity with other

59 See definition in Policy 1 of the NPS-UD.

factors important for a well-functioning urban environment in each location. Plan-enabled capacity tracked through the HBAs, and UIV assessments, shows that the Council is pro-actively enabling increased development opportunities, with the UIV as one component of a broader work programme on housing supply.

- 8.5** Regarding HUD's comment that urban expansion opportunities are constrained, I agree in principle on this point, however in my view it has limited relevance in the context of the UIV, which is focussed on the strategic location of intensified development in accessible locations. Policy 5 of the NPS-UD does not require the Council to attempt to measure the potential yields that may or may not result from future urban expansion when determining appropriate building heights. Additionally, Policy 5 does not set a target for the additional plan-enabled capacity to be achieved by district plans when implementing the Policy.
- 8.6** When appropriately scaled to patterns of market demand, provision for higher density development generally produces large potential yields when applied even across small areas. A more meaningful focus is instead on the scale of development opportunity in comparison to the type of development that can be sustained by the market in each location. The HBA findings, and UIV capacity assessments, show that significant plan-enabled capacity is being created via changes to the PDP,⁶⁰ and in my view this wider context has not been sufficiently considered by HUD.
- 8.7** The specific relief sought by HUD is to 'support the supply of affordable housing in Queenstown'.⁶¹ I note that the 2021 HBA finds that even with significant plan-enabled capacity, the market is undersupplying housing at affordable prices. In the QLD context, increased housing enablement via plan-enabled capacity does not necessarily equate to development of affordable housing.
- 8.8** Ms Fairgray's evidence⁶² is that the UIV will likely improve housing affordability gradually over the medium to longer term (relative to the levels of affordability likely to occur with the development patterns encouraged by the current PDP)

60 Existing greenfield capacity enabled through the plan review includes Three Parks, Lake Hāwea South and Te Pūtahi Ladies Mile. Further Plan-enabled capacity may be provided through the review of the ODP Special Zones.

61 Submission 800 – final section that states the relief sought.

62 Ms Fairgray's evidence, Section 7.

through increasing housing choice available in each area. Ms Fairgray finds that housing affordability is likely to be increased more broadly across different parts of the demand profile through the viability of greater housing option trade-offs rather than a concentrated delivery of dwellings in the lowest value bands. However, in the absence of a requirement to build affordable homes, the market will ultimately decide the affordable housing offering.

8.9 Furthermore, increased development opportunity applies to all parts of the market and not just the commercial profit-driven developer. This means that other parts of the market (including social and community housing providers) would be able to develop their sites more intensively to contain a greater number of dwellings.

8.10 The Commission's submission states that the notified UIV will not achieve its intent to increase housing supply, and states the following main reasons in the submission:

- (a) available packages of upzoned land need to be of a suitable size (minimising any package amalgamation expenses);
- (b) the upzoned land is already significantly developed (across the central suburbs overall on average); and
- (c) the height restrictions are insufficient in scale and extent of application to encourage market uptake.

8.11 A high-level analysis contained in the Commission's submission states that the notified UIV is likely to only result in an additional 31-149 houses over 10 years in comparison to the level of development likely to occur under the existing baseline provisions. Ms Fairgray's evidence responds to these figures, including an assessment of the method used by the Commission. Contrary to the Commission's submission, Ms Fairgray's evidence is that the market is instead likely to respond to the large increases in feasible development opportunity enabled by the notified proposal across large parts of the urban environment.

8.12 Ms Fairgray's technical examination of the Commission's approach finds that it only incorporates (or assesses) a minor part of the increased development opportunity,

therefore producing only a limited effect. The approach appears to reflect only changes in height as applied to the enabled baseline development typologies. However, the effect is much greater than this as it enables development options with much higher dwelling yields. The increases in yields are proportionately larger than the increases in height, particularly in areas which are proposed to be upzoned.⁶³

8.13 Ms Fairgray's view⁶⁴ is that the high-level nature of the Commission's assessment also means that it is not well-suited to reflecting the feasible development potential on sites that are likely to be viable for redevelopment. The development potential on these individual sites is obscured by the application of suburb-level averages. These reflect the higher levels of capitalisation in the area generally as a result of the development which is already taking place, but at the same time mean that sites with low capitalisation (and are therefore well-suited to redevelopment) are not captured by the analysis.

