

BEFORE AN INDEPENDENT HEARING PANEL  
APPOINTED BY QUEENSTOWN LAKES DISTRICT COUNCIL

UNDER THE	Resource Management Act 1991
And	
IN THE MATTER OF	the Urban Intensification Variation to the proposed Queenstown Lakes District Plan

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RECOMMENDATION OF THE INDEPENDENT HEARING PANEL  
23 December 2025

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## 1. EXECUTIVE SUMMARY

- 1.1 The Variation to Queenstown Lakes Proposed District Plan (**PDP**): Urban Intensification (**UIV**) is the Council's response to, in part, implementing the requirements of the National Policy Statement on Urban Development 2020 (Updated May 2022)<sup>1</sup> (**NPS-UD**). The UIV specifically addresses Policy 5 of the NPS-UD. Policy 5, put simply, requires the District plan to enable urban heights and densities to a level commensurate with the greater of accessibility or the relative demand.
- 1.2 The Council limited the UIV to land within the identified urban environment subject to the PDP (and then not all zones). Excluded from this are parts of the urban environment managed within the Operative District Plan (**ODP**) (largely existing special zones), and any additional but not yet zoned greenfield land. Those would need to be subject to separate plan change processes in due course. The UIV applied to Queenstown, Arthurs Point, Arrowtown, Wānaka and Hāwea.
- 1.3 Urban growth, housing and housing affordability are significant issues in the Queenstown Lakes District (**District**). The District has seen, and the predictions are it will continue to see, significant growth. Coupled with this growth is the pressure on the significant landscapes and environments of the District along with the demands for greater infrastructure capacity. It is, in all senses, a 'wicked problem' about which there is no one right answer, nor community agreement, on how it is best to be resolved. The many submitters had almost just as many different views on what the right approaches and outcomes are. The UIV, while implementing the NPS-UD in part, is one method through which the Council is trying to get ahead of growth and proactively shape how the District will grow in an efficient and sustainable manner for the benefit of its current, and future, communities. With the other methods the Council has within its PDP, or is exploring for future growth, it paves a way for new opportunities growth and intensification in the District.
- 1.4 The process to get to this point has been long; reflecting the controversial nature of such changes and their immense complexity. The UIV was publicly notified on 24 August 2023 and submissions closed on 5 October 2023. The summary of decisions requested was publicly notified on 16 May 2024 and further submissions closed on 14 June 2024 (with additional late submissions). A total of 1274 submissions (including 26 late submissions) and 108 further submissions (including eight late further submissions) were received. Over 7,000 individual submission points were made. In addition, before, during and after the 13 days of hearing we received numerous submitter presentations, lay witness statements, expert witness statements, legal submissions, and memoranda making up many thousands of pages of material.
- 1.5 This has been a significant process in terms of considerable anguish (as people's homes are affected it is immensely personal), time and resources for the District – one which many residents have committed considerable time and effort to. We thank the submitters, especially those who took the effort and time out of their normal daily lives to present to us and share with us candid personal snapshots that enabled us the opportunity to understand their concerns, and how the communities of the District work. We thank too all the experts and lawyers who

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<sup>1</sup> [National Policy Statement on Urban Development 2020](#).

presented to us for helping to shape our recommendations. We finally thank the Council team for a mighty effort given the volume and complexity of the issues and material. They are totally committed to assisting the community and submitters and provided an efficient and professional service throughout the process which was of immense assistance to the Panel.

- 1.6 Having read, listened, asked questions and discussed amongst ourselves, this recommendation decision sets out the reasons for the UIV provisions (and maps) as we recommend them to be (and as attached in **Appendix 1**). Our role is simply **recommendatory**; the final decision is up to the councillors.
- 1.7 So, where did we get to?
- 1.8 Except for Queenstown, which has a particularly extended urban form, the other areas subject to the UIV can be understood as one clearly distinguishable town (Wānaka) and a series of smaller villages. They have obvious edges, and even in the case of Wānaka, can be understood and analytically approached as a single urban area 'in the round'. It happens that this is also how submitters typically described them to us. In the case of Queenstown, this includes numerous neighbourhoods including Fernhill, Sunshine Bay, Kelvin Heights, Frankton, and Remarkables Park. Although all comprising 'Queenstown', the Panel has approached each distinguishable neighbourhood area based on its own context as part of that wider whole. This necessitated identification of a 'central Queenstown' neighbourhood of residential zoned land adjacent to the town centre. Overall, we found this approach to be most relevant to the questions asked by the NPS-UD in the context of Queenstown Lakes District (as opposed to one of New Zealand's large urban areas).
- 1.9 As already stated, the UIV generated significant community interest, with concerns expressed about how the UIV might change the amenities and character of the District's towns and villages. At the outset, the Panel acknowledges the local community tension that national planning directions give rise to in this respect, and that where required changes to existing urban amenities and character must be enabled.
- 1.10 Having said that, we find the NPS-UD is not so blunt or directive that any additional enablement of building height and density identified in a location as commensurate under NPS-UD Policy 5 must be provided for regardless of adverse effects, other local impacts, or practicality. Having identified that a location warrants a NPS-UD Policy 5 'up zoning', which the Panel respectfully proposes as the easier task, the key resource management plan making test is, in concert with the submitters and other relevant RMA requirements, to identify how to most appropriately go about enabling that additional height and density in a real-world setting including to minimise adverse effects of intensification within the scope of the NPS-UD direction.
- 1.11 The Panel has taken the broad overall position that where the NPS-UD warrants upzoning, this must be delivered but in doing so should accommodate the most character and amenity-compatible way based on the circumstances of each town and village.
- 1.12 The UIV is unusual in the context of RMA plan changes. The PDP has already provided a substantial increase in development capacity in all urban locations compared to the ODP that preceded it. It was common ground that there is sufficient plan enabled capacity (short,

medium and long-term) already zoned within the District (though there is a considerable housing affordability issue). Although there is a difference between plan enabled capacity and relative demand for housing and business in a location, the Panel accepts that, generally, there is not a strong case to significantly change the PDP to satisfy the relative demand limb of NPS-UD Policy 5. It was primarily in terms of the other Policy 5 limb – how accessible different locations are by active or passenger transport to a range of commercial activities and community services, that the Panel's inquiry focused mostly on.

- 1.13 The process in reaching our recommendations proved to be one that was particularly relevant to the lived day-to-day experiences of the submitters that 'live and breathe' urban Queenstown, Arthurs Point, Arrowtown, Wānaka, and Hāwea. Although we commend the Council for the depth and quality of accessibility analysis it provided to us, the many stories we heard from submitters describing how they go about their daily lives across the urban environment were particularly helpful for our findings. We completed the hearings with a broad understanding of how people typically perceived the built environment around them, what they felt was close or convenient, and what was not, and in what circumstances. Our findings and recommendations reflect a substantial reliance on that collective submitter knowledge. It follows that although the Panel recommends quite substantial overall change to the UIV, this is highly aligned with what many submitters repeatedly told us about what was accessible, what housing issues were in greatest need of improvement, and that additional density was in most cases seen as less concerning compared to additional building heights, shadows, overlooking, loss of sunlight, and loss of views or a general local built character of small settlements.
- 1.14 The Panel has found that in the Queenstown and Wānaka town centres, an upzoning in line with the notified UIV, and as recommended by Council officers through the process, is required to reflect the very high levels of accessibility within these locations and their capability to accommodate urban intensification in very efficient ways. Other business areas are subject to relatively minor amendments as they are, in the Panel's view, already sufficient to achieve the NPS-UD's requirements.
- 1.15 In terms of residential areas:
  - (a) The Panel has agreed with many submitters that in almost all the urban environment subject to the UIV, additional building height would not be commensurate with accessibility or relative demand. This includes Arthurs Point, Arrowtown, and Hāwea (noting that any existing PDP zone(s) that already provided more than we find the NPS-UD would require would continue to be valid for the reasons previously determined through the PDP). Although we have accepted the Council's evidence that relative demand for attached housing requires additional enablement, we have not been persuaded that there is credible, real-world demand, for three-storey walk up apartments of the scale assumed by the Council and proposed as enabled in the notified UIV. But we have recommended enablement of a substantial additional opportunity for attached housing (2 storey) in the residential zones to appropriately respond to the need for more opportunity for attached housing (in terms of the NPS-UD Policy 5 relative demand limb).

- (b) We did not agree that the existing non-complying activity status for resource consent building height rule infringements continued to be justified, and recommend this be changed to discretionary.
- (c) After considering what many submitters explained to us about affordable housing issues and what accessibility was available, the Panel recommends changes to both the Low Density Suburban Residential Zone (which we recommend be renamed the Suburban Residential zone) and Medium Density Residential Zone to provide a clearer land use consent pathway for higher densities, within the framework of the existing built form rules. This will enable more smaller, lower cost houses and attached houses across much of the urban environment that will be inherently compatible with existing amenity values and built form character (no greater building height, building coverage, shadowing and so on would result).
- (d) In the case of Wānaka, the specific combination of its urban form characteristics and substantial zoned 'greenfield' areas at and adjacent to Three Parks Wānaka allows what we find to be the required upzoning to be largely accommodated in those areas. Further, the Wānaka Town Centre (**WTC**) is constrained in its extent and has limited capacity for commercial and community facility development compared with Three Parks. It was clear to the Panel, after listening to the submission and visiting Three Parks and its surrounds that significant development is underway and that in the short-medium term this will be a significant centre for Wānaka. Although the NPS-UD of itself justifies additional heights in much of the existing (and proposed) MDRZ and HDRZ in Wānaka, we find that the NPS-UD allows us to consider the whole relevant urban environment, rather than requiring a literal site by site, or street by street, approach. This has allowed us to reach an outcome that can implement the NPS-UD while also generally maintaining the character and amenity values of most existing developed areas (while recognising there will be considerable change for some affected residents).
- (e) In the case of Queenstown, we find that for the most part it is not highly accessible by active or passenger transport to a sufficient range of commercial activities and community services that would make apartment-based living (3+ storeys) commensurate or appropriate (or necessary in terms of the relative demand we find to be realistic). The exception is the central neighbourhood adjacent to Queenstown Town Centre (**QTC**), which the Panel finds to be so close and accessible to the town centre that it must be upzoned to give effect to Policy 5 of the NPS-UD.

1.16 Following on from the above, the Panel has largely accepted the Council's proposals to upzone land across the District but other than in the central Queenstown neighbourhood and at and adjacent to Three Parks Wānaka, this should be based on variants of the existing LDSRZ (to become SRZ) and MDRZ, each based on existing PDP height limits but enabling additional smaller and attached dwelling density via land use consent. The Panel has recommended a specific Medium Density Residential A Zone and a High Density Residential A Zone in those latter locations where it agrees with the Council more height than the existing PDP zones provide for are required.

1.17 Overall, the Panel finds that its recommendations:

- (a) implement the NPS-UD;
- (b) appropriately maintain local character and amenity values in the District's urban environments while providing for substantial intensification with a specific emphasis on smaller, attached, lower cost houses that were repeatedly identified as what was of greatest need in the District; and
- (c) will best promote sustainable management and the balance of planning documents relevant to the UIV including the PDP, RPS, and other National Policy Statements.

1.18 For those who wish to keep reading, while we have reviewed all the submissions and material provided, given the scale of it, we simply cannot respond to it all individually and this decision is already long enough. We have approached our recommendatory decision by reviewing the background, high-level drivers, legal issues and policy matters first, then moved through the towns and settlements of the District, before turning to the plan chapters and finally considering the rezoning requests. This made sense for us and hopefully makes this long document more readable. While separated into sections this decision, s32AA evaluations and our recommendations must be read together.

1.19 The provisions (and maps) as we recommend them to be are in **Appendix 1**. As we have noted in Section 22 there will need to be a technical tidy up (formatting, numbering etc) by the Council staff and we support that; this process has been complex enough without those additional tasks.

## 2. BACKGROUND

### RMA issue

2.1 Housing is a critical issue in New Zealand, the importance of which has been emphasised by successive governments. The current Minister for Housing has stated "solving our housing crisis is one of this government's top priorities."<sup>2</sup>

2.2 Reflecting the national significance of housing in 2016 the Government developed the National Policy Statement for Urban Development Capacity. This was replaced by the National Policy Statement for Urban Development 2020 (NPS-UD) which itself was amended in May 2022. Presently, further amendment is being developed with the Minister for Housing stating:<sup>3</sup>

The NPS-UD was a good starting point for strengthening housing growth in cities, but the government is committed to going further to help create competitive urban land markets and abundant development opportunities.

2.3 The amendments to the NPS-UD being explored overlap with some matters before this panel, and raised across numerous submissions, including:<sup>4</sup>

strengthening the existing NPS-UD intensification requirements, including requirements for councils to:

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<sup>2</sup> [Going for Housing Growth speech | Beehive.govt.nz](#)

<sup>3</sup> [Saying yes to housing growth | Beehive.govt.nz](#)

<sup>4</sup> [FACT SHEET Going for Housing Growth.pdf](#)

- enable intensification along key public transport corridors:
- measure walking catchments using a more prescribed methodology
- enable greater heights within key areas, such as along key transit corridors:
- offset development capacity lost due to some qualifying matters, such as 'special character'; and
- enable intensification across urban areas in line with demand and accessibility.

2.4 QLDC must give effect to the NPS-UD.<sup>5</sup> The s32 Report<sup>6</sup> for the UIV (addressed in detail in Section 3) sets out three key issues which the NPS-UD aims to address and are specific to the District as being: that the District is not delivering well-functioning urban environments; housing in the District is unaffordable; and increased traffic generation (and lack of transport choice) is placing pressure on the transport system.

2.5 The UIV is the method whereby QLDC is varying the PDP to give effect to, primarily, Policy 5 of the NPS-UD. Policy 5 states:

Regional policy statements and District plans applying to tier 2 and 3 urban environments enable heights and 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.

2.6 This is the primary driver for, and sets the fundamental scope of, the UIV. QLDC must implement Policy 5 (but in doing so must deliver it in the manner appropriate for the context of the District). It is therefore helpful to also understand the resource management issues related to housing, and urban intensification in particular, within the District.

2.7 The public notice summarised the UIV as follows:

Queenstown Lakes District Council has prepared proposed changes to the Queenstown Lakes Proposed District Plan (PDP) under Schedule 1 of the Resource Management Act 1991 (RMA).

This proposal seeks to amend the PDP by increasing heights and densities in some zones in the Urban environment as well as rezoning land close to the commercial areas in Queenstown, Frankton and Wānaka to enable intensification of development. The proposed variation also includes amendments to planning provisions to recognise the benefits of intensification; to ensure adequate amenity values are provided for within intensification areas; and to ensure that intensification can be serviced.

...

2.8 The fact sheet<sup>7</sup> supporting the public notice states:

Queenstown Lakes District Council (QLDC) is proposing a variation to the Proposed District Plan (PDP) which would increase urban density in some areas of the Queenstown Lakes District.

The changes would:

<sup>5</sup> RMA s75(3).

<sup>6</sup> S32 Report, section 5.2.

<sup>7</sup> [qldc\\_urban-intensification-variation\\_a4-factsheet\\_aug23-web \(2\).pdf](#).



> enable increased heights and densities in some zones, and

> include proposals to rezone land close to commercial areas in Queenstown, Frankton and Wānaka to enable intensification of development.

...

The proposed Urban Intensification Variation gives effect to central government's National Policy Statement on Urban Development (NPS-UD). The NPS-UD sets national direction to ensure Aotearoa New Zealand has well-functioning urban environments that meet the diverse and changing needs of our communities and future generations.

...

A compact urban form may contribute to a well-functioning urban environment by reducing the demand for greenfield development and its effects upon sensitive environments, landscape values and productive land supply as well as the inefficient expansion of infrastructure. A compact urban form may also reduce reliance on private vehicle use; maximise the use and viability of public transport, walking and cycling; and improve the efficient operation of public utilities which will reduce energy demand and limit greenhouse gas emissions. In locations that aren't currently served by public transport, a compact urban form may make the future provision of public transport more viable

...

The proposed Variation applies to existing urban areas within QLDC's PDP. Changes to planning maps are proposed to enable intensification of development in areas close to commercial areas in Queenstown, Frankton and Wānaka. The planning provisions proposed to be amended are within the following chapters of the PDP: ...

...

2.9 The s32 Report succinctly summarises the purpose of the UIV as "This variation is proposed in order to meet [QLDC's] obligations as a Tier 2 local authority under Policy 5 of the ... NPS-UD."<sup>8</sup>

2.10 The s32 Report is clear that while the 2021 Housing and Business Assessment (**2021 HBA**) HBA<sup>9</sup> shows that there is sufficient plan enabled capacity (short, medium and long-term) zoned within the District Plan,<sup>10</sup> and identified in the Spatial Plan, Policy 5 directs that the PDP also "enables heights and density of urban form commensurate with the greater of the level of accessibility and relative demand."<sup>11</sup> The s42A Report (Strategic Overview) states that:<sup>12</sup>

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<sup>8</sup> S32 Report, executive summary.

<sup>9</sup> [3a-attachment-a-housing-development-capacity-assessment-2021-main-report.pdf](#). This document is also often referenced as the 2021 Housing and Business Assessment. During the hearing we were told by the Council that a new HBA was 'imminent' but by the time we closed the hearing had not been provided with that. During our deliberations in December 2025, we discovered that the updated HBA had been released on 23 September 2025. It is not clear to us why the Council did not identify the September 2025 HBA to us prior to the closing of the hearing on 20 October 2025. With the hearing closed, and us not having been able to seek any evidence or submissions on it, we have not included it in our decision making. We note, however, that the 2025 HBA is based off the same high growth figures that Ms Fairgray used in her evidence to us. In doing so the 2025 HBA finds a short-term shortfall of 1000 dwellings primarily due to infrastructure constraints within the Wakatipu Ward. In the medium term it predicts a surplus of 6,100 dwelling and a surplus of 2,800 dwellings in the long-term (but with some localised potential shortfalls. That said, the 2025 HBA notes that proposed PDP changes are likely to significantly increase the development opportunity for different types of dwellings across the District.

<sup>10</sup> S32 Report, section 1, Introduction, at page 4.

<sup>11</sup> S32 Report, section 5.1.14.

<sup>12</sup> At [4.4] and [4.6].

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.

...

... 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.

- 2.11 The s32 Report also makes it clear that Policy 5 of the NPS-UD does not stand on its own and must be read alongside other relevant policies, particularly those relating to a well-functioning urban environment:<sup>13</sup>

The proposed provisions therefore aim to not just enable intensification, but to also ensure adequate amenity values within intensification areas, that development can be serviced and to mitigate any increases in stormwater runoff.

### Housing affordability

- 2.12 While housing affordability is not the driver for the UIV it is a critical issue for the District which many submitters raised before us, often on the basis that the UIV would not solve the critical issue of affordable housing<sup>14</sup> in the District. Ms Bowbyes commented:<sup>15</sup>

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.

- 2.13 Housing, in particular housing affordability, has long been, and remains, an issue in the District.<sup>16</sup> The Queenstown Lakes Spatial Plan 2021 (**Spatial Plan**) states:<sup>17</sup>

Prior to the COVID-19 pandemic, Queenstown Lakes' housing market was the most expensive in New Zealand with the average dwelling costing around \$1million, and average weekly rents of \$650. Coupled with below average incomes, the current average house value to average annual earnings reached a ratio of 20:1. Housing affordability will likely remain an issue after the COVID-19 pandemic.

...

Increases in household incomes have not kept up with the cost of living. Affordability is a particular problem for those working in labour intensive tourism and related industries, as these industries have relatively low productivity and low earnings. Unemployment is low, yet many work multiple jobs to afford to live in the area, resulting in a stressed workforce. This has knock-on implications for their families and community. The shortage of affordable housing is hindering recruitment and retention of workers in a range of sectors and professions. Migrant workers make up a significant portion of the resident population but have very limited options for accessing housing support.

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<sup>13</sup> S32 Report, section 6.1.2.

<sup>14</sup> Affordable housing is not the same as housing affordability as explained in the EIC of Ms Fairgray at [7.2].

<sup>15</sup> S42A Report (Strategic Overview) at 5.36.

<sup>16</sup> See for example the Spatial Plan, page 77.

<sup>17</sup> Spatial Plan, page 43.

- 2.14 The UIV does not, and is not intended to, address the issue of affordable housing. However, Ms Fairgray concludes that "a key economic effect of the notified UIV is to increase housing choice and affordability."<sup>18</sup> Ms Fairgray expands on this:<sup>19</sup>

Housing affordability is not increased through adding dwellings in the lowest dwelling value bands alone. It also requires an increased range of dwelling options that are suited to each household size and type, a share of which require larger dwellings. It is important that increased housing options occur across the dwelling value demand profile to enable the ability for households within different parts of this profile to make trade-offs between housing type, location, size and price. For instance, a three-to-four-bedroom duplex is likely to form a cheaper viable option for a larger family household that may alternatively occupy a larger detached dwelling. While this larger duplex dwelling is unlikely to occur in the lowest dwelling value bands, it increases housing affordability for households that may otherwise occupy dwellings in the mid value bands.

I consider that the dwelling development patterns encouraged in each location by the notified UIV are generally likely to provide significant opportunity for these trade-offs and dwelling choices to occur. In my view, the MDR and HDR Zones are likely to result in a greater range of dwelling types within the more accessible locations.

The market is likely to deliver smaller and cheaper dwellings in these locations in comparison to that enabled under the current provisions, with terraced housing and attached dwellings likely to form core components of this dwelling mix.

- 2.15 Ms Fairgray was also clear<sup>20</sup> that the notified UIV changes to the LDSRZ would also increase housing affordability by increasing the opportunity for the market to deliver smaller detached dwellings.
- 2.16 Ms Fairgray's position aligned with the submission from the Queenstown Lakes Community Housing Trust<sup>21</sup> supporting greater housing density within the residential zone and a wider choice of housing typologies. Ms Scott explained to us during the hearing that the trust has a waiting list of some 1480 (7% of the residential population) and 5% of those are considered high needs (i.e. homeless or living in very poor, insecure, conditions). The submissions before us were that this dire affordability situation has continued (but often they did not consider the UIV would address the issue).

### **Urban capacity and demand**

- 2.17 In relation to broader elements of the NPS-UD the s42A Report (Strategic Overview) states:<sup>22</sup>

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, medium and long 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.

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<sup>18</sup> EIC Ms Fairgray at [7.2].

<sup>19</sup> EIC Ms Fairgray at [7.9] and [7.10].

<sup>20</sup> EIC Ms Fairgray at [7.11].

<sup>21</sup> Submitter 1273.

<sup>22</sup> At [5.36]. Footnotes removed.

2.18 But growth pressures within the District are significant. The growth pressures are succinctly illustrated in the Queenstown Lakes Spatial Plan 2021 (**Spatial Plan**)<sup>23</sup> which provides<sup>24</sup> 2021 average daily population figures for residents at 41,000 and visitors at 10,000 and the predicted 2051 average daily population figures of 78,000 residents and 42,000 visitors.

2.19 The District was predicted to have sufficient plan enabled capacity in the **2021 HBA**. Since the 2021 HBA the District has continued to see continuing strong growth (both in demand and property prices). In May 2025 QLDC updated its dwelling demand projections and adopted the Statistics New Zealand Estimated Residential Population High Plus series of modelled projections.<sup>25</sup> Ms Fairgray sets out in her evidence the updated demand projections<sup>26</sup> stating:<sup>27</sup>

(a) District level projected growth is 36% higher in the medium term, resulting in an additional net increase of 2,600 dwellings (incl. a margin).

(b) District level projected growth is 40% higher in the long term, resulting in an additional net increase of 8,000 dwellings (incl. a margin); and

(c) A larger portion of the additional growth occurs in the Wanaka Ward where the updated long-term projected growth is 63% higher than in the previous projections (and 55% higher in the medium term). This results in an additional 4,800 net increase (incl. margin) in long-term dwelling demand above that of earlier projections.

2.20 Having considered the above changes, Ms Fairgray updates her original assessment as follows:<sup>28</sup>

The dwelling demand base is projected to approximately double over the long-term. There is a projected demand (including a margin) for a net additional 9,900 dwellings over the medium-term and 27,900 dwellings over the long-term. The projections reflect total dwelling demand, including holiday dwellings, with resident households forming the largest component of demand.

...

Over half (56%) of the net increase is projected to occur in the Whakatipu Ward, amounting to 15,500 dwellings in the long-term. Approximately 44% is projected to occur in the Wanaka Ward (+12,400 dwellings), which is greater than the Ward's estimated share (33-36%) of growth observed over the past 5 to 10 years.

2.21 This increase in projected demand for the Wānaka Ward is predicted by Ms Fairgray to have a greater proportion of detached housing with higher demand for attached dwellings in the Whakatipu Ward.<sup>29</sup> Overall Ms Fairgray estimates:<sup>30</sup>

... there is projected long-term demand for between 11,400 and 14,900 detached dwellings (top section of Table 1 above), with just over half (51% to 52%) occurring in the Whakatipu Ward. I estimate between 10,600 to 10,800 dwellings of the projected long-term demand is for attached dwellings, ranging from duplex pairs up to terraced housing, with over half (58%-59%) in the Whakatipu Ward. In addition, I estimate there is demand

<sup>23</sup> [the-spatial-plan\\_a4-booklet\\_jul21-final-web-for-desktop.pdf \(qldc.govt.nz\) \(Spatial Plan\)](#).

<sup>24</sup> At page 15.

<sup>25</sup> See the s42A Report (Strategic Overview) at [6.5].

<sup>26</sup> EIC Ms Fairgray, Table 1 and Appendix 1.

<sup>27</sup> EIC Ms Fairgray, Appendix 1, at [3].

<sup>28</sup> EIC Ms Fairgray at [4.7] and [4.9].

<sup>29</sup> EIC Ms Fairgray at [4.10].

<sup>30</sup> EIC Ms Fairgray at [4.11].

for 2,200 to 6,000 apartment dwellings, which are likely to make up a larger share of demand into the long-term as the market becomes more established. My assessment shows these are more concentrated into the Whakatipu Ward.

### **Capacity Assessment of UIV Enabled Development Opportunity**

2.22 Ms Fairgray's capacity assessment shows that while only a proportion of the plan enabled capacity is likely to be realised,<sup>31</sup> the notified UIV "substantially increases the plan enabled capacity and level of development opportunity across the District ...".<sup>32</sup> Much of the added dwelling capacity occurs in central parts of the Whakatipu Ward, especially the Queenstown Town Centre. Significant increases in plan enabled capacity are also provided in the Wānaka Ward. Further, the notified UIV is estimated to increase the commercial feasibility capacity by nearly two thirds.

2.23 Importantly, Ms Fairgray estimates that differences between capacity and demand become significantly larger for medium density (attached / terraced housing) under the notified UIV which are otherwise close to or below the level of demand in some parts of the market under the PDP. The importance is that:<sup>33</sup>

... these types of dwellings are likely to meet an increasing and sizeable share of future housing demand, and provide viable housing options for demand substitution from other typologies (e.g. a portion of demand for detached dwellings).

2.24 In relation to development capacity, Ms Morgan in her evidence notes that:<sup>34</sup>

... However, it is important to bear in mind that Ms Fairgray's development capacity analysis does not take into account future urban areas identified in the Queenstown Lakes Spatial Plan 2021. While the Spatial Plan is not a Future Development Strategy and therefore does not technically meet the definition of plan-enabled capacity, the development capacity it identifies remains relevant for the long term. Because this has not been factored into Ms Fairgray's development capacity analysis, in practice the development capacity numbers are likely to be understated in the long term. ...

2.25 The updated<sup>35</sup> differences between capacity and demand shows that despite the increased opportunity in the notified UIV "a shortfall in attached dwellings may occur in the Wānaka ward." Ms Fairgray also states that:<sup>36</sup>

My updated assessment compares updated capacity estimates (to reflect the notified-UIV provisions) with the higher projection of demand (approximately 40% higher in the long-term than my earlier assessment).

### **Relative demand**

2.26 Ms Fairgray considers that relative demand is particularly important when establishing provisions for higher density development and intensification around centres and other key areas of accessibility. It is obviously also particularly important in the context of the UIV given the inclusion of relative demand within Policy 5(b) of the NPS-UD.

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<sup>31</sup> EIC Ms Fairgray at [4.24].

<sup>32</sup> EIC Ms Fairgray at [4.17].

<sup>33</sup> EIC Ms Fairgray at [4.33].

<sup>34</sup> EIC Ms Morgan at [4.9].

<sup>35</sup> EIC Ms Fairgray, Appendix 1.

<sup>36</sup> EIC Ms Fairgray at [4.5].

2.27 Relative demand is explained in the s42A Report (Strategic Overview) as follows:<sup>37</sup>

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.

2.28 Ms Fairgray stated that relative demand<sup>38</sup>

... refers to levels of demand for different dwelling types at each location across the urban environment. Demand for housing is not spread uniformly across a city, with differences in the type and characteristics of demand in each location. The patterns and structures of demand in each location translate into different combinations of dwelling types and sizes, and scales of development sustained and delivered in each area by the market. ...

2.29 Therefore, Ms Fairgray assessed<sup>39</sup> the development opportunity for different types of dwellings enabled in each location and how that aligns with the level of relative demand for different types of housing at each location. That includes location and the spatial extent (which Ms Fairgray considered to be a critical factor<sup>40</sup>) across which the development opportunity is applied and its scale (height and density) within each zone. This assessment is important to avoid under-supply or enabling supply in inappropriate locations; both of which deliver poor economic outcomes.

2.30 The Accessibility and Relative Demand report appended to the s32 Report assessed accessibility and relative demand across the urban environments of the District. That was then relied on, in conjunction with the Economic Assessment also appended to the s32 Report, to inform locations to enable intensification under Policy 5. The Economic Assessment:<sup>41</sup>

... 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. ...

2.31 As addressed above, Ms Fairgray found important differences in relation to the patterns of demand between the Whakatipu and Wānaka Wards, reflecting the market conditions of each location.<sup>42</sup> Understanding those differences is important in aligning the development opportunity with the relative demand.

2.32 Overall, Ms Fairgray considers that the notified UIV generally aligns<sup>43</sup> with the relative demand across the District, but she supports further intensification in some areas where it remains within relative demand<sup>44</sup>, and refinements for specific locations to better align the development

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<sup>37</sup> At [6.10].

<sup>38</sup> EIC Ms Fairgray at [4.39].

<sup>39</sup> EIC Ms Fairgray at section 4.

<sup>40</sup> EIC Ms Fairgray at [4.43].

<sup>41</sup> S42A Report at [7.16]. Noting that the s32 assessment was updated for Ms Fairgray's evidence by the (2024-25) Economic Assessment.

<sup>42</sup> EIC Ms Fairgray at [4.10].

<sup>43</sup> EIC Ms Fairgray at [9.20].

<sup>44</sup> EIC Ms Fairgray at [5.37].

enabled with the relative demand for housing in those locations. This is addressed in Section 20 in relation to rezoning.

### **Commercial feasibility**

- 2.33 Ms Fairgray considers that the feasibility of the notified UIV enabled development opportunity for commercial developers is critical. That makes obvious sense; ultimately delivery of housing is required. Planning is just one factor that affects feasibility.<sup>45</sup> Generally, and linking to relative demand above, Ms Fairgray states that:<sup>46</sup>

... the large increases in enabled yield across much of Queenstown's areas of highest relative demand are likely to form a large commercial incentive for developers.

- 2.34 Ms Fairgray concludes that the UIV provides for a large increase in development opportunity and a significantly expanded range of typologies as follows:<sup>47</sup>

- (a) For the HDR and MDR zones increased in enabled yields are likely to encourage more intensive typologies with greater development intensity occurring gradually over time. Terraced dwellings are likely to form an important part of the market (especially in the Whakatipu Ward).
- (b) For the LDSRZ reduced lots size and an average land use are likely to increase feasibility in smaller scale infill developments. Importantly this increases the feasibility of the market to deliver smaller dwellings in response to market demand. The modelling indicates that the UIV delivers a significant increase in the development opportunity within the LDSRZ.

### **So what does this all mean?**

- 2.35 Ms Fairgray considers that the notified UIV will, over the medium to long term, deliver patterns of growth that differ substantially to past patterns of low density. In the process it is important to deliver efficient urban form, especially in relation to accessibility to centres and areas of commercial and social amenity. Ms Fairgray comments:<sup>48</sup>

... The development patterns enabled and encouraged by the notified UIV affect the location of households relative to these areas of amenity. In my view, increased levels of growth within central areas and areas of highest accessibility to amenity is likely to have greater economic benefit than more dispersed patterns of growth.

The urban form of development also has economic effects for infrastructure provision. Intensification in central areas around commercial centres reduces the demand for infrastructure and may also result in lower costs for infrastructure provision. In contrast, patterns of lower density outward urban expansion typically have higher infrastructure costs through the greater physical construction of network extensions required to support this growth.

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<sup>45</sup> It also includes scale and timing or market demand, financial conditions, construction sector capacity, infrastructure provision, etc.

<sup>46</sup> EIC Ms Fairgray at [5.30].

<sup>47</sup> EIC Ms Fairgray, section 5.

<sup>48</sup> EIC Ms Fairgray at [6.6] and [6.7].

- 2.36 We generally agree with Ms Fairgray<sup>49</sup> that the delivery of what we will term a centres-based, or centres-first, urban form is a more efficient and sustainable pattern of growth than dispersed patterns of development subject to the caveat that we see significant differences between the urban form of the District, being many well-separated and generally small-scale towns and villages, and the large-scale continuous metropolitan urban areas of major cities (where centres-based planning initiatives have been primarily orientated). A centres-based urban form can deliver more efficient consumer access to goods and services, centralisation of infrastructure (including social and public infrastructure) and "reinforces the commercial viability and vitality of centres". But in fairness, in this District the common way of life we were described still relies on people regularly traversing significant distances between the various towns and villages (and other destinations between and around those). This is very different to, and is likely to be permanently very different to, ideas of a commuting suburban living nearby a major city Rapid Transit Network station. We address this further in Sections 4 and 8.
- 2.37 Ms Fairgray's evidence is that the UIV also provides for a wider range of dwelling types, with the greatest focus on attached dwellings in central areas of the urban environment. This occurs through a combination of greater enabled dwelling yields on parcels already feasible to develop and more parcels becoming feasible to develop. She also considers that the MDR and HDR zones are likely to result in a greater range of dwelling types within more accessible locations with it likely that will deliver smaller and cheaper dwellings within these locations.<sup>50</sup>
- 2.38 In relation to the Whakatipu Ward, Ms Fairgray found that the UIV HDR and MDR zones provide a significant opportunity for intensification across the central parts of the ward. Each zone delivers different economic benefits:
- (a) HDR supports the viability and vitality of commercial centres if done carefully in appropriate locations. While the HDR market is currently limited in scale it is expected to grow in the long-term across a greater range of locations. Ms Fairgray therefore cautions<sup>51</sup> that provision of very extensive HDR risks diluting it across larger areas.
  - (b) MDR is "likely to form an important part of the District's urban intensification and future housing supply."<sup>52</sup> MDR across a wider scale than HDR is likely to have greater economic benefit for urban form that contributes to a well-functioning urban environment. Critically MDR is already well-established and commercially feasible across a range of locations. Ms Fairgray stated, with some caution as to location:

I consider that the notified spatial extent of the MDR Zone is likely to encourage development trajectories that contribute to increasing the efficiency of the urban form over the medium to long-term. The sizeable increases in development opportunity and potential dwelling yield within this zone, in comparison to currently enabled opportunity, is likely to result in higher shares of growth occurring in these central parts of the District. In my view, the spatial extent of the opportunity is relatively expansive, allowing up to intensive terraced housing or walk-up apartment developments across large shares of the central part of the District.

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<sup>49</sup> EIC Ms Fairgray at [6.8].

<sup>50</sup> EIC Ms Fairgray at [7.8].

<sup>51</sup> EIC Ms Fairgray at [6.21].

<sup>52</sup> EIC Ms Fairgray at [6.22].



In my view, it is important that the level of development opportunity provided across these central areas is differentiated from development opportunity provided in more peripheral locations. Provision of similar development opportunity in more peripheral locations may result in a less economically efficient urban form through reducing the share of growth that occurs centrally. ...

2.39 In relation to the Wānaka Ward Ms Fairgray found that:<sup>53</sup>

- (a) the market is less intensive than the central areas of the Whakatipu Ward with a greater share of medium density development as opposed to high density.
- (b) Intensification in the central areas around the town centre and Three Parks is likely to support the commercial viability of both areas; and
- (c) as a result of the updated (May 2025) demand projections further provision of medium density is likely to produce greater economic benefit.

2.40 In relation to dwelling mix Ms Fairgray stated:<sup>54</sup>

I consider that increasing the housing choice within the District is likely to produce economic benefits for current and future households and contribute to a well-functioning urban environment. Increasing the range of dwelling options across different locations both increases the range of neighbourhood areas economically accessible to different households as well as increases the affordability of housing options for households.

I have examined the notified UIV provisions and consider that these economic benefits are likely to occur at both the District and local level across a range of areas. I consider that the range of typologies enabled and encouraged within the main residential zones<sup>22</sup> provide increased choice across different neighbourhoods and within different types of areas (e.g. suburban vs. central). These provide better alignment with patterns of long-term housing need than the distribution of dwellings likely to be delivered under the current PDP provisions.

## The UIV

2.41 The context above has all led to the UIV and provides a summary of the resource management issue. Fundamentally for the UIV, QLDC is required "to give effect to" the NPS-UD.<sup>55</sup> As a Tier 2 (and 3) local authority QLDC has advanced the UIV to:<sup>56</sup>

... 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.

2.42 An overall strategic summary of the UIV is set out in the s42 Report (Strategic Overview). Ms Bowbyes succinctly summarises the strategic approach of the UIV as follows:<sup>57</sup>

... 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.

...

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<sup>53</sup> EIC Ms Fairgray at [6.27] – [6.31].

<sup>54</sup> EIC Ms Fairgray at [7.6] and [7.7].

<sup>55</sup> Section 75(3) of the RMA.

<sup>56</sup> Section 32 Report, section 1.

<sup>57</sup> Strategic Overview s 42 Report, at [4.1] – [4.4].

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.

The aim of the UIV is to enable more development opportunity within existing urban zoned areas (with the exception of ODP zones 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.

2.43 By way of a summary the UIV responds to the direction within the NPS-UD in two key ways:<sup>58</sup>

- (a) Upzoning (increase in intensification enabled) of some current zoning; and
- (b) Changes to planning provisions to:
  - (i) enable heights and densities in accordance with Policy 5 and to recognise the benefits of intensification;
  - (ii) to ensure adequate amenity values within intensification areas; and
  - (iii) to ensure that development can be serviced and to mitigate any potential increase in stormwater runoff.

2.44 In relation to upzoning the approach is to extend the HDRZ across central areas with the highest accessibility, MDRZ in central parts on a more widescale basis in accordance with patterns of demand and lower scale opportunity for intensification is provided in outer areas, predominantly through changes to the LDSRZ.

2.45 The UIV changes the planning provisions in the following chapters of the PDP (to varying degrees<sup>59</sup>):

- (a) Chapter 2 – Definitions;
- (b) Chapter 4 – Urban Development
- (c) Chapter 7 – LDSRZ
- (d) Chapter 8 – MDRZ
- (e) Chapter 9 – HDRZ;

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<sup>58</sup> See section 9 of the s32 Report.

<sup>59</sup> A summary can be found at section 9.2 of the s32 Report.

- (f) Chapter 12 – Queenstown Town Centre
- (g) Chapter 13 – Wānaka Town Centre Zone
- (h) Chapter 15 – Local Shopping Centre Zone;
- (i) Chapter 16 – Business Mixed Use Zone; and
- (j) Chapter 27 – Subdivision and Development.

### 3. THE STATUTORY AND PLANNING FRAMEWORK

#### The legal framework

- 3.1 Our decision must accord with the statutory framework set out in the RMA and summarised in various Environment Court cases, including in *Colonial Vineyards Ltd v Marlborough District Council*.<sup>60</sup>
- 3.2 In **Appendix 2**, we set out the legal framework we have applied, adopting the matters set out in Appendices 2A and 2B of the s 32 Report, section 5 of the s42A Report (Strategic Overview) and section 5 of QLDC's opening legal submissions.
- 3.3 We have applied the relevant statutory provisions in making our decision, including Part 2 (as relevant), ss 31, 32, 32AA and 72–76 and Schedule 1 of the RMA. In particular, where our recommendations differ from those set out in the s42A Reports, Rebuttal or Reply evidence on behalf of QLDC, or as sought by submitters who provided s32 or 32AA evaluations, we have set out our s 32AA further evaluation. Otherwise, we rely on the s32AA evaluations provided to us. With the recommendations we propose, we consider that the UIV will assist QLDC in carrying out its functions to achieve the purpose of the RMA.

#### The planning framework

- 3.4 The relevant planning documents in relation to the UIV are the:<sup>61</sup>
  - (a) NPS-UD;
  - (b) Operative Otago Regional Policy Statement 2019 (**ORPS19**);
  - (c) Proposed Otago Regional Policy Statement 2021 (**PRPS21**);
  - (d) Queenstown Lakes Proposed District Plan (**PDP**);
  - (e) Queenstown Lakes Spatial Plan 2021;
  - (f) Housing Development Capacity Assessment 2021;
  - (g) The Cry of the People, Te Tangi a Tauira: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008; and
  - (h) Kāi Tahu ki Otago Natural Resource Management Plan 2005.

<sup>60</sup> *Colonial Vineyard Ltd v Marlborough District Council* [2014] NZEnvC 55 at [17]. Endorsed in various later decision including *Save the Maitai Inc v Nelson City Council* [2024] NZEnvC 155 at [14].

<sup>61</sup> The s32 Report also refers to the National Planning Standards.

- 3.5 The above documents, and their relevant provisions, are discussed in depth in Appendix 2B of the s 32 Report and Chapter 5 of the s42A Report (Strategic Overview). A summary of them is set out below.

#### **NPS-UD**

- 3.6 The NPS-UD came into effect in August 2020 and seeks to achieve well-functioning urban environments. QLDC, as a Tier 2 (and 3) local authority under the NPS-UD, is required among other matters to:

- (a) enable height and density of urban form commensurate to the greater of the level of accessibility of active or public transport to a range of commercial activities and community services or relative demand for housing and business use in that location (Policy 5); and
- (b) provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term (Policy 2).

- 3.7 As above, the UIV is intended to give effect to Policy 5 of the NPS-UD.

- 3.8 The NPS-UD was assessed in the s32 Report and s42A Report (Strategic Overview).<sup>62</sup> We do not repeat all its objectives and policies here, but we have carefully considered them as relevant to the UIV and set out a detailed assessment of Policy 5 in Section 4. We do, as required, specifically address other objectives and policies in the NPS-UD throughout this decision.

#### **RPS**

- 3.9 The UIV is also required to give effect to the operative RPS and have regard to the proposed RPS. The relevant provisions of the operative RPS are set out in the s32 Report. Ms Bowbyes, in the s42A Report (Strategic Overview) states that the relevant provisions of the pRPS remain subject to appeals. We agree that the decisions version of the pRPS should be given "some weight" as it has been through a public hearings process.

- 3.10 In relation to the relevant provisions Ms Bowbyes in her s42A Report (Strategic Overview) provides the following summary:<sup>63</sup>

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.

- 3.11 Various provisions of the RPS are addressed as relevant throughout our decision.

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<sup>62</sup> S32 Report at pages 6–8 and s 42A Report (Strategic Overview) at [5.3] – [5.25] and [5.31] – [5.35].

<sup>63</sup> At [5.28].

## Proposed District Plan

3.12 Relevant PDP provisions are set out<sup>64</sup> and assessed in the s32 Report and in the s42A Report (Strategic Overview). Ms Bowbyes in the later focuses especially on the PDP Strategic Objectives as follows:<sup>65</sup>

- (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.

3.13 Various PDP provisions are addressed as relevant throughout our decision.

## Spatial plan

3.14 The Spatial Plan was developed in a partnership between the Council, Aukaka and Te Ao Marama Inc and the Government (Grow Well | Whaiora). The Spatial Plan:<sup>66</sup>

... sets out a vision and framework for how and where our District will grow, in this case out to 2050. The idea is to ensure that future growth happens in the right place and is supported by the right infrastructure, whether that's pipes in the ground, ways of getting around, access to schools, healthcare or other community facilities.

3.15 Having addressed growth and housing issues (see above) the Spatial Plan proposes a consolidated approach to growth, stating:<sup>67</sup>

Within the existing urban areas of Queenstown and Wānaka, future growth will be focused in locations with good access to facilities, jobs and public transport. This will require enabling higher density development ... and a greater mix of uses than is currently provided for. New housing will increasingly move towards medium and higher density typologies, such as townhouses, terraced housing and apartments. This will help to increase the variety of housing, including more affordable options.

Concentrating growth in the existing urban areas will mean more people live in areas where public transport, cycling and walking is an easy and attractive transport option. This will support committed and future investment in improved public transport and active mode infrastructure, reduce the impact on the environment particularly through emissions reduction, and make the transport system safer and more resilient.

3.16 The Spatial Plan for Outcome 1: Consolidated growth and more housing choice states:<sup>68</sup>

Rapid resident and visitor growth means urban development has been sprawling over a larger area, putting pressure on the environment and infrastructure. Many residents struggle to find affordable, secure homes. We need to focus future growth, concentrate on going up - not out, and providing more affordable housing choice.

3.17 The Spatial Plan foresaw the UIV in the following way:

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<sup>64</sup> See Appendix 3 to the s32Report for a full list of relevant objectives and policies.

<sup>65</sup> At [5.29].

<sup>66</sup> Spatial Plan, page 3.

<sup>67</sup> At page 51.

<sup>68</sup> Spatial Pan at page 65.

The National Policy Statement on Urban Development 2020 requires changes to the planning framework so urban land can be used more efficiently to accommodate growth. Zoning in the District Plan will need to change to enable heights and densities that match:

> Where there is good access by existing or planned public transport to a range of commercial and community services; or

> The relative demand for housing and business use

Increasing heights and densities in these locations will provide for a greater variety of housing, increasing choice for residents, as well as better matching the expected future demand for smaller households and more affordable housing.

- 3.18 QLDC is presently preparing its Spatial Plan Gen 2.0 (again through the Grow Well Whaiora Partnership). This process will also include an updated Future Development Strategy as set out under clause 3.13 of the NPS-UD. This will provide the "a strategic blueprint for future urban expansion."<sup>69</sup>

## **2021 HBA**

- 3.19 The 2021 HBA has already been introduced in Section 2. It is an important base document for housing development and planning in the District. As set out above, Ms Fairgray in her evidence relied on an updated assessment of the notified UIV capacity and demand assessment.

- 3.20 The s42A Report (Strategic Overview) states:<sup>70</sup>

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.

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, medium and long 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.

- 3.21 Clause 3.6 of the NPS-UD requires QLDC to identify housing bottom lines (being 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. This was identified through the 2021 HBA and replicated in PDP Chapter 4 (at 4.1.2). While mentioned for completeness, to avoid doubt, housing bottom lines are not within scope of the UIV.

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<sup>69</sup> S42A Report (Strategic) at [5.51].

<sup>70</sup> At [5.35] and [5.36].

## Other planning options for housing

- 3.22 The UIV is not the sole response to addressing the issue of housing in the District. It must be viewed in context with other options, including greenfield developments both planned (such as Te Pūhahi Ladies Mile (TPLM)<sup>71</sup>) and within the Spatial Plan.<sup>72</sup> Many submitters saw greenfield development as preferential to urban intensification. For the reasons set out in Section 5, we do not; but we do accept that both are required for the District given its growth and housing pressures. Some 97% of the District is ONL or ONF. Growth outwards is severely limited. The issues of growing out in this District are summarised in the Spatial Plan as follows:<sup>73</sup>

Growth pressures have resulted in urban development occurring over an increasingly large, dispersed area. This is changing some areas from a rural character or natural landscape to a more modified rural and urban environment, compromising some aspects of the environment valued by the community and Kāi Tahu.

- 3.23 Some submitters also talked about the number of holiday houses in the District that are vacant for much of the year. Or the number of Airbnb houses used as holiday / temporary accommodation. Other submitters told us that Queenstown and Wānaka have always been holiday locations. The nature of the housing market in Queenstown is also commented on in the Spatial Plan which states:<sup>74</sup>

The housing market in the Queenstown Lakes has different characteristics to many other areas of New Zealand. The popularity of the area as a holiday destination means there are many unoccupied dwellings (28%), as well as a very high percentage of short-term rentals (such as Air BnB) to long term rentals (49.8%). Rents have increased by 54% over the past five years, over double the New Zealand average. Build costs for new houses are also significantly higher (23%) than the New Zealand average.

- 3.24 We recognise that Airbnb and empty holiday houses affect those looking to purchase or rent housing in the District (see also Section 5). However, for the former there are other methods of control (and it is not a matter within the scope of the UIV) and for the latter, based on what we heard through submissions, has always been an integral nature of the District.

## Section 32 report

- 3.25 On 16 May 2023 QLDC released the s32 Report (which was updated on 21 August 2023 to include Lake Hāwea South).
- 3.26 The report succinctly summarises the purpose of the UIV as "This variation is proposed in order to meet [QLDC's] obligations as a Tier 2 local authority under Policy 5 of the ... NPS-UD."<sup>75</sup>
- 3.27 The s32 Report identifies the following key issues that the NPS-UD aims to address:<sup>76</sup>
- (a) The District is not delivering well-functioning urban environments:
    - (i) existing provisions are providing a barrier to the development of attached homes with a diversity of housing typologies required;

<sup>71</sup> See [Te Pūhahi Ladies Mile Variation](#).

<sup>72</sup> As set out below the Spatial Plan Gen 2.0 will include the Future Development Strategy which will provide the strategic blueprint for future urban expansion. See s42A Report (Strategic) at [5.51].

<sup>73</sup> Spatial Plan at 42.

<sup>74</sup> Spatial Plan at 43.

<sup>75</sup> Section 32 Report, executive summary.

<sup>76</sup> S32 Report, section 5.2.

- (ii) a shortfall in affordable housing with smaller/attached/denser housing typologies needed to address this issue;
    - (iii) low density of development around commercial areas and along transport routes fails to provide population density to economically support the centres (and to stimulate greater public transport); and
    - (iv) reliance on greenfield subdivision has weakened the competitive operation of land development and additional feasible capacity in existing areas will increase competition.
  - (b) Housing in the District is unaffordable:
    - (i) a June 2022 median house price to median average earnings ratio for the District of 14:1 (when anything above 5:1 is considered "severely unaffordable");
    - (ii) encouraging and enabling changes to increase the uptake of enable and serviced capacity in a more affordable price range; and
    - (iii) diversity of housing typology.
  - (c) Increased traffic generation and lack of transport choice:
    - (i) dispersed low density increases reliance on private cars with intensification in appropriate locations allowing people to live closer to their work; and
    - (ii) existing transport constraints within the District.
- 3.28 With Policy 5 directing the greater enablement of intensification, with a view to help achieve the Policy 1 outcomes, QLDC commissioned accessibility and demand analytics to inform the implementation of Policy 5 of the NPS-UD. This resulted in two recommended options (in parallel with changes to enable more height and density) for rezoning being:<sup>77</sup>
- (a) where commercial zones are strengthened through upzoning of the land surrounding the nodes; and
  - (b) where commercial nodes as well as a corridor (with frequent public transport) are strengthened through the upzoning of land surrounding the nodes and corridor.
- 3.29 Market Economics then modelled these options (and the others listed below) to identify the commercial feasible capacity values for each of the six options and the baseline being considered. Market Economics also advised on how the different options would help meet demand in different locations along with the economic effects of the development patterns encouraged.
- 3.30 A full review of the District plan then occurred. Although the zoning extent of all urban areas was reviewed, for many areas rezoning is not needed due to the area's level of accessibility and relative demand.
- 3.31 The s32 Report therefore considered changes to the standards in the following PDP zones:<sup>78</sup>

<sup>77</sup> Section 32 Report, section 6.1.1.

<sup>78</sup> The UIV also proposes amendments to Chapters 2 (Definitions), 4 (Urban Development) and 27 (subdivision and Development).



- (a) Lower Density Suburban Residential Zone (Chapter 7);
  - (b) Medium Density Residential Zone (Chapter 8);
  - (c) High Density Residential Zone (Chapter 9);
  - (d) Queenstown Town Centre Zone (Chapter 12);
  - (e) Wānaka Town Centre Zone (Chapter 13);
  - (f) Local Shopping Centre Zone.(Chapter 15); and
  - (g) Business Mixed Use Zone (Chapter 16).
- 3.32 Changes were also considered based on existing heights and densities enabled as well as constraints such as hazards, heritage features, airport noise boundaries, reverse sensitivity effects and landscape values. No changes were proposed to many zones<sup>79</sup> on this basis.
- 3.33 The District Plan review also included various other reviews and monitoring including an urban design review by Barker & Associates focusing on building heights and density provisions, provisions to mitigate effects, as well as other provisions that may impend the intention of the UIV.
- 3.34 The s32 Report considered seven options being:<sup>80</sup>
- (a) Option 1: Change zoning around commercial nodes and make the associated provisions more enabling.
  - (b) Option 2: Changes the zoning around commercial nodes and corridors and make the associated provisions more enabling.
  - (c) Option 3: Option 1 plus changes to the standards in the Lower Density Suburban Residential Zone (LDSRZ) related to building heights, average site area, and minimum lot area (subdivision chapter).
  - (d) Option 4: Option 2 plus changes to the standards in the LDSRZ relating to building heights, average site area and minimum site area (subdivision chapter). Ultimately this was the preferred option.<sup>81</sup>
  - (e) Option 5: Option 2 plus apply the Government's Medium Density Residential Standards to the land zoned LDSRZ and MDRZ.
  - (f) Option 7: Status quo.
- 3.35 As above these options were modelled by Market Economics with additional recommendations being made, which help refined the options and provision, including:
- (a) removing the existing density rule for the proposed MDR zoning with Chapter 8 (enabling 3-story walk up apartments to address a long-term shortfall for attached housing in Wānaka);

<sup>79</sup> See the list in section 6.1.2 of the s32 Report.

<sup>80</sup> Section 32 Report, section 11, sets out these options and evaluates them.

<sup>81</sup> Section 32 Report, page 86.

- (b) instead of downzoning the existing HDR in Wānaka, Three Parks and Arthurs Point to MDR, the HDR zoning was kept with bespoke height rules (excluding Arthurs Point) and applying the new HDR recession plane rules;
- (c) instead of down zoning the MDR areas north of Wānaka to LDSR, the MDR was retained and new height (11m + 1m – an increase from 7m) and recession plane provisions were applied; and
- (d) instead of downsizing the existing MDR at the top of Queenstown Hill and Arthurs Point, the MDR zoning was kept subject to bespoke height rules (8m) and the proposed MDR recession planes.

3.36 The s32 Report also assesses the exclusions (whole and part) to intensification, with several constraints to intensification identified. As it notes, constraints do not necessarily preclude intensification; rather intensification is to be enabled while appropriately managing constraints.<sup>82</sup> Identified constraints included:

- (a) Gorge Road HDR Zone where QLDC is working to understand the nature, scale and risk of the natural hazard with the current position being intensification is considered inappropriate;
- (b) location specific building height standards in many specific areas around the District due to landscape / ONL values;
- (c) Arrowtown Historic Heritage ('Old Town'), with no changes proposed or the Arrowtown Town Centre Zone nor the Arrowtown Residential Historic Management Zone;
- (d) Queenstown Town Centre Historic Heritage Precincts (and the precinct heights extended across one block);
- (e) the airport air noise boundary (**ANB**) (no change) and outer control boundary (**OCB**) (for which option 2 with provision changes only was preferred<sup>83</sup> and considered to achieve "an appropriate balance between intensification within the OCB while not significantly compromising the safety and efficiency of the airport");<sup>84</sup>
- (f) the Wānaka Town Centre where option 4 (16.5m building height with 4m setback or upper floors above 12m and status quo height in Precinct 1) was preferred<sup>85</sup> as "it will provide a balance between intensification and maintenance of existing character and amenity, particularly from the adjoining public spaces, including the Lake Wānaka ONL;
- (g) stormwater and climate change with measures to help mitigate the increase in impervious surfaces and stormwater runoff;
- (h) the Wānaka aquifer and landslide area where the proposed rule changes are not anticipated to increase effects; and
- (i) setbacks from the State Highway to address reverse sensitivity effects.

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<sup>82</sup> Section 32 Report, section 6.2.

<sup>83</sup> Section 32 Report, pages 43-45.

<sup>84</sup> Section 32 Report, page 47.

<sup>85</sup> Section 32 Report, pages 50-51.

3.37 Due to the UIV implementing the NPS-UD, consultation was limited with more targeted engagement. Consultation occurred with Aukaha and Te Ao Marama with the noted issues relating to climate change, provision of infrastructure for water, stormwater and wastewater disposal.

3.38 Section 9.2 of the s32 Report summarises the proposed changes to the planning provisions. The proposed changes were modelled to provide a:

total plan enabled capacity of 84,200 additional residential units (35.6% increase to the existing plan enabled baseline capacity of 62,100) and a total commercially feasible capacity of 55,400 additional residential units and an additional 23,500 commercially feasible residential units on top of the existing dwelling stock. The percentage of plan enabled capacity that is commercially feasible will also increase by approximately 11%. ...

3.39 The s32 Report concludes that the UIV will:<sup>86</sup>

- (a) provide for a greater diversity in housing typology increasing housing choice that will cater for changing demographics;
- (b) allow for terraced and attached housing that is typically smaller and is considered to contribute to improved housing affordability;
- (c) promote a compact urban form focused around existing commercial areas and a frequent public transport corridor;
- (d) enable more people to live in or near commercial centres which will strengthen and support them and help improve their productivity;
- (e) enable intensification within existing urban areas which do not have an identified significant transport constraint and along key public transport routes;
- (f) align with the Spatial Plan, provide enough capacity to meet demand and does not raise concerns with the District's infrastructure limits (increased density makes investment more viable and feasible in the long-term); and
- (g) align with the objectives and policies of the NPS-UD, in particular Policy 5, in a manner that will achieve a well-functioning urban environment.

### **Notification and submissions**

3.40 The UIV was publicly notified on 24 August 2023 and submissions closed on 5 October 2023. The summary of decisions requested was publicly notified on 16 May 2024 and further submissions closed on 14 June 2024. In addition:

- (a) a summary of three original submissions which were mistakenly omitted from the summary of decisions was notified on 11 July 2024 and further submissions closed on 25 July 2024;
- (b) a summary of two original submissions, and three submission points from an original submission, which were mistakenly omitted from the summary of decisions, was notified on 8 August 2024 and further submissions closed on 22 August 2024; and

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<sup>86</sup> Section 32 Report, page 65.

- (c) a summary of 11 original submissions which were mistakenly omitted from the summary of decisions was notified on 14 February 2025 and further submissions closed on 28 February 2025.

3.41 A total of 1274 submissions (including 26 late submissions) and 108 further submissions (including eight late further submissions) were received. Over 7,000 individual submission points were made.<sup>87</sup>

### **Section 42A report**

3.42 Council officers provided s42A Reports on 6 June 2025.<sup>88</sup> The s 42A Reports and expert evidence provide an analysis of issues raised in submissions and recommended changes in response and covered:

- (a) Amy Bowbyes in relation to strategic overview, submissions on Arrowtown, and the text for Chapters 2 (Definitions), 4 (Urban Development) and 7 (LDSRZ);
- (b) Corinne Frischknecht for Chapters 7 and 8 (Lake Hāwea Residential Zones – text), 8 (MDRZ text), 9 (HDR text), 12 (QTC – text), 13 (WTC – text), 15 (LSCZ – text), 16 (BMU – text), and rezoning: Business and Lake Hāwea Zones;
- (c) Rachel Morgan in relation to rezoning requests for the residential zones;
- (d) Elias Matthee for Chapter 27 (subdivision and development – text);
- (e) Susan Fairgray for economics;
- (f) Cam Wallace for urban design;
- (g) Richard Powell for infrastructure; and
- (h) Richard Knott for heritage (Arrowtown).

3.43 The s42A Reports included recommended changes to the UIV provisions in respect to submissions received which were collated in revised provisions appended to the s42A Report (Strategic Evidence).

### **Expert and lay evidence**

3.44 We received numerous lay witness statements from submitters. Given the numbers we do not list them all here, but they are all available on the website. Again, we greatly appreciate the efforts of those submitters who took the time to provide us with lay evidence. As will become apparent, while not all have been successful, they have greatly influenced our decision and recommendations.

3.45 We received expert evidence from:

- (a) Planning (with many experts providing multiple briefs):

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<sup>87</sup> See, for the Council reply position on each point [amy-bowbyes-reply-evidence-appendix-b-reply-recommended-decisions-on-submissions.xlsx](#). This updated and completed an earlier 16 May 2024 version (which ran to over 700 pages). We thank the Council team for the time taken to compile that list.

<sup>88</sup> Section 42A Reports were provided by Ms Amy Bowbyes (Strategic, Text: Arrowtown, and Text: Definitions, Urban Development, Low Density Residential Zone); Ms Corrine Frischknecht (Text: Medium and High Density Residential Zones, Hāwea Residential, Text: Town Centres and Business Zones, and Rezoning: Town Centres and Business, including at Hāwea); Ms Rachel Morgan (Rezoning Residential); Mr EJ Matthee (Subdivision & Development).

- (i) Mr Ashby;
- (ii) Ms Clouston;
- (iii) Mr Edgar;
- (iv) Mr Edmonds;
- (v) Mr Freeman;
- (vi) Ms Keeley;
- (vii) Mr Kemp;
- (viii) Mr Vivian; and
- (ix) Mr Williams;
- (b) Urban design:
  - (i) Mr Compton-Moen (4 briefs of evidence);
  - (ii) Ms Costello; and
  - (iii) Mr Harland;
- (c) Landscape:
  - (i) Mr Falconer;
  - (ii) Mr Milne; and
  - (iii) Mr Blakely;
- (d) Heritage: Ms Lutz;
- (e) Noise: Mr Day; and
- (f) Groundwater: Mr Thomas.

#### **QLDC rebuttal evidence**

3.46 We received rebuttal evidence, responding to the submitter evidence (and with updated provisions and rezoning recommendations), from:

- (a) Ms Bowbyes (Strategic, Arrowtown, definitions and LDSRZ);
- (b) Ms Frischknecht (Planning Text) and (Business Rezoning);
- (c) Mr Wallace (Urban design);
- (d) Ms Morgan (Residential Rezoning);
- (e) Mr Knott (Heritage Character Urban Design).

#### **The hearing**

3.47 The Panel has read all the background material associated with the UIV, including the notified version of the UIV, the s32 Report and the s42A Reports. The Panel has also read all the submissions filed.

3.48 The hearing commenced on 28 July 2025 at the Arrowtown Athenaeum Hall. During that week we heard from:

- (a) the Council (on 28 and 29 July);
- (b) Submitters 70 (and 303), 172, 210, 302 (and 1300), 345 (and 744, 749, 864 and 1307), 376, 391, 445 (and 447), 632, 691, 710 (and 1290), 713, 732 (and 1362), 747, 818, 882, 896, 907, 1052, 1157, 1229, 1261, 1273, 1174 (and 1280);
- (c) Friends of Arrowtown (1076 and 1272), and again we are very grateful to Mr Howie in particular, for combining 258 submissions so well together; and
- (d) Carter Queenstown (776 and 1337) and Centuria (743 and 1361).

3.49 In the week commencing 4 August we sat at the Queenstown Memorial Centre and hear from submitters in relation to the following submissions.

- (a) 220, 265, 281 (581, 655, 1365, 1366 and 1386), 299 (and 1271) 380, 384, 404, 413 (and 417, 1299 and 1366), 414, 425, 433 (and 1215), 480, 556, 566, 627, 632, 641 (657 and 1358), 681 (and 1289), 682 (and 1286), 701, 735 (and 817), 762 (763 (and 1347), 764 (and 1346), 769, 771, 773 and 1333), 765 (and 1330), 766 (and 1331), 767 (and 1336), 768, 774, 776 (1337), 779, 780, 803, 878, 943, 951, 1013 (and 1175), 1131 (and 1258), 1167, 1168 (1169, 1170 and 1328), 1250, 1252 (and 1355), 1253, 1254, 1260, 1313, 1332, 1339, 1340, 1341, 1343, 1344, 1345, 1351, 1352, 1359, 1360, 1382 and 1386;
- (b) We are especially grateful for the Multiple Queenstown Submitters<sup>89</sup> who joined together and instructed Lane Neave, Mr Freeman and Ms Costello to present their case in a co-ordinated and efficient fashion saving considerable hearing time.

3.50 From the 25<sup>th</sup> to the 27<sup>th</sup> of August we sat in Wānaka at the Edgewater Resort. We heard from submitters in relation to the following submissions.

- (a) 1050, 1132, 1133, 1134, 12332, 1282, 1319, 1320, 1321, 1322, 1323 all grouped together, and we refer to them as the "Lismore Street Group" and were represented by MacTodd and Mr Vivian) with submission 859 also relating to Lismore Street; and
- (b) 77 (and 1342), 78, 123, 134, 198 228, 360, 449, 450, 617 (1373 and 1374), 658 (660, 662, 663, 1284 and 1327), 704, 571, 711, 822 (and 1355), 848 (and 875), 893, 921, 927, 948, 956, 1029, 1038 (1039 and 1040).

3.51 The Panel sought requests for site visits and received several responses. We visited all the locations requested.

3.52 The Panel walked through Queenstown town centre<sup>90</sup> (including the PC50 land, Lake, Back Man, Isle and Brecon Streets), the gardens / Park Street and Queenstown Hill to get an understanding of the town centre environment and its surrounds. Separately, all the Panel has driven along the length of Peninsula Road. The Panel drove around:

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<sup>89</sup> Submissions 652, 653, 654, 832, 835, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 983, 984, 985, 986, 987, 991, 997, 998, 999, 1000, 1004, 1006, 1008, 1009 and 1287.

<sup>90</sup> Including those areas identified in the requests by Submitters 776 / 1337, 743 / 1362, 767 / 1336, 771, 765, and Man and Beach Streets as requested by Submitters 1004 and 972.

- (a) Fernhill (including Dart Place, Lochy Road, Vanda Place and Wynyard Crescent<sup>91</sup> and the various hotels);
- (b) Thompson Street and Lomond Crescent<sup>92</sup>;
- (c) Park Street, Brisbane Street,<sup>93</sup> and Suburb Streets<sup>94</sup>,
- (d) Panorama Terrace, Peregrin Place, Sunset Lane (and observed Sunrise Lane), High View Terrace, St George's Ave;
- (e) 1 and 3 Hansen Road, Frankton;<sup>95</sup>
- (f) 111 Frankton-Ladies Mile Highway;<sup>96</sup>
- (g) Lake Hayes estate (to understand the various housing typologies located there);
- (h) Remarkables Crescent, Riverside Road and Kawarau Place;
- (i) Lake Avenue, Yewlett Crescent, Stewart Street;
- (j) Frankton Road (from the suburban shopping centre by the round-a-bout to the CBD end with its hotels (including 31 Frankton Road and the surrounding blocks<sup>97</sup> including the area bounded by Melbourne and Beetham Streets, Centennial Drive and Frankton Road and further towards Frankton we viewed from above down into 221 Frankton Road<sup>98</sup>); and
- (k) Gorge Road.

3.53 The Panel also:

- (a) drove and walked through Arthurs Point (including walking in front of 182 Arthurs Point Road<sup>99</sup>); and
- (b) walked and drove through Arrowtown extensively<sup>100</sup> and at different times during the day to see the effects of sun and shading during winter (including 5 visits to Pritchard Place). We also drove through Butel Park (Manse Road, Bush Creek Road and Essex Ave) and along Jopp Street (to view the Queenstown Lakes Community Housing Trust housing); and
- (c) walked and drove through Wānaka including:
  - (i) the CBD (and the grid of Streets behind it being Brownston, Upton, Warren and Tenby Streets (with a particular visit to the end of Warren Street / Chalmers Street<sup>101</sup>);

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<sup>91</sup> As requested by Submitter 681.

<sup>92</sup> As requested by Submitters 773, 1351, 1348, 1349 and 1350.

<sup>93</sup> As requested by Submitter 413 / 1299.

<sup>94</sup> Including as requested by Submitter 1258.

<sup>95</sup> As requested by Submitters 775 and 776.

<sup>96</sup> As requested by Submitter 768 / 1332.

<sup>97</sup> As requested by Submitter 1344.

<sup>98</sup> As requested by Submitter 769.

<sup>99</sup> As requested by Submitter 1260 / 1338.

<sup>100</sup> Including as requested by Submitter 1076 / 1272.

<sup>101</sup> As requested by Submitter 198.

- (ii) Lakeside Road, Lismore Street, Plantation Road and Anderson Road (and various surrounding areas);
- (iii) the housing development at Northlake and its surrounds;
- (iv) Three Parks, Meadowstone Drive and West Meadows Drive;
- (v) Albert Town; and
- (vi) Lake Hāwea and Hāwea South (including the lake front, the Hāwea Local Shopping Centre Zone off Capell Avenue<sup>102</sup> and along Cemetery Road and Longview Drive).

3.54 Commissioners Cocks and Munro also have an extensive understanding of the urban environments in the District over many years of living and / or working in the District. All the commissioners have also, independently, visited Kelvin Heights and are generally familiar with the area. The Chair had a good, although steep, walk around Fernhill as well to get a sound understanding of that community.

3.55 These visits, and the Panel's knowledge of the District's urban areas, informed by the evidence and most importantly the submissions, gave us an extensive understanding of the urban environment in Arrowtown and let us understand first-hand the issues being raised.

#### **Information provided during the hearing**

3.56 Before presenting we received summary statements from most experts and lay witnesses. We found the summary statements provided a helpful update and enabled a focused hearing.

3.57 We also received numerous lay representations in writing. Again, and as will be clear throughout this decision, we found them helpful during the hearing and have reviewed them all again in coming to our recommendations.

3.58 We received legal submissions on behalf of:

- (a) QLDC (Opening Submissions and QLDC also responded to Minute 4 on 25 July 2025);
- (b) Friends of Arrowtown Village;
- (c) Centuria Property Holdco Limited (Centuria);
- (d) Cater Queenstown 2015 Limited (Cater Group);
- (e) Passion Development Limited;
- (f) Multiple Queenstown Submitters (we thank these parties, and appreciate their efforts, for bringing 19 submissions (a number by the same parties) together to present to us);
- (g) City Impact Church Queenstown Incorporated;
- (h) Coherent Hotel Limited;
- (i) Arthurs Point Land Trust;
- (j) Kelvin Capital Limited;

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<sup>102</sup> As requested by Submitter 449.



- (k) Warwick and Marie Osborne;
- (l) MacFarlane Investments Limited and JL Thompson (**MIL**);<sup>103</sup>
- (m) Bronwyn Teat;
- (n) Lismore Street Group (we thank this group for bringing these aligned submitters together);
- (o) Bush Creek investments Limited;
- (p) Matt Laming;
- (q) John O'Shea, Helen Russell, John Russell and Mary-Louise Stiassny;
- (r) Queenstown Airport Corporation Limited; and
- (s) Brian Keft and the Wānaka Trust.

3.59 Finally, we asked several parties during the hearing to, if they wished, take extra time to consider issues and respond to us in writing. Parties took that opportunity (and provided us with copies of cases) and we are grateful to them for the efforts made to assist us in making our decision and recommendations.

3.60 As will be clear given the extensive council evidence, the number of submissions, the number of submitters who attended the hearing (with in varying ways lawyers, experts and lay witnesses) we received and reviewed an enormous volume of material. All relevant material can be found at [QLDC - Urban Intensification Variation](#).

3.61 Given the volume of material received we have not referred to everything, nor every submission; it is simply too much.<sup>104</sup> But we have read it all, engaged with all matters raised during the hearing and in deliberations, and thank all parties for the significant efforts made to assist us in making our decision and recommendations.

3.62 Finally, the Council provided with its Reply legal submissions, evidence from Ms Bowbyes, Ms Frischknecht, Ms Morgan and Mr Wallace (which also included relevant responses to Minute 6).

