Queenstown Lakes District Housing and Business Development Capacity Assessment 2025

23 September 2025 – Final

m.e consulting

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Prepared for

Queenstown Lakes District Council and Otago Regional Council

Document reference: QLDC_report_SFV1

Date of this version: 23 September 2025

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Executive Summary

This Housing and Business Development Capacity Assessment ("HBA") has been prepared by Market Economics ("M.E") in collaboration with Queenstown Lakes District Council ("QLDC") and Otago Regional Council ("ORC") to provide a robust assessment of Queenstown's housing and business market in accordance with the requirements of the National Policy Statement on Urban Development 2020 ("NPS-UD"). This report provides a comprehensive, three-yearly update of QLDC's previous HBA published in 2021.

Context and Objectives

The Queenstown Lakes District (QLD) has faced challenges from the substantial levels of growth experienced across the district, with high levels of growth projected to continue. High demand for housing is driven by both resident households and a significant component of tourism demand.

The district has correspondingly seen large urban expansion together with changes to the spatial structure and development patterns within the urban environment. These are likely to continue, becoming more significant through time as more dwellings are added to the stock and with further development within business areas.

The NPS-UD requires a housing and business development capacity assessment ("HBA") to be undertaken every three years to assess the ability for the district's urban environment to accommodate the future growth needs across the short, medium and long-term. This report provides the QLD's 2025 HBA, covering both the residential and business sectors within the district.

The HBA estimates the capacity for additional dwellings and business activity within the urban environment and assesses its sufficiency to accommodate projected future growth. This is examined across different parts of the market to understand how future growth needs are met and the contribution of the development opportunity to a well-functioning urban environment. It analyses the impact of planning decisions and infrastructure on the local housing market, recognising their role within the wider context of factors affecting the housing and development markets.

Urban Environment and Planning Frameworks Assessed

The housing and business sectors have been assessed within the district's urban environment as defined in Section 2.1. It recognises the important local factors shaping activity and the critical variations by location across the urban environment, both at local and broader spatial scales. At the broadest scale, it reflects the key differences between the Wānaka and Whakatipu Ward housing and business markets.

In accordance with the NPS-UD, the 2025 HBA assesses capacity and development opportunity provided by the following planning frameworks (including any capacity from planning decisions on resource consents in these areas):

- Short-term: Operative District Plan (ODP) and Proposed District Plan (PDP)
- Medium-term: short-term framework with Notified UIV applied to the PDP Zones
- Long-term: medium-term framework and Spatial Plan growth areas

HOUSING MARKET ASSESSMENT

Current Housing Demand and Recent Supply

There are an estimated 25,400 dwellings within the QLD, with nearly all (92%) of these located within the urban environment. The Whakatipu Ward contains nearly two-thirds of the dwellings, with over one-third in the Wānaka Ward.

Resident households are the main driver of demand (82%) for dwellings within the district. However, the housing market is significantly impacted by visitor demand in terms of both dwelling availability and prices. The largest impact occurs within the rental market due to differences in returns to property investors between the long-term rental and short-term visitor accommodation markets. This contributes toward a higher proportion of unoccupied dwellings within the district than in other parts of New Zealand.

Over half of the district's resident households are small (1 to 2 person) households, with a higher proportion of couple households than nationally. Family households account for most of the remainder, with a smaller share (7.5%) of non-family households.

On average, the district's household incomes are significantly higher than household incomes nationally. However, this is not consistent across dwelling demand profiles, with some households within the lower income bands facing affordability issues. Higher dwelling prices are a key factor driving the large challenges in housing affordability faced by the district.

Households with indicated Māori descent are under-represented within the district, amounting to 12% of households. They have lower rates of home ownership than resident households within the district overall, which is similar to the national picture. The district's Māori households report lower rates of crowding than among Māori households nationally.

The district generally has a high dwelling value profile and contains a sizeable share of larger higher-end dwellings in response to patterns of demand within the district. Within this, there are large differences in dwelling value and size between different dwelling typologies, noting the correlation between these factors. Attached dwellings have a smaller size and lower value profile than detached dwellings.

Most of the district's dwelling stock is currently in detached dwellings, which have a higher value profile than attached dwellings. Urban/suburban-scale detached dwellings account for 62% of the dwelling stock, with a significant share (11%) of these containing a residential flat (particularly within newer growth areas). Other detached dwellings are at a lifestyle property scale, with a sizeable component of these located within the urban environment. Resident households in detached dwellings have higher rates of home ownership, with an older household age profile.

Over one-quarter (27%) of the district's dwellings are attached dwellings, with around one-quarter of these being apartment dwellings (including those used as visitor accommodation). Attached dwellings have a greater concentration in more central parts of the urban environment, with a greater focus into the Whakatipu Ward. Attached dwellings have a larger focus on the rental market and are occupied by households with a younger average age profile and increased ethnic diversity.

There are important differences between the housing markets within the Whakatipu and Wānaka wards, with further important variation at a more local scale. The Whakatipu Ward housing market is more

intensive than the Wānaka Ward, containing a greater share and intensity of attached dwellings. The Wānaka Ward has a greater focus on detached dwellings. The differences in dwelling mix produces differences in the value profiles between the wards.

The district's dwelling stock has seen substantial growth over the last decade. A large number of new dwellings have been added over the past five years relative to the size of the estate, with nearly two-thirds occurring within the Whakatipu Ward. Increasing shares of the new dwelling supply are attached dwellings, which are generally smaller and account for a large portion of the supply within the lower dwelling value bands. Most of these have occurred within the Whakatipu Ward, particularly for more intensive attached dwellings. New dwellings added within the Wānaka Ward have remained focussed on detached dwellings, but have contained an increasing share of attached dwellings than past patterns of development.

There is currently very limited social housing supply within the district. There is a broader range of activity as assisted housing, which includes supply within the ownership market and is predominantly coordinated through the district's community housing trust.

Projected Future Housing Demand and Housing Bottom Lines

Substantial growth is projected for the district in the updated High Plus QLDC projections. Dwelling demand is projected to nearly double over the next 30 years, increasing the district's demand to 48,100 dwellings. Nearly all of this growth is expected to occur within the urban environment, with a net increase in demand for 22,800 dwellings.

The updated projections see significantly faster growth in the Wānaka Ward, particularly in the short to medium-term. Over the long-term, the ward is expected to attract nearly half (45%) of the district's increase in demand, differing to past patterns of growth.

Resident households form the largest component of demand (85%), with their composition and other characteristics having an important impact on the types of dwellings demanded. Nearly three-quarters of resident household growth is projected to occur as smaller (1-2 person) households.

QLDC's growth model allocates this demand by dwelling type and location type within the urban environment. The QLDC-adopted baseline scenario has a focus on lower density demand in greenfield areas. Under this scenario, over half of the district's growth in demand is for detached dwellings in greenfield areas. A minor share (12% to 14%) of the demand growth is allocated to occur as attached dwellings within existing urban areas, with most (58% to 62%) of the attached dwelling demand allocated to occur within greenfield areas (which accounts for around one-fifth of the total net growth). The remaining 13% to 14% of demand growth occurs as detached dwellings within the existing urban areas, which account for around half of the growth in demand within these areas.

Housing Bottom Lines

The QLD's urban environment housing bottom lines with application of competitiveness margins are:

- Short-Medium Term (10 years, 2023-2033): an additional 9,100 dwellings.
- Long Term (20 years, 2033-2053): an additional 18,000 dwellings.
- Combined Total Long Term (30 years, 2023-2053): an additional 27,100 dwellings.

Housing Capacity Assessment

The 2025 HBA has modelled large amounts of capacity for housing development within the district's urban environment. This occurs through a combination of capacity for intensification within the existing urban areas together with sizeable areas of future urban expansion. Capacity has been modelled within the QLDC growth model based on the planning frameworks applied in the short, medium and long-term. It covers plan enabled, infrastructure-ready and reasonably expected to be realised (RER) (incl. feasible) capacity stages.

The current planning framework contains capacity for residential growth across a combination of PDP urban zones, together with ODP Special Zone areas which are predominantly covered by structure plans and account for a significant share of the district's capacity. There are a number of new growth areas within the district that are currently being developed by the market, which are likely to continue to provide significant shares of dwelling supply as they are developed into the medium and long-term.

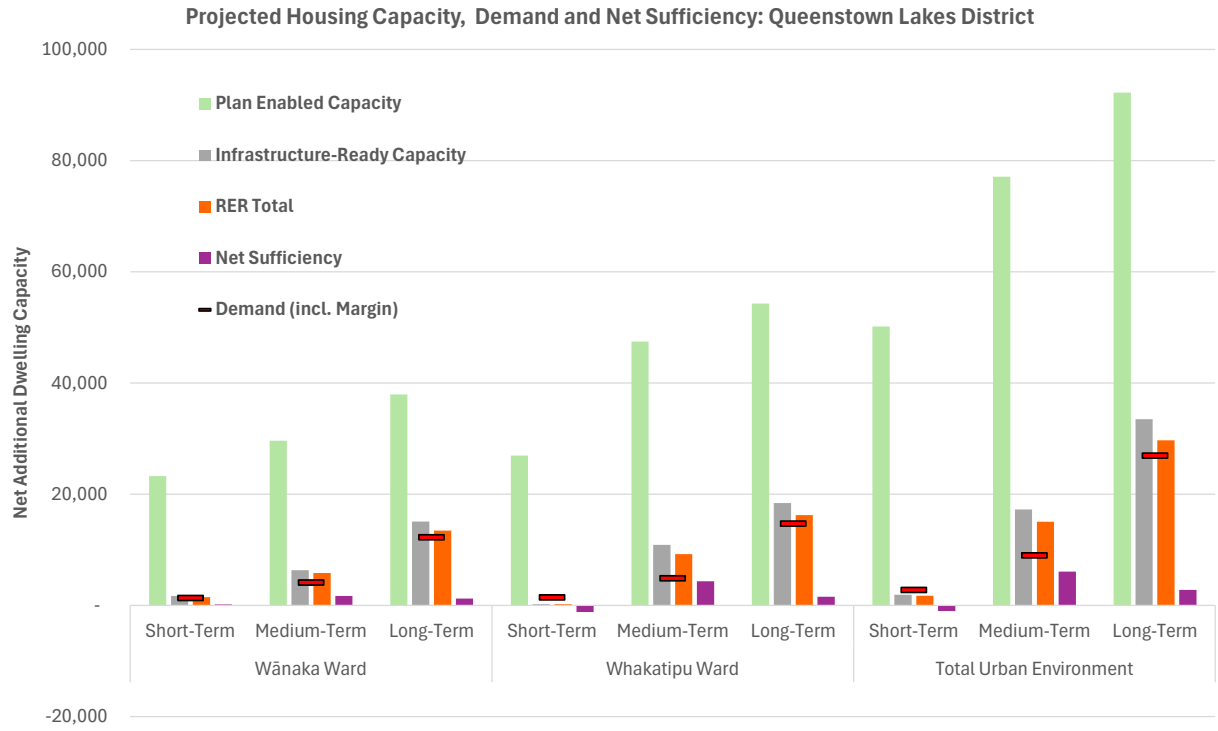
There is plan enabled capacity for a net additional 50,200 dwellings across these areas in the short-term. Approximately 4% of the net additional capacity is supported by residual capacity within infrastructure networks, with a total RER capacity of 1,700 net additional dwellings.