8.14 In broad terms, Policy 5 of the NPS-UD requires intensification in key locations located within the existing urban environment. Policy 5 does not direct the Council to seek out land that is not already fragmented or highly capitalised. Redevelopment of land within the existing urban environment will invariably occur in a pattern that is different from greenfield development. A key concern of the Commission is that the plan-enabled intensification would not be commercially feasible given existing capitalisation. Ms Fairgray's position⁶⁵ is that the UIV will enable development in a way that would increase the commercial feasibility of redeveloping sites at greater density.

8.15 The Commission's submission⁶⁶ states that 'policy documentation suggests that this Variation will be matched with greater limitations on greenfield development'. This statement is incorrect. The 2021 Spatial Plan identifies locations for future urban development and will inform future plan changes that increase the spatial

63 For example, a LDSRZ site which is upzoned to MDRZ would have a much larger increase in enabled yields through the potential to develop terraced housing or low-rise apartments than an increase in development opportunity reflected by only adding a further storey to the dwelling densities enabled in the LDSR Zone.

64 Ms Fairgray's evidence, Section 5.

65 Ms Fairgray's evidence, Section 5.

66 Submission 1238, page 2.

extent of the urban environment. The Ladies Mile Te Pūtahi Variation is an example of strategic (Council-led) urban expansion, which is now (recently) operative. The UIV is 'on' the urban environment because that is where the NPS--UD applies, which in turn informs the geographic scope of the UIV. Lake Hāwea South is another example of urban expansion that has occurred via the district plan review, in a location identified as 'future urban' in the 2021 Spatial Plan.

8.16 NZTA's submission states that the notified UIV has not gone far enough to address the identified issues, and seeks that greater intensification is provided for in areas in and around Queenstown and Frankton. The submission includes a non-exhaustive list of locations as follows:⁶⁷

- *"Fernhill / Sunshine Bay: although these areas have topographical constraints, they are very close to Queenstown Town Centre and are served by a frequent bus route;*
- *All areas within walking distance of Queenstown Town Centre should be up-zoned to High Density Residential unless constrained by other factors;*⁶⁸
- *Some areas within walking distance of Wānaka Town Centre should be considered for High Density Residential zoning;*
- *Frankton, due to it being identified as the second most accessible area within the district [...];*
- *Queenstown and Wānaka town centres: heritage and other constraints of these areas are recognised but there is scope for greater height in these centres."*

8.17 The NZTA submission acknowledges that Lakeview (Plan Change 50 land) is not included in the notified UIV. This matter, and the exclusion of all other land still governed by the ODP (including Frankton Flats and Remarkables Park Zones) is discussed below in the section on scope, where I explain that when the remaining ODP land is reviewed, any land within the urban environment will need to implement Policy 5 of the NPS-UD.

67 See pp2 & 3 of the NZTA submission.

68 I note this area includes the Gorge Road natural hazards exclusion area.

Submissions generally seeking greater enablement of development in the Queenstown Airport Outer control boundary

- 8.18** The NZTA submission also seeks that consideration is given to increasing development opportunities within the Queenstown Airport Outer Control Boundary (**OCB**) due to the Accessibility & Demand Assessment showing that this location has high accessibility and high relative demand. NZTA recognises the need to protect infrastructure from reverse sensitivity effects and the need to protect people from adverse health and amenity effects from excessive noise exposure, however states that it is not clear that an appropriate balance has been struck.
- 8.19** Regarding the strategic approach taken in the notified UIV to apply a 'partial exclusion' to land within the Air Noise Boundary (**ANB**) and OCB, I note that the s32 Report includes an assessment of options for this location. As highlighted in HUD's submission, there is a policy tension between the 2021 Spatial Plan having identified Frankton as a Metropolitan Centre, and the presence of Queenstown Airport which necessitates the management of reverse sensitivity effects from activities that would otherwise be anticipated in a local centre.
- 8.20** The ORPS, pORPS and PDP have a comprehensive policy framework to manage this tension, which I will briefly step through as it is relevant to whether the submission is recommended to be accepted or rejected.
- 8.21** Regarding the ORPS, the ORPS definition of Infrastructure includes '*i) an airport as defined in section 2 of the Airport Authorities Act 1966*'. The following ORPS provisions are also relevant:
- (a) Objective 4.3 – Infrastructure is managed and developed in a sustainable way
 - (b) Policy 4.3.2 – Nationally and regionally significant infrastructure:
 - (c) *Recognise the national and regional significance of all of the following infrastructure:*
[...] (f) ...airports and associated navigation infrastructure [...].
 - (d) Policy 4.3.5 – Protecting infrastructure with national or regional significance:

Protect infrastructure with national or regional significance, by all of the following:

- a. Restricting the establishment of activities that may result in reverse sensitivity effects;*
- b. Avoiding significant adverse effects on the functional needs of such infrastructure;*
- c. Avoiding, remedying or mitigating other adverse effects on the functional needs of such infrastructure;*
- d. Protecting infrastructure corridors from activities that are incompatible with the anticipated effects of that infrastructure, now and for the future.*

8.22 Regarding the pORPS, the pORPS definition of *Regionally Significant Infrastructure* includes Queenstown Airport, and the following provisions are also relevant:

- (a) EIT-INF-04 – Provision of Infrastructure⁶⁹
Effective, efficient, safe and resilient infrastructure, nationally significant infrastructure and regionally significant infrastructure enables the people and communities to provide for their social and cultural well-being, their health and safety, and supports sustainable economic development and growth in the region.
- (b) EIT-INF-05 – Integration⁷⁰
Development of infrastructure, as well as landuse change, occurs in a co-ordinated manner to minimise adverse effects on the environment and increase efficiency in the delivery, operation and use of the infrastructure.
- (c) EIT-INF-P10 – Recognising resource requirements
Decision making on the allocation or use of natural and physical resources must take in to account the functional needs and operational needs of nationally significant infrastructure and regionally significant infrastructure.
- (d) EIT-INF-P12⁷¹ – Upgrades and development

69 EIT-INF-04 is currently subject to appeal.

70 EIT-INF-05 is currently subject to appeal.

71 EIT-INF-P12 is currently subject to appeal.

Provide for upgrades to existing, and development of new, nationally significant infrastructure or regionally significant infrastructure while ensuring that:

- 1. it is designed and located, as far as practicable, to maintain functionality during and after natural hazard events,*
- 2. it is, as far as practicable, co-ordinated with long-term landuse planning, and*
- 3. its delivery, operation or use is efficient.*

- (e) EIT-INF-P15⁷² – Protecting nationally significant infrastructure and regionally significant infrastructure

Protect the efficient and effective operation of nationally significant infrastructure and regionally significant infrastructure by:

- 1. avoiding activities, to the extent reasonably practicable, that may give rise to an adverse effect on the functional needs or operational needs of nationally significant infrastructure or regionally significant infrastructure,*
- 2. avoiding activities, to the extent reasonably practicable, that may result in reverse sensitivity effects on nationally significant infrastructure or regionally significant infrastructure, and*
- 3. avoid or minimise the effects of activities and development so that the opportunity to adapt, upgrade or extend existing nationally significant infrastructure or regionally significant infrastructure to meet future demand is not compromised.*

8.23 Regarding the PDP, Queenstown Airport is included in the PDP definition of Regionally Significant Infrastructure (**RSI**). The PDP includes the following strategic provisions for RSI:

- (a) PDP Chapter 3: Strategic Directions:
Strategic Policy 3.3.24B: Protect Regionally Significant Infrastructure by managing the effects of incompatible activities.
- (b) PDP Chapter 4: Urban Development

72 EIT-INF-P15 is currently subject to appeal.

Policy 4.2.2.1: *Integrate urban development with existing or proposed infrastructure so that:*

a) [...]

b) *Reverse sensitivity effects of activities on regionally significant infrastructure are minimised; [...].*

(c) **Policy 4.2.2.2:** *Allocate land within Urban Growth Boundaries into zones which are reflective of the appropriate land use having regard to:*

[...]

h) the need to make provision for the location and efficient operation of infrastructure and utilities, including regionally significant infrastructure; [...].

8.24 PDP planning maps include a mapped ANB and OCB, and land within these identified locations have limits in respect of Activities Sensitive to Airport Noise (ASANs), which are defined in PDP Chapter 2: Definitions and include any residential activity.

8.25 At the PDP zone chapter level, development of ASANs within the ANB and OCB are subject to a specific policy framework, including the following for the Lower Density Suburban Residential Zone:

Objective 7.2.2: *Development of Activities Sensitive to Aircraft Noise is limited within the Queenstown Airport Air Noise Boundary and Outer Control Boundary in recognition of the amenity (noise) constraints now and likely in the foreseeable future as a result of its increasing intensity of operation and use.*

Policy 7.2.2.1: *Discourage the creation of any new sites of infill development for Activities Sensitive to Aircraft Noise within the Air Noise Boundary and between the Air Noise Boundary and the Outer Control Boundary on land around Queenstown Airport.*