3.63 The Council team put in a huge amount of work during the process. We are very grateful to Mrs Scott and Ms Norman for managing the hearing process for us so well and being so responsive to submitters and us. The Council planning team put in a huge effort throughout the whole process (especially Ms Bowbyes, Ms Frischknecht and Mr Matthee who took turns attending the whole hearing and talked extensively with submitters) which was, as is evidenced by the decision and our recommendations, a very complex and lengthy one. We are very grateful to them all for their efforts. To those many who submitted, but especially to those submitters who then took the time to turn up and speak to us in person, we are exceptionally grateful. As will be evidenced from this decision while not all submissions have been accepted, they have all helped us in reaching our decisions and recommendations.

3.64 On 20 October 2025 we issued Minute 7 closing the hearing.

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<sup>103</sup> Submission 767 included JL Thompson in the submitter name.

<sup>104</sup> And nor does the RMA require it for decisions (CI10(3) of Schedule 1).

## **The nature of the recommendation**

- 3.65 The Panel members are all accredited in accordance with ss 39A and 39B of the RMA. We were appointed by the QLDC to hear submissions on the UIV and to make a **recommendation** to QLDC. It is the Councillors who will make the final decision on whether or not to accept our recommendations.
- 3.66 Given the number of submissions received, solely for efficiency, we have moved reasonably quickly through the submissions. We have read and considered all the relevant material. We apologise where we gloss over a matter of particular interest to a submitter, but we simply cannot efficiently address them all in detail (and for some we simply agree with the s42A report or the authors evidence for the reasons they have provided). That is especially so in relation to where we have not specifically set out the details of all submitters who appeared before us. While we would have liked to have done so that task was simply too great.
- 3.67 We have therefore focused on what we consider to be the key matters. Where we explain our findings, we have taken the same approach. We have not made specific findings on every single matter that we have changed in our recommended provisions. Again, the task is simply too big, and the value has been focusing on the key issues affecting the provisions, not those that are less than minor and/or consequential changes that have occurred.
- 3.68 While separated into sections this decision, s32AA evaluations and our recommendations **must** be read together. The provisions (and maps) as we recommended them to be in **Appendix 1**.
- 3.69 Given the number of submitters, we have not tried to update Appendix B to Ms Bowbyes Reply evidence (Reply Recommended Decisions on Submissions). Rather, we have been clear in a general sense as to the recommendations we have made. The submissions which align with our recommendations in **Appendix 1** are accepted (in whole or part) and those that do not align are rejected (in whole or part).

## **4. ADMINISTRATIVE, LEGAL AND POLICY MATTERS**

- 4.1 During the process three key administrative / legal matters arose being:
- (a) Acceptance of late submissions;
  - (b) Whether numerous submissions were "on" the UIV (on which we received extensive material); and
  - (c) How Policy 5 of the NPS-UD is to be interpreted and applied.
- 4.2 We address each of these matters in turn below.

### **LATE SUBMISSIONS**

- 4.3 As set out above there were 26 late submissions and eight late further submissions. The acceptance of these submissions is set out in Minute 2. In accepting these late submissions, we were satisfied that the interests of any relevant person would not be adversely affected (there is no prejudice) and that accepting them would not cause any delay to the process.

## ARE THE SUBMISSIONS "ON" THE UIV?

- 4.4 Through the process issues arose with several submissions as to whether they were 'on' the UIV.<sup>105</sup> The issues as to scope were addressed in section 9 of the s42A Report (Strategic) and summarised by QLDC in its opening legal submissions.<sup>106</sup> The four categories of submissions seeking relief that may be not 'on' the UIV were summarised by counsel for QLDC as follows:

... the Council has allocated the relief sought in submissions that is considered to not be "on" the UIV into four categories:

**One:** Submissions seeking changes to Operative District Plan (**ODP**) chapters, and/or the inclusion of that land in the Variation – an example is all of the land zoned by PC50 to the ODP;

**Two:** Amendment to PDP provisions that do not relate to intensification / Policy 5 of the NPS-UD, or are unrelated to the delivery of Policy 5;

**Three:** Submissions seeking rezoning of land that is currently zoned Rural Zone in the PDP, as well as movement of landscape classification and urban growth boundaries so that said land is no longer classified as Outstanding Natural Landscape (**ONL**);

**Four:** Submissions seeking rezoning of PDP land that, while currently zoned an urban zone, is not close to the commercial centres in Queenstown, Frankton and Wānaka.

- 4.5 We address below the submissions relating to scope using the four categories as set out by counsel for QLDC (and quoted above).

- 4.6 Counsel for QLDC stated that:<sup>107</sup>

The legal tests relevant to determining what is the scope of a variation are relatively settled, although it is the application of those tests that is usually more contentious. ...

- 4.7 And so it turns out to be, as also indicated by the High Court that whether a submission is "on" a variation:<sup>108</sup>

... poses a question of apparent irreducible simplicity but which may not necessarily be easy to answer in a specific case.

- 4.8 With our consideration we have kept front of mind the observation of Kós J in *Motor Machinists* that "By law, if a submission is not "on" the change, the council has no business considering it."<sup>109</sup>

### The legal framework

- 4.9 The legal framework was very succinctly summarised in QLDC's opening legal submissions as:<sup>110</sup>

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<sup>105</sup> See for example section 9 of the s42A Report (Strategic).

<sup>106</sup> At [4.1]–[4.16].

<sup>107</sup> At [4.2].

<sup>108</sup> *Clearwater* at [56].

<sup>109</sup> At [1].

<sup>110</sup> At [4.3].

The High Court in *Clearwater Resort Ltd v Christchurch City Council* and *Palmerston North City Council v Motor Machinists Limited* set out the test to determine whether a submission is “on” a plan change:

(a) **Limb one:** the submission must reasonably be said to fall within the ambit of the plan change.

This involves two aspects: the breadth of the alteration to the status quo entailed in the plan change and whether the submission addressed that alteration; and

(b) **Limb two:** whether there is a real risk that persons directly or potentially affected by the additional changes proposed in the submission have been denied an effective response to those in the plan change process.

(Citations deleted)

4.10 QLDC's opening legal submissions set out the legal framework.<sup>111</sup> This was generally accepted as a correct statement of the legal position (Counsel for Carter Group and Centuria provided additional case law<sup>112</sup>) but, overall, there was no dispute that the *Clearwater* and *Motor Machinists* decision set out the law. The issues came down to applying the legal framework to the facts and circumstances relevant to each submission.<sup>113</sup>

4.11 We have reviewed key relevant case law in **Appendix 3** to provide further detail to the position set out by QLDC.

#### **Category One: the PC50 Land**

4.12 By way of very brief background in September 2014 QLDC notified Plan Change 50 (**PC50**) to the Operative District Plan:<sup>114</sup>

... proposed that both the Lakeview site and Isle Street blocks will be rezoned Queenstown Town Centre Zone and will form sub-zones to the Queenstown Town Centre Zone. The property at 34 Brecon Street is proposed to form part of the Lakeview sub-zone. Both the Lakeview and Isle Street sub-zones will introduce changes to the Queenstown Town Centre Zone objectives, policies and rules to provide for intensification of these areas, while encouraging a broader range of land use activities, including the provision of a convention centre within the Lakeview sub-zone.

The Beach Street block will be rezoned Queenstown Town Centre Zone; however will retain the existing High Density Residential Zone height and noise standards that apply to this area of land. ...

4.13 **Figure 1** below, taken from the S32 Report maps for PC50 (as it is clearer to see than the ODP) shows the PC50 sub-zones as described above.

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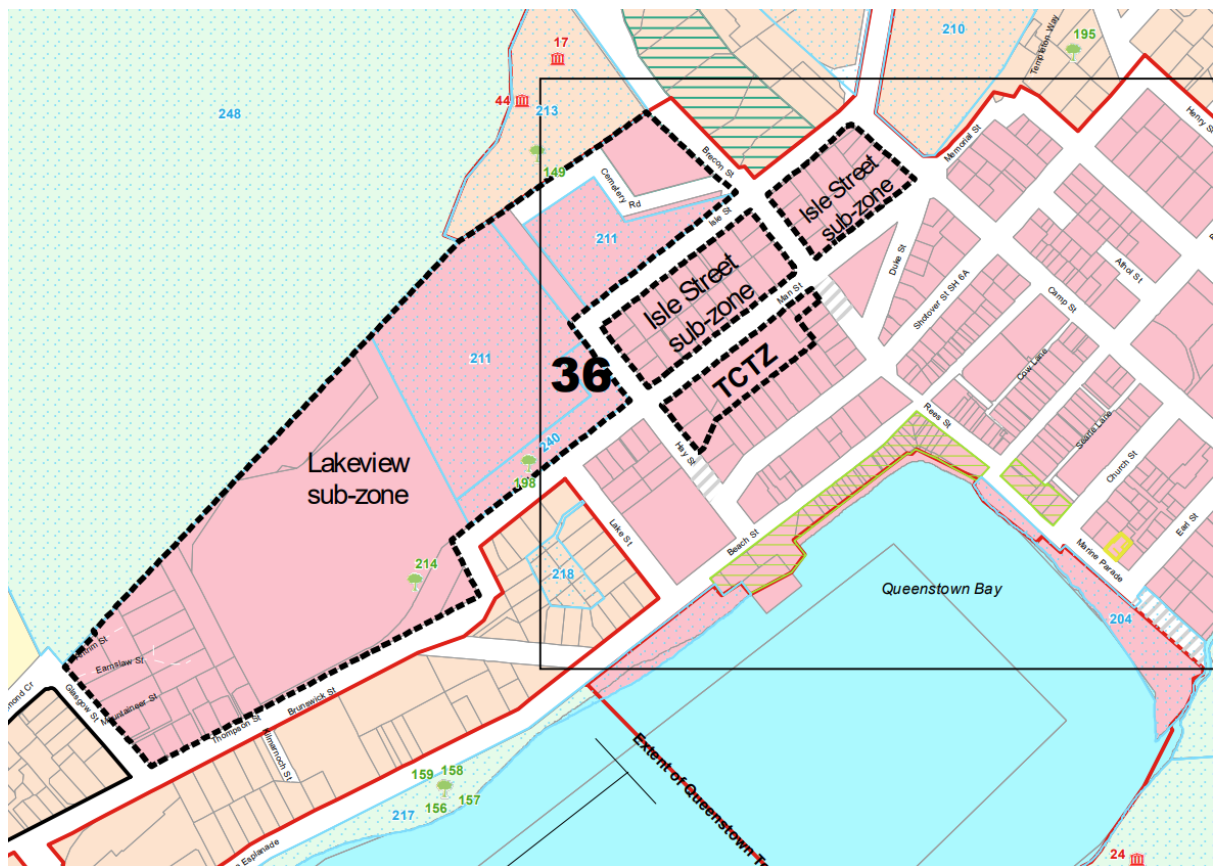
<sup>111</sup> At [4.3]–[4.4] and Appendix 1.

<sup>112</sup> As did others, including counsel for MacFarlane Investments Limited; City Impact Church Queenstown Incorporated and 1 Hansen Road LP; Passion Development Limited; and Coherent Hotel Limited.

<sup>113</sup> *Well Smart Investment Holding (NZQN) Ltd v Queenstown Lakes District Council* [2015] NZEnvC 214 at [16].

<sup>114</sup> [pc50-public-notice-of-notification.pdf](#)

**Figure 1: PC50 sub-zones (from the s32 Report for PC50)**



- 4.14 PC50 was made operative in July 2016. Ms Bowbyes in the s42A report (Strategic Overview) states that approximately 2% of the District's area is yet to be reviewed through the District plan review and remains governed by the ODP.<sup>115</sup> The final work programme remains ongoing.
- 4.15 Several submitters sought the inclusion of land zoned by PC50 to the ODP, including:<sup>116</sup>
- (a) Centuria (743) who sought the inclusion of Queenstown Town Centre land within the Isle Street Sub-Zone land.<sup>117</sup>
  - (b) MIL (767) who sought that the relevant zoning map be updated to include the PC50 land, or at the very least the MIL land, as Queenstown Town Centre Zone in the Variation.
  - (c) Carter Group (776) who sought that:<sup>118</sup>
    - (i) the relevant Zoning map be updated to include the PC50 land, or at the very least the Carter Group land, as Queenstown Town Centre Zone in the Variation; or
    - (ii) in the alternative, should the PC50 land or the Carter Group land not be included in the Variation, the whole Variation be rejected on the basis that it should include

<sup>115</sup> At [9.1].

<sup>116</sup> Other submitters included, for example, NZ Transport Agency Waka Kotahi (NZTA) (OS200) who submitted that it would support consideration of intensification of the PC50 land; and Upper Village Holdings 3 Limited (OS1252) who sought that the relevant Zoning map be updated to include the PC50 land, or at the very least the UVH Land, as Town Centre Zone in the UIP.

<sup>117</sup> Supported by evidence from Ms Clouston and Mr Compten-Moen.

<sup>118</sup> Supported by evidence from Ms Clouston and Mr Compten-Moen.

all relevant land in the District (whether managed by the ODP or the PDP) in order to give effect to the purpose of the Variation and the NPS-UD.

- 4.16 QLDC's position was first and foremost that the UIV is a variation to the PDP and submissions seeking changes to include the ODP in the PDP via the UIV, and not a comprehensive plan change are out of scope. QLDC explained that its intention is to bring the PC50 land into the PDP through a specific plan change process which would enable a comprehensive assessment at that time of its intent and content.<sup>119</sup>
- 4.17 In terms of scope matters QLDC further argued in relation to ODP land generally (which includes the PC50 land) that:<sup>120</sup>
- (a) The s32 Report states that the UIV is "limited to existing urban areas within the proposed District plan" (a limb one argument);
  - (b) That as the ODP land was not notified it cannot be submitted on as a potential submitter would not be alert to the fact of its inclusion (a limb two argument) such that "the possibility of a 'submissional side-wind' is high".

**Specific submitters: Carter Group and Centuria**

- 4.18 Counsel for the Carter Group and Centuria provided a detailed assessment of the legal position, see above, and how it applies to the inclusion of their client's land (and the PC50 land as a whole). We thank counsel for the detailed and carefully reasoned analysis provided in appendices A and B. This provided us with valuable insight as to the context and circumstances in play. Key points were summarised by counsel as:<sup>121</sup>
- (a) The PC50 land forms part of the "urban environment" of the District and is identified in a suite of QLDC strategic planning documents as suitable for intensification, with its own analysis and modelling forming the basis for the UIV including the land such that the submissions for its inclusion "directly address the scope and intent of the Variation and are not a departure from its purpose."
  - (b) Inclusion of PC50 land had been signalled in prior planning processes and is consistent with the zoning patterns promoted in the UIV. Therefore, the submissions are a logical and foreseeable extension to the UIV such that there is "no material risk of procedural unfairness" (including that some further submissions in relation to the PC50 land were made).
  - (c) Including the PC50 land is "necessary to fully implement the NPS-UD, as well as give effect to the ORPS and pRPS" such that its exclusion would deliver "fragmented, inefficient planning".
  - (d) Inclusion of the PC50 land within the UIV will "streamline the planning process, avoid unnecessary duplication, and ensure a coordinated, integrated approach to urban development".

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<sup>119</sup> Opening Legal Submissions at [4.5] and [4.6].

<sup>120</sup> Opening Legal Submissions at [4.7] and [4.8].

<sup>121</sup> Legal submissions for Carter Group and for Centuria at [10] in each submission.

4.19 Finally, the position of Carter Group as to implementation of Policy 5 of the NPS-UD was that:

- (a) the requirements to be implemented within the NPS-UD apply to the whole District irrespective of whether land is currently managed through the ODP or the PDP;
- (b) the Council was required to implement Policy 5 by 20 August 2022; and
- (c) it would be contrary to the NPS-UD to further delay the implementation of Policy 5 over certain pieces of land (such as the PC50 land).

Further information provided on behalf of Carter Group and Centuria

4.20 Counsel for Carter Group and Centuria provided a cover letter to the panel responding to questions we raised at the hearing and appending a memorandum from Ms Clouston (expert planner).

4.21 Ms Clouston's memorandum<sup>122</sup> sets out the letter drops that occurred which, in combination, comprised all landholdings within the PC50 land notifying them of the submissions to seek the PC50 land within the UIV. Whether due to that, and/or separate knowledge of the process, five further submissions (including their own) supported the relief sought<sup>123</sup> and four opposed.<sup>124</sup>

4.22 Ms Clouston focused on our concerns as to whether there were any limitations, or unintended consequences of incorporating the PC50 land into the UIV, or any bespoke rules that require introduction. Her opinion was that the PC50 land can be incorporated into the PDP QTCZ without:

- (a) the need for bespoke rules to be introduced (and without any unintended consequences) and she provided a block-by-block assessment to support that position (noting the lakeview block posed the most challenge given its specific provisions<sup>125</sup>, including structure plan, height plan and site-specific rules) and it could be considered separately to the Carter Group and Centuria land<sup>126</sup>, or we could seek additional information from the Council<sup>127</sup>); and
- (b) a specific description or sub-zone within the PDP objectives and policies framework (chapter 10 of the ODP contains specific values of the area).

4.23 Ms Clouston also:

- (a) considered that the PDP transport chapter would appropriately manage PC50 land transport matters, including ITA requirements for high trip generating activities;
- (b) undertook a review of the PDP District wide provisions in relation to the PC50 land and considered heritage, transport and earthwork provisions, finding no issues that could not be appropriately managed through the PDP provisions; and

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<sup>122</sup> Dated 22 August 2025, at [5] - [10].

<sup>123</sup> FS1336; FS1267; FS1324; FS1335; and FS1361.

<sup>124</sup> FS1304; FS1274; FS1282; and FS1291.

<sup>125</sup> Application of the PDP to Lakeview land was also succinctly summarised by counsel at [16] of the cover letter dated 18 September 2025 attaching Ms Clouston's memorandum. And in Ms Clouston's memorandum on behalf of MIL.

<sup>126</sup> The hybrid option of including some PC50 (ultimately Carter Group and Centuria, plus also below MacFarlane Investments Limited and Thompson) land but not the Lakeview land was explored further in Ms Clouston's Memorandum on behalf of MIL dated 1 September 2025. We considered it carefully but decided it was not a viable option to in effect ad hoc spot zones on such important land within the District as a result of a relatively targeted Policy 5 variation to the PDP.

<sup>127</sup> As also sought by counsel at the end of the cover letter dated 18 September 2025 attaching Ms Clouston's memorandum.

- (c) sought one amendment within the PDP to amend the non-complying activity status (for maximum height) in rule 12.5.9 to RDA.<sup>128</sup>

#### QLDC's reply position

4.24 In response to the legal submissions on behalf of Carter Group QLDC:<sup>129</sup>

- (a) Maintained its position that the UIV solely relates to urban environment within the PDP such that the PC50 land is excluded by the maps, text, s32 report; put simply it was "unequivocally excluded from the Variation".
- (b) Rezoning the PC50 land would prematurely bring it into the PDP without a comprehensive assessment, stating "[there] is a significant amount of evaluation to be done for the PC50 land over and above simply considering whether the provisions give effect to Policy 5 of the NPS-UD". That includes a full s32 assessment, consideration of whether any bespoke provisions are required, whether the framework achieves the PDP Strategic Chapters alongside a review against the PDP District-wide chapters (and overlays), with none of those being within scope. This was a key issue for QLDC stating "rezoning of any ODP land now will result in a significant failure to properly review the ODP in question." It was a point also stressed in Ms Bowbyes' reply evidence.
- (c) That there is "no logical rationale" for the UIV to start again because the ODP land was not included.
- (d) That whether the PC50 land contributes to a well-functioning urban environment does not define the scope of the UIV with respect to Limb One, "rather the change to the status quo does".
- (e) That the s32 Report did not need to undertake a full evaluation of the PC50 land as that land (and the ODP land generally) was not subject to the UIV.
- (f) That the inclusion of the PC50 land in the accessibility modelling that covered the entire District, or that it was identified in the Spatial Plan, does not mean that it was notified as part of the UIV and nor does it mean that its inclusion would not come out of "left field".
- (g) That rezoning the PC50 land is not reasonably foreseeable and "incidental or consequential" as the ODP land was expressly excluded and no changes to it proposed.

4.25 In addition, Ms Bowbyes in her reply evidence also addressed the issue of scope focusing on:<sup>130</sup>

- (a) that the UIV is a variation to the PDP, not a plan change to the ODP; and
- (b) the UIV is not a full review of all provisions and bringing the PC50 land would require a significant amount of planning evaluation including a full s32 evaluation and consideration of applying the District wide chapters to the PDP land.

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<sup>128</sup> With an accompanying s32AA assessment.

<sup>129</sup> Reply Legal Submissions at [4.6] and [4.7].

<sup>130</sup> At [4.3].



Overall, Ms Bowbyes disagreed with Ms Clouston as to the inclusion of the PC50 land from a planning assessment perspective.

- 4.26 Despite her opinion on scope, Ms Bowbyes considered alternative options, including folding the PC50 land into the UIV, and stated that they "are less appropriate than the option of undertaking a full review of the entire PC50 land via a plan change to the ODP."<sup>131</sup>

Our decision and recommendation on the PC50 land

- 4.27 The public notice and its attached fact sheet for the UIV are set out in Section 3.

- 4.28 To a person familiar with both the RMA and the nuances of the District Plan review processes, the reference to the PDP chapters would have enabled them to understand that the PC50 land was being excluded. But to most people the concept of urban land and enabling intensification close to commercial areas in Queenstown would include the PC50 land.

- 4.29 The executive summary of the s32 Report states:

This variation is proposed in order to meet the Queenstown Lakes District Council's (QLDC) obligations as a Tier 2 local authority under Policy 5 of the National Policy Statement on Urban Development (NPS-UD).

...

In order to inform the approach taken by this proposed variation, QLDC has undertaken modelling of: the level of accessibility of land within the District's existing urban environments by existing or planned active or public transport to a range of commercial and community activities has been modelled, and the relative demand for housing and business use in those locations. The modelling has identified areas, primarily around core commercial centres and transport corridors, that are appropriate for intensification in terms of the direction in Policy 5, clauses (a) and/or (b).

The District Plan zoning and related provisions of the urban areas subject to the modelling have been reviewed to identify whether they meet the requirements of Policy 5, and to ensure that the zoning and provisions will enable development that contributes to a 'well-functioning urban environment'. This review has included an urban design assessment of the existing zoning and provisions, as well as consideration of the findings of monitoring undertaken by QLDC. Constraints upon the intensification of land have also been taken into account, such as historic heritage, natural hazards, and airport operations.

The proposed variation includes changes to the zoning around identified commercial areas and transport corridors across the District, and changes to various Proposed District Plan (PDP) provisions. The proposed changes are detailed in Appendix 1A – 1L.

...

While the proposed variation has been developed to satisfy Policy 5, the proposed provisions also give effect to the other relevant objectives and policies of the NPS-UD and the Otago Regional Policy Statement (ORPS). The proposed provisions also align with the Queenstown Lakes Spatial Plan 2021 which promotes compact urban form and increased densities in appropriate locations (Strategy 1).

- 4.30 This high-level context to the s32 Report is important. While we recognise QLDC's argument that a variation applies to a proposed plan, the context for the UIV is broader. But the s32

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<sup>131</sup> At [4.7].

Report did include an assessment of accessibility and demand in Appendix 3 across the urban environments in the District. Therefore, the PC50 area is included within that assessment (and scored very positively for intensification). While not explained in the legend, many of the Figures within Appendix 3 have a black line that appears to illustrate the zoned Queenstown Town Centre as a whole, including the PC50 land. While this context is not decisive, it does set the scene for any person interested in, and a reader of, the UIV as to what they may have expected.

- 4.31 The scope of the UIV is explained in the introduction to the s32 Report (similar to as quoted from the public notice) as:<sup>132</sup>

... limited to existing urban areas within the Proposed District Plan, which meet the requirements of Policy 5 in terms of accessibility and/or relative demand and for which changes are proposed. This aligns with the Spatial Plan which seeks to provide for growth and intensification predominantly within existing urban areas through promotion of a compact urban form.

- 4.32 In relation to not including the ODP land the s32 report states:<sup>133</sup>

There are a number of smaller urban 'special zones' within the ODP as well as an area of land known as Lakeview (PC50) that is zoned Queenstown Town Centre (ODP). These are yet to be reviewed through the District Plan review.

These zones include numerous bespoke provisions which are intended to provide specific outcomes in terms of character or to manage effects upon surrounding or adjacent sensitive environments. Consequently, these zones need to be reviewed holistically and they have not been included within the review undertaken in response to the NPS-UD. However, Policy 5 will be a matter of consideration for the review of these ODP zones in the future, when they are brought into the PDP

- 4.33 The above quote includes the only reference to the PC50 land. Counsel for QLDC emphasised the deliberate, targeted approach applied.<sup>134</sup> But there is no analysis within the s32 report as to why PC50 land was excluded. Given its location and significance in Policy 5 terms (including as illustrated in Appendix 3 to the s32 Report) we found that surprising. We would have expected some analysis as to why the PC50 land was not to be included (and consider that if that had occurred the result may have been different).
- 4.34 There is no dispute that the PC50 land is part of the urban environment within the District. It is also a fundamentally important part of the intensification and development story for the District having an ODP Queenstown Town Centre sub-zoning. Proceeding with the UIV without the PC50 land leaves a hole to the side of the town centre and fails to deliver, in a critical area, the "amphitheatre" style approach (the PC50 properties will be lower in height not taller) adopted by QLDC for its urban design. Mr Compton-Moen also provided urban design evidence as to the lack of built form in the PC50 land, the terracing of development up the hill to create the 'amphitheatre' like appearance (which would be continued with a 24m building height and not adversely affect adjoining properties).<sup>135</sup>

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<sup>132</sup> At page 5.

<sup>133</sup> At page 18.

<sup>134</sup> Reply legal submissions at [4.6(c)].

<sup>135</sup> Statement of evidence of Mr Compton-Moen, 4 July 2025, at [16] and [22] – [23].

4.35 Considering the above, working through the two limbs of the *Clearwater* test:

**(a) Limb One:**

- (i) We agree with counsel for Carter Group and Centuria that inclusion of the PC50 land falls within the ambit of the plan change. We consider:
  - (1) That the UIV has a broad purpose, and broad change within the urban environment, to give effect to Policy 5 of the NPS-UD. The PC50 land is within the urban environment and, in our opinion, within the ambit of the UIV. We recognise QLDC's argument as to the PC50 land not being within the PDP. But we see no reason why that alone would prevent the PC50 land from being within the ambit of the UIV in the context and circumstances in this case.<sup>136</sup>
  - (2) That while the PC50 land was explicitly excluded from the UIV in the s32 Report, that same report did assess the area in relation to accessibility and demand; and
  - (3) That the relief sought is incidental to and consequential upon the UIV (it is within the urban environment, immediately adjacent to the QTCZ, and has high accessibility and relative demand) such that excluding it from a Policy 5 NPS-UD driven plan change makes no strategic planning sense, nor does it deliver integrated management.
- (ii) **But**, we consider that significant additional further information (in effect a robust s32 analysis and full urban design and integration consideration) is required for the PC50 land.<sup>137</sup> As above we sought additional information from Carter Group and Centuria and Ms Clouston provided a helpful memorandum which we very carefully considered. But ultimately, we agree with Ms Bowbyes that "a significant amount of evaluation needs to take place (and be tested)."<sup>138</sup> While not the sole deciding factor, as rightly acknowledged by Ms Clouston and summarised by counsel, the Lakeview land may (and we consider does) warrant separate assessment. Further, how all the PC50 land integrates within itself, and then fits appropriately within the PDP as a whole (and reflects good urban design), also warrants separate, and robust, assessment.
- (iii) In relation to this matter we also considered:
  - (1) asking the council for additional information (including in relation to Lakeside), but that consideration further emphasised to us the point above; that considerable additional evaluation was required;
  - (2) a hybrid option of bringing into the PDP Carter Group and Centuria land<sup>139</sup> but excluding the Lakeview land; and

<sup>136</sup> We asked counsel about this during the hearing, and none provided us with case law or detailed argument that it could not occur.

<sup>137</sup> As raised by Ms Bowbyes in her reply evidence.

<sup>138</sup> Ms Bowbyes reply evidence at [4.7].

<sup>139</sup> And the MIL land as addressed below.

(3) knocking out the UIV altogether to restart with the PC50 land.

(b) **Limb Two:**

- (i) We agree with counsel for Carter Group and Centuria that inclusion of the PC50 land is a logical and foreseeable extension to the UIV. It is an area of Queenstown recognised for development within the strategic documents, that is sub-zoned Queenstown Town Centre in the ODP. Put simply, the land is as much "urban environment" as anywhere can be considered within the District and is logically ripe for intensification. We do not consider that any person interested in intensification in the District (and the town centre in particular) would be surprised if the PC50 land was included (indeed the opposite is more likely) such that no person would be denied an effective response.
- (ii) Further, while not necessary, all landholders were notified of the submissions,<sup>140</sup> and some parties did make further submissions (in support and four in opposition<sup>141</sup>) on the inclusion of the PC50 land.
- (iii) Overall, for the reasons above, we do not consider there would be a real risk that a directly affected person, or the public generally, would have been denied an opportunity to participate in the UIV process if the PC50 land was included.

4.36 Put simply we had a lot of time for the arguments made on behalf of Carter Group and Centuria, but at the end of the day reached the position that a full planning consideration was required for the area (and we simply, even with the responses received to our questions, did not have sufficient information in front of us to enable us to be fully aware of, and to assess, the implications of its inclusion, including in a s32 / s32AA sense). Our detailed consideration led us to a position whereby, ultimately, the submission cannot reasonably be said to be within the ambit of the UIV.

4.37 Rather, we agree with QLDC that in the context and circumstances of this matter, that it is a step too far and given the breadth of changes (and their significance) it requires its own, dedicated, planning process. We hope, as stated by Ms Bowbyes in her reply evidence<sup>142</sup> that QLDC promptly proceeds (subject to the Government's new plan stop policy) with including PC50 land into the PDP or alternatives (private plan change or a streamlined planning process) are explored. It is simply too strategically significant for the future of the QTC, and the vision for the QTC that was explained to us, for it to not have up-to-date and fit-for-purpose planning provisions so that it integrates appropriately both internally and externally with the UIV amendments.

4.38 The exclusion of the PC50 land from the UIV does not undermine the NPS-UD such that the best option is to reject the UIV altogether and restart with the PC50 land. Rather, as noted above, there are options for QLDC to integrate the PC50 land into the PDP in the future.

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<sup>140</sup> Memorandum of Ms Clouston, 22 August 2025, at [5] – [10].

<sup>141</sup> S D Tremain Development Trust (FS1304); Alan Watts (FS1274); The Trustees, Rainbow Mountain Trust (FS1282); and Body Corporate 300172 (FS1291).

<sup>142</sup> At [4.6].

## Other PC50 submitters

- 4.39 MIL sought that the relevant zoning map be updated to include the PC50 land (Lakeview area), or at the very least the MacFarlane Investments and JL Thompson land at 5, 7, 11 and 15 Man Street, 2, 4 and 8 Isle Street, and 19 Brecon Street, as Queenstown Town Centre Zone in the variation.
- 4.40 Ms Clouston provided planning evidence dated 4 July for MIL that:
- (a) including the PC50 land avoids unnecessary duplication of planning process for Policy 5 requirements (the Lakeview sub-zone could be considered separately);<sup>143</sup>
  - (b) it is more efficient to deal with QTC in one planning process;<sup>144</sup> and
  - (c) the MIL land is appropriately located to absorb more height.<sup>145</sup>
- 4.41 Following her presentation at the hearing Ms Clouston provided a further memorandum<sup>146</sup> on behalf of MIL in line with her similar approach for Carter Group and Centuria (above). Ms Clouston assessed the ODP and PDP provisions in relation to the Isle Street East Sub-Zone, concluding that incorporation into the PDP would not create any planning issues.<sup>147</sup> Ms Clouston also considered the hybrid ODP / PDP approach raised by counsel for MIL and directed us to Strategic Chapters 3-6 of the PDP which apply to those zones still within the ODP such that, in a sense, there is already a hybrid approach.<sup>148</sup> While not her preference, Ms Clouston set out how such a hybrid approach could work if we were minded to accept it.<sup>149</sup>
- 4.42 Counsel for MIL raises similar issues as for the Carter Group and Centuria above, including<sup>150</sup> that (excluding the Lakeview area) it will:
- (a) contribute to a well-functioning and cohesive urban environment;
  - (b) provide infrastructure ready capacity;
  - (c) enable heights and densities commensurate with the high level of accessibility; and
  - (d) disincentive land banking.
- 4.43 Counsel first considered that the UIV is not a discrete variation differentiating it from the circumstances in *Clearwater* and *Motor Machinists*. Rather in this case counsel argued that:<sup>151</sup>
- (a) the scope of the UIV is "very wide" affecting 10 different PDP Chapters including the QTC and land adjacent to their land; and
  - (b) in reliance on *Albany*, it is "fair and reasonable" for MIL to seek its land in the town centre to be included in an urban District wide variation

<sup>143</sup> Statement of evidence of Ms Clouston dated 4 July 2025 at [21] and [30].

<sup>144</sup> Statement of evidence of Ms Clouston dated 4 July 2025 at [26].

<sup>145</sup> Statement of evidence of Ms Clouston dated 4 July 2025 at [29].

<sup>146</sup> Dated 1 September 2025.

<sup>147</sup> At [17].

<sup>148</sup> At [19].

<sup>149</sup> At [20] – [24].

<sup>150</sup> Legal Submissions on behalf of MIL, 7 August 2025, at [8].

<sup>151</sup> At [19] – [20].

- 4.44 Counsel stated that if we consider the UIV to be discrete, then in relation to the two limbed *Clearwater* test:<sup>152</sup>
- (a) Limb One: that the UIV changes the status quo by introducing more enabling heights and densities to give effect to Policy 5, altering the regime on a District scale. The PC50 land is within the town centre and MIL's land is "sandwiched" between land affected by the UIV; and
  - (b) Limb Two: there is very low risk that affected people will be denied an opportunity to respond as more than half the land is already covered by submissions and the UIV has been well publicised.
- 4.45 Counsel also referred us to the TPLM Plan Variation decision and to the legal submissions for Carter Group, Centuria and Passion Developments Limited.
- 4.46 First, we are very mindful that any assessment of scope must be applied to the context and circumstances of the specific submission. However, we consider that while it must be applied to specific circumstances the legal tests set out in case law (see above and **Appendix 3**), especially in *Clearwater* and *Motor Machinists*, provides us with the framework to apply.
- 4.47 In relation to Limb Two, for the same reasons set out in relation to Carter Group and Centuria above, we are comfortable that no person, including any directly affected, would be denied a reasonable opportunity to have been involved.
- 4.48 That leaves Limb One. We have addressed the scope of the UIV in relation to the inclusion of the PC50 land for Carter Group and Centuria. We agree that it is fair and reasonable for the submitter to seek to include its land in the UIV given the circumstances and its location. Our detailed consideration of the context of the MIL submission led us, as for Carter Group and Centuria, to a position whereby ultimately the submission cannot reasonably be said to be within the ambit of the UIV. Ultimately, for the same reasons above, it is a step too far and given the breadth of changes (and their significance) it requires its own, dedicated, planning process (which we hope for the benefit of Queenstown's urban development, and of the town centre, occurs promptly, noting the challenges faced).
- 4.49 Counsel finally addressed the HBA 2021 and that while it is presently being updated that has not yet occurred. On that basis:<sup>153</sup>
- (a) concern was raised that we may have outdated information regarding demand and supply of housing and the development capacity that is sufficient to meet demand; and
  - (b) including the PC50 land would provide a buffer against any shortfall.
- 4.50 We have considered the HBA 2021, and the new growth estimates in Ms Fairgray's evidence, in Section 2. The conclusion we arrived at from that is that there remains, with the UIV as notified (and with our changes), more than sufficient capacity to meet demand in the District. We acknowledge that more supply is beneficial, especially in a market such as Queenstown (and at the centre of that market), giving considerable thought to counsel's position, and as above also more specifically to Policy 5. As stated above we could see several benefits of

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<sup>152</sup> At [21].

<sup>153</sup> At [29] – [30].

bringing in the PC50 land into the UIV. But, from a scope perspective we arrived at the position set out above.

- 4.51 In relation to the other submissions on PC50 land, including Upper Village Holdings 3 Limited, and submitters seeking the inclusion of ODP land in the UIV beyond PC50,<sup>154</sup> we reach the same conclusion as above.

#### **Conclusion on PC50 land**

- 4.52 We therefore reject all submissions within Category One seeking rezoning of PC50 land within the UIV as they are not "on" the UIV.

#### **Category Two: Submissions that do not relate to intensification / Policy 5**

- 4.53 In opening submissions counsel for QLDC pointed out the scope of the UIV.<sup>155</sup> Counsel was clear that those submissions on provisions of the plan not altered by the provisions were in some instances "clear cut" and not so in others.
- 4.54 The latter category included Visitor Accommodation (**VA**) and Residential Visitor Accommodation (for ease of reference when we refer to VA throughout this decision we include as relevant both). The s42 Report (Strategic) was clear that the PDP has an existing framework for VA and the UIV is not on the VA provisions such that they are not within scope.
- 4.55 Mr Edgar presented planning evidence<sup>156</sup> on behalf of Mr and Mrs O'Donnell (OS641, OS657, FS1358) that as the UIV provisions enable greater height and density generally they will have a bearing on activities enabled within buildings and, for HDRZ VA is enabled so that the changes to HDSZ will have a bearing on VA.
- 4.56 Ms Bowbyes reflected on Mr Edgar's evidence in her rebuttal and agreed that VA is within the scope of the UIV but only insofar as the notified UIV has a bearing on VA through the proposed changes to height and density.<sup>157</sup> This position was repeated in QLDC's position in opening submissions that:<sup>158</sup>

... visitor accommodation is only in scope of the Variation insofar as the notified Variation has a bearing on visitor accommodation activities through the proposed changes to heights and densities.

- 4.57 Ms Morgan<sup>159</sup> saw benefit in extension of the VA zone over the Coherent land holdings given they form part of a larger comprehensive landholding, and some are already consented for VA.
- 4.58 Counsel for Coherent Hotel Limited (**Coherent**) argued that an extension of the Visitor Accommodation Sub-Zone (VASZ) be extended over its site. In relation to the legal tests counsel argued:

(a) Limb One:<sup>160</sup>

(i) The omission of VA from the s32 Report does not exclude it from scope;

<sup>154</sup> Including Queenstown Central Limited (OS191).

<sup>155</sup> Opening Legal Submissions at [4.9].

<sup>156</sup> EIC Mr Edgar, dated 4 July 2025, at [21] – [28].

<sup>157</sup> Section 42A rebuttal Strategic at [4.4]. And on that basis Ms Frischknecht did not recommend any additional changes. See Section 4A rebuttal Planning Text at [7.44] – [7.53].

<sup>158</sup> Opening Legal Submissions at [4.11].

<sup>159</sup> S42A Report (Rezoning Residential) at [8.6].

<sup>160</sup> Submitters' Opening legal Submissions, 7 August 2025, at [23] – [28].

- (ii) Enabling the Coherent land to have unified zoning provides practical and integrated approach to landholdings forming a VA grouping over land owned by Coherent (and rezoning from MDRZ to HDRZ does not give rise to inappropriate adverse effects);
  - (iii) VA is anticipated within defined areas of the PDP's residential zones and within scope of the UIV and Policy 5 and well-functioning urban zones;
  - (iv) That amendments proposed by the UIV go further than just height and density and affect a range of residential and commercial activities; and
  - (v) Increasing heights and densities will enable greater VA within VA sub-zones while changing the nature of the urban environment which "raises the subject of appropriate amounts and spatial location of the existing VA subzones.
- (b) Limb Two:<sup>161</sup>
- (i) That it could be reasonably expected that a variation that increases height and density would also alter the VA sub-zone to align with NPS-UD policy to enable growth; and
  - (ii) VA sub-zones are already existing within the PDP and Fernhill, and it is reasonable that they may be sought to be varied.
- 4.59 Counsel for QLDC opposed that extension, repeating the position from opening submissions (above) and arguing<sup>162</sup> that the UIV does not change the mapped overlays for the VA sub-zone and it is not therefore reasonably foreseeable that the mapped VA sub-zone boundaries would be altered by the UIV such that it could prejudice potential submitters.
- 4.60 Again, we start with the specific context and circumstances. The change sought is over a discrete area of land owned by Coherent and forming part of an existing accommodation area. However, ultimately, we agree with counsel for QLDC as the scope for VA activities as stated above.
- 4.61 Mr Kemp provided planning evidence for Passion Development Limited. In respect of VA, he observed that there was a demonstrable and ongoing demand for visitor accommodation in Fernhill, the level of demand for which supports a VA sub-zone overlay to the site.<sup>163</sup>
- 4.62 Well Smart's submission (1168) included seeking changes through the UIV to manage construction noise in the PDP. In response to the Panel's request Mr Farrell provided us with updated relief sought, and a s32AA assessment by memoranda after the hearing.<sup>164</sup>
- 4.63 In her reply evidence Ms Bowbyes responded to Well Smart's updated relief stating that she considers them to not be within scope of the UIV which implements Policy 5.<sup>165</sup> In its Reply submissions counsel for QLDC argued that these changes do not fall within the scope of the

<sup>161</sup> Submitters' Opening legal Submissions, 7 August 2025, at [29] – [31].

<sup>162</sup> Reply Legal Submissions at [4.14].

<sup>163</sup> Statement of Evidence of Mr Kemp (681), 4 July 2025, at [10.4].

<sup>164</sup> Memoranda from Mr Farrell dated 27 August and 1 September 2025. Submission 10 also opposed PDP Rule 12.5.13 Noise. Noise limits have not been assessed as part of the notified variation. PDP Rule 12.5.13 is not proposed to be amended, other than to update cross references. We find that issues of noise are not "on" the UIV for the reasons set out in this section.

<sup>165</sup> Reply Evidence of Ms Bowbyes at [4.11].



UIV (as they do not relate to intensification).<sup>166</sup> We agree. We do not consider that the submission is "on the variation" against the legal framework above and in **Appendix 3**. The UIV does not change the status quo, or relate to, the noise provisions in the PDP. It is clearly not within the ambit of the UIV. Further, there is a real risk that people affected by the changes sought would be denied an effective response and be prejudice through a 'submissional side-wind'.

4.64 Furthermore, Ms Bowbyes also referred to the existing PDP noise framework and considered that the changes sought "would result in a significant gap in the provisions, which is a less appropriate option and may have significant unforeseen consequences."<sup>167</sup> We agree.

4.65 We therefore reject all submissions within Category Two as they do not relate to intensification / Policy 5 and are not "on" the UIV. To be clear, this includes all submissions seeking an extensions to the VA sub-zones.

### **Category Three: submissions seeking rezoning of rural land**

4.66 Counsel for QLDC summarised this category as follows:<sup>168</sup>

It is expected that one or two submitters may rely on the decision in Motor Machinist to argue that rezoning of their Rural Zoned land may be permissible via a submission on the UIV. Council urges the Panel to carefully consider such legal submissions, particularly where the land in question is currently zoned Rural Zone and is classified as ONL. On that point, Council is firmly of the view that any land that is classified as ONL (and indeed zoned Rural Zone) is not within the scope of the UIV.

### **NPS-UD Policy 5**

4.67 We address Policy 5 of the NPS-UD below. Counsel for QLDC was clear as to its application to the urban environment.<sup>169</sup> The UIV is not a broader District plan review, with a discrete focus, that would be lost with rezonings of non-urban land. Further, within urban environments the UIV is deliberately limited to only some, not all. Counsel argued that not only were rural environments and ONLs outside of Limb One of the legal tests but also Limb two as:<sup>170</sup>

... No reasonable person who would have seen the notification of the urban focused UIV would have had any reason to consider that it might allow for rezoning of rural land.

### **City Impact and 1 Hansen**

4.68 City Impact and 1 Hansen own land to the north of SH6 past the BP roundabout, which is presently being upgraded into a major controlled intersection, and across from the Queenstown Events Centre. This land has a multitude of different zonings (Rural, LDSRZ, LSCZ), the UGB and OCB for the airport both run through the sites and an ONL overlay partially sits over both sites, as listed and illustrated in the evidence of Ms Clouston.<sup>171</sup> Both submitters seek an

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<sup>166</sup> Reply Legal Submissions at [4.23].

<sup>167</sup> Reply Evidence of Ms Bowbyes at [4.12].

<sup>168</sup> Opening Legal Submissions at [4.12].

<sup>169</sup> Reply Legal Submissions at [4.9(b)].

<sup>170</sup> Opening Legal Submissions for QLDC at [4.14].

<sup>171</sup> EIC of Charlotte Clouston, 4 July 2025, at [14] – [15] and [54].

extension to the BMUZ (or other various outcomes) with consequential realignment of the ONL<sup>172</sup> and UGB boundaries.

4.69 The rezoning is sought<sup>173</sup> on the basis that the sites are highly accessible, extension of the BMUZ would result in a consistent and coherent patterning of BMUZ, the existing zoning and ONL boundaries do not reflect "sensible, efficient or effective planning outcomes" and if relocated to the property boundaries the ONL boundary would be more "defensible and clearly defined".

4.70 Counsel considered the two limbs of the two-stage assessment as follows:

(a) Limb One:<sup>174</sup>

- (i) The UIV alters the status quo for both sites (given its split zoning nature) which will alter its character and the sites are adjacent to land being upzoned.
- (ii) The context and purpose of the UIV is for increased density commensurate with the greater of accessibility and relative demand such that the relief sought "engages directly" with the UIV.
- (iii) The UIV is an efficient and effective opportunity for landowners on the edge of the urban environment to seek such outcomes (and if ONLs are present this process "is an appropriate opportunity to examine that").
- (iv) PDP zoning was reviewed as part of the s32 Report and areas where commercial nodes were strengthened through surrounding upzoning were rezoned. In the context here of a location close to Frankton, within an area of development, rezoning to BMUZ is appropriate.
- (v) That just because the s32 Report did not include extension of existing urban zones that is not determinative and while, in counsel's opinion, the ODP land was clearly excluded, the notification and s32 Report were less explicit in relation to land outside the urban environment (including rural land).<sup>175</sup>
- (vi) That the NPS-UD did not restrict the Council to only consider the existing urban environment and it focuses on creating well-functioning urban environments as defined rather than limiting its application only to those urban environments as defined.
- (vii) That given the UIV seeks to implement commensurate increased density with accessibility or relative demand "the s32 evaluation should have considered suitable urban extensions adjacent to existing urban development" where it would create and be consistent with achieving, a well-functioning urban environment, be consistent with zoning and density patterns that perform well in terms of access

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<sup>172</sup> Mr Falconer provided evidence, dated 4 July 2025, in relation to landscape matters.

<sup>173</sup> Submitters Opening Legal Submissions, 7 August 2025, at [6].

<sup>174</sup> Submitters Opening Legal Submissions at [13] – [20].

<sup>175</sup> Counsel's submissions went into this matter in detail stepping through the relevant webpage, notice, fact sheet and s32 Report.

ability and address relative demand, and reflects landscape evidence that supports ONL / RCL reclassifications.

(b) Limb Two:<sup>176</sup>

- (i) That it could be reasonably anticipated that submitters would seek relief in rural zoning and adjacent PDP land, especially where the sites are split zoned so already affected in part, the context or urban edges which are "not particularly landscape based or defensible", the context of PDP zoning now almost a decade old, and the context of responding to the NPS-UD to enable growth and intensification.
- (ii) People had the chance to make further submissions on the submissions (with the relief sought limited to a small portion of land owned by the submitters).
- (iii) Counsel acknowledged that *Burdon and Others v Queenstown District Council* [2025] NZEnvC 122 did not consider consequential changes to ONLs but here it is an arbitrary line mapped at a high level (and runs through an existing building).

4.71 In response to City Impact and 1 Hansen, counsel for QLDC in reply submissions argued:<sup>177</sup>

- (a) The change to the status quo for this land only applied to that part with an urban zone and the UIV rezonings were only of some areas close to commercial centres that rezoned PDP urban zones from one urban zone to another;
- (b) That there is nothing in the UIV and its supporting documents that could lead to anyone expecting ONL boundaries could change (and even if there was as a s6 RMA matter a specific, clear and robust evaluation would be needed); and
- (c) That the submitters had failed to undertake an assessment of Strategic Chapter 6, and of the land against Strategic Chapter 4.

4.72 We agree with the submitter that the land is highly accessible and close to Frankton. The split zoning creates important context differentiating these sites that we need to carefully consider in deciding on scope. We also agree that exclusion from the s32 Report is not, per se, determinative.

4.73 We have carefully considered the public notice, scope of the UIV and the s32 Report and consider that the submissions in relation to the change in zoning (from rural) and shifting of the ONL boundary (and other matters) is outside the scope of the UIV. We have already addressed inclusion of urban land and shifting ONL's in relation to the submission of MIL above. Those general points apply but what we grappled with here was the split zoning and specific factual evidence as to the lie of the land (and the ONL).

4.74 We fully understand the submitters made the decision as split zoning such as this does not lead to efficient use of the land. But, applying the legal framework above and in **Appendix 3**, we consider that the submission does not fall within the ambit of the UIV. Further, we consider that inclusion of rural zoned land, and changes to areas such as ONL's create a real risk that

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<sup>176</sup> Submitters Opening Legal Submissions at [21] – [25].

<sup>177</sup> Reply Legal Submissions at [4.9].

persons directly affected or interested by the changes proposed by the submitter would be denied an effective role in the process. Rather, this land needs its own detailed consideration through a future change related to such 'tidy up' rather than to be tacked onto the UIV. We have also considered the Policy 5 and the "urban environment" issue below.

Passion Development Limited (Passion)

4.75 This site in Fernhill, (explained to us by Mr Kemp<sup>178</sup>) is currently zoned rural within the PDP and within an ONL with a priority area landscape schedule overlay. The zoning changes sought by Passion Development relate to several small pockets at the base of the ONL and at the general boundary alignment of Fernhill. The submitter seeks to include a small portion of the site into either the MDRZ or the LDSRZ, with the ONL lifted and with a VA sub-zone (for the VA sub-zone see above). As explained above on request of the submitter we visited these areas during a site visit and understand the small pockets interspersed within the current development at the top of Fernhill (explained by the submitter as a "saw tooth").

4.76 Counsel for Passion Development argued that the submission was "on" the UIV as:

- (a) In relation to Limb One:<sup>179</sup>
  - (i) It alters the status quo for the site because it is "directly aligned" with existing urban areas to be upzoned.
  - (ii) The UIV is "an appropriate and efficient opportunity" for landowners to consider the edges of the existing urban environment.
  - (iii) That the notification process, and s32 material is broad in describing what areas of the urban environment are within it.
  - (iv) That an overall consideration is whether the submission raises matters that should have been addressed in the s32 report to which the answer is yes as it should have considered "suitable urban extensions adjacent to existing urban development" where it would address affordability, create a well-functioning urban environment (and met the intent of the NPS-UD as a whole), serve to implement a range of housing typologies and is consistent with a zoning and density pattern that performs well in terms of accessibility and address relative demand.
  - (v) That the small additional development is reasonably anticipated and foreseeable as they are part of the PDP, do not exhibit ONL values, are isolated pockets and could be developed without inappropriate adverse effects.
- (b) In relation to Limb Two it could be reasonably anticipated that submissions seeking inclusion of adjacent land within PDP zoning on urban edges would be sought to be included (and it will support the intent of the NPS-UD). Counsel acknowledged *Burdon* for City Impact and 1 Hansen above).<sup>180</sup>

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<sup>178</sup> Statement of Evidence of Mr Kemp (681) 4 July 2025.

<sup>179</sup> Synopsis of Legal Submissions for Passion, 1 August 2025, at [12] – [15].

<sup>180</sup> Synopsis of Legal Submissions for Passion, 1 August 2025, at [16] – [20].

- 4.77 While this submission raises matters already canvassed above (see City Impact and 1 Hansen) counsel for QLDC argued<sup>181</sup> that it would be arbitrary to use the UIV focused on intensification of the urban environment to remove an ONL and, even if accepted, the submitters interpretation of the NPS-UD does not change what was notified and the scope of the UIV.
- 4.78 For the reasons set out for City Impact and 1 Hansen above we do not consider that the Passion submission is "on" the UIV. Looking at the context in relation to the Passion submission (and noting our site visit) while there is a sawtooth of development the UIV clearly relates to urban environments. We recognise that every matter is fact specific.
- 4.79 In relation to this submission, rezoning the rural land (and shifting the ONL) into the urban environment is, we agree with counsel for QLDC, outside the ambit of the UIV. The UIV, and the s32 Report did not consider whether the existing urban boundaries of the PDP could have been altered. The UIV is a targeted variation, focused on particular PDP zones within the urban environment. We consider that the Council was entitled to make that decision and, having done so, it did not need to consider "suitable extensions" to the urban environment itself (wherever that may have been deemed to occur). We also consider that within ONLs a specific and detailed assessment and plan change process is required (as opposed to one focused on urban intensification). Finally, we also do not agree that Limb Two could be met in this case; the public within Fernhill (or elsewhere) could not have reasonably expected the changes sought by Passion through this UIV process. Therefore, there is a real risk that people would have been denied the opportunity to effectively respond.

#### Queenstown Commercial Limited (404)

- 4.80 Queenstown Commercial Limited sought that the LDSRZ be extended to include the rural zone portion of the site, outside the ONL, and the UGB be extended to include the rezoning land. Queenstown Commercial Limited submitted that the rezoning would better meet the requirements of Policy 5 of the NPS-UD and was a logical and coherent extension of existing urban zoned land.
- 4.81 During the hearing we heard from Mr Baronian, on behalf of Queenstown Commercial (404). He explained the history of the site to us and how the small area of rural zoned land had remained. He explained that within the larger area of some 1.7ha there was an area of approximately "0.5 ha of good usable land".<sup>182</sup> While we can see the potential for this area to be rezoned, as we have found for other areas of rural zoning sought to be included, we do not consider that it is "on" the Variation. The Council decided not to include the rural zone (and extend into it) and it was clear from the outside that no rurally zoned areas were affected. Here is no change to the status quo of the zone. Further, we do not consider that a person who may be interested would have reasonably expected the change sought to occur through this UIV process. Therefore, there is a real risk that people would have been denied the opportunity to effectively respond.
- 4.82 We therefore reject all submissions within Category Three seeking rezoning of rural land within the UIV as they are not "on" the UIV.

<sup>181</sup> Reply Legal Submissions, at [4.12].

<sup>182</sup> Evidence of Mr Baronian, 4 July 2025, at [16]

#### Category four: submissions seeking rezoning of urban PDP land not within the scope of the UIV

4.83 QLDC's position<sup>183</sup> is that no changes were proposed to these categories of zones such that in relation to Limb One, none of the UIV documents indicate that these zones may be amended and for Limb Two if included there is a real risk of injustice.

4.84 Submissions in this category included:

- (a) PDP General Industrial & Service Zone:
- (b) PDP Large Lot Residential Zone.

#### Bush Creek

4.85 Bush Creek Investments Limited (777, 1342, **BCIL**) owns land at 11-31 Bush Creek Road, Arrowtown. The BCIL land is presently zoned General Industrial and Service Zone (GISZ) in the PDP. BCIL's submission sought that its land be rezoned MDRZ. However, Ms Clouston's evidence was that a BMUZ is more appropriate (allowing more diverse use (business and housing types), supporting a well-functioning urban environment and a logical approach given its location).<sup>184</sup> Ms Clouston explained<sup>185</sup> the site context and its surrounds (which we visited during our site visit).

4.86 Counsel for BCIL relied on their submissions for Carter Group and Centuria (see above) for the legal framework and policy analysis. Counsel set out the purpose of the variation and explained that the area was within the urban environment. In relation to the two *Clearwater* tests counsel argued:

- (a) That scope had to be evaluated in the particular circumstances of the variation and the submissions and here the location of the land, its accessibility (in particular with improved public and active transport options which have made the site more accessible) and that it would unlock significant urban development aligns with Policy 5 and managed development in line with the Spatial Plan's vision.
- (b) That for Limb One, the land is within the urban environment of the PDP, that the UIV has a broad purpose/intent which the submission is aligned with and seeks to fulfil, and it would be inappropriate to limit the scope of the UIV to what was notified as it limits submitters to suggesting alternative and potentially more efficient ways to implement a variation's objectives, and that where the purpose of the RMA and its policies "can be met by a less restrictive regime, that regime should be adopted."<sup>186</sup>
- (c) In relation to Limb Two counsel commented that there is "no material risk of prejudice" in considering the submission as spatially it is within the urban environment and meets Policy 5 (accessibility and demand) and the submission was clearly referenced in the summary of submissions and the inclusion of the BCIL land is an incidental extension and not a 'submissional side-wind'.

<sup>183</sup> Opening Legal Submissions at [4.16].

<sup>184</sup> Statement of Evidence of Ms Clouston (777, 1342), 22 August 2025 at [26].

<sup>185</sup> Statement of Evidence of Ms Clouston (777, 1342), 22 August 2025 at [7] – [14].

<sup>186</sup> Relying on *Wakatipu Environmental Society Inc v QLDC* EnvC C153 (2004) at [56].

- 4.87 Ms Bowbyes' reply evidence addressed both the issue of scope and the change in zone sought through the process. We set aside the BMUZ and address the fundamental issue first, is the submission "on" the UIV. In relation to that Ms Bowbyes was clear that no assessment, either by the council nor the submitter, has been undertaken in relation to industrial development capacity. For the council that was because it is not the purpose of the UIV (as no industrial land was included). But Ms Bowbyes stated that:
- (a) the District's industrial economy is "growing rapidly, with growth expected to continue, but industrial share of the business occurring within the industrial zones has been declining."<sup>187</sup>
  - (b) assessments have been that there is an undersupply of industrial land in the Whakatipu ward.<sup>188</sup>
  - (c) this matter was considered during the PDP process with the IHP raising a number of specific issues in relation to the site, including the loss of industrial and service-based employment if it was to be rezoned (but the IHP did expand the number of activities in the zone;<sup>189</sup>
  - (d) that Bush Creek is not a mixed-use neighbourhood<sup>190</sup> with the site being used for industrial activities, the PDP zoning prohibiting residential accommodation (with such activities occurring now having been in place before that occurred) and the activities within the GISZ being predominantly industrial and service based; and
  - (e) issues of reverse sensitivity had not been considered.<sup>191</sup>
- 4.88 In Reply submissions, counsel for QLDC succinctly retained the arguments from opening that the UIV did not include any changes to the GISZ.
- 4.89 We have carefully considered the context and circumstances of this matter set out above. Applying the legal framework above, and in **Appendix 3**, we do not consider that the GISZ can be reasonably said to fall within the ambit of the UIV. As for matters above we recognise the need for housing and intensification within the District but just do not consider that the purpose of the UIV, and its confined parameters, can extend into industrially zoned land. Given the issues associated with, and importance of, industrial land wider assessment is required. We received no evidence that could justify that specifically in terms of whether there is (or is not) an ongoing need for industrial zone-type activities to serve the community and the potential adverse effects of changing or possibly losing that zoning. We do not consider that, given the ambit of the UIV, that the s32 Report should have assessed such matters. The UIV was limited to particular PDP zones and is not an industrial land rezoning variation – the status quo of the site has not been altered. We also consider there to be a real risk of people affected by the change being denied an effective response, including in relation to reverse sensitivity matters which are important in industrial zones.

<sup>187</sup> Reply Evidence of Ms Bowbyes, 1 October 2025, at [5.28].

<sup>188</sup> Reply Evidence of Ms Bowbyes at [5.26] – [5.27].

<sup>189</sup> At [5.30].

<sup>190</sup> At [5.32]. Although we suspect Ms Clouston may well have been looking wider at the Essex Ave properties.

<sup>191</sup> At [5.39].

## Large Lot Residential Zone

4.90 Several submissions<sup>192</sup> seek changes to the Large Lot Residential A Zone in Hāwea. While a PDP zone, and part of the urban environment, for the reasons set out above in relation to the BCIL submission we do not consider these submissions to be "on" the UIV.<sup>193</sup> We consider that no status quo to this zoning was proposed and the UIV was targeted to focus on specific PDP zones. We also consider there to be a real risk of people affected by the changes sought being denied an effective response.

## Open Space and Recreational Zone - Community Purpose Campground Sub-Zone and Rural Visitor

4.91 Hāwea campground sought the inclusion of its site within the UGB (to recognise its accommodation role, including for temporary workers). Ms Frischknecht notes<sup>194</sup> that the site is also located within an ONL and Wāhi Tūpuna. The site is located some way from the UGB and has recently been subject to an Environment Court Order.

4.92 While a PDP zone for the reasons set out above, we do not consider these submissions to be "on" the UIV. Rather, we consider that no change to the status quo zoning was proposed and the UIV was targeted to focus on specific PDP zones and the urban environment (and not to move the UGB). We also consider there to be a real risk of people affected by the change being denied an effective response.

## Conclusion to Category Four

4.93 We therefore reject all submissions within Category Four seeking rezoning of urban PDP land not included within that covered by the notified UIV as they are not "on" the UIV.

## POLICY 5 OF THE NPS-UD

4.94 The purpose and meaning of Policy 5 was subject to extensive discussion during the hearing, and in reaching a view on the matter the Panel has had to traverse the entirety of the NPS-UD. We appreciate the assistance provided by counsel for a number of submitters and by the Council in its Reply to us, which included the Council's analysis of the NPS-UD.

4.95 Policy 5 states:

Regional policy statements and District plans applying to tier 2 and 3 urban environments enable heights and 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.

4.96 Referring to Ms Fairgray's evidence quoted in Section 2 above, the 2021 HBA identified that the combined PDP and ODP land within the District's urban generally already satisfy the needs of NPS-UD Policy 5(b) (noting there is a difference between overall demand and relative demand). The notified UIV provides more capacity again, particularly in terms of attached

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<sup>192</sup> Including submissions 483, 754 and 1186.

<sup>193</sup> We note however that Ms Frischknecht summarised these submissions, despite her position they were out of scope, in her S42A Report (Rezoning: Business and Lake Hāwea Zones) in section 8.

<sup>194</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at [8.9].



housing. This position was itself not materially challenged in evidence and we accept it. However, it is fair to say that we find aligning the existing PDP capacity with the needs of NPS-UD Policy 5(b) does not of itself require a major uplift of enabled heights, especially once the land within the District but excluded from the Variation is considered. Our key reason for this is that the main driver of the Council's proposal for additional building heights – especially in the MDRZ - was to provide for 3-storey walk-up apartments. As we discuss later, we found the evidence in support of this to be overly speculative and theoretical. Relative demand for attached housing, which can include 2-storey terraced houses and which the Panel finds much more realistic, can be substantially more enabled through addressing density standards alone and this can address NPS-UD Policy 5(b).

- 4.97 We find that the primary justification for of the UIV's re-zoning (additional building height) proposition is NPS-UD Policy 5(a) and the Council's accessibility analysis (addressed in Sections 2 and 5).
- 4.98 It follows then that the practical emphasis of the UIV's questioning of additional building height is whether clause (a) of NPS-UD Policy 5, and whatever we find may be "commensurate" in a given location, would be "the greater of" what the PDP already enables (or with modifications to density limits where they apply so as to address Policy 5(b)). If so, the Panel is required to enable additional heights (and densities) of urban form appropriate with other relevant plan-making matters set out in the NPS-UD, the relevant planning framework and the RMA. Conversely if the Panel determines that the commensurate heights (and densities) identified to meet Policy 5(a) were less than what the PDP already enables for any relevant part of an urban environment (or with modifications to density limits where they apply so as to address Policy 5(b)), then the UIV is required to maintain the status quo approach to building heights.
- 4.99 We received many submissions and legal submissions<sup>195</sup> challenging the Council's approach to the UIV including what the NPS-UD said and what it required. In summary the key scope or interpretation-related matters put to the Panel for consideration are:
  - (a) Whether only "Queenstown" is a Tier 2 urban environment, and if so whether the remainder of the District's settlements (Wānaka, Hāwea, etc.) might not be subject to Policy 5.
  - (b) Whether Policy 5, although being necessarily triggered by a District plan that applies to a tier 2 or 3 urban environment (i.e., where such an urban environment is addressed within the Plan), might then not be limited to urban environments when clauses (a) or (b) are considered and building height and density is enabled. This amounted to a suggestion that Policy 5 could be addressed by way of upzoning land within a District that sat outside of an urban environment.
  - (c) The meaning of "commensurate".
  - (d) The extent to which Policy 1 of the NPS-UD could act as a 'hand-brake' and justify an enablement of heights and density of urban form less than otherwise required by Policy

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<sup>195</sup> In particular in responses to questions and discussions during the hearing.

5, on the premise that providing a full 'Policy 5 response' might not be consistent with a well-functioning urban environment.

### **The Queenstown Tier 2 urban environment**

4.100 The NPS-UD identifies "Queenstown" as a Tier 2 urban environment. The NPS-UD also identifies QLDC as a Tier 2 local authority. These are not the same things.

4.101 The NPS-UD has specific policies and Part 3 (Implementation) provisions directing local authorities of differing tiers to undertake certain actions within their District. Some of those are specific to certain urban environments, and others apply to whole Districts. Examples of each are:

- (a) Clause 3.3 - which directs provision of sufficient development capacity within the whole District (not just within relevant urban environments); and
- (b) Clause 3.6, directing production of a "housing bottom line" but only for the Tier 2 urban environment of "Queenstown" (i.e., the housing bottom line is not required for those areas of the District that are not an urban environment, or are urban environments but not part of "Queenstown").

4.102 Because the NPS-UD construct of a 'Tier 2 urban environment' of Queenstown and that of a 'Tier 2 local authority' of QLDC are different things, there is nothing in the NPS-UD that inherently requires all urban environments within the Tier 2 local authority of QLDC to be classified as Tier 2 urban environments. It follows that we were open-minded to the proposition that the Tier 2 Queenstown urban environment could literally be just the singular settlement known as Queenstown and not the settlements of Wānaka, Hāwea, Arrowtown, Arthurs Point, or possibly some of the adjacent urban areas close to Queenstown such as Sunshine Bay or Kelvin Heights.

4.103 However, this did not change the ultimate task ahead of the Panel. Assuming that we were persuaded to treat most of the areas subject to the UIV as not being part of the Tier 2 urban environment of "Queenstown", the terms of the NPS-UD would mean they would instead be classified as Tier 3 urban environments. Put simply, the NPS-UD provides for a local authority of a given tier to have within its District urban environments of different tiers. Regardless of whether Wānaka or Hāwea (and others) were treated as if they were part of the Queenstown Tier 2 urban environment, or non-Queenstown Tier 3 urban environments, both scenarios remain equally subject to Policy 5 and on that basis the UIV applies equally to either.

4.104 We therefore find there is no basis to exclude any of the identified urban environments that are subject to the UIV from it.

4.105 We accept that the proper classification of the various urban environments in the District is important (and may have ramifications for certain NPS-UD requirements). But insofar as it relates to the specific task we have been delegated, nothing turns on it.

4.106 In its Right of Reply, the Council confirmed to us<sup>196</sup> that it has interpreted the Tier 2 "Queenstown" urban environment as meaning all land subject to the UIV, including Wānaka,

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<sup>196</sup> Reply Legal Submissions for QLDC, 1 October 2025, Appendix 1.

Hāwea, Arrowtown, Arthurs Point and the various urban areas that extend from and are adjacent to Queenstown. We accept that the Council is entitled to determine that classification and we accept that from the point of view of how we have approached the terms within the NPS-UD.

- 4.107 In our decision and recommendations, we refer to Queenstown (and surrounds), Wānaka, Arrowtown, Hāwea, and Arthurs Point each as its own urban environment location. That reflects the real-world spatial differentiation and separation between those settlements; the submissions received (which were predominantly written in the context of the settlement or neighbourhood of interest to individuals); and the way we have gone about reaching our findings. When we approached the question of what heights and densities might be commensurate for Arthurs Point, we were not helped by considering the characteristics of Hāwea.
- 4.108 Although we have not agreed with all respects of her analysis, the Panel nevertheless agrees with the conclusion reached by Ms Bowbyes<sup>197</sup> and rejects submissions seeking changes to the specific areas of land identified as both an urban environment and subject to the Variation.

**Is a Policy 5 response limited to Tier 2 (or 3) urban environments?**

- 4.109 Overall, there was acceptance that the NPS-UD applied to at least some parts of the District.
- 4.110 A proposition put to us was whether the phrase “District plans applying to” in Policy 5 meant something narrow, closer to “only those District plan provisions addressing”, or something wider, closer to “the District plan as a whole including provisions unrelated to urban environments”.
- 4.111 In other words, although the NPS-UD Policy 5 would only come into play if a relevant urban environment existed within a District, once in-play it may be that the relevant Council could address Policy 5 across any or all of the land covered by its District plan as a whole (i.e., all of the land the District plan applies to), rather than just land within the relevant urban environment(s).
- 4.112 We find that this issue is in this instance theoretical or hypothetical; if the Council had notified a whole-of-District plan change or variation then the ultimate terms and scope of where Policy 5 could be used to justify changes to the status quo could have been properly tested. But the Council elected to notify a limited variation to its PDP (and not a change to its ODP), that applies only to specified PDP zones within the District (and identified by the Council as being an urban environment).
- 4.113 We see nothing in the NPS-UD or RMA that would require the Council to only approach implementing the NPS-UD by way of one overarching plan process. That the Council may supplement the UIV with additional Policy 5-based plan changes in the future was as much as admitted to by the Council as it explained its ‘starting point’ and thinking leading up to the UIV to the Panel. The Panel has no doubt that there is land within the District, outside of the PDP urban environment zones subject to the UIV, which will or will very likely qualify for future consideration under Policy 5. The ODP PC50 land in Queenstown town centre is the prime

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<sup>197</sup> S42A Report (Strategic Overview) at [at 5.17].

example of that. That land will need to be addressed by way of its own plan change processes, whether public or private, as discussed above.

- 4.114 We find that for the purpose of the UIV, and our overall scope, Policy 5 and the phrase “District plans applying to” can only be interpreted as being limited to the land that is subject to the UIV. This happens to be the urban-zoned land identified as an urban environment within the PDP, and which as noted earlier the Council has classified as all being part of the Tier 2 urban environment of “Queenstown”.

### **Commensurate height and density**

#### **Commensurate and accessibility**

- 4.115 A key term within Policy 5 is “commensurate”. Many submitters disagreed with the Council’s approach, although concern was substantially focused on building heights and associated assumptions in support of walk-up apartments rather than additional density per se. We find that the issue described by submitters was not so much the meaning of the everyday word “commensurate” (meaning “something being proportionate to something else”), but in a real-world sense what levels of accessibility existed, and what enablement of height or density it might justify.
- 4.116 Specifically in terms of three-storey walk up apartments, which formed a key justification for the UIV proposed amendments to the MDRZ in particular, much scepticism was expressed by submitters as to whether this was a realistic ‘mainstream’ housing option (noting that by ‘mainstream’ we mean a type of housing in such common demand that it makes sense to directly permit it on the generality of land rather than rely on resource consent applications being made from time to time). We asked many questions of the Council’s witnesses, which confirmed that the relative demand identified was more of a longer-term speculation or theory rather than a shorter-term ‘real’ gap in the PDP.
- 4.117 In our Minute 6 we asked the Council to clarify how it saw the proposed 3-storey enablement working particularly where relative demand was seen as longer-term and whether that meant in reality land would just be developed in the interim at 2-storeys anyway, or encourage long-term land banking as developers simply waited on vacant sites over potentially many decades. The upshot of this inquiry is that the Panel has not been persuaded that meeting NPS-UD Policy 5(b) requires 3-storey heights to be provided on the basis that there is specific relative demand for walk up apartments, which at this time and for completeness we see as generally a fanciful proposition (outside of the MDRAZ zones we have identified in Sections 6, 9 and 10). Significant additional opportunity to enable attached housing at 2-storeys, which the Panel finds relative demand is in a real-world sense focused around now and for the foreseeable future, can be achieved solely by adjusting density enablements within the framework of existing PDP zone height rules, and this is both more effective and efficient as a planning approach. On this basis, any increase in building heights under the UIV would need to be justified based on a case being made under NPS-UD Policy 5(a), which we will consider next.
- 4.118 Queenstown Lakes District is very different to most other Districts. It experiences a mix of what we could call big-city social and property market pressures, while at the same time facing many

spatial small-town urban realities. At the outset, we record that we were interested in taking a real-world approach to the task in-front of us. To do this, we considered it was necessary to develop an understanding of how people lived and otherwise recreated across the District's urban environments. We were enriched in this regard by the many submissions and lay-presenters that spoke with us at the hearings. This gave us insight into where, how and why persons might make household decisions across the District's settlements and how they might then go about making the most of their daily lives and allowed us to understand what a centres-based urban form specific to Queenstown Lakes District really meant in lived-in terms, and how to appropriately apply NPS-UD Policy 5(a).