There are important changes to the district's planning framework in the medium-term through the proposed changes to the current PDP. These substantially increase the level of development opportunity for different types and densities of dwellings across significant portions of the urban environment, which consequently increase the level of dwelling capacity. These changes to the current PDP increase the modelled plan enabled capacity by 54% in the medium-term, resulting in an overall capacity for 77,100 net additional dwellings. Additional infrastructure network investment, means that around 22% of this is served by residual capacity within the networks, producing an overall RER capacity of 15,100 net additional dwellings.

Further capacity is signalled through the Spatial Plan for the long-term, with the addition of sizeable areas of urban expansion within each ward. These increase the plan enabled capacity by 20% (from the medium-term), resulting in a long-term plan enabled capacity for a net additional 92,200 dwellings. Together with further infrastructure investment in the long-term, this increases RER capacity to 29,700 net additional dwellings.

Sufficiency Assessment

The sufficiency of the modelled capacity to meet projected demand within each ward is summarised in the graph below.



Source: data from QLDC growth model, 2025.

Short-Term

In the short-term, there is an overall modelled shortfall of 1,000 dwellings within the district. This is primarily due to infrastructure constraints within the Whakatipu Ward where there is almost no additional capacity within the short-term (resulting in a ward shortfall of 1,200 dwellings). Within the Wānaka Ward, there is a small expected capacity surplus of 180 dwellings. However, it is noted this relies on capacity uptake within outer parts of the urban environment, with shortfalls expected to occur within the main urban node of Wānaka township area.

Medium-Term

Increased infrastructure investment and increased development opportunity within the planning frameworks have produced an expected medium-term surplus of 6,100 dwellings within the district's urban environment. There are overall surpluses occurring for each ward, although there are expected shortfalls in capacity within certain parts of the market. Most significantly, there are projected shortfalls for detached dwellings within the greenfield areas across both wards. These shortfalls are driven by a combination of the assumed patterns of demands, which are significantly focussed toward detached dwellings within greenfield areas, together with the QLDC growth model allocation of infrastructure capacity between greenfield and existing urban areas. QLDC have examined this aspect and find that the modelling infrastructure allocations are balanced at the ward-level when greenfield and existing urban areas are combined, resolving this component of the shortfall. The assessment has also produced sizeable surpluses for attached dwellings within each ward, including within the greenfield areas that have potential to meet a pattern of demand with a higher component for attached dwellings.

Long-Term

There is an overall projected surplus of 2,800 dwellings in the long-term for the district overall. There are also projected surpluses, at the total level, for each ward. However, the assessment indicates that there are potential shortfalls in capacity within certain parts of the market within each ward. Similar to the medium-term, these are focussed into detached dwellings and greenfield areas as well as some locations within the urban area. The Wānaka Ward greenfield shortfalls occur due to allocations of infrastructure capacity within the model, which balance out at the reporting area level, with sizeable amounts of capacity to accommodate future growth in these areas as signalled in the Spatial Plan.

The shortfalls within the Whakatipu Ward are focussed into the more central parts of the urban environment, with these occurring due to the more limited infrastructure residual capacity. QLDC have advised there is scope for future infrastructure investment to be redirected into central parts of the district if increased shares of growth occur within these areas. The shortfalls in detached dwelling capacity within greenfield areas are similarly driven by the differences between the assumed patterns of demand and market take up within these areas, with the shortfalls largely balancing out across dwelling types.

Impact of Planning and Housing Affordability

Issues of housing affordability are likely to continue to be a significant issue for the district, with high dwelling prices generating sizeable pressure within certain parts of the market. Despite the overall medium and long-term projected surpluses, shortfalls in capacity within the lower dwelling value bands are expected to remain for the district.

Our assessment of the impacts of planning decisions and infrastructure has found that the proposed changes to the PDP are likely to significantly increase the level of development opportunity for different types of dwellings across the district. Together with the capacity for medium to higher density residential development within new growth areas, this is likely to increase competitiveness and encourage the market to deliver an increased dwelling mix and range of dwellings that is better aligned to expected patterns of household demand. This is likely to increase housing choice, enabling households to improve their affordability (in comparison to a continuation of past patterns of development) through making trade-offs between different viable housing options, including within locations.

The district's development opportunity enabled through the different aspects of planning also provides for a pattern of growth that includes intensification within the areas of highest accessibility. While the currently modelled infrastructure capacity is more limited within the central parts of the Whakatipu Ward's urban environment, there is scope for this to respond to the future market take-up of this opportunity.

The effects of these development patterns and their contribution to a well-functioning urban environment are likely to occur gradually and cumulatively through time. They are expected to become more significant through the medium and long-term as more dwellings are developed and added to the stock.

BUSINESS MARKET ASSESSMENT

The 2025 HBA has assessed the level of demand and capacity for business growth within the district's urban environment over the short, medium and long-term. This has predominantly been undertaken at the ward-

level, with an examination across the main key business sectors within the local economy. These include the industrial sector, and then the commercial sectors, which are further disaggregated into accommodation, commercial and retail.

Projected Business Demand

The QLD's employment base is projected to increase by nearly two-thirds over the long-term. This equates to a net increase of 23,450 employees, to reach a total employment of 60,500 employees by 2053. The greatest growth is projected to occur in sectors that serve household and tourism demand, with the health and education sectors expected to gradually increase in their share of the district's employment base through time.

Nearly three-quarters of the employment growth is projected to occur within the Whakatipu Ward, with the balance within the Wānaka Ward. There are important differences in the structure of business activity between the two wards, with a greater focus on hospitality within the Whakatipu Ward.

Growth in employment activity is projected to generate demand for an additional 781,100m^2 GFA of business floorspace and an additional 122.1 ha of business land over the long-term. Industrial activity is expected to account for the largest share of this demand due to the higher space needs within this sector.

Capacity for Business Activity

The assessment has modelled the different aspects of capacity within each time period. This includes the level of capacity enabled by the planning provisions, the level of additional capacity for growth supported by the district's infrastructure networks, and then an assessment of the suitability for the infrastructure-served capacity to meet projected future growth needs.

The QLDC growth model has estimated that there is a plan enabled capacity for a net additional 3.81m m^2 GFA business floorspace within the district, with almost all of this for commercial activities, with a small component for industrial uses. However, the distribution of zoned land capacity is likely to differ due to the differences in the density of uses between industrial and commercial sectors.

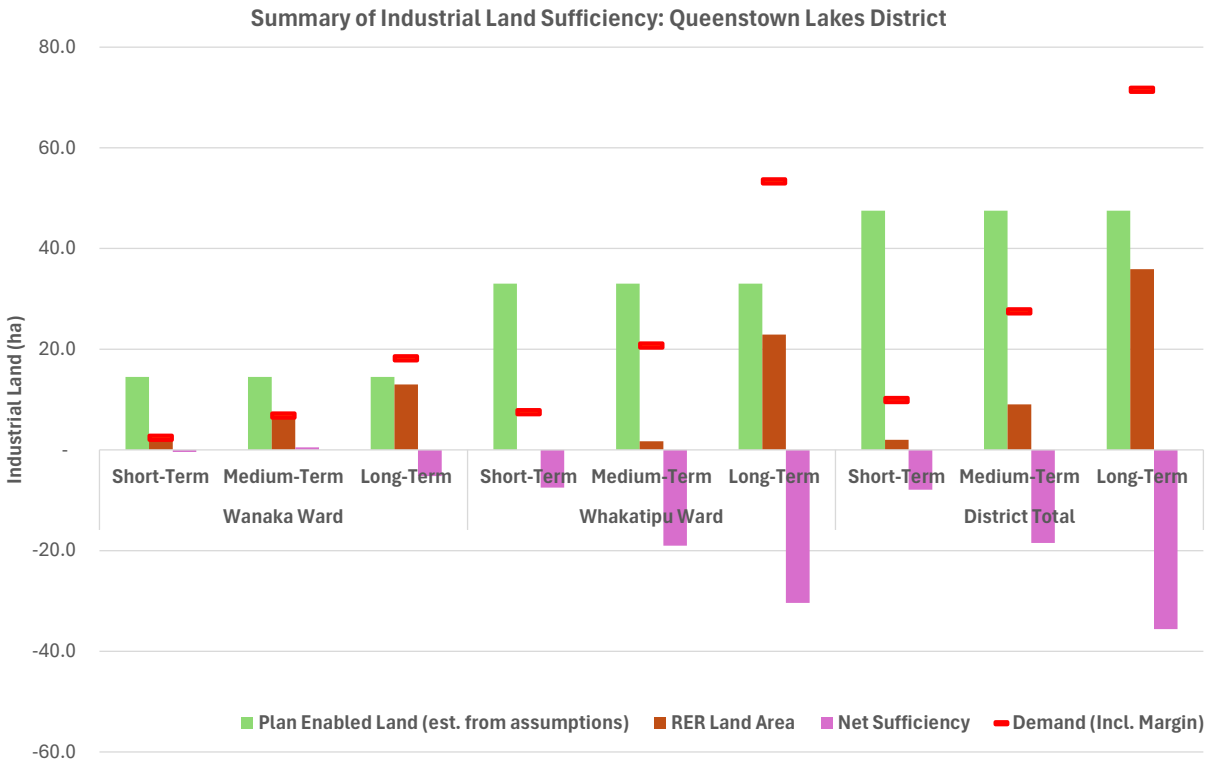
The QLDC growth model shows that the level of capacity enabled by the planning provisions remains almost constant for the district across all three time-periods. The exception is a small increase in capacity for commercial development within the Wānaka Ward occurring in the medium-term. The largest changes occur as a result of infrastructure provision, with significant amounts of residual capacity added in the medium and long-term. The capacity has been examined both in terms of business floorspace and business land areas.

Limited infrastructure provision means that only a small portion of the additional enabled capacity is supported by residual capacity within the district's infrastructure networks. Infrastructure investment in the medium and long-term, increases the infrastructure-ready capacity to 649,000m^2 GFA floorspace in the long-term.

Only a small portion of capacity is expected to be suitable in the short-term due to infrastructure constraints limiting take-up of business space. The suitable capacity increases to 435,000m^2 GFA floorspace and 77.6 ha land area in the long-term with infrastructure investment and further industrial zoned land areas becoming available after the medium-term.

Sufficiency Assessment for Business Land Uses

The projected patterns of sufficiency across the industrial and commercial business sectors are summarised in the graph and table below.



Source: data and land areas calculated from QLDC Growth Model, 2025.

Ward	Business Floorspace Capacity Net Sufficiency (m2 GFA) Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward			
Accommodation	- 13,600	- 600	- 25,200
Commercial	- 14,100	18,400	- 41,800
Industrial	- 37,800	- 96,100	- 153,600
Retail	- 17,400	- 3,800	- 75,000
Whakatipu Ward Total	**- 82,900**	**- 82,100**	**- 295,500**
Wanaka Ward			
Accommodation	- 1,300	- 2,800	- 7,900
Commercial	-	1,800	- 13,200
Industrial	- 2,300	2,400	- 26,200
Retail	1,200	8,700	- 3,400
Wanaka Ward Total	**- 2,400**	**10,100**	**- 50,800**
Total District			
Accommodation	- 14,900	- 3,300	- 33,100
Commercial	- 14,100	20,100	- 55,000
Industrial	- 40,100	- 93,600	- 179,800
Retail	- 16,200	4,900	- 78,400
Total District	**- 85,300**	**- 72,000**	**- 346,300**

Source: QLDC Growth Model, 2025.

The assessment has identified sizeable shortfalls in capacity across all sectors within the short-term, amounting to a shortfall of 85,300m^2 GFA floorspace and 12.4 ha of land area for the district overall. This is primarily due to the absence of further infrastructure capacity within the Whakatipu Ward. The largest shortfalls are projected to occur within the industrial sector, due to the greater space requirements of this sector.