- 8.26** In my view, the submissions seeking further intensification within the OCB have failed to consider the existing PDP framework that manages reverse sensitivity effects. Furthermore, the NPS-UD itself includes a definition of Nationally Significant Infrastructure which includes any airport (but not its ancillary commercial activities) used for regular air transport services by aeroplanes capable of carrying more than 30 passengers. Clause 3.32 of the NPS-UD enables Tier 1 authorities to include a qualifying matter for the purpose of ensuring the safe or efficient operation of nationally significant infrastructure, which has been used a guide for the excluded areas. In my view it is appropriate for the qualifying matters to be used as a guide for Teir 2 authorities implementing Policy 5.
- 8.27** Overall, in respect of land within the OCB and ANB I consider that the approach taken in the notified UIV is the most appropriate method to achieve the objective of the UIV, balancing the requirements of the NPS-UD whilst managing the effects of activities, including reverse sensitivity effects whilst also giving effect to the relevant provisions of the ORPS, having regard to the pORPS, and implementing the strategic provisions of the PDP.
- 8.28** In summary, in response to submissions generally seeking greater enablement of development than the notified UIV:
- (a) The 2024–2025 Economic Assessment⁷³ shows that the notified UIV would provide large increases in development opportunity within the areas of highest accessibility. The feasibility of intensification in these areas would also be increased through the notified provisions and mapping.
 - (b) The scale of development opportunity created through the notified UIV is large in comparison to total demand in most locations.
 - (c) The types of housing enabled by the notified UIV across different parts of the urban environment is also commensurate with the scale of relative demand for different types of housing in most locations.
 - (d) The local economic context is very important for the scale and timing of market demand and therefore the scale of intensification provisions. The

73 Ms Fairgray's evidence, Sections 4, 5 and 6.

scale (height and density) and notified UIV mapping changes reflect the size of the market and the timing of the demand. This applies for the HDRZ as well as the MDRZ, with the key difference between the zones being the provision for higher density development.

- (e) It is important that intensification opportunity is provided in a way that also meets other NPS-UD objectives so that it contributes to a well-functioning urban environment. Widespread application of this opportunity, at a scale much greater than the distances sustained by market demand, would likely instead encourage a more dispersed pattern of growth that would contribute less to a well-functioning urban environment, including being less efficient for infrastructure and have reduced levels of intensification around centres (and therefore reduced economic benefits).
- (f) The UIV is required to implement Policy 5 of the NPS-UD, whilst also implementing other NPS-UD Objectives, giving effect to the ORPS, whilst implementing the PDP strategic objectives, and having regard to pORPS.

8.29 In my view, the strategic approach to the notified UIV is appropriate to achieve the UIV objectives. The respective s42A Reports address submissions seeking specific relief, and in some instances do recommend changes to the notified provisions to enable additional development opportunity through recommended increases to enabled building heights and recommended mapping changes. However, in my view the general relief sought by HUD (800), the Commission (1238), and NZTA (200) which opposes the strategic approach to the UIV and generally seeks significantly greater enablement of development opportunity than the notified UIV is a less appropriate option than the notified strategic approach.

8.30 On this basis, I recommend that the relief sought by HUD (800), the Commission (1238), and NZTA (200) be rejected.

9. SCOPE OF THE UIV – ON PDP LAND IN THE URBAN ENVIRONMENT

- 9.1** As outlined in the s32 Report,⁷⁴ approximately 2% of the District's land area is yet to be reviewed through the district plan review, and in the meantime this land remains governed by the ODP (sitting under the PDP strategic direction chapters 3 – 6).
- 9.2** The district plan review work programme is ongoing, and the final stage will review the remaining ODP Special Zones. The review of these zones has commenced and is being progressed as a priority. For these zones, implementation of the NPS-UD (including Policy 5) will occur through the review of the ODP provisions that will at the same time bring the land into the PDP. To implement the NPS-UD via discrete plan changes to the ODP, which currently only applies to a very small portion of the District's urban environment, and is being transitioned out, would be ineffective and inefficient.
- 9.3** The purpose of the UIV is to implement the NPS-UD, with a particular focus on Policy 5. This is expressed as being in relation to the existing urban environment as the UIV does not propose to extend the urban environment.
- 9.4** The notified UIV proposes changes to the following PDP zones located within the District's urban environment:
- (a) LDSRZ
 - (b) MDRZ
 - (c) HDRZ
 - (d) Queenstown Town Centre Zone (**QTCZ**)
 - (e) Wānaka Town Centre Zone (**WTCZ**)
 - (f) Local Shopping Centre Zone (**LSCZ**)
 - (g) Business Mixed Use Zone (**BMUZ**)
- 9.5** A number of submissions⁷⁵ seek that ODP land be included in the UIV. These submissions seek rezonings and amendments to planning provisions. The UIV is a variation to the PDP, it is not a plan change and nor does it apply to any of the ODP

74 Section 32 Report, Section 5.1.3.

75 Including submissions 191, 200, 298, 679, 743, 767, 776, 1041, 1252.

zoned land. In my view, these submission points are not on UIV (and therefore not within scope) and I recommend that these submission points be rejected.

