

IN THE MATTER of the Resource Management Act 1991 ("RMA" or "the Act")

AND

IN THE MATTER of the Inclusionary Housing Plan Change by **QUEENSTOWN LAKES DISTRICT COUNCIL** to the Proposed Queenstown Lakes District Plan

SUMMARY STATEMENT OF DANIEL IAN THORNE ON BEHALF OF FULTON HOGAN LAND DEVELOPMENT LIMITED

1. INTRODUCTION

- 1.1 My name is Daniel Ian Thorne. I am a Senior Planner and Director of Town Planning Group (NZ) Limited. I prepared a statement of planning evidence on behalf of Fulton Hogan Land Development Limited (**FHLD**) dated 21 December 2023 in relation to its submissions on the Inclusionary Housing Variation to the Proposed District Plan (**Variation**). I have the qualifications and experience set out at paragraphs [1.2-1.4] of my evidence.
- 1.2 I reconfirm that I have read and agree to comply with the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2023.

2. SUMMARY OF EVIDENCE

- 2.1 Since I prepared my planning evidence, I attended the planning expert conferencing on 30 and 31 January 2024 (and signed the Planning Joint Witness Statement (**JWS**)). I have also reviewed the rebuttal evidence of Mr Mead dated 14 February 2023, and other expert rebuttal evidence for the Council. I have also where time has allowed, reviewed the legal submissions and summary statements presented by Council, and listened with interest to the hearing recordings and questions posed to Council and submitters.
- 2.2 It's a well-trodden statement, but I agree that housing affordability is a significant issue for the Queenstown Lakes District. I suggest this is an issue not limited to the District. Further, housing affordability is a complicated and multifaceted issue, influenced by a significant range and number of factors, as outlined within the planning and economic JWS, and the evidence / submissions from others. I support Council's intent to try and support the provision of affordable housing in the District, however I do not support and

have concerns with the proposed financial contribution method advanced by the Variation. My concerns with the Variation can largely be summarised to the following key points:

- (a) the Variation is a blunt tool that is focused on the one sector that actually delivers housing, with the rule framework complex and somewhat uncertain in aspects, introducing practical costs and challenges for applications assessed under the same.
- (b) the Variation will involve costs that exceed the relatively select and focused benefits, with potential consequences and risks for ongoing housing supply and affordability in the District. As such, it is not considered to be an effective or efficient way to achieve the objectives.
- (c) the use of the financial contribution tool to support the provision of affordable housing sits uncomfortably with the RMA framework, and based on my review of the background evaluation information for the NPS-UD, is an approach not anticipated or supported by the NPS-UD.
- (d) the Variation undermines the intent of the NPS-UD, and does not give effect to the same. In my view, the NPS-UD is directive with respect to the issue of housing affordability, with Objective 2 requiring planning decisions to 'improve housing affordability by supporting competitive land and development markets'. I fail to see how an additional restriction / cost that will benefit a very small sector of the market but introduce costs that increase housing unaffordability in the aggregate can be seen to meet this Objective.
- (e) the singular focus of the Variation on introducing an affordable housing financial contribution ignores the opportunities to take a more holistic approach to the issue of housing affordability, and adopt a more fair and reasonable approach to apportioning the costs of the contribution across the wider market. Further, the Variation has ignored the opportunities to investigate 'bonuses' or 'incentives' to meet the objectives, and temper some of the costs of the contribution.
- (f) there are a range of alternative approaches that are more effective and efficient in supporting the provision of affordable housing in the District, including by way of brief example:

- (i) less restrictive or more enabling land use controls to drive the provision of affordable housing typologies or outcomes (e.g. supporting worker accommodation, built to rent scheme development, smaller unit developments etc).
- (ii) supporting or fast tracking strategic infrastructure delivery (or supporting financing mechanisms).
- (iii) the use of general or targeted rates (which could focus on the activity of residential visitor accommodation, which in my view is a particular contributor to the displacement of housing stock, or indeed wider commercial activities which all generate a demand for staff and subsequently housing).
- (iv) other methods or processes that incentivise affordable housing provision within the market (e.g. non notification pathways, dedicated lead / programme managers that work directly with developers and coordinate Council inputs / actions on residential development projects / consents).

2.3 Whilst having particular concerns with the Variation, in my evidence I outlined some potential amendments that might assist in tempering the costs of the Variation. These amendments broadly align with the Urban Intensification Variation, and are intended to provide greater residential density and built form outcomes, and more efficient consenting processes. It still remains unclear to me why the Variation has not been advanced as a 'package' with the Urban Intensification Variation. However, the Panel will be aware, the Urban Intensification Variation is advancing as a separate process, and independently of the present Variation such that it cannot form part of the overall 'mitigation' package for the Variation.

2.4 As I understand it, the core intent of the Variation is to secure via land or money a stock of retained affordable housing in the District. This is a laudable goal. However, I am of the view that the use of a financial contribution tool to achieve this outcome is flawed, will benefit only a select few, with the costs felt across the wider residential market, in conflict with the directions of the NPS-US. To this end, I consider that the financial contribution method is not an efficient or effective way to achieve the objectives of the Variation, and there are a number of more effective and efficient alternative approaches that should be considered.