Despite significant infrastructure investment, shortfalls in capacity are projected to continue to occur in the medium-term. At the district-level, these amount to a shortfall of 72,000m^2 GFA business floorspace, and 6.1 ha land area. These occur within the Whakatipu Ward, while there are instead small projected surpluses in both business floorspace and land area within the Wānaka Ward.

The Whakatipu Ward medium-term projected shortfalls are driven by shortfalls in space for industrial activities, with variable levels of sufficiency within the commercial business sectors. The industrial shortfalls occur due to both a shortfall in the available zoned land area, as well as infrastructure constraints.

The shortfalls for business spare are projected to become larger in the long-term within nearly all business sectors across both wards of the district. The projected shortfalls are sizeable at the district level, amounting to a shortfall of 346,300m^2 GFA business floorspace and 44.5 ha of land area. These continue to be primarily driven by the industrial sectors. Shortfalls in industrial land are projected to account for most of the land shortfalls in the long-term, with these focussed into the Whakatipu Ward. The QLDC growth model indicates that the Whakatipu Ward floorspace shortfalls are the result of both shortfalls in industrial zoned land area as well as limitations in the infrastructure capacity. Industrial zoned land

shortfalls are also indicated by the model to occur within the Wānaka Ward, albeit to a smaller scale, with projected long-term demand ahead of plan enabled capacity.

In the long-term, there are also projected shortfalls in commercial business space across most areas of assessment. These occur within both wards across most business sectors, with the exception of a projected 3.4 ha retail land surplus within the Wānaka Ward.

1 Introduction

This report is the Housing and Business Development Capacity Assessment ("HBA") 2025 for Queenstown Lakes District. It provides an update on the previous housing capacity and demand assessment undertaken in 2021 and the earlier business assessment in 2017. The requirement for this three-yearly update is set out in the National Policy Statement for Urban Development 2020 ("NPS-UD"). The report complies with the requirement for Tier 2 local authorities to assess the demand for housing and business land in urban environments, and the development capacity that is sufficient to, at least meet that demand in its district in the short, medium, and long term.

1.1 Overview

The 2025 HBA provides a comprehensive assessment of residential and business activity within the urban environment of the Queenstown Lakes District (QLD). It draws together core areas of assessment to understand the ability for the district's urban environment to meet projected future growth needs. In accordance with the requirements of the NPS-UD, the combined assessment examines the impact of different parts of the development process, including the level of opportunity provided through planning[1].

1.2 HBA Objectives

The objectives of this report[2] are to:

- Update the previous housing market and business land HBA assessments undertaken within the district.
- Provide robust information on the demand and supply and capacity of urban housing and business land in the Queenstown Lakes District;
- Quantify the development capacity that is sufficient to meet expected demand for housing and business land in the urban environment in the short, medium and long term;
- Incorporate information and feedback from the housing and business development sectors;
- Provide information on the likely impact of council planning and infrastructure decisions on future affordability and competitiveness of the housing market; and
- Inform housing bottom lines, Resource Management Act ("RMA") planning documents and decision making, the next Spatial Plan and QLDC's and ORC's long-term plans ("LTP").

[1] This has the meaning as at 1.4(1) and 3.23(1) in the NPS-UD.

[2] As set out in clause 3.20 of the NSP-UD.

1.3 Approach

The QLDC 2025 HBA involves a wide range of technical assessment. It uses the QLDC growth model capacity and demand outputs for the sufficiency assessments. Other technical assessment informs the patterns of activity within the current residential and business markets, structure of resident household demand and housing affordability. Collectively, this provides the level of technical analysis and modelling detail to meet the core assessment requirements of the HBA.

1.3.1 Queenstown Lake District Growth App Model

In 2023, Queenstown Lakes District Council (QLDC) commissioned the development of a Growth App Model ("the QLDC growth model")[3]. The total calculation of capacity and demand assessments are undertaken within the QLDC growth model for both the residential and business components.

The model produces summary outputs of total residential and business capacity and demand, for each reporting area across the district's urban environment for the short, medium and long-term. The outputs are summarised totals of capacity that have been applied to inform the NPS-UD Policy 2 overall sufficiency assessment.

The output tables from the QLDC growth model have been supplied to M.E from QLDC to incorporate as inputs into the overall sufficiency assessment component of the 2025 HBA. QLDC have also obtained and provided M.E with the model input assumption ranges, and information on the modelling approach, which are needed to meet the NPS-UD technical information reporting requirements of the HBA.

The final outputs from the Growth App Model are supplied as QLDC requested starting point inputs to the relevant areas of the HBA. M.E have reported these outputs as requested and have presented a summary of the technical approach and assumption ranges, based on the information provided, as required under the NPS-UD.

1.3.2 Other Data Sources and M.E Modelling

M.E have also drawn upon a range of other models and data sources to undertake the core areas of required analyses within the 2025 HBA. The main sources include:

- M.E Ltd Housing Affordability Model (2025).
- M.E Ltd Residential Dwelling Demand Model (2025). This has been applied to understand the structure of the updated QLDC 2025 demand projections.
- M.E Ltd, Queenstown Lakes District Dwelling Stock Model (2025).
- Customised Statistics New Zealand data on Building Consents and 2023 Census Households by Dwelling Type.

[3] M.E have not been requested to undertake a peer review of the modelling technical process as part of the 2025 HBA. This process has instead occurred during the model development, undertaken by a separate provider. As standard practice, M.E have sought verification of the QLDC growth model outputs and clarification of the technical approach, as needed, with the final outputs provided by QLDC as the requested starting point for our assessment.

- March 2025 Utility Ltd Queenstown Lakes District Demand Projections

Further data sources applied within smaller shares of the assessment are referenced within each section.

Other areas of recent assessment within the QLD have been considered, where relevant, within the 2025 HBA. The large amount of analysis and discussion that has occurred to inform a number of significant strategic and planning processes provides a rich picture of the housing and business markets within the district[4]. This provides important understanding of how activity within these markets contributes to a well-functioning urban environment, including the alignment with NPS-UD Policy 5 objectives.

1.4 Report Structure

The key parameters for the 2025 HBA assessment are set out in Section 2, which provides important information on the district's urban environment and planning frameworks that have been applied within the capacity modelling.

The remainder of the 2025 HBA consists of four main parts that cover the core areas of assessment required under the NPS-UD. Parts 1 and 2 contain the residential assessments, with the business assessment contained in Part 3. The conclusions are provided in Part 4. These are structured as follows:

- Part 1 – Housing Market Assessment. This part analyses the current patterns and projected future levels of activity within the district's housing market. These include:
    - Current housing demand within the district (Section 3);
    - Current patterns of housing supply within the district's existing dwelling base (Section 4);
    - Future projected demand for housing (Section 5); and
    - A closer examination of the patterns of housing demand for Māori within the district (Section 6).
- Part 2 – Housing Capacity Assessment. This part analyses the capacity for additional housing within the district's urban environment and its ability to meet projected future demand. It covers:
    - The plan enabled capacity (Section 7);
    - Infrastructure-ready capacity (Section 8);
    - Approach to modelling the commercial feasibility of capacity (Section 9);
    - The serviced, feasible and reasonably expected capacity (Section 10);
    - The sufficiency of this capacity is assessed in Section 11; and
    - An overall assessment of the impact of planning and infrastructure is contained in Section 12.

[4] This includes assessment undertaken for QLDC during the recent proposed changes to the PDP, the Te Pūtahi Ladies Mile Plan Variation and the Te Tapuae Southern Corridor Commercial Needs Assessment.

- **Part 3 – Business Demand and Capacity.** This part examines the business sectors within the district. It covers:
    - Projected future levels and types of demand for business sector space (Section 13);
    - Modelled capacity for business land and floorspace within the district (Section 14); and
    - It then assesses the sufficiency of this capacity to meet future growth in Section 15.
- **Part 4 – Conclusions.** This part contains the concluding comments from the above areas of assessment.

2 Queenstown Lake District's Planning Framework and Urban Environment

This section defines the district's urban environment and the areas used in the assessment. It identifies the planning frameworks that are applied in the short, medium and long-term. Key aspects of the district's spatial structure are described that are important to understand how the urban environment functions. These are critical in evaluating the ability for capacity in different locations to meet the district's future growth needs.

The first part of this section defines the urban environment and reporting areas applied in the assessment. The second part of the section then outlines the planning frameworks applied in the assessment of capacity in the short, medium and long-term.

2.1 Urban Environment

2.1.1 Definition for HBA

An HBA is an assessment of the demand for housing and business land in urban environments, and the development capacity that is sufficient to meet that demand in the short, medium, and long term. This sub-section describes the urban environment, including how its extent is influenced by its distribution across the district.

The urban environment of Queenstown Lakes District is spread across a range of locations within the district, containing several main nodes. There are important spatial interactions and connections between households and businesses that occur across different parts of the urban environment. Taking these interactions into account, the urban environment has been defined by Council in accordance with the NPS-UD[5] and are illustrated in Figure 2-1 to Figure 2-3.

[5] The urban environment includes current and future urban areas which function together to form part of housing and labour markets containing at least 10,000 people.

Figure 2-1 – Queenstown Lakes District Urban Environment: Wānaka

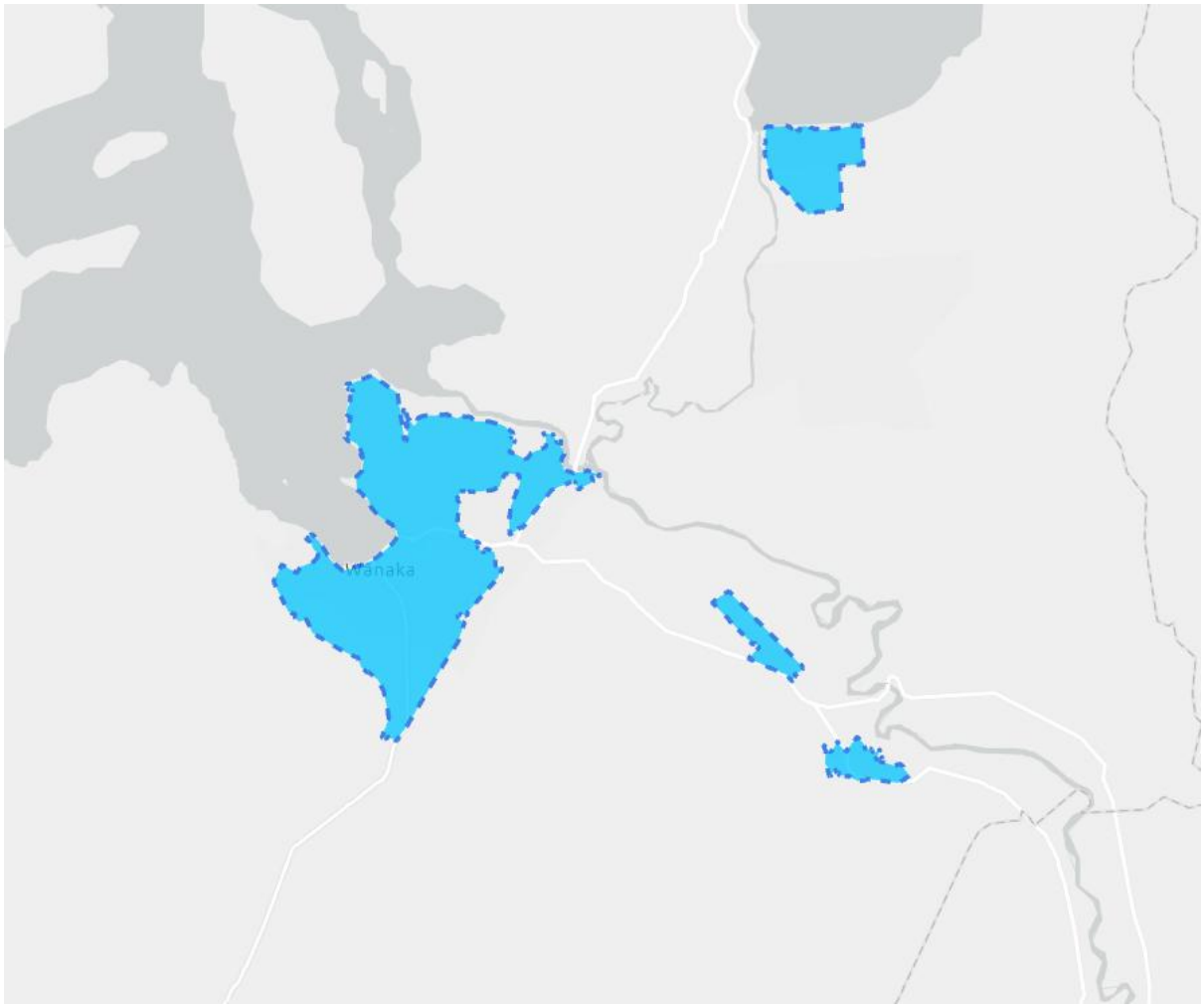


Figure 2-2 – Queenstown Lakes District Urban Environment: Whakatipu Ward and Cardrona