- 4.119 The only comprehensive technical evidence we received on this topic was by Mr Wallace on behalf of the Council (based of his s32 Report "Accessibility and Demand Analysis"<sup>198</sup>). Although his approach received criticism by many submitters (and the Council itself in the case of Arrowtown), we did not receive a broader alternative analytical approach that could have been adopted as a substitute.<sup>199</sup> For completeness, having carefully considered it in face of the submissions, we find that Mr Wallace's accessibility work was of a sufficient depth, robustness, and focus to be considered reliable.
- 4.120 However, we also find that clause (a) of NPS-UD Policy 5 is very open-ended, allowing Councils to determine for themselves what "level of accessibility" by existing "or" planned active or public transport and/or what "range" of commercial activities "and" community services might justify different enablements of height and density. In this respect, we find that Mr. Wallace's approach can be challenged in the way it defaulted to (modified) Lower Density Suburban Residential, Medium Density Residential, or High-Density Residential zones as the only enablement options. Although few submissions explicitly addressed this nuance of what discretions the Council had regarding NPS-UD Policy 5 head-on, it was clear to the Panel through the various relief sought, and comments made by submitters during the hearing, that this is what many were focused on.
- 4.121 We asked many submitters about what they considered the accessibility in their area of concern by active or public transport was, and what range of commercial activities and community services they had. We were consistently told stories about the periods of the year subject to inclement weather, slippery slopes, or otherwise year-round limited services. Where bus services did exist (including what is planned), many submitters explained that the service frequencies or range of destinations accessible were insufficient to truly broaden many households' accessibility compared to using private vehicles. Examples we were told of include the incomplete cycle facility connecting Queenstown to Arthurs Point and that bus services must still use the same congested carriageways as private vehicles along key routes. Unlike major metropolitan urban areas, travellers in the District are often required to traverse lengthy 'gaps' between towns and villages through the rural environment. This is not comparable to long-distance purely urban commutes through continuous metropolitan urban

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<sup>198</sup> [appendix-3-accessibility-and-demand-analysis-method-statement-b-a \(5\).pdf](#).

<sup>199</sup> We did receive evidence from Mr Harland for submissions 281, 581, 651, 1386 that Mr Wallace accepted in part. Some submitters used the report to argue upzoning was not required do to a lack of accessibility (for example at Arthurs Point and Kelvin Heights).

areas (where a more-or-less continuous expanse of urban form allows many different opportunities for people to locate and undertake their daily activities).

- 4.122 Many submitters also expressed surprise (and disagreement) at the way the Council had approached considerations of accessibility on an almost site-by-site spatial increment. For example, numerous Wānaka-based submitters told us during the hearing that the whole settlement was more-or-less equally accessible based on the scale of the town and how people lived by criss-crossing between its various destinations and opportunities. We were told that people typically lived their daily life across Wānaka, not just in one small area within that, including frequent visits to more than just one of the commercial centre areas on shopping days. The same arose elsewhere, including for Arthurs Point and Arrowtown. We completed the hearings with a clear understanding that submitters in the smaller townships and villages did not generally consider accessibility based on how close their individual house was to a specific bus stop or single set of shops; they perceived and lived-in their settlements as a singular whole. Our site visits, equipped with these experiences, impressed that point on us.
- 4.123 There is a significant difference between Arrowtown or Hāwea and metropolitan suburbs such as (purely for comparison) Bishopdale and Burnside in Christchurch. The latter are much larger and merge continuously into one another (and others) on multiple sides. In the context of metropolitan area-scaled continuous urbanism, recognising the small increments of accessibility at a local (micro) scale, and then enabling building height and density directly aligned with those makes a lot of sense.
- 4.124 But in summary, except for the principal settlement of Queenstown, we are not persuaded that local (micro) accessibility analysis necessarily requires directly corresponding site-by-site or street-by-street up-zoning to achieve NPS-UD Policy 5(a). For the settlements other than Queenstown, we find that the combination of their scale, amenity and character values, and the real-world distribution of commercial activities and community services across them, means that a two-stage process is the most appropriate:
- (a) “What” - identifying additional overall capacity (building height and density) that would be commensurate with the overall level of accessibility available within each settlement for the whole settlement (this was in the first instance a ‘pure’ NPS-UD policy 5(a) investigation); and then in conjunction with any additional demand-related capacity identified via NPS-UD policy 5(b) if it was determined that additional building height and density beyond that enabled in the existing PDP was justified.
  - (b) “How” - identifying the most appropriate spatial means and plan methods of accommodating that building height and density looking at each settlement as a whole and considering that settlement as a whole, including matters of existing amenity and character. This latter consideration included other relevant planning documents, effects on the environment, the interests of submitters, and what might also appropriately serve NPS-UD’s Policy 1’s concept of a well-functioning urban environment.
- 4.125 We recognise that our approach may well only be workable in the urban environment context of small to medium villages and towns that have very clearly defined edges and can be generally traversed by way of active transport ‘in one go’. Given that our focus is solely on the

circumstance and characteristics of urban environments in the District we see no flaw in that. Specifically, the accessibility analysis undertaken by Mr Wallace was a relative accessibility analysis, and in summary it gave site-by-site reporting on how each site was accessible compared to the other assessed sites. We found it particularly helpful. But although NPS-UD Policy 5(b) uses the phrase “relative demand”, it was very important for the Panel to observe that NPS-UD Policy 5(a) only uses the term “accessibility”, not “relative accessibility”. We find that although a relative accessibility / site-by-site approach such as undertaken by Mr Wallace and used by the Council is one acceptable approach to NPS-UD Policy 5(a), it is not the only one and for the reasons above we have interpolated a whole-of-town / whole-of-village approach to accessibility based on Mr Wallace’s work, planned PDP-zoned commercial growth intended to be developed alongside the dwellings that the UIV seeks to enable, and the input of submitters.

- 4.126 Our approach means that, other than for the Queenstown settlement (and its adjacent areas), it is possible to separate an initial question of ‘what’ additional capacity is required from a second question of ‘how’ to most appropriately provide for that. Although the Council’s approach favoured the most upzoning in an orthodox concentric fashion corresponding to proximity from a centre, ours would see that as only being one potential solution, with others possibly better suited to each township also in need of consideration without compromising an overall centres-based urban form (with the “centre” in most cases happening to be the entire town or village rather than a planning zone with the word “centre” in it).
- 4.127 As we will discuss later, this proved very important for those settlements that include large-scale (zoned) greenfield land that was subject to the UIV. It was also a key means by which we were able to address what was at times presented to us as a tension between the different planning documents in play, and submitter concerns that a centralised government direction might override a sensible locally-respectful response (although we do not shy away from acknowledging our duty under this Variation to implement the NPS-UD, even if despite our best efforts that did lead to a change in a location’s existing amenity or character values seen as very adverse by locals).
- 4.128 Starting with Queenstown, we considered Mr Wallace’s assessment, and the submitter experiences we heard from. We then moved through the different towns and villages subject to the UIV and compared them with one another. We lastly considered the Council’s economic evidence as to relative demand in each location and the existing enablement of height and density across the urban environment.

#### Height and house type

- 4.129 Following on from the above, we also dwelt extensively on the nature of what building heights and densities might enable different specific house types, and how those may in turn relate to different occupant needs. This was helped substantially by Ms Fairgray’s demand analysis provided on behalf of the Council and set out in Section 2. We find that it is not possible to conclude a consideration of accessibility, and what might be commensurate with that, without expressly considering whether different types of living might inherently require different levels of accessibility.

- 4.130 Most relevant to the UIV, and the submissions in opposition to it, we find that the principal difference between enabling 2 and 3 storey residential building heights and densities relates primarily to the opportunity for walk-up apartments (3 storey) rather than detached or terraced houses (mostly but not always 2-storeys in this District). We discussed these with many submitters. It was explained to us that there were many substantial and material differences between living in apartments and non-apartments. Numerous design and lifestyle issues were shared with us, but the most common overall response was that apartment living was just so much more intensive and 'urban' than other types of housing, even quite high-density terraced housing.
- 4.131 We agree that apartment living is a very different way of living to that of even occupying an attached terraced house at a similar net land use density. Although apartments can be very large and spacious, they are in general much smaller than terraced houses and often include less outlook or sunlight (in some cases having only one external wall with windows). Apartments in many cases lack any outdoor living space or at best offer a small balcony, but in almost all cases offer less outdoor space than a terraced or attached dwelling might. Even the act of storing a bicycle for each occupant (or carrying them up several flights of stairs) can be an unviable proposition with apartment living. Many apartments might not have car parking on-site or even near-by or if they do, provide for it in a shared / communal space rather than a lockable private garage suited for storing other possessions.
- 4.132 Apartment living offers and appeals most to a very different way of living to that of detached or attached non-apartment dwelling types, and it entails a very different householder relationship with passenger transport, active transport and commercial activities and community services.
- 4.133 Based on the submitters' information and our observations from the District's urban environments, we find that 3-storey apartment style living, to be "commensurate", requires a substantially greater level of accessibility by active and public transport to a substantially greater range of commercial activities and community services than is the case for generally more spacious and lower-density 2-storey non-apartment development. We liken it to a 'step change' in accessibility rather than one of incremental or slight difference. We do not consider that the Council's approach appropriately reflects this substantial 'step' when allocating PDP residential zones in accordance with Mr Wallace's accessibility analysis results; one which we find to be specifically attributable to the nature of Queenstown Lakes' pattern of small, very well-separated towns and villages in a rugged setting and occasionally very uncomfortable climatic conditions.
- 4.134 This is not to say that the Panel considered that apartments (or only apartments) will be developed in a 3-storey height-equipped zone, or that no apartments might occur within a 2-storey height-equipped zone. There will be a range of dwellings provided in each, and for the most part it could be that the actual densities achieved on land and the housing typologies provided was not height-sensitive (and some submitters made this exact point - that changing a 2-storey zone to a 3-storey one might just deliver the same number of large houses, only made even larger). The nuance is that for the purposes of the UIV, an upzoning from an existing 2-storey height-equipped zone to a 3-storey one is primarily on the basis of the increased capacity for apartments that a 3-storey walk-up model was identified as allowing for. Following



on from that, where the Panel has not been satisfied that apartment living would be commensurate (and therefore not supported by a 3+ storey zoning), that finding is limited to the NPS-UD Policy 5 matters being considered in the UIV. It should not be interpreted as a view on the part of the Panel that no 3+ storey buildings could ever be shown to be appropriate based on non-NPS-UD considerations or via a resource consent.

#### *Height - conclusions*

- 4.135 We find that only the towns of Queenstown and Wānaka have the combined level of (existing or planned) accessibility and activity / service range to make 3-storey apartment-styled living “commensurate” with that. For Arrowtown, Hāwea, and Arthurs Point, we find that the “commensurate” height of urban form warranted under NPS-UD Policy 5(a) is limited to 2-storeys. For clarity, where more than 2-storeys might be already enabled in (parts of) those locations, this is an existing planning response that is more than that required to satisfy NPS-UD Policy 5(a) (with us having no basis to enable more height at that location under Policy 5).
- 4.136 For completeness, many submitters expressed objection to potential 3-storey heights based on loss of existing views or amenity (despite NPS-UD Objective 4 and Policy 6). We find that this alone was not a supportable objection including the claim that 3-storey buildings might compromise NPS-UD Policy 1’s goal of a well-functioning urban environment.

#### *Density - conclusions*

- 4.137 We have reached a very different view on the matter of density, although we agree it is in part a function of any enabled building height and note that our height conclusions above also include the enhanced densities that additional height would provide for. Our discussions with submitters also regularly identified a willingness to accept higher densities, even where additional building heights were opposed. Consistently across the hearing we were reminded that the sector of the housing market most-in need of additional supply was at the smaller, lower cost, house. Many submitters cautioned us that enabling additional height would just promote even more larger-scaled houses.<sup>200</sup> For its part the Council’s approach to smaller and more affordable dwellings could be described as passive; it was to simply assume that with more overall housing capacity available, more of all sorts of houses would be enabled, including more affordable houses. We do not criticise the Council’s position, and it is supported by Ms Fairgray’s evidence, but we see little in the proposed UIV that could be said to be actively making the provision of smaller, lower cost houses more likely than is currently the case. As will be discussed later in the specific case of Arrowtown, there was additional character and amenity values impetus to consider the height / densities of dwellings.
- 4.138 We find that there is substantial potential for higher densities to be achieved than currently provided within the Lower Density Suburban Residential and Medium Density Residential zones and their built form standards, commensurate with the level of accessibility enjoyed across that zone, and that this is a key method to actively enable opportunities for smaller, lower cost, dwellings. This will specifically assist achievement of more attached dwellings.

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<sup>200</sup> See for just one example the submissions in relation to the Lismore Street area (Section 20).

## Overall NPS-UD Policy 5 findings

4.139 We find that the purpose of the UIV, the submissions seeking more housing choice, flexibility and provision of (in particular) lower cost ('affordable') houses, and the directive language of Policy 5 NPS-UD provides us with the scope to make changes to the PDP on the basis that additional density to particularly provide for relative demand for attached housing under Policy 5(b) (generally 2-storeys and not premised on 3-storey walk-up apartments), and for additional building height and density primarily under Policy 5(a) (generally 3+ storeys and that would allow 3-storey walk up apartments along with other housing types and forms) has been justified. We have determined to do so as follows:

- (a) In light of the existing structure of the LDSRZ and MDRZ, and that we wish to make the least-possible changes to Plan text as necessary, we have considered methods that will require the least physical changes to the existing Plan wording.
- (b) We do not agree that an entirely permissive approach to "unlimited" density is appropriate, and we consider there are key practical matters that must be addressed.
- (c) We find that there is no need to remove existing density standards from the LDSRZ or MDRZ, especially where these provide a basis for permitted activities.
- (d) We find that densities greater than the LDSRZ standards should be a non-notified restricted discretionary activity where:
  - (i) all relevant other plan standards are complied with based on a sufficiently sized and shaped net area associated with the residential unit;
  - (ii) the residential unit and its net area have legal access from a public road in accordance with chapter 29 of the PDP; and
  - (iii) the residential unit has at least one off-street small vehicle loading space (compliant with chapter 29 PDP requirements for private car parking spaces).
- (e) Subdivision based on a land use consent as per above should also be enabled where the subdivision application is combined with the land use application or is made after an approved land use consent has been implemented (this is to prevent inappropriately undersized or undevelopable vacant allotments being created).

4.140 The small-vehicle loading bay approach was arrived at after careful consideration of submitter evidence and presentations as to the substantial pressure for on-street parking that day-to-day service-type traffic associated with dwellings in suburban areas has (i.e., those locations where access by motor vehicle is likely to be predominant for the foreseeable future). We were informed about many adverse effects arising from this parking all over what are within the District often already narrow and circuitous and often steep streets. We were also informed about the difficulty of accessing the road and areas in winter when it can be cold, icy and dark. The NPS-UD prohibits the PDP from containing any requirements on car parking and we have been mindful to observe that prohibition (and we find that loading and service functionality is not the same thing as general car parking). For this reason, in our recommended provisions in **Appendix 1** we have included a number of notes to clarify that the small-vehicle loading bay is

not a residential car park, and is to be available for the reasonable needs of dwellings across their lifetime for a range of service access that cannot be plausibly accommodated on streets in the context of the densities we recommend be otherwise enabled. We did not need to consider this for residential units that comply with the permitted density limits on the basis that those lot sizes will inherently already be capable of accommodating loading and service access.

- 4.141 Because the PDP already generally permits development within the standards in a range of housing forms and styles, we find that adverse effects arising from our Plan amendments will be acceptable. This is because overall adverse effects will be limited by the same combination of built form rules and requirements that apply to the existing situation (if anything our recommendations could lead to less built form in several instances – one large house only needs external yard setbacks and one outdoor living space; two smaller dwellings add internal yards between them (unless attached) and need an outdoor living space each). Although we are excluded from considering residential car parking, we have been able to provide for the management of reasonable loading and service needs that will occur (and the activities permitted in the zone, and we address further in Sections 6, 13 and 14).
- 4.142 In reaching this conclusion the Panel wishes to be clear that it has considered and appropriately relied on Mr Wallace’s accessibility analysis, which we found sufficiently rigorous and reliable as it related to NPS-UD Policy 5(a). It was in the determinations of what “commensurate” meant in the context of dwelling types, building height and density enablements, and land use zone allocation terms by way of a subsequent response to Mr Wallace’s spatial analysis, that the Panel has had discretion to and has arrived at its own different findings, based on the substantial value provided by the submitters and their frequently very candid answers to our questions. Equally, we found Ms Fairgray’s economic analysis very reliable including in terms of considering relative density under NPS-UD policy 5(b) (and 5(a)), although for the reasons above we were not persuaded in terms of the specific housing type of 3-storey walk up apartments.
- 4.143 This finding still leaves a need for further detailed determinations for each town and village, which are addressed in Sections 6 to 10.

### **Sections 6 and 7 of the RMA, Policy 1 and Policy 5 interplay**

- 4.144 It is common ground that the NPS-UD must be read as a whole and in context,<sup>201</sup> and that NPS-UD Policy 1 applies to the UIV along with the relevant provisions of other NPS, regional planning documents, and the PDP.
- 4.145 Primarily in relation to Arrowtown, the proposition was put to the Panel that there was a possibility for an outcome strictly-speaking warranted by Policy 5 to be so counter to a Policy 1 well-functioning urban environment, that Policy 1 could be used to down-scale or reduce the initial Policy 5 response. The context of this argument was primarily in terms of existing amenity values, and it also crossed-paths with the meaning of Policy 6, which directly addresses amenity values. Closely related to this was the Council’s s42A approach, and as expressed during the hearing, of “balancing” Policy 5 with existing PDP objectives and policies recognising Arrowtown’s amenity values and historic heritage. This topic then also took in

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<sup>201</sup> *Royal Forest and Bird Protection Society of New Zealand Inc v NZ Transport Agency* [2024 NZSC 26, 1 NZLR 241 at [79].

discussions on 'qualifying matters', and the balance of what is addressed in ss 6 and 7 of the RMA.

- 4.146 Having discussed the Council's approach in detail with its witnesses, we find the Council's s42A approach to Arrowtown is not correct. It is not permissible to "balance" the requirements of a higher-order NPS with provisions of a lower-order District Plan in the way that the Council did, which led to it treating potentially competing policy directives as having equivalent statutory standing. More so when the context of the NPS-UD is to direct in certain circumstances changes to the subordinate District Plan. The Panel finds that if there is an irreconcilable conflict between the requirements of the NPS-UD and the existing provisions within the District Plan, then those District Plan provisions must give way. In this way there is no "balancing", nor is there a process where weight is prioritised to the existing PDP objectives (including for a s32 evaluation).<sup>202</sup> Either approach comes too close to undermining the NPS-UD (which we must "give effect to").
- 4.147 We agree that Policy 5 must be read along with Policy 1 of the NPS-UD (and all other relevant objectives and policies), but we do not accept that Policy 1 of the NPS-UD requires existing amenity values to be inherently protected or maintained. We similarly find that Policy 5 (and 6) sit alongside Policy 1 in a self-reinforcing manner. Any planning outcome required to satisfy Policy 5, even if that means substantial change to existing amenity values, must be inherently compatible with Policy 1 but it must also be applied in a manner cognisant of achieving a well-functioning urban environment and maintaining existing amenity values to the greatest extent practicable as a function of considering s7 RMA in the development of most appropriate planning methods under s32 RMA. Conversely, not appropriately enabling the outcomes required by Policy 5 within a relevant District plan, and in the context of the urban environment being considered, would itself constitute a failure to ensure a Policy 1 well-functioning urban environment.
- 4.148 This is not to say that existing amenity values do not matter, or that efforts should not be made to minimise the impact of any changes required because of Policy 5 NPS-UD on existing amenity values. That is a matter of s32 RMA evaluation and nuance, and as much as the Panel disagrees that it is appropriate to "balance" PDP provisions with NPS-UD policies, the 'engine room' of RMA plan making is about testing alternative methods to *integrate* different policy directions or priorities in the relevant context (including as presented through submissions). In other words, the Panel finds that in the event of irreconcilable conflict arising between the NPS-UD and the PDP as it relates to existing amenity values, the outcomes required to implement Policy 5 will not unacceptably conflict with Policy 1 (and must be preferred ahead of the PDP). But any 'conflicted' outcome, between Policies of the NPS-UD, ss 6 and 7 of the RMA (and to a much lesser degree given the planning hierarchy, the PDP) should be the last resort; with efforts prior to that point being arrived at focused on whether there are methods or solutions that might avoid that irreconcilable conflict arising as part of the mandate to identify what is most appropriate. Or in other words, whether there is a solution that can allow all the relevant NPS-UD policy outcomes, and the s6 and s7 RMA directions (and as this is a variation to part of the plan, but to a lesser extent, the PDP) to co-exist. That is

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<sup>202</sup> Submitters Opening Submissions, 31 July 2025, at [5].

what we mean when we use the word “integrate” above, and we see it as a markedly different exercise to “balancing”. Rather, it applies a 'structured analysis'<sup>203</sup> considering all the relevant factors (and critically the directions given in them) and the context of the issues (and submissions) before us.

- 4.149 For completeness, we record that as it relates to s6 RMA matters in particular, these sit separate to the NPS-UD and do not need to be NPS-UD 'qualifying matters', or similar, to require us to recognise and provided for them. We see nothing in Policy 5 that would 'override' those s6 matters or the ability of this UIV to, as appropriate, effectively modify or lessen what might have otherwise be a Policy 5 urban development response. This is largely because the NPS-UD approaches urban environments as integrated areas that can be engaged with at the relevant spatial scale (which could include neighbourhoods or other areas, or settlements as a whole, within which height and density enablements can be considered) - not as a collection of individual sites. As Ms Hill stated:<sup>204</sup>

In this way, Policy 5 clearly applies across all of the urban environment, not individual parts of the urban environment. It allows for some *unders* and *overs*, and case-by-case assessment as to appropriate urban form. To not provide for intensification in some locations due to adverse environmental effects, while still ensuring that Policy 1 and 2 are achieved overall, will be consistent with the NPS-UD.

- 4.150 Ultimately, we find that "particular regard" can be given to s7 matters through a thoughtful 'policy integration' process (structured analysis) described above in relation to the application of Policy 5. Section 6 of the RMA on the other hand specifies direction that we do not agree can be 'overridden' by Policy 5 (but both must still to be applied through a structured analysis to minimise outright policy conflict first). We consider our approach, while differently constructed, is not fundamentally different in terms of its outcome with the conclusion of counsel for the Friends of Arrowtown that:<sup>205</sup>

... While the Variation needs to give effect to the NPS-UD overall, policy 5 allows for an approach to intensification tailored to accessibility or relative demand and which recognises s6 and s7 matters.

- 4.151 We will continue this further in Section 8 relating to Arrowtown.

- 4.152 For the above reasons, we agree with the exclusions from the UIV proposed by the Council based on s6 RMA grounds.<sup>206</sup> Submissions that did not support these exclusions are rejected.

- 4.153 Lastly on this topic, we address matters relating to certain provisions proposed by the Council that sought to broaden existing restrictions of discretion and add controls relating to on-site amenity. An example is proposed MDRZ restrictions of discretion for rule 8.4.10 and new rule 8.5.5 (outdoor living space). Such provisions (including in zones other than MDRZ) possessed a notional connection to the effects that additional height and density of development proposed in the UIV could result to. But in the case of developments that sought to rely on what the PDP already enables these provisions reflect additional limitations on development to the status quo.

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<sup>203</sup> *Port Otago Ltd v Environmental Defence Society Inc* [2023] NZSC 112 at [78] and [84].

<sup>204</sup> Submitters Reply Legal Submissions, 25 August 2025, at [8].

<sup>205</sup> Submitters' Opening Legal Submissions at [63].

<sup>206</sup> S42A Report (Strategic Overview) at [7.31(a) – (c)].

- 4.154 We find that for the most part, such provisions were being justified by the Council based on NPS-UD Policy 1 “well-functioning urban environment” rather than a necessary part of achieving the outcomes required by NPS-UD Policy 5. The Panel finds that such consequential provisions that can be reasonably tied to the PDP height and density changes justified as part of the UIV are inherently allowable as part of the UIV. However, for the most part the Council’s justification for these provisions, especially in zones that the Panel has ultimately determined should not be subject to as much change as notified in the UIV, is not sufficient. The Council did not, for instance, identify why a well-functioning urban environment could only be served by the additional provisions, or what s35 RMA type issues or effects the lack of such provisions were creating in Queenstown, or what new height and density related effects the Council considered would arise in a post-UIV setting but not an existing PDP one.
- 4.155 The Panel has found, as will be discussed later as we summarise the changes we recommend for the PDP chapters, that consequential amendments to the PDP that can be reasonably tied to additional height or density resulting from the UIV are acceptable. However, in many instances the Panel has not agreed that the proposed changes have been demonstrated as appropriate.

## **5. OVERALL APPROACH TO THE UIV**

### **Background / key issues**

- 5.1 In this section we address submissions that apply generally to the overall context and approach to the UIV. Those that relate to specific areas we have addressed below. We have summarised in Section 2 the background to the UIV and the economic evidence of Ms Fairgray. We only received economic evidence from Ms Fairgray on which we therefore extensively rely.

### **Submissions / s42A Report / evidence / legal and lay argument**

- 5.2 Submissions on this topic fell into the following categories:
- (a) Commercial feasibility;
  - (b) Dwelling supply;
  - (c) Dwelling mix and housing affordability;
  - (d) Greater enablement for development;
  - (e) Reduced / no enablement for development;
  - (f) Other options for development / greenfields; and
  - (g) Infrastructure.
- 5.3 The primary QLDC evidence on these matters was from Ms Fairgray which has been extensively summarised in Section 2.

- 5.4 **Commercial feasibility:** Several submitters<sup>207</sup> raised concerns that the level of development opportunity in the UIV may limit the feasibility of development for the commercial development part of the market.
- 5.5 As set out in Section 2, Ms Fairgray undertook an assessment of the notified UIV on the commercial feasibility of development options across different parts of the urban environment. Ms Fairgray considered that the UIV is likely to substantially increase commercial feasibility across the intensification areas.<sup>208</sup>
- 5.6 **Dwelling supply:** NZ Infrastructure Commission (1238) does not consider that the UIV will deliver its intent to increase housing supply. The Infrastructure Commission's analysis is that the UIV is only likely to result in an additional 31-149 houses over 10 years. The Infrastructure Commission did not provide any evidence in support of its submission nor attend the hearing.
- 5.7 Ms Fairgray assessed the Infrastructure Commission modelling and concluded that it "only assesses a small (and isolated) component of the change in development potential enabled by the notified UIV."<sup>209</sup> Rather, Ms Fairgray considers that:<sup>210</sup>

... a sizeable shift in the development opportunity on many of these sites that is up to an order of magnitude larger (in terms of potential dwelling yield) than the current yield.

In my view, the large increases in potential yield are likely to significantly shift the potential returns to developers from that of a low-density development pattern that currently exists (and captured by the IC scenario), up to a scenario that enables the market to deliver sites much more intensively as terraced housing or low-rise apartments in some areas.

I instead consider that the large increases in enabled yield across much of Queenstown's areas of highest relative demand are likely to form a large commercial incentive for developers. I note that there are many sites within the inner residential areas of the Whakatipu and Wanaka wards that are currently occupied by low-value, older single dwellings that are at or near the end of their economic life. More intensive development patterns are already occurring on a number of these sites, with attached dwelling development patterns already well-established within the market.

- 5.8 Ms Fairgray then assesses the Infrastructure Commission's suburb-level average approach. She considers this approach more useful for understanding the spatial structure of existing development patterns. Ms Fairgray considers that the UIV will substantially increase both dwelling yields as well as the commercial feasibility of the development in the intensification areas.
- 5.9 **Dwelling mix and housing affordability:** A common theme across submissions and during the hearing was that the UIV will not address housing affordability (and some that it will increase prices). Typically, it was generic that, due to the rapidly rising house prices in the District there was nothing that the UIV could do for affordable housing as the ship had long since sailed. For example, Mr and Mrs Knowles (265) explained to us that:<sup>211</sup>

<sup>207</sup> Including submitters 134, 652, 653, 654, 800, 833, 948, 1238.

<sup>208</sup> EIC Ms Fairgray, section 5.

<sup>209</sup> EIC Ms Fairgray at [5.25].

<sup>210</sup> EIC Ms Fairgray at [5.28] – [5.30].

<sup>211</sup> Hearing notes provided by Mr and Mrs Knowles (265) dated 4 August 2025.

Intensifying the Queenstown village will not in any way improve the availability of affordable housing, as we have noted in our earlier submission. It will result in more expensive developments. REINZ figures show that the current median sale price in the Village is \$1,250,000 while the median price in Frankton is \$730,000 - nearly half the price for the Village. According to Homes Real Estate, Queenstown Hill averages \$2,550,000.

- 5.10 Further, it was argued that due to the cost of buying houses in the District, no one would buy property and develop affordable housing on it; the market was focused on the wealthy. A similar position was advanced by Sir Ian Taylor (see Section 20). His concern, echoed by a number of other submitters (including that no minimum densities were proposed), was that the provisions would enable wealthy people to build bigger homes for themselves and their friends rather than enable more smaller homes to be built to address affordable housing in the District.<sup>212</sup>

- 5.11 Many submitters commented to us that the enabled housing would simply be purchased as wealthy persons holiday homes / become Airbnb's and hence it will not influence affordability. Mr Edgar explained the position in relation to VA (as defined in Section 4) and capacity as follows:<sup>213</sup>

In my opinion the UIV will compromise rather than support competitive land and development markets within the HDR Zone by unreasonably favouring visitor accommodation over residential development.

- 5.12 Ms Fairgray disagreed with these submissions. She considered that the UIV is likely to increase housing affordability. Rather, as addressed in Section 2, it encourages a range of housing typologies and sizes, stating:<sup>214</sup>

These are likely to provide greater viable housing choices for households across different locations, increasing their ability to make trade-offs between dwelling size, type and price. This is likely to increase the level of affordability over the medium to long-term relative to the expensive dwellings otherwise likely to be delivered under the current provisions.

- 5.13 Ms Fairgray also emphasised, again as addressed in Section 2, the difference between housing affordability and affordable housing. The UIV is not designed to address, and is unlikely to address, affordable housing. But the range of dwellings enabled under the UIV is likely to be cheaper than under the PDP, improving housing affordability.<sup>215</sup>

- 5.14 As above this position was supported by the Queenstown Lakes Community Housing Trust. Ms Scott explained to us during the hearing<sup>216</sup> that the market will not deliver affordable housing (the 'Tewa Banks' Jopp Street in Arrowtown development is being delivered on land provided to the Trust by QLDC for free). She also supported greater density as it would enable the trust to deliver a higher number of smaller units.

- 5.15 In relation to the issue of housing affordability in the LDSRZ Ms Fairgray considers that it is likely to result in some increase in housing affordability due to smaller detached housing on smaller sites. She therefore disagrees with submission 948 that the existing LDSRZ provisions

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<sup>212</sup> And he showed us visual simulations of what he could construct on his property.

<sup>213</sup> Statement of Mr Edgar (641, 657 and 1358), 4 July 2025, at [43].

<sup>214</sup> EIC Ms Fairgray at [7.15].

<sup>215</sup> EIC Ms Fairgray at [7.17].

<sup>216</sup> 30 July 2025.



should be retained.<sup>217</sup> As explained in Sections 13 and 14, we have provided a clear consenting pathway for even greater density within the LDSRZ and the MDRZ than in the notified UIV. This will actively encourage the construction of smaller, lower cost, dwellings in the District.

- 5.16 **Greater enablement of development:** The Ministry for Housing and Urban Development (HUD, OS800), the IC and New Zealand Transport Authority (NZTA, 200) sought that the UIV be amended to be more enabling of additional development.<sup>218</sup>
- 5.17 Generally, Ms Fairgray considers<sup>219</sup> that the spatial extent of the UIV covers a large share of the most accessible areas with her capacity assessment indicating that enabled densities are likely to be commercially feasible. She considers that some expansion may be beneficial, where it does not dilute the level of concentration of intensification. But enabling MDR to occur on a more widespread basis across peripheral suburban areas may be less efficient. Specific areas for more development are addressed in Section 20.
- 5.18 HUD's submission is that the District's limitation for greenfield expansion requires urban land to be used much more efficiently such that a more enabling and ambitious zoning should be considered. We have set out the purpose of the UIV in Section 2 and have carefully assessed Policy 5 in Section 4. While we agree that urban land must be used efficiently (and have proposed various changes to the UIV, such as a simpler consenting pathway for greater density in the LDSRZ and MDRZ, to achieve that as appropriate), for a variation driven by Policy 5, that assessment requires a more nuanced approach within the clear parameters of the policy. Further, as above, the District is not short of plan enabled capacity. Therefore, as explained in detail in Section 4, the UIV is primarily driven by Policy 5(a) rather than 5(b). The UIV will deliver considerable additional plan enabled capacity above that delivered in the PDP.
- 5.19 HUD's submission also addresses the supply of affordable housing in New Zealand. As above, the UIV is not an affordable housing planning process. It will however assist housing affordability by increasing housing choice and, in the LDSRZ and MDRZ, enabling greater infill.
- 5.20 The Infrastructure Commission does not consider that the UIV will deliver its intent to increase housing supply. The Infrastructure Commission's analysis is that the UIV is only likely to result in an additional 31-149 houses over 10 years. As a matter of common sense given the scale of the UIV, we struggle with that. We agree with Ms Fairgray's response. We also disagree with the other aspects of the Commission's submission as not reflecting the actual provisions within the UIV and its scope (for example the UIV will not limit greenfield development). Ms Bowbyes also responded to the Commission's submission in her s42A Report (Strategic Overview).<sup>220</sup> We agree with and accept her comments.
- 5.21 NZTA's submission is that the UIV has not gone far enough to address the identified issues and seeks greater intensification around Queenstown and Frankton. Ms Fairgray concludes:<sup>221</sup>

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<sup>217</sup> EIC Ms Fairgray at [7.23] – [7.24].

<sup>218</sup> Several submitters including Latitude 45 Development Limited (768), 1 Hansen and City Impact provided a further submission in support of NZTA's submission seeking greater intensification at Frankton. QAC provided a further submission opposing it.

<sup>219</sup> EIC Ms Fairgray at [6.32]-[6.38].

<sup>220</sup> In particular as summarised at [8.28].

<sup>221</sup> EIC Ms Fairgray at [9.3].

My assessments have shown that the notified UIV also substantially increases the level of dwelling capacity from that enabled under the current PDP. I consider the level of capacity is very large in comparison to projected demand in most locations. This indicates that the planning component of the development process is likely to provide substantive opportunity to meet future growth needs across most parts of the District's urban environment.

- 5.22 In relation to Frankton, NZTA seeks increased development opportunities within the Airport OCB due to its high accessibility and relative demand. This issue is addressed in more detail in Section 20 below but, for the reasons expressed there, we reject increasing reverse sensitivity effects (an issue that NZTA is very cognisant of and actively manages around the country) associated with allowing more development within the scope of the UIV (noting the zones it excludes) within the OCB.
- 5.23 The NPS-UD does not require Tier 2 councils to provide the greatest possible capacity for development in the way that is sought for Tier 1 councils in City Centre zones. The focus of the NPS-UD, in the context of its well-functioning urban environment framework, is via Policy 5 an enablement of heights and densities of development commensurate with the greater of a location's accessibility or relative demand for housing and business use. The UIV as a whole, especially with the amendments we recommend to the LDSRZ (SRZ<sup>222</sup>) and MDRZ to provide much greater enablement of smaller and more affordable dwellings, will implement the NPS-UD and provide materially more opportunities for more dwellings than the pre-UIV PDP.
- 5.24 **Reduced / no enablement of development:** Several submitters submitted that additional housing is not required as the capacity available is already sufficient under the PDP. While the updated growth figures show ever increasing demands for housing, generally, in relation to Wānaka especially, Ms Fairgray states, in relation to her position on submissions, that:<sup>223</sup>

The updated higher demand has materially affected some conclusions from my earlier 2022-2023 assessment (M.E UIV Report) on the level of provision for intensification within parts of the Wanaka Ward.

- 5.25 She also states:<sup>224</sup>

... sufficiency of dwelling capacity in a location forms a relevant component in assessing the ability to meet long-term housing demand and the appropriateness of the intensification proposal within this context. The location and type of dwelling development opportunity enabled under each planning scenario are not neutral. These are key factors that relate to the sufficiency of development opportunity in response to the level of relative demand that occur across different locations and parts of the market within the urban environment. It is important to provide choice and location to the market to provide a range of different locations that are appropriate for development.

- 5.26 Ms Fairgray disagrees with submission 948 that larger detached dwellings on larger sites in the LDSRZ should be encouraged.<sup>225</sup>

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<sup>222</sup> We have recommended that the Lower Density Suburban Residential Zone is renamed the Suburban Residential Zone to reflect our recommendation of a clearer pathway for greater density across the zone.

<sup>223</sup> EIC Ms Fairgray at [4.8].

<sup>224</sup> EIC Ms Fairgray at [7.18].

<sup>225</sup> EIC Ms Fairgray at [7.25].

- 5.27 **Other options for development / greenfields:** As addressed in Sections 2 and 3 several submissions raised issues regarding VA (as defined in Section 4).<sup>226</sup> The limited scope of those matters in relation to the UIV is addressed in that section. Many more submitters raised the issue of holiday homes. This issue has two components:
- (a) that there are many existing empty homes in the District (and if they were filled there would not be an issue); and
  - (b) that intensification simply enables the construction of more holiday homes (typically for the wealthy, which are seldom used and do not create a "well-functioning" urban environment as communities have lots of empty houses).
- 5.28 Many submissions also raised the option of, and preference for, greenfield development. This was regularly focused on the benefit of greenfield development being able to deliver intensive housing at scale without affecting existing residents. This issue is canvassed in particular in relation to Arrowtown in Section 8 and Wānaka (especially in relation to Three Parks) in Section 9.
- 5.29 As set out above, Ms Fairgray supports a nodes-based approach whereby greater intensification of accessible areas provides more efficient and effective outcomes and economic benefit. We support such an approach generally, and we have applied it to the QTC, but found on the evidence the other towns and villages operate on a holistic town wide basis.
- 5.30 Mr Powell in his summary statement states:<sup>227</sup>
- I do not support intensification of rural greenfield land where reticulated infrastructure is not currently available, unless the site is of a sufficient scale to support standalone infrastructure solutions in an efficient manner. I understand that rezoning of rural land is not within the scope of this Variation, but I give this position due to some submitters seeking rezoning of rural land.
- 5.31 Mr Powell in his evidence raised issues as to the cost and timing of infrastructure provision to new development areas (see below). Those issues are particularly prevalent in Queenstown (and go beyond council infrastructure to also involve the State highway, schooling, etc) as illustrated in the TPLM decision.<sup>228</sup> As set out in Section 2, Ms Fairgray favours intensification over expansion, especially when, like the UIV it is focused on accessibility and relative demand.
- 5.32 Several submitters emphasised to us that this was central government driven changes and we should, to put it politely, 'thumb our noses' to the Minister. We recognise the depth of feeling that these issues raise. Peoples' homes (including holiday homes) are their castles, and they have, fairly, very strongly embedded emotions in relation to them. But we, as the panel, cannot ignore the legal framework within which we are appointed and operate. QLDC, and us, must give effect to the NPS-UD (as addressed in Section 3). Further, as expressed in this decision, we consider there is real merit in, and benefit from, the UIV for the District. That said, we have modified the UIV as notified, and as proposed by QLDC through the hearing, to reflect our approach to the legal framework, the NPS-UD and the evidence and submissions.

<sup>226</sup> Issues in relation to this and the UIV generally were however addressed in the s32 Report at 5.1.8.

<sup>227</sup> Summary Statement Mr Powell at [9].

<sup>228</sup> [final-report-and-recommendations.pdf](#).

- 5.33 The final category in this section were those submissions that wanted growth in the District stopped. People should not be able to keep coming into the District (and by doing so they were ruining it, and its special character and landscapes for all).
- 5.34 **Infrastructure:** Numerous submissions raised concerns regarding infrastructure across the District and argued that due to capacity and constraint issues intensification should not be enabled until the present issues were resolved. Setting aside the unfortunate reality that adopting that approach no intensification would be likely to occur we recognise that growth needs to be aligned with infrastructure upgrades. Road capacity issues predominantly related to State Highways 6 and 6A. There are undoubted capacity constraint issues relating to the State Highway network (especially at peak times) and this is a matter for NZTA Waka Kotahi to address (and some upgrade works are currently underway). If the Government wants to achieve housing growth it must invest in its infrastructure.
- 5.35 In relation to matters under the control of the Council Mr Powell presented evidence addressing water supply, wastewater and stormwater. He states that:<sup>229</sup>

Increasing the density in the areas proposed in the UIV and as recommended to be amended by the S42A reports, will over time place additional pressure on the Council's existing three waters infrastructure. Many of the areas already have projects budgeted for and scheduled within the LTP. These upgrades are to accommodate future growth, and if the future growth rate is increased as a result of enabling increased intensification, these projects can be assessed to ensure they are sized and timed appropriately.

- 5.36 To mitigate effects of development proceeding when capacity is exceeded, he seeks that the capacity of three waters infrastructure be a matter of discretion for all land use consents. He concludes that:<sup>230</sup>

While the s32 report for the UIV, and my evidence acknowledges that there is not capacity within the current wastewater and water supply systems for all development that would be enabled by the UIV changes to the PDP (and up zonings made), it is important to consider this in the context that not all development opportunity will be taken up, and certainly won't be taken up in the next three years. As I set out in section 4 of this evidence, how the Council prioritises, provides and funds the required upgrades is dependent on the Council's LTP and budget, which gets updated every three years. Following the final decisions on the UIV, infrastructure planning and funding decisions for urban development will need to take the density enabled by the UIV into account going forward.

### **Findings / provision changes / s32AA**

- 5.37 In relation to the above matters our findings are:

- (a) Commercial feasibility: We accept Ms Fairgray's evidence that the UIV will increase commercial feasibility of development notwithstanding that we did not accept her arguments in support of relative demand for 3-storey walk up apartments (but noting we have recommended additional enablement of attached dwellings generally via changes to zone density limits). We recognise that development may take many years to be

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<sup>229</sup> EIC Mr Powell at [3.1].

<sup>230</sup> EIC Mr Powell at [3.7].

delivered, particular at the HDRZ level (and respond to it in the relevant area specific sections below).

- (b) Dwelling supply: Having carefully considered the submissions and Ms Fairgray's evidence, we agree with Ms Fairgray for the reasons outlined above. Again, area specific matters are addressed in the sections below.
- (c) Dwelling mix and housing affordability: We agree with Ms Fairgray that the UIV will deliver a greater range of housing typologies allowing trade-offs between dwelling size, type and price. We have provided an additional, simpler, consenting pathway for even greater density (see Sections 13 and 14), that we find will more-effectively provide for small and more affordable houses than the UIV proposed. While we recognise that some developers and owners may use the rules to develop larger single homes we do not consider, relying on Ms Fairgray's evidence, that that will be the norm (nor anywhere near it). Rather we consider that, over time, the intensification will deliver greater dwelling mix and housing affordability.
- (d) Greater provision for development: The District already has more than sufficient plan enabled development capacity. The UIV enables a substantially increased level of development capacity from that enabled in the PDP (see Ms Fairgray's evidence above). The UIV is only one piece of the housing supply puzzle (and even within the NPS-UD is focused primarily on Policy 5). We consider, that the UIV provides an appropriate level of development to the extent we have modified it through our recommendations, referring to our previous findings as to additional density being appropriate to implement NPS-UD Policy 5(b), and additional height and density being appropriate to implement NPS-UD Policy 5(a) in specific highly accessible locations. We express concerns in some sections below about timing of uptake of the most intensive typologies. The UIV is a focused variation, it is not a flood the market in all areas all at once in the hope that will save the day. In fact, such an approach goes against the wording and intent of Policy 5 itself. Relying on the evidence of Ms Fairgray and Mr Wallace we consider that the UIV as we recommend it be amended, delivers "commensurate" intensification as related to the greater of accessibility and relative demand within the District and considering the provisions of the NPS-UD as a whole. We have, in some areas as addressed in the sections below, however increased or decreased intensification from the notified UIV where we consider it is commensurate to the accessibility and/or relative demand.
- (e) Reduced provision for development: Equally to our recommendations above, we do not favour, generally, reduced provision for development. Ms Fairgray's evidence (and her earlier reports) clearly justify the planning response in relation to Policy 5 of the NPS-UD, the NPS-UD itself and the economic benefits of enabling more efficient and effective urban development, and its level of intensification, through the UIV. There are however some specific areas where due to accessibility and/or relative demand matters we have not favoured the level of intensification proposed in the notified UIV.
- (f) We do not support the argument that as the 2021 HBA found that there was sufficient development capacity that no additional capacity needs to be enabled. As set out in

Section 4, first and foremost this is a Policy 5 driven variation. We consider that the UIV is an appropriate planning response with a related, but different focus (being Policy 5 of the NPS-UD). Further, despite their being sufficient development capacity the significant adverse housing issues in the District are not disappearing (and we were told, especially by submitters in Arrowtown) that house prices continue to increase rapidly. As stated above, the UIV will enable a wider range of housing typologies, including smaller, and lower priced housing.

- (g) Other options for development / greenfields:
  - (i) In relation to greenfield development, we agree that it plays an important role for future growth in the District. The Spatial Plan (see Section 3) is a key document outlining the planned growth for the District. There is also presently a lot of plan enabled greenfield development (such as for TPLM<sup>231</sup>). However, with some 97% of the District being categorised as ONL/ONF there are obviously significant constraints on greenfield development. Greenfield development is part of the housing puzzle but, on the evidence received, we are clear it is not the magic bullet and needs to work in tandem with intensification.
  - (ii) The topic of holiday homes, and that the UIV would simply enable more of them to be built not addressing the underlying issues was an interesting one. We were repeatedly told how the District has always been a holiday destination. We recognise that holiday homes may remain empty (or be used for Airbnb) for a portion, or majority of the year. But we do not see any reason why that should affect the level of intensification to be provided through the UIV. The UIV cannot control who buys the houses. Interestingly, several submitters against the UIV on the basis it would deliver yet more holiday homes had holiday homes in the District themselves (often which had been in the family for generations). That leads to the next matter of stopping growth altogether in the District. That is simply not a matter for the UIV to address. Even if it were, on the evidence before us we do not consider it justifiable nor necessary.
  - (iii) We do not consider, on the evidence, that the effects of growth, and intensification, are such that growth should be stopped (assuming it lawfully could be which we do not consider, especially on the scale that the UIV covers, it can through a District plan which is what we are considering). We therefore reject these submissions.
- (h) Infrastructure: We refer as well to the specific comments from Mr Powell in the sections below. But, overall, we accept the tenants of his approach relating to the benefits of intensification as opposed to expansion and that development will need funded infrastructure (from development contributions and the Council). He makes a good point, emphasised in the evidence of Ms Fairgray that the enabled development through the UIV will not all happen overnight; it will be a process over the next 30 years. That gives significant time for infrastructure upgrades to occur and once the UIV is finalised the Council can more clearly plan. We also agree with his proposed matter of discretion for

<sup>231</sup> See [Te Pūtahi Ladies Mile Variation](#). Commissioners Allen and Munro were also commissioners on that variation.

all land use consents. We consider it to be an efficient and effective 'safety net' to ensure capacity is maintained.

- 5.38 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **6. QUEENSTOWN INCLUDING FERNHILL, FRANKTON ROAD, FRANKTON FLATS, AND KELVIN HEIGHTS**

### **Background / key issues**

- 6.1 The form of Lake Wakatipu, the glacially carved slopes around that, and location of Queenstown Airport have significantly shaped Queenstown and its outer neighbourhoods. Over time Queenstown has grown significantly, with many submitters with multi-generational connections to the land showing us family photographs of landscape and landform features often unrecognisable today. Submissions across the urban area ranged from requesting more urban development capacity than proposed in the UIV; support of the UIV; additional intensification but less than proposed in the UIV; and retain the PDP by not enabling any additional development capacity.
- 6.2 The urban form has followed accessible land adjacent to movement corridors, often on slopes and including zig-zags, cul-de-sacs, and severances between neighbourhoods. It can be plainly contrasted with the closer-to-textbook flat grid and genuinely 'central' core of Christchurch city. As a result, travelling between Queenstown's distinctive and different neighbourhoods and the various commercial activities and community services therein, often involves circuitous travel along relatively few, and often increasingly congested, movement corridors that offer genuine connectivity.
- 6.3 It is also the case that Queenstown, despite being the largest settlement in the District, is not a metropolitan urban area. It still has a strong relationship with the rural and wilderness areas around it as well as the other well-separated towns and villages. For many residents we were told that daily life was and for the foreseeable future will be dominated by the need for a private automobile. As described above, Queenstown's urban form functions more as a series of adjoining neighbourhoods wedged into the landform than one singular and obvious town.
- 6.4 The UIV proposed substantial up-zoning across Queenstown primarily by way of the MDRZ on land that under the PDP is currently LDSRZ; and by way of increases in the development capacity enabled within areas already zoned MDRZ or HDRZ.
- 6.5 Of note was that the UIV excluded several spatially important parts of Queenstown, including the PC50 land within the town centre itself (see Section 4), large areas of Frankton Flats and Remarkables Park, and the recently zoned TPLM area. Although our consideration of PDP changes must necessarily exclude that land, it would be artificial to not keep in mind the contribution they will nevertheless still make to accommodating housing demand in the settlement.
- 6.6 The key issues raised in submissions were:

- (a) The appropriateness of upzoning land in many locations (in terms of both support and opposition to the UIV);
- (b) The accessibility of different locations and what development enablement would be commensurate with that;
- (c) Constraints and the extent of existing development intensity that make additional intensification unreasonable;
- (d) Adverse effects of additional development heights and densities, primarily in terms of traffic, character and other amenity values;
- (e) That more growth should be directed into planned greenfield areas; and
- (f) Submissions seeking the re-zoning of land including the PC50 land within the ODP are also relevant, however have been addressed separately (see Section 2).

### **Submissions / s42A Report / evidence / legal and lay argument**

6.7 The evidence presented to us was largely in the form of lay submissions by residents. The common issues raised were:

- (a) Disagreement that the locality around submitters was as accessible by passenger transport or active transport to a range of commercial activities and community services as the Council had claimed;
- (b) Related to the above, that Queenstown's slopes and climate meant that the idea of walking, cycling or using buses was not as practical, for as much of the time, as a starting-point theory might suggest;
- (c) Disagreement that the scale and extent of development proposed to be enabled by the Council was acceptable;
- (d) That the various neighbourhoods each possessed special visual, amenity, landscape or other qualities that would make intensification, particularly 3-storey scaled intensification, highly adverse and inappropriate;<sup>232</sup>
- (e) A view that Queenstown was already very congested<sup>233</sup> and dense, with other locations being superior for accommodating growth (including dedicated green field areas);
- (f) Disagreement that substantial additional development capacity could be accommodated without creating adverse economic effects (i.e., the view that less visitors would want to come to Queenstown); and
- (g) We also received expert evidence from a small number of submitters that was focused on the specific interests of those submitters.

6.8 In addition to the lay submitters, we heard from several experts including:

- (a) Mr Edmonds provided planning evidence for Scenic Hotel Group Ltd (763), Millenium and Copthorne Hotels NZ Ltd (1344) and Hospitality Group Limited (1345), and

<sup>232</sup> Including the statement from Mr Hewart (78), Mr De La Mere (384) provided us with images as to the effects on the view from his property and the Statement from Mr Potter (1250).

<sup>233</sup> Mr and Mrs French (701) presented information to us in relation to these issues.



considers that 18.5m height to be appropriate in this area "as there is a recognised predominant concentration of hotels and visitor accommodation in this area".<sup>234</sup> Mr Edmonds also provided a supplementary memo<sup>235</sup> responding to amended relief sought by Mr Freeman regarding increased height in the block (called the Stanley street Height Precinct) above and providing a rule framework (and s32AA evaluation) that would accommodate it. Mr Edmonds also provided evidence for further submissions 1344 and 1345 that the area be extended to include adjacent parcels of land owned by Millennium and Copthorne and Hospitality Group Limited. He explained the VA nature of the area, the landholdings and the context of the sites. He concludes that including the sites is "a logical extension of the four blocks referenced in the original submissions. This part of the site is relatively flat and then gently slopes towards the lake ...".<sup>236</sup>

- (b) Mr Edgar provided planning evidence in support of Mr and Mrs O'Donnell (641, 657, 1358) in relation to effects on their property at Panorama Terrace, and the wider area, in shifting to HDR and MDR. Issues he raised relate to:
  - (i) the further enablement of VA and a shift in the policy framework. While he accepts Ms Frischknecht's position as to matters of discretion for VA are broad, he considers there is little to suggest a wide range of effects should be considered and does not agree that additional VA controls would narrow the scope of discretion.<sup>237</sup> He maintained the amendments sought in his evidence.<sup>238</sup>
  - (ii) Concerns as to the provision of infrastructure given the very large areas of upzoning and also the efficiency and effectiveness of requiring consideration of infrastructure capacity on a case-by-case basis.<sup>239</sup>
  - (iii) Loss of sunlight, privacy and outlook.<sup>240</sup>
- (c) Mr Freeman and Ms Costello for the Multiple Queenstown Submitters who:
  - (i) Supported<sup>241</sup> the upzoning to HDRZ from Park Street to Cecil Road (652, 653 and 654), agrees with the assessment of Mr Wallace and supports the recommendations of the s42A report.<sup>242</sup>
  - (ii) Supported (1008, 984, 986) Mr Wallace that it is appropriate to enable greater height (20m) with these submitters focused on the same Frankton Road, Coronation Drive, Beetham Street and Melbourne Street block addressed by Mr Freeman above which she considers "does have features which would support slightly more intensification over the notified UIV provisions".<sup>243</sup>
  - (iii) Supported<sup>244</sup> the land at 554 Frankton Road (835) being upzoned to MDRZ.

<sup>234</sup> Statement of Evidence of Mr Edmonds (763, 764, 1344, 1346), 4 July 2025, at [6.5].

<sup>235</sup> Dated 22 August 2025.

<sup>236</sup> Statement of Evidence of Mr Edmonds (1344, 1345), 4 July 2025, at [5.8].

<sup>237</sup> Summary of Evidence of Mr Edgar at [12].

<sup>238</sup> Statement of Evidence of Mr Edgar at Appendix B.

<sup>239</sup> Statement of Evidence of Mr Edgar at [56].

<sup>240</sup> Statement of Evidence of Mr Edgar at [61].

<sup>241</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [114].

<sup>242</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [22].

<sup>243</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [56].

<sup>244</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [118].

- (iv) Supported the MDRZ Objectives and Policies s42 Report version but in terms of recession planes on sloping sites raised the same concerns as for the LDSRZ (Section 13).
- (d) Mr Freeman provided planning evidence on behalf of the Multiple Queenstown Submitters. Apart from one matter, he supported the provisions as enabling intensification in close proximity to the town centres of Queenstown and Wānaka.<sup>245</sup> The one change he sought was to the activity status for breach of the landscaped permeable surface coverage, which he sought be lowered to discretionary.
- (e) For submissions 984 and 986 and 1008 he supported an increase in height for the Frankton Road, Coronation Drive, Beetham Street and Melbourne Street block to 18.5m. He relies on Ms Cosetllo's evidence (see below) for non-notification and notes that Mr Williams supports a 20m height in this location. He opposes Ms Frischknecht's approach of additional height being a discretionary activity as a more onerous process and supports a non-notified RDA approach to heights between 16.5m and 20m.<sup>246</sup>
- (f) Ms Clouston in relation to 111 Frankton-Ladies Mile Highway (768) sought removal of the maximum height limit of 20m at Frankton North (and its associated non-complying activity status) or if a maximum height was retained then she sought 24m.<sup>247</sup>

6.9 Mr Osborne filed a statement of lay evidence,<sup>248</sup> and we received legal submissions on behalf of Mr and Mrs Osborne (1258),<sup>249</sup> opposing the location of the HDRZ. They live on the edge of the notified HDRZ boundary, raising concerns that the UIV will not deliver more residential housing due to the VA provisions with the HDRZ and amenity effects on their existing dwelling. He concluded in his statement that:<sup>250</sup>

... the Variation HDR provisions will not achieve a well-functioning urban environment, will compromise amenity values while failing to achieve the objectives of the NPS US and the Variation. The Variation will result in development that is ad hoc, will not significantly contribute to housing, will not improve competitive land and will have unintended consequences such as the delivery of VA at the expense of residential housing.

6.10 In relation to infrastructure Mr Powell's evidence:

- (a) For the QTC and surrounding catchment<sup>251</sup> does not support limiting intensification in this area due to infrastructure constraints.
- (b) For Frankton and Frankton Road<sup>252</sup> does not support limiting intensification in this area due to infrastructure constraints.
- (c) For Fernhill<sup>253</sup> does not support limiting intensification in this area due to infrastructure constraints.

<sup>245</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [89].

<sup>246</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [97].

<sup>247</sup> Summary Statement of Evidence of Ms Clouston, 7 August 2025, at [9.7] – [9.9].

<sup>248</sup> Statement of Evidence Mr Osborne 8 July 2025.

<sup>249</sup> Legal Submissions on behalf of Mr and Mrs Osborne, 8 August 2025.

<sup>250</sup> Statement of Evidence Mr Osborne 8 July 2025 at [44].

<sup>251</sup> EIC Mr Powell at [5.1] – [5.7].

<sup>252</sup> EIC Mr Powell at [5.8] – [5.12].

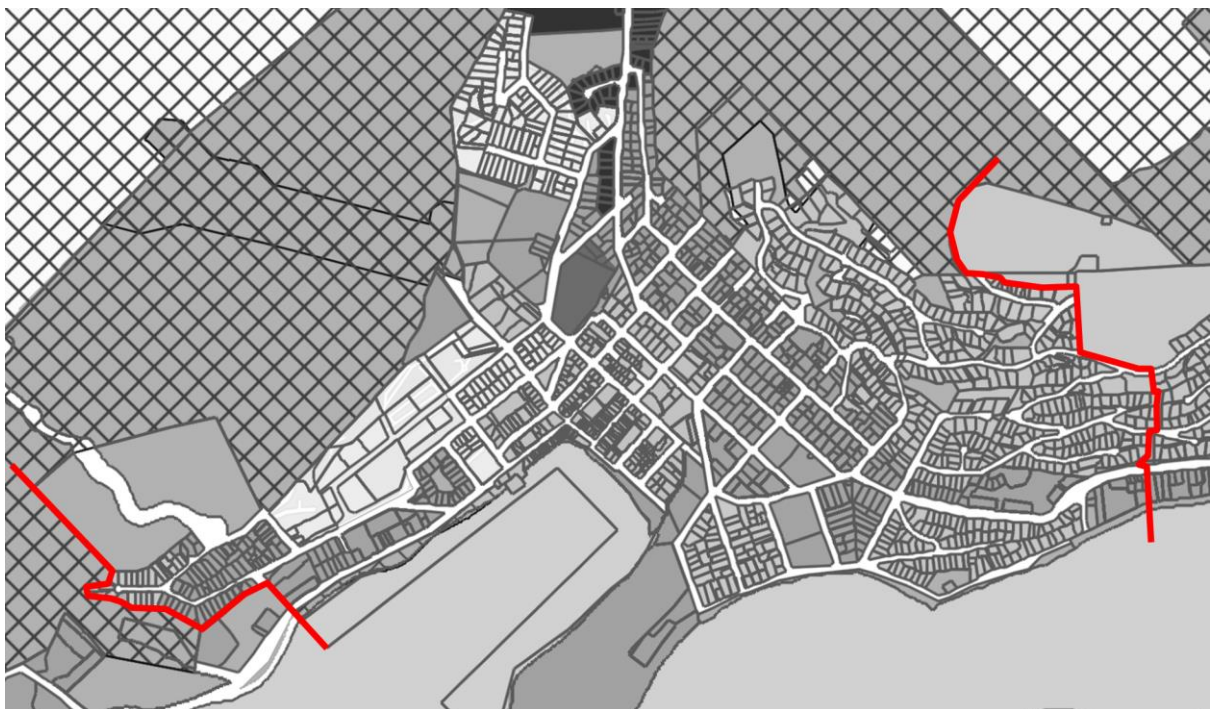
<sup>253</sup> EIC Mr Powell at [5.18] – [5.21].

- (d) For Kelvin Heights<sup>254</sup> in relation to water supply it notes that "the last large tract of land to be developed in this area will need major upgrades to increase the water supply capacity" and intensification could be folded into that. The same applies for wastewater.

#### **Findings / decision / provision changes**

- 6.11 The Panel does not agree with the Council that 3-storey apartment-based living would be commensurate in any of Queenstown's neighbourhoods other than the central Queenstown residential neighbourhood adjacent to the town centre.
- 6.12 We refer to **Figure 2**, the area we have identified as the central Queenstown residential neighbourhood in terms of western and eastern extents.

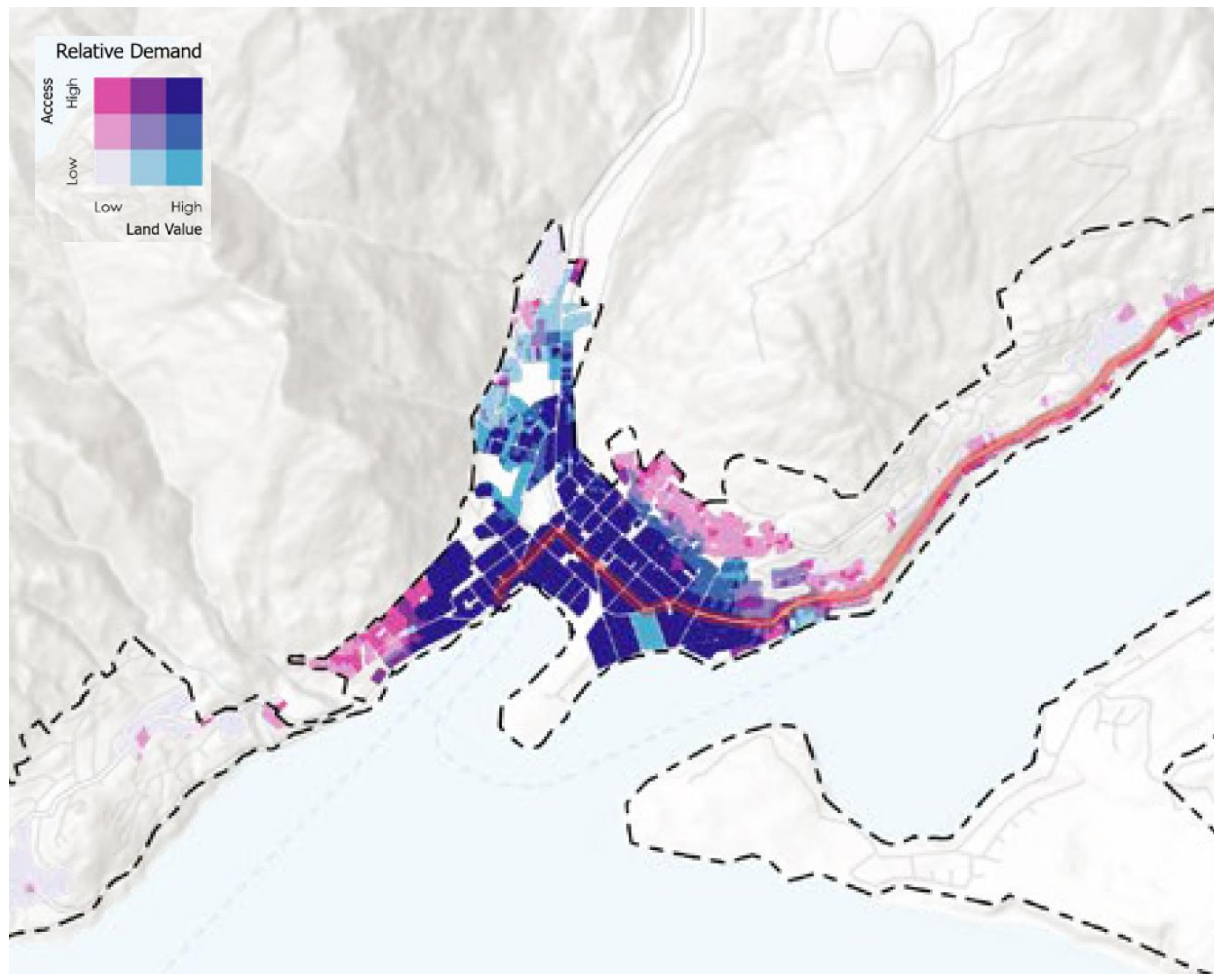
**Figure 2 – identification of central Queenstown area within which 3+ storey apartment-style dwellings would be commensurate and appropriate (no scale)**



- 6.13 The Panel identified the extent of this neighbourhood based on walking around the area into and through the town centre taking into account:
- (a) The accessibility analysis produced by Mr Wallace on behalf of the Council (see **Figure 3** which reproduces one of the many maps produced showing demand);

**Figure 3 – A zoomed-in crop of part of Figure 14 'Relative Demand Bivariate Analysis', in B&A Ltd Memorandum from Jack Earl and Cam Wallace to Elias Matthee, 16 May 2003, Method Statement – Accessibility & Demand Analysis – NPS-UD Policy 5.**

<sup>254</sup> EIC Mr Powell at [5.8] – [5.12].



- (b) The information provided to us from submitters in terms of how far and where they typically walk;
  - (c) The area that submitters explained to us was that they thought of when they imagined “Queenstown” as a specific town;
  - (d) The characteristics of the land and the impression of immediate association with QTC the Panel determined existed;
  - (e) The Council’s standard metrics of convenient walking distance as measured from the QTC (recognising of course the topography); and
  - (f) Forming a logical ‘edge’ for planning purposes using open space areas where possible and otherwise following direct cadastral boundaries.
- 6.14 Within this central neighbourhood, we have been persuaded that the Council’s Reply recommendations for residential-zone height and density are most appropriate and will implement the NPS-UD. This includes the proposed up-zoned areas including adjacent to Queenstown Gardens.
- 6.15 Outside of our identified central Queenstown residential area, our site visits and the lay evidence received from locals persuaded us that most daily-need activities are not close-by or reasonably accessible by passenger transport or active transport such that apartment living could be commensurate with that. During our site visits, which included the Panel walking local

streets and slopes, we observed that walkable or active transport access was often limited to the immediate local neighbourhood only with few if any commercial activities or community services. Many roads, often sloped ones, were narrow and lacked obvious space (or sufficient room to provide space) for active mode facilities. Several accessways and private roads (we understand in part due to the additional design flexibility available in terms of narrower width and greater slope compared to public roads) lacked even footpaths.

- 6.16 Although bus services on key roads are available, many are not always conveniently accessible including in periods of inclement weather or where, even if the total walking distance was not unreasonable, the zig-zagging and inefficient nature of the required route to access bus services (and in some cases a lack of clear or obvious crossing facilities on key roads) struck the Panel as likely to frustrate rather than invite users.
- 6.17 We also accepted the practical reality (frequently) explained to us that it is often cold, or wet, or slippery, or dark on many of Queenstown's (often south facing) residential streets and this also limits real-world take up of passenger transport or active transport.
- 6.18 In these locations, the Panel finds that generally 3+ storey apartment living is not a justified NPS-UD Policy 5 response, but that additional densification – specifically targeting opportunities for smaller and more flexible housing solutions at 1-to-2 storeys would be appropriate. Such 'suburban' intensification is likely to lead to a more efficient use of land – especially where there are gaps between existing dwellings that could accommodate smaller houses on lots below existing density limits in a way that would sit compatibly against the backdrop of existing character and amenity values. This can be contrasted with what would in most cases need to be (less realistic) complete site clearance and demolition to make way for 3+ storey plus buildings.
- 6.19 Our key findings are that:

*Within central Queenstown residential neighbourhood and subject to the modifications explained later to the provisions for each zone:*

- (a) The Panel agrees with the Council's proposed extent of HDRZ, although we recommend that be named the High Density Residential A Zone (HDRAZ). Our agreement includes the broad framework of heights, densities and complementary provisions proposed in the UIV for this zone. Although we do not consider that there is a case for 3-storey walk up apartments to meet relative demand (NPS-UD Policy 5(b)), the land is nevertheless sufficiently accessible that this option should be provided for on the basis of meeting NPS-UD Policy 5(a) (in this instance being the heights and densities that are the "greater of" the two policy directions).
- (b) The Panel agrees with the broad framework of heights, densities and complementary provisions proposed in the UIV for the MDRZ, although we recommend this be named the Medium Density Residential A zone (MDRAZ).
- (c) We agree with the broad framework of heights, densities and complementary provisions proposed by the Council for the Queenstown Town Centre zone.

- (d) We are not persuaded to agree with proposed changes to the BMUZ and instead recommend a modified version of the PDP status quo zone be retained, specifically in terms of enabled building heights and densities (but with building height infringements becoming a discretionary rather than non-complying activity).

*Within the other Queenstown neighbourhoods including Fernhill, Frankton, and Kelvin Heights:*

- (e) We agree with the spatial extent of new MDRZ proposed by the Council in the UIV, however, apart from the areas we have identified as MDRAZ, find that this should be based on the PDP status quo version of that zone including its enablement of generally 2-storey building heights. We also recommend additional provisions to provide a clearer resource consent pathway for dwellings that exceed the PDP density limits (which we recommend retaining to maintain a reasonable permitted activity opportunity).
- (f) As set out in Section 13, we have recommended the LDSRZ becomes a new SRZ based on the PDP status quo LDSRZ permitted heights and densities, but which provides a clearer pathway for dwellings that exceed the PDP density limits.
- (g) For the Local Shopping Centre zone (Section 17) and the Business Mixed Use zone (Section 18), we are not persuaded that heights or densities greater than the PDP status quo already enables would be commensurate or necessary to implement NPS-UD Policy 5, and for this reason we have recommended modified versions of these zones that are closer to those PDP versions than the UIV versions proposed by the Council.

6.20 The above will collectively:

- (a) Provide for an overall increase in housing capacity (and maintain appropriate business capacity) including specific targeting of opportunity for smaller and more affordable houses also most likely to be compatible with existing character and amenity values in and around Queenstown, that is commensurate with the real-world accessibility of the central Queenstown neighbourhood, and its outer neighbourhoods.
- (b) Concentrate additional building heights and densities where there is greatest demand and environmental capability to absorb the effects of that additional capacity.
- (c) Maintain the overall amenity and character values of Queenstown and its neighbourhoods, including the relationship of urban form to landscape and landform patterns, accepting that in central Queenstown the compelling reasons in favour of additional intensification mean some parts of this neighbourhood will be subject to quite substantial localised change in built form character. We consider that to be necessary to give effect to Policy 5 in those areas. As explained above, for many areas proposed to be MDRZ in the notified UIV we have kept the notified extent of the upzoning but retained the status quo MDRZ height provisions subject to additional density opportunity, to meet NPS-UD Policy 5(b) (noting our finding as part of this that the specific case for 3-storey walk up apartments was in the Panel's view overly speculative and theoretical for the purposes of that NPS-UD policy test). We have done this based both on our findings of accessibility and relative demand (see Section 4) but also following the many

submissions we received on character and amenity and finding the right level of integration that is commensurate to deliver well-functioning urban environments.