9.6 Additionally, a number of submissions⁷⁶ seek changes to provisions that are not related to heights and density, including submissions seeking amendments to provisions on visitor accommodation activities in the PDP. The PDP has an existing framework for visitor accommodation, residential visitor accommodation and homestay activities. The s35 Monitoring for the UIV did not assess the effectiveness and efficiency of the visitor accommodation provisions, and Policy 5 of the NPS-UD specifically focusses on heights and density of urban form. The notified variation is not on the visitor accommodation provisions, and in my view, the submissions seeking changes to the visitor accommodation provisions are not within scope of the UIV. I recommend that these submission points be rejected.

9.7 The *rezoning* of land proposed by the UIV is identified as being land close to the commercial areas in Queenstown, Frankton and Wānaka, this narrows the scope of any rezoning requests to areas that can be characterised as being close to those three commercial areas.

10. APPROACH TO UPDATING QLDC DESIGN GUIDES

10.1 Several of the PDP chapters that are proposed to be amended by the UIV include references to design guidelines, which are material incorporated by reference in the PDP. These are:

- (a) Wānaka Town Centre Character Guideline 2011;
- (b) Queenstown Town Centre Special Character Area Guidelines 2015;
- (c) Arrowtown Design Guidelines 2016;
- (d) Business Mixed Use Design Guide 2021; and
- (e) Residential Design Guide 2021.

10.2 The design guidelines are variously referenced in PDP policies and matters of discretion for restricted discretionary activities.

76 Including submissions 10, 108, 364, 375, 515, 661,773.

10.3 Submissions relating to the design guidelines seek the following relief:

- (a) M Harris (10) opposes Policies 13.2.3.1 and 13.2.3.2 noting that buildings should be kept small and guidelines are now too high for building height;
- (b) D White for Patterson Pitts Group (807) seeks that the notified amendments to the design guide references are not made until the updated design guidelines are notified; and
- (c) Heart of Wānaka (360) states that Wānaka Town Centre Character Guidelines have not been revised since their release in 2011, is out of date, and needs substantial overhaul to be useful in informing development and assessment.

10.4 Schedule 1 of the RMA sets out a specific process for consulting on and amending material incorporated by reference. Clause 34 of Schedule 1 requires that any proposed changes to material incorporated by reference is notified for public ‘feedback’ and requires that the feedback be ‘considered’.

10.5 When the UIV was notified, it was intended that the design guidelines would be updated at a later date, and a set of indicative changes were provided with the notified UIV, but were clearly identified as not being within the scope of the UIV.

10.6 The process set out in Clause 34 of Schedule 1 has not yet been undertaken, as the guidelines are intended to represent the development outcomes sought by the provisions. The guidelines themselves do not include statutory rules or provisions, rather they are designed to assist with implementing the district plan provisions by illustrating examples of design outcomes sought by the provisions. Additionally, the Arrowtown Design Guidelines describe the character of Arrowtown. This is discussed further in my s42A evidence⁷⁷ on the Arrowtown submissions.

10.7 Amendments to provisions subject to the UIV, including to building heights, will have bearing on the content of the design guides, which include building renders that illustrate development within the building envelope provided for by the

77 Amy Bowbyes s42A – Arrowtown

provisions. Amendments to the PDP as a result of the UIV will necessitate amendments to the design guides to reflect the changes to the PDP provisions.

- 10.8** The set of indicative changes to the design guides were provided with the notified UIV to demonstrate what the changes to the future design guides may look like, however these indicative changes were not formally notified for submissions. The indicative changes generally showed discrete amendments to the text and illustrations to show best practice examples of building design when applying the notified changes to provisions.
- 10.9** I confirm the approach the Council will take is to firstly confirm the UIV provisions (i.e. via a Council decision and/or resolution of any subsequent appeals), then consult on proposed changes to the design guidelines using the process required by Clause 34 of the First Schedule, as a second (future) step. The references to the design guidelines in the PDP would then need to be updated to refer to the updated version of the design guidelines.
- 10.10** The Heart of Wānaka submission⁷⁸ accurately states that the Wānaka Town Centre Character Guideline has not been substantively updated since 2011. Undertaking the amendments to the design guide at a later date will also provide opportunity for the Wānaka guideline to be comprehensively updated in the future, if appropriate.
- 10.11** As discussed in Ms Frischknecht's evidence,⁷⁹ there are instances where it is considered appropriate to update PDP policies (including for Wānaka Town Centre) to provide a more fulsome statement in the PDP of the design outcomes sought, that are illustrated and described in the design guide. Having these design outcomes in the plan provisions affords them greater statutory weight and improved clarity and certainty for plan users.