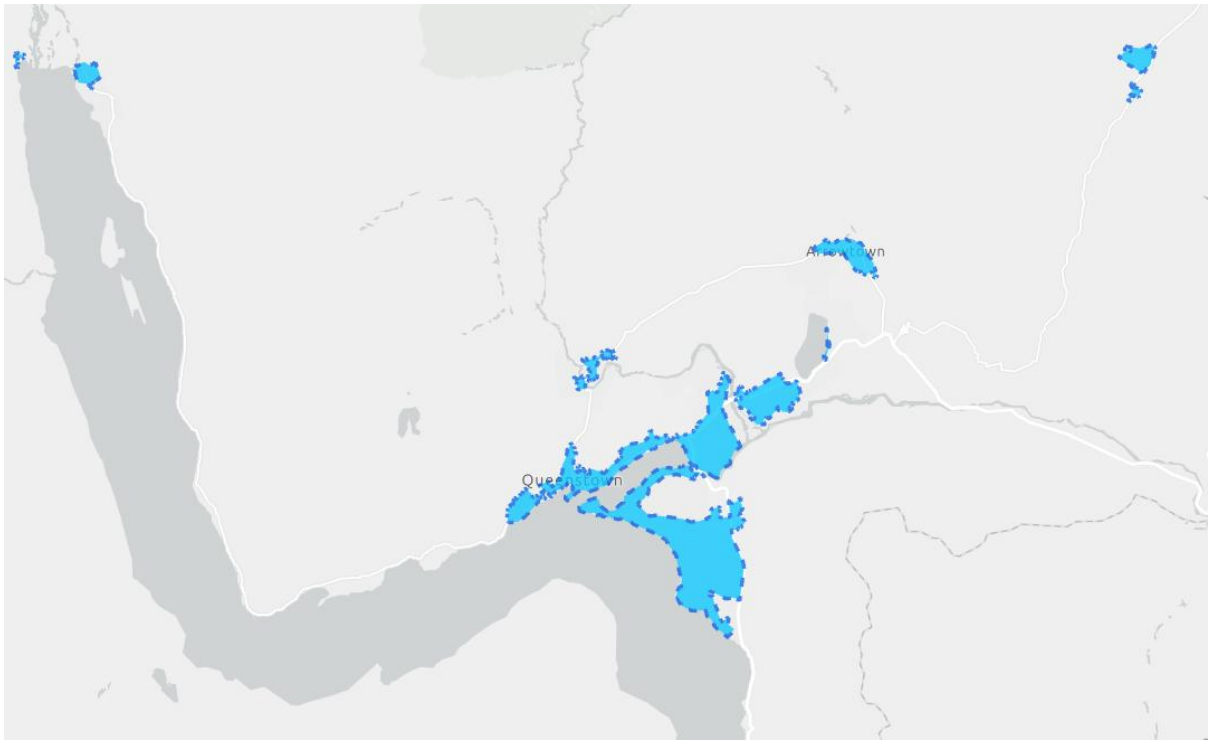
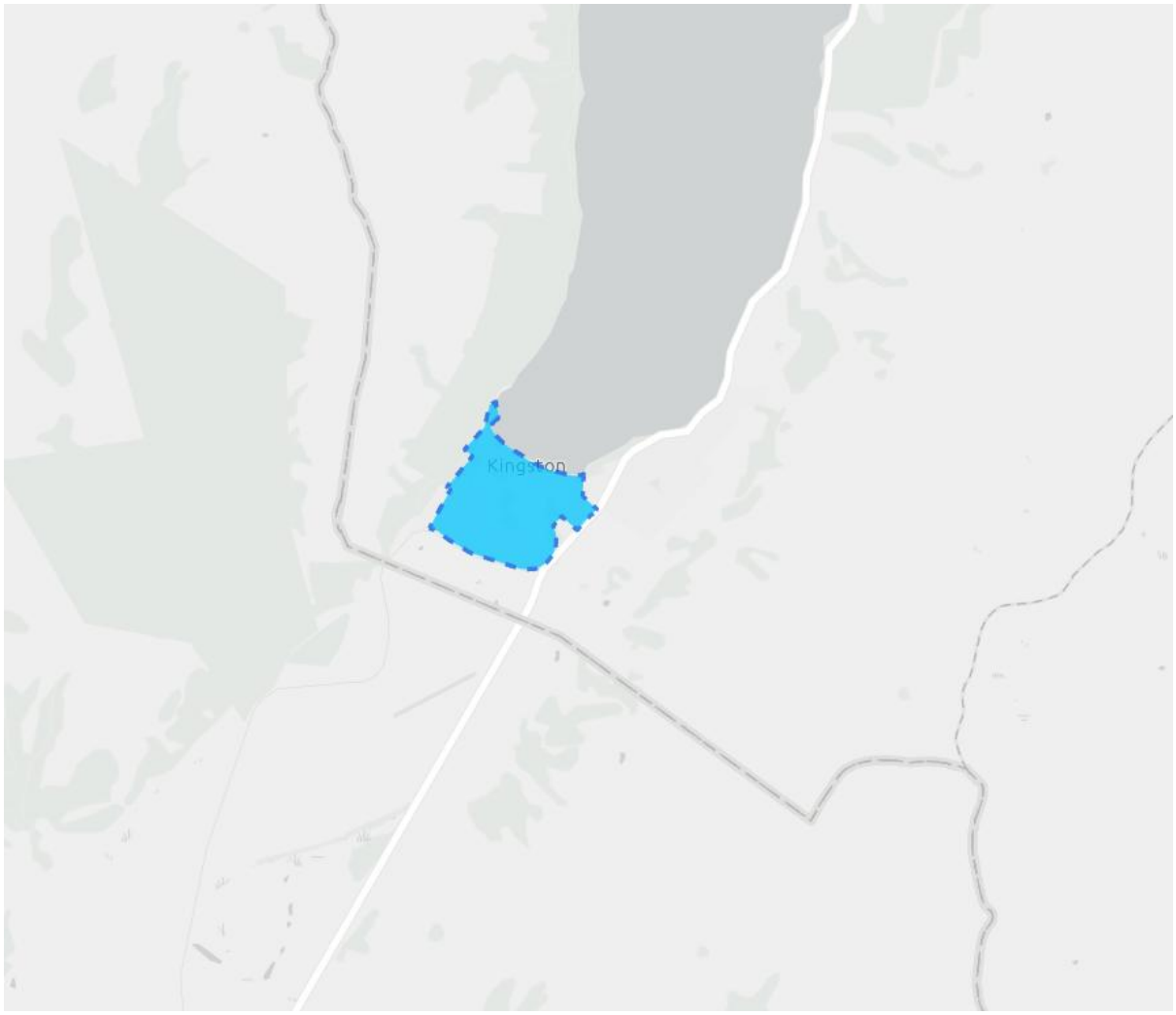


Figure 2-3 – Queenstown Lakes District Urban Environment: Kingston



The district's urban environment covers the current urban extent as well as areas of anticipated future urban expansion. Areas of future urban growth include the existing live-zoned areas as well as significant areas of future urbanisation identified within the district's Spatial Plan that apply in the long-term. These are primarily defined by zoned/future growth cell areas that have an enabled urban density. However, within the district's local economic context, the urban environment also includes areas of lifestyle property densities. There are a large number of lifestyle properties within the district, with a high share of these located around the edges of suburban-scale areas. These reflect the demand profile of the district, where many households seek larger properties in areas that still function as part of the urban environment.

2.1.2 Urban Environment Spatial Structure

There are important aspects of the district's spatial structure relevant to assessing the sufficiency of development opportunity to meet future growth needs. At a broad scale, the topographic division between

the district's Whakatipu[6] and Wānaka wards forms a natural delineation between the housing and labour markets within the district. While these areas are connected with movement between the wards, there is greater market substitution and interactions occurring within each area. It is therefore important to assess the ability to accommodate growth needs arising within each ward rather than assuming demand can be met through capacity interchangeably across the district.

Wānaka Ward

The Wānaka Ward covers the northern part of the district and currently contains over one-third (38%) of the district's dwellings. It is estimated to contain a higher share of the district's holiday dwellings, with most of these located within the ward's central urban areas.

Wānaka township forms the main urban node within the ward. Together with the contiguous area of Albert Town, it contains around three-quarters of the ward's dwellings. Wānaka Town Centre forms the ward's main commercial centre, with significant further household-oriented commercial activity developing within close proximity in the Three Parks area. These commercial areas play a core role in serving household demand arising from across both the immediately surrounding residential areas as well as from within the smaller urban settlements located further away within the ward.

The main Wānaka township area also contains the ward's areas for industrial development, which are also significant at the district-level. These include the main industrial zoned areas within the Three Parks Structure Plan area.

The rest of the ward's urban environment is distributed across several proximate smaller urban settlements. These areas function together with the larger Wānaka township urban node as part of the same wider labour and housing markets. Lake Hāwea is the largest of these urban settlements, containing 12% of the ward's dwellings. Other smaller urban settlements within the district include Luggate, Hāwea Flat and Cardrona.

The Wānaka Ward also contains a smaller airport, which is located within proximity to the main urban node of Wānaka township. Although the airport is small with limited use, including in comparison to the district's main airport within the Whakatipu Ward, it is an important piece of infrastructure within the local context. The airport land is also zoned for industrial uses.

Whakatipu Ward

The Whakatipu Ward covers the largest share of the district's urban environment. It contains nearly two-thirds (62%-63%) of the district's urban and total dwellings.

The Whakatipu Ward has a more complex urban spatial structure than the Wānaka Ward, due in part to the topographic form of the district. Queenstown Town Centre forms the main commercial centre for both the Whakatipu Ward and district, serving demand from households across the extent of the urban environment.

Substantial commercial activity has also developed across the broader Frankton area, with the relative role of this node increasing significantly over the past decade. It has experienced large growth as an

[6] The Whakatipu Ward includes both the Whakatipu and Arrowtown ward areas.

employment hub, including commercial activity serving household demand. Frankton also contains key aspects of the district's and ward's transport, social and other infrastructure. Most significantly, it includes the district's main airport, an important component of the district's infrastructure, with a sizeable share of the activity and demand within the district reliant on connections to other locations through the airport. The ward's only high school is also located within Frankton, as well as increasing components of the district and ward's health sector activity.

