Before the Queenstown Lakes District Council

Under   the Resource Management Act 1991

And

In the matter of   **the Queenstown Lakes Proposed District Plan Stage 3 -
                         Stream 18 – Hāwea**

**Summary of evidence of Lane Hocking for Universal Developments (Hawea)
Limited #3248**

4 August 2020

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Lane Hocking Summary of Evidence

1   My name is Lane Hocking and I'm the owner and director of Universal Developments and Trustee of LAC Property Trustees Limited.

2   In this summary I will focus on supply and affordability.

DPR Zoning Usurping SHA

3   It's appropriate to start my summary by addressing any concerns of PDP zoning usurping the SHA Resource Consent and ultimately leading to the abandonment of the SHA.

4   There's zero chance Universal won't execute the SHA. The site is now ready for civil construction. Detailed engineering design is almost complete and we're currently working on the Engineering Approval documentation. Trade-marked branding has been created and the intention is for a full launch later this year.

5   As an example of our conviction we offered the QLDC a deed guaranteeing development. They did not need that.

Zoning versus Supply

6   As noted in my evidence I have a major frustration with the council relying on the economist's report which states there's enough zoning until 2046.

7   There's a very simple question that can be asked – if there's enough zoning why are prices so high? The answer is that existing zoning does not equal supply. Whether the reason for existing zoned land not being turned into titled sections is incidental as in the case of mum/dad development inertia, or deliberate as in the case of land banking, it still has the same effect ie zoning does not equate to supply.

8   Property market pricing supports this, the demand I'm seeing supports this, the Mayor's office and the QLCHT support this, Craig Barr has now acknowledged this, the service workers who leave the district are evidence of this, and importantly, the economist's report explicitly references this.

9   Developments such as Northlake and Shotover Country had protracted battles with council on zoning. Imagine the extreme district-wide issues we would be facing had those two developers simply agreed with the council and not continually pushed for zoning. Where would people be living now?

10   The solution is to create zoning and ultimately supply and competition.

Infrastructure

11   I have three main points to make on this topic:

    (a)   This is the time to ensure a long term view of Hawea infrastructure is taken and capacity to meet future needs is identified.

    (b)   Until now council's position has not been supported by modelling. We have had two meetings with the council recently and I am encouraged by Council staff confirming modelling is now being undertaken and that it will look at the additional capacity associated with the re-zoning.

    (c)   Universal is happy to work with the council on funding options. I have confirmed with council our willingness to forward fund infrastructure if needed so as to ensure the timely supply of infrastructure for the re-zoning and wider township.

Affordability Measures

12   I'm unable to reconcile the council trying to limit supply of land with them then wanting to apply affordability measures. It's most unusual. Increasing supply is the most effective way to address pricing.

13   A further concern is the difficulty and inequity of any affordability mechanism – development costs of creating titled sections don't change when an affordability overlay is applied so who decides the lucky buyers that get subsidized versus the unlucky ones who do the subsidizing.

14   Seeking affordability measures is misguided at best and monopolistic opportunism at worst.

15   If one wants to address affordability – it's best done via supply.

Industrial Zoning

16   I again struggle with the economist evidence and modelling that suggests sufficient industrial land exists and that it should be confined to Wanaka. As part of the community consultation on the SHA one of the matters that came up repeatedly was whether land would be made available for tradesmen's yards etc within the township.

17   Our proposed industrial zoning is logical. Being located off Domain Road it ensures heavy vehicles are away from residential areas and yet provides good access to the wider area. In my opinion limiting industrial zoning to Wanaka is anti-competitive and will do nothing to serve the Hawea community.

COVID-19

18   Covid-19 is a temporary reprieve and potentially less impactful than predicted.

19   It should not derail the focus on long-term affordability in our district.

Summary

20   If land such as the subject site isn't zoned it ultimately ends up as ad-hoc lifestyle blocks. This creates major continuity issues when the council finally deems the timing right for comprehensive development. The ongoing issues at Ladies Mile are the perfect illustration of this. Zoning this land is an essential element in making a material impact on affordability in our district. Our intention can be seen by us proposing zoning on land owned by 13 different owners. We're not seeking control, we're seeking supply and competition. Take advantage of a cooperative developer who is known to be quick, works well with council, and is able to pre-fund infrastructure.

21   In evidence we've heard a lot about the DPR, PDP, NPS-UDC, HDCA, BDCA, HBA etc.

22   But when we cut through the jargon and distil the arguments to the core issue - of whether there is enough supply - how can anybody rationally say there is? And were they to argue there is, how can they account for the extreme price levels this district continually sees?

23   I leave you with two very simple questions

      - why are prices so high?

      - what is the harm in providing more sections in a growing district?