78 Submission 360.

79 Ms Frishknecht's s42A Report – Business Zones, Topic 2.

- 10.12** The notified UIV erroneously included text amendments that updated the design guide references to a '2023' version⁸⁰. As identified in Mr White's submission for Patterson Pitts Group,⁸¹ these reference changes are premature, given that the design guides have not yet been formally updated. The first step set out above, requires the references in the PDP to the version of the guidelines to be revert back to the current PDP text.
- 10.13** Mr White seeks that the notified amendments to reference to '2023' guidelines are rejected and are reverted back to the currently reference in the PDP. As outlined in **Appendix 2**, I recommend that the relief sought by Mr White is accepted on the basis that these notified amendments are an error, and the operative references are the more appropriate option. These recommended changes to provisions are shown **Appendix 1**.

Section 32AA Analysis

- 10.14** In my opinion, the s42A recommended amendments to revert the notified references⁸² to the design guidelines back to the PDP version of the references is more appropriate in achieving the objectives of the UIV than the notified version. In particular, I consider that:

- (a) The s42A recommended references will accurately reference the current version of the design guidelines, and will more effectively and efficiently assist with achieving the design outcomes sought from the provisions where the design guidelines are referenced;
- (b) The s42A recommended references will resolve a drafting error in the notified provisions.

11. THREE WATERS INFRASTRUCTURE

80 The notified provisions that erroneously included the '2023' reference are: 7.2.1.5, 7.2.4.1, 7.3.2.10, 7.4.8, 7.4.9, 7.5A.1, 7.5.5, 7.5.7, 7.5.8, 7.5.10, 8.1, 8.2.2.6, 8.2.4.1, 8.3.2.10, 8.4.10, 8.5A.1, 8.5.4, 8.5.7, 8.5.8, 8.5.9, 8.5.11, 9.2.2.4, 9.4.5, 9.5A.1, 9.5.9, 12.1, 12.2.2.1, 12.4.7, , 13.2.3.1, 13.2.3.2, , 13.4.4, 13.5.6, 16.2.2.12, and 16.5A.1.

81 Submission 807.

82 The references are in the following provisions: 7.2.1.5, 7.2.4.1, 7.3.2.10, 7.4.8, 7.4.9, 7.5A.1, 7.5.5, 7.5.7, 7.5.8, 7.5.10, 8.1, 8.2.2.6, 8.2.4.1, 8.3.2.10, 8.4.10, 8.5A.1, 8.5.4, 8.5.7, 8.5.8, 8.5.9, 8.5.11, 9.2.2.4, 9.4.5, 9.5A.1, 9.5.9, 12.1, 12.2.2.1, 12.4.7, 13.2.3.1, 13.2.3.2, 13.4.4, 13.5.6, 16.2.2.12, and 16.5A.1.

- 11.1** A range of submitters⁸³ have generally raised current infrastructure capacity constraints as a reason to not intensify. The NPS-UD directs intensification through Policy 5 but also requires through Objective 6 that local authority decisions on urban development that effect urban environments are integrated with infrastructure planning and funding decisions.
- 11.2** As outlined in the s32 Report, the Council's approach towards current infrastructure constraints, is that if an area performs well in terms of Policy 5 of the NPS-UD and the infrastructure can be upgraded in the future to service intensification, then the current infrastructure constraints are not considered to be a constraint to enabling intensification.
- 11.3** Mr Powell's evidence⁸⁴ summarises the Council's approach to infrastructure, including by firstly acknowledging that the UIV will enable additional development, which in turn will place additional demand on existing three waters infrastructure. Mr Powell states that future planned upgrades to the three waters networks will be required, and these will include both 'headworks' and 'collection/distribution' infrastructure.
- 11.4** As discussed in Mr Powell's evidence,⁸⁵ Council's strategic planning for infrastructure works is guided by the Council's 30-year infrastructure strategy, which in turn is guided by the 2021 Spatial Plan, the district plan and informed by population projections. Infrastructure funding is allocated via the Council's 3-yearly Long Term Plan (**LTP**) and the Annual Plan, and occurs via processes and Council decisions outside of the district plan.
- 11.5** Regarding planning processes, assessment of subdivision consents ensures that infrastructure requirements are considered firstly prior to the grant of consent, and then prior to s224 certification. The notified UIV provisions include matters of discretion that enable consideration of infrastructure capacity in the PDP zones that anticipate more than one residential unit per site, and in instances when anticipated density is proposed to be breached. This means that infrastructure

83 Including submissions 51, 60, 62, 119, 137,299, 304, 310, 324, 346, 363, 423, 429, 451, 4,79, 484, 518, 534, 650, 701, 1074, 1232.

