

**BEFORE THE HEARINGS PANEL  
FOR THE QUEENSTOWN LAKES DISTRICT COUNCIL**

**UNDER** the Resource Management Act 1991

**IN THE MATTER** of a submission on the Queenstown  
Lakes Proposed District Plan

**BY** **TUSSOCK RISE LIMITED (#3128)**  
**ALPINE ESTATE LTD (#3161)**  
**BRIGHT SKY LAND LTD (#3130)**  
Submitter

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**SUPPLEMENTARY STATEMENT OF EVIDENCE ON INDUSTRIAL LAND  
SUPPLY IN WANAKA**

**BLAIR DEVLIN & JOHN BALLINGALL**

**ON BEHALF OF THE SUBMITTERS**

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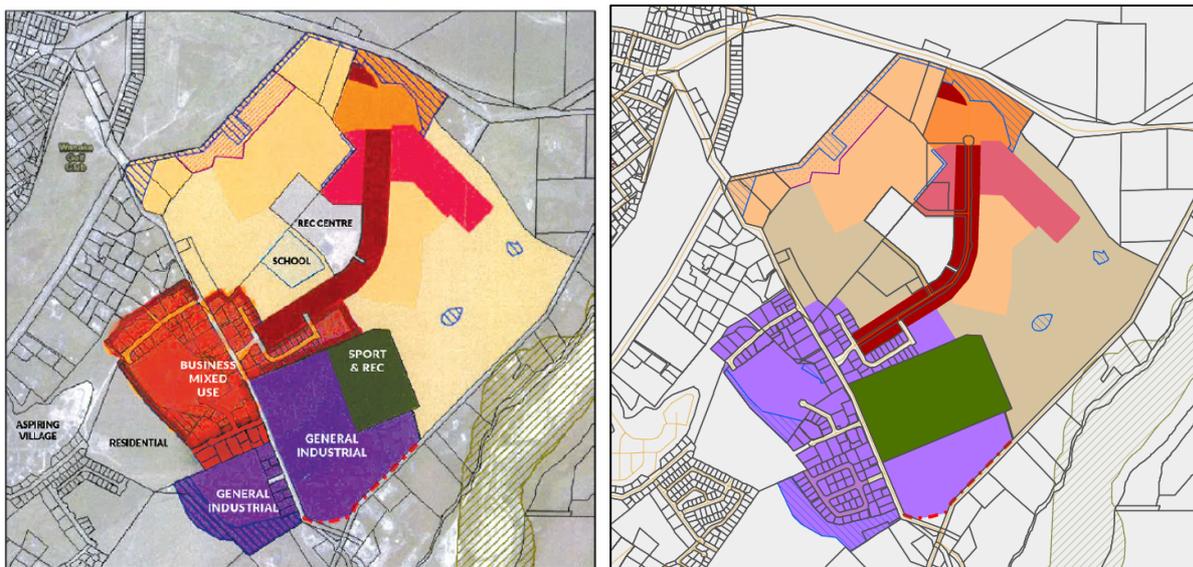
Dated: 13 August 2020

## INTRODUCTION

- [1] Our names are Blair Devlin (planner) and John Ballingall (economist). We have previously provided a written brief of evidence in relation to the relief sought by Tussock Rise Ltd, Bright Sky Land Ltd and Alpine Estate Ltd (together 'Tussock Rise') and attended the hearing on 11 August 2020 in Wanaka.
- [2] In this supplementary brief of evidence we respond to the question from Commissioner Dawson regarding the effect on vacant industrial land supply for Wanaka if the Tussock Rise submission was accepted in full.

## ASSESSMENT

- [3] The Tussock Rise submission is shown in Figure 1 below, alongside the notified PDP map adjacent:

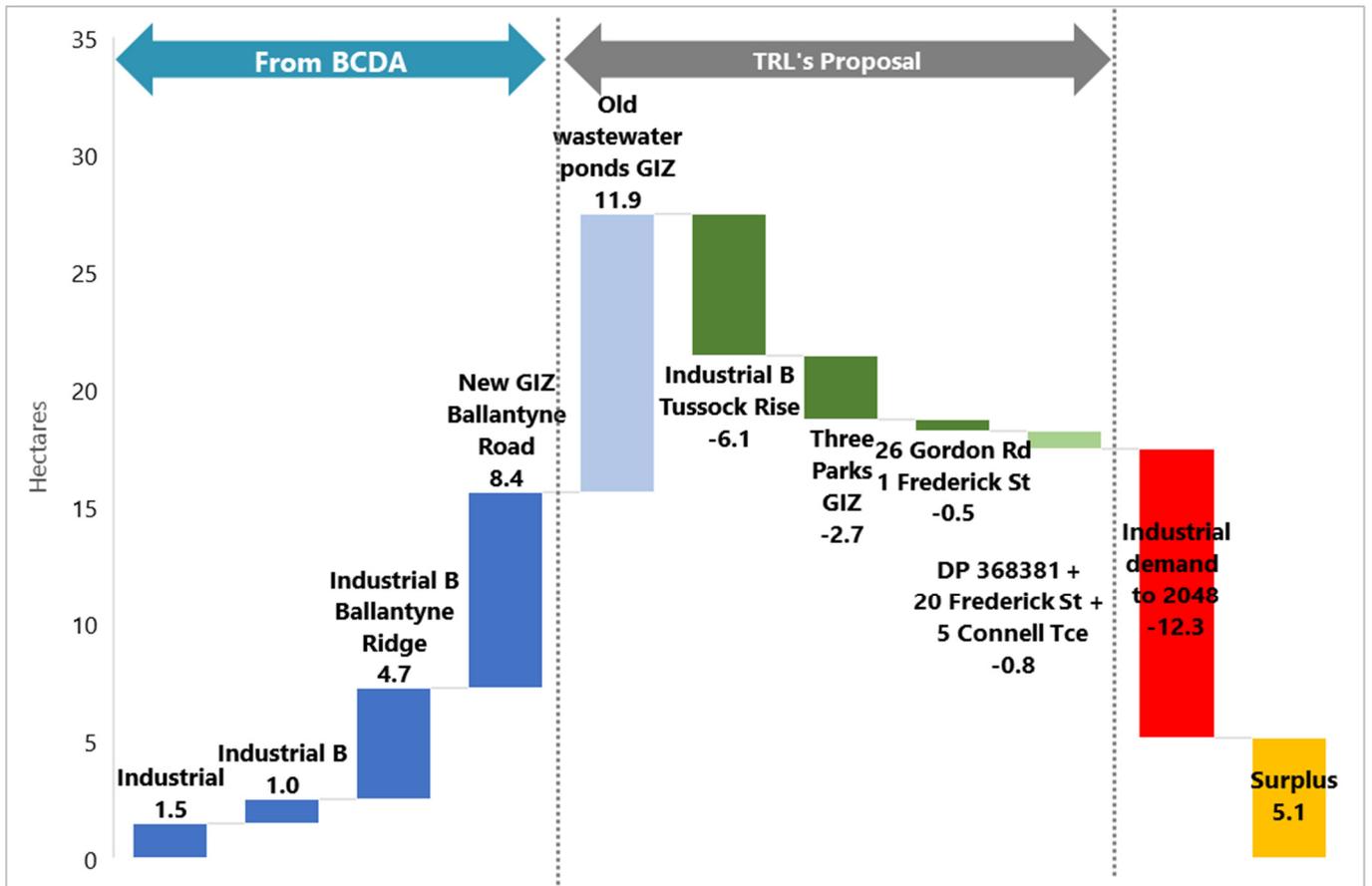


**Figure 1: Relief sought in Tussock Rise submission compared to notified PDP**

- [4] The Tussock Rise submission would result in additional vacant General Industrial zoned land of 11.9 hectares on the former wastewater treatment pond site.
- [5] The Tussock Rise submission would result in a reduction of vacant General Industrial zoned land as follows:
- (a) Tussock Rise site (6.1 hectares)

- (b) Vacant sites currently in ODP Industrial A zone (0.5063 hectares)
- (c) Vacant sites currently in ODP Industrial B zone (0.7779 hectares)<sup>1</sup>
- (d) Vacant sites currently in the ODP Three Parks (Business Sub-Zone area) (estimated at 2.7 hectares)

[6] This is shown in the graph below:



**Figure 2: GIZ zoned vacant land versus demand (including margin) incorporating Tussock Rise proposals**

### CONCLUSION

- [7] The result of the Tussock Rise submission being accepted in full would be that Wanaka still has vacant zoned industrial capacity of 17.4 hectares. This would

<sup>1</sup> The 4239m<sup>2</sup> site (lot 1 DP 368381) showing as vacant in aerial photography is in fact under construction but counted here.

be more than adequate to absorb the BDCA20's projected industrial land demand to 2048 of 12.3 hectares.

- [8] The Tussock Rise submission would leave 5.1 hectares of surplus vacant industrial land. This implies industrial land demand could be 41.5% higher than projected in BDCA20 and there would still be no shortage of vacant land.
- [9] This analysis assumes no additional industrial land is made available through other submissions on the PDP process (e.g. Universal developments in Hawea), other than that provided for in the Tussock Rise submission.
- [10] The BDCA20 industrial demand projections are also highly likely to be optimistic, especially for the next few years. They have not been updated to reflect the dire economic outlook for Wanaka. As the economy shrinks – up to 23% in the year to March 2021, with 8,000 jobs lost<sup>2</sup> – industrial land demand will fall below the BDCA20 projections.
- [11] It has been statistically proven that economic uncertainty in New Zealand results in significant falls in business investment and employment as firms hold off making expensive and possibly hard-to-reverse decisions, and that these effects persist for several years.<sup>3</sup> And economic uncertainty is currently higher than at any time in at least the past 25 years, according to Sense Partners.
- [12] If the BDCA projections were to be re-run using the latest set of economic data, they would undoubtedly be lower, at least in the short run. This would further reduce any risks of industrial land capacity being exhausted.

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<sup>2</sup> Forecasts by Infometrics, see <https://www.qldc.govt.nz/media/hk4jmuhn/impact-of-covid19-on-queenstown-lakes-economy-v7.pdf>

<sup>3</sup> Sense Partners. (forthcoming). 'Introducing the New Zealand Economic Uncertainty index (NEU)'. Sense Partners Discussion Paper 01/20. Available on request.