The Frankton area also currently forms the district's main node of industrial activity, with businesses serving demand from the across the district and surrounding areas. The proximity of the airport forms an important strategic aspect for the industrial sector in this location. Significant areas for future industrial development are also located within the Southern Corridor within the Coneburn industrial area.

The district has experienced sizeable urban expansion over the past two decades, with the urban environment extending beyond Frankton through the eastern corridor, including recently identified areas for intensive development. Significant urban expansion has also occurred through the southern corridor and Jacks Point.

Nearly half of the Whakatipu Ward's dwellings are located within the most accessible areas of the urban environment that span from the Central Queenstown area to Frankton. Overall, around three-quarters to four-fifths of the ward's dwellings are located within the broader contiguous urban area that also includes the eastern and southern corridors.

The Whakatipu Ward urban environment also includes significant urban areas that are located beyond the central contiguous urban area but function together as part of the broader housing and labour market. These include Arrowtown and Arthurs Point, which are proximate to the main urban area.

The ward's remaining dwellings are located within smaller urban settlements that are located significantly further from the main urban environment (Kingston and Glenorchy), and within non-urban parts of the district.

2.1.3 Assessment Reporting Areas

The HBA divides the district's urban environment into a range of reporting areas as shown in Figure 2-4 (Wānaka Ward) to Figure 2-6 (Whakatipu Ward and Kingston[7]) below. The reporting areas take into account the important aspects of how labour and housing markets function within the spatial structure described in the previous section.

The reporting areas form the geographic structure for the modelled outputs from the capacity assessment, which are provided as totals for each of the reporting areas. The demand projections produced by location across the district have been aggregated to align with the same reporting areas.

[7] Kingston and Glenorchy reporting areas form part of the 'rest of district'.

Figure 2-4 – HBA Urban Environment Reporting Areas: Wānaka Ward

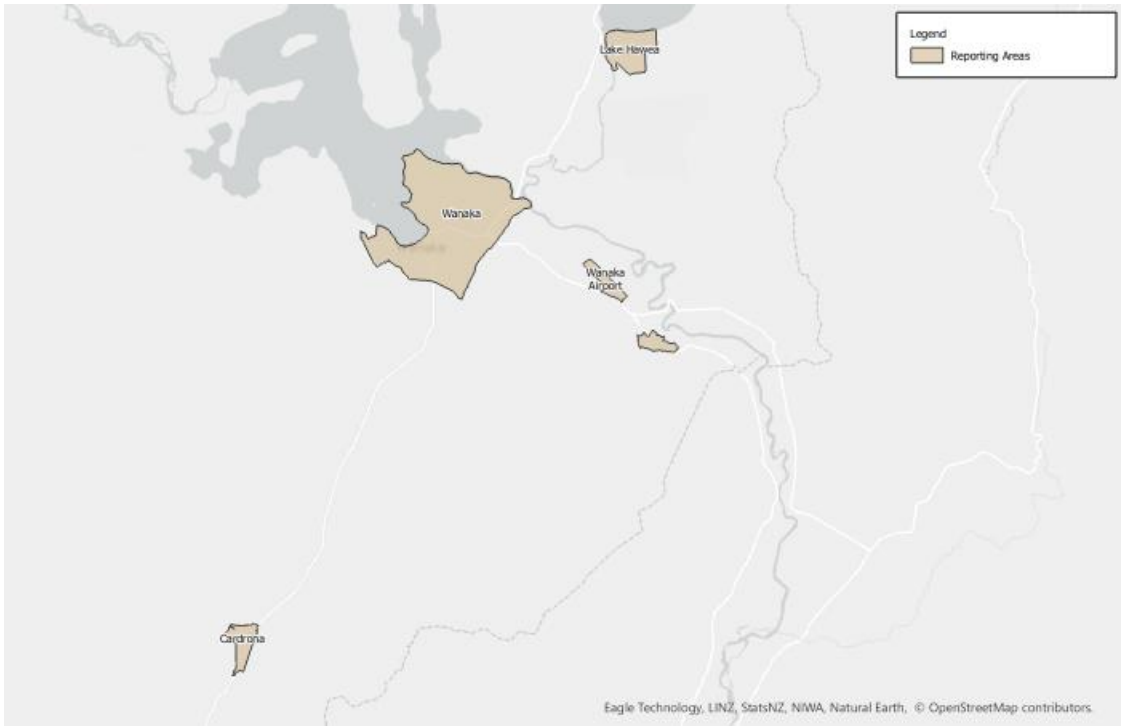


Figure 2-5 – HBA Urban Environment Reporting Areas: Whakatipu Ward

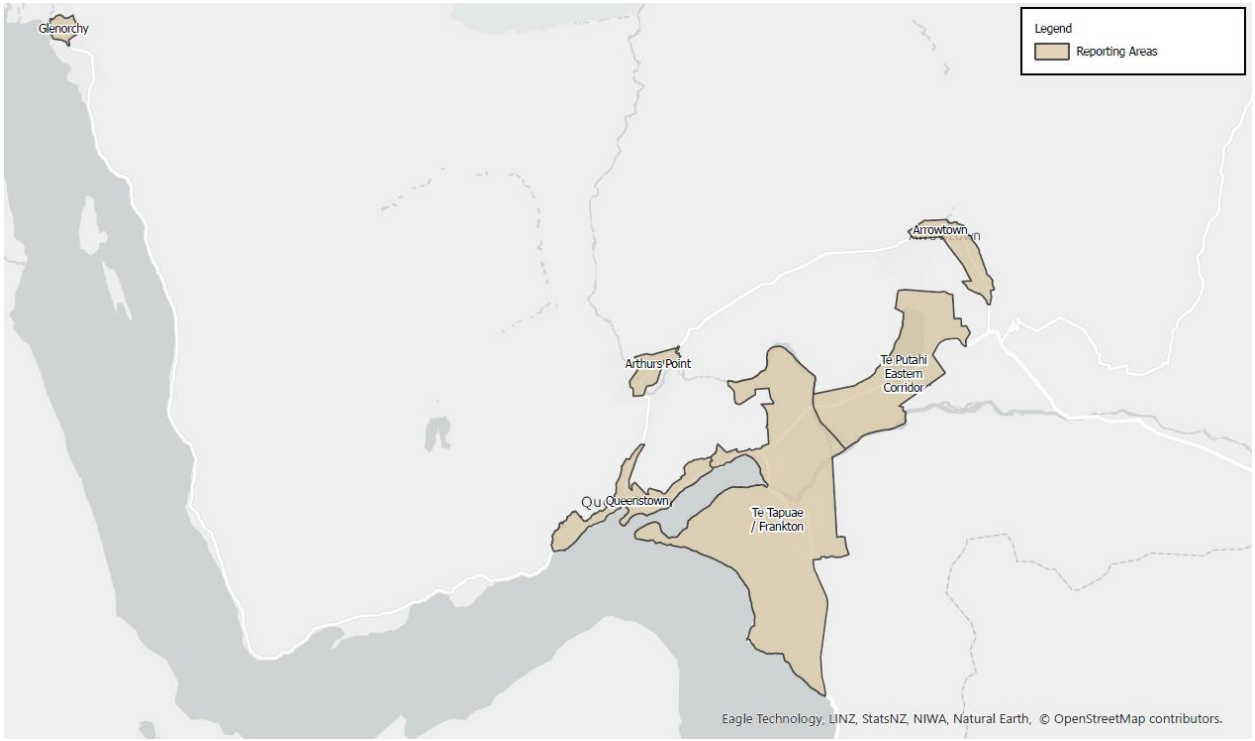
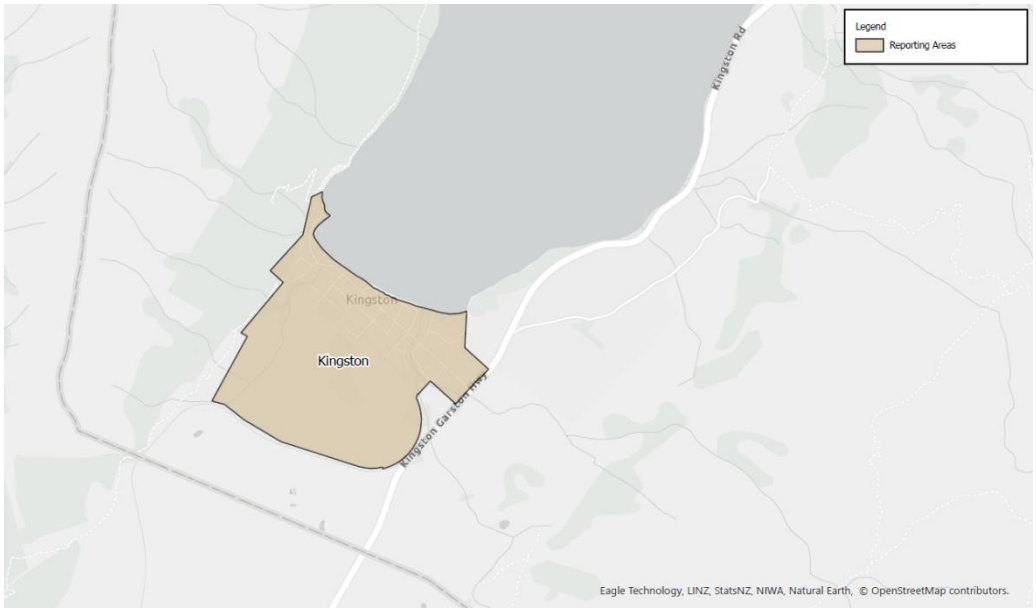


Figure 2-6 – HBA Urban Environment Reporting Areas: Kingston



2.1.4 Other Factors Relevant to Urban Development

There are a range of physical features across the district that are relevant to assessing the level of development capacity across different parts of the urban environment. These include natural physical features, areas of key infrastructure, and other features within the built environment that have an important role in the development of a well-functioning urban environment.

The key features are described below.

Significant Natural Features

Queenstown Lakes District contains a number of significant natural features that provide high natural amenity within the district. These features make an important contribution through their effect on the visual landscape to a well-functioning urban environment.

These areas are consequently reflected in the planning provisions across different parts of the district through the outstanding natural landscapes (ONLs) and outstanding natural features (ONFs). In some locations, a different level of development opportunity may be enabled to appropriately balance urban growth objectives with the contribution of these features to the character of the urban environment.

Figure 2-7 to Figure 2-9 show maps of the significant natural features that influence the level of urban development opportunity across the district's urban environment within each ward. The main effects on development opportunity include:

- Variations in enabled building height within the town centres and waterfront areas to protect viewshafts to lake areas.

- Variations in enabled height and density, together with zoning types and extents to reflect significant natural areas (e.g. natural features and landscapes).

