

We strongly believe that the Urban Intensification proposed for parts of Queenstown won't increase the supply of affordable housing in an area near public services and nor will it protect the natural beauty of the area which is a lucrative earner for NZ.

In this session we don't want to repeat the points we have made about Urban Intensification around our own place in centrally located York Street on Queenstown Hill, but still firmly hold the view that intensification there is highly destructive to the well established low density residential environment.

We wish to focus on the area which used to be the Queenstown CBD. In our submission we call this the "Queenstown Village" [the Village] which also includes Queenstown Hill. The attached map in Schedule 2 shows most of this Village area.

We ask you as Commissioners to find there is good cause to class the Village as a special area to be exempt from intensification variations as defined in Chapters 8 and 9 Residential Zones. As you are no doubt aware, the National Policy Statement on Urban Development allows for an exemption where intensification would conflict with natural hazard mitigation or landscape protection.

In terms of natural hazard protection the QLDC's biodiversity plans have deemed Queenstown Hill as subject to overlays for slope instability, erosion risk and wildfire hazard, which we touched on briefly in our 2023 submission (Climate change, point iii). And the seismologists tell us that in the event of an earthquake, the Village because of the surrounding hills, would suffer a lot more damage than nearby Frankton and its wider environs.

We also want to talk about preserving the landscape which the Village provides as a huge focus for tourism, and conversely that there are ample opportunities, with a number already becoming intensified, elsewhere in wider Queenstown which are ripe for intensification.

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.

We note an exchange between counsel for the QLDC and members of the panel as reported in the ODT July 29, where the panel observed "that the purpose of the plan change is to investigate what the correct amenity values and intensification areas are". We agree and say that to intensify the Village will also have national ramifications for New Zealand tourism.

Intensification in the Village will harm the tourism take.

Its worth noting for the year ending March 2025 Queenstown's tourism income was \$2.87 billion with international visitors contributing 63% of this. The growth in the tourism sector in Queenstown-Lakes District has averaged 5.6% since 2000, compared with an average of 2.6% in New Zealand, [Infometrics].

The value of the Village cannot be over estimated in this, nestled as it is in unique, and beautiful world renown scenery. This area has historically been the significant drawcard with adventure tourism evolving in more recent times. Current buildings have been largely controlled and do not dominate the landscape.

Similar world leading alpine tourist areas know how important it is to preserve their Village and have established restricting rules on transport and building heights to preserve the jewels in their crowns and so continue to attract millions of visitors.

Our own sister city, Aspen in Colorado in 2012 established an 8.5m height limit for new buildings as they were concerned that three-storied structures would destroy the town's beauty. And Zermatt has a long standing car-free zone, restricting vehicle access to no closer than a commercial and domestic residential town five kilometres away. This is surprisingly similar to us with Remarkables Park and Five Mile. Not that we are suggesting our Village be car free, rather that having the commercial area a little distance away (7.9 kilometres in Queenstown's case) works in a tourist focus town.

The proposed Urban Intensification for our alpine Village would be the exact opposite of what the world-leading Aspen and Zermatt alpine tourist centres are doing to preserve their magnetic attractions.

Good news, the opportunities to intensify outside of our Village are brilliant, and they are already happening. Since our September 2023 submission on the Government's and subsequently QLDC's objectives, our premise that urban intensification should not be in the Village, has been reinforced. The continuing move of businesses to Frankton and the 5 Mile area from the old

Queenstown CBD and population growth outside the Village, emphatically meets the need for Urban Intensification to be in these areas. In fact 5 Mile is now called "Queenstown Central". This is appropriate as it also serves the expanding settlements of Jacks Point, Hanley's Farm, Lake Hayes Estate, Shotover Country, Bridesdale and other proposed developments including the Ladies Mile.

As the Mountain Scene noted on June 5, 2025 "Queenstown CBD offices are joining the flight to Frankton... Wakatipu High moved campus [1500 students] from our Village some years ago, and the CBD's banks have all decamped to Frankton as have about 30 residential real estate agents [Colliers] and support staff...and Queenstown's oldest law firm Mactodd has also moved out of the CBD".

The old CBD, the Village, is now principally a tourist destination with luge, cycle trails, gondola, paragliding, hotels, restaurants and shops along with a myriad of lake related attractions including the iconic Earnslaw, jet boats, underwater observatory, fishing and other charters, the "shark" boat, which are all aimed at the tourist market.

So far as the Urban Intensification Objectives are concerned, Frankton and 5 Mile meet the National Policy Statement on Urban Development 2020 part 2.1 Objectives 3 (a) requiring that "the area is in or near a centre zone ... with many employment opportunities". There are more schools, supermarkets, domestic retailers, garages, retirement villages and health facilities there than in the Queenstown Village. Many relocated from the Village.

As well Objective 2.1 (b) is met as "the area is well served by existing or planned public transport". On the other hand the Village falls well short. In the same Mountain Scene article Remarkables Park developer Alastair Porter says, "the shift of offices from the CBD was inevitable because of traffic congestion getting in and out of town, the lack of parking". MacTodd's director Clark Pirie added the move to Frankton will "be more convenient for most of our clients".

Further on the plus side, the expansion to Frankton and nearby areas also meets Objective 2.1 3 (c) which requires an area with "a high demand for housing or for business land in the area, relative to other areas within the urban environment".

Its well on its way there. Since 2023 apartment blocks have been built, others planned, cafes opened, a new movie theatre (the Village's one has closed) and more major recreation facilities developed all aimed at residents, not tourists. Housing in Frankton and its neighbours won't attract the high upmarket buying that occurs on Queenstown Hill - as noted in our submission point 1 c) and d).

Let's not forget or worse ignore, that the Queenstown Village nestled on the shores of Lake Wakatipu and encircled by mountains is a major draw card in itself for its seven plus million visitors a year (Destination Queenstown year ending June 2024). It's character must be preserved, as the legislation allows, by exemption from Urban Intensification - as noted in our submission point 1a), with Queenstown Hill in particular, the "dress circle", not turned ugly by being dominated with large, tall buildings.

Wouldn't we rather take our lead from the likes of Aspen and Zermatt?

Sue & John Knowles

August 2025

Two Schedules attached.

- 1) Conclusion Summary
- 2) Map showing most of the Village area.

Schedule 1

Conclusion Summary.

Why the Queenstown Village Must Be Exempt from Urban Intensification

- Tourism is the Village's lifeblood, contributing \$2.87B in 2025. Intensification threatens its scenic drawcard.
- Affordable housing goals won't be met by building expensive, high-end residences in the Village.
- Public services, transport, and infrastructure fall short in the Village, failing to meet key NPS-UD objectives.
- Commercial migration to Frankton and Five Mile confirms the shift, with essential services and accompanying jobs relocating.
- Alternative intensification zones are already thriving and expanding, including Frankton, 5 Mile, and surrounding residential developments at Bridesdale, Shotover Country, Hanley's Farm, and the Southern Corridor.
- Global alpine destinations protect their heritage areas. Aspen and Zermatt serve as models for tourism conscious planning.
- The Queenstown Village is no longer a commercial centre, it's now a premium tourism precinct and must be planned as such.
- Preserving the low-density character of the Village ensures tourism and Queenstown's essential character.
- Legislation allows for exemption. The Village qualifies as a special character area deserving protection which we submit goes beyond historic buildings and must include the hill areas of natural hazards and protected landscapes.
- We urge commissioners to take the long view:
- Let's follow the lead of world-class alpine tourism towns and protect our crown jewel.

Schedule 2 Village map showing most of the Village.

Submission Number: 265

August 4th Memorial Hall, 2:15pm Monday

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