84 Mr Powell's evidence, Section 3.

85 Mr Powell's evidence, Section 3.

capacity is a consideration on certain land use consents. As outlined in Mr Powell's evidence, irrespective of how the Council plans for and provides infrastructure, all subdivision consents and land use consents for density breaches must demonstrate that there is capacity within the available infrastructure to meet the minimum level of service to each of the lots or land use activities. This enables individual developments to consider infrastructure capacities and propose suitable upgrades if needed.

11.6 Unless there are absolute (e.g physical or legal access) infrastructure constraints or constraints that are not able to be resolved through upgrades, I do not consider it a reason to not enable intensification. Mr Powell supports this view.

11.7 While relevant to Tier 1 Councils (and therefore not directly relevant to QLDC as a Tier 2 Council), the NPS-UD does list a number of 'qualifying matters' that a Tier 1 council can use to alter the mandatory building heights and densities required by the NPS-UD. These are listed at clause 3.32 of the NPS-UD and because Tier 1 councils are required to enable *more* intensification than a Tier 2 council, I consider they are helpful context to consider – as the NPS-UD considers them to be good reasons to not provide for the directed intensification. The qualifying matters listed in clause 3.32 are generally, national significant matters, they do not include three waters infrastructure constraints. While 3.32(1)(h) includes "any other matters that makes higher development as directed" in appropriate in an area, there is a high 'hurdle' to jump through to demonstrate that it applies.

11.8 On this basis, I recommended that submissions⁸⁶ that generally oppose intensification due to infrastructure capacity constraints be rejected, as outlined in **Appendix 2**.

86 These include submissions 51, 60, 119, 310, 324, 429, 451, 4,79, 534, 650.

12. TRANSPORT

- 12.1** Current and projected rates of growth are creating ongoing pressure on the District’s transport network. A number of submitters⁸⁷ have raised concerns with the impact of growth on the existing roading network and provision of car parking.
- 12.2** As outlined in the s32 Report,⁸⁸ the strategic approach taken for the UIV is to concentrate intensification mainly in locations that are not constrained by the four bridge constraints⁸⁹ and within accessible locations where local trips can occur via active travel or public transport. In Wānaka, which currently doesn’t have public transport, the notified UIV focusses intensification in locations close to Wānaka Town Centre and the Three Parks commercial centre. Enabling living opportunities close to centres will, over time, reduce car dependency.

Upper Clutha

- 12.3** Regarding Hāwea, the Albert Town Bridge is a signalised single-lane bridge that crosses the Clutha – Mata au River at Albert Town and is the most direct route between Wānaka and Hāwea. A number of submissions⁹⁰ have highlighted that the bridge is a constraint, and via their submissions have sought information regarding any future upgrades.
- 12.4** As the bridge is located on a State Highway, any upgrade would be led by the NZTA. The NZTA State Highway Investment Programme 2024 - 2034⁹¹ includes ‘SH6 Albert Town Bridge’ in its listed proposed improvement activities in the state highway programme for the Otago region.
- 12.5** Hāwea and Lake Hāwea South are in the ‘urban environment’ and are contained within an Urban Growth Boundary shown on plan maps. As outlined in the s32 Report,⁹² Hāwea and Lake Hāwea South did not perform well in the Accessibility and Demand Assessment. The notified UIV does not propose any zoning changes

87 Including submissions 30,299, 310, 312, 324, 412, 423, 451, 491, 518, 534, 701, 737, 1232.

88 Section 32 Report. Section 11.

89 Albert Town Bridge, Arthurs Point Bridge, Shotover Bridge, Kawarau Bridge.

90 Including submission 1240.

91 [State Highway Investment Proposal 2024–34 \(nzta.govt.nz\)](https://www.nzta.govt.nz/state-highway-investment-proposal-2024-34) , p112.