Figure 2-7 – Queenstown Lakes District Key Significant Natural and Built Environment Features Influencing Urban Development Opportunity: Wānaka Ward

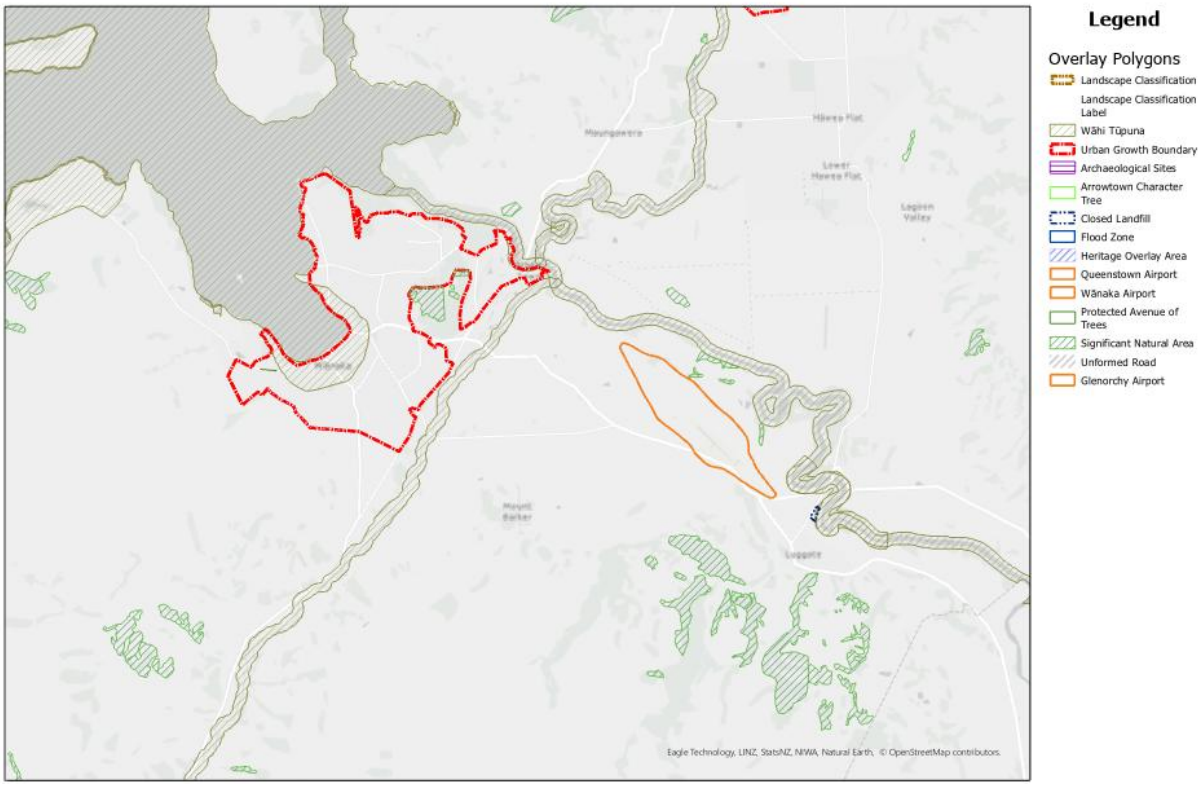


Figure 2-8 – Queenstown Lakes District Key Significant Natural and Built Environment Features Influencing Urban Development Opportunity: Whakatipu Ward

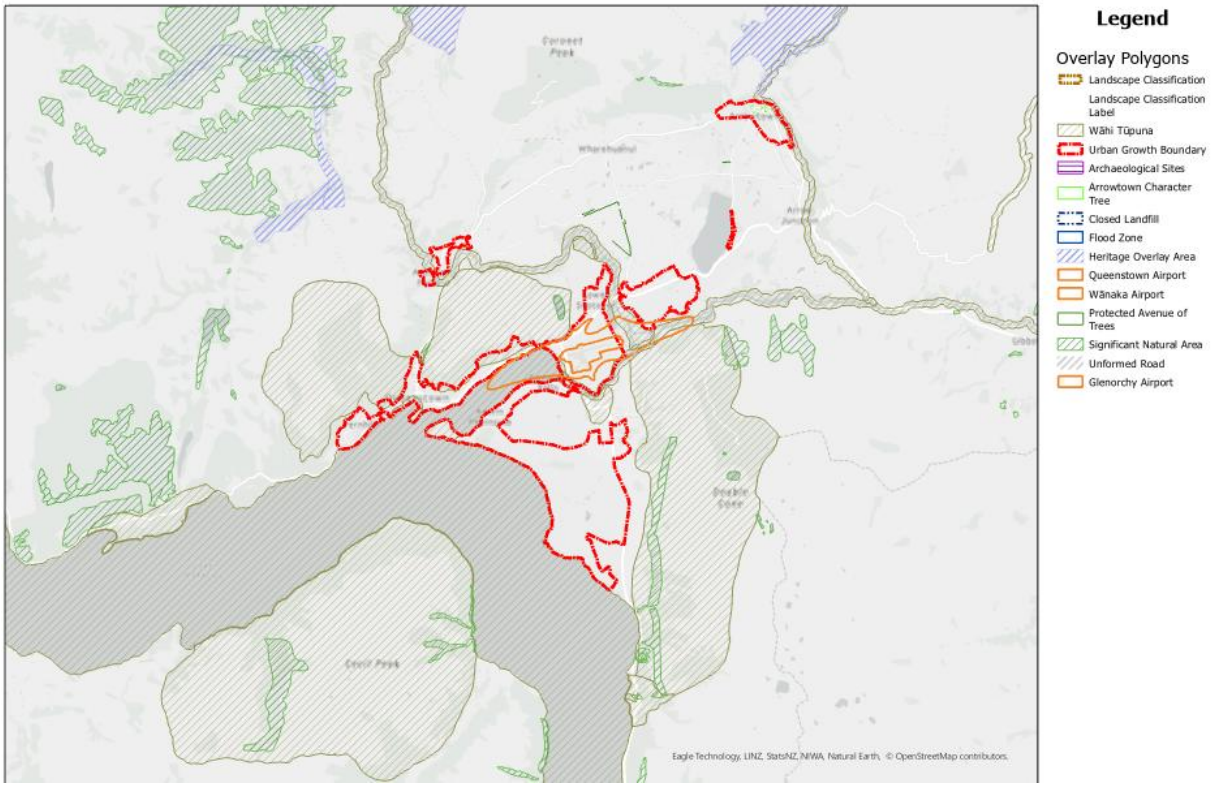


Figure 2-9 – Queenstown Lakes District Key Significant Natural and Built Environment Features Influencing Urban Development Opportunity: Kingston

The topography of the district is also highly varied, with sizeable urban zoned areas that contain steep terrain and land consisting of solid rock. This has some effect on the feasibility of urban development on these areas, which has been taken into account within the capacity modelling.

Built Environment Features and Key Infrastructure

The maps above also show the main features within the built environment that affect the level of enabled development opportunity in different locations. Key among these is the district's main airport, which is located in Frankton, providing a core connection for the district and surrounding area to other locations and markets. The surrounding level of urban development opportunity is limited through the airport outer control boundary (OCB) to protect the central role of the airport. The extent of this is defined in the District Plan.

Other urban parcels have also been excluded from/limited within the capacity assessment. These include parcels with site specific constraints such as heritage features and designations[8]. The assessment also includes variations to height and density for some zones to reflect the planning framework.

2.2 Planning Framework

This section describes the QLD planning frameworks that have been applied to the capacity assessment for the short, medium and long-term. These have been applied in accordance with the NPS-UD for each time period.

There have been substantial changes in QLDC's planning opportunity since the previous HBA as the district responds to growth challenges and national policy direction. These are set out in the following sub-sections for each time period.

2.2.1 Short-Term: Operative District Plan (ODP) and Proposed District Plan (PDP)

QLD is currently undergoing a staged district plan review, which commenced in 2015. The complexity and scale of the review has necessitated a staged approach, with parts of the PDP becoming incrementally operative. Land use planning decisions in QLD are therefore currently operating under a combination of these plans.

In accordance with the NPS-UD, the HBA has applied a combination of the Operative District Plan (ODP) and the Proposed District Plan (PDP) to model capacity across the district's urban environment in the short-term. It has applied the operative components of these plans that would apply to each modelled parcel.

[8] This includes heritage, hazard overlays, designations for infrastructure, and setbacks noted in the planning frameworks.

Under this planning framework, the urban environment is covered by a combination of PDP urban zones, ODP Special Zones and new zoning areas developed to reflect specific consented development patterns. A map of the types of planning provisions applied to each part of the urban environment is shown in Figure 2-10 to Figure 2-12 below, with each of these components covering sizeable shares of the district's urban land areas.

Figure 2-10 – Short-Term Urban Zones: ODP and PDP: Wānaka Ward

Figure 2-11 – Short-Term Urban Zones: ODP and PDP: Whakatipu Ward and Cardrona

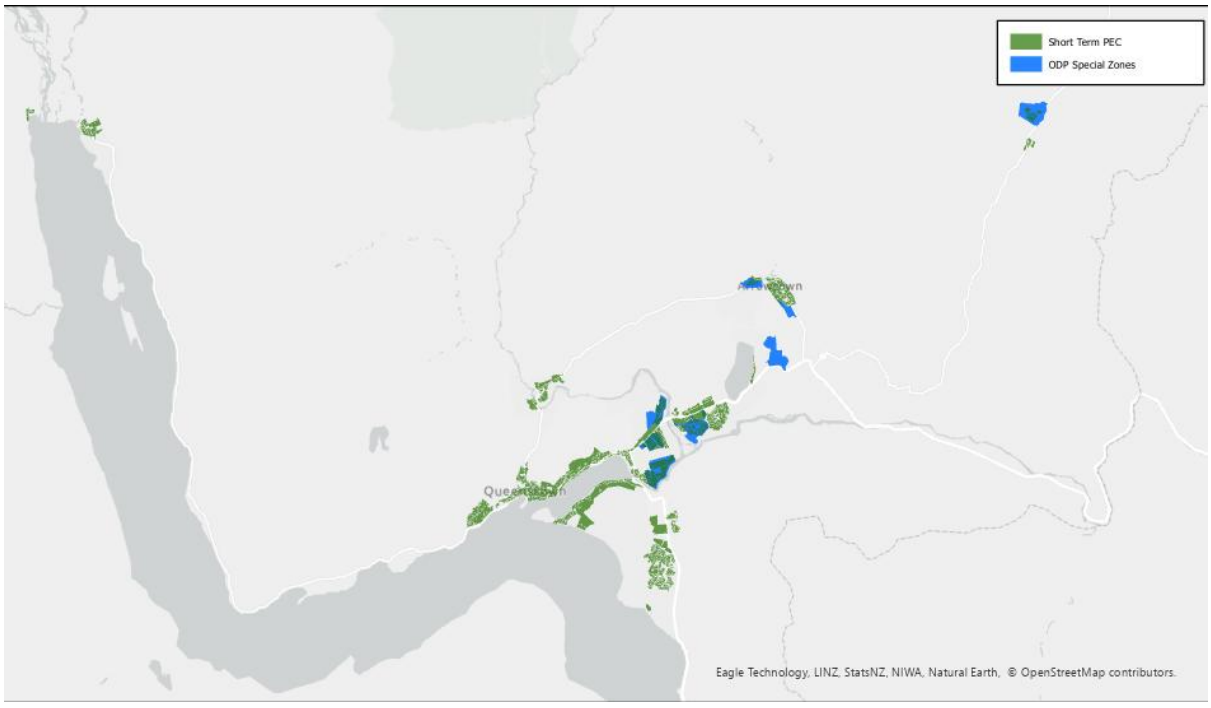


Figure 2-12 – Short-Term Urban Zones: ODP and PDPL Kingston

The ODP Special Zones were developed in response to rapidly emerging growth challenges across the district. They were predominately private developer-led urbanisation that differed to the types of growth enabled by the existing district plan zones. A large share of these areas were developed through structure planning processes together with QLDC to reflect the district's strategic growth direction. They provide for a combination of residential and business area development across the district's urban environment.