- 6.21 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Queenstown.
- 6.22 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **7. ARTHURS POINT**

### **Background / key issues**

- 7.1 Arthurs Point is a small village north of Queenstown occupying a linear terrace and the lower slopes of the adjacent mountains, spanning each side of the Shotover River and a narrow, one-way bridge across that. It is an access point to the Shotover River and recreational-related activity is undertaken here. The village also has a small commercial offering, partially-implement cycle networks, and a basic bus service. It does not currently include a formal Town Centre, Local Shopping Centre, Business Mixed Use, or similar commercial zone; a distinguishing characteristic when compared with the other towns and villages subject to the UIV. It is approximately 5km from the closest point of the Queenstown Town Centre zone. This is in turn not conveniently walkable but could be accessed (relative to NPS-UD Policy 5) by passenger transport, or a bike / e-bike-type trip (noting there is no separated crossing at the Shotover River) in the order of 15-30 minutes depending on preferred speed, underlying fitness level or travel conditions on any given day.
- 7.2 But in summary most residents will regularly need to commute away from the village in meeting their daily needs and in many cases, this will be by private vehicle. It provides only limited in-village employment, commercial, or community services.
- 7.3 On our site visit we saw first-hand the settlement's high-amenity, unique amenity values. These reflected what submitters explained to us, and we agree at the outset that Arthurs Point provides very high existing amenity values.
- 7.4 Arthurs Point also includes several large sites and a mix of lower density, medium, and high-density residential zones.

### **Submissions / s42A Report / evidence / legal and lay argument**

- 7.5 The Variation proposed to retain the PDP zone framework but standards within those zones that were proposed to be changed via the Variation would apply. Submissions to change the existing zones or the standards applicable within them were raised by a relatively small number of submitters. These were considered in the s.42A report prepared by Ms. Morgan, and we refer to our separate section considering specific site re-zoning submissions.
- 7.6 Mr Powell's evidence<sup>255</sup> is that the water supply does not limit intensification, but wastewater does with the main at capacity. While there is no allocate funding for this at present as it is a

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<sup>255</sup> EIC Mr Powell at [5.32] – [5.34].

present issue a solution will need to be developed. He uses this as an example of having a matter of discretion as to capacity for all land use consents (see Section 5).

- 7.7 No submissions, and no evidence, was received seeking significant intensification at Arthurs Point or, for example, the introduction of a centre-zone (or centre-type) zone.
- 7.8 Almost all Arthurs Point-related submissions opposed the UIV, seeking retention of the status quo. The key concerns raised were:
- (a) Significant adverse effects on existing amenity, character and landscape values;
  - (b) The lack of accessibility:
    - (i) The lack of commercial activities and community services accessible in or from Arthurs Point; and
    - (ii) Concerns that cycle networks and passenger transport services were not sufficient to justify additional intensification; and
  - (c) There are superior locations elsewhere in the District's towns and villages to accommodate any intensification required to be accommodated as a consequence of the NPS-UD.
- 7.9 We received a detailed presentation from Ms Wolt (1360) that clearly addressed the above concerns. In opposing several submissions seeking greater intensification at Arthurs Point, she emphasised the lack of accessibility at Arthurs Point and that a "one size fits all" approach to intensification is inappropriate. Rather, Policy 5 requires an assessment of each location's specific characteristics. Their submission is that:<sup>256</sup>
- Enabling intensification - to any degree – at Arthurs Point is not only neither necessary nor appropriate to implement NPS-UD Policy 5; it would also fail to achieve NPS-UD Objective 1 and Policy 1.
- 7.10 We heard from Mr Blackford on behalf of Arthurs Point Community Association<sup>257</sup> (1359) in opposition to the submission by Arthurs Point Trustee Limited (see below). He explained the characterises of Arthurs Point to us.
- 7.11 We received legal submissions for Arthurs Point Trustee Limited (1260 and 1338)<sup>258</sup> and expert evidence from Mr Edmonds who explained the context of 182D Arthurs Point Road and its three terraces. He stepped through the provisions and evidence and concluded "that an 11m height limit [as opposed to the present 8m] is appropriate on the Mid Terrace of 182D Arthurs Point Road and best gives effect to the amended objectives and policies of the Medium Density Residential Zone."<sup>259</sup>
- 7.12 Mr Milne explained to us the context and surroundings of the mid-terrace at the site. He provided a detailed review of landscape effects and visibility and proposed terrace edge setback provisions to reflect the sites sensitivity and visual influence. He supports increased building height on the mid-terrace but recommends a bespoke setback for the mid-terrace

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<sup>256</sup> Speaking Notes Rebecca Wolt and Andrew Hyland (1360) at [33].

<sup>257</sup> Who also provided a statement date 5 August 2025.

<sup>258</sup> Dated 6 August 2025.

<sup>259</sup> Statement of Evidence of Mr Edmonds, 4 July 2025, at [8.1].



adjacent to the lip of the escarpment and a setback along the eastern boundary.<sup>260</sup> At the hearing Mr Edmonds supported the more nuanced height approach (with setbacks) proposed by Mr Milne.<sup>261</sup>

- 7.13 Mr Edmonds provided a supplementary memo<sup>262</sup> responding to a height specific question from the Panel. He also provided dimensions to the mid-terrace proposed 8m height area. Ms Frischknecht's Reply remained:<sup>263</sup>

I stand by my view as outlined in paragraph 4.121 of my 42A Report and paragraph 6.13 of my Rebuttal in that an assessment as to whether greater heights at this location is appropriate and should continue to be assessed on its merits through a resource consent process to ensure that it is appropriate given its location adjacent to an ONL and an ONF.

- 7.14 The second matter Mr Edmonds addressed was the retention of the PDP HDRZ on the upper terrace and the single RDA 16.5m height limit which Council staff recommend be altered in response to submissions to 12m at Arthurs Point (to manage the transition between the MDRZ and the HDRZ<sup>264</sup>). Mr Edmonds considers the initial 16.5m height to be more appropriate.

#### **Findings / decision / provision changes / s32AA**

- 7.15 Based on our approach to Policy 5 and the NPS-UD set out in Section 4, we do not agree that Arthurs Point offers a level of accessibility that is commensurate with more than a generally 2-storey building height and non-apartment dwellings for residential purposes. Although we acknowledge existing apartments and commercial activities (and 3+ storey buildings) within Arthurs Point, we are satisfied these are a product of the specific historic zoning approach that applied to the village enabling visitor-accommodation related activities.
- 7.16 However, although Arthurs Point lacks sufficient commensurate accessibility to warrant 3+-storey apartment-type buildings, it does have sufficient commensurate accessibility, and a need to help accommodate relative demand for attached housing, to justify additional density within a 2-storey non-apartment-building context and greater Plan flexibility to accommodate demand for smaller and more affordable houses. Such residents will be able to enjoy the range of commercial activities and community services available within the village or a bus to other towns or villages.
- 7.17 The LDSRZ and MDRZ restricted discretionary pathway described above to achieve densities higher than the current LDSRZ rules (which should remain in place so as to still enable reasonable permitted activity opportunity) will provide this. Having examined a variety of house sizes, forms and shapes, we are satisfied that there will be minimal difference in adverse effects between a large, spread-out 4-bedroom dwelling or two 2-bedroom dwellings on the same land area, including in terms of the overall intensity of human occupation that can be potentially accommodated. Although we have on this basis amended the provisions of the

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<sup>260</sup> Summary of Evidence of Mr Milne, 7 August 2025, at [11].

<sup>261</sup> As set out in his Summary Statement, 6 August 2025.

<sup>262</sup> Dated 22 August 2025.

<sup>263</sup> Rely Ms Frischknecht at [4.14]. Relying too on the memoranda of Ms Mellsop dated 21 July 2025 (attached to Ms Frischknecht's Rebuttal at Appendix 1) and of 15 August 2025 (attached to Ms Frischknecht's Reply at Appendix 1).

<sup>264</sup> S42A report (Chapters 8, 9 and Hāwea at [5.147] and [5.148]).

LDSRZ and MDRZ, we recommend no change to their current PDP spatial extent in Arthurs Point.

7.18 Where land already has a PDP zoning that enables more than what we have described above, being the HDRZ, that zoning should remain given it has been arrived at through a thorough and completed prior planning process unrelated to the specific needs of Policy 5 of the NPS-UD. We refer to our separate commentary on the amendments we have otherwise determined are appropriate within the HDRZ as part of the UIV based on NPS-UD Policy 1 (well-functioning urban environment), and otherwise appropriately aligning the PDP residential zones with one another.

7.19 Our key findings are that:

- (a) The spatial extent of PDP zones in Arthurs Point should not be changed because of the UIV either via NPS-UD Policy 5(a) or 5(b). In the case of Arthurs Point Trustee Limited's land, we find the evidence in support of the change of zoning was more focused on considerations of environmental effects and other detailed design solutions than the substantive NPS-UD Policy 5 questions raised by the UIV. We have not been persuaded that an upzoning (specifically the mid-terrace) has been justified and we agree with Ms Frischknecht that the arguments put to us seem better suited to an application for resource consent.
- (b) Provisions of the LDSRZ (now SRZ) and MDRZ should be amended to enable a pathway for greater residential densities on land within the framework of existing zone standards, and to otherwise manage the effects of the overall extent of densification to be enabled.
- (c) The existing PDP HDRZ will remain with the minor amendments we recommend to that zone.

7.20 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Arthurs Point.

7.21 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or in part) that oppose them.

## **8. ARROWTOWN**

### **Background / key issues**

8.1 Arrowtown is a famous tourist destination known for its gold-mining heritage, landscape setting, and historic heritage-rich built form.<sup>265</sup> It has a thriving commercial centre with multiple food and beverage outlets, a primary school, numerous parks and trails, and bus access to the District's other key centres. It has a small and constrained industrial zone. It also has no greenfield area of live zoned 'expansion' land, although this was nevertheless an option promoted by many submitters including by extending Arrowtown towards SH6 (one we find we lack scope to action). It has in recent decades expanded into two bulbs – one western and one southern, parts of both of which sit outside the UIV.

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<sup>265</sup> A detailed background and overview context to Arrowtown is provided in the Statement of Evidence of Ms Lutz, 4 July 2025, at Appendix 1.

- 8.2 Arrowtown is also known for, and many submitters attested to, issues of a winter inversion layer, shadowing, and permafrost. Recreational trails along the Arrow River and gold-mining heritage are also important recreational facilities.
- 8.3 Although subject to degrees of contention between submitters, Arrowtown is also well-known for its historic heritage character both in terms of its commercial centre and in terms of at least its 'core' of typically cottage-style residential dwellings.
- 8.4 Arrowtown, its unique character, and its specific other natural and physical characteristics:
- (a) are reflected within the PDP with location-specific objectives and policies that give particular recognition to its character; and
  - (b) were explained to us through submission after submission as we read them and by those who presented during the hearing.

#### **Submissions / s42A Report / evidence / legal and lay argument**

- 8.5 We received extensive submissions (566 original submissions alone, with using Mr Howie's figures which we are happy to rely on, some 476 requesting to exclude Arrowtown in part or in full<sup>266</sup>) relating to Arrowtown. We also heard from many submitters in person during the hearing days in Arrowtown (see section 2 above) and some in other centres. As mentioned during the hearing, and in Section 2 we are very grateful all the Friends of Arrowtown, and Mr Howie in particular, for combining 258 submissions so well together. That saved us considerable hearing time and enabled a far more focused, and represented (by Mr Todd and Ms Hill), presentation of the submissions. We also wish to note, for their efforts, Louise and Justin Wright<sup>267</sup> for providing us with additional shading / dwelling type material and insight into the Arrowtown character and issues of significance given their expertise (though not presenting as experts) but also as residents. We simply received so many submissions that we cannot mention, and do not propose to try even try and reference, them all in any meaningful way. That also applies to those who kindly took the time out of their days to present to us, which we greatly valued and added so much real flavour to the words of their submissions. But as will be apparent from this decision we found them immensely helpful, and they greatly influenced the recommendations we have made.
- 8.6 The overall character of Arrowtown presented to us across many submissions was succinctly summarised by Ms Lutz on behalf of the Friends of Arrowtown as:<sup>268</sup>
- Its special character stems from a combination of factors such as a modest building scale, a strong relationship to topography and landscape, mature vegetation, including historic tree avenues, organically developed street networks, and a high degree of continuity between historic and contemporary buildings in both scale and materiality.
- 8.7 The notified UIV proposed a substantial 'ring' of MDRZ around the historic core but as explained in detail in Ms Bowbyes s42A Report (Arrowtown) the Council considerably changed

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<sup>266</sup> Speaking Notes of Mr Hosie.

<sup>267</sup> Submission 747. Mr and Mrs Wright also provided us with extensive lay evidence dated 8 July 2025.

<sup>268</sup> Summary Statement of Ms Lutz at [4].

its view on this and no longer supported the notified extent of additional development enablement. Ms Bowbyes summarises the changed approach as follows:<sup>269</sup>

MDRZ:

(a) I recommend that notified Rule 8.5.1 (for Arrowtown only) be amended to enable a permitted building height of 8m plus an additional 1m for pitched roof forms only, which would enable 2 storey development. I recommend that the non-complying activity status for breaches be retained;

(b) I recommend that notified Rule 8.5.7 (for Arrowtown only) be amended to apply the following recession planes and retain the current restricted discretionary activity status and matters of discretion for breaches:

(i) Southern boundary 2.5m & 35 degrees

(ii) Northern boundary 2.5m & 55 degrees

(iii) Western & eastern boundaries 2.5m & 45 degrees

LDSRZ:

(c) I recommend that notified Rule 7.5.1 (for Arrowtown only) be amended to enable a permitted building height of 6.5m and a restricted discretionary building height band of 6.5m – 8m. I recommend that the non-complying activity status for buildings exceeding 8m be retained. I recommend the following matters of discretion for the restricted discretionary height band:

(i) consistency with Arrowtown's character, as described with the Arrowtown Design Guidelines 2016;

(ii) any sunlight, shading or privacy effects created by the proposal on adjacent sites and/or their occupants; and

(iii) external appearance, location and visual dominance of the building(s) as viewed from the street(s) and adjacent properties.

8.8 Ms Bowbyes explains how these changes will better recognise Arrowtown's character (and align with the existing Arrowtown specific PDP objectives and policies) while still delivering increased opportunities for intensification (and by doing so aligning with SO 3.2.2). In her s42A Report (Arrowtown) Ms Bowbyes provides s32AA analysis for all the proposed changes.

8.9 The submissions were primarily opposed to the Council's approach (especially as notified but also as set out in the s42A Report), except for the decision to exclude the Arrowtown Town Centre zone and the Arrowtown Residential Historic Management zone from the UIV – which was widely agreed with. The Council proposed to borrow from the provision made within the NPS-UD for 'qualifying matters' that Tier 1 councils may use to limit the amount of intensification otherwise required by the NPS-UD to achieve this. The 'qualifying matters' approach was also relied on heavily to justify the s42A position of less intensification being taken forwards than was notified.

8.10 In summary, the submissions raised a wide variety of issues but by far the most predominant was that there was no acceptable outcome that included 3-storey buildings given concerns over adverse historic heritage and/or character effects on Arrowtown. In his lay statement Mr Hanan

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<sup>269</sup> S42A Report Ms Bowbyes at [3.2].

(210) commented, which was widely reflected (and noting that the s42A Report proposed reduced heights/density) that:<sup>270</sup>

the proposed 12-meter building height rule does not align with the character, values, and needs of Arrowtown. The potential negative impacts on visual amenity, shade, infrastructure load, neighbour relations, heritage value, environmental sustainability, and community sentiment highlight the need for a more context-sensitive approach to urban planning. Maintaining lower building heights is essential for preserving the unique charm and liveability of Arrowtown, ensuring it remains a vibrant and attractive place for future generations.

8.11 Mr Hosie, on behalf of the Friends of Arrowtown, provided us with a helpful summary table of the concerns raised by members in their submissions as follows:<sup>271</sup>

SUBMISSION POINTS SUMMARY	
Sunlight	72%
Character	72%
Amenity	51%
Infrastructure	51%
Views	49%
Arrowtown Design Guidelines	42%
History & Heritage	40%
Spatial Plan	30%
Lack of Consultation	25%
Traffic and Parking	18%

8.12 Evidence in favour of the status quo was substantial, with common themes summarised by Mr Clarke as follows:<sup>272</sup>

The Variation flies in the face of good community-led planning. The s42A report suggests changes that are clearly an improvement but will still have serious unacceptable consequences. In my view the Variation is an ideological, one size fits all, solution rather than a practical solution in the case of Arrowtown. It will erode the 'special character' of Arrowtown for ever, further stretch infrastructure and will not in my view result in the desired outcomes of affordability or mixed typography. It would have been far better to have left Arrowtown out of the Variation and undertake further community-lead planning that would allow for well-planned redevelopment and growth, as we have done so successfully up until now.

8.13 Over the Hearing days in Arrowtown we spent our breaks walking around to see some of the different sites discussed and also undertook additional visits in the mornings prior to Hearing

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<sup>270</sup> At [31].

<sup>271</sup> Speaking Notes of Mr Hosie. Note, as above, this reflects 258 member submissions but, as Mr Howie noted and we agree, it is reflective of the wider submissions too.

<sup>272</sup> Speaking Notes of Mr Clarke at [12].

commencement (and the Chair on two weekends). This was invaluable in helping us verify and test what we were hearing by way of direct in-person experiences.

- 8.14 In terms of expert evidence, the Council's expert Mr Knott considered that historic heritage values under s6 RMA and special character and amenity values under s7 RMA could be delineated and, in his opinion, the major constraint was a s7 amenity values one, not a s6 historic heritage one.<sup>273</sup> Although he supported the Council's s42A version of additional enablements, he opposed the Council's earlier notified enablement derived from Mr Wallace's s32 accessibility work. Mr Wallace for his part confirmed that he maintained the opinions that led to the notified provisions for Arrowtown which included:<sup>274</sup>

A notable feature of the existing character in the New Town neighbourhoods is the generally low-density and scale of development, along with a development pattern consistent with post-war development. This is characterised by a more curvilinear street and block pattern with cul-de-sacs. Architectural styles are consistent with progressive periods of development and the urban form of the New Town is comparable to many other urban areas in the District and New Zealand constructed since World War II. ... This type of development is likely to be reflective of development trends and feasibility of the time rather than a specific desire to retain the character of Arrowtown.

- 8.15 For Friends of Arrowtown Village, Ms Lutz agreed with Mr Knott to the extent that s7 RMA amenity values applied across Arrowtown but also advised that the entirety of Arrowtown fell under the remit of s6 RMA on the basis that while not all dwellings or sites in Arrowtown were of themselves historic heritage buildings, they contributed to the overall historic heritage values of the town and importantly informed appreciation of the historic heritage buildings themselves. The Panel understood that Ms Lutz's opinion applied also to the two 'bulbs' of Arrowtown that are excluded from the UIV. Upon questioning from the Panel, Ms Lutz confirmed that no additional planning controls or restrictions would be necessary over and above the current PDP framework to appropriately protect, maintain or otherwise manage the s6 RMA issues she had identified; it was the prospect of additional intensification (specifically building heights) that most concerned her.

- 8.16 Mr Philip Blakely prepared expert landscape evidence for the Friends of Arrowtown. He told us how landscape character, amenity and heritage values are all "inextricably intertwined and linked"<sup>275</sup> in Arrowtown in a way that "differs from all other towns". He also addressed the surrounding landscapes and ONLs / ONFs and the importance of retaining visibility to them (especially in relation to building height). Applying that, Mr Blakely emphasised the adverse effects of the proposed Variation and considered that the status quo MDRZ was appropriate and for the LDRZ potentially a 0.5m height increase and "some" increase in density may be appropriate via discretionary consent. His conclusion, which reflects the position of many submissions, was:<sup>276</sup>

Arrowtown is a nationally important heritage town. It is precious and unique. There is a responsibility to manage future development that is sensitive and responsive to context. Blanket urban intensification as

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<sup>273</sup> See Memorandum of Counsel for Queenstown Lakes District Council Regarding Minute 4, 25 July 2025.

<sup>274</sup> S32 Report, Appendix 4, Urban Design Report, at section 8.2.

<sup>275</sup> Summary Statement Mr Blakely at [4].

<sup>276</sup> Summary Statement Mr Blakely at [24].

proposed in the Variation and to a lesser extent by the s42A amendments is inappropriate and are not compatible with Arrowtown's character. New development needs to recognise and be responsive to context and character.

- 8.17 Ms Bowbyes responds to Mr Blakely in her rebuttal evidence recognising the tension between urban development and maintaining people's appreciation of outstanding landscapes. She referenced the TPLM decision which found, given that some 97% of the District is an ONL/ONF, urban development will inevitably be juxtaposed against outstanding natural features and landscapes and found that this of itself is not an inherent adverse effect. She considers the same position applies here.<sup>277</sup>
- 8.18 Although the specialness of Arrowtown's character was effectively unchallenged, many lay submitters explained in detail that the current PDP approach did not work satisfactorily, and in many instances, we were pointed to recent-builds that were seen as contrary to Arrowtown's character, and that were not appropriate also in terms of adverse effects on immediate neighbours (in particular in relation to a recent development on Premier Place which we visited several times). The key concern was that the PDP only mandates a consideration and response to Arrowtown's character where a resource consent is needed, not for permitted activities. We visited many recent-builds in Arrowtown and acknowledge that many seemed to be of high build and aesthetic quality. They also tended to be 2-storeys in height, and larger-scale dwellings. What the Panel should do about that was a topic enjoying less agreement within the submitters. Some sought that no permitted dwellings be allowed making consideration of Arrowtown's character mandatory, whereas others were clear to the Panel that losing existing permitted activity entitlements would not be acceptable.
- 8.19 Multiple submitters assisted the Panel in understanding what types of living and dwellings were likely to be sought in Arrowtown (see Section 2). Key messages the Panel took from this were that:
- (a) There was no short or medium-term real-world likelihood of 3+ storey apartment living being sought (even Ms Fairgray, although supporting the 3-storey MDRZ enablement proposed in the UIV to apply now, advised us of her analysis indicating actual demand might not exist for 20+ years);
  - (b) Serious concerns as to whether affordable housing was realistically possible were consistently raised Sections 2 and 5, with the Queenstown Lakes Community Housing Trust advising that unless land was provided at very low cost / free, its model did not currently work in Arrowtown. We visited its 'Tewa Banks' development in Jopp Street and were impressed with the outcomes achieved;
  - (c) Providing for additional building height and density allowances would likely lead to even larger and higher-priced dwellings being constructed that would exacerbate both affordability and built-character conflicts;
  - (d) Loss of existing provision for sunlight would be highly adverse given existing permafrost and shadowing conditions prevalent in Arrowtown; and

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<sup>277</sup> Rebuttal Ms Bowbyes at [5.7].

- (e) Substantial support for higher-density greenfield development was expressed, although as it relates to Arrowtown no greenfield land was included in the UIV. Existing zones well-away from Arrowtown were recommended including the recently zoned TPLM area as well as comments about extending towards SH6 (which is already occurring).
- 8.20 In relation to infrastructure Mr Powell's evidence for Arrowtown<sup>278</sup> is that for water supply and wastewater developers may need to remove any localised constraints at the time of consents.
- 8.21 Finally, by way of evidence, in her reply evidence Ms Bowbyes in response to questions from the Panel carefully considered various options (and their costs and benefits) for the UIV provisions within Arrowtown being:<sup>279</sup>
- (a) Option 1: Extend Arrowtown's urban environment;
  - (b) Option 2: Retain the current PDP LDSRZ and MDRZ provisions for Arrowtown and apply the ADG to activities that are currently permitted;
  - (c) Option 3: Apply the s42A recommended provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings; and
  - (d) 5.5 Option 4: Apply the notified provisions to the LDSRZ and MDRZ, amended to apply the ADG to all buildings.

## **Findings / decision / provision changes / s32AA**

### *Exclusion of the "old Arrowtown" Town Centre zone and AHRMZ from the Variation*

- 8.22 It is common ground that the 'old town' or Arrowtown exhibits excellent and coherent historic heritage values, from which the community derives not only social and cultural benefits, but important economic ones associated with tourism and the visitor economy.
- 8.23 We do not accept the Council's proposed use of quasi-qualifying matters to justify excluding the old town from the Variation; qualifying matters do not apply to Tier 2 councils and the NPS-UD does not provide a method within the NPS-UD to read-down what Policy 5 requires. But purely in terms of our evaluation of the totality of planning documents in front of us (and accepting the statutory hierarchy), effects on the environment, and the submissions received, we agree that enabling additional height and density of development within the historic "old town" would have significant and unacceptable adverse effects, to the extent that s6(f) of the RMA would not be being recognised and provided for.
- 8.24 While we recognise Ms Hill's arguments that the NPS-UD has already implemented Part 2 and does not set a requirement to be overridden<sup>280</sup> there is nothing we see in the NPS-UD, including Policy 5, that suggests it has a power to override s6 RMA in the event of a direct conflict; rather in applying Policy 5 in context we must also recognise and provide for s6 matters of national importance. We therefore support the notified UIV approach of excluding these zones but for different reasons.

<sup>278</sup> EIC Mr Powell at [5.22] – [5.25].

<sup>279</sup> Reply Ms Bowbyes at [5.4].

<sup>280</sup> Submitters' Reply Legal Submissions, 25 August 2025, at [14].



- 8.25 The Panel is satisfied that the way that any “commensurate” up-zoning identified as necessary under the NPS-UD is provided for is of itself a matter at the discretion of the council. We find that any identified NPS-UD response does not only apply to individual sites, but also to parts of urban environments or whole urban environments depending on the context and facts of the situation, and what outcome would be overall the most appropriate having regard to the full suite of applicable RMA documents, submission responses, and other procedural requirements separate to the NPS-UD. In the case of Arrowtown, we find that a commensurate NPS-UD Policy 5 enablement should be provided in the context of the village as a whole given its small spatial scale, walkability and high level of aesthetic coherence.<sup>281</sup> In other words, the Panel finds that just because sites “A” and “B” within an urban environment contribute to a justification for greater height and density enablement under NPS-UD policy 5 in that location, there is no reason why both sites “A” and “B” need to be resultantly up-zoned. Based on an overall RMA evaluation including non-NPS-UD factors, it could be that only one of “A” or “B” needs to be up-zoned to implement the NPS-UD’s requirements. Or potentially a different site “C”.
- 8.26 The upshot of this is that the Panel agrees with the Council and submitters that the Arrowtown TCZ and ARMHZ should not be the subject of any NPS-UD-based up-zoning. However, we do not entirely agree that as part of a relevant urban environment they should have been excluded from the UIV in the way the Council explained. Their contribution to informing what overall level of up-zoning would be commensurate in NPS-UD Policy 5 terms is a mandatory consideration even if that land would not justifiably form part of the solution of then enabling that commensurate upzoning for Arrowtown as a whole.
- 8.27 The reason we do not entirely agree is because the Council did not entirely exclude the TCZ and ARMHZ from the UIV process; the land was included in the relevant economic, spatial, demand and accessibility analyses undertaken as part of the UIV, with the overall extent of intensification proposed in the UIV for Arrowtown proposal based in large part on resident’s access to the TCZ. Put simply, the Council has effectively done what the Panel determined it could do above - with the TCZ and ARMHZ corresponding to “site A” in that analogy, and the MDRZ and LDSRZ zones around those and proposed in the UIV to accommodate NPS-UD-mandated intensification forming “site B”. For completeness, the submitters seeking separate greenfield land to manage more growth would be the equivalent of “site C”.
- 8.28 The Panel confirms that in its recommendations the additional intensification recommended within the LDSRZ and MDRZ includes the overall commensurate response identified for the entirety of Arrowtown village including the TCZ and ARMHZ.
- 8.29 What we have excluded is the residential zoned land located in each of the two residential bulbs of Arrowtown that was excluded from the UIV. For that land the Panel understands that a separate future NPS-UD exercise would still need to be undertaken such as for other urban-zoned ODP land across the District. In reaching this position the Panel notes that it has not used s6 RMA to override or not implement the NPS-UD in Arrowtown’s TCZ or ARHMZ (or

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<sup>281</sup> This aligns with the Statement of Evidence of Ms Lutz, 4 July 2025, Appendix 2 where she states, in section 8: "Arrowtown does not function in this way. As a small township within the UGB, even the most distant residential streets—such as e.g. Advance Terrace—are located within approximately 1.5 kilometres, or a 20-minute walk, from the town centre. The entire township already operates within a ‘walkable catchment’, making conventional urban intensification logic not applicable in this context."

other zones); it has used s6 RMA to help shape the most appropriate resultant planning response to Policy 5 across the village as a whole based on how the Panel has interpreted the relevant “urban environment” that the NPS-UD policy 5 applies to. The question of whether s6 RMA could be relied on to override, and hence not implement, NPS-UD policy 5 was ultimately not one that the Panel found itself having to confront.

*Approach to land outside of the historic heritage core – historic heritage and amenity values (character)*

- 8.30 While we accept, especially in relation to the old town but also in pockets of the new town, especially by the river, Mr Blakely's concept of Arrowtown-ness reflecting the history of character design control in the town and its setting (and the multitude of submissions we heard). We do not agree with the importance of views to ONLs / ONFs as a rationale for reduced intensification in the context of Arrowtown or the District. From our site visits around the District such views are common (reflecting that some 97% of the District is so rated).
- 8.31 We had difficulty reconciling the expert evidence Mr Knott and Ms Lutz with our own site observations and the lay evidence provided by many submitters opposed to the Variation. Specifically:
- (a) We place no weighting on Ms Lutz' comments relating to other locations in New Zealand that have not been the subject to NPS-UD Policy 5 upzoning. It was not explained to us that her examples were relevant, such as whether Akaroa in Christchurch was actually within a relevant urban environment of that relevant local authority, in the way that Arrowtown is in the Queenstown Lakes District.
  - (b) We are dubious of how the entirety of Arrowtown could be the subject of s6 of the RMA but not require any Plan protections or provisions to reflect that (permitted activities including demolition and replacement of dwellings and modest intensification do not appear to us as being satisfactory in relation to a s6 RMA protection).
  - (c) We do not accept that contemporary houses built now as permitted activities and which involve the demolition of previous dwellings on those sites can be credibly argued as recognising and providing for historic heritage under s6 of the RMA, and we do not accept that such dwellings exhibit any relevant historic heritage values of their own, nor outside the old town, collectively.
  - (d) As described above, many submitters explained to us that the current plan regime of permitted activities and a design guideline (which has no compulsion about it in the case of permitted activities) were not working to satisfactorily maintain character or amenity values. Our physical site inspections led us to agree that many of the recent house builds around Arrowtown lack any obvious historic heritage or built character 'Arrowtown-ness'. Our on-the-ground reality considerably undermined the conclusions of both Ms. Lutz and Mr Knott, which we found to be too generalised and idealistic, devoid of 'real world' consideration. We simply do not agree that all of Arrowtown is a s6 historic heritage township.

- (e) Our own observations reinforced to us that there is an obvious difference in character between what is described in the Arrowtown Design Guidelines 2016 as the 'old town' and the 'new town' (see **Figure 3**). Historic heritage and highly coherent character values without doubt predominate in the old-town area in terms of all of:
- (i) Typical dwelling sizes and heights; and
  - (ii) Street type and character.
- (f) It was obvious to us that the larger-scale buildings with less-Arrowtown-ness about them were much more common in the new-town areas, especially the outer areas that were fundamentally subdivided and first-developed in recent decades (opposed to being redevelopments of previous dwellings or infill on existing allotments). We found no coherent pattern of character but rather, as common in towns across New Zealand, especially holiday destinations, a mix of styles that have evolved with the concept of a 'crib' (and now to some very large houses), but which have retained a consistent 1-2 storey scale of largely detached dwellings on separate sites.

**Figure 3 – 'Old' and 'new' town areas from the Arrowtown Design Guidelines 2016 (page 4), no scale**



- 8.32 In conclusion, other than the Town Centre Zone and ARHMZ, we do not accept the argument that Arrowtown as a whole contains historic heritage and/or amenity values constraints of such spatially continuous coherence or significance that no enablement of height of density at all beyond the status quo could be acceptable. Although we would agree the many houses we visited were of a high-quality and offering high amenity it was just not the case that there was a specialness that distinguished them from equally beautiful homes in beautiful settings we visited in parts of Wānaka, Arthurs Point, Hāwea and Queenstown.

*What is commensurate?*

- 8.33 We acknowledge that of the District's settlements other than Queenstown and Wānaka, Arrowtown offers the greatest level of accessibility both on account of its own scale and range of commercial activities and community services, and its proximity to the eastern urban edges of Queenstown. But we find that despite being "more" accessible than Arthurs Point and Hāwea, Arrowtown is not sufficiently accessible that 3-storey apartment-style living would be "commensurate" (noting we have previously found it would also not be justified under NPS-UD Policy 5(b) either). Most residents will regularly still need to commute away from the village in meeting their daily needs and in many (if not most) cases, this will be by private vehicle.
- 8.34 We find that for Arrowtown, which is still a small village in the context of New Zealand's various settlements, 2-storey development in line with the bulk and location standards of the existing zones would be commensurate, in terms of building heights and associated scales and massing.
- 8.35 However, as also discussed above, we find that additional density within that bulk and location framework would be commensurate and is justified to implement Policy 5 NPS-UD in both the LDSRZ and MDRZ. We refer to our earlier discussion of the approach we have determined to be most appropriate for those zones.
- 8.36 Although not a matter we find confined to Arrowtown, when we discussed issues of greater density (but not height) in Arrowtown, a key concern identified by submitters was in terms of on-site car parking for dwellings, which we have touched upon earlier. It was explained to us by numerous submitters that in Arrowtown car parking along streets is even more important including in terms of facilitating tourist / visitor access given the wide regional and even international draw that Arrowtown has. Many submitters explained to us that more vehicles are being parked on the street berms and, as there are no footpaths, creating problems for people walking. The Panel accepts that in this context it creates a valid resource management concern. Although the Council has Local Government Act powers to manage public roads and parking spaces, the Panel accepts that the overall scale of on-street parking likely to result from intensification arising from the notified UIV is relevant.
- 8.37 As explained earlier, subpart 3.38 of the NPS-UD prohibits the imposition of any minimum car parking requirement in a District plan. It does provide for accessible car parks. The Panel accepts that it cannot require car parking with any development resulting from the UIV and cannot grant relief to those submitters that sought requirements for all resident car parking to be on site.
- 8.38 In consideration of the effects of most concern to the submitters, the Panel finds that it is the importance of day-time supply that allows social and economic wellbeing through provision for drop-offs, emergency or service vehicles, loading and unloading of shopping, occasional contractor access, home occupations and so on. The inability of the higher densities of development otherwise seen by the Panel as commensurate with Arrowtown's accessibility to be reasonably serviceable in a manner that does not rely on the (unrealistic) assumption that conveniently located, existing on-street car parking will always be on-hand would present potentially significant social and economic effects for Arrowtown (but in fairness also the other

towns and villages subject to the UIV). It is also simply reality that suburban-type residential units require day-to-day loading and servicing which is often entirely vehicle-based (i.e., such as tradesperson with specialised equipment in a vehicle that cannot be substituted via bicycle or bus) especially within Arrowtown (and the District generally given its dispersed nature and climate/topography).

8.39 The Panel accepts the serious concerns of submitters relating to potential adverse effects arising from intensification but is also prohibited by the NPS-UD from simply requiring a minimum general car parking provision for dwellings proposed because of UIV-based additional intensification. But in consideration of what the NPS-UD does provide for and the consequential potential adverse effects that additional intensification could result in, the Panel has decided as follows (for all the District's SRZ and MDRZ not just Arrowtown):

- (a) For all dwellings that seek higher density than the permitted standards allow, a minimum net area must also be provided demonstrating how the dwelling complies with the relevant development standards; has legal access compliant with the District Plan's requirements; and has at least one small vehicle loading space for a private car sized light commercial vehicle designed to comply with the District Plan's requirements for standard car parking spaces. The reasons for this approach are in summary:
  - (i) Although individuals may choose to want a private car park or not, the Panel has no doubt that over the lifetime of a dwelling (and the unlimited period of any subdivision approved based on that dwelling), every dwelling will have reasonable need of adjacent loading access for such things as:
    - (1) Contractor / building maintenance access including where the contractor needs convenient access to the vehicle where tools or equipment are stored;
    - (2) Home occupations and business;
    - (3) Uber / taxi or courier drop-offs or, importantly pick-ups that may not be secure or practicable from a public street;
    - (4) Emergency service vehicle access; or
    - (5) Household shopping unloading and courier drop offs/collection.

8.40 We are mindful of numerous other location-specific matters:

- (a) Retaining the existing Arrowtown Design Guidelines is not in the Panel's view acceptable. As mentioned above, and by Ms Lutz in her evidence,<sup>282</sup> their effectiveness is limited at any rate, especially for permitted activities. Ms Bowbyes accepted during the hearing that the guidelines were premised on the development outcomes provided within the PDP and that a future plan change process would be required to update those to match the Variation. While she sought the retention of the guidelines in the interim, we do not accept that it is effective or efficient under s32 of the RMA to include reference to a document that is not properly designed for its purpose. We have removed reference to

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<sup>282</sup> Statement of Evidence of Ms Lutz, 4 July 2025, Appendix 2, section 8.

the Arrowtown Design Guidelines, but in so doing have retained appropriate reference to the existing character of Arrowtown within the Plan. This includes specific relevant topic headings used within the guideline.

- (b) We have determined that we have no grounds to revisit the settled PDP other than in direct service of the UIV. Despite our agreement with many submitters that the permitted activities possible within Arrowtown have not in many cases maintained or contributed sympathetically to Arrowtown's character, ultimately, we do not agree that we have a proper basis to address this; such as by removing existing permitted activities. For this reason, we have also determined not to revisit the basis of sunlight access to and between sites, although we are appreciative to those that contributed to the Council's reply on this matter.
- (c) But in the case of dwellings on sites smaller (i.e., that are higher density) than the status quo minimums in the Plan, we are satisfied that in what is already to be a restricted discretionary activity an additional discretion should apply requiring the development to be compatible with Arrowtown's existing character. This will ensure any additional adverse effects arising from that greater density will not be locally inappropriate. It also reflects the existing PDP policies for Arrowtown which, in having worked carefully through all the matters we must apply in the context of Arrowtown (and the submissions we heard) we consider to be an appropriate outcome that still gives effect to Policy 5.

8.41 We find that our approach will be not only compatible with Arrowtown's character, but it will also in at least some instances likely lead to superior character outcomes than the status quo Plan seems to be at times delivering. In particular:

- (a) We consider our approach will enable greater variation in dwelling and site sizes than is currently the case.
- (b) The effect of the Panel's approach is to work within the existing built form framework of the PDP (which in terms of building heights is already "commensurate" in Policy 5 NPS-UD terms) and look to promote more housing choice, diversity and variation – particularly in terms of lower cost housing, a point that many submitters, we feel fairly, criticised the Council's approach for a lack of. We consider that despite many submitters telling us plainly that there would and could be no affordable housing in Arrowtown, it is possible to improve the status quo in relation to housing affordability. Our recommendations will make it easier for more people to provide smaller and lower cost dwellings, on more sites and so contribute to more total opportunity for this type of housing than is currently possible.
- (c) One of the character differences between 'old' and 'new' Arrowtown is the higher frequency of small, geometrically simple cottages or cribs in the former; and conversely the larger, contemporary dwellings (reflecting many different design eras and styles) that are more predominant in the latter. It was the large-scale of some of the newer-builds that contributed to concerns expressed by many submitters that they were not respecting Arrowtown's character. Plan provisions that provide a clearer consenting pathway for

more smaller dwellings - but not more larger ones – is in the Panel's finding inherently consistent with some of the key character aspects of the village.

- (d) The effect of our recommendations is to make it simpler on those sites that are not large enough to accommodate two large-scale family houses due to the historic placement of an existing dwelling to provide a smaller house on the balance and contribute to local housing variety – in ways that would not be otherwise viable without demolition of the initial dwelling.

8.42 We lastly consider the evidence presented to us regarding the “fit” between Policy 5 on the one hand, and on the other opinions on the import of Policy 1 NPS-UD as well as existing PDP policies seeking protection and maintenance of Arrowtown’s character. We are satisfied that our findings have, after considerable thought of navigating a pathway where they can work together, heavily reliant on the submissions we received, landed at an outcome that allows the various policy directives to sit in acceptable concert, with no significant incompatibilities.

8.43 Our key findings are that:

- (a) The Arrowtown Town Centre zone and ARMHZ exhibit significant s6 RMA historic heritage values and should not be subject to any Policy 5 up-zoning. Although the Council excluded these from the UIV, the Panel agrees with this and does not consider any separate or future ‘catch up’ process such as is still required for other ODP urban zones also excluded from the UIV is required. The Panel confirms that the additional density it has identified as commensurate under Policy 5 for Arrowtown village as a whole (but excluding existing residential-zoned land in the two ‘bulbs’ of Arrowtown excluded from the UIV, which will be subject to that separate future process referred to in this paragraph) has been fully provided for in the LDSRZ and MDRZ.
- (b) The spatial extent of PDP zones in Arrowtown were not proposed to be changed by, and should not be changed by, the UIV. It is not the case that there is any ‘shortfall’ of Policy 5 enablement resulting from no additional enablements being specifically recommended within the Town Centre zone and ARMHZ.
- (c) Provisions of the LDSRZ (now SRZ) and MDRZ should be amended to enable a clearer pathway for greater residential densities on land within the framework of existing zone standards, and to otherwise manage the effects of the overall extent of intensification to be enabled.
- (d) Proposals to exceed the permitted density limits within the LDSRZ (now SRZ) or MDRZ should be subject to an additional matter of discretion of Arrowtown’s existing character.
- (e) All other references in the LDSRZ (now SRZ) and MDRZ to the Arrowtown Design Guidelines 2016 should be removed and replaced with reference to “Arrowtown’s existing character”. Existing PDP references to the Arrowtown Design Guidelines 2016 should be retained within the Town Centre zone, ARMHZ, and LSCZ noting that these are not proposed to substantially change and their compatibility with the Guideline content will continue.

- 8.44 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Arrowtown.
- 8.45 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **9. WĀNAKA**

### **Background and key issues**

- 9.1 Wānaka (including Albert Town) is the second-largest settlement in the District, and it is a relatively large-sized urban town by New Zealand standards. It has undergone substantial expansion in the past 30 years with the lake and the two rivers, Clutha and Cardrona creating an urban boundary. Its town centre and separate commercial areas provide a locally significant employment base, with the Three Parks area development well-underway but also, and importantly, still possessing a large greenfield (but live-zoned) area of flat land away from sensitive landscapes or landforms.
- 9.2 Apartment-style living is already well-evident in Wānaka in its town centre and in (predominantly) visitor accommodation-based developments generally adjacent to that. Other examples are however present including in the under-development Northlake subdivision.
- 9.3 Wānaka includes Albert Town in its north-east and occupies something of a bowl form between hills on the northern side and foothills on the southern. In the sloped areas the road network is less-connected and less-direct, but overall, the town is quite well connected and is criss-crossed by natural recreational facilities or trails. From many locations spectacular views are available, and the town is a well-known base for ski-related activities at nearby facilities.
- 9.4 Wānaka is now almost continuously urban between Riverbank Road (east) through to Lake Wānaka (west). Existing zoned greenfield land in the east, towards Riverbank Road, sits in very close proximity to the Three Parks centre – planned to be a major commercial centre for the town. Unlike the existing town centre, the Three Parks centre has the capability to accommodate substantial additional commercial floorspace and through the hearings we were advised of rapid development and the recent granting of resource consent for a 5-level hospital at Sir Tim Wallis Drive. In relatively short order the Three Parks centre will have even more commercial activities and community services that cannot feasibly be accommodated in the constrained Wānaka town centre. The Panel has concluded that as the east-side expansion continues, it is inevitable on the submissions and evidence we heard, and our site visit, that overall accessibility characteristics will change from the historic west-side / lakefront ‘bias’ observable today.
- 9.5 Some urban areas were excluded due to being covered in the ODP but not the PDP. That includes the under-construction and quite large Northlake subdivision.

### **Submissions / s42A Report / evidence / legal and lay argument**

- 9.6 The Council’s proposal was, in summary, to expand the MDRZ and HDRZ adjacent to the two key commercial nodes, and enable greater height in the MDRZ, HDRZ, TCZ, LSCZ and BMUZ. Upzoning was proposed in both existing developed and zoned greenfield parts of Wānaka.



- 9.7 In relation to infrastructure Mr Powell's evidence for the WTC and surrounding catchment<sup>283</sup> does not support limiting intensification in this area due to infrastructure constraints. In relation to Three Parks water supply requires an appropriately sized main along Sir Tim Wallace Drive with already budgeted extra storage capacity. Wastewater will be managed through already budgeted upgrades.
- 9.8 Submissions in support and opposition to the UIV were received, although opposing submissions were the prevalent.
- 9.9 In fairness, many of the submissions opposed to the Variation were along very similar lines to what we heard from other parts of the District. As we have done for those areas, we have accepted what we heard at generally face value, including that:
- (a) Affordable housing is the biggest housing issue facing the District and the UIV does little to help that.
  - (b) Allowing people to just build larger and more expensive houses is not going to helpfully address any relevant resource management issue.
  - (c) People do not want to generally live in or be subject to the adverse effects of 3-storey buildings in residential areas.
  - (d) Wānaka is a compact urban settlement, and it is all very accessible, with people regularly using active transport across the whole town (there is a lack of public transport services within Wānaka).
  - (e) Additional height and density in Wānaka will have significant adverse amenity and character effects (including views),<sup>284</sup> adversely affect and lose open space,<sup>285</sup> and landscape effects on the Outstanding Natural Landscape of Lake Wānaka.
- 9.10 We were also advised by several submitters that additional intensification required under the NPS-UD should be provided for in the greenfield parts of town (Three Parks). Whereas for Arrowtown this was not an option open to the Panel, in the case of Wānaka it was.
- 9.11 The principal urban greenfield land in Wānaka is known as Three Parks. This is a large mixed-use area with excellent access to all parts of Wānaka. It accommodates what will become the largest commercial activity centre for the town. As it happens the developer undertaking this project is a submitter (948), provided evidence, see below and Ms Devlin and appeared before us. We asked Ms Devlin whether, if we were persuaded to 'load' into Three Parks a large part of whatever additional height or density of development we determined to be "commensurate" for Wānaka, that would be accepted by the submitter. We were told it would be. We then asked whether, to mitigate the risk of 'putting all of one's eggs in one basket' but then not seeing the market realise the enabled density, the submitter would accept a minimum density requirement in suitable locations. We were told it would.

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<sup>283</sup> EIC Mr Powell at [5.13] – [5.17].

<sup>284</sup> Mr Currie (406) provided us with evidence on these matters. Mr Gray (70 and 303) also provided lay evidence on these matters (and others).

<sup>285</sup> Mr and Mrs Obrien (1029) provided us with a written statement raising concerns regarding the open space amenity values and views of Faulks Terrace recreation Reserve and part of the Wanaka Golf Course being compromised.

- 9.12 We received planning evidence from Mr Williams on behalf of Willowridge Developments (948), Orchard Road Holdings Ltd, and Three Parks Properties Ltd. He supported the increased height in the HDRZ in Three Parks to 20m (as proposed by Mr Wallace) on the basis that "the subject land is well placed to accommodate additional height and support the directives of the NPS-UD."<sup>286</sup> He considers that the recession planes and high level setbacks directly provide for sunlight access and a reduction in building dominance such that RDA for that extra height is not needed. He also does not support recommended additions to Policy 9.2.10.2, considering there is already sufficient policy guidance for the extra height. He provides a s32AA assessment for the extra height.<sup>287</sup>
- 9.13 Submission 198 (O'Shea, Russell, Stiasny) opposes additional heights on several properties on Warren Street based on the groundwater table, ground water effects and the Wānaka Basin Cardrona Gravels Aquifer explained to us by Mr Thomas. Mr Russell provided a lay statement<sup>288</sup> setting out the groundwater issue arising with the Belvedere Apartments, the concerns with the UIV, and seeking a 7m height limit for the specified properties. Ms Morgan considers this a management issue for ORC<sup>289</sup> to regulate through its regional plan, noting it would add to the cost of development. Ms Morgan retained this position, and not recommending any zoning changes, in her rebuttal evidence.<sup>290</sup>
- 9.14 Mr Leckie in his legal submissions explained the shift in focus in relation to the submission, now seeking a wide area of height control (7m) from Bullock Creek to be known as the Bullock Creek Groundwater Overlay." He submitted that the:<sup>291</sup>
- ... refined relief is within the scope of the relief sought in the Submitters' original submission as the Submitters sought that the application of their relief applied to not just the properties immediately adjacent to their own Property but to the MDRZ as a whole. The relief sought has now been refined to apply to the proposed Bullock Creek Groundwater Protection Overlay alone.
- 9.15 Mr Leckie provided a memorandum in reply<sup>292</sup> responding to our discussions during the hearing. He addressed the strategic policy support for the outcome his client was after, provided examples of other District plans that provide explicit control over matters related to groundwater in District planning and argued that the relief his clients were now seeking was within the scope of the original submission.
- 9.16 Ms Baker-Galloway provided legal submissions on behalf of Brian Kreft and the Wanaka Trust<sup>293</sup> who provided further submissions (1373 and 1374) opposing submission 198. Her key submissions were that this is an issue for the Otago Regional Council to address (and they had through a PA rule), the extent of the aquifer (across most of Wānaka) and that to the degree there were land use elements to it those were appropriately covered within the PDP earthworks chapter already.

<sup>286</sup> Statement of Evidence for Mr Williams, 4 July 2025, at [7].

<sup>287</sup> Statement of Evidence for Mr Williams, 4 July 2025, at [15].

<sup>288</sup> Dated 8 July 2025.

<sup>289</sup> S42A Report (Rezoning Residential) at [13.9].

<sup>290</sup> Rebuttal Ms Morgan at [9.2].

<sup>291</sup> Submitters legal submissions, 27 August 2025, at [29].

<sup>292</sup> Dated 3 September 2025.

<sup>293</sup> Dated 26 August 2025.

9.17 In her reply evidence Ms Morgan states:<sup>294</sup>

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

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

9.18 Turning to the effect being managed, a high groundwater table, Ms Morgan does not consider that unusual and remains of the opinion that the issue sits with the regional plan and is covered by it (the issue is the regional plan settings being too enabling). In relation to other matters raised Ms Morgan<sup>295</sup> does not consider it efficient to duplicate regional council functions through a District plan rule and also considers that the example of *Re Otago Regional Council*<sup>296</sup> she understands it concerns earthworks rules that sit in both plans which she considers appropriate as they regulate different functions transport network and amenity v receiving waterbodies) which she sees as different to direct overlap of impacts on groundwater table. Finally, Ms Morgan undertakes a detailed assessment of the options available under s32AA.

9.19 Ms Morgan adopts a similar position in relation to submission 1153 regarding concerns of development on Bullock Creek.<sup>297</sup> She considers that the change in effects of the zoning on Bullock Creek is sufficiently addressed in the UIV provisions and the regional plan. We address issues raised by this submitter relating to the WTC in Section 16.

9.20 Ms Morgan also considered the potential effects of more intensive zoning on the former Chalmers' Cottage (OS212). She concludes that the heritage values of the site will be appropriately protected.

9.21 Overall, Ms Morgan also supports the notified UIV zoning in this area.<sup>298</sup>

**Findings / decision / provision changes**

9.22 We do not agree that additional height and density of development in Wānaka will lead to inappropriate adverse effects on the ONL of Lake Wānaka such that s6(b) of the Act might have become engaged. We address this issue also in Section 16. No expert evidence or assessment seriously argued this point. The Lake ONL is already interfaced with development that, especially on sloped land, tiers up from the lake level several storeys as an extensive urban mass. The Variation will not significantly change this relative to the large-scale of the ONL.

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<sup>294</sup> Reply Ms Morgan at [4.4] and [4.5].

<sup>295</sup> Reply Ms Morgan at [4.6] - [4.13].

<sup>296</sup> [2022] NZEnvC 101, [2022] ELHNZ 152.

<sup>297</sup> S42A Report (Rezoning Residential) at [13.10].

<sup>298</sup> S42A Report (Rezoning Residential) at [13.3].

- 9.23 We find that Wānaka provides an overall accessibility by active modes to a substantial range of commercial activities and community services such that 3+ storey development including apartment-style living would be commensurate with that.
- 9.24 In terms of the Council's Reply provisions for Wānaka,<sup>299</sup> in the first instance we accept that it presents an orthodox response that would enable a commensurate outcome. This makes it an appropriate outcome in s32 RMA terms, but it is not the most appropriate outcome in the Panel's mind given the submissions received and how we came to view accessibility across Wānaka. But were it not for our finding that follows, we acknowledge we would have been inclined to accept the Council's position or something like it as ultimately giving effect to Policy 5. The principal reason the Council's position is not the most appropriate outcome is because given our position on accessibility (and viewing Wānaka in its context) we accept the many submissions that the notified UIV would likely present numerous, and at times substantial, adverse effects on existing residents and neighbours when future development occurred. While typically we have applied NPS-UD Objective 4 and Policy 6, and the requirement to give effect to Policy 5, in the case of Wānaka, an alternative is available wherein it is possible to still achieve a Policy 5 commensurate up-zoning, and indeed more overall additional density enablement in the town as a whole than proposed by the Council's position, while avoiding, remedying or mitigating many of the potential adverse effects on existing residents, neighbours and neighbourhoods than required of the Council's position. Change will still occur in relation to our acceptance of the notified UIV extended areas of MDRZ and in our clearer consenting pathway for greater density in the LDSRZ and MDRZ. We consider that our recommended change will deliver a well-functioning urban environment in Wānaka; aligned with Policy 1 of the NPS-UD.
- 9.25 As discussed above, the Panel does not agree that the NPS-UD requires a uniform, site-by-site upzoning solution in every case. In consideration of the town's existing character and amenity values and its accessibility; the availability of a large area of zoned greenfield land that could accommodate substantial additional density (and in the case of Three Parks land, a developer willing to accept an expectation for a minimum density); that over time Three Parks will become a much larger commercial node; and because submitters so frequently described how they live and move around the whole settlement, not just the Town Centre zone, an alternative approach is justified and appropriate. In reaching this view, the Panel finds that it must inherently be able to (and it would be artificial not to) consider planned medium and long-term changes in commercial development and corresponding accessibility / commensurate zoning, such as are enabled for Three Parks within the PDP (and we were told were occurring and saw during our site visit), when considering what medium and long-term residential zoning is most appropriate. To 'close our eyes' to such fundamental change occurring, which we were told about and saw, would create a planning outcome through the UIV that is fanciful and will not give effect to Policy 5 of the NPS-UD. In this respect the Panel sees residential and commercial development occurring at and around Three Parks alongside one another over time.
- 9.26 In summary, Wānaka presents an unusual case of a reasonably small-scale town with zoned greenfield land that is simultaneously located in a quite central (and in the future more central)

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<sup>299</sup> Reply Ms Bowbyes, Appendix A.

location capable of accommodating a substantial proportion of urban growth. This can take the pressure away from other existing parts of Wānaka where additional intensification, potential benefits of that notwithstanding, will have adverse effects on existing residents and neighbours that can otherwise be avoided remedied or mitigated.

9.27 Our main findings are:

- (a) The extent of Council proposed up-zoning to a higher intensity zone (as per its Reply version position) is accepted to the extent it is consistent with the mapping in **Appendix 1**.
- (b) Other than on Areas A and B identified in **Figure 4**, MDRZ and HDRZ zones shall be limited to the pre-UIV PDP building heights, with amendments otherwise proposed to bring the zones into alignment with other UIV-based residential zones and manage the effects of what could be higher long-term densities than was likely under the UIV.
- (c) In the area identified as “Area A” in **Figure 4**, all land currently zoned LDSRZ, MDRZ or HDRZ shall be subject to the Council’s s42A version of the HDRZ, which the Panel has re-named High Density Residential A Zone (HDRAZ), to differentiate its height limits and other provisions from the HRDZ. Within this new zone, an additional matter of discretion shall be added requiring that proposals achieve the highest practicable density that the local market can support at the time of the application. This is to maximise the efficient use of the land as a ‘growth sink’ and ensure that not up-zoning other existing parts of Wānaka that at face value could have been justified under Policy 5(a) will not have adverse social or economic effects. The Panel is satisfied that the land identified for HDRAZ can accommodate substantial density and height without creating inappropriate adverse effects on the community or the environment.
- (d) In terms of the minimum density discussed and agreed in principle with the submitter, we asked the Council and were referred to the TPLM zone.<sup>300</sup> That includes, in part of the zone, a minimum density of 40 dwellings / hectare. We considered this issue and concluded that it would not be appropriate to roll-over that rule to Three Parks, including because that specific numeric value was not put to the submitter to respond to, and we have no evidence to demonstrate that just because that density might be market-appropriate in the Wakatipu Basin, it would also be appropriate in Wānaka. For these reasons we also abandoned any attempt to derive our own Wānaka-specific minimum density requirement. We find our proposed approach is flexible, efficient, effective, and suitably within the scope of our process as well as reasonable to the key submitter – who’s willingness to absorb a large part of the urban growth in Wānaka we acknowledge.
- (e) In the area identified as “Area B” in **Figure 4**, all land currently zoned LDSRZ or MDRZ shall be subject to the Council’s Reply version of the MDRZ, which the Panel has re-named Medium Density Residential A Zone (MDRAZ), to differentiate its height limits and other provisions from the MRDZ. The Panel recognises that there is some existing development in this area but is satisfied that the land identified for MDRAZ can accommodate additional density and height without creating inappropriate adverse

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<sup>300</sup> Reply Legal Submissions for QLDC, 1 October 2025, Appendix 1.

effects on the community or the environment. The Panel also recognises that presently its accessibility is not the same as around the WTC. But, as expressed for Area A, the Area is adjacent to the Three Parks development and will see significant change over the short-medium term. We consider that this change should be enabled at a greater density to be commensurate in Policy 5 terms (and taking our Wānaka wide approach).

**Figure 4 – recommended MDRAZ and HDRAZ zones in Wānaka, no scale.**



- (f) The HDRZ, being based largely on the existing PDP zone, can retain its existing reference to the Council's residential design guidelines. But for the balance of the zones, existing references to design guidelines are removed. The rationale that we explained for this in Section 8 applies equally here too. A guideline that applied to a significantly different environment (and which no longer aligns with an outcome required by the NPS-UD) cannot be retained; that would be inefficient and ineffective. That said, as will become apparent. We have not ignored the importance of appropriate character and amenity reflecting the significant new uplift in the MDRAZ and HDRZA areas. In doing so we were aided in our thinking, although we have applied our own approach, by the advice from Mr Freeman and Ms Costello attached to the Memorandum of Counsel on behalf of the Multiple Submitters.<sup>301</sup>
- (g) Land subject to modified PDP version of the MDRZ and the LDSRZ (to be named SRZ) should be subject to the additional density pathway identified and discussed in Sections 13 and 14. This will provide important non-apartment options for growth in the urban area in a way that can enable more-affordable, smaller dwellings.

<sup>301</sup> Dated 14 August 2025.

- (h) The LSCZ (see section 13) and BMUZ (see Section 18) should be retained largely in their pre-UIV PDP state. In the context of Wānaka, and both the existing Town Centre and Three Parks 'nodes', these smaller-scale commercial areas will not of themselves warrant additional 'spot' development concentrations.
- (i) The Panel is persuaded to generally agree with the Council's proposals for the Wānaka Town Centre zone but has made some amendments to proposed provisions as set out in Section 16.

9.28 The Panel's overall recommendations for Wānaka:

- (a) Achieves a middle ground that accommodates the requirements of Policy 5 (and the NPS-UD as a whole) and concerns of many submitters that adverse effects from the UIV proposal on existing character and amenity values were not being avoided, remedied or mitigated to the extent that they could or should be.
- (b) Remains consistent with the Council's centre-based focus because the HDRAZ and MDRAZ are adjacent to the Three Parks commercial centre; and because although not preferring the Council's additional height proposal for MDRZ and HDRZ adjacent to the Wānaka Town Centre, the Panel's recommendations nevertheless do still provide for additional density in that land over and above what the PDP enables (noting the limited capability the town centre has for ongoing commercial expansion to match a much larger local population around it).
- (c) Takes best practical advantage of the unusual situation of zoned greenfield land, positioned where adverse effects from high density development would be minimal, that can simultaneously also be described as central and close to a major commercial centre.

9.29 The Panel recognises that within the identified Areas A and B substantial change to existing amenity values may occur because of the intensification we recommend and that this goes against what some of those landowners had sought. As noted earlier in our decision, having determined that a NPS-UD Policy 5 increase in densities and heights was required, our task has been to find the most appropriate overall solution for that based on considering the submissions, evidence, or site visit and other characteristics of the town. It has not been possible to only enable that part of the NPS-UD Policy 5 requirement that could be said to be consistent with *all* existing amenity values. We also note the important role that NPS-UD Objective 4 and Policy 6 play in relation to the change in amenity values reflecting growing urban environments. We recognise the strategic policy direction in Chapter 3 relating to the WTC but, as addressed already above, when we are giving effect to the NPS-UD we do not agree that they can legally override our recommendations. We also recognise the time when those policies were developed compared to this decision in late 2025. Things have moved on and our decision needs to (and in this case given the requirement to give effect to the NPS-UD must) reflect the submissions and evidence we heard and saw throughout this process.

9.30 We recognise that some people in Areas A and B may not have submitted on the UIV as they supported the notified UIV approach. Given the context of Areas A and B (adjacent to and surrounding Three Parks and is currently going through a significant degree of change) and the

changes already proposed in the Areas through the notified UIV, we consider that the changes we recommend are a logical and foreseeable outcome of the UIV process and that no person has been denied a reasonable chance to be involved so as to be prejudice in any reasonable way.

- 9.31 In overall conclusion, the Panel's solution for Wānaka is bespoke and different to what has been possible or appropriate in the other towns and villages subject to the UIV, based on its unique combination of accessibility, scale, availability of zoned urban land, and transitioning urban form via a planned and growing secondary commercial core (which is significantly less constrained than the WTC). It is large enough (in terms of the scale of commercial activities and community services accessible to people), and has sufficient anticipated growth (as identified by Ms Fairgray), to justify a scale of 3+ storey up-zoning that Arthurs Point, Arrowtown and Hāwea (and many suburban areas of Queenstown) do not, but has the characteristics of still being of a small-enough scale coupled with the availability of high-density-development-compatible and very centre-proximate greenfield land that it has been possible to avoid most adverse effects of higher density development on existing residential areas in the town – an option that was not available in Queenstown.
- 9.32 Given our findings and recommendations above the issues raised by Mr Leckie on behalf of his clients as to groundwater matters become largely moot as the existing MDRZ heights around Bullock Creek apply through the Panel's MDRZ. However, to be clear, we do not however agree that the PDP in the context of the circumstances before us needs to specifically regulate the issue of groundwater. We consider that the existing PDP earthwork provisions, and the ORC Regional Plan, provide an adequate approach and having an additional overlay area is unwarranted. We therefore agree with the position of Ms Baker-Galloway and Ms Morgan.
- 9.33 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Wānaka.
- 9.34 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or in part) that oppose them.

## **10. HĀWEA**

### **Background / key issues**

- 10.1 Hāwea is a small village on the shore of Lake Hāwea. It enjoys a small commercial area and access to recreational settings. It also has a proportionately quite large greenfield live-zoned area of land immediately south of the existing village. Being live zoned within the PDP, it is subject to the UIV. The village sits on generally quite flat land but above the lake level. It is at the northern end of the (large) Hāwea Flat, and it is approximately 14km from the Hāwea village (eastern) side of Hāwea Control Structure Road to the Wānaka-Luggate Highway roundabout with Sir Tim Wallis Drive, the commercial high street of Wānaka Three Parks commercial centre (the closest major centre to Hāwea).
- 10.2 Hāwea is the least-accessible, most remote settlement that is subject to the UIV and it has the lowest level of accessibility to commercial activities and community services. The Panel understands, for instance, that it was only in very recent times that a small supermarket



commenced trading. Overall, the range of commercial activities and community services available for the community within the village is low but it does have a small area of LCSZ in the existing settled area, as well as a larger undeveloped one in the Hawea South area (see Section 13).

#### **Submissions / s42A Report / evidence / legal and lay argument**

- 10.3 The Council's approach was relatively modest. No changes were proposed by the notified UIV to the spatial zone mapping extents of the PDP and largely sought upzoning at the LCSZ and MDRZ in line with what has been generally proposed across the settlements within the UIV. Although some submitters sought additional development outcomes on specific sites, most submitters addressing Hāwea were opposed to the UIV. Key issues raised by submitters were:
- (a) That Hāwea was very small and has a distinctive high-amenity character not compatible with additional height in particular.
  - (b) That other locations were better suited for intensification.
  - (c) That greenfield locations would be superior to the existing developed urban area.
  - (d) That Hāwea lacked the activities and infrastructure to accommodate growth. The Panel was told by submitters that Hāwea had insufficient infrastructure to service the needs of the existing population, including bus-service limitations and the one-lane bridge at Albert Town.
- 10.4 In relation to infrastructure Mr Powell's evidence for the Hāwea<sup>302</sup> for water supply development of the spatial plan area to the south will require significant upgrades or a new system in that area, either of which could accommodate the intensification. For wastewater the plant is presently at capacity, but a new project (pipeline) is to be completed by 2029.

#### **Findings / decision / provision changes**

- 10.5 We find that Hāwea has a level of accessibility to a scale of commercial activity and community services that is commensurate with no more than 2-storey residential development. In consideration of the existing zones and the Hāwea South greenfield area, we find that the PDP-based LDSRZ (to be named SRZ) and MDRZ using existing enabled heights and an additional density pathway, will be commensurate and the most appropriate way to implement Policy 5.
- 10.6 In terms of the LSCZ in Hāwea South, we recommend that this remains subject to the PDP LSCZ with modifications made to bring the chapter into alignment with others modified through the UIV (see Section 13).
- 10.7 In terms of the LCSZ within Hāwea, we do not agree with additional height being enabled through the UIV as set out in Section 17. Although we received evidence in support of an up-zoning (height), that evidence was not based on compelling NPS-UD Policy 5 argument relating to relative demand or accessibility; it was premised on the detailed matter of potential adverse effects being manageable. This was not in the Panel's view a sufficient reason to use NPS-UD Policy 5 to upzone the land, and on that basis the Panel acknowledges that there may well be a very compelling non NPS-UD based argument to support additional height or scale of

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<sup>302</sup> EIC Mr Powell at [5.25] – [5.28].

development on the site than the zone standards provided for. A land use consent would be the appropriate means to test that noting our separate recommendation to change building height infringements from a non-complying activity to a discretionary one.

10.8 We considered whether, like Wānaka, there was a role for the Hāwea South greenfield area to accommodate a 'growth sink' to relieve the growth burden on the existing part of the village. We found that it was not an appropriate option for Hāwea because:

- (a) The overall commensurate level of built form in response to Policy 5 did not present substantial adverse effects on the existing area that would benefit from specific mitigation such as was the case in the MDRZ and HDRZ areas in Wānaka.
- (b) The additional density proposed within the LDSRZ (to be named SRZ) and MDRZ is consistent with the PDP's planned built form character outcomes given it relies on the PDPs existing bulk and location standards.

10.9 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Hāwea.

10.10 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or in part) that oppose them.

## 11. CHAPTER 2 – DEFINITIONS

11.1 The UIV notified two new definitions: habitable room and outlook space. These definitions are to apply to the MDRZ, HDRZ, QTCZ, WTCZ, LSCZ and BMUZ.

### Habitable room

11.2 In relation to the definition of habitable room three submissions were received in support<sup>303</sup> and 14 in opposition.<sup>304</sup> Ms Bowbyes states:

Ten submission points seek changes to the definition of habitable room (linking it to size instead of use) and seek<sup>5</sup> the inclusion of a new definition for Principal Habitable Room. The submissions state that the outlook space standards themselves refer to both 'principal living room' and 'habitable rooms', that the notified definition of habitable room is uncertain, and that there is no definition for 'principal living room'. The definitions sought by these submitters are:

(a) 'Habitable Room' which is proposed to be amended to "any room in a residential unit or visitor accommodation unit that exceeds 8m<sup>2</sup> , except for a garage, hallway, stairwell or laundry"; and

(b) A new definition of 'Principle Habitable Room' sought to be inserted in Chapter 2, sought to be defined as "the Habitable Room within a residential unit or visitor accommodation unit with the largest floor area."

11.3 In her s42A Report (Chapters 2, 4 and 7) Ms Bowbyes states that it is not the size of the room that matters for outlook space but the type of use it receives. That approach is supported by Mr Wallace in his evidence.<sup>305</sup> Mr Wallace also notes, and he discussed it during the hearing, that

<sup>303</sup> Submissions 389, 509 and 807.

<sup>304</sup> Submissions 10, 399, 10, 399, 762, 763, 764, 768, 769, 770, 771, 773, 776, 948, 1263 and 1263.

<sup>305</sup> EIC Mr Wallace at [6.3].

the definition aligns with other regulations which he considers "to be beneficial in aiding in interpretation and application of the various requirements that these matters are aligned."<sup>306</sup>

- 11.4 In response to submissions 10 and 948 Ms Bowbyes recommends that the changes sought be rejected, again based on the use of the room being the key factor.<sup>307</sup>
- 11.5 Mr Edmonds<sup>308</sup> for Scenic Hotel Group Limited (763) sought replacement wording to the notified definition of habitable room on the basis the proposed wording would be prone to misinterpretation and lead to administrative uncertainty. In response Ms Bowbyes remains of the opinion that linking the definition to the size of a room may mean it unintentionally captures additional room types. She therefore recommends no change.<sup>309</sup>
- 11.6 Overall, in relation to the definition of habitable room, we agree with Ms Bowbyes for the reasons she provides.

### Outlook space

- 11.7 Submission 948 sought clarification to the definition of "outlook space" that it was to be measured from the largest window. Ms Bowbyes states that the definition was taken from the Medium Density Residential Standards (**MDRS**) and ensures that the benefits of having the outlook space adjoining the internal space are maximised.<sup>310</sup> She recommends that the relief sought be rejected.
- 11.8 However, Mr Wallace recommends<sup>311</sup> that the definition of 'principal living room' in the definition be replaced with 'main living room'. Ms Bowbyes agrees with Mr Wallace's recommendation and provides a s32AA assessment in support.<sup>312</sup>
- 11.9 During the hearing we asked Ms Bowbyes to consider whether her recommended version of the definition of Outlook Space is appropriate to ensure adequate outlook from the main living area is achieved. In her reply evidence Ms Bowbyes considered that the s42A wording was appropriate and did not recommend any further changes.<sup>313</sup>
- 11.10 We agree with Ms Bowbyes drafting of the definition of Outlook Space for the reasons she provides and agree it is appropriate in those situations where the UIV will provide a material increase in the height or density of development to what the PDP already provides. We therefore accept submissions supporting the notified UIV in whole or part insofar as they align with our decision and recommended provisions in **Appendix 1** and reject them in whole or part to the extent they differ.

### Other definition matters

- 11.11 For completeness:

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<sup>306</sup> EIC Mr Wallace at [6.2].

<sup>307</sup> S42A Report (Chapters 2, 4 and 7) at [4.12].

<sup>308</sup> Statement of Evidence of Mr Edmonds (763, 764, 1344, 1366), 4 July 2025, at [5.11].

<sup>309</sup> Rebuttal Ms Bowbyes at [6.7].

<sup>310</sup> S42A Report (Chapters 2, 4 and 7) at [4.13].

<sup>311</sup> EIC Mr Wallace at [6.2].

<sup>312</sup> S42A Report (Chapters 2, 4 and 7) at [4.19].

<sup>313</sup> Reply Ms Bowbyes at [6.2] – [6.3].