92 Section 32 Report, Appendix 3.

for Hāwea or Lake Hāwea South, however changes to the provisions in the LDSRZ, MDRZ and LSCZ are proposed to enable more efficient use of urban-zoned land. As discussed in the s32 Report,⁹³ the urban-zoned greenfield land at Lake Hāwea South presents an opportunity for density to be established at the time the land is first developed, rather than retrofitting density into an established neighbourhood. Over time, population growth at Hāwea and Hāwea South will improve the viability of a future public transport service between Hāwea and Wānaka.

- 12.6** Public transport is a function of the ORC and ORC has signalled plans to investigate public transport options for the Upper Clutha (including Wānaka and Hāwea). A public transport trial occurred in 2023,⁹⁴ however funding constraints⁹⁵ are currently impacting ORC's ability to deliver new public transport.

Parking

- 12.7** The PDP has been amended to implement NPS-UD Policy 11(a) which requires that district plans do not set minimum parking rate requirements, other than for accessible carparks. As directed by the NPS-UD,⁹⁶ this change to the PDP and ODP was undertaken without using a process in Schedule 1 of the Act. However, implementing Policy 11(a) necessitated a variation to the PDP to retain the PDP and a plan change to the ODP provisions that prescribe accessible parking numbers, as these were calculated as a ratio of total parks required.
- 12.8** NPS-UD Policy 11(b) strongly encourages Councils to manage effects associated with the supply and demand of parking through Comprehensive Parking Management Plans (CPMPs).
- 12.9** An overview of the work being undertaken by Council's Transport team on CPMPs and Travel Demand Management is provided below.

93 Section 32 Report, Appendix 9.

94 [Hāwea-Wānaka express bus service to be trialled](#)

95 [ORC adjusts public transport plans due to \\$9 million funding shortfall; 'Things will get worse': Public transport business case ditched by ORC » Lakes Weekly Bulletin](#)

96 NPS-UD cl3.38(2).

Draft QLDC Parking Strategy (November 2023)

- 12.10** QLDC has developed a draft Parking Strategy that sets strategic direction for future changes to public parking, including the provision and management of street parking and Council-owned off-street parking areas.
- 12.11** The draft Parking Strategy was approved by Council on 16 November 2023⁹⁷ for public consultation. The accompanying Council Agenda Report identifies three directions that have led to the need for a districtwide Strategy:
- (a) NPS-UD Policy 11, which requires that district plans are amended to remove any provisions that prescribe a number of on-site carpark;
 - (b) Districtwide strategic need to address emerging parking issues and implement actions identified in the Spatial Plan, QLDC Climate & Biodiversity Plan, Mode Shift Plan and to inform the future development of a Travel Demand Management Plan; and
 - (c) Intensification of housing stock which creates parking issues including increased demand for on-street parking.
- 12.12** Consultation on the draft Parking Strategy has occurred, and parking guidelines are currently being prepared that will accompany the final Parking Strategy.
- 12.13** The final Parking Strategy will be implemented via a series of CPMPs that are tailored for key locations across the District. The initial tranche of CPMPs is currently being prepared and is anticipated to be finalised in early 2026.

QLDC Travel Demand Management Single Stage Business Case (2023)

- 12.14** QLDC has developed a Travel Demand Management Single Stage Business Case (**TDM SSBC**)⁹⁸ which outlines four key workstreams for future cross-Council actions to support mode shift. The actions are divided into Policy, Travel Planning & Behaviour Change, Wayfinding Improvements, and Travel Management Associations. Collectively, these actions will support the transition away from a car-centric transport model and normalise active and alternative forms of transport.

97 [Full Council Meeting 16 November 2023](#): Agenda Item 2, Draft Parking Strategy for Consultation.
98 [QLD Travel Demand Management Single Stage Business Case, December 2023](#).

These outcomes will support a low emission and better-connected transport system where public transport, walking and cycling are the preferred options for daily travel.

12.15 An action under the 'Policy' workstream of the TDM SSBC is to review QLDC's suite of policies and plans to understand whether they support mode-shift and align with the TDM outcomes sought. This work will include a review of relevant PDP provisions and the QLDC Land Development & Subdivision Code of Practice. The review may recommend that a future variation to the PDP is required to further support mode-shift.

12.16 In conclusion, whilst growth places pressure on the roading network, a combination of network improvements and ongoing work to reduce car dependency and support mode shift will assist with reducing impacts on the roading network. The strategic approach to the notified UIV, which concentrates intensification in centralised locations, will in my view limit impacts on the network resulting from the additional development enabled by the UIV.



Amy Bowbyes

6 June 2025

APPENDIX 1

s42A Recommended Provisions

APPENDIX 2

Summary of submissions and recommended decisions