Further Special Purpose Zone areas have also been made operative within the district during the PDP review process. For clarification, at the time of the HBA modelling, the following significant areas of development were included for the short-term:

- Te Pūtahi Ladies Mile (TPLM)[9].
- Areas of urban zoning within Hāwea that formed part of an appeal resolution (and later upzoned in the medium-term).

The short-term residential development opportunity is provided across a combination of the above zones in both residential zoned areas and within commercial centres and Business Mixed Use Zone (BMUZ) areas. The commercial zones enable residential apartment development, with greatest provision within the Queenstown Town Centre and adjacent BMUZ. Apartment development in other commercial areas, including Wānaka Town Centre, is enabled at a lower scale.

[9] TPLM Plan Variation become operative on 6 December 2024 as a Special Purposes Zone (Te Pūtahi Ladies Mile Zone) to the PDP.

The short-term planning framework provides a level of opportunity for more intensive residential development in areas surrounding the district's main town centres, as well as Arthurs Point, Three Parks and Frankton, and specific areas of higher natural amenity.

Within the Whakatipu Ward, the central residential area surrounding the town centre is covered by the PDP Higher Density Residential (HDR) Zone enabling levels of dwelling construction up to apartments. The HDR Zone extends along the waterfront areas toward Sunshine Bay-Fernhill and along Frankton Arm.

There are some further areas of provision for more intensive medium to higher density development within the ward through a combination of Medium Density Residential (MDR), HDR and Special zoning[10]. Recent development patterns have included a number of greenfield higher density apartment developments occurring around the Frankton area. Outside of the Special Zones, the MDR District Plan zone is applied across only limited parts of the ward in the short-term, enabling up to less intensive attached dwellings.

Development opportunity for residential intensification is enabled at a reduced scale within the Wānaka Ward in the short-term. The area immediately surrounding the town centre is covered by the MDR Zone, enabling less intensive medium density development in this area, with some HDR zoned areas for apartment development along the waterfront and Three Parks.

Most of the remainder of each of the ward's residential zoned areas are covered by the Lower Density Suburban Residential (LDSR) Zone. This encourages lower density development patterns predominantly consisting of detached dwellings at a range of scales (e.g. smaller suburban-scale to larger properties).

The short-term business development opportunity is provided across a range of zones within the ODP and PDP. Collectively, these provide for retail, hospitality and other commercial activity (including office-based activity), other business, and industrial activity. Areas providing for non-residential activity (such as agricultural activity) occurring outside of the urban environment are beyond the scope of the assessment.

Commercial and retail activity is focussed into the district's main commercial centres, together with provision across other zones that are located outside of the main commercial centres (e.g. Business Mixed Use Zone (BMUZ)). The centres network consists of ODP/PDP commercial centre zones as well as other centres covered by bespoke provisions within ODP Special Zones. The Town Centre Zones contain the most extensive provision for retail and commercial activities along with BMUZ, with other centre zones mainly limited to local convenience retail.

Queenstown Town Centre (QTC) forms the largest zoned commercial centre within the district, and is located within the Whakatipu Ward. It serves demand from across the district and surrounding areas, and plays a large relative role within its surrounding catchment area. QTC also forms a main commercial office-based node within the district and a sizeable share of the activity within the town centre is sustained by tourism demand.

A number of other smaller commercial centres (local shopping centres and smaller centres within Special Zones or areas developed as part of masterplans or structure plans) are located within more localised catchments across the rest of the ward's urban environment. These typically have a reduced range of activity, with a greater focus on their surrounding catchment areas. These are covered by a combination of ODP/PDP centre zones and ODP Special Zones. Jacks Point Village forms the largest of these, currently

[10] This includes HDR at Frankton North, medium to higher density development at Frankton North

developing to provide the main local centre within the significant area of urban expansion occurring within the Southern Corridor.

A high share of the Whakatipu Ward's business activity is located within the Frankton area, which forms the largest node of commercial activity within the district. This includes a range of retail (centres, retail parks and large format retail provision), commercial and industrial activity, with significant growth occurring in the size of this business node over the past decade. Recent information on consumer access patterns indicates this area acts as a large employment destination, with retail activity serving demand from across the urban environment.

Further location opportunity, beyond these areas, within the ward for business activity is provided through the Business Mixed Use and Industrial Zones. The main areas include Gorge Road and Coneburn, with some provision within Arrowtown.

Wānaka Town Centre forms the main retail and commercial centre within the Wānaka Ward, serving demand from across the ward's urban environment. Substantial development is also currently underway within the proximate Three Parks area, including provision for retail (including large format retail), commercial and industrial activity. Business location opportunity is also provided through the Business Mixed Use Zone around Reece Crescent within the main Wānaka urban area. There are several other smaller centres located within other parts of the ward. These are much smaller in scale, and are focussed toward serving local demand within their immediately surrounding areas.

2.2.2 Medium-Term: Short-Term Zones with Notified UIV Applied to PDP Zones

The notified Urban Intensification Variation (UIV) to the PDP has been applied in the capacity assessment in the medium-term. This has been applied across the spatial extent of the PDP live zoned area of the urban environment as shown in the maps below. ODP Special Zones and operative PDP Special Purpose Zones located in the urban environment also form part of the medium-term planning framework as these areas are not covered by the UIV.

Figure 2-13 to Figure 2-15 below show the planning framework applied by location across different parts of the district's urban environment in the medium-term[11].

[11] The key purposed of the map is to show the areas as they have been modelled within the QLDC growth model (including the notified-UIV). This is not intended to provide a map of the UIV, which may change to that originally notified.

Figure 2-13 – Medium-Term Urban Zones: Notified UIV and ODP Special Zones: Wānaka Ward

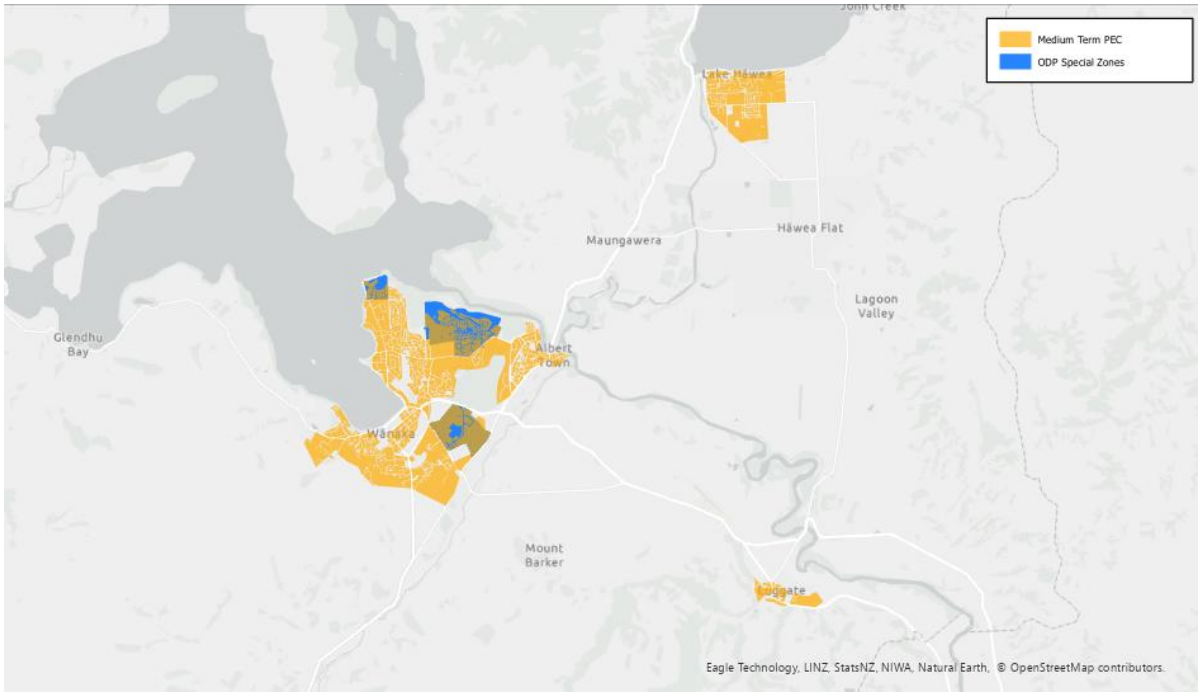


Figure 2-14 – Medium-Term Urban Zones: UIV and ODP Special Zones: Whakatipu Ward and Cardrona

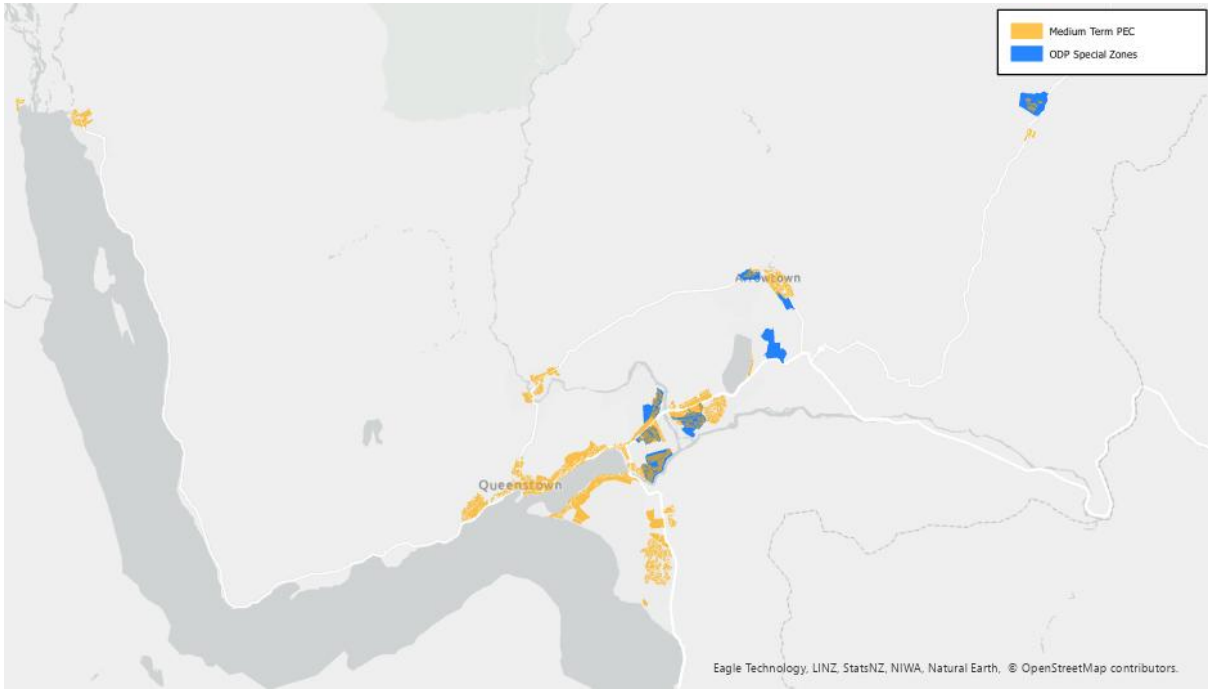
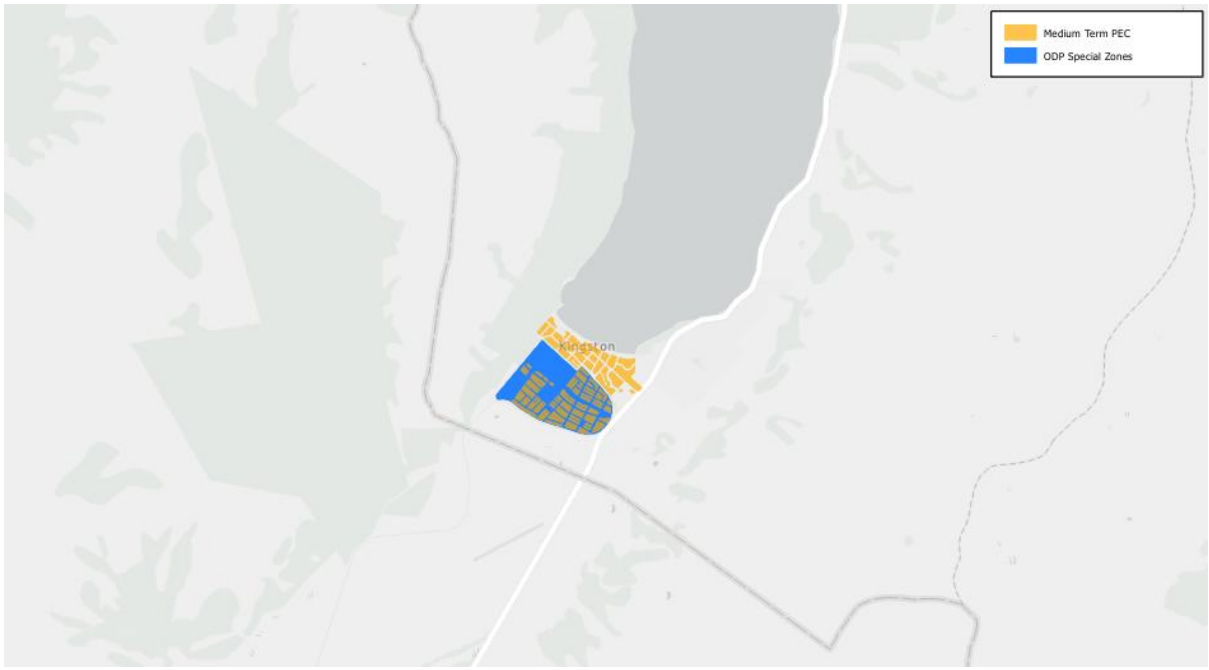