- (a) Mr Edgar in his evidence for Edgar Planning Limited (FS1377) sought amendment to the notified definition of ground level (to reflect the national Planning Standard).<sup>314</sup> Ms Bowbyes comments that none of the original submissions of which this further submission relies seeks changes to the definition of ground level. She recommends that this relief be rejected.<sup>315</sup> We agree with Ms Bowbyes and we reject these submissions for the reasons she provides.
- (b) Submissions<sup>316</sup> seeking new or amended definitions for Principle Habitable Room and Habitable Room. Mr Wallace rejected these changes based on alignment with regulations.<sup>317</sup> We agree with Mr Wallace for the reasons he provides and reject these submissions.
- (c) FENZ (submission 709) sought changes to a number of definitions.<sup>318</sup> Ms Bowbyes addressed<sup>319</sup> each change sought in turn, recommending that most be rejected for the reasons provided but that the minor amendment to Hazardous Substance be accepted. If that change is considered out of scope, she recommends that it is made by clause 16 of Schedule 1 to the RMA. We consider that the change is out of scope with the UIV but accept that it should be made under clause 16. Otherwise, we agree with Ms Bowbyes, for the reasons she provides, that the relief sought be rejected.

11.12 Finally, Ms Bowbyes addresses submissions that respond to the Chapter as a whole (without any specific relief sought. Seven submissions<sup>320</sup> supported the Chapter and 21 submissions opposed.<sup>321</sup> As Ms Bowbyes noted given the lack of specifics it is difficult to respond to the submissions.<sup>322</sup> We agree with Ms Bowbyes that the submissions in general support be accepted and the submissions in opposition be rejected.

## 12. CHAPTER 4 – URBAN DEVELOPMENT

12.1 Ms Bowbyes addresses the minor (tidy up) changes proposed to this Chapter as follows:

The notified provisions include minor changes to PDP Chapter 4 – Urban Development to improve alignment with the NPS-UD. The notified changes to Chapter 4 are, in summary:

(a) Two minor changes to the Purpose Statement (Provision 4.1) as follows:

- (i) Addition of the words "at least" in paragraph 2, as the NPS-UD now requires all authorities to provide *at least sufficient* development capacity as opposed to just *sufficient* development capacity; and
- (ii) Deletion of the words "as defined in the NPS UDC", as high-growth urban areas are not defined in the NPS-UD, which has now superseded the NPS-UDC;

(b) One minor change to the wording of Policy 4.2.1.4, to reference the NPS-UD and delete the current reference to the NPS UDC.

<sup>314</sup> Statement of Evidence of Mr Edgar, 4 July 2025, at [20].

<sup>315</sup> Rebuttal Ms Bowbyes at [6.12]

<sup>316</sup> Including submissions 763, 764 and 768.

<sup>317</sup> EIC Mr Wallace at [6.2].

<sup>318</sup> Summarised in the s42A Report (Chapters 2, 4 and 7) at [4.21].

<sup>319</sup> S42A Report (Chapters 2, 4 and 7) at [4.23] – [4.38] and [4.41].

<sup>320</sup> Submissions 9, 72, 72, 139, 139, 468 and 498.

<sup>321</sup> Submissions 31, 32, 36, 184, 207, 223, 260, 335, 354, 359, 379, 401, 405, 424, 450, 453, 463, 463, 507, 510 and 822.

<sup>322</sup> S42A Report (Chapters 2, 4 and 7) at [4.45].

- 12.2 There were numerous general submissions supporting<sup>323</sup> and opposing<sup>324</sup> the amendments to Chapter 4. These generally aligned with being for, or against, the UIV and were summarised by Ms Bowbyes.<sup>325</sup> We agree with the submissions in support and reject the submissions in opposition for the reasons provided by Ms Bowbyes.
- 12.3 QAC (822) sought that the words "including nationally Significant Infrastructure under the NPS-UD" be included in the purpose statement. Ms Bowbyes considers this inclusion is not appropriate as matters including integration between land use and infrastructure are addressed in the preceding paragraph of the purpose statement.<sup>326</sup> Further she considers that within the PDP framework its inclusion will add unnecessary complexity. She therefore recommends that this relief be rejected, and we agree for the same reasons.
- 12.4 Southern Lakes Property Trust Limited (1055) also submitted on the purpose statement but did not provide any specifics. Ms Bowbyes speculated that this may relate to increased BMUZ heights but as there were no specifics recommends that the relief sought be rejected. We agree for the same reasons.

### 13. CHAPTER 7 - LDSRZ

#### Background / key issues

- 13.1 In reviewing the PDP for the establishment of the UIV barriers were identified to achieving the densities enabled in the provisions. In her s42A Report (Chapters 2, 4 and 7) Ms Bowbyes states:<sup>327</sup>

... A key aim of the notified UIV as it relates to the LDSRZ is to remove the identified barriers to achieving the anticipated density provided for within the current LDSRZ, which is anticipated to occur through a mixture of infill development and redevelopment.

Key changes also proposed to the LDSRZ aim to ensure adequate amenity is provided for within the LDSRZ, and to ensure that development can be serviced prior to grant of consent and to mitigate any potential increase in stormwater runoff.

- 13.2 The key issue for the LDSRZ is the provision of appropriate density through smaller lots sizes and smaller infill housing across the District to help implement NPS-UD Policy 5(b). Obviously the proposed LDSRZ was of interest to many submitters given its wide scale across the District and the change to character that will occur through infilling and slow intensification in smaller lots over time.
- 13.3 This intensification is enabled by several altered provisions all working together as a package, including allowing an average land density of 300m<sup>2</sup>, one residential unit on an existing site less than 450m<sup>2</sup>, reduced minimum dimensions for lots and increased heights. As the largest residential zone in the District these changes have the potential to significantly increase the feasible capacity and diversity of housing typology.

<sup>323</sup> Submissions: 9, 10, 26, 32, 72, 134, 139, 352, 352, 358, 373, 373, 401, 445, 447, 448, 468, 498, 503, 565, 807, 822 and 1055.

<sup>324</sup> Submissions: 10, 32, 134, 352, 373, 373, 401, 445, 447, 448, 503, 822 and 1055.8.

<sup>325</sup> S42A Report (Chapters 2, 4 and 7) at [5.8].

<sup>326</sup> S42A Report (Chapters 2, 4 and 7) at [5.5].

<sup>327</sup> At [6.3] and [6.4].

#### 13.4 Ms Fairgray considers that:<sup>328</sup>

.... the notified UIV is also likely to increase the commercial feasibility of development within the areas covered by the LDSR Zone from that enabled under the current PDP provisions. The application of a minimum lot size of 300m<sup>2</sup> and an average land use density of 300m<sup>2</sup> per dwelling are key factors. These changes increase the total dwelling yield within vacant lot subdivisions, and therefore, the likely return to developers.

#### 13.5 Ms Fairgray stated in relation to the LDSR:

... I consider that the notified UIV provisions are likely to result in some increase in housing affordability in suburban areas in comparison to the current provisions. This is likely to occur through an increase in the number of smaller detached dwellings on smaller site areas. However, the effect on housing choice and therefore affordability is likely to be reduced through limited commercial incentive to provide a greater dwelling mix in suburban areas. The provisions enable developers to produce a range of dwelling types, but do not enable the total dwelling yield to increase through developing a share of sites to contain multiple dwellings.

In my view, a suburban subdivision containing a component of lower intensity attached dwellings (such as duplex pairs) may produce greater economic benefit for households than a subdivision consisting almost entirely of detached dwellings. Inclusion of a component of duplex pairs is likely to increase housing choice and affordability within these suburban areas at an appropriate scale relative to the District's spatial economic structure. By this, I mean that less intensive attached dwellings are likely to form viable options for some households otherwise seeking lower density detached dwellings in these areas, but are unlikely to reduce or dilute intensification that is otherwise likely to occur in more accessible locations.

I note that the LDSR Zone enables the inclusion of a residential flat on each site together with a principal dwelling. This could potentially enable a density of up to an average land area of 150m<sup>2</sup> per dwelling. An important distinction, however, is that the residential flats must fall within the same ownership structure as the principal dwelling. While they can be occupied by separate households (including within the rental market), they are not able to be offered to the home ownership market and sold as separate dwellings.

#### 13.6 In relation to urban design matters generally across Chapter 7, Mr Wallace stated:<sup>329</sup>

The notified UIV proposed a number of relatively minor changes to the LDSRZ provisions. These included some rationalisation of height standards and amendments to density / additional dwelling standards on larger sites to better enable smaller-scale intensification across the existing urban area. Considering the LDSRZ is the most expansive residential zoning applied across urban areas of the District and the limited opportunity for future greenfield development across the District due to topography and the extent of outstanding natural landscapes and features, I consider it important that the LDSRZ provides for a more enabling framework to better enable some level of intensification to occur.

The notified UIV does not propose changes to the PDP provisions to further enable "residential flats", and the PDP already has a relatively permissive framework in place whereby residential flats are enabled in the urban zones that enable residential units. By definition in PDP Chapter 2, residential flats are required to be ancillary to, and on the same site as, a residential unit, with a maximum floor area of 70m<sup>2</sup>. Residential flats are a permitted activity in the LDSRZ (pursuant to Rules 7.3.2.5, 7.4.3 and the bulk and location standards), and

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<sup>328</sup> EIC Ms Fairgray at [5.14].

<sup>329</sup> EIC Mr Wallace at [7.1] and [7.2].

enable small-format housing in addition to the main residential unit on a site, so that maximum anticipate household densities (including residential flats) of up to 1 in 150m2 are enabled.

13.7 The key issues raised through submissions therefore focused generally on the need for, and appropriateness of, the intensification proposed through the notified UIV as well as specific submissions on the various objectives, policies and rules amended by the UIV throughout Chapter 7 to deliver the proposed intensification.

13.8 Mr Powell considers 3 waters infrastructure servicing across the District in his evidence. He identifies where planned upgrades are sufficient to support additional development and where localised constraints may require developer-led infrastructure improvements. Overall, he supports:<sup>330</sup>

... the UIV framework subject to the retention of infrastructure servicing as a matter of discretion for land use consents. This provides a practical mechanism to ensure development is aligned with infrastructure readiness and funding availability.

### **Submissions / s42A Report / evidence / legal and lay argument**

13.9 As above, many submissions were received in relation to Chapter 7. Most are addressed below but some, for example in relation to Arrowtown, are also addressed in relation to Arrowtown in Section 8.

13.10 In relation to the LDSRZ text, submissions were received relating to:

- (a) The zone purpose statement (11 submission points in support and 19 in opposition<sup>331</sup>). Reasons for opposition included disallowing greater heights on general opposition to intensification, including on amenity grounds. Ms Bowbyes considers these submissions in her S42A Report (Chapters 2, 4 and 7). The LDSRZ already allows for a density of 300m2 via a land use consent for a second dwelling such that, in her view, the changes are "appropriate to describe the development outcomes anticipated to occur in the LDSRZ."<sup>332</sup> Whilst the LDSRZ did not perform as well as other zones in the Accessibility and Demand Analysis barriers to the current provisions in achieving their outcomes had been identified. Ms Fairgray's modelling<sup>333</sup> indicates that the proposed amendments would nearly double plan-enabled capacity in the LDSRZ. Ms Bowbyes considers that the LDSRZ changes assist in implementing the NPS-UD, especially Objectives 1, 2, 4 and 6, and Policies 1, 2 and 6. She therefore recommends<sup>334</sup> that the submissions in support be accepted (and those against rejected).
- (b) Deletion of Policy 7.2.3.2 received 6 submission points in support and 9 against.<sup>335</sup> Reasons for opposition were the same as above. Ms Bowbyes considers these submissions in her S42A Report (Chapters 2, 4 and 7). In her opinion deletion of the policy "will assist with enabling more efficient use of urban land and will remove a current

<sup>330</sup> Summary Statement Mr Powell at [10].

<sup>331</sup> S42A Report (Chapters 2, 4 and 7) at [6.8].

<sup>332</sup> S42A Report (Chapters 2, 4 and 7) at [6.12].

<sup>333</sup> EIC Ms Fairgray, section 4 and s42A Report (Chapters 2, 4 and 7) at [6.14].

<sup>334</sup> S42A Report (Chapters 2, 4 and 7) at [6.16].

<sup>335</sup> S42A Report (Chapters 2, 4 and 7) at [6.20].

barrier to achieving infill development ... ."336 She also considers that the removal of the policy would assist in delivering PDP Strategic Objectives 3.2.2, 3.2.2.1 and 3.2.3, PDP urban development Objective 4.2.2 B and Policy 4.2.2.2 and LDSRZ Objective 7.2.1. She therefore recommends337 that the submissions in support be accepted (and those against rejected).

- (c) Amendments to Policy 7.2.6.2 received 8 submission points in support and five in opposition.338 Reasons for opposition included general opposition to intensification and that appropriate infrastructure was needed first. Transpower also raised specific issues in relation to density and impacts (including reverse sensitivity effects) on the grid. Other submitters sought various changes and additions to the policy (including light spill and dust). Ms Bowbyes considers these submissions in her S42A Report (Chapters 2, 4 and 7). In her opinion the amendment allows consideration of planned infrastructure, including upgrades in conjunction with development proposals. In relation to Transpower's submission the policy applies to all infrastructure with the grid getting additional, and specific recognition through Chapter 30 of the PDP. In her view Transpower's submission to the general policy could have "wide-ranging untested implications for activities in the LDSRZ."339 Further she considers that Transpower's changes would "inappropriately alter the purpose / content of the notified policy and are not warranted as they are addressed by existing PDP provisions."340 Ms Bowbyes notes that light and dust effects are appropriately addressed elsewhere in the PDP. Regarding the submissions in general opposition Ms Bowbyes disagrees and considers the amendment assists with implementing Objective 7.2.6 (noting it too is changed) and PDP SO 3.2.2.1. She also considers that it will assist with implementing the NPS-UD. Therefore, she recommends that the submissions in support be accepted (and those against rejected).
- (d) While no changes were notified to Objective 7.2.6, 4 submission points were received seeking that it also acknowledged planned infrastructure and upgrades.341 Ms Bowbyes considers these submissions in her S42A Report (Chapters 2, 4 and 7). In her opinion the changes would improve alignment with Objective 6 of the NPS-UD and clauses 3.2(2) and 3.3(2) of the NPS-UD and help implement clause 3.35 of the NPS-UD."342 She also considers that the amendment would assist in delivering PDP SO 3.2.2.1 and will improve alignment with UIV notified Policy 7.2.6.2. She therefore recommends343 that the submissions in support be accepted (and those against rejected). As this is a change from the notified UIV, Ms Bowbyes provides a s32AA analysis considering the change will be more efficient and effective and deliver greater benefits.344

- (e) Chapter 7:

336 S42A Report (Chapters 2, 4 and 7) at [6.25].

337 S42A Report (Chapters 2, 4 and 7) at [6.28].

338 S42A Report (Chapters 2, 4 and 7) at [6.29].

339 S42A Report (Chapters 2, 4 and 7) at [6.40].

340 S42A Report (Chapters 2, 4 and 7) at [6.44].

341 S42A Report (Chapters 2, 4 and 7) at [6.50].

342 S42A Report (Chapters 2, 4 and 7) at [6.51] – [6.52].

343 S42A Report (Chapters 2, 4 and 7) at [6.56] – [6.57].

344 S42A Report (Chapters 2, 4 and 7) at [6.58].



- (i) submitter 108 sought that Objective 7.2.1 be amended to ensure continued high amenity values and that Objective 7.2.2 be retained. Ms Bowbyes considered that Objective 7.2.1 be retained as notified and agreed that retention of the current Objective 7.2.2 is appropriate.<sup>345</sup>
  - (ii) The interpretation provision 7.3.2.4 sets out how the LDSRZ rules for residential density are to be applied. Four submissions points were received in support and 7 submission points in opposition.<sup>346</sup> In Ms Bowbyes' opinion, as the notified changes relate to Rule 7.4.9 which is a shift in approach to an average minimum density the guidance provides certainty and will increase the effectiveness and efficiency of the rule. She therefore recommends<sup>347</sup> that the submissions in support be accepted (and those against rejected).
- (f) Chapter 7 Rules (Table 7.4). For the benefit of brevity in this decision the rules submitted on were:
- (i) 7.4.4 (with those in opposition raising character, amenity and sunlight concerns with 4 seeking clarification<sup>348</sup> and 7.4.9<sup>349</sup> (generally, in relation to a number of its specific provisions and in relation to the matters of discretion). Ms Bowbyes recommended that the submissions in support be accepted and those in opposition rejected.<sup>350</sup> During the hearing we asked about the scope of the infrastructure intended for 7.4.9(g)<sup>351</sup> (as explained by Mr Powell). Ms Bowbyes confirmed that it was solely in relation to potable water, stormwater and wastewater services and confirmed that there is scope for the change and completed a s32AA analysis.<sup>352</sup>
  - (ii) 7.4.11 with FENZ seeking an amendment to provide for emergency service facilities as a permitted activity. FENZ seeks the change on the basis that new emergency services may be required as the population grows. Ms Bowbyes considers that discretionary activity is appropriate for emergency service facilities in the LDSRZ,<sup>353</sup> better aligns with PDP Objective 7.2.5 and reflects the broad range of effects that could arise. She therefore recommends that the submission be rejected.<sup>354</sup>
  - (iii) Table 7.5A which update the reference date of the residential development guidelines (which Ms Bowbyes recommends reverting back to the PDP drafting) thereby addressing the submissions in opposition beyond one seeking more

<sup>345</sup> S42A Report (Chapters 2, 4 and 7) at [6.61] – [6.62].

<sup>346</sup> S42A Report (Chapters 2, 4 and 7) at [6.64].

<sup>347</sup> S42A Report (Chapters 2, 4 and 7) at [6.69].

<sup>348</sup> S42A Report (Chapters 2, 4 and 7) at [6.73].

<sup>349</sup> Which are all discussed in detail in the 42A Report (Chapters 2, 4 and 7) at [6.84] – [6.107].

<sup>350</sup> S42A Report (Chapters 2, 4 and 7) at [6.83] and [6.108].

<sup>351</sup> Similar changes are contained in Ms Frischknecht's Reply evidence for Rules 8.4.10 and 9.4.5. We accept those changes for the same reason as this one.

<sup>352</sup> Reply Ms Bowbyes at [7.6].

<sup>353</sup> S42A Report (Chapters 2, 4 and 7) at [6.111].

<sup>354</sup> S42A Report (Chapters 2, 4 and 7) at [6.114].

specifics on impacts on adjacent sites which Ms Bowbyes recommends be rejected.<sup>355</sup>

(g) Chapter 7 Rules – changes to the rules in Table 7.5 relate to the bulk and location standards for building to seek greater flexibility for well-designed intensification:

(i) Rules 7.5.1, 7.5.2 and 7.5.3: Building heights. The notified changes are intended to simplify the current height rules which apply different permitted heights in different locations. This in turn is expected to result in a significant improvement of the commercial feasibility of the plan enabled residential capacity in the LDSRZ.<sup>356</sup> The notified rules would provide for two-storied development throughout the LDSRZ.

Eighteen submissions points were received in support and 128 submission points in opposition.<sup>357</sup> Opposition included a preference to retain the current rules, unfair advantage to new buildings, issues relating to sloping sites (and recession planes).

Mr Wallace referenced the many submissions that sought to retain lower heights for residential units than currently permitted (primarily to retain sunlight).<sup>358</sup> He also notes the UIV retains what he considers to be "quite restrictive" recession planes on flat sites. He concludes that:<sup>359</sup>

... additional controls seeking to reduce overall building height are, in my opinion, unnecessary and restrict design flexibility and typology for no obvious urban design benefit.

In relation to retention of the status quo, in Ms Bowbyes' opinion current building heights limit the opportunity for a second story and drive a larger ground floor footprint. The notified height rules, combined with the minimum density changes, enable more efficient use of urban land (as supported by Ms Fairgray, including in her s32 Report assessment). Ms Bowbyes does not consider that bespoke lower heights are justified. She considers PDP rule 7.5.3 to be an "unnecessary barrier to intensification".<sup>360</sup> Ms Bowbyes also considers that while the intent of the PDP rules is to minimise amenity effects on neighbouring properties the suite of UIV provisions has been modelled and is supported by Mr Wallace's urban design assessment appended to the s32 Report and his evidence. Ms Bowbyes also points to Objective 4 of the NPS-UD (and Policy 6) that urban environments change over time, and those changes may detract amenity values the changes themselves an adverse effect. Ms Bowbyes considers that the changes will assist in implementing the NPS-UD Policies 1 and 2, as the notified changes relate to Rule 7.4.9 which is a shift in approach to an average minimum density the

<sup>355</sup> S42A Report (Chapters 2, 4 and 7) at [6.123].

<sup>356</sup> S42A Report (Chapters 2, 4 and 7) at [6.127].

<sup>357</sup> S42A Report (Chapters 2, 4 and 7) at [6.130].

<sup>358</sup> EIC Mr Wallace at [7.4].

<sup>359</sup> EIC Mr Wallace at [7.6].

<sup>360</sup> S42A Report (Chapters 2, 4 and 7) at [6.140].

guidance provides certainty and will increase the effectiveness and efficiency of the rule.

In relation to differentiation between flat and sloping sites in the PDP rules Ms Bowbyes considers that it is "unduly complex"<sup>361</sup> and can have some unintended consequences. In her opinion having a lower (7m) height on sloping sites would make a second storey challenging and lead to poor design outcomes. In her opinion the 8m height limit would "provide flexibility that will support better design outcomes compared to the existing PDP height rules."<sup>362</sup>

Overall, Ms Bowbyes therefore recommends<sup>363</sup> that the submissions in support be accepted (and those against rejected).

- (ii) Rule 7.5.3 building coverage (maximum permitted 40%) and 7.5.4 landscaped permeable surface coverage (minimum permitted 30%). RCL Henley Downs Ltd (**RCL**, 1253) sought that the maximum building coverage be increased to 50% and some submission points<sup>364</sup> sought that the permeable surface requirement be reduced to 20% (as it would impede intensification on small lots) and that breaches be discretionary activities (as opposed to non-complying). These were considered in the Urban Design assessment to the s32 Report and were found not to unduly restrict development and Mr Wallace considered the provision to not be "particularly onerous" while allowing opportunities for landscaping consistent with suburban character.<sup>365</sup> Ms Bowbyes also considers that it assists with stormwater runoff and recommends that the submissions in support be accepted (and those against rejected).<sup>366</sup>
- (iii) Rule 7.5.5: The UIV changes to the recession planes received 9 submission points in support and 37 in opposition.<sup>367</sup> Some common themes of opposition included requiring that breaches be notified (especially to neighbours) and that the existing recession plane exemption for sloping sites be retained. RCL sought that the measurement be increased to 3.5m high for all boundaries. Ms Bowbyes explains that the changes to Rule 7.5.5 provides an important part of the package of standards forming a permitted building envelope enabling of two storeys. Given the increased height (8m) on sloping sites Ms Bowbyes considers that it is appropriate to remove the current exemption (plus it reduced complexity). Ms Bowbyes also sought the shift the restricted discretionary activities rather than non-complying is more appropriate and will assist in implementing PDP Objective 7.2.1 and Policies 7.2.1.2 and 7.2.1.3.<sup>368</sup> Ms Bowbyes also supported the exemptions as being appropriate.

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<sup>361</sup> S42A Report (Chapters 2, 4 and 7) at [6.148].

<sup>362</sup> S42A Report (Chapters 2, 4 and 7) at [6.150].

<sup>363</sup> S42A Report (Chapters 2, 4 and 7) at [6.151].

<sup>364</sup> S42A Report (Chapters 2, 4 and 7) at [6.154].

<sup>365</sup> EIC Mr Wallace at [7.13] and [7.14].

<sup>366</sup> S42A Report (Chapters 2, 4 and 7) at [6.158].

<sup>367</sup> S42A Report (Chapters 2, 4 and 7) at [6.160].

<sup>368</sup> S42A Report (Chapters 2, 4 and 7) at [6.172].

Mr Wallace considered that the changes provide an appropriate balance recognising the suburban nature of the LDSRZ.<sup>369</sup> Mr Wallace did not support the 3.5m high measurement sought by RCL (1253).<sup>370</sup>

Ms Bowbyes therefore recommends in her EIC that the submissions in support be accepted (and those against rejected).<sup>371</sup>

Evidence was filed by Mr Freeman (planning) and Ms Costello for the Multiple Queenstown Submitters.<sup>372</sup> Mr Freeman notes the intention to aid efficiency but considers that it will be "counterproductive in terms of enabling more efficient use of residential land, and in particular, infill development."<sup>373</sup> He therefore supports retention of the status quo provisions. Ms Costello was clear in her opinion that the UIV proposed amendments "results in the potential for significantly reduced building envelopes on LDSRZ sites, which is counter to the stated intent of the UIV."<sup>374</sup> She considers that the status quo approach is preferable given the NPS-UD policy framework.

Ms Costello and Mr Wallace completed Joint Witness Conferencing<sup>375</sup> on 16 July 2025 and agreed that respect of notified Rule 7.5.5:

- exclude sloping sites from Notified Rule 7.5.5; and
- amend Notified Rule 7.5.5 to include the following requirement for sloping sites:

...no part of any accessory building located within the setback distances from internal boundaries shall protrude through recession lines inclined towards the site at an angle of 25 degrees and commencing at 2.5m above ground level at any given point along each internal boundary.

In her rebuttal evidence Ms Bowbyes responds to the outcomes of the joint witness conferencing and Mr Freeman's evidence. She agrees with Mr Freeman's summary that the changes for sloping sites in the LDSRZ is a 1m increase in permitted height and application of recession planes. Ms Bowbyes refers to the definition of sloping sites in the PDP and repeats her concerns as to complexities with the current rule framework. She summarises her key reasons as:<sup>376</sup>

- (a) Notified Rule 7.5.5 is part of a suite of provisions that is enabling of two storey development while limiting adverse effects on adjacent properties;
- (b) Given the notified height increase to 8m permitted on sloping sites, the application of recession planes to sloping sites will ensure that effects on adjacent properties are appropriately managed; and

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<sup>369</sup> EIC Mr Wallace at [7.9].

<sup>370</sup> EIC Mr Wallace at [7.10].

<sup>371</sup> S42A Report (Chapters 2, 4 and 7) at [6.174].

<sup>372</sup> Supported by legal submissions from Lane Neave dated 5 August 2025.

<sup>373</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [108].

<sup>374</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [33].

<sup>375</sup> [QLDC - Urban Intensification Variation](#)

<sup>376</sup> Rebuttal Ms Bowbyes at [7.5].

(c) Removal of the flat / sloping site distinction will remove current complexity from the height and recession plane rules

Ms Bowbyes notes Mr Wallace's and Ms Costello's preference is to address instances when proposed buildings are located on a south-facing slope with a steeper gradient. Ms Bowbyes states:<sup>377</sup>

I acknowledge that there will be some instances where site conditions will necessitate a resource consent prior to development occurring in the LDSRZ, including site topography. The amendments to Rule 7.5.5 supported by Ms Costello and Mr Wallace are, in my view, a significant change that would likely benefit a discrete number of properties.

I remain of the view that it is appropriate to apply recession planes to all buildings in the LDSRZ, including buildings proposed on sloping sites, and that restricted discretionary activity status for breaches to Rule 7.5.5 would provide an appropriate consenting pathway for breaches to be assessed. Whilst the examples provided by Ms Costello highlight that restricted discretionary activity consent would be triggered for some sites, in my view the restricted discretionary status for breaches demonstrates that breaches are anticipated, and are able to be assessed on a case-by-case basis.

In legal submissions for the Multiple Queenstown Submitters Mr Leckie argues that the changes agreed during the JWS should be accepted by the Panel.<sup>378</sup> He argues that the relief sought would enable increased intensification of the sites in line with the release of development capacity under the NPS-UD. We recognise that the urban designers agree but that does not require the planner to agree (although often that will be the case) where there are valid planning reasons for a different approach. Overall, we agree with Ms Bowbyes, including that the new approach will reduce complexity and appropriately manage effects.

- (iv) Rule 7.5.6: No changes to the minimum boundary setbacks were proposed in the UIV but RCL (1253) sought it be deleted and replaced to enable efficient use and development of sites. As noted above this rule forms a package of standards. Mr Wallace does not support the change sought, based on maintaining suburban character and amenity.<sup>379</sup> Ms Bowbyes agrees with Mr Wallace and recommends that this submission point be rejected.<sup>380</sup>
- (v) Rule 7.59: prescribes the maximum permitted density of residential units (an average minimum density across the net area of the site) to allow flexibility for smaller lots. Six submission points in support and 20 in opposition were received.<sup>381</sup> The main opposition related to the smaller lot sizes given the LDSRZ. Ms Bowbyes considers that the notified amendments will enable more efficient use of urban zoned land assisting to implement Policy 5 of the NPS-UD, PDP SO 3.2.2 and 3.2.2.1 and PDP Objective 7.2.1. She therefore recommends

<sup>377</sup> Rebuttal Ms Bowbyes at [7.7] and [7.8].

<sup>378</sup> Legal submissions on behalf of Multiple Queenstown Submitters, dated 5 August 2025, at [56].

<sup>379</sup> EIC Mr Wallace at [7.16].

<sup>380</sup> S42A Report (Chapters 2, 4 and 7) at [6.181].

<sup>381</sup> S42A Report (Chapters 2, 4 and 7) at [6.184].

in her EIC that the submissions in support be accepted (and those against rejected).<sup>382</sup>

- (vi) Rule 7.5.20 which relates to the Wānaka Substation Building Restriction Area is proposed to be deleted (and shifted the Chapter 8 to reflect the MDRZ of the area). This change was opposed by submitter 10 and supported by Aurora Energy Limited (OS208). Ms Bowbyes explains that the change simply reflects the change in zoning, and she recommends that the submission seeking its retention be rejected and the submission in support be accepted.<sup>383</sup>
- (vii) Chapter 7 Rules - Non-notification relates to the same two submitters above, with submitter 10 giving no reasons for the opposition. Ms Bowbyes therefore recommends that the submission against be rejected and the one in support be accepted.<sup>384</sup>
- (h) Chapter 7, as a whole, where submitters did not identify a specific provision. There were 12 submission points in support and 317 in opposition (mostly relating to Arrowtown and addressed further in Section 8).<sup>385</sup>
- (i) Ms Bowbyes also considered several miscellaneous submissions<sup>386</sup> and, having not provided reasons, she recommended that they be rejected.<sup>387</sup>

13.11 Submission 948 opposes the reduction in LDSR Zone vacant lot sizes. It considers it may enable a similar development outcome to the HDR and MDR Zones and should instead focus on providing larger properties. Ms Fairgray disagrees with this submission and considers that under the UIV:<sup>388</sup>

the reduction in lot size will provide economic benefit to households, the community and developers through increasing housing choice, increasing land use efficiency and providing greater development opportunity with increased feasibility to the commercial developer part of the market.

13.12 We received a submission from Mr Cooney (817) and Ms Paul (735) seeking retention of the Lake Avenue Height Restriction Area (Rule 7.5.2.2). During the hearing they stated that there is no:<sup>389</sup>

cogent reason for its removal as development of this area would be all but impossible due to the current Unit Title setup of the area – and removal would have an adverse effect on saleability, sunshine and views of properties in Stewart Street (odd numbers).

13.13 No changes were proposed to the notified version in response to the submission and no change was made by Ms Bowbyes in relation to the presentation.

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<sup>382</sup> S42A Report (Chapters 2, 4 and 7) at [6.191].

<sup>383</sup> S42A Report (Chapters 2, 4 and 7) at [6.196].

<sup>384</sup> S42A Report (Chapters 2, 4 and 7) at [6.201].

<sup>385</sup> S42A Report (Chapters 2, 4 and 7) at [6.202] – [203].

<sup>386</sup> Submissions 108., 446 and 856.

<sup>387</sup> S42A Report (Chapters 2, 4 and 7) at [6.210.].

<sup>388</sup> EIC Ms Fairgray at [7.23] and see also [7.25].

<sup>389</sup> Typed notes for hearing dated 4 August 2025.

## Findings / decision / provision changes

- 13.14 In this section we focus on the LDSRZ generally. Many of the submissions relating to the LDSRZ related to Arrowtown and are addressed in Section 8. That is because, following the submissions and hearing, we considered we had to take a whole village approach to Arrowtown in a manner which was different to the other towns and villages of the District.
- 13.15 As with the MDR and HDR zones, we received many submissions raising, and heard from multiple submitters during the hearing on, the issue of housing affordability and housing demand pressures (and hence price) within the District.
- 13.16 Many of those same submitters opposed the greater intensification enabled in the UIV within the LDSRZ. Issues included, not unsurprisingly, amenity, views and especially sunlight access. As mentioned in Section 5 some of these submitters favoured greenfield expansion rather than intensification, including within the LDSRZ.
- 13.17 We agree with the principles in the evidence of Ms Fairgray and Mr Wallace. The LDSRZ is the largest urban zone in the District. While there is sufficient plan enabled capacity at present (under the 2021 HBA) it is clear from Ms Fairgray's evidence that significant growth will continue to occur in the future. Enabling more intensive development and attached houses (including through infill development) is not only economically efficient but critically enables an increased range of dwellings across the zone. That leads to a variety of typologies being built, some of which will be smaller, or in 'less desirable' locations, such that there will follow a range of price points across the zone. Therefore, Ms Fairgray and Mr Wallace supported the notified UIV amendments due to the enablement of the smaller lot sizes (and other provisions). We are satisfied that the fundamental rationale developed by Ms Fairgray and Mr Wallace supports the additional density resource consent pathway we have determined is necessary
- 13.18 As addressed in relation to Policy 5 in Section 4, we recognise that the notified UIV will change the character and amenity of the urban environment of the LDSRZ. Those changes will be more pronounced over the short-medium term as the opportunity to intensify is taken up on a site-by-site basis across the zone. However, we agree with Mr Wallace and Ms Bowbyes that these changes, within the provisions and standards in the LDSRZ, will be acceptable (and reflect the type of change foreseen by Objective 4 and Policy 6 of the NPS-UD).
- 13.19 We generally consider that the provisions proposed by Ms Bowbyes as per the Reply set of provisions are appropriate and justifiable (in s 32AA sense) for the reasons she has provided (and summarised above). Additional s32AA justification, as relevant, can be found in Section 21.
- 13.20 That said we have made one fundamental change to the LDSRZ reflecting Ms Fairgray's comment:<sup>390</sup>

... In my view, an important consideration is whether further increases in housing affordability could be achieved in suburban areas through incentivising greater dwelling mix in this zone ... .

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<sup>390</sup> EIC Ms Fairgray at [7.12].

- 13.21 We considered this statement carefully, especially in line with the submissions on housing affordability and the considerable opportunity and in relation to Policy 5 of the NPS-UD, the NPS-UD as a whole and the relevant RPS objectives and PDP strategic objectives.
- 13.22 Our proposed approach provides a clearer consenting pathway for smaller and more affordable dwellings to be constructed within the LDSRZ (and the MDRZ). Equally appropriate recognition must be provided for the character of a suburban residential zone. We find that this extra density is to be provided in a manner whereby it must comply with the LDSRZ standards and, if so, should be a non-notified restricted discretionary activity. We set this out in more detail in Section 6. As the Plan already generally permits development within the standards in a range of housing forms and styles, we find that adverse effects arising from our Plan amendments will be acceptable.
- 13.23 In relation to specific other changes to Chapter 7:
- (a) We have changed the zone name to Suburban Residential Zone (SRZ). With the increased density proposed through the UIV, which we have found should be increased further, it is no longer a 'lower density' residential zone. Our reasons for this change reflect those across this decision. This change ensures transparency and clarity of the PDP and reflects the important role the zone plays as the largest urban zone in the District.
  - (b) We have also redrafted the Zone purpose to reflect the altered the provisions, building on the changes already proposed by the Council.
- 13.24 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 7.
- 13.25 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

#### **14. CHAPTERS 8 AND 8A - RECOMMENDED PROVISIONS: BOTH MEDIUM DENSITY RESIDENTIAL ZONES**

- 14.1 Based on the town and village-specific findings set out in Sections 6 to 10 we have worked through the proposed MDRZ. This was the subject of a s42A Report (Chapters 8, 9 and Hāwea) prepared by Ms Frischknecht and she responded to submitter evidence in her rebuttal and reply evidence.
- 14.2 Our key finding is that most parts of the notified UIV MDRZ extent outside of the central Queenstown residential area and generally greenfield land adjacent to Wānaka Three Parks should remain based on the existing PDP height limit.
- 14.3 Within the central Queenstown residential area and in the vicinity of Wānaka Three Parks, a new MDRAZ is recommended, based on the Council's s42A and Reply version for the MDRZ.

#### **CHAPTER 8 - MDRZ**

##### **Zone Purpose**

- 14.4 We propose minor editorial clarifications only to make the chapter integrate with others.



## **Zone objectives and policies**

- 14.5 At Policy 8.2.1.4 we recommend deleting reference to low-rise apartments; that is sought in the MDRAZ and is unlikely in the context of the 2-storey height limit we find to be most appropriate.
- 14.6 At Policy 8.2.2.6 (and elsewhere throughout the chapter), we recommend deleting reference to the Residential Zone Design Guidelines 2021 on the basis that its content has not been calibrated or otherwise demonstrated to be suitable for the additional intensification we separately recommend be enabled within the zone.
- 14.7 At Objective 8.2.3 and its policies, we have accepted the thrust of the Council's recommendations, which are intended to clarify (and add to) the amenity outcomes sought by development. But we have not accepted much of the proposed language on the basis that it was repetitive or unnecessary considering what was already stated. We find that the Council's language proposed also veered away from the purpose of the UIV and too close to a de-facto 'improvement' that lacked a clear evidential basis of what it was that needed improvement or why. We have instead recommended a re-phrasing of the PDP's anticipated amenity outcomes, which we find most appropriate considering the scale, intensity and built character of development enabled.
- 14.8 At Policy 8.4.2.1 (and elsewhere), and as has been discussed elsewhere, we recommend removal of all references to the Arrowtown Design Guidelines 2016.
- 14.9 At Policy 8.2.5.2, we recommend deletion of reference to 800m of a bus stop or town centre zone. We find that the purpose of the UIV and the underlying logic of the NPS-UD is that encouraging a reduction in general car parking provision is appropriate across the entirety of the zone.

## **Zone rules and other methods**

- 14.10 At Rule 8.3.2.5, we agree with the Council that the rule can be deleted; in the zone, there are a multitude of development and land titling arrangements. These could result in a variety of commonly owned parts of a site that form a key part of the area used in association with each dwelling.
- 14.11 At Rules 8.4.6 and 8.4.10.4 (and 8.5.5), we recommend providing a permitted activity pathway for land based on the PDP existing 250m<sup>2</sup> minimum net area approach, with a restricted discretionary opportunity for (unlimited) additional density beyond that. Like for the LDSRZ in Section 13, the restricted discretionary pathway requires full compliance with the applicable standards in part 8.5 of the chapter, as well as in terms of requirements for a Chapter 29 compliant small loading space. The Panel recognises, as set out in Section 13, that the NPS-UD is clear that seeking to require a minimum provision of resident parking spaces is not acceptable.
- 14.12 The Panel wishes to be very clear that it has complied with that requirement and has not sought to impose a private parking minimum 'by stealth' (and this is one reason why the Panel did not seek to require the required small loading space to meet the PDP requirements for accessible car parking spaces, which the NPS-UD does allow). But it is just not the case that the only access requirements to residential property are for private residents, and we consider

that the NPS-UD restriction on car parking spaces (in the context of the District plan methods it was seeking to limit) does not extend to a ban on reasonable servicing and loading capability (especially given how common rear allotments and other dwellings with no proximity to a public road are).

14.13 A quite significant overall body of concern was communicated by submitters, which in terms of content the Panel finds highly persuasive, as to the real-world need for safe and convenient access to dwellings other than just for residents such as loading and servicing associated with routine daily-need activities including contractor access, drop-offs, home occupation visitors, and so on.

14.14 The Panel's recommendation is for a small loading bay, sized to comply with the PDP's Chapter 29 requirements for private car parking spaces, associated with all dwellings that do not comply with the permitted activity minimum net area requirement (because on sites of 250m<sup>2</sup> or above, there will in the majority of cases inherently be space available to accommodate such vehicles from time to time). The Panel has added clarification notes in the relevant recommended provisions making it clear that the space is to accommodate the reasonable day-to-day servicing and loading needs of dwellings – which the Panel agrees is generally undertaken by light commercial vehicles or vans capable of using a standard car parking space. Minor changes have also been made to Chapter 27-Subdivision to accommodate this (see Section 19).

14.15 At Rule 8.4.10, the Panel recommends simplifying the Council's proposed restrictions of discretion, in part to align with policy changes we prefer, and also because the Council's proposals involve unnecessary repetition, or PDP changes, that the Panel does not accept have been sufficiently connected to the purpose of the UIV and outcomes sought by the NPS-UD (what the Panel has previously described as general "improvements").

14.16 At Rule 8.5.1 (maximum building height), the Panel recommends simplifying the maximum height rule, based on the PDP 8m limit. It should also be a discretionary rather than non-complying activity to infringe this rule except in the case of Arrowtown, where existing character considerations continue to justify this status.

14.17 At Rules 8.5.5 (outdoor living space) and 8.5.6 (outlook space) the Panel does not agree that development premised on compliance with the pre-existing PDP development densities and other standards should be subject of new additional limitations. The new standards have not been justified based on factual analysis that development occurring is deficient. However, where densities higher than the existing PDP permitted standards are proposed, and where a minimum net area size cannot be relied on to provide outdoor living space and outlook, the Panel agrees the additional controls are warranted and should apply. For this reason, the Panel has recommended that these two standards should only apply to development that does not comply with the permitted density limits at Rule 8.4.6. The Panel has also made minor editorial clarifications and recommends removal of reference to the amenity values of future occupants of buildings – being a test that cannot be credibly ever identified or evaluated (i.e., "future" occupants cannot be consulted with or surveyed).

- 14.18 At Rule 8.5.7 (recession plane) the Panel recommends the rule be based on the existing PDP metrics.
- 14.19 At Rule 8.5.9 (minimum boundary setback), while the notified UIV did not propose any changes to boundary setbacks RCL Henley Downs Ltd (1253) sought changes when there are two road frontages (from 3m for both to 1.5m for one and 3m for the other). Considering the submission and the evidence of Mr Wallace, Ms Frischknecht agreed and recommended changes accordingly.<sup>391</sup> The Panel does not agree with relaxing the front yard setback along one frontage for corner sites. The Panel has not been persuaded that the benefits of a spacious setback, including in terms of privacy from roads, have been acceptably outweighed.
- 14.20 At Rule 8.5.11 (waste recycling and storage space), the Panel generally accepts the thrust of the Council's proposal but has recommended amendments relating to the importance of confirming that an on-street collection can be physically accommodated without compromising the safety or amenity of the street.
- 14.21 At Rule 8.5.17 (Wānaka substation), the Panel considers this can be deleted as it has been superseded by the HDRAZ in that location.
- 14.22 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 8.
- 14.23 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **CHAPTER 8A – MDRAZ**

### **Zone Purpose**

- 14.24 We propose minor editorial clarifications only to make the chapter integrate with others and emphasise that it provides for 3-storey apartment-styled living in locations near central Queenstown and on generally greenfield land adjacent to Wānaka Three Parks. The Panel has also recommended deletion of provisions throughout the chapter that do not spatially relate to these areas (such as reference to Arrowtown in the zone purpose and such as Objective 8.2.4).

### **Zone objectives and policies**

- 14.25 At Policy 8A.2.1.1 we recommend making express reference to up to 3-storey buildings as this is a key differentiator with the MDRZ.
- 14.26 At Objectives 8A.2.2 and 8A.2.3, and their policies, we recommend several changes based on, but simplifying, the Council's proposals. We accept that, unlike all cases for the closer-to-status-quo MDRZ we recommend, the new MDRAZ provides for a sufficiently different scale and intensity of densification to the PDP MDRZ that additional consequential Plan content has been justified. The Panel was not satisfied that Plan reference to existing local amenity and maintaining high levels of amenity for neighbours is constructive or helpful given it inherently competes with the fundamental purpose of the zone being to help accommodate substantial built form change and intensification in line with the NPS-UD.

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<sup>391</sup> S42A Report (Chapters 8, 9 and Hāwea) at [4.203] and [4.204].

14.27 At Policy 8A.2.5.2, we recommend deletion of reference to 800m of a bus stop or town centre zone. We find that the purpose of the UIV and the underlying logic of the NPS-UD is that encouraging a reduction in general car parking provision is appropriate across the entirety of the zone.

#### **Zone rules and other methods**

14.28 At Rule 8A.3.2.5, we agree with the Council that the rule can be deleted; in the zone there are a multitude of development and land titling arrangements. These could result in a variety of commonly owned parts of a site that form a key part of the area used in association with each dwelling.

14.29 At Rules 8A.4.6 and 8A.4.10.4 (and 8A.5.5), we recommend providing a permitted activity pathway for land based on existing sites, with a restricted discretionary opportunity for (unlimited) additional density beyond that. The restricted discretionary pathway requires full compliance with the applicable standards in Part 8A.5 of the Chapter. Unlike the MDRZ and SRZ as recommended, in the MDRAZ, it is not recommended that all dwellings include a net area with dedicated small loading bay. The reasons for this are:

- (a) The MDRAZ is limited in spatial extent to central and very accessible locations; and
- (b) The MDRAZ provides for low-rise apartment buildings likely to include entirely common sites and shared access / servicing facilities.

14.30 At Rule 8A.5.1 (maximum building height), the Panel supports the Council's proposed 11m limit plus 1m for additional roof form. However, it should also be a discretionary rather than non-complying activity to infringe this rule.

14.31 At Rules 8A.5.5 (outdoor living space) and 8A.5.6 (outlook space) the Panel generally supports the Council's proposed rules and agrees they are appropriate considering the additional intensification proposed. The Panel has made minor editorial clarifications and recommends removal of reference to the amenity values of future occupants of buildings – being a test that cannot be credibly ever identified or evaluated (i.e., "future" occupants cannot be consulted with or surveyed).

14.32 At Rule 8A.5.7 (recession plane) the Panel accepts the Council's proposal.

14.33 At Rule 8A.5.9 (minimum boundary setback), as for Rule 8A.5.9 above, the Panel does not accept the recommended amendment as we were not persuaded that the benefits of a spacious setback, including in terms of privacy from roads, have been acceptably outweighed.

14.34 At Rule 8A.5.11 (waste recycling and storage space), the Panel generally accepts the thrust of the Council's proposal but recommends amendments relating to the importance of confirming that an on-street collection can be physically accommodated without compromising the safety or amenity of the street.

14.35 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 8A.

14.36 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **15. CHAPTERS 9 AND 9A - RECOMMENDED PROVISIONS: BOTH HIGH DENSITY RESIDENTIAL ZONES**

- 15.1 Based on the town and village-specific findings set out in Sections 6 to 10, we have worked through the proposed High Density Residential zone. This was the subject of a specific s42A report prepared by Ms Frischknecht and she responded to submitter evidence in her rebuttal and reply evidence.
- 15.2 Our key finding is that most parts of the HDRZ outside of the central Queenstown residential area and generally greenfield land at Wānaka Three Parks should remain based on the existing PDP height limit. Several other amendments are proposed. But this should remain as the HDRZ zone.
- 15.3 Within the central Queenstown residential area and at Wānaka Three Parks, a new HDRAZ is recommended, based on the Council's s42A and reply version for the HDRZ.

### **CHAPTER 9 - HDRZ**

#### **Zone Purpose**

- 15.4 We propose minor editorial clarifications only so as to make the chapter integrate with others, and to emphasise the differences between the HDRZ and HDRAZ.

#### **Zone objectives and policies**

- 15.5 At Objectives 9.2.2 and 9.2.3, and their policies, we recommend minor changes to the Council's proposal including emphasis that existing amenity values are likely to substantially change within the zone.<sup>392</sup> However, because we have found the existing height limits should remain, the overall degree of difference between the PDP and our recommended version are sufficiently limited that continued reference to the Residential Design Guideline can be retained.
- 15.6 For Objective 9.2.6's policies, the Panel has generally not accepted the Council's proposed changes, seeing them unnecessary, except for additional recognition at Policy 9.2.6.6 of network infrastructure given the additional pressure likely because of the increased intensification provided for via the UIV.
- 15.7 At Objective 9.2.10 (and elsewhere in the chapter), the Panel recommends deletion as the subject matter is not part of or relevant to the zone (and in the case of 9.2.10, that area forms part of the proposed HDRAZ addressed below).

#### **Zone rules and other methods**

- 15.8 At Rule 9.4.5, we do not agree with most of the amendments proposed by the Council to the restrictions of discretion for 4+ unit developments. The recommended HDRZ is sufficiently similar to the current PDP version that the changes proposed have not been adequately demonstrated as being directly related to or consequential on changes to the status quo required to implement the NPS-UD (and Policy 5 in particular). As described within our explanation of the MDRZ, the changes proposed came too close to using the UIV to promote general "improvement". Notwithstanding this general comment, the Panel has agreed with

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<sup>392</sup> Aligned with the Statement of Evidence of Mr Edmonds (763, 764, 1344, 1346) at [5.7].

more moderate changes to clarify and generally uncomplicate the existing language and bring that into consistency with what has been used in other zones resulting from the UIV.

- 15.9 At Rule 9.5.1 (maximum building height), the Panel recommends simplifying and retaining the PDP limit of generally 12m except where provision for additional height is already within the PDP. The Panel finds that infringements should also be discretionary activities rather than non-complying activities (relevant to Frankton North in rule 9.5.4) considering the increased importance that intensification and site efficiency has in the scheme of the NPS-UD.
- 15.10 At rule 9.5.3 (recession plane), the Panel recommends retaining the rule in its current PDP form.
- 15.11 At proposed rule 9.5.7 and 9.5.8 (building height setback at upper floors, and outlook space), the Panel recommends deleting these new rules on the basis that the recommended heights and related controls are as per the existing PDP. The new rules would if anything remove pre-existing development capacity. Their need or benefits have not been established in that context.
- 15.12 At rule 9.5.9 (waste recycling and storage space), the Panel generally accepts the thrust of the Council's proposal but recommends amendments relating to the importance of confirming that an on-street collection can be physically accommodated without compromising the safety or amenity of the street.
- 15.13 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 9.
- 15.14 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **CHAPTER 9A - HDRAZ**

### **Zone Purpose**

- 15.15 We propose minor editorial clarifications only to make the Chapter integrate with others, and to emphasise the differences between the HDRZ and HDRAZ.

### **Zone objectives and policies**

- 15.16 At Objective 9A.2.1 and its policies, the Panel recommends clarification-type amendments and, more importantly, introduction of a new policy requiring development to achieve the heights densities practicable at the time of development. Although the genesis of this approach came from submitters based in Wānaka, the Panel finds it is equally appropriate in and around the central Queenstown neighbourhood, including because the new developments the Panel saw on its site visits were all clearly high-density housing (likely reflecting the sheer accessibility and land price factors there). Considering submissions seeking additional height and enablement beyond the notified UIV assessed in Section 5, the Panel finds it has the scope to introduce this key policy and apply it to both areas we recommend be subject to this zone. This aligns with

the Reply Legal Submissions for the Council which, in response to a question in Minute 6, responded:<sup>393</sup>

In relation to the second part of the question on scope, for Three Parks Wānaka there are a number of lay submissions<sup>3</sup> seeking that more development be enabled (noting that many seek this in conjunction with seeking retention of the status quo in other parts of Wānaka). Additionally, there is considered to be general scope through the Infrastructure Commission (1238) and Ministry of Housing and Urban Development (800) submissions that seek more plan enabled capacity than the notified UIV.

More specific to the HDRZ and BMUZ, Southern Lakes Property Trust Limited (OS1055.3 and 1055.6) sought that the maximum building height in the BMUZ in Three Parks be increased to 20m as a permitted activity and Willowridge Development, Orchard Road Holdings Limited and Three Parks Properties Limited (OS948) support a building height of 20m in the HDRZ at Three Parks. In Paragraph 7.30 of her Rebuttal Evidence, Ms Frischknecht states that submission point 948.9 3 explicitly seeks a building height of 16m, however more general scope for additional height comes from the submissions identified in paragraph 38 above.

- 15.17 At Objectives 9A.2.2 and 9A.2.3 and their policies, we recommend minor changes to the Council's proposal including emphasis that existing amenity values are likely to substantially change within the zone. Mr Kemp provided planning evidence for Murray & Yvonne Wilson (682) who have a property on Lismore Street. He took issue, fairly, with references to "existing amenity values" in the notified HDRZ purpose statement and Objective 9A.2.3 given the fundamental changes proposed for the zone.<sup>394</sup>
- 15.18 Because the extent of additional intensification to be enabled within the zone compared to the PDP HDRZ, the Panel finds that it would not be appropriate to include reference to the Council's Residential Design Guideline.
- 15.19 For Objective 9A.2.6's policies, the Panel has generally not accepted the Council's proposed changes, seeing them appropriate considering the height and density development being enabled.
- 15.20 At Objective 9A.2.10 and its policies, the Panel agrees with Ms Frischknecht's recommend deletion of Policy 9A.2.10.2;<sup>395</sup> Wānaka Three Parks does not require a specific policy to support its zone height limit given that this will be the standard for the zone.

### **Zone rules and other methods**

- 15.21 At Rule 9A.4.5, we do not agree with most of the amendments proposed by the Council to the restrictions of discretion for 4+ unit developments, but the Panel has agreed with more moderate changes to clarify and generally uncomplicate the existing language and bring that into consistency with what has been used in other zones resulting from the UIV. The Panel has also added a key restriction requiring development to achieve the highest practical density possible at the time of the application, to remain flexible but also ensure the land is used as efficiently as possible.

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<sup>393</sup> Reply Legal Submissions for QLDC, 1 October 2025, at Appendix 1, [38] and [39].

<sup>394</sup> Statement of Evidence of Mr Kemp (682), 4 July 2025, at [6.19].

<sup>395</sup> Rebuttal Ms Frischknecht at [7.31].

- 15.22 At rule 9.5A, the Panel recommends deletion of the rule referring to use of the Residential Design Guideline. The explanation for this is set out in Sections 8, 9, 13 and 15.
- 15.23 At Rule 9A.5.1 (maximum building height), the Panel recommends a zone height limit of 24m with additional height above that a discretionary rather than non-complying activity. Based on the location of the two zone areas and the Panel's assessment of the localities as well as the evidence presented by experts and submitters supporting more building height the Panel is satisfied that any adverse effects arising from buildings at or around the height limit will be acceptable and well-mitigated by the design and other matters that will apply (all such buildings would require a resource consent).
- 15.24 At Rule 9A.5.3 (recession plane), the Panel agrees with the Council's proposal but has removed a non-complying activity trigger that it sees as inappropriate.
- 15.25 The Panel otherwise generally accepts the Council's proposed rules and has recommended only editorial changes, or removal of provisions relating to land that would sit outside of the HDRAZ.
- 15.26 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 9A.
- 15.27 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **16. CHAPTERS 12 AND 13 - TOWN CENTRE ZONES**

### **GENERAL**

#### **Heights in town centres**

- 16.1 In response to submissions regarding heights in town centres Ms Fairgray considers<sup>396</sup> that increased heights increase the feasibility of development, provided there is sufficient market demand to absorb the extra capacity. Ms Fairgray considers that:
- (a) The market for higher density is relatively recent and only a minor portion of the current market;
  - (b) That within the QTC the commercial feasibility of some higher density development by be limited under the UIV in the lowest height areas (due to cost of development) and, correspondingly that commercial feasibility of higher density development in other parts of the QTC may be further increased with greater height allowances;
  - (c) That the notified WTC heights may limit the commercial feasibility of higher density development in that centre.
- 16.2 Overall, Ms Fairgray concludes that it is important that the UIV provisions enable development that is commercially feasible to enable the profit-driven part of the market to deliver. Therefore, it is economically beneficial for the market to deliver a greater number of high-density apartments within the town centres.

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<sup>396</sup> EIC Ms Fairgray at [5.39].



- 16.3 Ms Fairgray supports increasing height limits within the town centres to increase the commercial feasibility of higher density dwellings.<sup>397</sup>

## CHAPTER 12 - QUEENSTOWN TOWN CENTRE (CHAPTER 12)

### Background / key issues

- 16.4 Mr Wallace in relation to urban design emphasised how the height limits:<sup>398</sup>

... help maintain an “amphitheatre” type configuration of development in and around the Town Centre with height increases as one moves away from Marine Parade, in turn working with the topography as it rises towards Queenstown Hill and Ben Lamond helping to reflect, in principle, existing patterns of development.

- 16.5 The amphitheatre approach also importantly recognises the 'historical town centre' with lower heights in Precinct 2 as well as the lake shore with low heights in Precinct 1.

- 16.6 He explains the existing QTCZ provisions as follows:<sup>399</sup>

Existing provisions are based on a fine-grained approach around streets, public open spaces and the scale of existing development (regardless of age). With a particular focus on sunlight during the middle of the day around mid-winter. Whilst sunlight (and the amenity that can be derived from it) remains relevant, the approach is considered very restrictive and sets the maximum level of development based on periods with the minimum amount of potential sunlight across all areas of public open space and streets. In addition, high-level shading analysis indicates that existing topographical features around the town centre already cast extensive shadows across the town centre throughout various periods of the day (especially during winter).

- 16.7 Ms Frischknecht sets the scene as follows:<sup>400</sup>

The purpose of the QTCZ in Chapter 13 of the PDP is to provide a focus for community life, retail, entertainment, business and services. It serves as the principal administrative centre for the District and offers a wide variety of activities for residents and visitors. The QTCZ sits at the top of the centres hierarchy and has the highest level of accessibility and relative demand across the QLD area.

...

A number of changes are proposed to the QTCZ by the UIV, to give effect to Policy 5 of the NPS-UD, including increased heights and densities (through amended built form standards) considered commensurate with the greater of:

- (a) the level of accessibility; or
- (b) relative demand for housing and business use in the centre.

The above considerations are also balanced with Policy 1 of the NPS-UD by ensuring that the intensification contributes to a well-functioning environment. The following amendments to the PDP are therefore proposed through the notified UIV:

- (a) Amendment to the zone purpose.
- (b) Amendments to existing policies, as well as new policies considered necessary to implement the objectives.

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<sup>397</sup> EIC Ms Fairgray at [2.9(a)].

<sup>398</sup> S32 Report, Appendix 4, Urban Design Report at section 6.2.4.

<sup>399</sup> S32 Report, Appendix 4, Urban Design Report at section 6.1.

<sup>400</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.1] – [5.4].

(c) Amendments to existing rules and matters of discretion, as well as new rules to provide an enabling framework for the built form anticipated, and to ensure good design outcomes.

(d) Amendments to the QTC Height Precinct Map.

(e) Amendments to public notification requirements to reflect the deletion of existing rule Discretionary building height in height Precinct 1 and Height Precinct 1(A) and the addition of new rule setbacks and sunlight access – sites adjoining a Residential Zone.

### **Submissions / s42A Report / evidence / legal and lay argument**

16.8 We have addressed the issue of scope in Section 4. Several submissions on the QTCZ related to the PC50 land. Given our findings in Section 4, we do not consider those submissions further in this section.

16.9 Finally, by way of introduction, we thank the 'multiple submitters'<sup>401</sup> for joining together to instruct counsel and experts. Having 19 submissions aligned in this way was greatly beneficial.

16.10 In relation to Chapter 12 as a whole, Ms Frischknecht summarised the submissions as follows:<sup>402</sup>

Submissions received on Chapter 12 as a whole provided a broad range of views. Of the submissions that were received in opposition, the main reasons related to height, character, extent of zone and infrastructure. Height and character are discussed in more detail in Section starting 5.56 of this report relating specifically to the height provisions.

B Hebbard (408) seeks that the UIV be put on hold until the roading network is upgraded.

Ministry of Housing and Urban Development (HUD) (800) seeks that the zoning provisions for the Town Centre be reconsidered to be more enabling of development with a focus on increased height limits. This is supported by Gavin Moore and Silver Creek Limited (FS1312.7).

16.11 Ms Frischknecht responds to these submissions noting the s32 Report and the Accessibility and demand analysis (which for the QTCZ is very high) and the notified UIV appropriately responds to this, infrastructure servicing and the infrastructure benefits of concentrating development into nodes. She notes that the modelling for the HBA considers three waters and land transport infrastructure, including existing constraints (and these are also addressed by Mr Powell).<sup>403</sup> In relation to greater uplift sought by HUD she considered appropriately commensurate in Policy 5 terms (noting below that she does agree to some additional uplift). Therefore, she recommends that the submissions in general support of Chapter 12 be accepted in part subject to any changes recommended and the submissions in opposition be rejected.<sup>404</sup>

16.12 In relation to the policies:

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<sup>401</sup> Submissions for the QTC zone only under this banner were 991, 966, 967, 968, 970, 971, 972, 973, 974, 976, 983, 985, 987, 998, 1000, 1004, 1006, 1009 and 1287. These submitters all instructed Lane Neave and called as relevant expert evidence from Mr Freeman and Ms Costello.

<sup>402</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.5] – [5.7].

<sup>403</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.9].

<sup>404</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.14].

- (a) Policies 12.2.2.3 and 12.2.2.4. Ms Frischknecht explains the changes to the first and the proposed deletion of the second.<sup>405</sup> Policy 12.2.2.5 was therefore renumbered with minor amendments. She summarises the submissions received<sup>406</sup> before considering Policy 12.2.2.3, and especially the amendments to include 'from public places' when referring to viewshafts recognise that this Variation will result in changes to the anticipated built environment and subsequently the focus of this policy is on maintaining sunlight access and amenity in public places. This she considers gives effect to Policy 5 while she also addresses the implications of Policy 6 of the NPS-UD where there are significant changes to an area. She notes that the height and density approach recommended by the Urban Design Report seeks to maintain sunlight access to key open spaces within the town and would still allow direct sunlight at certain times during winter months with recommended height increases.<sup>407</sup> She does however recommend changes to remove ambiguity from Policy 12.2.2.3(c)<sup>408</sup> (for which she provides a s32AA assessment) and otherwise recommends that:<sup>409</sup>

(a) the relief sought by M Harris (10.53) be rejected and the relief sought by the submissions and further submission in support of Policy 12.2.2.3(b) be accepted, and in support of 12.2.2.3(c) be accepted in part.

(b) the relief sought by M Harris be rejected (10) and the relief sought by the submissions and further submission in support of deletion of Policy 12.2.2.4 be accepted.

(c) the relief sought by the submissions and further submission in support of Policy 12.2.2.4 (as renumbered) be accepted.

Mr Freeman for the Multiple Queenstown Submitters supported the addition of land zoned open space.<sup>410</sup> During the hearing the Panel sought clarification from Ms Frischknecht reading the language used of "public space" compared to in other provisions "land zoned Open Space". Further clarification was sought whether it should be "land zoned Open Space and Recreation Zones" to align with the PDP. Ms Frischknecht agreed and provided amended drafting (and due to the minor nature of the change, and that it aligns with the s42A assessment, did not consider a s32AA assessment warranted.)<sup>411</sup>

- (b) Policies 12.2.3.3 and 12.2.3.7. Ms Frischknecht explains the changes to Policy 12.2.3.3 and the rationale for new Policy 12.2.3.7. She summarises the submissions received<sup>412</sup> before stating that she considers the amendments to Policy 12.2.3.3 provide an appropriate framework to support the provisions for amenity for residential and visitor

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<sup>405</sup> Its deletion was supported in the Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, date 4 July 2025, at [28].

<sup>406</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.18] – [5.20].

<sup>407</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.27].

<sup>408</sup> Supported in the Statement of Evidence of Ms Costello for Multiple Queenstown Submitters, 4 July 2025, at [73].

<sup>409</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.31].

<sup>410</sup> Statement of Evidence of Mr Freeman, date 4 July 2025, at [27].

<sup>411</sup> Reply Ms Frischknecht at [6.2] and [6.4].

<sup>412</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.18] – [5.20].

accommodation activities within the QTC. She reviews the policy (and new Rule 12.5.12 re outlook space) against the relevant objectives and explains:<sup>413</sup>

The existing PDP provisions are focused mainly on amenity effects upon adjoining properties. Providing quality onsite residential amenity becomes increasingly important with higher density living, especially in Town Centres. As more people live in smaller spaces, ensuring an appropriate level of amenity for occupants and thoughtful urban design in the building layout become essential to maintaining a high quality of life and contributing to the health and overall wellbeing of residents.

In relation to new Policy 12.2.3.7 it recognises the importance of ensuring flexibility for a range of retail and commercial activities to establish, especially at ground level, to contribute to a vibrant town centre. It supports new Rule 12.5.11 in relation to ground floor height.

Overall, Ms Frischknecht recommends, for the reasons given in the assessment, that:<sup>414</sup>

- (a) the submissions in support of Policy 12.2.3.3 be accepted, and submission 1168.7 and further submission 1324.22 be rejected; and
- (b) the relief sought by M Harris (10) be rejected and the submissions and further submissions in support of Policy 12.2.3.7 be accepted.

Mr Freeman prepared planning evidence in support of Multiple Queenstown Submitters, and he generally opposed policy 12.2.3.7.<sup>415</sup> However, Ms Frischknecht remains of the view that Policy 12.2.3.7 is important to support Rule 12.5.11.<sup>416</sup>

- (c) Policy 12.4.2 is proposed to have a new limb (h) to ensure waste storage/loading does not compromise pedestrian experience. 27 submissions were received in support of the amendments to Policy 12.2.4.2(h). This was supported by two further submissions (1328, 1287). No submissions were received in opposition. Ms Frischknecht recommends that the relief sought by the submissions and further submission in support of Policy 12.2.4.2(h) be accepted.<sup>417</sup>

#### 16.13 In relation to Table 12.4 Rules – Activities:

- (a) Rule 12.4.7: minor amendments are proposed to the matters of discretion for buildings including updating reference to Queenstown Town Centre Special Character Area Design Guidelines in (a) and a new matter (i) for the provision and screening of loading and servicing areas. No changes are proposed to the existing activity statuses. Ms Frischknecht considers the submissions in support and the one in opposition. She considers the amendments follow the objectives and policies and enable better waste management at higher densities. She recommends that the relief sought by M Harris be rejected (10) and the relief sought by the submissions and further submission in support of Rule 12.4.7 be accepted.<sup>418</sup>

<sup>413</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.37].

<sup>414</sup> 42A Report (Chapters 12, 13, 15 and 16) at [5.41].

<sup>415</sup> Statement of Evidence of Mr Freeman, date 4 July 2025, at [31]. But he generally supports Rule 12.5.11 which flows from it at [78].

<sup>416</sup> Rebuttal Ms Frischknecht at [4.62].

<sup>417</sup> 42A Report (Chapters 12, 13, 15 and 16) at [5.44].

<sup>418</sup> 42A Report (Chapters 12, 13, 15 and 16) at [5.48].

- (b) Rule 12.4.3: The UIV does not propose any changes to this VA rule. Submission 1168 (supported by FS1324) oppose the non-complying status for any type of residential or visitor accommodation activity in the QTCZ, and any type of subdivision. Ms Frischknecht was unclear of the relief sought given that VA is a controlled activity subject to Rule 12.4.3 and a residential activity above ground floor is permitted subject to Rule 12.4.1.<sup>419</sup> She considers the existing activity status to be appropriate and the changes to be the most appropriate way to ensure adequate amenity values are achieved for residential activities within the QTCZ. Furthermore, the activity status aligns with the submitters' position. Therefore, she recommends the submissions be rejected.

16.14 In relation to Table 12.5 Rules – Standards:

- (a) Ms Frischknecht summarised the proposed UIV changes as follows:
- (a) Introduction of a new building height setback requirements in Precincts 2, 3 and 4 for upper floor of buildings;
  - (b) Amendments and simplification to the maximum permitted building height requirements for buildings in the QTC;
  - (c) Removal of bespoke height and recession lines rules as well as the viewshaft height requirements within existing Height Precinct 7;
  - (d) Inclusion of a new minimum ground floor height standard of 4m at ground level with a restricted discretionary activity status;
  - (e) Addition of a sunlight admission standard for QTCZ properties that adjoin residential zones with a restricted discretionary activity status;
  - (f) Introduction of minimum outlook space requirements with a restricted discretionary activity status; and
  - (g) Deletion of Rule 12.5.8 Discretionary Building Height in Precinct 1, Precinct 1(A), Precinct 2, Precinct 4 and Precinct 5.

Rule 12.5.8 Discretionary Building Height in Precinct 1, Precinct 1(A), Precinct 2, Precinct 4 and Precinct 5: The UIV proposes to delete the existing Precinct Plan and replace it with a new height precinct map. Subsequently the precinct references in PDP Rule 12.5.8 would no longer be relevant. The maximum heights are now prescribed in new Rule 12.5.9 as notified (see below), which also includes reference to the proposed new Height Precinct Map. Ms Frischknecht considered the submissions in support and opposition in relation to the rule. She explains that the change removes the tiered approach and explains that with the proposed non-complying activity status for height breaches the matters of discretion are redundant.

In relation to notification, Ms Frischknecht considers that a change to Rule 12.6.3 (precluding public notification) but does not agree to its inclusion in Rule 12.6.2 which precludes limited notification as well. She considers that there may be circumstances

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<sup>419</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.52].

where adverse effects on adjoining sites are more than minor.<sup>420</sup> The legal submissions for the 'Multiple Queenstown Submitters'<sup>421</sup> addressed notification further seeking removal of both public and limited notification on the basis that it will better provide for height and density (Policy 5) and provide more certainty for developers (with the council still having control over the matters of discretion).

Ms Frischknecht therefore recommends the relief sought by the submissions and further submissions in support of deletion of PDP Rule 12.5.8 be accepted and that submission 509 be rejected.<sup>422</sup>

- (b) Rule 12.5.9 Maximum Building Height **and** Precinct Plan: Rule 12.5.9 and the Precinct Plan attached as Figure 2 in Chapter 12 (Precinct Plan) prescribe the desired built form and building height outcomes for the QTCZ and therefore need to be assessed in conjunction. The extent of the QTCZ remains unchanged between the existing PDP map and the version in the notified UIV. Ms Frischknecht considered the submissions in support and opposition in relation to the rule and the precinct plan. Ms Frischknecht reviews the relevant submissions in support and opposition. Those related to the PC50 are addressed in Section 4. In relation to submission 776 (Carter Group) and the height limit for the strip of reserve land in front of the lake, Ms Frischknecht sets out its zoning and management<sup>423</sup> and, relying on Mr Wallace's evidence<sup>424</sup> supports a reduction from 12m to 8m.
- (c) Rule 12.5.9 Maximum Building Height (note changes proposed here are then reflected in the Precinct Plan). Ms Frischknecht sets out the current and notified UIV height changes and that no changes are proposed for the activity status (non-complying) for breaches. This rule, obviously given the importance of heights, a key issue within the QTCZ and Ms Frischknecht reviews relevant submissions in support and opposition.

Mr Wallace in his evidence<sup>425</sup> explains the amphitheatre urban design approach to the heights and the town centre (as illustrated in the Precinct Plan). Ms Frischknecht acknowledged that the QTC has the highest levels of accessibility and relative demand in the District. Ms Fairgray states:<sup>426</sup>

... increases in enabled building heights may increase the feasibility of development, provided there is sufficient market demand to take up the added dwelling capacity or additional floorspace. I consider it is important that the height provisions within areas where higher density residential development is appropriate, are sufficient to enable the feasibility of development, noting that feasibility depends on a number of factors.

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<sup>420</sup> Rebuttal Ms Frischknecht at [4.57] and [4.58].

<sup>421</sup> Lane Neave, dated 5 August 2025, at [30] and [31]. Supported in the Statement of Evidence of Ms Costello for Multiple Queenstown Submitters, 4 July 2025, at [74].

<sup>422</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.61].

<sup>423</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.71] – [5.75].

<sup>424</sup> EIC Mr Wallace at [13.10].

<sup>425</sup> EIC Mr Wallace at [13.5].

<sup>426</sup> EIC Ms Fairgray at [5.39] and [5.45].

I also consider that the commercial feasibility of higher density development in other parts of the QTC may be further increased with greater height allowances. Feasibility is likely to increase with height up to the point of market demand, with further increases in feasibility less likely.

Ms Frischknecht first addresses submissions seeking reduced or status quo heights and explains the benefits of heights as above along with the NPS-UD, relevant objectives and the rule framework to ensure appropriate amenity outcomes. She also considers those seeking increased height in the same way and does not consider greater heights align with the SOs, important historic heritage values and a desirable and safe urban environment.<sup>427</sup>

In relation to submissions 991 and 1004 seeking use of fixed datum points, Ms Frischknecht addresses the present PDP position, relies on Mr Wallace's evidence in support<sup>428</sup> and that he does not agree with the FS in opposition that the potential increase (or redistribution) of height could be considered to give rise to adverse dominance effects. Ms Costello gave evidence in support of submission 991 (12-26 Man Street) concluding:<sup>429</sup>

... I support the framework of the notified standards and in addition the amendments made within the s42A recommendations in relation to the site at 12-26 Man Street in order to provide for measurement of building height from the RL 327.1 masl (as is currently the case in the PDP).

Mr Freeman provides planning evidence for submission 991 supporting both the fixed masl datum point and the 20m height.<sup>430</sup>

Ms Frischknecht opposes increasing the height for the existing block bounded by Beach Street and Rees Street to 11m, considering 8m appropriate given heritage values, sunlight access to Earnslaw Park and the lakefront area and the relevant SOs.<sup>431</sup> She also does not consider it would maintain the amphitheatre configuration for the QTZ.

Ms Frischknecht does not support submissions<sup>432</sup> seeking a lesser activity status for breach of the maximum height (noting, as above, the activity status is not changed by the UIV).<sup>433</sup> Ms Frischknecht considered that there is a recommended height based on accessibility and relative demand whilst retaining appropriate amenity and character. Ms Clouston considered that breach of Rule 12.5.9 should instead be RDA.<sup>434</sup> This was based on non-complying indicating that greater heights are not anticipated within the PDP and that RDA would provide a consistent approach to the HDRZ and is a simpler process. Ms Frischknecht considers such an approach but considers it flips the onus such that any new building would be anticipated (subject to discretion), does not follow the tiered approach to heights in the QTC and she considers NC activity status provides certainty around height and the amphitheatre height strategy.<sup>435</sup> Ms Frischknecht also

<sup>427</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.96] and [5.103].

<sup>428</sup> EIC Mr Wallace at [13.6] and [13.7].

<sup>429</sup> Statement of Evidence of Ms Costello for the Multiple Queenstown Submitters, 4 July 2025, at [102].

<sup>430</sup> Statement of Evidence of Mr Freeman, date 4 July 2025, at [38] – [47].

<sup>431</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.100]. Her conclusion agreed with the further submission of Carter Group.

<sup>432</sup> Including by Queenstown Gold Ltd (775) and THOM Limited (1168).

<sup>433</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.106].

<sup>434</sup> Memorandum of Ms Coulston for Queenstown Gold and Continuum Hotel, 22 August 2025 at [5].

<sup>435</sup> Reply Ms Frischknecht at [6.29] – [6.37].

does not consider that the changes sought 'gives effect to' the relevant objectives and does not support the change.

She also considers that in relation to notification, the standards require resource consent as a restricted discretionary activity to assess the appearance of the building but would not trigger notification or require the written approval of other persons providing that the other standards are met. If they are breached, then she considers the usual RMA notification tests should be applied.<sup>436</sup>

Ms Frischknecht therefore recommends that submission 776 be accepted in part – in relation to an 8m height for a new Precinct 6 and that submission 991 in relation to the datum point be accepted. She provides a s32AA assessment for both changes.<sup>437</sup>

Several submitters provided evidence in relation to the height precincts and the plan:

- (i) Ms Clouston's evidence for Queenstown Gold Limited (765):
  - (1) Identified a disconnect between the text of proposed Rule 12.5.9 (stating 16m height for Height Precinct 5) and Figure 2, the Height Precinct Map (which shows a 16.5m height for Height Precinct 5).<sup>438</sup> Ms Frischknecht recognises that this is an error, and the Height Precinct Plan should read 16m total height. She therefore recommends that it is updated accordingly.<sup>439</sup>
  - (2) Supported by urban design evidence from Mr Compton-Moen, seeks that the height precinct plan be amended so that 27 Brecon Street is subject to Height Precinct 4 (24m), rather than Height Precinct 5 (16m).<sup>440</sup> In her rebuttal evidence<sup>441</sup> Ms Frischknecht noted that this was PC50 land but in her reply, evidence agreed<sup>442</sup> with Ms Clouston's evidence<sup>443</sup> that this was not the case. Mr Wallace considered and generally agreed with Mr Compton-Moen's evidence<sup>444</sup> and considers the adjacent land to be much less sensitive to increases in height.<sup>445</sup> Ms Frischknecht relied on Mr Wallace's assessment and considered that the increased height aligned with the relevant SOs and supported the amphitheatre configuration of the QTCZ.<sup>446</sup> She therefore recommends the necessary changes to the Height Precinct Plan and provides a s32AA assessment.<sup>447</sup>
- (ii) Ms Clouston also prepared evidence for Continuum Hotel Limited (771) that the Height Precinct Plan be amended so that 2 and 22 Earl Street (the Novotel site) is

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<sup>436</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.107].

<sup>437</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.110].

<sup>438</sup> Statement of evidence for Ms Clouston (765), 4 July 2025, at [32].

<sup>439</sup> Rebuttal Ms Frischknecht at [4.2].

<sup>440</sup> Statement of evidence for Ms Clouston (765), 4 July 2025, at [41].

<sup>441</sup> Rebuttal Ms Frischknecht at [4.9].

<sup>442</sup> Reply Ms Frischknecht at [6.5].

<sup>443</sup> Summary Statement of Ms Clouston at [6] and [7].

<sup>444</sup> Statement of evidence of Mr Compton-Moen, 4 July 2025, at [20] and 21].

<sup>445</sup> Reply Mr Wallace at [4.1].

<sup>446</sup> Reply Ms Frischknecht at [6.7].

<sup>447</sup> Reply Ms Frischknecht at [6.8] and [7.9].



subject to Height Precinct 4 (24m), rather than Height Precinct 3 (20m).<sup>448</sup> Ms Clouston explained the width of reserves on the northern, western and southern boundaries, with its full eastern boundary adjoining the gardens.<sup>449</sup> This was supported by urban design evidence from Mr Compton-Moen that "height of 24m would allow for an additional storey to be achieved across the site without adversely affecting any other properties due to the site's surrounding topography, and existing vegetation, where the slope behind the site rises up to 328masl (Park Street)."<sup>450</sup> Mr Wallace supports Mr Compton-Moen's assessment and that its location could readily accommodate increased height with negligible urban design impacts.<sup>451</sup> Ms Frischknecht agrees with Ms Clouston's planning assessment and Mr Wallace's assessment and recommends that 2 and 22 Earl Street be subject to Height Precinct 4<sup>452</sup> and provides a s32AA assessment.<sup>453</sup>

- (iii) Mr Ashby provided planning evidence in support of Reid Trust (878) seeking that the Height Precinct Plan be amended so that 11-15, 17 and 19 Rees Street is subject to Height Precinct 3 (20m) rather than Height Precinct 2 (12m). He considers that Height Precinct 3 would better 'give effect to' the objectives and policies of the QTC and the NPS-UD.<sup>454</sup> Mr Compton-Moen also prepared evidence for Reid Trust and concluded that "the Height Precinct 3 boundary should be modified to incorporate the site and adjacent boundaries".<sup>455</sup> Mr Wallace considered that evidence and is supportive of the proposed increase in height with the increase in shading likely to have a low effect.<sup>456</sup> Ms Frischknecht relies on and agrees with Mr Wallace and considers that the outcomes still align with the relevant SOs. She recommends that 11-15, 17 and 19 Rees Street be subject to Height Precinct 3<sup>457</sup> and provides a s32AA assessment.<sup>458</sup>
- (iv) Mr Farrell presented evidence setting out why, in his opinion, a specific measurement should be used to measure height for his client's site (or a greater height (24m) be applied) off Man Street. In response to questions provide a Memorandum dated 27 August 2025 setting out the specific changes that Well Smart (1168) sought in relation to Rule 12.5.9 (and an additional memorandum providing a s32AA assessment). Ms Frischknecht notes that no urban design evidence was provided in support and that the urban design height strategy has been consistently applied. She:<sup>459</sup>

<sup>448</sup> This evidence was provided given the submission had not been accepted in the s42 Report and evidence of Mr Wallace. Statement of Evidence of Ms Clouston (771), 4 July 2025, at [40].

<sup>449</sup> Summary Statement of Ms Clouston, 7 August 2025, at [7] and [8].

<sup>450</sup> Statement of evidence of Mr Compton-Moen (773, 1351, 771 and 765) at [20].

<sup>451</sup> Rebuttal Mr Wallace at [6.8].

<sup>452</sup> Rebuttal Ms Frischknecht at [4.7].

<sup>453</sup> Rebuttal Ms Frischknecht at [4.34].

<sup>454</sup> Statement of Evidence of Mr Ashby, 4 July 2025, at [6.5].

<sup>455</sup> Statement of Evidence of Mr Compton-Moen, 4 July 2025, at [C].

<sup>456</sup> Rebuttal Mr Wallace at [6.10].

<sup>457</sup> Rebuttal Ms Frischknecht at [4.13].

<sup>458</sup> Rebuttal Ms Frischknecht at [4.34].

<sup>459</sup> Reply Ms Frischknecht at [6.28].

... is not persuaded that the characteristics of this specific site are sufficiently unique to warrant a bespoke height rule. Furthermore, there is no policy support in Chapter 12 for a bespoke height rule (that the rule would implement) and no policy has been put forward by Mr Farrell.

- (v) Mr Freeman prepared evidence in support of Skyline Properties Limited (972)<sup>460</sup> (as part of the Multiple Queenstown Submitters) seeking that the Height Precinct Plan be amended to create a new Height Precinct 7 for the properties at 48 and 50 Beach Street with a maximum height limit of 15m.<sup>461</sup> The effect of the amendment sought would be to change the permitted height from 8m to 15m. Ms Costello provided urban design evidence supporting the increase in height stating: "the existing building itself usefully illustrates that building height of this nature does not impact amenity in this location adjacent the lakefront and is well absorbed in terms of character".<sup>462</sup> Ms Frischknecht recognised that this point was missed in her s42A Report and, after reviewing the relevant issues, and recognising the height of the existing building, comments:<sup>463</sup>

I disagree with Mr Freeman that a breach of the 15m building height limit is the same status as per the PDP maximum height limit as this would allow for buildings up to 15m as permitted, whereas the current PDP applies a tiered approach and enables building heights up to 12m as permitted, and between 12 to 15 metres as restricted discretionary activity. However, I do agree with Mr Freeman that replicating the existing PDP height limits, would disrupt the general structure of s42A Rules 12.5.8, 12.5.9 and the Height Precinct Map.

...

... Therefore, I agree with paragraph 64 of Mr Freeman's evidence and am satisfied that Council will have sufficient discretion via Rule 12.4.7 and policy guidance to ensure a suitable design outcome for any built form on the site that exceeds 12m (but below 15m).

Mr Wallace adopts a pragmatic position noting that there is an existing building on the site considers it appropriate to maintain an exception reflective of the existing situation.<sup>464</sup> Ms Frischknecht (agreeing with Mr Freeman's approach<sup>465</sup>) recommends that a new Height Precinct (7) is created for 48 – 50 Beach Street and Rule S42A 12.5.9 Maximum building is amended to include a new maximum building height of 15m for height Precinct 7<sup>466</sup> and provides a s32AA assessment.<sup>467</sup>

Mr Freeman sought for submission 972 that Rule 12.5.8.2 should include Height Precinct 7<sup>468</sup> and he raised this during the hearing. Mr Wallace agrees<sup>469</sup> with the assessment of Mr Freeman and Ms Costello that this new height precinct would fit

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<sup>460</sup> Part of the 'Multiple Queenstown Submitters' represented by Lane Neave. Legal submissions were provided on this point dated 5 August 2025.

<sup>461</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [55] – [66].

<sup>462</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [89].

<sup>463</sup> Rebuttal Ms Frischknecht at [4.25] and [4.27].

<sup>464</sup> Rebuttal Mr Wallace at [6.3].

<sup>465</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [64].

<sup>466</sup> Rebuttal Ms Frischknecht at [4.28].

<sup>467</sup> Rebuttal Ms Frischknecht at [4.34].

<sup>468</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [65].

<sup>469</sup> Reply Mr Wallace at [3.1].

best within Rule 12.5.8.2 which better reflects the increased height enabled as well as the existing building which exists on the Site. Mr Wallace "observes"<sup>470</sup> that this inclusion within Rule 12.5.8.2 creates an anomaly in the theoretical street wall created by the provisions. But as there is an existing building this already applies such that it does not introduce any adverse urban design effect. Ms Frischknecht relies on Mr Wallace's assessment and considers that the change gives effect to the relevant SOs. She provides amended provisions drafting to accommodate her recommendations and a s32AA assessment.<sup>471</sup>

- (vi) In preparing her rebuttal evidence Ms Frischknecht identified three errors in the Height Precinct Map that were incorrectly included in Height Precinct 1 (8m height limit). She considers that none of these areas are associated with developable titles or anticipated built form, and applying a height limit is not meaningful or necessary. She therefore recommends that the Height Precinct 1 overlay be removed from the following areas under Clause 16(2) of Schedule 1 of the RMA:

(a) The two unzoned legal road segments of Athol Street adjacent to Designation 81;

(b) The Civic Spaces-zoned Village Green.

- (vii) Mr Freeman prepared evidence in support of Cactus Kiwi NZ Limited Partnership (1004) in support of building height at 10 Man Street being measured from a fixed datum point on the property, being RL 326.5 masl.<sup>472</sup> Ms Costello supports this change as an appropriate urban design response given its location.<sup>473</sup> Mr Wallace considered Ms Costello's assessment and undertook additional modelling. He concludes that any impact is low-to-negligible in terms of potential urban design effects and notes that any future development would remain subject to a consent.<sup>474</sup> He therefore supports the change. Ms Frischknecht recognised that she had missed this relief point in her s42A Report and recommends that the relief sought is accepted and Rule 12.5.9 is updated so that building height at 10 Man Street is measured from a fixed datum point on the property, being RL 326.5 masl<sup>475</sup> and provides a s32AA assessment.<sup>476</sup>

In the memorandum of counsel for the multiple submitters dated 14 August 2025,<sup>477</sup> Mr Freeman supports an amendment to Rule 12.5.8 to ensure the rule appropriately addresses the amendments to building heights in Height Precinct 3A and 3B Man Street. Ms Frischknecht considers this a consequential change relating to building height on the land that was discussed during the hearing. She agrees with Mr Freeman that for the purpose of Rule 12.5.8.2, the height should

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<sup>470</sup> Reply Mr Wallace at [3.2].

<sup>471</sup> Reply Ms Frischknecht at [4.317] and [4.18].

<sup>472</sup> Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, 4 July 2025, at [54].

<sup>473</sup> Statement of Evidence of Ms Costello for the Multiple Queenstown Submitters, 4 July 2025, at [107].

<sup>474</sup> Rebuttal Mr Wallace at [6.6].

<sup>475</sup> Rebuttal Ms Frischknecht at [4.41].

<sup>476</sup> Rebuttal Ms Frischknecht at [4.42].

<sup>477</sup> Lane Neave, at [2(c)] and Appendix 3.

be measured from the level of the Man Street Road boundary. She provides revised text to Rule 12.5.8 to reflect this and a s32AA assessment.<sup>478</sup>

- (d) Rule 12.5.8 Discretionary Building Height in Precinct 1, Precinct 1(A), Precinct 2, Precinct 4 and Precinct 5: This is a new Rule to replace the various recession planes which apply above street level. The Rule provides two separate standards, related to permitted floor heights for height precinct 2 (Rule 12.5.8.1) and height precincts 3 and 4 (Rule 12.5.8.2). The Rule excludes Precincts 1 and 5. Ms Frischknecht reviews the relevant submissions in support and opposition. Mr Wallace also considers the submissions and that the:<sup>479</sup>

... intention of this rule needs to be considered in conjunction with the wider height increases proposed across the QTCZ. In this regard, the rule has sought to balance the need to better enable more intensive development within the QTC, whilst also acknowledging some of the characteristics of the QTC that some members of the community consider to be important. In this regard, the standard was considered to provide a number of benefits, including:

- a. New development as viewed from the street would retain the predominant “low-scale” 3 to 4 storey character as viewed from its immediate surrounding which is prevalent across the QTC;
- b. A set-back of 6m as viewed from the street could effectively “hide” around 2 additional storeys of development enabled from the increased heights;
- c. It provides opportunities for upper-level balconies/ communal open spaces that could benefit from access to increased levels of sunlight from their elevated position; and
- d. Where applicable, maintains a degree of sunlight access to key open spaces and often works in addition to building setbacks created from street corridors.

In light of the above, and based on the information before me I do not consider that there is any need to delete this standard in some submissions. However, I consider that there would be merit in adopting a tiered approach to the setback control where a lower standard (e.g. 3m) applies for building proposed at heights of between 12m and 16m, while the full 6m is not triggered until buildings exceed this height. If the later is triggered, then those portions of the building between 12m and 16m would still need to be set back 6m from the street boundary to avoid an issue where “wedding cake” type building forms are encouraged. These can be especially problematic in terms of construction complexity / cost.

Ms Frischknecht agrees with and relies on Mr Wallace’s evidence on the setback at upper floors. She considers that the built form standards be considered as a package to understand the urban form outcomes, and particularly in this case the maximum heights notified for the QTCZ. Applying a tiered approach, as recommended by Mr Wallace, would still achieve the same outcome to what was notified.<sup>480</sup>

Ms Frischknecht agrees with submissions that that most of the laneways would trigger the setback as required in the rule. Mr Wallace supports a refinement to 12.5.8 to exclude lanes within the Town Centre.<sup>481</sup> Therefore, Ms Frischknecht considers that all

<sup>478</sup> Reply Ms Frischknecht at [6.17] and [6.18].

<sup>479</sup> EIC Mr Wallace at [13.12] and [13.13].

<sup>480</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.126].

<sup>481</sup> EIC Mr Wallace at [13.34].

laneways should be excluded to provide consistency in how the rule is being applied.<sup>482</sup> Mr Ashby for Reid Trust supported Ms Frischknecht's changes to rule 12.5.8.2 and the redrafting of the note.<sup>483</sup>

Finally, Ms Frischknecht agrees with submission 776 that the name of Rule 12.5.9 be changed to more accurately reflect the intent of the rule.<sup>484</sup>

Ms Frischknecht therefore recommends that, and provides a s32AA assessment for:<sup>485</sup>

(a) The relief sought by Acorn Mountain Trustees Limited, Clearwest Trustees Limited, Oak Wood Trustees Limited, St Marthas Trustees Limited, J F C Henderson (779) and Reid Investment Trust (878.4) be accepted; and

(b) The relief sought by Carter Group (776.7) is accepted.

...

I recommend that the submissions in support of notified Rule 12.5.8 are accepted in part and the submissions in opposition be rejected.

Submitter evidence was received in relation to this rule by:

- (i) Ms Clouston in support of Acorn Mountain Trustees Limited, Clearwest Trustees Limited, Oak Wood Trustees Limited, St Marthas Trustees Limited, J F C Henderson (Collective) (779) seeking amendments to notified Rule 12.5.8.1 so that building setback of upper floors apply to buildings that exceed a height of 8.5m rather than 8m.<sup>486</sup> This is to reflect the permitted PDP parapet height. Mr Wallace observes that the parapet exception within the PDP relates to a decorative architectural feature and does not enable greater levels of development. However, he considers retaining the existing parapet exclusion does not create adverse urban design effects and may have some small benefit in terms of design.<sup>487</sup> In line with Mr Wallace, Ms Frischknecht explains that the current provisions to enable an extra 0.5m for a parapet enables flexibility for an architectural feature. Whereas in her view notified Rule 12.5.8 serves a different purpose (setbacks at upper levels). Again, as all buildings require RDA resource consent under Rule 12.4.7 in the QTC, she does not consider any more onerous for any additions or alterations to also be considered on its merits through the same process for any breaches to Rule 12.5.8.<sup>488</sup>

Ms Frischknecht also mentions that Ms Clouston supports the intention of the advice note she recommended in her S42A evidence, however Ms Clouston

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<sup>482</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.131]. This is supported by Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, 4 July 2025, at [64].

<sup>483</sup> Statement of Evidence of Mr Ashby, 4 July 2025, at [7.5] and [7.6].

<sup>484</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.132].

<sup>485</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.133], [134] and [135].

<sup>486</sup> Statement of Evidence of Ms Clouston (779), 4 July 2025, at [19]. and Summary Statement of Evidence, 7 August 2025, at [19].

<sup>487</sup> Rebuttal Mr Wallace at [7.4].

<sup>488</sup> Rebuttal Ms Frischknecht at [4.47].

considers there would be improved clarity if the advice note was to be moved to the front of the rule.<sup>489</sup> Ms Frischknecht:<sup>490</sup>

... disagrees] that moving the advice note to the start of the rule would improve clarity. In my view the necessary clarity would be achieved by amending the advice note to say "Rule 12.5.8" rather than 'this rule'.

- (ii) Mr Freeman in support of the Multiple Queenstown Submitters who oppose the notified building setback of upper floors for Height Precinct 2, 3 and 4.<sup>491</sup> The main reason being that the bulk of the sites within the QTCZ are small parcels of land with direct frontage (or multiple frontages) to a road that will be significantly affected by the setbacks. This is supported by Urban Design evidence by Ms Costello to remove matter of discretion (d). Both experts also seek that Rule 12.6.2 to exempt public notification for breaches to the rule. This is one the basis that shading of adjacent QTC sites may limit intensification. Mr Freeman agrees.<sup>492</sup>

Mr Wallace generally agrees<sup>493</sup> with Ms Costello that the purpose of this rule and accompanying matters of discretion are better targeted towards effects on the streetscape / public open space rather than neighbouring site. He also considers the standard could create unnecessary consenting risk. Ms Frischknecht relies on Mr Wallace's evidence, considers other standards provide adequate controls, and accepts that matter of discretion (d) can be removed<sup>494</sup> and she provides a s32AA assessment in support.<sup>495</sup>

Regarding public notification Ms Frischknecht accepts that public notification is not required but does not support removing limited notification too as sought by Mr Freeman and Ms Costello.<sup>496</sup> That is because breaching the standards may create more than minor adverse effects on adjoining sites.

- (e) Rule 12.5.10 - Setback and sunlight access – sites adjoining a Residential zone and Rule 12.5.12 - Outlook Space (per unit). These are new rules relating to built form to ensure residential activity is supported by appropriate on-site amenity and are compatible with the adjacent land uses. Ms Frischknecht reviews the relevant submissions in support and opposition.<sup>497</sup> Issues associated with definitions are addressed in Section 11. Ms Frischknecht:<sup>498</sup>

- (i) Does not support changes to the rule so it does not apply when there is a road between the QTCZ and a residential zone given the width of the road still providing an enabling framework.

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<sup>489</sup> Statement of Evidence of Ms Clouston (779), 4 July 2025, at [23].

<sup>490</sup> Rebuttal Ms Frischknecht at [4.49].

<sup>491</sup> Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, 4 July 2025, at [68].

<sup>492</sup> Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, 4 July 2025, at [75].

<sup>493</sup> Rebuttal Mr Wallace at [7.3].

<sup>494</sup> Rebuttal Ms Frischknecht at [4.56].

<sup>495</sup> Rebuttal Ms Frischknecht at [4.61].

<sup>496</sup> Rebuttal Ms Frischknecht at [4.58].

<sup>497</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.138] – [140].

<sup>498</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.144] – [146].

- (ii) Consider that outlook space is important (including for someone living in the QTC) for light and amenity of the future residents and ensures some degree of separation for dwellings and she notes that consent can be sought if breached.
- (iii) Considers that the changes give effect to SO 3.2.2, contribute to achieving Policy 3.2.2.1 and support PDP Objective 12.2.3.

She therefore recommends that the submissions in support of Rule 12.5.10 is accepted and the submissions in opposition of are rejected.

- (f) Rule 12.5.11 Minimum Ground Floor Height. This is a new rule that requires minimum ground floor heights to provide flexibility for a range of uses within the building in the future. Ms Frischknecht reviews the large number of submissions in support and opposition (noting that land subject to PC50 has been addressed in Section 4). Mr Wallace states:<sup>499</sup>

... The general intent of the standard was to future-proof the ground floor of buildings for a greater variety of uses – particularly active uses including retail and to avoid an issue of low-height commercial spaces in an attempt to accommodate more levels of development above. A number of submissions were received in terms of the drafting of the rule and how it would be applied, with a request that it only apply to new buildings.

As drafted, I agree that there are potential issues with the wording of this rule. Firstly, I would note that the intent of the rule was to be applied to floor-to-floor heights, rather than floor-to-ceiling with detail on the later not something usually considered in a resource consent process. I note that the height of ceilings can typically vary between uses, while the floor height (i.e. the structure) is fixed once built. I support a change in the wording within the standard to refer to “floor-to-floor” height to align with the standards purpose and assist with ease of application.

In terms of how this standard is to be applied, I agree with the submitter that it should not apply to alterations to existing buildings – noting it may be practically impossible to meet this standard for an existing building with structural floor-to-floor heights of less than 4m. In terms of additions, there are some circumstances where I also agree with the submitter where this may be impractical or unnecessary such as an addition to the rear of an existing building. However, for an addition along a street facing façade the intent and purpose of the standard would remain relevant. As such, it could be appropriate to add in a qualifier that it applies for building additions located along a street facing boundary.

Ms Frischknecht agrees that the rule is unclear and agrees with the intent of Mr Wallace's recommendation and considers that this is more appropriately assessed on a case-by-case basis through the resource consent process.<sup>500</sup> She also considers that changing the rule so that it refers to floor-to-floor heights, rather than floor to ceiling, would partially address the concerns raised by the submitters and would provide more flexibility for alterations and/or renovations to existing buildings.<sup>501</sup>

<sup>499</sup> EIC Mr Wallace at [13.15] – [13.17].

<sup>500</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.156]. Noting that as all building will require consent as an RDA subject to Rule 12.4.7 anyway Ms Frischknecht does not consider this to be more onerous.

<sup>501</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.158].

Ms Frischknecht therefore recommends that the submission by Carter Group (776) is rejected and the other submissions in opposition of Rule 12.5.11 be accepted in part (and she provides the redrafted provision and a s32AA assessment).<sup>502</sup>

Mr Freeman provided planning evidence on this Rule in support of the 'multiple submitters'.<sup>503</sup> While he agrees with the purpose of the rule to provide flexibility, he considers that further change is warranted to provide clarification that it should not apply to alterations of existing buildings.<sup>504</sup> Rather, he seeks that the provision clearly includes practical and cost implications of compliance. Ms Costello supports amendments to exclude building alterations.<sup>505</sup> Ms Frischknecht supports retention of the provision as drafted for the following reasons:<sup>506</sup>

(a) Alterations to existing buildings are generally internal and therefore generally do not trigger District plan provisions;

(b) An extension to an existing building could be of a significant scale (including for a staged development) and could significantly impact the street frontage. Both Mr Wallace and Ms Costello are of the opinion that Rule 12.5.11 is important for street-facing development;

(c) There are no environmental effects associated with cost implications.

- (g) Rule 12.6.3 Rule – Non-Notification of Applications. Minor amendments are proposed by the UIV and Ms Frischknecht reviews the large number of submissions in support and opposition. She notes that the amendment only includes an exemption for public notification for setback and sunlight access breaches and that notice will still be served on those persons considered to be adversely affected if those persons have not given their written approval. She therefore recommends that the submissions in opposition be rejected and the one in support be accepted.<sup>507</sup>

### **Findings / decision / provision changes / s32AA**

16.15 As is clear from the above we received extensive submissions, evidence and presentations in relation to the QTCZ. We worked through many matters with submitters (and their experts) during the hearing and received extensive evidence from the council team.

16.16 At a fundamental level we agree with Ms Fairgray that:<sup>508</sup>

... that a centres-based urban form is a more efficient and sustainable pattern of urban growth than dispersed patterns of development. The concentration of activity into central nodes results in more efficient patterns of consumer access to goods, services and other household needs. It also increases efficiency through the centralisation of infrastructure and services delivery. This also includes the provision of social and other public infrastructure such as public space, which are important components of the social role of centres.

16.17 In this respect it is economically beneficial for the market to deliver a greater number of higher density apartment dwellings within the QTCZ. As Ms Fairgray explains some of the dwellings

<sup>502</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.161] – [5.162].

<sup>503</sup> Supported by legal argument from Lane Neave dated 5 August 2025.

<sup>504</sup> Statement of Evidence of Mr Freeman, 4 July 2025, at [78].

<sup>505</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [82].

<sup>506</sup> Rebuttal Ms Frischknecht at [4.68].

<sup>507</sup> S42A Report (Chapters 12, 13, 15 and 16) at [5.167].

<sup>508</sup> EIC Ms Fairgray at [6.8].



will be large, and some small, delivering a range of pricing options all with very high accessibility in an area of high relative demand. Greater density and height will also increase the commercial viability, and the vitality of, the QTCZ. This will support the continuance of the QTCZ as a main commercial node.

16.18 To us the QTCZ is a rational, logical, efficient and effective location to maximise height to give effect to Policy 5 and the NPS-UD as a whole. It also aligns with the SOs in the PDP. Indeed during the hearing we asked some experts why additional height over what they were proposing has not been sought. Those questions reflected Ms Fairgray's opinion that "the commercial feasibility of higher density development in other parts of the QTC may be further increased with greater height allowances."<sup>509</sup> Given all the submissions and evidence/presentations we heard we reached the clear conclusion that adding height into the QTC as proposed in the notified UIV, and more where appropriate, was a 'no brainer'.

16.19 We also support the rationale of the amphitheatre approach. It importantly recognises the 'historical town centre' with lower heights in Precinct 2 as well as the lake shore with low heights in Precinct 1. This building up from the lake front and historic centre out approach was not opposed by any expert evidence. We find that it is well considered and appropriate approach to framing the intensification of the QTCZ. We recognise that this outcome will not occur overnight but evolve over many years so there will be varying stages of develop that may for a time not 'fit' within their surroundings until they are developed too. But that is the nature of town centres (and urban areas as a whole). They are not static but grow and change over time as recognised by Objective 4 and Policy 6 of the NPS-UD. Critically, it will ensure development at the centre scale occurs in a manner that reflects the 'unique' setting and character of the centre that many submissions commented on (and submitters spoke to us about).

16.20 Overall, given the iterative process adopted through evidence exchange and the hearing, we largely agree with the provisions as attached the Council's Reply version. Our reasoning for this is that:

- (a) It often reflects outcomes resolved, and reasoned, during the process and where it does not it reflects a carefully considered and developed approach; and
- (b) It gives effect to Policy 5 of the NPS-UD, and the NPS as a whole in a logical, justifiable manner that will deliver a well-functioning urban environment.

16.21 Therefore, except as set out below, we agree with and adopt the reasoning of the recommendations of Ms Frischknecht as advanced through her EIC, rebuttal and reply. The changes we make to the Reply version of the provisions, with s32AA reasons, are:

- (a) Additional wording to the Zone purpose to make it clear that building heights and densities are among the highest in the District. We consider this necessary for transparency and to correctly set the scene for the zone. The change reflects the whole intent of the UIV and gives effect to Policy 5.

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<sup>509</sup> EIC Ms Fairgray at [5.45].

- (b) Addition of a policy at 12.2.2.4(d) linking the merits of additional building height to the amenity and character of the Special Character Area, related to a change in activity status from non-complying to discretionary.
- (c) Deletion of proposed policy 12.3.3.7 and rule 12.5.11 relating to minimum ground floor heights.
- (d) The deletion of all references to the Queenstown Town Centre Design Guidelines 2015. We have set out of reasons for removal of the guidelines in more detail in Section 6, 7, 13 and 14). The main reason for this is, having accepted that the QTCZ provisions have significantly change changed through the UIV we do not consider that retaining the guidelines from a different era will give effect to Policy 5 and will hinder the intended intensification. But also, we consider that the objectives, policies and rules within the QTC appropriately address the key matters and ensure they will be considered. While guidelines can have a role, we consider direct incorporation of the key elements to be better practice. Therefore, from a s32AA perspective, we do not consider the retention of references to the guidelines to be the most appropriate way to achieve the objectives, and their inclusion is not efficient and effective (and in fact achieve exactly the opposite). We have however retained reference to character effects on the Special Character Area.
- (e) In relation to the removal of the guidelines we do insert in the Zone Purpose the wording "existing character of this area" in relation to the existing PDP Special Character Area (and Rules 12.4.7(a) and 12.5.4 discretion). As explained above this provides an important core to the centre from which the amphitheatre approach builds away from. From a s32AA perspective presently there is a reference to the guidelines. We do not support that for the reasons above and consider our proposed wording to be efficient and effective.
- (f) In relation to Rule 12.5.9 we changed the activity status for a breach of the maximum height from non-complying to discretionary. We recognise, as set out above, the notified UIV did not alter the activity status, but some submitters did seek changes to it. We agree with Ms Clouston that greater height should be anticipated by the plan in appropriate circumstances, but we do not agree that RDA is an appropriate activity status. As above greater height reflects Ms Fairgray's evidence as to the benefits of height, and our position above as to the overall fundamental role of the QTC in delivering intensification for the District. This approach required amendment to Policy 12.2.2.4 to delete "non-complying" and replace it with "discretionary". In addition, we added a new provision (d) to the policy to ensure appropriate recognition in relation to the existing character of the Special Character Area (this is addressed above). In terms of s32AA we consider providing a discretionary activity status anticipates in appropriate circumstances greater heigh may be appropriate, reflecting Policy 5 and the very high accessibility and relative demand of the QTCZ.
- (g) In this manner we consider that discretionary activity status gives effect to Policy 5. We also consider that the QTCZ objective and policy framework is such as to provide clear guidance to decision-makers. Therefore, in a s32AA sense, with the provisions in place,

we consider that discretionary activity status will efficiently and effectively contribute to a well-functioning urban environment while also meeting the relevant SOs and objectives and policies of the Chapter.

- (h) Staying with Rule 12.5.9 we agree with submission 776 (Carter Group) and consider that the maximum height limit for Precinct 6 should be 4m. Given its reserve status, location along the waterfront, and the types of recreational / open space use we were told would occur there we cannot see any justification for buildings up to 8m. However, given our change in activity status should that ever be require a specific development can be assessed as a discretionary activity.
- (i) The Panel does not support new Policy 12.2.3.7 or Rule 12.5.11 and recommends they be deleted.<sup>510</sup> Neither has been adequately shown to be a response to additional heights or densities contemplated under the NPS-UD, and there was no evidential base to conclude that without these provisions the current PDP is otherwise badly lacking. We consider that the vibrancy of the QTC will not be compromised by its removal and actually the removal provides greater flexibility to developers. Therefore, in relation to s32AA, Policy 12.2.3.7 and Rule 12.5.11 are not the most appropriate and their inclusion is not required to give effect to Policy 5 and is not efficient and effective.

16.22 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 12.

16.23 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **CHAPTER 13 - WĀNAKA TOWN CENTRE ZONE**

### **Background / key issues**

16.24 Ms Frischknecht sets the scene as follows:<sup>511</sup>

The Wānaka Town Centre (WTC) is defined by the strong visual connection to its landscape setting, located in a prime lakeside setting, with spectacular views of the mountains and easy access to the lakeside, walkways and public parks. The Centre provides a diverse range of visitor accommodation and visitor related businesses. The Town Centre performed as an area of high accessibility in the Accessibility & Demand Analysis because of its access to multiple food retailers, quality open space and access to employment.

The PDP Strategic Objectives, particularly SO 3.2.1 and SP 3.2.1.2 recognise the Queenstown and Wānaka town centres as the hubs of New Zealand's premier alpine visitor resorts and the District's economy.

The Accessibility & Demand Analysis indicates that the accessibility and relative demand for the WTC is still high, albeit slightly lower than QTC. The Economic Assessment indicates that the Wānaka / Hāwea catchment is projected to gradually shift toward a greater share of attached dwellings, but at a slightly slower rate than the District overall.

16.25 In addition to Ms Frischknecht's comments above, the WTC is now having to interact with the new commercial area at Three Parks (which could be considered a second town centre).

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<sup>510</sup> This change aligns with the same change in Chapter 13 (WTC) to Policy 13.2.1.4 and Rule 13.5.16.

<sup>511</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.1] – [6.3].

Some businesses have relocated from the WTC to Three Parks for various reasons, but the opportunity provided through the notified UIV to enable and attract HDR development in the WTC is likely to ensure the WTC continues to provide a diverse range of VA and VA related businesses, but also more residential choices.

- 16.26 The key issues raised through submissions were, in general for those in opposition, related to the 'unique' character, landscape and values of the WTC (and its fit and role within Wānaka generally), carparking, and numerous specific matters as detailed below.

#### **Submissions / s42A Report / evidence / legal and lay argument**

- 16.27 Generally, as above, a number of submissions opposing<sup>512</sup> the notified UIV changes to Chapter 13 as a whole, a number of submissions sought restriction until carparking is improved / provided,<sup>513</sup> and on location specific areas.<sup>514</sup> In relation to carparking the UIV does not propose any amendments to carparking requirements in the WTC (and presently there is no required onsite parking<sup>515</sup>). The UIV does however have an overall strategy away from vehicle dependence given its primary basis from Policy 5 of the NPS-UD (see Section 3).
- 16.28 In relation to infrastructure Mr Powell<sup>516</sup> states that the level of intensification proposed for the WTC can be serviced through scheduled upgrades (and future upgrades if the demand arises). Ms Frischknecht considers that the inclusion of the Subdivision and Land Development Code of Practice (2025) addresses stormwater effects and relies on Ms Fairgray's evidence<sup>517</sup> that concentrating development into nodes reduces demand for infrastructure development and lowers the cost of infrastructure provision.
- 16.29 Ms Frischknecht disagrees with submission 355 that if more capacity is required in the WTC it should be achieved by expanding the extent of the centre as opposed to enabling more height.
- 16.30 Ms Frischknecht therefore recommends that those submissions in general support of the notified UIV changes to Chapter 13 be accepted in part and the submissions in opposition be rejected. We agree for the same reasons as provided by Ms Frischknecht.
- 16.31 In relation to the specific WTC text, submissions were received relating to:
- (a) In relation to the WTC Character Guideline several submissions<sup>518</sup> sought either a high-quality urban design outcomes and / or that the character of existing areas was protected. Heart of Wānaka sought that the guidelines be substantially overhauled (with an urban design panel being reinstated). Ms Frischknecht refers to Objective 1 of the NPS-UD, several PDP strategic objectives and several WTC objectives all of which relate to well-functioning urban environments and high-quality character / urban design

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<sup>512</sup> Including submissions 32, 344, 358, 369, 373.

<sup>513</sup> Including submissions 8, 68, 325, 339, 408.

<sup>514</sup> Including submissions 315 and 392.

<sup>515</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.8].

<sup>516</sup> EIC Mr Powell at [5.13] – [5.17].

<sup>517</sup> EIC Ms Fairgray at [6.8].

<sup>518</sup> Including submissions 311, 325, 339, 360, 485, 727, 1087. Submitter 711 sought a pedestrian links map and Ms Frischknecht sets out the relevant policies and rules in relation to that while concluding (at [6.36]) that these linkages should not be mapped but assessed on a site-by-site basis.

outcomes (supported by the guidelines of which the UIV plans to embed more into the actual provisions).<sup>519</sup>

In relation to the use of an urban design panel Ms Frischknecht notes it does not have any statutory powers and are generally a voluntary process for developers. That aligns with the submissions we heard. She therefore considers that it is better to have more specific provisions within the plan and recommends amendments to provide strong direction for urban design outcomes.<sup>520</sup> Mr Wallace supports these additional changes.<sup>521</sup>

Ms Frischknecht states:<sup>522</sup>

I consider the suite of urban design amendments proposed through the notification of the Variation, as well as the additional provisions recommended above, provide an appropriate framework to support the provision of quality amenity and design outcomes for residents and visitors in the WTC. Urban design-related matters can continue to be appropriately addressed by assessing the scale and functional design of the development under the restricted discretionary framework for buildings in the WTCZ.

Ms Frischknecht provides a s32AA assessment in support of the changes.<sup>523</sup> In relation to these changes we agree with Ms Frischknecht for the reasons she provides, and we adopt her s32AA assessment. We therefore accept those submissions (in whole or in part) that align with those changes but otherwise reject the submissions (in whole or in part).

(b) Chapter 13.2 Objectives and Policies:

- (i) Generally, two submissions<sup>524</sup> oppose the amendments in the UIV but do not provide further reasons. We agree with Ms Frischknecht<sup>525</sup> that these submissions be rejected.
- (ii) Objective 13.2.2 as notified was amended to refer to "achieving high quality urban design outcomes". Submission 7<sup>526</sup> supported the change but sought that no consents be granted to non-compliant activities outside the urban area. The notified UIV does not propose any changes to activity status to development outside the UGB.<sup>527</sup> Several submissions<sup>528</sup> opposed the change but provided no reasoning other than retaining the character of Wānaka. Submission 406 sought that outcomes should be consistent with the existing character. Ms Frischknecht considers that while the UIV is more enabling of development the change proposed provide for necessary high-quality urban design outcomes.<sup>529</sup> She does

<sup>519</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.18] – [6.23]. Ms Frischknecht supports Ms Bowbyes approach that the guidelines be retained for now and updated through a later plan change process.

<sup>520</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.27]. Ms Frischknecht notes (at [6.29]) that these changes, combined with some below, also address submissions 311, 339, 485 623, 727, 1087,

<sup>521</sup> EIC Mr Wallace at [14.2].

<sup>522</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.30].

<sup>523</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.40].

<sup>524</sup> Submissions 351 and 352.

<sup>525</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.42].

<sup>526</sup> Supported by 1300.

<sup>527</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.46].

<sup>528</sup> Including submissions 10, 183, 311, 533, 350.

<sup>529</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.48].

not consider referring to the existing environment to be appropriate as change is intended by the UIV (it is an intensification variation) and that aligns with Objective 4 and Policy 6 of the NPS-UD. She therefore recommends that the relief sought by the submissions and further submission in support of Objective 13.2.2 be accepted and those in opposition be rejected.<sup>530</sup> We agree for the same reasons as provided by Ms Frischknecht.

- (iii) Objectives 13.2.4 and 13.2.5. Submission 360 seeks amendments to these objectives. Ms Frischknecht notes that no changes were proposed to these provisions in the notified UIV.<sup>531</sup> We agree that no changes be made to these objectives and reject this submission.
- (iv) Policies 13.2.1.2 and 13.2.1.4. Amendments are proposed to Policy 13.2.1.2 to include privacy, outlook space and access to sunlight. Ms Frischknecht explains<sup>532</sup> that the changes recognise the importance of onsite amenity with higher density development. Policy 13.2.1.4 as notified is a new policy that contributes to the vibrancy and economic prosperity of the Town Centre (the rule implementing it requires minimum ground floor heights). Submission 498 supports the changes to policy 13.2.1.2 and submission 183 opposes it, but no reasoning is provided. Submission 10 opposes policy 13.2.1.4 requesting that buildings be kept small. Ms Frischknecht therefore recommends that that Policies 13.2.1.2 and 13.2.1.4, remain as notified and the submissions in support are accepted and the submissions opposed are rejected.<sup>533</sup> We agree in relation to Policy 13.2.1.2 for the same reasons but do not agree in relation to Policy 13.2.1.4 as we explain below.
- (v) Policies 13.2.2.3 and 13.2.2.5.
  - (1) Policy 13.2.2.3, as notified, summarises the built form outcomes that are anticipated by proposed changes to building heights. Submissions 360 and 982 supported Policy 13.2.2.3 and several submissions<sup>534</sup> opposed it. Ms Frischknecht considers the changes are necessary to implement Policy 5 in the WTC and describe the building heights that would be enabled through the proposed rule framework.<sup>535</sup>
  - (2) The notified amendments to Policy 13.2.2.5 acknowledge that consideration needs to be given to infringements of all built form controls, not just height. Submissions 982 and 1108 supported the changes and several submissions<sup>536</sup> opposed it. Ms Frischknecht<sup>537</sup> considers that built form controls are sufficiently referenced in, and is not a new term in, the PDP.

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<sup>530</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.51].

<sup>531</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.52].

<sup>532</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.58].

<sup>533</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.61].

<sup>534</sup> Including submissions 7, 10, 183, 352, 533.

<sup>535</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.67].

<sup>536</sup> Including submissions 7, 10, 332, 350, 533.

<sup>537</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.68].

The policy also enables consideration of alternative options where it can be demonstrated that high quality design outcomes can be achieved.

Overall, Ms Frischknecht considers that the proposed policies are the most appropriate way to accord with policy 1 of the NPS-UD and the strategic policies in the PDP as they relate to well designed and integrated urban form and quality-built environment.<sup>538</sup> Ms Frischknecht recommends that the submissions in support of the policies are accepted and the submissions in opposition are rejected with the exception of the amendments to Policy 13.2.2. We agree with Ms Frischknecht and accept her reasoning.

- (vi) Policies 13.2.5.5 is a new policy, as notified, to ensure waste storage/loading does not compromise pedestrian experience. Submission 1108 supports the change and submission 10 opposes it. As no reasons are given, and Ms Frischknecht considers it is required to give effect to PDP Objective 13.2.5 we agree with her recommendation<sup>539</sup> that the submission in support be granted and the one in opposition be rejected.

#### 16.32 In relation to the rules:

- (a) Table 13.4 – Activities. The current rule framework provides a restricted discretionary activity status for all buildings in the WTCZ. The activities Table 13.4 enables a broad range of activities that supports the creation of a vibrant mixed-use environment. The amendments include additional matters of discretion to provide clear expectations for development outcomes (including embedding core design principles into the plan). Submissions 389 and 982 support the change and submissions 10 and 533 oppose it. Again, no reasons are provided, and Ms Frischknecht considers the changes are appropriate and necessary to give effect to PDP SO 3.2.2 and 3.2.3.<sup>540</sup> We agree, subject to one minor matter address below in relation to 13.4.4(a), with her recommendations<sup>541</sup> that the submissions in support be granted and in opposition be rejected.

- (b) Table 13.5 – Standards. Ms Frischknecht summarises the changes as follows:<sup>542</sup>

The notified provisions proposed a number of amendments to 13.5 Rules – Standards as summarised below:

- (a) Relaxation of the sunlight admission standard for WTCZ properties that adjoin residential zones (Rule 13.5.1);
- (b) Introduction of a waste and Recycling Storage Space rule with a restricted discretionary activity status (Rule 13.5.2);
- (c) Inclusion of a building setback at upper floor levels of 4m where buildings exceed 12m in height outside of Precinct 1 and of 3m above 10m in Height Precinct 1 (Rule 13.5.9);

<sup>538</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.70].

<sup>539</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.75].

<sup>540</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.78].

<sup>541</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.79].

<sup>542</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.80].

(d) Increasing the maximum permitted height limit from 10m to 16.5m outside of Height Precinct 1 (Rule 13.5.10);

(e) Introduction of minimum outlook space requirements for residential units with restricted discretionary activity to breach (Rule 13.5.15);

(f) Inclusion of a minimum floor height standard of 4m for ground floor levels with a restricted discretionary activity status (Rule 13.5.16).

In relation to these matters:

- (i) Generally, submissions 128 and 430 oppose all the amendments. Submission 430 considers that a "blanket and blinkered approach" has been taken that fails to recognise the WTC character. Submitter 128 opposes the building height. Ms Frischknecht sets out how character is considered and reflected and also addresses the NPS-UD and the PDP SO, recommending that these submissions be rejected.<sup>543</sup> We agree.
- (ii) Two submissions supported,<sup>544</sup> and two opposed,<sup>545</sup> Rule 13.5.2. The reasons for opposition for submission 778 are the prescriptiveness of the rule. Ms Frischknecht supports retention of the rule and rejects the wording proposed by submission 778.<sup>546</sup> She recommends that Rule 13.5.2 remains as notified and the submissions in support are accepted and the submissions in opposition of this Rule are rejected. We agree.
- (iii) Rules 13.5.1 - setbacks and sunlight access. Several submissions<sup>547</sup> were received in support of the amendments and several submissions<sup>548</sup> were received in opposition. Ms Frischknecht considers the changes sought would significantly constrain the proposed height increases and not enable urban intensification (contrary to the NPS-UD).<sup>549</sup> Ms Frischknecht recommends that the relief sought in submission 778 be rejected and otherwise the submissions in support of Rule 13.5.1 as notified be accepted, and the submissions in opposition of this Rule are rejected. We agree.
- (iv) Rule 13.5.9 – building setback upper floors. Several submissions<sup>550</sup> were received in support of the new rule and several in opposition.<sup>551</sup> Those in opposition either opposed the UIV in its entirety, did not favour higher development, or considered it a constraint on development. Mr Wallace did not support these changes given the urban design benefits they provide.<sup>552</sup> Ms Frischknecht also supported retention of setbacks but considered they be increased to 6m for 16-20m of height. She recognises commercial feasibility but does not consider that should compromise

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<sup>543</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.85].

<sup>544</sup> Submissions 389 and 396.

<sup>545</sup> Submissions 782 and 778.

<sup>546</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.91] and [6.92].

<sup>547</sup> Submissions 389, 396, 782.

<sup>548</sup> Including submissions 7, 10, 183, 375, 406.

<sup>549</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.91] and [6.100].

<sup>550</sup> Submissions 13, 389, 396, 782.

<sup>551</sup> Including submissions 10, 406, 533, 662, 663, 778.

<sup>552</sup> EIC Mr Wallace at [14.6].



high quality design.<sup>553</sup> Therefore, she does not support a reduction in setbacks from 4 to 2m (as sought by submitter 982). She also considers it appropriate that any standard infringements be subject to notification tests. Ms Frischknecht provides new drafting for her recommended changes and a s32AA assessment.<sup>554</sup> We agree with her changes and adopt the s32AA assessment.

- (v) Rule 13.5.10 - maximum building height. The notified building height rules specify the maximum permitted height for buildings in the Height Precinct P1, and the maximum permitted height for the balance of the WTCZ. Ms Frischknecht explains the height changes as follows:

In Height Precinct P1 the maximum permitted height would remain 12m to the eave line and 14m to the ridge line. The maximum permitted height for Height Precinct P2 and the rest of the WTCZ would be increased from the current 10m to the eave line / 12m to the ridge line and 8 m to the eave line / 10m to the ridge line, to 16.5m, with recess requirements for upper floors).

Some submissions<sup>555</sup> were received in support and approximately 62 submission points were received in opposition, primarily due to effects on character and amenity arising from increased permitted height (and a wish that intensification of the WTC be kept to a minimum; and greater height could be in Three Parks). Regarding greater height, submissions 662 and 663 sought 20m on the basis that is a more commercially viable / supports development.<sup>556</sup> Submissions 662 and 663 oppose the height provisions for P1 in relation to properties they own on Dunmore Street and seek that the general WTCZ height also applies to their sites. Submitter 350 seeks that height restrictions are put in place between Brownston, Ardmore and Dungarvon Streets to "maintain the open natural low-level beauty of the town centre". Submission 948 (supported by 1285) seeks amendments to the rule to set the maximum permitted height for buildings at 12m with 16m as a restricted discretionary activity.

Ms Frischknecht first recognises that the WTC has some of the highest levels of accessibility in the District and performs well in terms of relative demand such that additional development meets Policy 5.<sup>557</sup> The s32 Urban Design report considers 20m commensurate with the level of accessibility/ demand as well as the Town Centre's role as the primary centre serving the Upper Clutha area.

Ms Frischknecht considers the greater height sought (20m) would "promote a compact urban form in the WTCZ and would enable more people to live in or near the WTC to strengthen the viability and vibrancy of the centre"<sup>558</sup> while giving effect to Policy 5 and aligning with PDP objectives. Mr Wallace supports a 20m

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<sup>553</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.22]. Note the numbering accidentally restarts so this is the second number round.

<sup>554</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.26] – [6.27]. Note the numbering accidentally restarts so this is the second number round.

<sup>555</sup> Including submissions 13, 53, 360, 389, 396

<sup>556</sup> Consistent with submissions 800 and 1312.

<sup>557</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.114] and [6.115].

<sup>558</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.116].

height limit as it enables 5-6 storey buildings).<sup>559</sup> Increased height aligns with Ms Fairgray's evidence of enabling financially feasible development for the commercial profit-driven part of the market.<sup>560</sup> Ms Frischknecht acknowledges that the s32 Report raised character concerns of greater building height but she considers there are urban design methods (including upper story setbacks) that can address character at street level concerns. Further, Rule 13.4.4 requires assessment of all new buildings against urban design matters. Ms Frischknecht concludes:<sup>561</sup>

... for buildings located outside the Height Precinct, I consider it appropriate to provide a tiered approach for heights between 16.5m and 20m to be assessed as a restricted discretionary activity with additional matters of discretion. In my opinion this would ensure that these developments are only allowed where high quality urban design outcomes are achieved. ...

In my opinion, providing for a maximum height of 16.5m for the WTCZ, but with an additional tier to enable buildings between 16.5m and 20m as restricted discretionary activity would provide an appropriate balance of giving effect to the broader objective of the NPS-UD but also ensures adequate amenity values are achieved within intensification areas

In relation to greater heights in P1, no increase in heights was proposed by the notified UIV. Mr Wallace supports the extra height (16.5m) sought by submitters 662 and 663 for their specific sites and agrees "that as these sites are already setback from Ardmore Street that the rationale of the step down towards the lake front is less relevant."<sup>562</sup> Ms Fairgray considers<sup>563</sup> that increased height at those locations will increase the feasibility of higher density development. Ms Frischknecht agrees, notes the current low-rise use of these sites and considers that amenity and economic benefits could be gained. Rather than alter the heights in P1, Ms Frischknecht recommends removing these sites, as well as the sites fronting Dungarvon Street between Dunmore Street and Brownston Street from P1. Mr Kemp provided planning evidence for D & K International Properties Limited Partnership (662) and Ardmore Trustee Nominee Limited (663) and supported this recommendation.<sup>564</sup>

Finally, Ms Frischknecht considered submissions seeking maintained or reduced heights. She does not consider that retaining existing height limits, or reducing them, would give effect to the NPS-UD in the WTCZ and notes that buildings greater than 16.5m would need RDA with urban design criteria applying.<sup>565</sup> Ms Frischknecht provides redrafted provisions and s32AA assessment to reflect her

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<sup>559</sup> EIC Mr Wallace at [14.4].

<sup>560</sup> EIC Ms Fairgray at [5.2].

<sup>561</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.124] and [6.125].

<sup>562</sup> EIC Mr Wallace at [14.3].

<sup>563</sup> EIC Ms Fairgray at [8.85].

<sup>564</sup> Statement of Evidence of Mr Edgar, 4 July 2025, at [16] and [19].

<sup>565</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.9] and [6.10]. Note the numbering accidentally restarts so this is the second number round.

conclusions above.<sup>566</sup> We accept those changes and rely on her s32AA assessment.

Ms Teat (submission 927) who, amongst other matters, opposed the proposed increase in building heights in the WTC. We were provided with legal submissions on behalf of Ms Teat.<sup>567</sup> Ms Teat's concerns include effects on the adjacent Lake Wānaka ONL, that there is no urgency to accelerate development (due to the 2021 HBA), that careful consideration is given to better understand the dynamics between the town centre and Three Parks. In relation to these matters in turn:

- (1) In relation to the ONL, as stated in Section 9, we did not get any evidence on this matter, given the substantial nature of the adjacent ONL, and the limited size of the town centre, we simply do not agree that the limited additional height and density would adversely affect the adjacent ONL (or views to or from it) to any material degree. We specifically considered this during our site visit and from across the bay at the hearing venue at the Edgewater Resort. [Questions asked during the hearing].
- (2) Based on the evidence of Ms Fairgray, especially given the new growth forecasts and the extent of that growth anticipated to be in the Wānaka Ward we do not agree that there is "no urgency" to accelerate development. The WTC has high accessibility and relative demand. The proposed intensification is commensurate with Policy 5 and, in our opinion, gives effect to the relevant NPS-UD provisions as a whole.
- (3) We have carefully considered the role of Three Parks and have proposed a significant uplift in intensification in that area. But, as discussed with parties during the hearing, the WTC remains a critical focus for the town as a whole and in terms of giving effect to Policy 5 we consider that intensification (and greater height) is necessary.

We recognise also the concern of the submitter in relation to the height increases on Bullock Creek. But we do not agree that heights should not increase in the WTC to ensure that the interface with Bullock creek is managed carefully. We consider that the height limits have been thoroughly tested by the Council team, as outlined above, and that with the provisions as we propose, development will provide for high quality and appropriate design and achieve a well-functioning urban environment.

- (vi) Rule 13.5.12 – light and glare. The UIV did not propose any amendments to this rule but submitter 360 sought that it include provision for appropriate lighting in public places to enhance safety and amenity. Ms Frischknecht agreed with this submission in part in terms of recommending some changes<sup>568</sup> to the rule to being

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<sup>566</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.12] and [6.13]. Note the numbering accidentally restarts so this is the second number round.

<sup>567</sup> Galloway Cook Allan Lawyers, dated 22 August 2025.

<sup>568</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.32]. Note the numbering accidentally restarts so this is the second number round.

in matters from the guidelines and support PDP SO 3.2.2 and SP 3.2.2.1. We agree with the suggested changes and adopt Ms Frischknecht's s32AA assessment.<sup>569</sup>

- (vii) Rule 13.5.15 - Outlook Space (per unit). This includes the requirements for an outlook space from the primary indoor living room from a residential unit and bedrooms. This encourages building separation at upper levels as well as supporting on-site amenity for occupants. Two submissions<sup>570</sup> were received in support and four submissions<sup>571</sup> in opposition (either against the Variation in its entirety or that the additional outlook space requirements will add unnecessary complexities). Ms Frischknecht does not agree with submission 948 that outlook space is already achieved through setbacks and outdoor living space and notes that outlook space has several benefits.<sup>572</sup> She recommends that the submissions in support be accepted, and those in opposition be rejected. In her reply evidence<sup>573</sup> Ms Frischknecht made some additional changes to the rule to align with changes she proposes for the MDRZ and HDRZ zones. We agree.
- (viii) Rule 13.5.16 - minimum ground floor height. This new rule requires minimum ground floor heights to provide flexibility for a range of uses within the building in the future. Several submissions<sup>574</sup> were received in opposition. Submitter 360 sought a height of 2.7m. Mr Wallace<sup>575</sup> supports the 4m height (with some clarifications to the rule) for the same reasons as set out for the QTCZ. Ms Frischknecht supports 4m too as it provides for a range of commercial uses on the ground floor and contributes to the vibrancy and economic prosperity of the Town Centre.<sup>576</sup> She recommends a revised provision and provides a s32AA assessment. We agree, adopt the s32AA assessment and agree that submissions in opposition be accepted in part insofar as they relate to the changes made.
- (c) 13.6 Rules – non-notification of applications. The UIV amended this rule to include waste and recycling storage. Submitter 10 opposed the change but gave no reasons. Submitter 778 sought that rules 13.5.9, 13.5.15 and 13.5.16 be added to the RDA activities that cannot be limited or publicly notified. Ms Frischknecht considered the PDP background in relation to this and concluded that she did not support them in Rule 13.6.2<sup>577</sup> but, as there were localised effects, considered that they should be included in Rule 13.6.3 to enable limited notification.<sup>578</sup> She therefore considers that submissions 10

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<sup>569</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.33]. Note the numbering accidentally restarts so this is the second number round.

<sup>570</sup> Submissions 396 and 782.

<sup>571</sup> Submissions 10, 406, 533, 948.

<sup>572</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.37] and [6.38]. Note the numbering accidentally restarts so this is the second number round.

<sup>573</sup> Reply Ms Frischknecht at [6.22] and [6.23].

<sup>574</sup> Submissions 360, 396, 533, 662, 663, 782, 982. For 662 and 663 their issues are addressed through agreed increase building height. Concerns raised by 782 and 982 are addressed in the QTCZ.

<sup>575</sup> EIC Mr Wallace at [14.7] and [13.16].

<sup>576</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.46]. Note the numbering accidentally restarts so this is the second number round.

<sup>577</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.61]. Note the numbering accidentally restarts so this is the second number round.

<sup>578</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.62]. Note the numbering accidentally restarts so this is the second number round.

and 778 be accepted in part and Rule 13.6.3 is updated as she has drafted (for which she provides a s32AA assessment<sup>579</sup>). We agree with Ms Frischknecht's changes and adopt her s32AA assessment.

### **Findings / decision / provision changes / s32AA**

16.33 We have addressed the various matters raised in submissions the evidence relevant to the WTCZ, and our decisions and recommendations on the specific matters, above.

16.34 The key position we landed on was agreement with the Council report drafters and witnesses, and some submitters, that the WTC has high accessibility and relative demand and that greater intensification (above that in the notified UIV) is warranted. To our mind the revised provisions, with greater height as proposed by Ms Frischknecht, give effect to Policy 5 and will enable greater intensification of, and vibrancy to, the WTC. While not a driver for our conclusions we were also concerned, and asked several submitters during the hearing, as to the effect retention of the status quo (or less) would have on the economic vitality and vibrancy of WTC; or whether it would result in the flight of (more) activities to Three Parks.

16.35 In relation to issues of character, views and sunlight (and other amenity type issues) we recognise the genuinely held opinions, and concerns, as to the exceptional beauty and 'uniqueness' of Wānaka. We also recognise the importance of the WTC to the community and that change is often confronting. However, we support the position advanced by Ms Frischknecht that the provisions in Chapter 13 provide extensive recognition of character and high-quality design and that the provisions as we accept them to be.

16.36 That said we have made some minor changes to the provisions as proposed in QLDC's reply as follows:

- (a) Deletion of proposed new Policy 13.2.1.4 and Rule 13.5.6.<sup>580</sup> Neither has been adequately shown to be a response to additional heights or densities contemplated under the NPS-UD, and there was no evidential base to conclude that without these provisions the current PDP is otherwise badly lacking. Policy 13.2.1.2 already enables residential and VA above ground floor. Policy 13.2.1.1 already addresses matters of vibrancy and economics. We consider that the vibrancy of the WTC will not be compromised by its removal, and the removal provides greater flexibility to developers. Therefore, in relation to s32AA, Policy 13.2.1.4 and Rule 13.5.6 are not the most appropriate and their inclusion is not required to give effect to Policy 5 and is not efficient and effective.
- (b) Rule 13.4.4(a) (Buildings) we have deleted the words "and amenity" added in Ms Frischknecht's s42A Report version. We agree that planned built form is a relevant matter but consider that including reference to amenity so broadly that the provision will not be the most appropriate to achieve the objectives and is not efficient and effective in a s32AA sense. That is especially so when the UIV proposed extensive amendments to

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<sup>579</sup> S42A Report (Chapters 12, 13, 15 and 16) at [6.64]. Note the numbering accidentally restarts so this is the second number round.

<sup>580</sup> This change aligns with the same change in Chapter 12 to Policy 12.5.11 and Rule 12.2.3.7.

the rule to address, more specifically, the aspects of design and character to be considered.

- (c) We have removed all references to the Wānaka Town Centre Guidelines 2011 in Chapter 13 (and all of policy 13.2.3.1). We set out our general position on the use of guidelines in more detail in Sections 8, 9, 13, 14 and above in this section) and while it applies here, we do not repeat it. The main reason for this is, having accepted that the WTCZ is changed as proposed by the council (and enabled to a height greater than in the UIV) we do not consider that retaining the guidelines from a different era will give effect to Policy 5 and will hinder the intended intensification. But also, as above, we agree with Ms Frischknecht that the revised UIV provisions now incorporate many key elements direct into the provisions (see for example the new policies 13.2.3.8 – 13.2.3.11). While guidelines can have a role, we consider direct incorporation of the key elements to be better practice and also to make the provisions transparent and legally applicable (as opposed to policy 13.2.3.1 which is solely "to encourage"). Therefore, from a s32AA perspective, we do not consider the retention of references to the guidelines to be the most appropriate way to achieve the objectives, and their inclusion is not efficient and effective (and in fact achieve exactly the opposite).

16.37 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 13.

16.38 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## **17. CHAPETR 15 - LOCAL SHOPPING CENTRE ZONE**

### **Background / key issues**

17.1 Mr Wallace explains the LSCZ as follows:<sup>581</sup>

The LSCZ is located in various locations throughout the urban environment in the District with two-to-three storey development typically provided for by the notified UIV provisions. With the exception of the LSCZ located at Frankton, local shopping centres are, relatively speaking, not located in areas that have been identified as having higher relative accessibility or demand within the District. As such, only minor changes were proposed as part of the UIV as notified.

17.2 Ms Frischknecht explains the Chapter and the proposed UIV changes as follows:<sup>582</sup>

The purpose of the LSCZ as outlined in the PDP is to enable small scale commercial and business activities in discrete pockets of land, that are accessible to residential areas. They have an important function for the local community in offering convenience goods and access services within walking distance to reduce the necessity for people to travel longer distances to town centres.

The key changes proposed by the variation for the LSCZ are summarised below:

- (a) Amend matter of discretion for residential units to provide provision of outlook space (15.4.3.1(e));

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<sup>581</sup> EIC Mr Wallace at [11.1].

<sup>582</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.1] and [8.2].

(b) Inclusion of the adequate provision and screening of loading and servicing areas, including waste and recycling storage and collection space as a matter of discretion for buildings. (15.4.3.1(f));

(c) Increase the maximum permitted building heights within the Fernhill and Kelvin Heights LSCZ to 14m; within the Lake Hāwea South LSCZ to 12m; and the remainder of the LCSZ to 10m. (Rule 15.5.7);

(d) Amendment to the Setbacks and Sunlight Access control standards. (Rule 15.5.2).

### **Submissions / s42A Report / evidence / legal and lay argument**

17.3 In relation to submissions several general submissions<sup>583</sup> were received supporting the Chapter as a whole and several opposing<sup>584</sup> (the main reasons related to recession planes, height, noise, pollution, security, sunlight and privacy for adjoining residential zones). Ms Frischknecht noted<sup>585</sup> that the UIV does not propose to change the extents of the LSCZ, with the greater proposed heights and densities comes new provisions (see below) to ensure appropriate levels of amenity (but that noise is already addressed in Chapter 36 of the PDP).

17.4 In relation to the 15.4.3 all new buildings in the LSCZ require resource consent as a restricted discretionary activity. Rule 15.6.2.1 restricts limited and full notification for any breaches to Rule 15.4.3. Submission 10 requests that the changes be rejected but offers no reasons and Ms Frischknecht recommends it is rejected.<sup>586</sup> We agree.

17.5 1 Hansen (766) submitted on this rule seeking removal of rule 15.4.3.2 which requires a spatial layout plan. Ms Frischknecht states:<sup>587</sup>

In Part A Section 1.3, of the Report and Recommendations of Independent Commissioners Regarding Mapping of Frankton, Lake Johnson, Tucker Beach Road<sup>4</sup> it was acknowledged that "this was a very complex strip of land to plan for, due to various constraints which affect it". Subsequently it was determined that development on this site is best undertaken in an integrated manner which shows how effects on a range of matters such as amenity, traffic and historic heritage are to be managed. Subsequently, PDP Rule 15.4.3.2 requires a Spatial Layout Plan to ensure that the Council can understand the context of applications for individual buildings and be satisfied that such an integrated approach is being applied.

17.6 Ms Frischknecht does not propose any changes to the existing provisions. Ms Clouston maintained a position that the existing development controls for 1 Hansen "... limit the efficient use of the site and are not efficient or effective ..." <sup>588</sup> and provided a s32AA assessment in support of submission 766.<sup>589</sup>

17.7 In relation to 15.5 – rules – standards the focus of submissions was on Rule 15.5.2 Setbacks and Sunlight Access and Rule 15.5.7 Building Height. As these both relate to built form Ms Frischknecht considered them together. 1 Hansen (766) submitted on this rule seeking removal of rule 15.5.1.2 and 15.5.5(a)-(d).<sup>590</sup> Ms Frischknecht does not propose any changes in response.

<sup>583</sup> Including submissions 139, 468, 470, 485, 659.

<sup>584</sup> Including 32, 344, 358, 369, 373.

<sup>585</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.4].

<sup>586</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.9].

<sup>587</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at [5.3].

<sup>588</sup> Statement of Evidence of Ms Coulson (775, 776), dated 4 July 2025, at [75].

<sup>589</sup> Statement of Evidence of Ms Coulson (775, 776), dated 4 July 2025, at [78].

<sup>590</sup> See also the Evidence of Ms Clouston (775, 776), dated 4 July 2025, at [77].

17.8 Submissions 208 and 389 supported the changes to Rule 15.5.2 and three submissions<sup>591</sup> were in opposition (in entirety / contrary to amenity and character).

17.9 Many submissions were received opposing<sup>592</sup> the heights proposed in Rule 15.5.7. Over half of these submissions related to Arrowtown with others relating to Fernhill, Sunshine Bay and Kelvin Heights. Submission 449 sought that height limits for Frankton, Albert Town, Arrowtown, Hāwea, Sunshine Bay and Cardrona Valley Road should be consistent with other Local Shopping Centre Zones at 14m. Submission 1253 sought flexibility for future areas that are determined to be appropriate LSCZ to be added.<sup>593</sup>

17.10 In relation to Rule 15.5.7 Ms Frischknecht states:<sup>594</sup>

The notified version of Rule 15.5.7 was informed by the recommendations from the Urban Design Report that recommended adopting a rule limiting height "to no more than 2m above the maximum permitted heights in the immediately adjoining residential zone". This approach was reflected in the notified wording of Rule 15.5.7 which prescribes a maximum height for each LSCZ rather than requiring plan users to cross reference to the relevant Residential Chapters and add 2m. The notified LDSR Zone has a maximum height of 8m (Rule 7.5.1), whereas the notified MDRZ, has a maximum height of 11m plus an additional 1m for pitched roof form (therefore overall total height of 12m) (Rule 8.5.1).

The additional 2m of height in the LSCZ (above the permitted height for the adjoining residential zone) provides for greater floor to floor height therefore enabling greater flexibility for non-residential uses. As outlined in the Urban Design Report, the increase in height will provide opportunities to reinforce the LSCZ's function through urban form. I note Ms Bowbyes and I have addressed submissions on the LDSRZ and MDRZ provisions in our Section 42A Reports, in relation to building heights, which should be considered alongside this recommendation. If there are any changes to building heights for either of these residential zones, then this should be reflected in the adjoining LSCZ as appropriate to be consistent with the approach of applying a height limit of 2m above the maximum permitted heights in the immediately adjoining residential zone.

17.11 Mr Wallace reassessed the heights in relation to the submissions received.<sup>595</sup> He supported a height limit of 10m for Albert Town, Hāwea, Sunshine Bay and Cardrona Valley Road in the notified UIV. In relation to the LSCZ in South Hāwea in response to submission 470 he supports an increase in the height of the LSCZ in Lake Hāwea South to 14m. Based on his review he did not support submissions seeking a reduction in height or changes to recession planes to address urban design effects.<sup>596</sup>

17.12 Ms Frischknecht therefore considers,<sup>597</sup> generally, that the notified UIV heights and recession planes are appropriate to meet the requirements of the NPS-UD and enable heights and densities commensurate with the greater of accessibility or relative demand and will contribute to a well-functioning urban environment.

17.13 In relation to heights in:

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<sup>591</sup> Submissions 10, 1074, 1236.

<sup>592</sup> Including submissions 10, 197, 262, 272, 274.

<sup>593</sup> Ms Frischknecht considered this submission at s42A Report (Chapters 12, 13, 15 and 16) at [8.51] and disagreed with it as any future rezoning for LSCZ should have its height determined through that process..

<sup>594</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.26].

<sup>595</sup> EIC Mr Wallace at [11.3].

<sup>596</sup> EIC Mr Wallace at [11.4].

<sup>597</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.27].



- (a) The Frankton LSCZ submission 860 sought greater heights in Frankton (and reduced elsewhere). Submitter 380 sought an increase in height to 14m.<sup>598</sup> Mr Hansen provided a short statement<sup>599</sup> recognising the significance of the airport but that it is unrealistic to expect zero growth within the noise control boundaries.

1 Hansen Road sought alternative relief of a 24m height limit in Rule 15.5.7 if the existing LSCZ zoning is retained.<sup>600</sup> QAC opposed this on the basis that increased building height on land affected by the Airport Approach and Take-off Surfaces and Transitional Surfaces Designation. Ms Frischknecht noted that the Frankton LSCZ is also located with the OCB, and she agrees with the s32 assessment to balance intensification without compromising the safe and efficient operation of the airport.<sup>601</sup> Overall she does not consider that an increase in height would align with Objective 4.2.2A. Ms Clouston noted in her evidence that 1 Hansen is outside of the relevant surfaces and that the rules require acoustic insulation.<sup>602</sup> Ms Keeley for QAC opposed more density (through height) within the ANB and ONB at Frankton based on health effects (see Section 20) and associated complaints / reverse sensitivity effects.<sup>603</sup> She therefore supports retaining the density at the status quo. In relation to the height surface protections Ms Keely explained that QAC's concerns in relation to 1 Hansen are to do with construction activities (eg cranes) for a 24m building penetrating the surface.<sup>604</sup>

- (b) The Kelvin Heights LSCZ is currently undeveloped. Submitter 924 sought that the height changes (to 14m) be rejected (as it is out of character) and the status quo remains. Ms Fairgray considers there is no economic benefit in retaining the current PDP height limit. She considers that residential apartments are likely to generate additional demand within the centre that will encourage its development and support its viability.<sup>605</sup> Ms Frischknecht considers that the centre may provide some increased accessibility for the community and while she acknowledges it may be out of character as it adjoins some MDR (also undeveloped).
- (c) In relation to Lake Hāwea South Ms Frischknecht explains the recent planning context and Court processes with the notified 12m height being proposed, and with other areas, based on sounding zone heights. Submission 470 sought a 14m height. Ms Frischknecht agreed that as a greenfield location it is well placed to avoid the common effects of increased height<sup>606</sup> (and Mr Wallace as above considers 14m appropriate). Ms Fairgray considers extra height is likely to produce economic benefits for the commercial centre and the catchment it serves and provide additional housing choice within the local area.<sup>607</sup> Ms Frischknecht supports<sup>608</sup> a greater height but only if the recession planes as notified remained to ensure potential adverse effects are appropriately mitigated. Mr

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<sup>598</sup> Supported by FS 1334 and opposed by FS1335.

<sup>599</sup> Dated 4 July 2025.

<sup>600</sup> Supported by Statement of Evidence for Ms Clouston (775, 776), 4 July 2025, at [102].

<sup>601</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.33].

<sup>602</sup> Evidence of Ms Clouston, 2 July 2025, at [100] and [101].

<sup>603</sup> Evidence of Ms Keeley, 7 July 2025, at [130] – [135].

<sup>604</sup> Evidence of Ms Keeley, 7 July 2025, at [144].

<sup>605</sup> EIC Ms Fairgray at [6.66].

<sup>606</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.44].

<sup>607</sup> EIC Ms Fairgray at [2.9(f)], [6.51] and [6.55].

<sup>608</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.46] – [8.47].

Williams for submission 617 supported the extra height noting the site has the GFA for a supermarket, it provides greater opportunity for above ground residential apartments and reflects its role as the primary focus of the surrounding development.<sup>609</sup> He also considered that with recession planes, setbacks and the roading network there will be adequate separation to surrounding residential properties.

17.14 Ms Frischknecht considered<sup>610</sup> general submission requests for reductions in, or retention of status quo, heights. Her key issue is that would then result in heights lower than surrounding zones and be inconsistent with PDP SOs 3.2.1 and 3.2.2 and UFD O1 and P5.

17.15 Finally, QAC (822) sought that the 10m catch all for all zones be retained or that a specific provision of no more than 10m within the OCB be included. Ms Frischknecht does not consider these changes are required as all land will have specific provisions applied to it and for Frankton (the only LSCZ within the OCB) that will be 10m.<sup>611</sup>

17.16 Ms Frischknecht proposed amending rule 15.5.7 so that Fernhill, Lake Hāwea South and Kelvin Heights the maximum building height shall be 14m. Otherwise, she considers that, and provides a s32AA assessment in support of:<sup>612</sup>

(a) the relief sought in opposition to Rule 15.5.7 be rejected, with the exception of submission point 470.5, and the relief sought by the submissions in support of Rule 15.5.7 be accepted in part.

(b) the relief sought in opposition to Rule 15.5.2 be rejected and the relief sought by the submissions in support of Rule 16.5.1.1 be accepted.

17.17 Mr Williams provided planning evidence for submission 449 which seeks a 14m height limit for the LSCZ in Hāwea. He considered that allowing for additional building height will assist to provide greater emphasis on this location as a focal point within the Hāwea township which he explained was important given the context of Hāwea.<sup>613</sup> He also considered that the additional height would provide the opportunity to maximise potential views of the lake and that the surrounding roads mitigate the 14m height proposed.<sup>614</sup>

17.18 Mr Wallace is supportive of the increased height on the basis:<sup>615</sup>

(a) the Hāwea LSCZ is generally well separated from adjacent residential uses by 30m wide road corridors; and

(b) building setbacks and recession planes continue to apply where it adjoins a residential zone to manage potential interface effects (noting that the Hāwea LSCZ has recently been redeveloped as a supermarket and further development over the life of the PDP would appear unlikely); and

(c) an increase in height enables a greater level of development to be provided to help support an increased commercial offering for local residents – enhancing walkability and potentially reducing the need to travel to more distant commercial areas.

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<sup>609</sup> Statement of Evidence of Mr Williams for submission 617, 4 July 2025, at [12].

<sup>610</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.49] – [8.50].

<sup>611</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.53].

<sup>612</sup> S42A Report (Chapters 12, 13, 15 and 16) at [8.54] and [8.56].

<sup>613</sup> Statement of Evidence of Mr Williams for submitter 449, dated 3 July 2025, at [13].

<sup>614</sup> Statement of Evidence of Mr Williams for submitter 449, dated 3 July 2025, at [16].

<sup>615</sup> Rebuttal Mr Wallace at [5.2].

17.19 Ms Frischknecht agreed with this height increase on the basis that the site provides a unique opportunity for additional height due to its location. She also agrees with Mr Williams that additional height, with the views, would enable opportunities for residential development and more diverse housing options.<sup>616</sup> She does however recognise that the area is not located in one of high accessibility but considers it will give effect to SO 3.2.1 and SP 3.3.12.

17.20 During the hearing we heard from counsel for Mr Laming<sup>617</sup> which summarised the submission and evidence from Mr Williams (above) and from Mr Laming (449) who repeated the same themes.

### **Findings / decision / provision changes / s32AA**

17.21 We have set out all the background to the LSCZ above. The key change we propose is that for all areas, excluding Arrowtown, a 10m height limit is imposed. Our reasons for this are:

- (a) The role of the LSCZ to enable small scale and commercial business activities in discrete pockets of land. These are local community hubs and having reviewed the submissions and evidence we consider that uplift above 10m is not justified given the purpose which was not proposed to be changed and nor were any changes proposed to the objectives and policies). We did consider amending the purpose but with more height the purpose fundamental changes from small scale local services to a larger residential complex with commercial included which then would require changes to the objectives and policies which were not proposed (nor sought). Over time such outcomes may be appropriate, but we consider that should be fully tested through a consent process with a specific project in mind (see below).
- (b) Given the locations and nature of the LSCZs, as recognised by Ms Frischknecht ensuring that character integration with surrounding suburban areas is appropriately managed is important. We recognise that heights and density across the District will alter in relation to the UIV as we propose it to be. But we see the overarching character of this zone as one that sits more down within its surrounds, as opposed to having to extend above them. However, we also recognise that with detailed site and development assessment character integration at greater heights may be appropriate. Presently the activity status is non-complying. Given the heights we have selected we do not consider that appropriate. We consider that discretionary activity status for exceedances is more appropriate and will allow a full assessment on a case-by-case basis.
- (c) In saying the above, we recognise the evidence that with greater height comes greater economic efficiency and greater choice of residential typologies on top of commercial ground floor uses. For example, as set out above, the evidence for increasing the height at Hāwea included the better views higher up making development more feasible. But that to us is not per se the purpose of the zone. Further, the UIV is driven primarily to give effect to Policy 5 under which the response needs to be commensurate to the greater of accessibility or relative demand. In areas such as Hāwea and Kelvin Heights (and Fernhill) we were not persuaded that this was the case. Rather, as above, if greater

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<sup>616</sup> Rebuttal Ms Frischknecht at [5.4].

<sup>617</sup> And received written submissions from Todd&Walker, dated 26 August 2025.

height is desired in these areas, we consider a resource consent process should be provided that is more enabling than the present non-complying activity status.

- (d) In Frankton we accept the submission of QAC, and Ms Frischknecht's position, that 10m is appropriate given the significant importance of the safe and efficient operation of the airport to the region. We considered retaining non-complying activity status just for this location but concluded that discretionary allows for a full assessment of a specific development. To be clear, we therefore disagree with the alternative relief sought by 1 Hansen for a 24m height limit in Rule 15.5.7 for that site and preferred the evidence provided by QAC.
- (e) For Lake Hāwea South we spent considerable time given its more greenfield nature, and its greater spatial extent, considering the issue of height. Ultimately though we concluded that 10m was also appropriate at this location for the key reason of the purpose of the zone (and its size in this case) and the issue of character. Again, we have altered the activity status should additional height be desired with discretionary activity allowing all relevant matters to be considered.
- (f) For Albert Town, Sunshine Bay and Cardrona Valley Road we considered the need for extra height at all but ultimately agreed with the notified UIV heights of 10m.
- (g) For Arrowtown, we ultimately agreed no change in height and activity status is required reflecting the character of the area (see Section 8) advanced through submissions and ensuring appropriate integration between the LSCZ and its surroundings. We consider that this change is most appropriate and delivers an efficient and effective planning outcome in the context of the specific issues raised, especially sunlight access, in Arrowtown. Arrowtown should also retain its non-complying activity status for buildings that infringe the maximum height standard.

17.22 In relation to s32AA assessment in relation to our decisions and recommendations on height and activity status above we consider that:

- (a) They are the most appropriate way to meet the objectives of Chapter 15. We recognise the PDP SOs referred to by Ms Frischknecht and having considered them carefully we also consider that they are most appropriately met by our proposed heights and with a consenting pathway for discretionary activity status for any exceedances.
- (b) They are efficient and effective as they provide appropriate heights given the purpose of the zone and the potential effects into neighbouring areas, but we have better enabled exceedances of the height where that can be justified, through a consenting process as a discretionary activity.
- (c) We also consider that the heights we have decided on are commensurate in Policy 5 of the NPS-UD terms while reflecting and enabling a well-functioning urban environment.
- (d) While there is a cost of needing consent to go above 10m we consider that that is reasonable to incur so that there are specific considerations and assessments of height breaches, recognising that the ultimate activity status is discretionary and not non-complying.

17.23 In relation to Rule 15.5.2 we propose changes for the setbacks in relation to Arrowtown to, in line with our decision and recommendations on heights above, the present PDP provisions. We consider that this change is most appropriate to achieve the relevant objectives and delivers an efficient and effective planning outcome in the context of the specific issues raised, especially sunlight access, in Arrowtown.

17.24 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 15.

17.25 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or in part) that oppose them.

## **18. CHAPTER 16 - BUSINESS MIXED USE ZONE**

### **Background / key issues**

18.1 The BMUZ is used in limited instances generally close to commercial centres where a variety of compatible high-density activities can co-exist in a variety of configurations.

18.2 Because the zone is already used to provide for high-density use adjacent to centres, the Council's proposal was modest, including addition of new provisions, and amendment of existing provisions including rules. Many provisions were what the Panel would describe as generally administrative, such as seeking to use consistent terminology and like-with-like resource consent assessment frameworks. It is likely that because the changes proposed were modest, it attracted relatively few direct submissions (9 in support and 12 in opposition)<sup>618</sup>.

### **Submissions / s42A Report / evidence / legal and lay argument**

18.3 In her s42A Report (Chapters 12, 13, 15 and 16) Ms Frischknecht set out her analysis of the submissions and her recommendations.<sup>619</sup> We heard from submitters that were both in favour of, and opposed to, the UIV at Queenstown / Frankton North and Wānaka. For the BMUZ in Queenstown: submission 1177 opposed additional height enabled by the UIV. Ms Fairgray disagreed<sup>620</sup> and considered the additional height would likely increase feasibility for residential development and deliver associated economic benefits in supporting activities in that zone.

18.4 Specifically:

- (a) We received planning evidence from Ms Costello on behalf of the Multiple Queenstown Submitters supporting the s42A Report version on the BMUZ provisions, especially in Queenstown.<sup>621</sup>
- (b) We heard from Queenstown Airport Corporation opposing additional development height at Frankton North. The key concern was intrusion of buildings and, especially, cranes etc used during construction, through the Obstacle Limitation Surface (protected under designation 4 of the Plan) of the crosswind runway which was opposed by other

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<sup>618</sup> S42A Report (Chapters 12, 13, 15 and 16) at [7.4].

<sup>619</sup> S42A Report (Chapters 12, 13, 15 and 16) at section 7.

<sup>620</sup> EIC Ms Fairgray at [8.3].

<sup>621</sup> Statement of Evidence of Ms Costello, 4 July 2025, at [68]. The Statement of Evidence of Mr Freeman for Multiple Queenstown Submitters, 4 July 2025, supported the s42A Report provisions.

submitters in favour of more height. QAC sought addition planning provisions to protect the OLS.<sup>622</sup> QAC's position was opposed by other submitters in favour of more height.

- (c) We heard from 1 Hansen and City Church (see also Sections 4 and 20) seeking BMUZ, with greater height, across their properties. The greater height (24m) was supported on landscape and urban design grounds by Mr Falconer.<sup>623</sup> Ms Clouston also supported greater height in the BMUZ 20m for City Impact and 24m for 1 Hansen (with a preference for no maximum height).<sup>624</sup> The submitters,<sup>625</sup> supported by Ms Hill and Ms Clouston, sought deletion of the prohibited activity aircraft noise rule (16.4.19)<sup>626</sup> and the inclusion of various mitigation (acoustic noise) provisions. Ms Clouston supported the removal of the prohibited activity status due to advances in technology and building materials a consenting process is appropriate<sup>627</sup> and that it will enable intensification of the accessible land. QAC opposed this submission.
- (d) Southern Lakes Property Trust Ltd (1055) sought a 20m height limit as a discretionary activity in Three Parks Wānaka however this was opposed by other submitters. Henley Property Limited (658 and 1284) supporting the 20m height and Mr Kemp provided planning evidence in support of Ms Frischknecht's s42A Report position.<sup>628</sup>
- (e) Mr Kemp also provided planning evidence for Evolution Trust Limited (660) supporting the Council's recommendation to increase the maximum height to 16.5m (and a number of the proposed council BMUZ changes in Wānaka).<sup>629</sup>
- (f) Latitude 45 Development Limited (768), supported by Ms Clouston, supports an increase in permitted height at Frankton North to 16.5m, seeks removal of the maximum height limit (or a maximum of 24m) and seeks non-notification for heights between 16.5m and 24m.<sup>630</sup> Latitude 45 also made a further submission opposing QAC's submission for a 12m height restriction. The issues are addressed by Ms Clouston in her evidence<sup>631</sup> in the same manner as 1 Hansen above.
- (g) Transpower (194) sought specific amendments to Policy 16.2.2.2 to include a reference to "managing adverse effects on existing and/or planned infrastructure networks or upgrades" and opposed amendments it considers fail the "minimise impact" approach.

18.5 The main concern for submitters in opposition to the BMUZ changes related to height and extent. We received no evidence or submissions seeking removal of any BMUZ land in its entirety although we did receive submissions seeking land be re-zoned BMUZ, and these submissions have been addressed in Section 20.

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<sup>622</sup> Memorandum for QAC dated 4 September 2025.

<sup>623</sup> Summary Statement of Evidence of Mr Falconer, 7 August 2025, at [15].

<sup>624</sup> Statement of Evidence of Ms Clouston (775, 776), 4 July 2025, at [88] – [95].

<sup>625</sup> Supported by a further submission from Latitude 45, see below and Statement of Evidence of Ms Clouston (768), 4 July 2025, at [67].

<sup>626</sup> Succinctly summarised in Ms Clouston's Summary Statement of Evidence dated 7 August 2025.

<sup>627</sup> Statement of Evidence of Ms Clouston (775, 776), 4 July 2025, at [81].

<sup>628</sup> Statement of Evidence of Mr Kemp, 4 July 2025 at [11].

<sup>629</sup> Statement of Evidence of Mr Kemp, 4 July 2025 at [12] and [13].

<sup>630</sup> Summary Statement of Evidence of Ms Clouston at [10]. A s32AA analysis was provided in the Statement of Evidence of Ms Clouston (768), 4 July 2025, at [52].

<sup>631</sup> Statement of Evidence of Ms Clouston (768), 4 July 2025, at [58] – [66].

## Findings / decision / provision changes

- 18.6 We are in general agreement with Ms Frischknecht and adopt her s42A recommendations, subject to the specific findings below for the PDP provisions. The BMUZ zone is well-suited for high density urban activities on account of its location in association with town centre zones.
- 18.7 We agree that the BMUZ in Three Parks Wānaka should be upzoned noting our separate recommendation to provide a High-Density Residential A Zone at this location, and as a major urban growth sink for the town. But also for this reason, whereas the Business Mixed Use Design Guide should remain applicable to the majority of BMUZ on account of how little the zone is recommended to change, it should not apply in Three Parks Wānaka.
- 18.8 We agree with QAC that the adverse effects and associated risks associated with the ongoing operation of the regionally-significant airport infrastructure justify no change to the PDP height and density provisions for the zone in Frankton North and the provisions proposed by Ms Frischknecht.<sup>632</sup> In relation to aircraft noise we agree with the evidence provided by Ms Keeley and Mr Day for QAC (see Section 20) against the position advanced by 1 Hansen and City Church. Overall, however, we support, and adopt, the position taken by Ms Frischknecht.<sup>633</sup>
- 18.9 We also agree with Ms Frischknecht<sup>634</sup> in relation to the Transpower submission and adopt her response.
- 18.10 The Panel's recommendation for the BMUZ provisions is to accept the Council's proposed amendments except for:
- (a) Deletion of proposed policy 16.2.2.2 and other related provisions, which the Panel finds insufficiently related to implementing NPS-UD Policy 5, and otherwise insufficiently justified as necessary in terms of NPS-UD Policy 1.
  - (b) Deletion of policy 16.2.2.12 and all other reference s to the Business Mixed Use Design Guide 2021, noting the Panel's previous comments on the inappropriateness of design guidance that has not been directly based on the outcomes sought by the UIV, in this instance the BMUZ provisions are not proposed to significantly change. Although in Three Parks Wānaka an increase in height to 20m is recommended, that height already applies to Frankton North and the guideline applies to such buildings. It follows that the guide provisions are suitable for the heights recommended in Three Parks Wānaka.
  - (c) Simplification of rules 16.5.8 and 16.5.9 to clarify the different heights and activity status' that apply in the District's different BMUZ locations and have changed the activity status for breach of maximum building height from non-complying to discretionary.
- 18.11 In relation to our changes above we consider them the most appropriate way to give effect to the NPS-UD and to provide efficient and effective provisions under the NPS-UD. Further support in terms of s32AA is provided in Section 21.
- 18.12 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Chapter 16.

<sup>632</sup> s42A Report (Chapters 12, 13, 15 and 16) at [7.63] – [7.67].

<sup>633</sup> s42A Report (Chapters 12, 13, 15 and 16) at [7.43].

<sup>634</sup> s42A Report (Chapters 12, 13, 15 and 16) at [7.23] – [7.31].

18.13 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or in part) that oppose them.

## **19. CHAPTER 27: SUBDIVISION**

### **BACKGROUND / KEY ISSUES**

19.1 The subdivision chapter works in tandem with the various land use zone chapters. Historically, land subdivision generally preceded development of buildings. More recently, higher density housing requires a land use consent first, and then a subsequent subdivision around the land use consent.

19.2 Generally, subdivision ahead of any land use consent will usually be for the creation of vacant allotments that can then be independently disposed of. Subdivision alongside or after a land use consent will usually be reliant on the land use consent to justify smaller-sized allotments. Subdivisions can also include numerous conditions of consent relating to ongoing care and maintenance, restrictions on the use of land, or other requirements including by way of restrictive covenant or a Consent Notice.

19.3 The notified UIV, as summarised in the s42A Report prepared by Mr Matthee, proposed a number of changes to the PDP's policies and subsequent subdivision rules including in terms of minimum allotment sizes and other characteristics within each zone.

### **SUBMISSIONS / S42A REPORT / EVIDENCE / LEGAL AND LAY ARGUMENT**

19.4 The Council received 271 submission points and 90 further submission points across Chapter 27.<sup>635</sup> Within these was a wide range of preferences including 'do nothing' to significant additional enablements. Many submissions were location-specific, supporting broader submissions made by individuals concerned with the town or village they most associated with.

19.5 Mr Matthee evaluated the submissions in his s42A Report (Subdivision and Development) and as a result he recommended one change to the notified UIV provisions in relation to notified rule 27.7.33.1 and he provides a s32AA assessment in support of the change.<sup>636</sup>

19.6 The Panel notes that most of the subdivision-related material presented at the hearings was in fact related to land use questions of what densities of development (and in some instances heights) would be appropriate. We have addressed those questions in Sections 6-15 and in terms of our findings more broadly for each town and village.

19.7 At the hearing we questioned Mr Matthee on his recommendations including one that, at face value, seemed counter-intuitive – to require a larger minimum lot size in the HDRZ than in the less intensive residential zones. Mr Matthee explained that larger lot sizes serve two purposes; one being to enable multi-unit developments more readily on resultant lots, and the second being to positively reinforce an incentive for developers to promote higher density by way of land use consent-led development rather than providing vacant sections that have historically led to lower densities.

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<sup>635</sup> S42A Report (Subdivision and Development) at [2.2].

<sup>636</sup> S42A Report (Subdivision and Development) at [4.157] and [4.158].



## FINDINGS / DECISION / PROVISION CHANGES

19.8 Including because the Panel received little in the way of specific expert evidence or s32AA type supporting analysis, the Panel is generally persuaded by Mr Matthee's arguments and recommended changes to the notified UIV provisions. However, because of density related changes to the UIV identified by the Panel (Section 13 and 14), several important consequential changes are also required in the subdivision chapter.

19.9 The key recommended changes to the Council reply-version subdivision provisions are in summary:

- (a) Amending policy 27.2.1.4 noting that the Plan should not discourage non-compliance with minimum allotment sizes where specific land use consent opportunity to achieve that by way of land-use led outcomes has been enabled in the Suburban Residential and Medium Density Residential Zones. Following on from this, amendments to clause (d) of the policy are recommended noting the specific provision made by those land use methods for more smaller and affordable dwellings to result.
- (b) Amending policy 27.3.20.2 noting that any consideration of the Kawarau Heights Design Guidelines shall not conflict with the opportunity to achieve higher densities within the underlying zones enabled through the UIV.
- (c) Include reference to the new Medium Density Residential A and High Density Residential A Zones into the chapter and its rules.
- (d) Remove an 800m<sup>2</sup> lot area rule in the Hāwea South area.
- (e) Amend Rule 27.7.33 to integrate this with the land use opportunity for higher densities provided in the Suburban Residential (Rule 7.4.4) and Medium Density Residential (Rule 8.4.10.4) Zones, requiring that such subdivision be either combined with the land use consent or subsequent to a land use consent being implemented (specifically so as to prevent situation of inappropriately small vacant fee simple allotments being produced).

19.10 The s32AA analysis for these changes is set out in Sections 6-10, 13, 14 and 21. But specifically to our changes above we consider them the most appropriate way to give effect to the NPS-UD and to provide efficient and effective provisions under the NPS-UD.

19.11 Overall, we therefore accept submissions (in whole or in part) supporting our recommended provisions in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

## 20. REZONING REQUESTS – ALL PDP ZONES

### RESIDENTIAL REZONING

20.1 Ms Morgan explained the mapped zoning approach applied to the residential zones in the notified UIV as.

(a) In Queenstown:

- (i) Extend the operative HDRZ generally within close walking distance of the Queenstown Town Centre (800m / 10 minutes) in areas of high accessibility;

- (ii) Extend the MDRZ within a moderate walking distance of the Queenstown Town Centre and Frankton and taking into account the level of relative demand on Queenstown Hill;
- (b) In Wanaka:
  - (i) Extend the MDRZ to the north and east of the Wanaka Town Centre recognising the area is in moderate walking distance (1200m / 15 minute) of the Wanaka Town Centre;
- (c) Apply the LDSRZ in other residential locations;
- (d) Retain existing Operative HDRZ and MDRZ locations recognising that they have been historically identified as being suitable for higher density forms of housing, however provide for lower heights in some historic HDRZ and MDRZ areas that have lower accessibility or significant constraints;
- (e) Use roads and natural features as zoning boundaries where possible and appropriate; and
- (f) Apply a coherent zoning pattern that provides logical transitions between high, medium and low density residential zones.

20.2 Ms Morgan provided evidence on rezoning requests (those that sought a different residential PDP zone to that in the notified PDP) within the residential zones (LDSRZ, MDRZ and HDRZ) across 14 different areas as set out below. Ms Fairgray also addressed several of the same requests as did Mr Wallace and Mr Powell and, where necessary, their consideration is also included.

20.3 We deviate from our usual assessment approach in this section to provide our decision / recommendations at the end of each area. This aids readability and avoids repetition.

#### **Area 1: East of Queenstown Gardens – Land from Park Street to Cecil Road<sup>637</sup>**

20.4 Ms Morgan states in relation to these submissions (footnotes removed):<sup>638</sup>

Area 1 includes the land in the area from Park Street to Cecil Road, encompassing Brisbane Street, Hobart Street, Adelaide Street, Frankton Road and The Terrace to the east of the Queenstown Gardens.

Under the PDP the zoning of this area is a mix of MDRZ, HDRZ and LDSRZ as shown on Figure 1.

The notified UIV sought to amend the zoning within this area to HDRZ. 35 submissions points and 55 further submissions points have been received regarding the zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 2. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

- (a) Restrict the UIV to the centre of Queenstown on the hill where 'height matters less';
- (b) Oppose the notified HDRZ and apply the operative MDRZ or retain the LDSRZ and the existing height rules. This includes opposition to the mapped extent and the proposed rules of the MDRZ and HDRZ;
- (c) Oppose the rezoning of MDRZ land to the west of 19 and 23 Adelaide Street and the LDSRZ land to the east to HDRZ;
- (d) Retain the operative LDSRZ for the Park Street Study Area shown in Submission 758 below;

<sup>637</sup> Including Submissions 59, 93, 253, 413, 515, 517, 536, 556, 627, 657, 705, 758, 1094, 1097, 1167 and 1232.

<sup>638</sup> S42A Report (Rezoning Residential) at [6.1] – [6.3].

(e) As an alternative to rezoning, the height provisions in the Hobart Street, Park Street and Frankton Road block are set at a much lower height than proposed for other HDRZ areas; and

(f) Apply a Special Character Area overlay over the area bounded by Hobart St, Park St and Frankton Rd.

20.5 During the hearing we heard from several submitters in relation to this area. Mr Dunn impressed upon us<sup>639</sup> the high character of the area and its interface with Queenstown Gardens creating a unique and tight knit residential area very close to the QTC.

20.6 Ms Morgan supports<sup>640</sup> the notified UIV in relation to Area 1 and does not support retention of existing zoning or a lower density / height zone. She relies on the evidence of:

- (a) Mr Wallace<sup>641</sup> that these locations are all in proximity (or adjacent to) the QTC and generally surrounded by HDR with high accessibility such that they are well suited to HDRZ.
- (b) Ms Fairgray's evidence who considered multiple submissions opposing upzoning of various areas along Frankton Road.<sup>642</sup> Some supported retention of the existing zoning or reducing the proposed heights. Ms Fairgray supports<sup>643</sup> retaining the notified UIV zones given the relative high demand and that extra height is likely to increase feasibility. She was also concerned that lower density land uses (such as LDSR) would result in inefficient use of land in the context of Queenstown's spatial structure.
- (c) Mr Powell's evidence (see Section 6).

20.7 Ms Morgan considers that Area 1 is suitable for HDRZ as it reflects the location and high accessibility, if the development capacity is taken up while it will change existing amenity values it will enable an efficient and effective compact urban form with a mix of typologies and there are no infrastructure constraints. Ms Morgan does not support

- (a) The Special Character Area overlay sought by submission 413 as the wider area has not been assessed as having character or heritage values that warrant protection.<sup>644</sup> Mr and Mrs Cassells provided written evidence raising a number of issues but in particular:

(a) the area has a particular special and heritage character that is important to residents and visitors which should be protected.

(b) The area contributes to the unique character of the wider town centre and its development deserves careful management.

Mr Cassells appended previous evidence he had provided on Friends of the Wakatipu Gardens and Reserves emphasising the area as being "of unique character" and "a location of special value" within the District.

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<sup>639</sup> For more detail read his speaking notes provided at the hearing.

<sup>640</sup> S42A Report (Rezoning Residential) at [6.4]

<sup>641</sup> EIC Mr Wallace at [15.21].

<sup>642</sup> EIC Ms Fairgray at [8.5].

<sup>643</sup> EIC Ms Fairgray at [8.7].

<sup>644</sup> S42A Report (Rezoning Residential) at [6.9].

- (b) Submission 758 several dwellings have recently been developed and therefore unlikely to add to development capacity on the basis that a range of typologies will exist and evolve over time.<sup>645</sup>
- (c) Submissions arguing that shading effects on Jubilee Park and within the area generally as being a reason not to intensify, relying on Mr Wallace<sup>646</sup> that additional shading by larger buildings in this area should not be determinative of whether to enable intensification and noting high demand for apartments and the area's high accessibility.

20.8 We recognise that we heard from several other submitters living in this area and thank them for presenting. May raised the effects of sunlight, especially given the topography of the area. We recognise that the character of the area will fundamentally change. But we agree with the Council that it should, and indeed under Policy 5 NPS-UD must, be intensified. We considered various options but ultimately accepted that the provisions will provide appropriate protections, within the character of the new zone (which again we recognise will be, over time, significantly different to that of the present zone). We are also mindful of NPS-UD Objective 4 and Policy 6 in making our decision within this area.

20.9 Our decision is that we recommend the land should be re-zoned to High Density Residential A zone and we agree with Ms Morgan's planning analysis and reasons. The land is amongst the most-accessible, best-suited to high density residential development within the District. We are not persuaded that the land is subject to characteristics that would make the re-zoning inappropriate, and do not agree that it possesses a degree of special character that could countermand the findings we have arrived at to implement NPS-UD Policy 5. In arriving at this conclusion, we confirm that we walked through the local streets here and considered the variety of building types, sizes, conditions, and ages in view.

20.10 We find that the proposed HDRAZ will have benefits for the Queenstown Gardens rather than adverse effects that were of concern to the submitters including the likelihood of more use, and more successful overlooking, of the park from occupants within high-density apartments.

20.11 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Area 1.

20.12 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 1 and reject those submissions (in whole or part) that oppose them.

## **Area 2: Northeast of Queenstown Town Centre and Frankton Road<sup>647</sup>**

20.13 Ms Morgan states<sup>648</sup> (footnotes removed) in relation to this area and the submissions:

Area 2 relates to zoning of land in the area northeast of Queenstown town centre and Frankton Road, including land between Edgar Street to the east and Panorama Terrace / Windsor Place to the west. Under the PDP the zoning of this area is a mix of MDRZ, HDRZ and LDSRZ (refer Figure 3).

<sup>645</sup> S42A Report (Rezoning Residential) at [6.11].

<sup>646</sup> EIC Mr Wallace at [15.22].

<sup>647</sup> Including Submissions 26, 59, 77, 82, 93, 97, 223, 253, 413, 508, 515, 517, 536, 548, 556, 627, 641, 657, 661, 705, 758, 831, 836, 1013, 1024, 1025, 1070, 1077, 1094, 1097, 1167, 1232, 1250, 1258 and 1368.

<sup>648</sup> S42A Report (Rezoning Residential) at [7.1] – [7.2].

Under the notified UIV, the main change in this area is the proposed rezoning of existing LDSRZ to MDRZ, with some LDSRZ proposed to be rezoned HDRZ near the lower sections of Dublin Street and Suburb Street. 29 submissions points and 21 further submission points have been received in relation to the zoning of this area, the general location of land subject to submissions in this area is shown in Figure 4 below. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

- (a) Oppose the change to HDRZ for specific properties or streets including York Street, Suburb and Dublin Street and requests that it revert to the operative zoning;
- (b) Oppose the change to MDRZ for specific properties or streets including Suburb Street, Kent Street and Belfast Street;
- (c) Amend provisions to ensure that there should be no more than 12 residential dwellings served by the privately owned/Council maintained York Street Right of Way;
- (d) Retain the operative zoning for the block of land bounded by Hallenstein, Edgar, Kent and York Streets;
- (e) Support the increased height limit and recession planes for the HDRZ within the Edgar Street locality at 7 and 5 Edgar Street in particular;
- (f) Support proposed rezoning of 43, 45, 47, 49, 62, 66 and 67 Suburb Street, and Lot 1 DP 502401 (and wider area on the northern side of Frankton Road) from LDSRZ to MDRZ;
- (g) A number of submitters oppose rezoning in the vicinity of Panorama Terrace and seek to retain the operative height limits and zoning;
- (h) Request consistent zoning for properties at 1-18 Panorama Terrace and that all of these properties be rezoned to HDRZ or alternatively rezoned to MDRZ25; and
- (i) Rezone the "currently isolated" patch of LDSRZ land around Windsor Place /Edinburgh Drive /London Lane (12 property titles) to MDRZ.

20.14 Ms Morgan supports the UIV proposal and agrees<sup>649</sup> with the evidence of:

- (a) Ms Fairgray in relation to downzoning in this area. Ms Fairgray supports<sup>650</sup> retention of the notified zoning based on relative demand and that the areas covered are sizable. She also considered that lower density land uses (such as LDSR) would result in inefficient use of land in the context of Queenstown's spatial structure.
- (b) Mr Wallace<sup>651</sup> that as these locations are near the QTC and open spaces, cycle trails etc they scored highly on accessibility and are "very well suited to supporting higher density residential uses."

20.15 Ms Morgan considers that:<sup>652</sup>

... the proposed application of the MDRZ and the expanded HDRZ within this location would be commensurate with the area's high and moderate levels of accessibility and high relative demand for housing when considered relative to other locations in Queenstown (Policy 5) and UFD-P3 of the pORPS. ...

<sup>649</sup> S42A Report (Rezoning Residential) at [7.5].

<sup>650</sup> EIC Ms Fairgray at [8.9].

<sup>651</sup> EIC Mr Wallace at [15.21].

<sup>652</sup> S42A Report (Rezoning Residential) at [7.5].

20.16 In relation to submissions along Panorama Terrace Ms Morgan supported<sup>653</sup> Mr Wallace's approach using natural boundaries (roads, parks, streams, steep topography) rather than property boundaries to create zone edges. This area is addressed in detail under Area 6 below.

20.17 In relation to other matters:<sup>654</sup>

- (a) Submissions 97 and 1077 request further extension of the HDRZ to cover properties northeast of the town centre. Ms Fairgray considers<sup>655</sup> that either MDRZ or HDRZ (her preference) would be economically beneficial.
- (b) Rezoning a small number of sites around Windsor place was supported by Mr Wallace<sup>656</sup> and Ms Morgan through extending the MDRZ over it with a 8m height limit. Ms Morgan recommends rezoning 2, 4, 5, 6 and 7 Windsor Place, and 3, 4, 5, 6, 7 and 8 London Lane, and 22 Manchester Place from LDSRZ to MDRZ, subject to the 8m height limit for Queenstown Hill as per notified Rule 8.5.1.2 and provides a s32AA assessment.
- (c) Ms Morgan considers that access restrictions on the York Street right of way are already addressed through PDP restrictions that are not changing.
- (d) Ms Morgan considers that transport issues on Queenstown Hill generally; while acknowledging steepness, it retains high to moderate accessibility.

20.18 Referring to **Figure 2** in Section 6, we have determined a boundary that broadly follows a north-south line from the boundary between 159 and 171 Frankton Road. West of this line, within the area identified in **Figure 2**, we find that the up-zoning proposed by the Council is appropriate except that any remaining Suburban Residential zoned land within that central Queenstown neighbourhood should also be up-zoned to MDRAZ. All HDRZ within the area shall be re-zoned to HDRAZ. Within that central Queenstown residential neighbourhood, there is a very high level of accessibility to commercial activities and community services and no characteristics (even considering land slope and orientation) that would justify limiting or redistributing that.

20.19 But east of our proposed boundary, and although we are persuaded to agree with the proposed re-zonings recommended by Ms Morgan in the Councils reply-version, we recommend the 2-storey MDRZ zone apply except where the PDP zone is already HDRZ, in which case that should remain the zone (i.e., not the HDRAZ). Where the Council's reply-version recommendations would retain land as LDSRZ, we recommend this become subject to the SRZ as the Panel has recommended. Having visited the residential slopes above Frankton Road, we agree with the lay submitters that there is not a commensurate level of accessibility that would justify 3-storey apartment-based living under NPS-UD Policy 5(a), and in a NPS-UD Policy 5(b) sense we have found that relative demand, once adjusted to remove what we find as unrealistic speculations for 3-storey walk up apartments, can be addressed by way of our increased density enablement, including for attached dwellings.

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<sup>653</sup> S42A Report (Rezoning Residential) at [7.6].

<sup>654</sup> S42A Report (Rezoning Residential) at [7.7] – [7.10].

<sup>655</sup> EIC Ms Fairgray at [8.38] - [339].

<sup>656</sup> EIC Mr Wallace at [15.45].

20.20 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Area 2.

20.21 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 2 and reject those submissions (in whole or part) that oppose them.

### **Area 3: Fernhill<sup>657</sup>**

20.22 Ms Morgan states (footnotes removed):<sup>658</sup>

Area 3 includes the residential land at Fernhill. Refer Figure 5 for the PDP zoning in this area. Zoning in this area is a mix of LDSRZ and MDRZ. No change to the zoning in this area is proposed through the notified UIV.

Three submissions have been received in relation to zoning at Fernhill. The relief sought by the submitters is shown spatially on the plan at Figure 5. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

(a) Rezone 139 Fernhill Road, 10 – 18 Richards Park Lane and 18 – 22 Aspen Grove MDRZ, and include these properties within the Visitor Accommodation Sub-Zone of the Proposed District Plan<sup>34</sup>; and

(b) Support the mapping for Fernhill as notified and request that 45 Wynyard Crescent be rezoned MDRZ to match zoning of adjacent sites.

20.23 Ms Fairgray supports<sup>659</sup> applying the MDRZ to these sites from an economic perspective. Mr Wallace states that while Fernhill scored relatively poorly in terms of accessibility including these sites worked from a "practical perspective"<sup>660</sup> and would more fully integrate Coherent's (1263) undeveloped landholdings. Ms Morgan agreed with Mr Wallace that including the land in the MDRZ would deliver "a logical zoning pattern" to enable comprehensive development of a larger landholding.

20.24 In response to submission 384 seeks a two-storied height limit (and not 2 stories) Ms Fairgray considers<sup>661</sup> retention of the PDP 8m height limit would reduce the feasibility of more intensive development options in this location.

20.25 Generally, however, reflecting the accessibility comment above, Mr Wallace states:<sup>662</sup>

In terms of extension of the MDRZ and / or HDRZ around Fernhill and Sunshine Bay due to the existence of a frequent bus route,<sup>48</sup> I note that the MDRZ already extends around the Fernhill LSCZ along Fernhill Road and Aspen Grove as per the notified UIV mapping. In addition, I do not consider the mere presence of a single bus route in isolation is an appropriate benchmark for upzoning in line with the requirements of the NPS-UD.<sup>49</sup> The presence of frequent public transport is clearly an important factor, however there is a need to also consider what services/ amenities can be accessed and the total journey length involved. In the case of Sunshine Bay, Route 1 provides access to QTC, Frankton, Airport and Remarkables Park. Bus journey time to QTC is approximately 16 minutes, while Remarkables Park has an in-bus journey time of 37 minutes. When combined with walking times from the origin and to the destinations of bus stops and an allowance for waiting times once

<sup>657</sup> Including submissions 384, 429, 1263.

<sup>658</sup> S42A Report (Rezoning Residential) at [8.1] – [8.2].

<sup>659</sup> EIC Ms Fairgray at [8.42].

<sup>660</sup> EIC Mr Wallace at [15.53].

<sup>661</sup> EIC Ms Fairgray at [8.14].

<sup>662</sup> EIC Mr Wallace at [15.9].

at a bus stop, a journey to the QTC could take closer to 30 minutes whilst a journey closer to an hour to a destination around Remarkables Park is possible.

20.26 Regarding the inclusion of 45 Wynyard Crescent (OS439) Mr Wallace<sup>663</sup> repeats that Fernhill performed relatively poorly in terms of accessibility and that the boundary at this location responds to the significant elevation change between the roads such that he prefers retaining the existing boundary. Ms Morgan agrees that rezoning is not appropriate due to the "lack of accessibility and elevation change".<sup>664</sup>

20.27 Referring to **Figure 2** in Section 6, we have determined a boundary that broadly follows the existing form of urban development at Thompson Street east of One Mile Creek and Ben Lomond Track. West of that through Fernhill and Sunshine Bay, the Panel is persuaded that the re-zonings proposed by the Council and supported by Ms Morgan are appropriate although we limit these as follows:

- (a) Recommended LDSRZ becomes the SRZ as we have recommended it;
- (b) Recommended MDRZ stays MDRZ (i.e., not MDRAZ); and
- (c) Any existing PDP HDRZ remains HDRZ (i.e., not HDRAZ).

20.28 West of the boundary we have identified, the combination of sloping land, winding roads and more-homogenous land use activities do not justify apartment-style 3-storey buildings under NPS-UD Policy 5.

20.29 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Area 3.

20.30 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 3 and reject those submissions (in whole or part) that oppose them.

#### **Area 4: Remarkables Park.**

20.31 Ms Morgan states in her evidence (footnotes removed):<sup>665</sup>

Area 4 includes the land at Remarkables Park. Refer Figure 6 for the PDP zoning in this area. The PDP zoning in this area is LDSRZ. Parts of the area is proposed to be included in the MDRZ under the notified UIV.

Three submissions and one further submission point have been received in relation to zoning at Remarkables Park. The relief sought by the submitters is shown spatially on the plan at Figure 7. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

- (a) Retain the existing height and density allowances in Frankton between Riverside Road and the Kawarau River and oppose the proposed MDRZ 11m+1m height standard; and
- (b) Oppose the proposed rezoning of the Remarkables Crescent, Riverside Road and Kawarau Place area of Frankton, or alternatively reduce the height limit to 8m.

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<sup>663</sup> EIC Mr Wallace at [15.54].

<sup>664</sup> S42A Report (Rezoning Residential) at [8.7].

<sup>665</sup> S42A Report (Rezoning Residential) at [9.1] – [9.2].



- 20.32 Mr Wallace found<sup>666</sup> this area to perform relatively well in relation to accessibility. Ms Fairgray supports<sup>667</sup> retention of the notified zoning (and opposed the submissions seeking reduced height) given the area is well supported by commercial amenity at the adjacent centre. Ms Morgan therefore supports<sup>668</sup> the retention of the UIV zoning and height limits in this area reflecting its moderate accessibility, being outside the air noise boundary and would more efficiently achieve a compact urban form.
- 20.33 Mr Powell's evidence<sup>669</sup> does not support limiting intensification in this area due to infrastructure constraints.
- 20.34 We heard from Mr Bennison (425) who spoke about the nature and character of the area and its proximity to the Remarkables Park Special Zone (not part of the UIV).
- 20.35 We are persuaded by the submitters,<sup>670</sup> and our site visit, that 3+ storey apartment-style dwellings would not be commensurate in the proposed intensification area. Although Remarkables Park (not part of the UIV) offers a mix of activities and services, and is reasonably close to the Five Mile development, the area identified lacks a level of accessibility that would make apartment-based living justifiable. The Panel finds the most appropriate and commensurate planning response is to apply the MDRZ as now proposed by the Panel to this area. That reflects a commensurate response to Policy 5 in this area and the significant potential for more integrated development across the Frankton area than can be delivered by this more focused UIV.
- 20.36 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Area 4.
- 20.37 Overall, we therefore accept in part the submissions seeking rezoning of Area 4 insofar as they align with our recommended provisions in **Appendix 1**.

## **Area 5: Bridesdale**

- 20.38 Ms Morgan states in her evidence (footnotes removed):<sup>671</sup>

Submitter 860 seeks to change the notified MDRZ area in Bridesdale, Queenstown to LDSRZ or lower the building height to be the same height limit as the LDSRZ in these areas. Figure 8 shows the notified UIV zoning. This zoning pattern has been 'rolled over' from the PDP zoning. The MDRZ applies under the existing PDP, albeit at lower heights and densities.

- 20.39 Mr Wallace notes<sup>672</sup> that the area performs relatively poorly in terms of accessibility such that he would support a lower height of 8m at this location. Ms Fairgray also agrees<sup>673</sup> in part with this submission (OS860) requesting a lower height given its location further from the centres but that the existing MDR height delivers a greater development opportunity than the LDSRZ.

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<sup>666</sup> EIC Mr Wallace at [15.23].

<sup>667</sup> EIC Ms Fairgray at [8.12].

<sup>668</sup> S42A Report (Rezoning Residential) at [9.5].

<sup>669</sup> EIC Mr Powell at [7.4].

<sup>670</sup> Including submissions 204, 385 and 425.

<sup>671</sup> S42A Report (Rezoning Residential) at [10.1].

<sup>672</sup> EIC Mr Wallace at [15.25].

<sup>673</sup> EIC Ms Fairgray at [8.16].

20.40 Ms Morgan notes<sup>674</sup> that having visited this location (as did we) the area has been fully built out and as recently developed the prospect of redevelopment is limited. On that basis she also partly supports the submission that the lower height would be commensurate with the lower level of accessibility and consistent with patterns of relative demand. She therefore recommends retaining the MDRZ in Bridesdale and apply a maximum 8m height limit to the site via an amendment to notified Rule 8.5.1 and provides a s32AA assessment<sup>675</sup> in support of that recommendation.

20.41 As discussed previously, the Panel does not agree that using the UIV to down-zone land can be reasonably justified based on implementing NPS-UD Policy 5. However, based on the Panel's broader approach it agrees that 3-storey apartment-style development would not be justifiable based on its relatively poor accessibility. 2-storey development is most appropriate and commensurate in Bridesdale. The Panel's recommended provisions for the MDRZ, which includes retaining the pre-UIV PDP height limit, should continue to apply to this area.

20.42 Overall, we therefore reject submission 860 for the reasons provided by Ms Morgan which we adopt.

#### **Area 6: Arthurs Point**

20.43 Ms Morgan states in her evidence (footnotes removed):<sup>676</sup>

Area 6 includes the land at Arthurs Point. Refer to Figure 9 for the existing PDP zoning in this area. No changes to underlying zone extents are proposed under the notified UIV, however the MDRZ surrounding the HDRZ is subject to notified Rule 8.5.1.1(a), which limits building heights to 8m.

Nine submissions points and 43 further submission points have been received in relation to zoning at Arthurs Point. The notified UIV zoning and the relief sought by the submitters is shown spatially on the plan at Figure 10. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

(a) Rezone the land at 117 Arthurs Point Road from LDSRZ to MDRZ and apply the location specific height notified Rule 8.5.1.1(a);

(b) Rezone the land at 111 Atley Road (legally described as Lot 1-2 Deposited Plan 518803 held in Record of Title 814337) from Lower Density Residential Zone to MDRZ;

(c) Retain the visitor accommodation sub-zone on the MDRZ portion of 157 Arthurs Point Road (Lot 2 DP 331294); and

(d) Remove reference to the Mid Terrace at 182 Arthurs Point Road being affected by proposed Rule 8.5.5.1

(a) and that "any reference to the site at 182 Arthurs Point Road or any other map or rule that distinguishes this site be deleted".

20.44 Mr Wallace stated<sup>677</sup> that some uplift was provided at Arthurs Point despite its relatively poor accessibility due to its role in providing VA. He therefore does not support further changes to 111 Atley Road (OS500).

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<sup>674</sup> S42A Report (Rezoning Residential) at [10.2].

<sup>675</sup> S42A Report (Rezoning Residential) at [10.5].

<sup>676</sup> S42A Report (Rezoning Residential) at [10.1].

<sup>677</sup> EIC Mr Wallace at [15.52].

20.45 Ms Fairgray<sup>678</sup> does not support the application of the MDRZ as sought by submission 500 (due to its location further away), supports the increase in height sought in submissions 487 and 833 (as it will enable more typologies and increase their feasibility), supports extending the HDRZ across part of submission 1260 site that is closer to the existing central part of the area and does not support reducing the HDR height as it will reduce the feasibility of apartments.

20.46 Ms Morgan:<sup>679</sup>

- (a) Supports the rezoning of 117 Arthurs Point Road from LDSRZ to MDRZ, subject to applying Rule 8.5.1(a) consistent with the surrounding MDRZ, as the site has consent and is under development for a 4 storied multiunit development such that MDRZ would reflect its current state.
- (b) Opposes applying the MDRZ to part of 111 Atley Road that is currently zoned LDSRZ. Her key reason is the lack of accessibility and lack of a coherent integration with surrounding land.
- (c) In relation to removing notified rule 8.5.5.1(a) from the mid-terrace at 182 Arthurs Point Road she notes current consent for development of part of the mid terrace with 4 storied buildings and the rest with two stories (within the 8m limit). She considers this transition in height to be appropriate under Policy 5, especially given the more distant location of the mid-terrace (but welcomed evidence from the submitter to consider).

20.47 Ms Morgan therefore recommends Rezone 117 Arthurs Point Road from LDSRZ to MDRZ, subject to applying rule 8.5.1.1(a) and provided a s32AA assessment to support that recommendation.<sup>680</sup>

20.48 The Panel recommends the land remain subject to the LDSRZ (to become SRZ as recommended by the Panel). The evidence discussed at the hearing and in the s42A report had little connection to NPS-UD Policy 5 matters of the Site's accessibility and what might be commensurate with that. Instead, we were given evidence largely based on why an up-zoning generally might be appropriate based on how potential adverse effects could be managed. We accept that there may be a sound resource management argument to support the scale and type of development envisaged by the submitter, but do not agree it is relevant to the specific and focused purpose of the UIV.

20.49 In consideration of the broader findings arrived at by the Panel for Arthurs Point, in Section 7, that only 2-storey development via either the SRZ or MDRZ (as recommended by the Panel) would be appropriate in terms of implementing the NPS-UD, and in light of what were agreed landscape and development sensitivities on the Submitter's land still in need of careful consideration, the Panel finds that the SRZ would be the most appropriate fit noting the higher-density pathway and discretionary activity height limits that the Panel recommends.

20.50 We refer to our overall s32AA analysis in Section 21, and Section 7, for additional reasons that also apply to Area 6.

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<sup>678</sup> EIC Ms Fairgray at [8.47].

<sup>679</sup> S42A Report (Rezoning Residential) at [11.6] – [11.12].

<sup>680</sup> S42A Report (Rezoning Residential) at [11.14].

20.51 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 6 and reject those submissions (in whole or part) that oppose them.

### **Area 7: Frankton Road**

20.52 Many submissions were made in relation to this area.<sup>681</sup> For example Mr Potter<sup>682</sup> (1250) commented on what he considered to be poor urban planning for MDRZ boundaries, that the MDRZ would "ruin" the character of the neighbourhoods and that, without specific density/dwelling requirements, would simply lead to bigger single homes being built.

20.53 Ms Morgan states in her evidence (footnotes removed):<sup>683</sup>

Area 7 includes land along Frankton Road and within the established residential areas to the north. Under the PDP the zoning of this area is a mix of HDRZ, MDRZ and LDSRZ as shown on Figure 12. The notified UIV sought to rezone areas of LDSRZ to MDRZ.

45 submissions points and 18 further submissions points have been received in relation to zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 13. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

#### **Frankton Road**

(a) Support the HDRZ at 259 and 267 Frankton Road, subject to amendments sought related to building height, recession plane and lot size; and

(b) Reduce the spatial extent of the MDRZ along Frankton Road to a more feasible walking or biking distance to the Central Business District and Five Mile, such as stopping at Hensman Road, and restarting at Marina Drive toward Frankton. Alternatively reduce the spatial extent to the very lowest areas above Frankton Road.

#### **Panorama Terrace / Star Lane / Sunrise Lane / Peregrine Place / Hensman Road**

(c) Retain the current (operative) zoning for 20 Peregrine Place and surrounding properties;

(d) Oppose the rezoning of land to the North of Panorama Terrace and on the northern side of Star Lane, and South-West of Hensman Road and retain LDSRZ;

(e) Alternatively retain LDSRZ on Star Lane or if MDRZ is applied introduce a non-complying height standard and that greater consideration be given to the effects on amenity;

(f) Oppose MDRZ for Sunrise Lane and retain LDSRZ;

(g) Oppose rezoning of land bounded by Panorama Terrace and Hensman Road and seek that LDSRZ is retained, or alternatively, that Star Lane and Peregrine Place remain zoned LDSRZ;

(h) Retain zoning of the long-established neighbourhood (Panorama Terrace); and

(i) Include the Hensman Road/Sunset Lane block within the MDRZ, or alternatively ensure that all of the Hensman Road/Sunset Lane block is retained within the LDSRZ.

<sup>681</sup> Including 26, 28, 97, 1077, 281, 299, 308, 425, 433, 458, 531, 548, 552, 581, 651, 655, 730, 836, 1025, 1175, 1250, 1382. Mr Rhind provided a Statement of Evidence on behalf of submissions 281, 581, 651 and 1386 (Hay, Smiley, Jarry and Briscoe) dated 4 July illustrating the heights and topography (and hence loss of views) along star land and Hensman Road.

<sup>682</sup> Lay Witness Evidence of Mr Potter.

<sup>683</sup> S42A Report (Rezoning Residential) at [9.1] – [9.2].

St Georges Avenue / Highview Terrace / Panners Way / Golden Terrace / Goldfield Heights

(j) Oppose the proposed rezoning to MDRZ along St Georges Avenue and Highview Terrace and request that the existing LDSRZ in this area be retained;

(k) Amend the zoning of the area around St Georges Avenue including the subject site (Lot 11 DP 365562), to MDRZ. Currently only the southern side of St Georges Avenue has been notified as MDRZ;

(l) Extend the MDRZ to incorporate the properties on the northern side of Panners Way;

(m) Extend the MDRZ to the land accessed off Goldfield Heights Road (including along Panners Way and Golden Terrace) and up to the intersection with St Georges Avenue is rezoned as MDRZ;

(n) Rezone 1 Golden Terrace as MDRZ; and

(o) Retain the 8m height limit in Goldfield Heights.

20.54 This area includes the streets elevated above Frankton Road. In general, for this area Mr Wallace states:<sup>684</sup>

In a strategic sense, intensification along this corridor aligns with its general location between significant employment and retail nodes. However, as discussed elsewhere the area features a number of challenges in terms of its topography (both steepness and circuitous routing). The extent of the MDRZ in this location has generally been concentrated to those areas with more convenient and direct access to Frankton Road. ...

20.55 Mr Wallace noted submissions both opposing upzoning (primarily due to amenity effects) and supporting more upzoning. Mr Wallace did not support<sup>685</sup> zone boundary changes:

- (a) For Panorama Terrace / Star Lane / Sunrise Lane / Peregrine Place / Hensman Road. For Panorama Terrace Mr Wallace explains the use of the topography to explain the intra-block zone boundaries in the area.<sup>686</sup> For submissions seeking upzoning along the northern edge of Panorama Terrace Mr Wallace supports the proposed approach using natural boundaries to provide for a transition in building form (as opposed to property boundaries). In relation to the requested upzoning for parts of Hensman Road Mr Wallace relied<sup>687</sup> on the low accessibility (topography and circuitous road network) to support the notified UIV.
- (b) For various extensions to the MDRZ in St Georges Avenue / Highview Terrace / Panners Way / Golden Terrace / Goldfield Heights considered the low level of accessibility of the area (given topography especially) and he supported the present change in zoning at St Georges Ave.

20.56 Ms Fairgray supports<sup>688</sup> retention of the notified zoning based on relative demand and that the areas covered are sizable. She considered that lower density land uses (such as LDSR) would result in inefficient use of land in the context of Queenstown's spatial structure. Ms Fairgray notes that:

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<sup>684</sup> EIC Mr Wallace at [15.15].

<sup>685</sup> EIC Mr Wallace at [15.43].

<sup>686</sup> EIC Mr Wallace at [15.42].

<sup>687</sup> EIC Mr Wallace at [15.42].

<sup>688</sup> EIC Ms Fairgray at [8.9].

- (a) Several submissions<sup>689</sup> sought extension to the MDR areas in these locations where current zoned LDSRZ and near proposed MDRZ. Again, Ms Fairgray generally supports more MDRZ across these areas from an economic perspective. Although she considers<sup>690</sup> that the extent of the notified MDRZ is likely to meet the level of demand she considers further expansion in these locations could occur without undermining those areas closer to the centres. Like for Frankton North she considers LDSRZ to reduce feasibility and encourage a dwelling mix that has lower alignment with future demand.
- (b) Submission 105 considered that higher density should not be enabled along Frankton Road, and it will not deliver affordable housing. Ms Fairgray disagrees, reflecting<sup>691</sup> the matters addressed in Sections 2 and 5 that housing choice will likely be increased with some dwellings likely to be in lower value bands.

20.57 In relation to submissions raising amenity effects of intensification Mr Wallace states (and Ms Morgan agrees from a planning perspective):<sup>692</sup>

I note that the UIV includes several standards such as building coverage, yards, building length, recession planes which seek to provide appropriate levels of on-site amenity (including sunshine). Further, based on my observations of how development has occurred post the adoption of more enabling planning frameworks I consider it highly unlikely that all sites in this area would be redeveloped (or indeed redeveloped to their maximum theoretical extent). This will naturally preserve some views throughout this area as well as even greater level of sunlight than that anticipated by the UIV. Further, if unspecified views from individual properties was an important consideration in determining the overall extent and scale of intensification enabled it will prevent any meaningful intensification from ever occurring and, in my opinion, be inconsistent with the requirements of the NPS-UD.

20.58 Overall Ms Morgan therefore supports the MDRZ to Area 6 as per the notified UIV.

20.59 Ms Morgan responded<sup>693</sup> to Mr Hewat's submission opposing 16.5m development at 217, 221 and 225 Frankton Road. There is a private covenant in place over this land it has existing development controls.<sup>694</sup> Irrespective, Ms Morgan does not consider any height changes should be made in response to this submission.

20.60 In relation to Mr Edgar's evidence<sup>695</sup> opposing upzoning on Panorama Terrace and Panorama Place due to amenity values, VA and infrastructure capacity, Ms Morgan did not recommend any additional changes.<sup>696</sup>

20.61 Ms Morgan referred to Mr Harland's detailed evidence relating to Hensman Road / Star Lane (281, 581, 651 and 1386) and which, based on the lowest accessibility ranking and low relative demand sought a downzoning in the area or a more nuanced approach near the submitters land between the MDRZ and LDSRZ boundaries. Mr Harland provided alternative relief to the removal of the area of MDRZ being that the LDSRZ be retained over an area identified in

<sup>689</sup> EIC Ms Fairgray at [8.40].

<sup>690</sup> EIC Ms Fairgray at [8.41] – [8.43].

<sup>691</sup> EIC Ms Fairgray at [8.5].

<sup>692</sup> EIC Mr Wallace at [15.14].

<sup>693</sup> Rebuttal Ms Morgan at [6.1].

<sup>694</sup> Statement of Evidence of Mr Edmonds (769, 1333), 4 July 2025, at [6.4].

<sup>695</sup> Statement of Evidence of Mr Edgar (641, 657, 1358), 4 July 2025, at [75].

<sup>696</sup> Rebuttal Ms Morgan at [7.3].

Figure 5 of his evidence.<sup>697</sup> Ms Jones also provided lay evidence (she is an experienced planner) in support of the submission.

20.62 Ms Morgan explained that the accessibility and demand mapping has not occurred properly by property and must apply in context. Mr Wallace<sup>698</sup> also mentioned the mapping never provides a clear in or out answer which Ms Morgan supports<sup>699</sup> as a range of considerations are at play. Ms Morgan notes that:<sup>700</sup>

Mr Wallace supports the alternative relief sought by Mr Harland ... This would retain the LDRZ for the approximately 15 sites on the northern side of Peregrine Place/Star Lane/Sunset Lane. This zoning change is likely to have a very limited impact on development capacity given its scale, and its location on the edge of the MDRZ means that the change would achieve a logical and integrated zone boundary. I note the area does not perform particularly well from an accessibility perspective, which is agreed by Mr Wallace. On balance, I agree that this modest amendment to the zoning would more efficiently and effectively achieve the relevant objectives.

20.63 Ms Morgan provides a s32AA assessment for this change.<sup>701</sup> Mr Harland stated this the acceptance of the alternative relief was regarded positively, his preference remained for the primary relief to be accepted.<sup>702</sup> He explained to us during the hearing the nature of the area which largely reflected what we saw during the site visit and the many submitters who explained to us the steepness of the area and the indirect roading network.

20.64 Finally, in her rebuttal evidence Ms Morgan states:<sup>703</sup>

Mr Freeman has filed planning evidence on behalf of Tepar Limited, Park Lake Limited & Earnslaw Lodge Limited in support of the proposed application of HDRZ from Park Street to Cecil Road. Mr Freeman has also filed planning evidence on behalf of RF Corval NZQ Pty Limited in support of the proposed upzoning of the land at 554 Frankton Road from LDSRZ to the MDRZ. These areas are shown in Figures 8 and 9 below. I agree with the conclusions of Mr Freeman regarding these sites.

20.65 We refer to our earlier findings in relation to Northeast Queenstown and Frankton Road above, which this area is a direct (eastward) extension of.

20.66 The Panel finds that the re-zoning pattern proposed by the Council at the time of its reply version are appropriate on the basis that:

- (a) Any LDSRZ should become the Panel's SRZ;
- (b) Any MDRZ should become the Panel's (2-storey) MDRZ; and
- (c) Any pre-UIV HDRZ should become the Panel's HDRZ.

20.67 The Panel was persuaded by submissions, and its site visit that this area, including its frequently zig-zagging roads and locations of steep topography, had limited accessibility, despite notional proximity to the bus corridor of Frankton Road, such that only 2-storey, non-

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<sup>697</sup> Statement of Evidence of Mr Harland, 4 July 2025, page 17.

<sup>698</sup> Rebuttal Mr Wallace at [8.2].

<sup>699</sup> Rebuttal Ms Morgan at [8.5].

<sup>700</sup> Rebuttal Ms Morgan at [8.6].

<sup>701</sup> Rebuttal Ms Morgan at [8.7].

<sup>702</sup> Summary of Evidence of Mr Harland, 6 August 2025.

<sup>703</sup> Rebuttal Ms Morgan at [10.1].

apartment residential units were generally justified under Policy 5(a) NPS-UD and that relative demand for 3+ story apartments was not justified in these locations.

20.68 We refer to our overall s32AA analysis in Section 21 for additional reasons that also apply to Area 7.

20.69 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 7 and reject those submissions (in whole or part) that oppose them.

### **Area 8: MDRZ around Wānaka – South and west of the Wānaka Town Centre**

20.70 Many submissions were made in relation to this area.<sup>704</sup> Ms Morgan states in her evidence (footnotes removed):<sup>705</sup>

Area 8 includes the land within the established residential area south-west of the Wānaka Town Centre. This area is bound by Helwick Street, Brownston Street, Conor Street, Stone Street and the Wānaka Golf Course. Under the PDP the zoning of this area is a mix of MDRZ and LDSRZ as shown on Figure 14. The notified UIV sought to amend the zoning within this area to MDRZ.

Forty submission points and two further submission points have been received regarding the zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 15. The key issues raised in submissions, which seek changes to the notified UIV are summarised as follows:

- (a) Oppose the notified MDRZ and apply the existing PDP MDRZ or retain the LDSRZ. This includes opposition to the mapped extent and the proposed rules of the MDRZ;
- (b) Move the boundary of the MDRZ to the natural escarpment so that it will run from Redwood Lane at the west end, across through Sycamore Place and extend to lower Youghal Street to the east;
- (c) Move the boundary of the MDRZ to not include the areas below Aspiring Terrace, and above Sycamore Place;
- (d) Support the proposed upzoning to MDRZ within this area; and
- (e) Consider the north western side of Monument Hill and the hillside behind Tenby Street for greater heights.

20.71 In relation to this area Mr Wallace's evidence<sup>706</sup> supported the proposed MDRZ extent and that it exhibits moderate to high levels of accessibility given its location. While he accepted the escarpment could be a natural boundary, he considers the golf course and Faulks Road reserve to be a more appropriate transition point. He acknowledges submitters concerns on views and sunlight and repeats he position quoted above in relation to amenity.

20.72 Ms Fairgray refers to multiple submissions<sup>707</sup> opposed the notified UIV extension of the MDRZ around the WTC seeking retention of LDSR where the MDRZ is extended, reduced heights and a preference for development in Three Parks. Ms Fairgray considers<sup>708</sup> that the notified MDRZ is likely to be more efficient and better aligned at relative demand, encouraging greater

<sup>704</sup> Including 15, 63, 146, 149, 212, 224, 237 255, 268, 392, 394, 719, 722, 724, 783, 801, 828, 1029, 1140, 1146, 1153, 1171, 1185 and 1369.

<sup>705</sup> S42A Report (Rezoning Residential) at [9.1] – [9.2].

<sup>706</sup> EIC Mr Wallace at [15.16] – [15.18].

<sup>707</sup> EIC Ms Fairgray at [8.19].

<sup>708</sup> EIC Ms Fairgray at [8.20].



development around the WTC. She also does not see intensification around the WTC as mutually exclusive with intensification within Three Parks.

20.73 The Panel prefers the Council's spatial extent of re-zoning although for the reasons discussed in Section 9. Land identified by the Council as being MDRZ should be retained as the Panel's 2-storey MDRZ, not the MDRAZ recommended south-west of Three Parks Wānaka.

20.74 Although up-zoning the land adjacent to the town centre to the MDRAZ was in NPS-UD Policy 5 terms of itself a sufficiently "commensurate" action, the Panel's overall evaluation of the submissions and other non-NPS-UD planning documents relevant to our decision persuaded us that the most appropriate overall NPS-UD response for Wānaka was to promote more intensification within and adjacent to Three Parks Wānaka (Areas A and B assessed in Sections 9, 14 and 15) so as to avoid unnecessary adverse character and amenity effects within the more established urban residential area. This conclusion is also based on the 2-storey intensification that has been otherwise recommended by the Panel for the MDRZ (and the spatial extent of that area has been extended). The Panel considers this still enables an efficient and substantial opportunity for additional intensification to occur adjacent to the WTC.

#### **Area 9: East of Wānaka Town Centre**

20.75 Several submissions were received in relation to this area.<sup>709</sup> Ms Morgan states in her evidence (footnotes removed):<sup>710</sup>

Area 8 includes the land within the established residential area east of Wānaka Town Centre. This area is bound by Ballantyne Road, Hedditch Street and the Wanaka Golf Course. Under the existing PDP the zoning of this area is LDSRZ as shown on Figure 15. The notified UIV sought to amend the zoning within this area to MDRZ.

26 submission points and one further submission points have been received regarding the zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 17. The key issues raised in submissions, are summarised as follows:

- (a) Oppose the upzoning of 1 Ballantyne Road and seek amendments to the zoning to reflect that this site is part of Mount Aspiring National Park;
- (b) That the Wānaka Search and Rescue helipad is maintained as a valued asset to the community and no development be allowed on this site (1 Ballantyne Road);
- (c) Oppose the rezoning from LDSRZ to MDRZ on Macpherson Street; and
- (d) Support the proposed upzoning to MDRZ within this area.

20.76 Ms Morgan notes<sup>711</sup> that the land at 1 Ballantyne Road is Crown land forming part of Mt Aspiring National Park. As such Ms Fairgray did not include the land in her development capacity calculations. However, Mr Wallace<sup>712</sup> notes that it presently has an urban (residential) zoning and does not share the characteristics of the rest of the National Park. Given its location and good accessibility should it cease to be National Park he considers MDRZ to be

<sup>709</sup> Including 3, 6, 48, 55, 90, 110, 149, 154, 351, 356, 407, 422, 424, 442, 561, 677, 848, 875, 1208, 1133.

<sup>710</sup> S42A Report (Rezoning Residential) at [14.1] – [14.2].

<sup>711</sup> S42A Report (Rezoning Residential) at [14.3].

<sup>712</sup> EIC Mr Wallace at [15.19] – [15.20].

appropriate (and that applies for 1-7 Ballantyne Road). However, Ms Morgan recommends retaining the existing LDSRZ over the land.

20.77 In relation to McPherson Street Ms Fairgray considers<sup>713</sup> that the notified MDRZ be retained as the area is proximate to the WTC and lower density would be less economically efficient. As above Mr Wallace considers the area to have good accessibility. Ms Morgan therefore supports retention of the notified MDRZ along McPherson Street. In relation to amenity effects Mr Wallace's position, quoted above, applies equally here.

20.78 Ms Morgan therefore recommends amending the notified UV zoning for the sites on the western side of McPherson Street to retain the PDP zoning, being the LDSRZ and provides a s32AA assessment supporting it.<sup>714</sup>

20.79 The Panel accepts and adopts Ms Morgan's recommendations noting that reference to LDSRZ would become the Panel's SRZ, and reference to the MDRZ would become the Panel's MDRZ.

#### **Area 10: South of Business Mixed Use in Wānaka (north of the WTC)<sup>715</sup>**

20.80 Ms Morgan states in her evidence (footnotes removed):<sup>716</sup>

Area 9 includes the land bound by Plantation Road and Hedditch Street. Under the existing PDP the zoning of this area is LDSRZ as shown on Figure 18. The notified UIV sought to amend the zoning within this area to MDRZ.

Two submissions and one further submissions have been received regarding the proposed zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 19. The key issues raised in submissions are summarised as follows:

- (a) Oppose the application of the MDRZ on the basis that the area has not been demonstrated as high accessibility and relative demand for the MDRZ in the area. Submission 956 is seeking to retain the LDSRZ within this area or as an alternative narrow the proposed rezoning so that MDRZ is only retained in the area accessed by Hedditch Street as set out in Figure 20; and
- (b) Support the proposed upzoning to MDRZ within this area.

20.81 Some submissions opposed the notified MDRZ applying to areas of MDR in Wānaka North (and specifically the extra height). Ms Fairgray considers<sup>717</sup> the notified provisions should be retained, especially given the updated growth and demand figures for Wānaka.

20.82 Mr Wallace's assessment<sup>718</sup> is that the area performed moderately well for accessibility given proximity to the WTC, schools and open spaces.

20.83 Ms Morgan therefore does not support submissions that the area is not suitable for MDRZ and she supports the notified UIV boundaries.

20.84 In relation to north of the WTC generally Mr Wallace acknowledged that there is a "small pocket of his area identified as having low or very low accessibility with adjacent properties falling

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<sup>713</sup> EIC Ms Fairgray at [8.23].

<sup>714</sup> S42A Report (Rezoning Residential) at [14.10].

<sup>715</sup> Including submissions 52, 456, 549, 711, 956 (and more broadly 120, 123, 234, 268, 514, 571, 711, 745, 796, 816, and 956).

<sup>716</sup> S42A Report (Rezoning Residential) at [15.1] – [15.2].

<sup>717</sup> EIC Ms Fairgray at [8.32].

<sup>718</sup> EIC Mr Wallace at [15.28] – [15.29].

within areas that performed moderately well to high ...".<sup>719</sup> He noted that his accessibility and demand analysis is designed to provide an indication of an area's potential for intensification and that a "rational approach" to zoning must be applied to avoid a "pepper-potted array of zoning boundaries."<sup>720</sup>

20.85 The Panel has not been satisfied that 3-storey apartment-style living would be commensurate in the area and instead finds the level of accessibility (and relative demand given our approach to Wānaka as a whole and the ability to maximise the potential of the Three parks area) only justifies 2-storey type living. The Panel agrees with the objections made by the submitters in this regard. However, the Panel does not agree that LDSRZ (SRZ) would be the most appropriate use of the land given the level of accessibility it does enjoy.

20.86 The Panel finds that its version of the MDRZ will be the most appropriate NPS-UD response.

#### **Area 11: West and east of Business Mixed Use in Wānaka**

20.87 Ms Morgan states in her evidence (footnotes removed):<sup>721</sup>

Area 11 includes the land to the east and the west of the Reece Crescent Mixed Use area. Under the PDP the zoning of this area is LDSRZ as shown on Figure 21. The notified UIV sought to amend the zoning within this area to MDRZ.

Twelve submission points and six further submission points have been received regarding the zoning of this area. The relief sought by the submitters is shown spatially on the plan at Figure 22. The key issues raised in submissions, are summarised as follows:

(a) Oppose the application of the MDRZ; and

(b) Support the application of the MDRZ to enable higher density housing options closer to town.

20.88 Again, this area is to the north of WTC and has been generally described by Ms Fairgray and Mr Wallace as for Area 10 above.

20.89 Ms Morgan stated:<sup>722</sup>

Submitters raise a broad range of concerns about the appropriateness of intensification in this area. This includes loss of amenity values, sun and views and unfairness to current landowners with impacts on land values. Submitters state that intensification should occur in alternative locations such as Three Parks. I have commented on these matters already above and I do not restate them here. In terms of intensification occurring at Three Parks, relying on the advice of Ms Fairgray, I understand that development in Three Parks and within existing neighbourhoods in Wānaka is required to meet the higher demand projections.

20.90 Overall, Ms Morgan supports the notified UIV provisions.

20.91 The Panel has not been satisfied that 3-storey apartment-style living would be commensurate in the area and instead finds the level of accessibility (and relative demand given our approach to Wānaka as a whole and the ability to maximise the potential of the Three parks area) only justifies 2-storey type living. The Panel agrees with the objections made by the submitters in

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<sup>719</sup> EIC Mr Wallace at [15.28].

<sup>720</sup> S42A Report (Rezoning Residential) at [15.5].

<sup>721</sup> S42A Report (Rezoning Residential) at [16.1] – [16.2].

<sup>722</sup> S42A Report (Rezoning Residential) at [16.6].

this regard. However, the Panel does not agree that LDSRZ (SRZ) would be the most appropriate use of the land given the level of accessibility it does enjoy.

20.92 The Panel finds that its version of the MDRZ will be the most appropriate NPS-UD response.

#### **Area 12: Three Parks<sup>723</sup>**

20.93 Ms Morgan states in her evidence (footnotes removed):<sup>724</sup>

Area 12 includes the residential land at Three Parks. Under the PDP, the zoning of this area is a mix of MDRZ and LDSRZ as shown on Figure 23. The notified UIV sought to amend the zoning within the area by extending the MDRZ to the land to the west of the Sir Tim Watts Drive, which is currently within the LDSRZ. The notified UIV proposes to retain the LDSRZ on the eastern side of Sir Tim Watts Drive as well as the Building Restriction Areas at the western and northern extents of the area.

Three submitters and one further submitter are seeking to upzone various sites within Three Parks. Submitters seek to:

- (a) Rezone all the LDSRZ areas within Three Parks to MDRZ;
- (b) Remove the Building Restriction Areas; and
- (c) Upzone various properties to HDRZ.

The submitters are seeking upzoning or more development opportunity within Three Parks on the basis that it is currently underdeveloped, it is close to the Three Parks commercial and business areas as well as recreation and school facilities.

Many submitters sought to enable greater heights and densities in Three Parks as a greenfield location in Wānaka. These requests are generally in the context of seeking reduced heights and densities in other locations in Wānaka.

20.94 Ms Fairgray generally<sup>725</sup> supports the submissions<sup>726</sup> requesting expansion of the HDRZ in the northwestern end of Three Parks, especially given the increased anticipated growth and demand in Wānaka. She also supports the rezoning of the LDSRZ area into MDSRZ. Mr Powell states that the growth in the Three Parks area can be accommodated with planned upgrades in place.

20.95 Mr Wallace recognised that his current assessment of a low level of accessibility reflected the undeveloped nature of the area at that time (and that it does not have a public transport service). He states that there are supermarkets, large format retailers, connections through cycleways and proximity to school and recreation centre. Development of Three Parks is rapidly occurring, and Mr Wallace recognises that its accessibility will improve with development over time. Mr Wallace supported amendment to the MDRZ zone (while retaining some LDSRZ along Riverbank Road) and recognised that greater zoning extent would "better

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<sup>723</sup> Including submissions 948, 1039 and 1040 and submissions in general support of more development at Three Parks including 17, 797, 948, 1091, 1113, 1120, 1191, 1370, and 1371.

<sup>724</sup> S42A Report (Rezoning Residential) at [17.1] – [17.4].

<sup>725</sup> EIC Ms Fairgray at [8.51].

<sup>726</sup> Submissions 1039 and 1040.

utilise existing greenfield land where there are less restrictions on future development due to the lack of cadastral boundaries and existing residents."<sup>727</sup>

20.96 In relation to rezoning to HDRZ Mr Wallace repeats the same points as above and "from an urban design perspective [supports] the "upzoning" of all land west / north-west of Sir Tim Wallis Drive within the Three Parks area."<sup>728</sup>

20.97 Mr Wallace also commented on the submission seeking the removal of the BRA from the sites boundary with the golf course and the Wānaka-Luggate Highway. He states:<sup>729</sup>

The BRA captures areas identified as a future "landscape buffer" and walking / cycling route and two public reserves / open spaces. In my opinion, I would support the removal of the BRA along the golf club and highway boundaries. The golf course property already includes a mature hedge row along its boundary with the site which effectively fulfils a landscape buffer role already, whilst the Wānaka-Luggate Highway already includes a generous landscaped berm that would separate the site from the road itself. ... With regard to the BRA that applies to the future reserve areas, these are likely to be even more important to supporting the amenity of future residents with even greater levels of intensification across the Three Parks area proposed through the UIV and as recommended above. As such, I would not support its removal from these locations although note that there may be other methods by which these open spaces could be delivered.

20.98 Ms Morgan:<sup>730</sup>

- (a) agrees with the expert advice and support applying the HDRZ to 27 Ballantyne Road, 100 and 124 Wānaka-Luggate Highway and provides a s32AA assessment;
- (b) supports partial rezoning of the land to the east of Sir Tim Wallis Drive to MDRZ (however, notes further evidence would assist) and provides a s32AA assessment;
- (c) retain the BRA on the western side of the Three Parks structure plan area (though this is left open for further evidence given the history of the BRA);

20.99 Ms Morgan noted that she had asked for more information which Mr Williams had provided in relation to:<sup>731</sup>

- (a) A 40m wide LDSR buffer along Riverbank Road which she considers will ensure and appropriate transition to the surrounding urban environment (though she notes there are other ways to achieve that); and
- (b) That the structure plan does not require further amendment, to which she agrees but she prefers RDA not CA for subdivision; and
- (c) She supported the rezoning sought by Mr Williams.

20.100 In Reply, Ms Morgan maintained her position to change the activity status of subdivision complying with the Three Parks Structure Plan in 27.7.1 and 27.7.15 of the PDP from CA to RDA. She states:<sup>732</sup>

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<sup>727</sup> EIC Mr Wallace at [15.50].

<sup>728</sup> EIC Mr Wallace at [15.48].

<sup>729</sup> EIC Mr Wallace at [15.51].

<sup>730</sup> S42A Report (Rezoning Residential) at [17.9] – [17.18].

<sup>731</sup> Rebuttal Ms Morgan at [4.3] – [4.7].

<sup>732</sup> Reply Ms Morgan at [5.1].

... the crux of my concern, which is the effectiveness of assessing qualitative design matters and achieving the design-based objectives through a controlled activity consent, which cannot be declined.

This is a particular concern in Three Parks (as opposed to the urban area generally) because the parent lot is large and subdivision activities, as a precursor to land use, would significantly influence the form and design outcomes for the area. For these reasons, I maintain my recommendation in paragraph 4.5 of my Rebuttal Evidence.

20.101 As discussed previously in our decision, Three Parks Wānaka became very important in the scheme of how Policy 5, and the NPS-UD, can be most appropriately given effect to in Wānaka. The role of the land as a growth sink that can avoid unnecessary amenity or character effects on other parts of the town has been highly persuasive for the Panel. All the residential land within Area A of **Figure 4**, discussed in Section 9, should be zoned HDRAZ. The residential-zoned land between Ballantyne Road, Cardrona Valley Road, Golf Course Road and Riverbank Road should be re-zoned to MDRAZ, excluding any pre-UIV HDRZ, which would remain HDRZ (i.e., not HDRAZ). We have discussed potential effects on residents in this area and any prejudice from this change in Section 15.

20.102 Three Parks Wānaka is located well-away from sensitive landscape features and can accommodate substantial densification with minimal adverse effects. It is also planned to become the major commercial centre within Wānaka and in this respect providing for substantial density here will in time allow for an ideally-situated mixed use outcome.

20.103 Submitter 1040 initially sought the removal of the triangular shaped BRA entirely from 27 Ballantyne Road. In her Memorandum of 27 August 2025, Ms Malpass made it clear that without stormwater engineering advice retention of the BRA may be appropriate subject to amending the activity status from NC to RD. Ms Malpass provides the required provision and matter of discretion and sets out a s32AA assessment.<sup>733</sup> No such change has been provided by the Council and, given the history of the BRAs and their purpose we do not consider that this focused UIV is the right process for this change (amplified by not having an engineering material before us as to the issues involved).

20.104 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 12 and reject those submissions (in whole or part) that oppose them.

### **Area 13: North Wānaka<sup>734</sup>**

20.105 Ms Morgan states in her evidence (footnotes removed):<sup>735</sup>

Area 12 includes the MDRZ in The Heights and Clearview. Under the PDP the zoning of this area is MDRZ as shown on Figure 25. The notified UIV sought to retain the MDRZ within this area.

Two submissions have been received seeking that the Heights and Clearview are rezoned to LDSRZ. This is on the basis that these areas are not accessible at all. While the submitters are comfortable with the existing MDRZ, they have concerns with the 12m height limit if this zoning is retained within these areas.

<sup>733</sup> Memorandum of Ms Malpass, 27 August 2025, sections 4 and 5.

<sup>734</sup> Including submissions 52, 456, 549 and 860.

<sup>735</sup> S42A Report (Rezoning Residential) at [18.1] – [18.2].

20.106 Ms Fairgray considers that lower heights (8m) in these areas would:<sup>736</sup>

...reduce the feasibility of more intensive typologies in this location. It would restrict development of terraced housing, which would be well-aligned with patterns of relative demand and would consequently limit housing choice in this location.

20.107 Mr Wallace acknowledges<sup>737</sup> that the MDRZ around Clearview performs relatively poorly in terms of accessibility and demand. He therefore supports a reduction in height of the MDRZ around Clearview to 8m. However, the Heights performs relatively well in accessibility and demand due to its proximity to schools, open spaces and employment opportunities.

20.108 Ms Morgan<sup>738</sup> therefore supports retention of the UIV heights at The Heights and supports a reduction in MDRZ heights to 8m at Clearview (and provides a s32AA assessment in support)

20.109 We find that the Council's reply version is most appropriate, subject to the MDRZ becoming the Panel's MDRZ (2-storey). The Panel has not been satisfied that 3-storey apartment-style living would be commensurate in the area and instead finds the level of accessibility (and relative demand given our approach to Wānaka as a whole and the ability to maximise the potential of the Three parks area) only justifies 2-storey type living. The 2-storey intensification we recommend will still enable substantial intensification in this area but avoid the adverse effects of taller and more dominant building forms here.

20.110 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for Area 13 and reject those submissions (in whole or part) that oppose them.

#### **Area 14: Wānaka South<sup>739</sup>**

20.111 Ms Morgan states in her evidence (footnotes removed):<sup>740</sup>

Area 14 applies to two properties in Wānaka South including 45 Cardrona Valley Road and the land north of Avalon Station Drive. Under the PDP the zoning of this area is LDSRZ as shown on Figure 26. The notified UIV sought to retain the LDSRZ within this area.

The submission from NODROG 2021 Ltd and Gordon Trustees Ltd has opposed the application of the LDSRZ to their landholdings in the vicinity of Golf Course Road and Cardrona Valley Road. In particular, the submitter seeks that land at 45 Cardrona Valley Road that is not zoned Local Shopping Centre should be rezoned to MDRZ 95 as shown on Figure 26 above.

The submitter further seeks that the area of land north of Avalon Station Drive that is currently zoned LDSRZ be rezoned MDRZ. The submitters landholdings include significant areas of undeveloped land. The submitter considers that the objectives of the NPS-UD could be better served by rezoning parts of their landholding to MDRZ.

20.112 Ms Fairgray considers<sup>741</sup> that MDR as sought in the submission, including across from the medical centre is likely to be economically efficient and support the centres viability. Mr

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<sup>736</sup> EIC Ms Fairgray at [8.18].

<sup>737</sup> EIC Mr Wallace at [15.26].

<sup>738</sup> S42A Report (Rezoning Residential) at [18.7] – [18.9].

<sup>739</sup> Submission 659

<sup>740</sup> S42A Report (Rezoning Residential) at [19.1].

<sup>741</sup> EIC Ms Fairgray at [8.53].

Wallace considers that 45 Cardrona Valley Road has better accessibility than most of western Wānaka such that he supports rezoning to MDRZ. He notes that that site is currently underdeveloped such that there is an opportunity to deliver more comprehensive development.<sup>742</sup> Mr Wallace however does not support MDRZ for the site north of Avalon Station Drive due to lower accessibility.<sup>743</sup>

20.113 Ms Morgan<sup>744</sup> therefore supports rezoning 45 Cardrona Valley Road to MDRZ (and provides a s32AA assessment in support<sup>745</sup>) but not the site north of Avalon Station Drive due to lower accessibility and a less efficient location.

20.114 As noted previously, we find that in this area of Wānaka the most appropriate outcome is the Panel's MDRAZ. In terms of Mr Wallace's evidence that the accessibility of some parts of this block was low, this is based on his assessment of today's commercial activities and community services. The significant growth predicted in Three Parks Wānaka will in the Panel's view make this land much more accessible in the foreseeable future such that the MDRAZ is the commensurate response.

20.115 Overall, we therefore accept in part the submissions so far as they support our recommended decisions on rezoning for Area 14.

### **Other areas of residential rezoning**

#### **Queenstown**

##### *Thompson Street*

20.116 Coherent Hotel Limited (Coherent) and further submitters Haines and Spencer (FS1348), Columb (FS1349) and Millar (FS 1350) sought the sites at the end of Thompson Street be rezoned from MDR to HDR.

20.117 Ms Clouston<sup>746</sup> and Mr Compton-Moen<sup>747</sup> provided expert evidence for the submitters supported the rezoning and that higher heights and densities should be provided for the western ends of Thompson and Lomond Street given its accessibility. In response Mr Wallace agreed that rezoning the area would be appropriate in urban design terms.<sup>748</sup> Ms Morgan for QLDC agreed that given the accessibility of the area a HDZ would be commensurate and supported the rezoning.<sup>749</sup> Both Ms Clouston<sup>750</sup> and Ms Morgan<sup>751</sup> provided s32AA evaluations supporting the changes.

20.118 Counsel for the submitters set out in in legal submissions<sup>752</sup> the reasons why the submissions were within scope and referred to the relevant case law. We agree, for the reasons set out by counsel, based on the evidence of Ms Clouston and Ms Morgan, and from our site visit of the

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<sup>742</sup> EIC Mr Wallace at [15.35].

<sup>743</sup> EIC Mr Wallace at [15.36].

<sup>744</sup> S42A Report (Rezoning Residential) at [19.7] and [19.10].

<sup>745</sup> S42A Report (Rezoning Residential) at [19.12].

<sup>746</sup> Statement of Evidence of Ms Clouston (773, 1351, 1348, 1349 and 1350), 4 July 2025, at [31].

<sup>747</sup> Statement of evidence of David Compton-Moen (773, 1351, 771, 765), 4 July 2025, at [25] and [26].

<sup>748</sup> Rebuttal Mr Wallace at [9.3].

<sup>749</sup> Rebuttal Ms Morgan at [5.4].

<sup>750</sup> Statement of Evidence of Ms Clouston (773, 1351, 1348, 1349 and 1350), 4 July 2025, at [33] – [36].

<sup>751</sup> Rebuttal Ms Morgan at [5.5].

<sup>752</sup> Submitters' Opening Legal Submissions, 7 August 2025 at [5] – [20].



area that it should be rezoned HDR. We adopted the s32AA assessments as appropriately justifying and supporting the changes.

20.119 The Panel is persuaded that the Council's reply version is the most appropriate and we adopt Ms Morgan's reasons and recommendations on the basis that the HDRZ zone she discusses, be the HDRAZ as recommended by the Panel. We accept the submissions in relation to rezoning of Thompson Street as we have decided above.

#### *Frankton*

20.120 Mr Wallace stated:<sup>753</sup>

I am generally supportive of more intensive development being enabled in Frankton in line with the results of my Accessibility and Demand Analysis as attached to the s32. However, I understand that the impacts of airport noise are such that greater levels of intensification have not been proposed as part of the UIV. Land within the Airport's Outer Control Boundary (OCB) (identified on PDP planning maps) is subject to specific planning provisions for Activities Sensitive to Airport Noise (**ASANs**), including residential activities. The airport is Regionally Significant Infrastructure, as defined in Chapter 2 of the PDP, and is also within the definition of Nationally Significant Infrastructure in the NPS-UD. ...

20.121 As set out below for the business rezoning, and in Section 5, any intensification within the ANB and the OCB for the airport, beyond the status quo, was strongly opposed by QAC.

20.122 The Council and QAC were highly aligned, and we prefer the Council's Reply version that retains a limitation within the ANB and OCB. Outside of these areas we recommend the Council's Reply version mapping subject to LDSRZ becoming the Panel's SRZ; MDRZ becoming the Panel's MDRZ, and any HDRZ becoming the Panel's HDRZ. There is no MDRAZ or HDRAZ recommended here.

20.123 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions above relating to rezoning within the Frankton Area and reject those submissions (in whole or part) that oppose them.

#### *Kelvin Heights*

20.124 Mr Wallace addresses several submissions<sup>754</sup> related to Kelvin heights. He notes that no substantive changes in the area have occurred over the PDP, reflecting its low accessibility. But he considers the area to be well suited to "more modest levels of intensification"<sup>755</sup> as proposed in the UIV.

20.125 We received evidence from Mr Thompson<sup>756</sup> and legal submissions<sup>757</sup> on behalf of Kelvin Capital Limited (417) in relation to its submission opposing LDSRZ at Kelvin Heights. The key request was to not enable greater levels of development at Kelvin Heights. M Baker-Galloway stated that including the LDSR land in Kelvin heights was not the most appropriate approach to applying the NPS-UD given its poor accessibility and infrastructure issues. Mr Thompson explained his experiences with traffic and his concerns with infrastructure and amenity effects.

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<sup>753</sup> EIC Mr Wallace at [15.9].

<sup>754</sup> Including submissions 417, 618, 924, and 1236.

<sup>755</sup> EIC Mr Wallace at [15.24].

<sup>756</sup> Dated 9 July 2025.

<sup>757</sup> From Anderson Lloyd dated 7 August 2025.

We also heard from Ms Jones (1365, 1366 and 1367) supporting retention of the notified UIV LDSRZ to Kelvin Heights. She explained how that would enable her to redevelop the site into two, more affordable, units.

20.126 His evidence Mr Powell addressed '3 waters' infrastructure on the Kelvin Peninsular. He states that there are no scheduled upgrades to water supply and wastewater, but the last large block of undeveloped land will require major upgrades.

20.127 In her reply evidence Ms Morgan responded to the legal submissions for Kelvin Capital Limited noting no changes to zoning areas are proposed for Kelvin Heights and she does not recommend any changes in response to the submission. Ms Morgan:<sup>758</sup>

(a) agrees that the area has low accessibility but considers that does not mean that intensification beyond the PDP should not be enabled;

(b) that to enable all land to be developed will require water and wastewater upgrades and that is a matter for discretion in the LDSRZ and Chapter 27 and that the constraints are not fundamental; and

(c) in terms of character and amenity the changes will not give rise to any meaningful change in adverse effects.

20.128 Ultimately, we agree with Ms Morgan that the changes within the LDSRZ will not be such as to need to be limited by infrastructure and we reject this submission. As explained for the MDRZ and LSCZ (Sections 13 and 14), we have reduced the level of intensification within Kelvin Heights from that in the notified UIV (but we have not reduced, and with consent have enabled increased, density in relation to the LDSRZ). In addition, the UIV has included, amended through the process, a matter of discretion in Rule 7.4.4 regarding capacity of existing or planned infrastructure/servicing for potable water, stormwater and wastewater services. We also recognise, and have experienced, the busyness of the road network (especially the SH intersection) but do not consider that the level of intensification we have enabled will have any meaningful effect on that.

20.129 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions above in relation to Kelvin Heights and reject those submissions (in whole or part) that oppose them.

Wānaka

*Lismore Street*<sup>759</sup>

20.130 Several submitters opposed the HDR increase in height along Lismore Street and Lakeside Road.

20.131 Ms Fairgray considers<sup>760</sup> that the existing 8m height limit would reduce the feasibility of more intensive typologies at this location and would restrict development of terraced housing.

20.132 Mr Wallace explains<sup>761</sup> the submissions for this area as opposing the changes to the HDRZ height limits (proposed to 12m at these sites). The increased heights reflect the accessibility

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<sup>758</sup> Reply Ms Morgan at [3.5].

<sup>759</sup> Including submissions 624, 682, 735, 927, 1057, 1058, 1131, 1132, 1134, 1135, 1233.

<sup>760</sup> EIC Ms Fairgray at [8.18].

<sup>761</sup> EIC Mr Wallace at [15.30].

and demand in this area but he acknowledges amenity effects associated with it. In relation to amenity effects, including from public spaces, he does not consider the height limits proposed to be inappropriate.

20.133 We also heard from what we will call the 'Lismore Street Group' (1057, 1058, 1131, 1132, 1134, 1135, 1233). While Ms Macdonald summarised the submission in her legal submissions she succinctly stated:<sup>762</sup>

The Group's concern is that the variation, while ostensibly directed at enabling housing supply, will in fact, so far as the HDR Zone is concerned, deliver little additional housing and instead incentivise visitor accommodation, with substantial adverse effects on existing amenity.

20.134 This was a position made clear by Mr Osborne in his lay statement.<sup>763</sup> Mr Steenson also provided a lay statement and made his position clear that the UIV will not address the issue of a lack of affordable housing for permanent residents and workers. He provided a detailed response to Ms Bowbyes s42A Report and the evidence of Ms Fairgray and Mr Wallace. He concluded:<sup>764</sup>

The Wānaka community has consistently expressed concern about overdevelopment and the loss of views, sunlight, and small-town character. In a town where tourism, recreation, and visual amenity are core to its economy and lifestyle, planning decisions must favour long-term environmental coherence over short-term development volume.

20.135 Other issues of this group included adopting a one size fits all intensification approach is not warranted, there is no established need for intensification, nor will more housing be provided (but rather bigger houses), and amenity / view effects on their dwellings and sensitive areas.

20.136 Mr Vivian provided planning evidence for the 'Lismore Street Group'. His submission focused on his client's position that either the UIV be withdrawn or, in the alternative, the area retains its status quo zoning. He provided us detailed evidence regarding the sloping nature of the site. He considered that if the upzoning is enabled the area will most likely become dominated by large scale VA. Any such buildings would be constructed to make the most of the astounding views which would, at 12m, interfere with the same views his clients presently enjoy.<sup>765</sup> Mr Vivian therefore set out proposed planning provisions that, should the notified UIV provisions<sup>766</sup> be advance could apply to address his client's concerns (by stipulating heights on specific properties for which development above that height would be a discretionary activity).

20.137 Sir Ian Taylor (859) presented to us and should us illustrations of what development on his site would be.

20.138 Looking from the town centre lakefront and shore opposite the area (from the Edgewater Resort), it already has the appearance of multiple storeys of intensive development stacking atop one another. Additional height and density here would create a very high-density character.

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<sup>762</sup> Legal Submissions on behalf of the Lismore Street Group, 25 August 2025, at [5].

<sup>763</sup> Statement of Evidence of Mr Osborne dated 8 July 2025.

<sup>764</sup> Statement of Lay Evidence of Mr Steenson, 9 July 2025, at [54].

<sup>765</sup> Evidence of Mr Vivian, 4 July 2025, at [5.4].

<sup>766</sup> Evidence of Mr Vivian, 4 July 2025, at [5.17].

20.139 The Panel finds that although the UIV proposal and additional height would be commensurate in NPS-UD Policy 5 terms, it is not necessary to impose this change given the ability of a more appropriate, and less adverse, solution for Wānaka as a whole based on Three Parks Wānaka and the zoned greenfield land adjacent to that to accommodate higher density planned-from-the-outset living. To be clear, but for the ability to maximise the utilisation of Three Parks, given our finding of 'commensurate' in this area, and the direction within Policy 5 and the NPS-UD as a whole, we would have accepted a form of increased height and density within this area.

20.140 On this basis, and that the Panel is persuaded that enabling more smaller houses rather than more larger houses is generally the most efficient and effective approach within the District, we find that the HDRZ should be retained on the land but be subject to the Panel's version of that.

20.141 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on rezoning for the Lismore Street area and reject those submissions (in whole or part) that oppose them.

### **Conclusion**

20.142 Overall, we therefore accept submissions (in whole or part) supporting our recommended decisions on residential rezoning and reject those submissions (in whole or part) that oppose them.

### **BUSINESS REZONING**

20.143 Ms Frischknecht considered business rezoning requests in her s42A Report (Business and Hāwea) covering mapping for Business Zones in Queenstown/Whakatipu and Wānaka and Residential Zones Lake Hāwea. A total of 27 submission points and 13 further submission points were received. The:<sup>767</sup>

main issues raised by the submitters relevant to this s42A report are:

- (a) to enable increased residential and commercial development to provide for an efficient use of land; and
- (b) more appropriately reflect the existing activities being undertaken on the site.

#### **Area 1: 1 Hansen Road Frankton**

20.144 We have addressed the issue of scope in relation to including rural land and moving the ONL overlay in Section 4. Ms Frischknecht sets out the:

- (a) further submissions to 1 Hansen's submission as:<sup>768</sup>

City Impact Church Queenstown (FS1330) support 766.2, 766.3, 766.4, 766.5

Latitude 45 Development (FS1332) support 766.4

Queenstown Airport Corporation (QAC) (FS1355) oppose 766.4, 766.5

- (b) summarises the submission, including that 1 Hansen Road within the OCB from LSCZ, LDSRZ and Rural to BMUZ and the UGB be amended to reflect this. She notes however the mapping includes land outside the OCB, some of which is within an ONL.

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<sup>767</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at [3.2].

<sup>768</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at section 5.

20.145 In relation to 1 (and 3) Hansen Road Mr Wallace notes they perform well in terms of accessibility and relative demand, and he supports more intensive use of the site.<sup>769</sup>

20.146 Ms Fairgray considers<sup>770</sup> that intensification of land use at 1 (and 3) Hansen Road to be economically efficient and supports either BMUZ or intensification through a HDRZ at these sites to enable further support of the adjacent commercial centre and a logical pattern of expansion (and that LDSRZ is an inefficient use of the land).

20.147 Ms Frischknecht explains the context of the site, most recently consented (despite opposition from QAC) for workers accommodation (eight separate buildings between 3-6 stories) under the COVID fast-track process. She also explained the PDP zoning for this site and the rules overlay in relation to SH5 and within the ANB and OCB of the airport.

20.148 In relation to the key differences in terms of zoning sought by 1 Hansen Ms Frischknecht considered:

(a) Rezoning Relief A - LSCZ to BMUZ or TCZ:<sup>771</sup>

In regards to activities, one of the key differences between the zones is that Residential activity and Visitor Accommodation is more enabling in the BMUZ. Ms Bowbyes outlines the policy framework for Activities Sensitive to Aircraft Noise (ASAN) in the ANB and OCB in section 8 of her evidence where she states that development of ASANs within the ANB and OCB are subject to a specific policy framework and of particular relevance in this instance, is that subject to Rule 16.4.19, ASANs within the Queenstown Airport OCB are prohibited activities. ASANs include any residential activity, visitor accommodation activity or residential visitor accommodation

In regard to built form, one of the key differences between the zones is height. The LSCZ enables a height of 7m under the current PDP for Frankton, with notified height limit of 10m. The BMUZ enables a height of 12m for Frankton North under the current PDP, with notified height limit of 16.5m. The maximum heights for QTCZ as notified vary between 8m-20m.

The submitter also seeks an increase in the maximum building height for the rezoned BMUZ specific to 1 Hansen Road to 24m, to align with the proposed height in Queenstown Town Centre. The submitter considers 24m is the most appropriate height to provide for an efficient use of the land noting that the setting of the site is amenable to an increased height limit as the surrounding landscape has the capacity to absorb this scale of development, and that the location has high relative demand for housing and business land and is identified as being highly accessible. No landscape assessment has been provided by the submitter to support this position, nor a s32AA analysis to support the rezoning sought.

Ms Frischknecht considered the submission against the information provided and stated a number of times that more assessment would be useful.

(b) Rezoning relief B: LDSRZ to BMUZ: Ms Frischknecht noted that part of this small parcel of land is to be vested in QLDC and then states:<sup>772</sup>

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<sup>769</sup> EIC Mr Wallace at [15.38].

<sup>770</sup> EIC Ms Fairgray at [8.35].

<sup>771</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at [5.9] – [5.10].

<sup>772</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at [5.19].

The submitter has not provided a s32AA analysis to support the rezoning sought, or an assessment of effects from changing this site from LDSRZ to BMUZ. For the reasons discussed above in regards to the LSCZ, I am not convinced that rezoning this part of the site to BMUZ would still align with PDP Objective 4.2.2A and Policy 3.2.2.1, that urban development occurs in a logical manner so as to appropriately manage effects on infrastructure (airport, SH6 and local road network).

20.149 Therefore, overall Ms Frischknecht recommends that these submission points be rejected.

20.150 Ms Clouston provided evidence in support of the submitters (775 and 776).<sup>773</sup> She also extensively set out the site context and development – zoning history. Mr Falconer provided evidence in support of the submissions in relation to the ONL and concluded that enabling increased height at the sites (via BMUZ or generally in the LSCZ) "provides consistency with the existing and anticipated environment".<sup>774</sup>

20.151 Ms Clouston supports the rezoning of the land as "a logical extension of the Frankton North BMUZ and will support existing commercial centres"<sup>775</sup> and notes its high accessibility and relative demand. She notes that the s32 Assessment did consider an option of rezoning 1 Hansen Road to BMUZ. Looking at that, and the sites context she states:<sup>776</sup>

I consider there is potential for both submitters' sites to be rezoned to BMUZ, to become part of the anticipated future form of one large commercial area. Rezoning of these two sites is not likely to undermine the function of either the Frankton LSCZ or Five Mile / Queenstown Central or Frankton North.

...

I consider that appropriate mechanisms to provide for consideration of effects on Queenstown Airport (including reverse sensitivity) can be managed through the PDP. I do not consider the proximity to the Queenstown Airport and location within the OCB to be a reason to oppose rezoning that is in line with the NPS-UD, nor strategic and higher order objectives and policies of the PDP.

20.152 Ms Clouston considered that a balance could be struck between intensifying 1 Hansen in line with the NPS-UD and not compromising the airport. She comments:<sup>777</sup>

I do not consider that the rezoning and amendment to ASANs as sought would pose undue risk to the efficient operation of the airport. The OCB includes a mixture of existing uses, including residential dwellings, which do not compromise the Queenstown Airport by default.

20.153 Therefore, she considers that the failure to rezone 1 Hansen is a missed opportunity given its high accessibility, limited constraints, and to deliver a well-functioning urban environment. She concludes:<sup>778</sup>

My view is that the missed opportunity cost and the benefits identified in the section 32 report outweigh the costs, given an appropriate consenting mechanism is implemented for development of ASANs within the BMUZ. This would both give effect to Policy 5 of the NPS-UD and the PDP objectives and policies that provide ongoing protection for Queenstown Airport.

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<sup>773</sup> Dated 4 July 2025.

<sup>774</sup> Evidence of Mr Falconer, 4 July 2025, at [76].

<sup>775</sup> Summary Statement of Evidence of Ms Clouston, 7 August 2025, at [5].

<sup>776</sup> Evidence of Ms Clouston at [36] and [40].

<sup>777</sup> Evidence of Ms Clouston at [69].

<sup>778</sup> Evidence of Ms Clouston at [71].

20.154 In her rebuttal evidence Ms Frischknecht maintained her position that no changes to the rezoning occur at sites 1 and 3 Hansen Road.<sup>779</sup>

20.155 We received extensive evidence, and legal submissions, from QAC in relation to this rezoning request. Ms Keeley in her evidence set out extensively the context (and importance) of the airport<sup>780</sup> and the relevant planning framework for the airport which we do not repeat here. However, in summary her position was:<sup>781</sup>

I consider that any changes to the current regime that would enable additional ASAN to establish within areas affected by aircraft noise carries with it a substantial risk to the Airport and the community, and would fail to give effect to the very clear policy direction in the applicable statutory planning documents that in essence seeks to avoid such risk and protect the significant Airport infrastructure.

Allowing incompatible land uses with the Airport's noise boundaries could undermine the strategic Airport asset by exposing more people to adverse noise effects and increasing the potential for litigation or planning challenges that seek to curtail or limit airport activities. Such outcomes not only jeopardise the airport's long-term operational certainty but also diminish its ability to meet projected passenger growth and transport services, with detrimental flow on effects for the community's economic and social wellbeing.

20.156 Ms Keeley also supports the s42A Report (Strategic Overview) and Ms Bowbyes assessment<sup>782</sup> of the importance of the airport, the relevant planning provisions, and the s32 Report assessment of the options with the conclusion that intensification within the ANB and OCB be excluded from the UIV. Ms Bowbyes conclusion is that:<sup>783</sup>

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.

20.157 Ms Keeley comments on the forward-looking nature of Objective 1 of the NPS-UD and argues that this must be considered in relation to applying Policy 5 (and she provides several other reasons as well). Having considered, extensively as noted above, all the planning framework, Ms Keeley comments:<sup>784</sup>

In my view, the current PDP regime is the most appropriate and effective approach for managing aircraft noise effects on ASAN and for protecting the Airport from reverse sensitivity risk, and the regime should be retained or equivalent provisions promoted through the Variation.

20.158 Therefore, she considers limiting the level of ASAN in the ANB and ONB to be the most appropriate method to avoid reverse sensitivity effects, including adverse health effects. Mr Day's evidence in support of QAC, the only noise evidence we received. opinion is that intensification within the airport noise boundaries is not appropriate. He addresses the NZ Standards and sets out that globally annoyance from aircraft noise has approximately doubled since the standards were introduced. Now "26% to 46% of people exposed to 55 to 65 dB Ldn

<sup>779</sup> Rebuttal Evidence Ms Frischknecht at [3.7]

<sup>780</sup> This position was supported by the evidence of Ms Brook for QAC.

<sup>781</sup> Evidence of Ms Keeley dated 7 July 2025, at [18] and [19].

<sup>782</sup> S42A Report (Strategic Overview) at [8.18] – [8.30].

<sup>783</sup> S42A Report (Strategic Overview) at [8.27].

<sup>784</sup> Evidence of Ms Keeley at [117].

are reported to be highly annoyed. This is a significant adverse effect that should be avoided if at all possible."<sup>785</sup> Mr Day refers to WHO and reports as to the adverse health effects associated with noise levels of 45 dB Ldn and above. In his opinion specifying sound insulation to be fitted to buildings in these noise environments will not eliminate the adverse effects of noise, due to open windows and an unsatisfactory outdoor noise environment. He also sets out examples of the implications of noise complaints and reverse sensitivity on airports around the world.

20.159 Mr Day therefore does not support the submission of 1 Hansen.<sup>786</sup> He notes that consents for 1 Hansen have been granted through the COVID Fast-track process, but he does not consider that warrants a yet further increase in ASANs inside the OCB.

20.160 Counsel for the airport helpfully provided summary legal submissions<sup>787</sup> noting that generally the airport supports the notified UIV, that it opposes enabling new or intensified ASANs and opposes submissions seeking greater building height due to obstacle limitation surfaces. Ms Wolt sets out how the relevant provisions were developed through the PDP process, as confirmed by the Environment Court, leading to new ASANs being prohibited within the ANB and OCB (except where historically enabled in the LDSZ and the LSCZ). Ms Wolt says that the airport is not presently operating to full capacity allowed by the present air noise boundaries. These boundaries allow for the planned redevelopment of the airport.<sup>788</sup> Ms Wolt is however clear that QAC is "not concerned with protecting for as yet, unconsented, unauthorised future activities and growth at Queenstown Airport."<sup>789</sup>

20.161 Ms Wolt, in relation to the definition of reverse sensitivity within the PDP states that while the word "existing" is used the concept is not static in time. Rather the word "existing" clarifies that the activity at risk of a reverse sensitivity effect must be established prior to the new activity that gives rise to the risk.<sup>790</sup> Supported by Mr Day's evidence (see above), Ms Wolt states:<sup>791</sup>

As a matter of logic, it is inevitable that if additional ASANs are enabled within the noise boundaries for Queenstown Airport through this Variation, more people will be exposed to noise from airport operations, and the likelihood of complaint will increase, as will the reverse sensitivity risk. It is this risk with which QAC is concerned and which the strategic policy framework directs must be avoided.

20.162 Ms Wolt also makes clear, again supported by Mr Day's evidence, that mitigation techniques are insufficient to address the effects. People remain high annoyed, open windows and still like to be outside. Further counsel addresses the limitations of no-complaints covenants and in response to questions during the hearing Ms Brook and Mr Day agreed that, given health effects are in play, they are seldom worth the paper they are written on.

20.163 In their Memorandum in Response to Planning Questions<sup>792</sup> Ms Clouston and Ms Hill for 1 Hansen (and City Impact) address the issue of reverse sensitivity as defined in the PDP to an "existing" lawfully established activity. They submit that reverse sensitivity does not provide

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<sup>785</sup> Evidence of Mr Day at [11].

<sup>786</sup> Evidence of Mr Day, 4 July 2025, at [123].

<sup>787</sup> The 'full' Legal Submission for QAC, 27 August 2025, are 35 pages long.

<sup>788</sup> Which Ms Brook explained to us in her evidence.

<sup>789</sup> Summary Legal Submissions for QAC, 27 August 2025, at [17].

<sup>790</sup> Summary Legal Submissions for QAC, 27 August 2025, at [30].

<sup>791</sup> Summary Legal Submissions for QAC, 27 August 2025, at [30].

<sup>792</sup> Dated 22 August 2025.



"unfettered discretion for existing lawful activities to grow or expand."<sup>793</sup> Having reviewed the relevant provisions they state:<sup>794</sup>

Taking all of the above collectively, the only reverse sensitivity provisions that refers to future expansion and growth of the airport is policy 4.2.2.14. that is in respect of establishing noise boundaries, rather than zoning and activity allocation within the same. The latter is the only focus of these submitter relief sought, not the former.

20.164 Given that Ms Wolt's submissions were filed after the memorandum above, she responded to them in legal submissions. She summarised the position advanced on behalf of 1 Hansen that "the Panel must consider the Airport and Airport operations *as they exist at the date of the Panel's decision*."<sup>795</sup> This, she considered to be "frankly wrong" (and she address relevant case law in the 'full' legal submissions). Ms Wolt also refers to additional planning support for QAC's position requiring protection within the air noise boundaries, explains (see above) that ASANs are enabled, but to a limited preexisting degree within the LDSRZ and the LSCZ, that Mr Day's evidence as to the adverse health effects justifying the exclusion and finally, relying on Ms Brook's evidence – that the airport can expand, within its existing air noise boundaries, as a permitted activity.

20.165 The Panel does not support an upzoning of the land and rejects the submission. From our site visit (noting there are significant road works underway) it is not as accessible in a real-world sense to Frankton due to the severance presented by SH6. We are persuaded to accept, and we adopt, the Council's (and QAC's) reasoning in favour of the status quo, modified to correspond with the recommendations we have made for the PDP zones.

## **Area 2: 3 Hansen Road, Frankton**

20.166 City Impact sought that its land currently zoned LDSRZ and Rural Zone (with UGB and ONL overlays) is rezoned BMUZ. As set out in Section 4 we have determined that the area of the site that is rural zoned (and covered by the OBL) are outside of the scope of the UIV. The site is currently partially occupied by a church and childcare centre with the rest being vacant. Further submissions were received from:<sup>796</sup>

No. 1 Hansen Road Limited (FS1331) support 775.2, 775.3, 775.7, 775.8

Queenstown Airport Corporation (QAC) (FS1355) oppose 775.2,

Arrowtown Promotion and Business Association (FS1292) oppose 775.

20.167 The positions of Ms Fairgray and Mr Wallace are as for 1 Hansen Street above.

20.168 Ms Frischknecht agrees that the site has high relative demand and is accessible. She notes the submitters position that greater height will provide more efficient use of the land and that as it is at the tow of the ONL the height can be appropriately absorbed. However, as for 1 Hansen, Ms Frischknecht recommends that the submission points be rejected.<sup>797</sup>

<sup>793</sup> Memorandum in Response to Planning Questions, Ms Clouston and Ms Hill, 22 August 20205, at [7].

<sup>794</sup> Memorandum in Response to Planning Questions, Ms Clouston and Ms Hill, 22 August 20205, at [18].

<sup>795</sup> Summary Legal Submissions for QAC, 27 August 2025, at [30].

<sup>796</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at section 6.

<sup>797</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at 6.8.

20.169 In relation to 3 Hansen (City Impact) much of Ms Clouston's evidence and comment in relation to 1 Hansen applies. But, specifically to 3 Hansen she comments:<sup>798</sup>

To retain the existing LDSR zoning could create an inconsistent pattern of anticipated built form, with the permitted building height in the BMUZ as notified in the Variation being double the permitted height in the LDSR zone. Given the location of the City Impact Church land away from the State Highway, at the toe of a hill, and in an accessible area, I do not consider that LDSR zoning is appropriate.

20.170 Ms Clouston considers the relative restrictions and activities allowed between the zone types, supports rezoning to BMUZ, and provides a s32AA assessment for it.

20.171 The Airport's position is as for 1 Hansen above.

20.172 As for 1 Hansen, Ms Frischknecht maintained her position that the rezoning relief should not be accepted.

20.173 For the same reasons as with 1 Hansen Road, we prefer and adopt the Council's reasons and recommendations. We do not support upzoning of this land (although a consequence of our broader recommendations will be for the LDSRZ to become the SRZ) and reject the submission, although it will be possible to take advantage of the additional intensification, we have recommended within the SRZ.

### **Area 3: 145 Frankton-Ladies Mile**

20.174 FII Holdings Limited (410) seek that the HDRZ part of their site be rezoned BMUZ (or alternatively that a smaller area of BMUZ is included) and seeks amendments to the HDRZ Frankton North provisions (and any flexibility required for the BMUZ).

20.175 Ms Fairgray considers that either the BMUZ or the PDP/notified HDRZ on the site would encourage economically efficient development patterns at this location that would align with patterns of relative demand.<sup>799</sup>

20.176 Mr Wallace comments<sup>800</sup> that the site performs relatively well in terms of accessibility and demand and that is likely to increase over time. He therefore supports a more intensive use of the site.

20.177 Ms Frischknecht comments on the consented landscape for the site. She considers that the:<sup>801</sup>

... BMUZ enables a much broader range of activities compared to the HDRZ, which has not been considered by the submitter, and therefore I do not agree that the actual environmental effects of the rezoning would be negligible.

20.178 Ms Frischknecht also does not consider the location of the existing industrial and business activities are such that they are relevant to reflect the receiving environment for the site. Ms Frischknecht also notes that the submitter has not considered the National Grid in relation to its

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<sup>798</sup> Evidence of Ms Clouston at [48].

<sup>799</sup> EIC Ms Fairgray at [8.36].

<sup>800</sup> EIC Mr Wallace at [15.38].

<sup>801</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at 7.4.

site, has it provided specific planning assessment against the PDP objectives, nor has it provided a s32AA assessment.

20.179 In relation to the alternative relief Ms Frischknecht agrees that "extending the BMUZ over this portion of the site will better reflect the existing consented and developed business nature of the site."<sup>802</sup> She sets out a s32AA assessment supporting this change.<sup>803</sup>

20.180 Finally, in relation to the amendments sought to the HDRZ Frankton North provisions and any flexibility required for the BMUZ, Ms Frischknecht points out that the submitter does not provide any detail as to what these may be. In the absence of further information, she does not support such changes.

20.181 We agree with the changes in the alternative relief as set out by Ms Frischknecht for the reasons she provides and relying on her s32AA assessment and accept the submission in part.

## **Conclusion**

20.182 Overall, we therefore accept (in whole or part) submissions supporting our recommended decisions on business rezoning and reject those submissions (in whole or part) that oppose them.

## **21. S32AA ANALYSIS**

21.1 Although the Panel's recommendations include specific focus on each of the towns and villages subject to the UIV the overall approach has been coordinated and, on that basis, an overall s32AA analysis has been undertaken by the Panel of its overall recommendations.

21.2 The Panel is satisfied that the recommendations proposed are the most appropriate outcome for the UIV and that in terms of s32AA RMA:

- (a) The Panel recommendations will have less adverse amenity and character effects on existing built environments subject to the UIV, while enabling overall greater housing choice and variety across a greater number of sites than had been proposed by the Council. This will be both more efficient and effective in practical terms as well as the collective objectives and policies engaged by the UIV.
- (b) In arriving at the conclusion that the recommended provisions are the most appropriate, the Panel identified practicable options and alternatives for achieving the objectives and policies to be addressed and explored these in detail with the submitters and experts that attended the hearings. This included, variously, matters such as:
  - (i) Metrics for evaluating accessibility, walkability (including slope), and land use variety;
  - (ii) The demand for different types of housing in the District, what type(s) were most in need, and the ways in which different types of dwelling supported different types of lifestyles;

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<sup>802</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at 7.9.

<sup>803</sup> S42A Report (Rezoning: Business and Lake Hāwea Zones) at 7.14.

- (iii) The role that existing developed versus greenfield land could play in accommodating development;
  - (iv) The role that ODP and other land excluded from the UIV could play in implementing NPS-UD;
  - (v) Alternative building height and land use density configurations;
  - (vi) Alternative standards including in terms of sunlight access and shadowing; and
  - (vii) Managing the cumulative effects of densification including on public streets.
- (c) The Panel refers to the reasons provided throughout this decision for the reasons supporting the provisions decided on.
- (d) The provisions determined are close to or otherwise derived from the Council's Reply position and the s32 and s32AA analyses that supported that are relied on. The extent to which the recommended provisions differ are not considered significant and warrant a simple s32AA report from the Panel noting that the decision, and all our reasons, must also be seen as forming part of the required s32AA analysis.
- (e) The recommended provisions will be as beneficial, less adverse, and more focused on addressing existing housing affordability issues in the District's urban environment than the Council's UIV position was. Economic growth opportunities have been maintained but broadly, the overall costs and benefits of the Panel's recommendation will be equivalent to those of the Council's reply position. The Panel finds that its approach of looking to maximise local amenity-compatible intensification within the LDSRZ (to be named SRZ) and MDRZ zones beyond status quo permitted density limits will also provide more opportunity for more landowners to provide for their own social and economic wellbeing by having land development options available to them that currently are not.
- (f) The Panel has not been able to reasonably quantify the benefits and costs of the recommendations noting that the emphasis of the UIV was on providing development capacity for housing, not all of which can be easily given a monetary value or will be developed in a short, medium or even long term.
- (g) Sufficient information has been available to the Panel to make our decisions and recommendations.
- (h) Specifically in terms of NPS-UD Policy 5:
- (i) The PDP already enabled sufficient heights and densities of development to satisfy relative demand for housing in the UIV locations as set out in policy 5(b). Although the Council considered the UIV's additional capacity would be beneficial (providing for even greater demand), this was not a key driver of the UIV. Nevertheless, the Panel's recommendations will result in the same or greater enablement of dwellings based on the locations where development taller and/or denser than that proposed by the Council has been recommended, particularly

local amenity-compatible additional density within the LDSRZ (to be renamed SRZ).

- (ii) The Panel finds that the principal driver of any UIV upzoning would be whether something greater than the PDP would be commensurate with the accessibility of locations by passenger transport or active transport to a range of commercial activities and community services. The Panel finds that only the Queenstown Town Centre, central Queenstown neighbourhood, Wānaka Town Centre, and Wānaka Three Parks warrant such an up-zoning. In the case of the central Wānaka residential area, this could have also accommodated an up-zoning but in terms of the total extent of commensurate upzoning identified as relevant, the Wānaka Three Parks outcome was the more appropriate including as it could avoid unnecessary adverse built character and amenity effects on existing residents and neighbours to development.
- (iii) A key focus for the panel has been on providing for additional intensification within the existing built form rules of the LDSRZ and MDRZ. This additional enablement will provide more opportunities for more affordable housing than the Panel finds the UIV would have otherwise led to. It also provides for more efficient and effective outcomes in delivering opportunities for smaller, lower cost, housing options.
- (i) In meeting the requirements of the NPS-UD, and giving effect to its objectives and policies, the Panel through s32AA considered other applicable RMA document provisions, effects on the environment, and the interests and concerns of submitters. The approach taken to identify the most appropriate option was the objectives, policies and methods that integrated and allowed multiple different planning outcomes to be simultaneously met rather than those that resulted in policy conflicts or trade-offs. The Panel's recommendation seeks to maximise opportunities for additional intensification commensurate with the accessibility of land within the towns and villages subject to the UIV, while also seeking to (where practicable) have the lightest touch on existing amenity and character values, and the spectacular (and 'unique') landscape experiences available within each are. In most cases, adverse effects on character and amenity values will be minimal, otherwise reasonable and justifiable, and overall will be avoided, remedied or mitigated. To the extent that such effects remain the Panel relies on NPS-UD Objective 4 and Policy 6 as justifying the outcomes it has preferred.

## 22. FINAL RECOMMENDATIONS

22.1 The Panel has considered the most helpful way to provide its recommendations. We have provided in **Appendix 1** a marked-up version of the Council's Reply version provisions with the changes we have recommended shown in purple font colour. In addition:

- (a) In creating the new MDRAZ and HDRAZ, the Panel:

- (i) Found that it was not effective or efficient (or editorially transparent) to try to merge them into the MDRZ and HDRZ given that, although sometimes on a subtle or nuanced way, different policies, rules and restrictions apply; and
  - (ii) Intends that the MDRAZ and HDRAZ should form fully functioning chapters of the Plan and that all relevant city-wide chapters as apply to the MDRZ and HDRZ should also apply.
  - (iii) Has identified the consequential cross-references that are relevant and asks that the Council also ensure all necessary cross references are made to MDRAZ and HDRAZ across the Plan.
- (b) The Council staff may wish to combine Chapters 8 and 8A and 9 and 9A into single chapters with two different intensification levels. While we have not followed that approach as explained above, it is a justifiable approach to provide to councillors for their decision should the staff consider it beneficial.
- (c) There will be several consequential minor changes (renumbering of provisions, cross referencing etc) picking up on matters that get lost between track changes and a 'clean' version. This also relates to final consistency and clarity checking (including zoning colours and the legends) of the relevant planning maps and across plan consistency (for example a plan-wide replacement of the LDSRZ with SRZ). Rather than the Panel wading through this lengthy (but critical) minutiae we ask that the Council staff prepare this 'clean' version for provision to the councillors (along with our tracked version) for their decision. Given this is solely an administrative process we have no concerns with the Council staff doing so and consider that it is a more efficient outcome which is less likely to result in minor drafting errors within the PDP as a whole.

22.2 Overall, for the reasons set out throughout our decision, we therefore accept (in whole or part) submissions supporting our recommendations in **Appendix 1** and reject those submissions (in whole or part) that oppose them.

**Dated 23 December 2025**




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David Allen (Chair)




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Ian Munro  
(Commissioner)




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Lyal Cocks  
(Commissioner)

**APPENDIX 1 – REVISED CHAPTER PROVISIONS AND MAPS AS RECOMMENDED BY THE  
PANEL**

**[Separate Document]**

## APPENDIX 2 - LEGAL FRAMEWORK

1. As mentioned in our report we have applied the approach of the Environment Court in *Colonial Vineyard Ltd* considering the statutory framework (as modified for RMA amendments). Without derogating from that approach, a high-level summary of the relevant provisions is set out below.<sup>804</sup>
2. The purpose of the preparation, implementation and administration of a District plan, including the UIV, is to assist QLDC to carry out its functions to achieve the purpose of the RMA.<sup>805</sup>
3. The UIV must be prepared in accordance with:<sup>806</sup>
  - (a) the QLDC's functions under s31 which:
    - (i) provide a clear direction for addressing long term provision for urban growth and the provision of associated strategic infrastructure in a District Plan;<sup>807</sup> and
    - (ii) also provide for integrated management and the control of the effects of land use, development or protection to prevent or mitigate adverse effects (this is addressed in detail in our Report);<sup>808</sup>
  - (b) the provisions of Part 2 which sets out the sustainable management purpose (section 5) and:
    - (i) matters of national importance for which we must "recognise and provide for";<sup>809</sup>
    - (ii) other matters for which we must have "particular regard to";<sup>810</sup> and
    - (iii) we must "take into account" the principles of Te Tiriti o Waitangi;<sup>811</sup>
  - (c) QLDC's obligation (if any) to prepare a s32 Report and to have particular regard to its s32 Report<sup>812</sup>:
    - (i) A s32 Report in general terms requires consideration of whether the objectives of a proposal are the most appropriate way to achieve the purpose of the RMA, and whether the provisions in the proposal are the most appropriate way to achieve those objectives. This involves identifying other options, undertaking a cost/benefit analysis for assessing the efficiency and the effectiveness of the proposed provisions and a summary of the reasons for such provisions. Section 32 is set out in full at paragraph 1.7 of Appendix 2A of the s 32 Report.
    - (ii) If we decide to recommend changes to UIV as notified, we must carry out a further evaluation under s 32AA to support those changes.
  - (d) relevant national policy statements;
  - (e) the national planning standards; and

<sup>804</sup> See also the s42A Report (strategic evidence) at section 5 and QLDC's opening legal submissions at section 5.

<sup>805</sup> RMA, s 72.

<sup>806</sup> RMA, s 74(1).

<sup>807</sup> RMA, s 31(1)(aa).

<sup>808</sup> RMA, s 31(1)(a) and (b).

<sup>809</sup> RMA, s 6.

<sup>810</sup> RMA, s 7.

<sup>811</sup> RMA, s 8. Objective 5 of the NPS-UD also requires us to take into account the principles of the Treaty of Waitangi.

<sup>812</sup> RMA, s74(1)(d) and (e).



- (f) relevant national environmental standards.<sup>813</sup>
4. Of relevance to the content of the UIV, the District plan must:
- (a) give effect to the NPS-UD,<sup>814</sup> the national planning standards and the PORPS19;<sup>815</sup> and
- (b) also not be inconsistent with a regional plan for any matter specified in s 30(1).<sup>816</sup>
5. When preparing the UIV, QLDC must also:
- (a) have regard to:
- (i) a proposed regional policy statement (in this case the PRPS21);<sup>817</sup>
- (ii) to the extent that their content has a bearing on the UIV: any relevant management plans and strategies under other Acts, any relevant entry in the New Zealand Heritage List/Rārangī Kōrero;<sup>818</sup>
- (iii) any emissions reduction plan and any national adaption plan;<sup>819</sup> and
- (iv) the extent to which the UIV needs to be consistent with plans or proposed plans of adjacent territorial authorities.<sup>820</sup> The adjacent territorial authorities are the Waitaki District Council, Central Otago District Council, Westland District Council and Southland District Council; and
- (b) take into account any relevant planning document recognised by an iwi authority to the extent that its content has a bearing on the resource management issues of the District.<sup>821</sup> The following iwi management plans are relevant to the UIV:
- (i) The Cry of the People, Te Tangi a Taurira: Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008; and
- (ii) Kāi Tahu ki Otago Natural Resource Management Plan 2005; and
- (c) not have regard to trade competition or the effects of trade competition.<sup>822</sup>
6. Where the proposed provisions in the UIV are rules, we must have regard to the actual or potential effects on the environment of the activities including, in particular, any adverse effects.<sup>823</sup>
7. Of more general relevance are:
- (a) s 44A(7) – requiring every local authority and consent authority (and us) to observe national environmental standards; and
- (b) s 58I – which requires QLDC to recognise the national planning standards (which do not direct amendments to plan changes, but consistency is to be encouraged).

<sup>813</sup> Section 32 Report at [1.30]. The National Environmental Standards relating to air quality, drinking water, telecommunication facilities, electricity transmission activities, contaminated soil, plantation forestry and freshwater have also been identified as relevant to the UIV.

<sup>814</sup> [National Policy Statement on Urban Development 2020](#)

<sup>815</sup> RMA, s 75(3).

<sup>816</sup> RMA, s 75(4)(b).

<sup>817</sup> RMA, s 74(2)(a)(i).

<sup>818</sup> RMA, s 74(2)(b).

<sup>819</sup> RMA, s 74(2)(d) and (e).

<sup>820</sup> RMA, s 74(2)(c).

<sup>821</sup> RMA, s 74(2A).

<sup>822</sup> RMA, s 74(3).

<sup>823</sup> RMA, s 76(3).

### APPENDIX 3: ARE THE SUBMISSIONS ON THE UIV?

1. The two-limb test set out in by the High Court in *Clearwater Resort Ltd v Christchurch City Council* (**Clearwater**)<sup>824</sup> and *Palmerston North City Council v Motor Machinists Ltd* (**Motor Machinists**) remains good law despite amendments to the RMA.<sup>825</sup>
2. Subsequent Environment Court decisions have provided guidance in the context of their own facts but cannot themselves expand or modify the test from *Clearwater* and *Motor Machinists*. Whether a submission is 'on' the UIV is a matter of fact and degree on the particular circumstances, within the two-limb test set by the High Court.<sup>826</sup> There may be lesser scope to argue that a submission is 'on' the UIV, as it is a variation as opposed to a replacement plan.<sup>827</sup> However, the High Court in *Option 5 Inc v Marlborough District Council* (**Option 5**) reiterated the need to appreciate the importance of the jurisdictional gate.<sup>828</sup>

#### First limb

3. The first limb is described as the "dominant consideration"<sup>829</sup> involving the breadth of alteration to the status quo entailed in the UIV and whether the submission then addresses that alteration. Given its importance it is worth quoting from the High Court's decision in *Motor Machinists*:<sup>830</sup>

In other words, the **submission must reasonably be said to fall within the ambit of the plan change**. One way of analysing this is to ask **whether the submission raises matters that should have been addressed in the s 32 evaluation and report**. If so the submission is unlikely to fall within the ambit of the plan change. Another is to ask **whether the management regime in a District plan for a particular resource** (such as a particular lot) **is altered by the plan change...**

(emphasis added)

4. A submission must address the proposed plan change itself to be "on" the plan change. Asking whether a submission raises matters that should have been addressed in the s32 Report is one way of doing this. *Motor Machinists* describes one of the two fundamentals of sustainable management of natural and physical resources to involve a:<sup>831</sup>

... thorough analysis of the effects of a proposed plan (whichever element within it is involved) or activity. In the context of a plan change, that is the s 32 evaluation and report: a comparative evaluation of efficiency, effectiveness and appropriateness of options. Persons affected, especially those "directly affected", by the proposed change are entitled to have resort to that report to see the justification offered for the change having regard to all feasible alternatives. **Further variations advanced by way of submission, to be "on" the proposed change, should be adequately assessed already in that evaluation. If not, then they are unlikely to meet the first limb in Clearwater.**

<sup>824</sup> *Clearwater Resort Ltd v Christchurch City Council* HC Christchurch AP34/02, 14 March 2003. Confirmed by the High Court in *Option 5 Inc v Marlborough District Council* (2009) 16 ELRNZ 1 (HC).

<sup>825</sup> *Palmerston North City Council v Motor Machinists Ltd* [2013] NZHC 1290, [2014] NZRMA 519 at

<sup>826</sup> The Environment Court in *Well Smart Investment Holding (NZQN) Ltd v Queenstown Lakes District Council* [2015] NZEnvC 214 at [16] noted in respect of *Clearwater* and *Motor Machinists* that "... Neither of the higher authorities suggest other than that each case must be determined on its own facts, and there is no clear line: whether there is jurisdiction is a matter of fact and degree". The High Court in *Option 5* at [34] stated that "So much will depend on the particular circumstances of the case".

<sup>827</sup> See generally *Tussock Rise Ltd v Queenstown Lakes District Council* [2019] NZEnvC 111, [2019] NZRMA 509 at [62] and *Albany North Landowners v Auckland Council* [2017] NZHC 138 at [129]–[130].

<sup>828</sup> *Option 5 Inc v Marlborough District Council* (2009) 16 ELRNZ 1 (HC) at [34].

<sup>829</sup> *Motor Machinists* at [80].

<sup>830</sup> *Motor Machinists* at [81].

<sup>831</sup> *Motor Machinists* at [76].

(emphasis added)

5. However, the Court goes on to say that:<sup>832</sup>

... the Clearwater approach does not exclude altogether zoning extension by submission. Incidental or consequential extensions of zoning changes proposed in a plan change are permissible, provided that no substantial further s 32 analysis is required to inform affected persons of the comparative merits of that change. Such consequential modifications are permitted to be made by decision makers under schedule 1, clause 10(2). Logically they may also be the subject of submission.

(emphasis added)

6. With this in mind, the Court cautions permitting changes that significantly enlarge the subject matter and resources addressed throughout the process:<sup>833</sup>

In contrast, the Schedule 1 submission process lacks those procedural and substantial safeguards. Form 5 is a very limited document. I agree with Mr Maassen that it is not designed as a vehicle to make significant changes to the management regime applying to a resource not already addressed by the plan change. That requires, in my view, a very careful approach to be taken to the extent to which a submission may be said to satisfy both limbs 1 and 2 of the Clearwater test. Those limbs properly reflect the limitations of procedural notification and substantive analysis required by s 5, but only thinly spread in clause 8. **Permitting the public to enlarge significantly the subject matter and resources to be addressed through the Schedule 1 plan change process beyond the original ambit of the notified proposal is not an efficient way of delivering plan changes.** It transfers the cost of assessing the merits of the new zoning of private land back to the community, particularly where shortcutting results in bad decision making.

(emphasis added)

7. The Environment Court in *Well Smart Investment Holding (NZQN) Ltd v Queenstown Lakes District Council (Well Smart Investment)* stated:<sup>834</sup>

A section 32 evaluation is usually prepared by the proposer of the plan change, so it has an interest in confining the plan change to the boundaries (and issues) it wants dealt with. Despite that it must comply with section 32(1) RMA. **Indeed, if a section 32 evaluation fails to consider the consequences of some flexibility in the boundary location (because that flexibility might more appropriately achieve the relevant objectives) then that may be a failure in the section 32 evaluation. A sense of fair play suggests it should not lead to jurisdictional consequences for a submitter who claims to have located a better boundary.**

(emphasis added)

8. In relation to whether the submission relates to matters that should have been addressed in the s32 Report there are several decisions debating the implications of the *Motor Machinist's* decision. The Environment Court in *Bluehaven Management Ltd v Western Bay of Plenty District Council (Bluehaven)* determined that the absence of consideration in the s32 Report is not determinative:<sup>835</sup>

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<sup>832</sup> *Motor Machinists* at [81].

<sup>833</sup> *Motor Machinists* at [79].

<sup>834</sup> *Well Smart Investment Holding (NZQN) Ltd v Queenstown Lakes District Council* [2015] NZEnvC 214 at [23].

<sup>835</sup> *Bluehaven Management Ltd v Western Bay of Plenty District Council* [2016] NZEnvC 191 at [36]. In *Tussock Rise Ltd v Queenstown Lakes District Council* [2019] NZEnvC 111, [2019] NZRMA 509 at [60], the Environment Court raised questions of this approach considering *Motor Machinists* with a focus on prejudice. We address the issue of prejudice under the Second Limb.

In that sense, we respectfully understand the questions posed in *Motor Machinists* as needing to be answered in a way that is not unduly narrow, as cautioned in *Power*. In other words, while a consideration of whether the issues have been analysed in a manner that might satisfy the requirements of s 32 of the Act will undoubtedly assist in evaluating the validity of a submission in terms of the *Clearwater* test, **it may not always be appropriate to be elevated to a jurisdictional threshold without regard to whether that would subvert the limitations on the scope of appeal rights and reduce the opportunity for robust participation in the plan process.**

(emphasis added)

9. The Environment Court further concluded that:<sup>836</sup>

Our understanding of the assessment to be made under the first limb of the test is that it is an inquiry **as to what matters should have been included in the s 32 evaluation report** and whether the issue raised in the submission addresses one of those matters. **The inquiry cannot simply be whether the s 32 evaluation report did or did not address the issue raised in the submission. Such an approach would enable a planning authority to ignore a relevant matter and thus avoid the fundamentals of an appropriately thorough analysis** of the effects of a proposal with robust, notified and informed public participation.

(emphasis added)

10. This reasoning by the Environment Court finds some support from the High Court decision of *Albany North Landowners v Auckland Council (Albany North)*.<sup>837</sup> While *Albany North* relates to the Proposed Auckland Unitary Plan regime which is "far removed from the relatively discrete variations or plan changes under examination in *Clearwater*, *Option 5* and *Motor Machinists*",<sup>838</sup> the High Court stated:<sup>839</sup>

... While it may be that some proposed changes are so far removed from the notified plan that they are out of scope (and so require "out of scope" processes), it cannot be that every change to the PAUP is out of scope because it is not specifically subject to the original s 32 evaluation. To hold otherwise would effectively consign any submission beyond the precise scope of the s 32 evaluation to the Environment Court appellate procedure. This is not reconcilable with the streamlined scheme of Part 4.

11. However, the reasoning in *Bluehaven* was questioned in *Tussock Rise Ltd v Queenstown Lakes District Council (Tussock Rise)* based on the importance in *Motor Machinists* of information, including comparable evaluations, being available to submitters.<sup>840</sup> In an earlier decision of *Well Smart Investment*, the same Judge as in *Tussock Rise* had noted that:<sup>841</sup>

... Simply because a local authority had put forward what is possibly an inferior section 32 evaluation at the initial step does not mean that a further wrong should be done to interested persons by denying them the right to participate.

12. The policy and purpose of the plan change are relevant, with the High Court in *Option 5 Inc v Marlborough District Council (Option 5 Inc)* stating that:<sup>842</sup>

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<sup>836</sup> *Bluehaven* at [39]. Supported by the Environment Court in *Calcutta Farms Limited v Matamata Piako District Council* [2018] NZEnvC 187 at [77].

<sup>837</sup> *Albany North Landowners v Auckland Council* [2017] NZHC 138.

<sup>838</sup> *Albany North* at [129].

<sup>839</sup> *Albany North* at [132].

<sup>840</sup> *Tussock Rise Ltd v Queenstown Lakes District Council* [2019] NZEnvC 111, [2019] NZRMA 509 at [60].

<sup>841</sup> *Well Smart Investments* at [38].

<sup>842</sup> *Option 5 Inc v Marlborough District Council* (2009) 16 ELRNZ 1 (HC) at [41].

... The Court correctly took into account when assessing whether the submission was on the variation:

(a) the policy behind the variation;

(b) the purpose of the variation;

(c) whether a finding that the submissions were on the variation would deprive interested parties of the opportunity for participation.

13. The Environment Court in *Calcutta Farms Ltd v Matamata Piako District Council* stated that:<sup>843</sup>

**Whilst the scale and degree of a proposal can assist in determining whether a submission is "on a plan change", I do not read the Option 5 decision as indicating that it is determinative. Much will depend on the nature of the plan change which can assist to determine its scope, (whether it is a review or a variation for example) and what the purpose of it is.** In this case, the purpose of the plan change is to review the future need for residential areas in Matamata, and to identify areas next to urban areas where future residential activity is proposed to occur. The method by which the latter is proposed to occur in PC47 is by the application of the Future Residential Policy Area notation. Underpinning the need for the size and scale of both new Residential Zones and the Future Residential Policy Area are the population predictions, which Calcutta Farms' submission directly sought to challenge. I agree with Mr Lang that the District Plan review process should be such that differing views on the appropriate scale of such policy areas can be considered, rather than assuming that the Council's nominated scale of policy areas represents the uppermost limit for future planning. I therefore agree with Mr Lang that the difference and scale and degree of what is proposed by Calcutta Farms is a matter going to the merits of the submission rather than to its validity.

(emphasis added)

14. A more recent formulation from the Environment Court is whether someone reading the notified documents would reasonably have contemplated that an outcome of the submission and hearing process could extend to the relief sought, ie the inclusion of the PC50 land.<sup>844</sup>

## Second limb

15. The second fundamental inherent in sustainable management is underpinned by natural justice concerns. What is required by the test and its rationale is described by Kós J in *Motor Machinists*.<sup>845</sup>

The second is robust, notified and informed public participation in the evaluative and determinative process. As this Court said in *General Distributors Ltd v Waipa District Council*:

"The promulgation of District plans and any changes to them is a participatory process. Ultimately plans express community consensus about land use planning and development in any given area."

A core purpose of the statutory plan change process is to ensure that persons potentially affected, and in particular those "directly affected", by the proposed plan change are adequately informed of what is proposed. And that they may then elect to make a submission, under clauses 6 and 8, thereby entitling them to participate in the hearing process. **It would be a remarkable proposition that a plan change might so morph that a person not directly**

<sup>843</sup> *Calcutta Farms Ltd v Matamata Piako District Council* [2018] NZEnvC 187 at [87]. The Environment Court in this case dealt with scale and degree under limb 1. In *Option 5* itself, while somewhat unclear, it seemed to be dealt with in limb 2.

<sup>844</sup> See *Paterson Pitts Ltd Partnership v Dunedin City Council* [2022] NZEnvC 234 at [100] and *Burdon v Queenstown Lakes District Council* [2025] NZEnvC 122 at [29] and [56].

<sup>845</sup> *Motor Machinists* at [77].

affected at one stage (so as not to have received notification initially under clause 5(1A)) might then find themselves directly affected but speechless at a later stage by dint of a third party submission not directly notified as it would have been had it been included in the original instrument. It is that unfairness that militates the second limb of the Clearwater test.

(emphasis added)

16. This analysis focuses on:<sup>846</sup>

... whether there is a real risk that persons directly or potentially directly affected by the additional changes proposed in the submission have been denied an effective response to those additional changes in the plan change process.

17. The High Court further commented that:<sup>847</sup>

Plainly, there is less risk of offending the second limb in the event that the further zoning change is merely consequential or incidental, and adequately assessed in the existing s 32 analysis. **Nor if the submitter takes the initiative and ensures the direct notification of those directly affected by further changes submitted.**

(emphasis added)

18. In *Clearwater* the High Court stated:<sup>848</sup>

... It may be that the process of submissions and cross-submissions will be sufficient to ensure that all those likely to be affected by or interested in the alternative method suggested in the submission have an opportunity to participate. In a situation, however, where the proposition advanced by the submitter can be regarded as coming out of "left field", there may be little or no real scope for public participation. Where this is the situation, it is appropriate to be cautious before concluding that the submission (to the extent to which it proposes something completely novel) is "on" the variation.

19. As identified by the High Court in *Option 5 Inc*, scale and degree are also important considerations in this analysis:<sup>849</sup>

... But where the position is not so clear the two factors identified by William Young J will become especially important together with the scale and degree of difference. Scale and degree will also be important when considering the extent to which affected property owners are shut out of the consultation process for the purpose of determining whether the submission is on a variation.

20. More recently, the Environment Court in *Burden v Queenstown Lakes District Council* reiterated that Limb 2 "very much calls for bespoke contextual assessment".<sup>850</sup>

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<sup>846</sup> *Motor Machinists* at [82].

<sup>847</sup> *Motor Machinists* at [83].

<sup>848</sup> *Clearwater* at [69].

<sup>849</sup> *Option 5 Inc* at [43].

<sup>850</sup> *Burden v Queenstown Lakes District Council* [2025] NZEnvC 122 at [31].