Figure 2-15 – Medium-Term Urban Zones: UIV and ODP Special Zones: Kingston



The notified UIV[12] proposes to substantially increases the level of development opportunity across the district's urban environment that occurs in the medium-term. It gives effect to Policy 5[13] of the NPS-UD and the other policies focussed on achieving a well-functioning urban environment (WFUE) in the NPS-UD as well as priority initiative Number 1 of the Spatial Plan Gen 1. The notified UIV used the MDRS as a guide for the notified provisions in the MDRZ, including by proposing to increase the permitted building height in the MDRZ to 11m plus 1m for roof forms. The UIV is proposed to be applied across the short-term PDP live-zoned area, including already urbanised and greenfield areas. It does not cover ODP Special Zone areas, which retain the same provisions as the short-term and are currently in the early stages of being reviewed through the district plan review work programme.

While the notified UIV proposes to increase the overall level of enabled development in parts of the urban environment, the main changes are to the types of development opportunity provided across different parts of the urban environment that the UIV is on. It aligns the types and scale of enabled development in each location with the levels of relative demand. This occurs through a combination of changes to the spatial extent of zones as well as increased development provisions within existing zone extents.

The notified UIV focuses areas of residential intensification into central parts of the urban environment with greatest levels of accessibility within each ward, significantly expanding these areas from the short-term. In the Whakatipu Ward, increased building heights are proposed for residential and commercial development within the Queenstown Town Centre. This is coupled with increased provision for higher

[12] The notified UIV is a variation to the PDP. It was endorsed by councilors for notification in 2023, with notification occurring in May 2024.

[13] NPS-UD Policy 5: enable heights and density of urban form commensurate with the greater of: the level of accessibility by existing or planned active or public transport to a range of commercial activities and community services; or relative demand for housing and business use in that location.

density apartments in the surrounding HDR Zone, with some expansion of this zone. The area for residential intensification is further extended beyond the HDR Zone to cover large portions of the inner residential suburbs through the application of the MDR zone. Proposed increased height in relation to boundary (HIRB) provisions within the MDR Zone would enable intensive medium-density development across this area.

The notified UIV would also substantially increase plan enabled opportunity for intensification within central parts of the Wānaka Ward in the medium-term. This occurs through increased building heights within the Wānaka Town Centre and BMUZ areas, with a combination of MDR and HDR zoned areas surrounding the town centre and within the proximate Three Parks (which also includes BMUZ). The spatial extent of the MDR Zone is also expanded in the medium-term.

The notified UIV proposes further medium-term increases in areas for residential intensification across other nodes within the urban environment beyond the inner suburbs closest to the commercial centres. These are predominantly at a medium density scale. The notified UIV also proposes some increases to the flexibility of development opportunity within the remainder of the suburban residential areas that are covered by the LDSR Zone.

The impact of the changes to the level of development opportunity enabled through the notified UIV in the medium-term are discussed in the Impacts of Planning Section 12.

2.2.3 Long-Term: ODP, PDP, Notified UIV and Spatial Plan Growth Cell areas

The medium-term planning framework is also applied to the long-term assessment, together with further areas of greenfield urban expansion as identified in the QLDC Spatial Plan[14].

The urban environment assessed in the long-term is shown in Figure 2-16 to Figure 2-18 below. It shows the location and spatial extent of growth cell areas added through the Spatial Plan. These have been significantly refined from those modelled in the previous HBA.

[14] QLDC Spatial Plan 2021.

Figure 2-16 – Long-Term Urban Zones: UIV, ODP Special Zones and Spatial Plan Growth Areas: Wānaka Ward

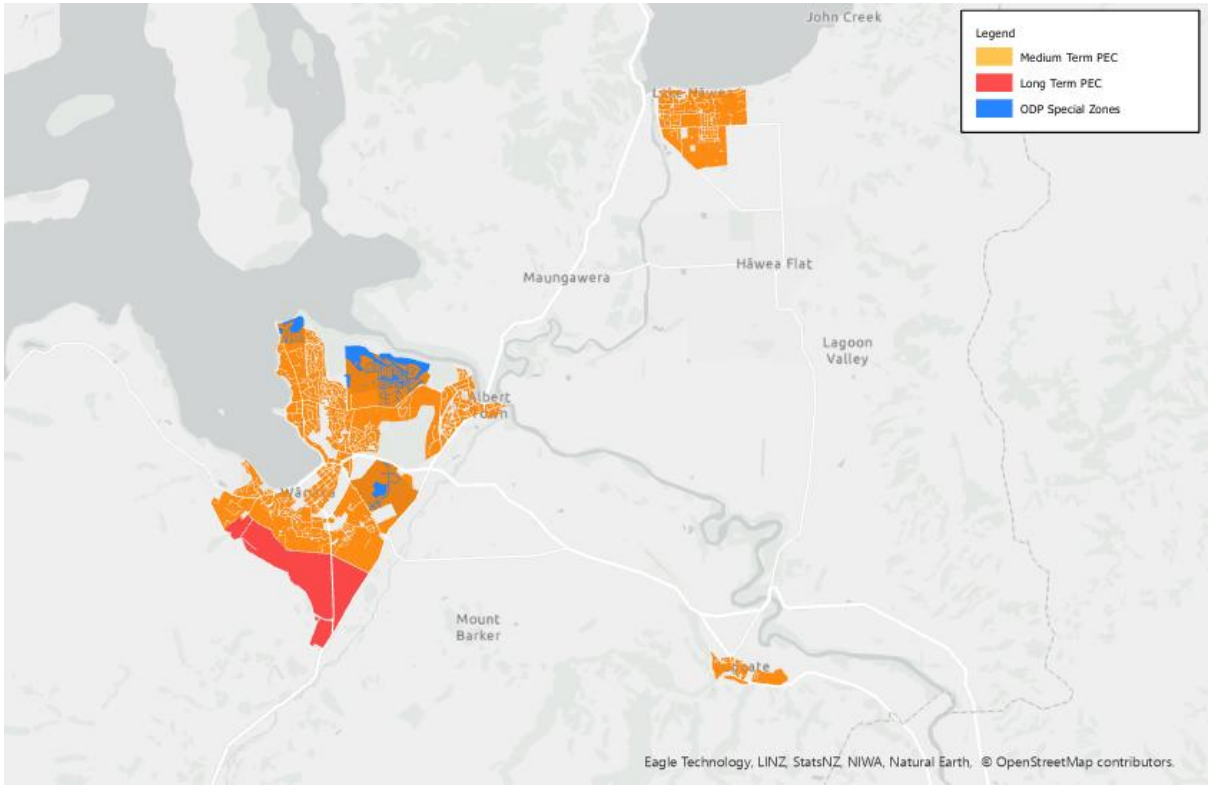


Figure 2-17 – Long-Term Urban Zones: UIV, ODP Special Zones and Spatial Plan Growth Areas: Whakatipu Ward and Cardrona

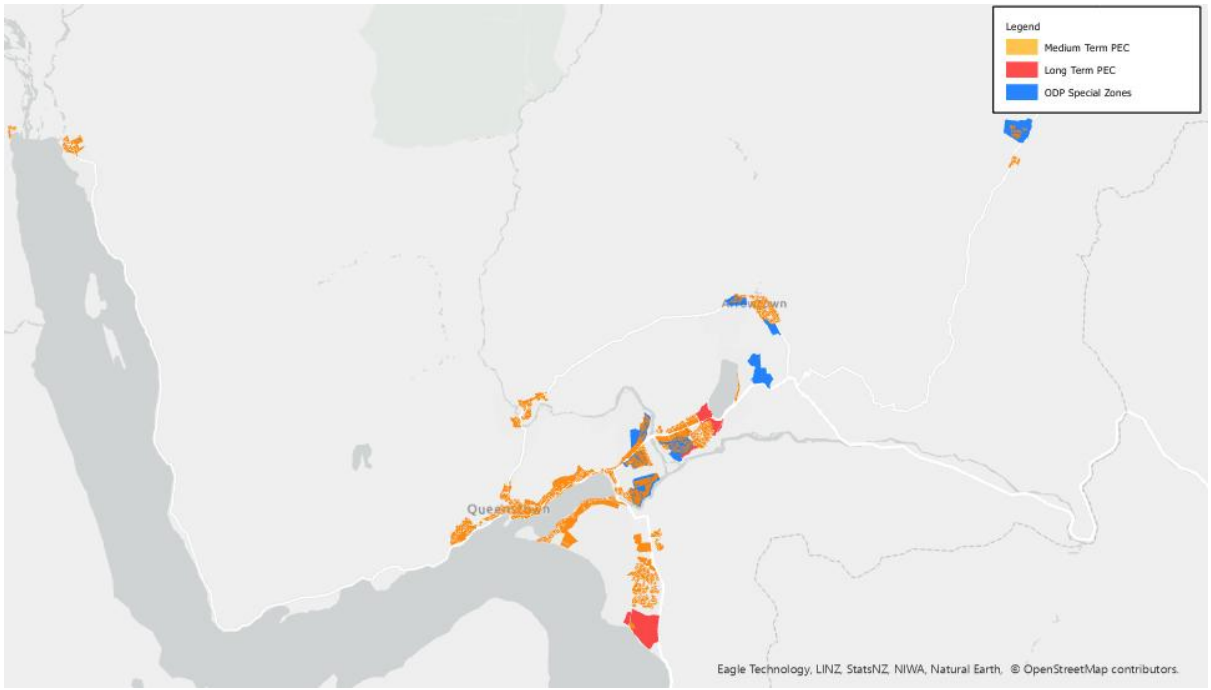
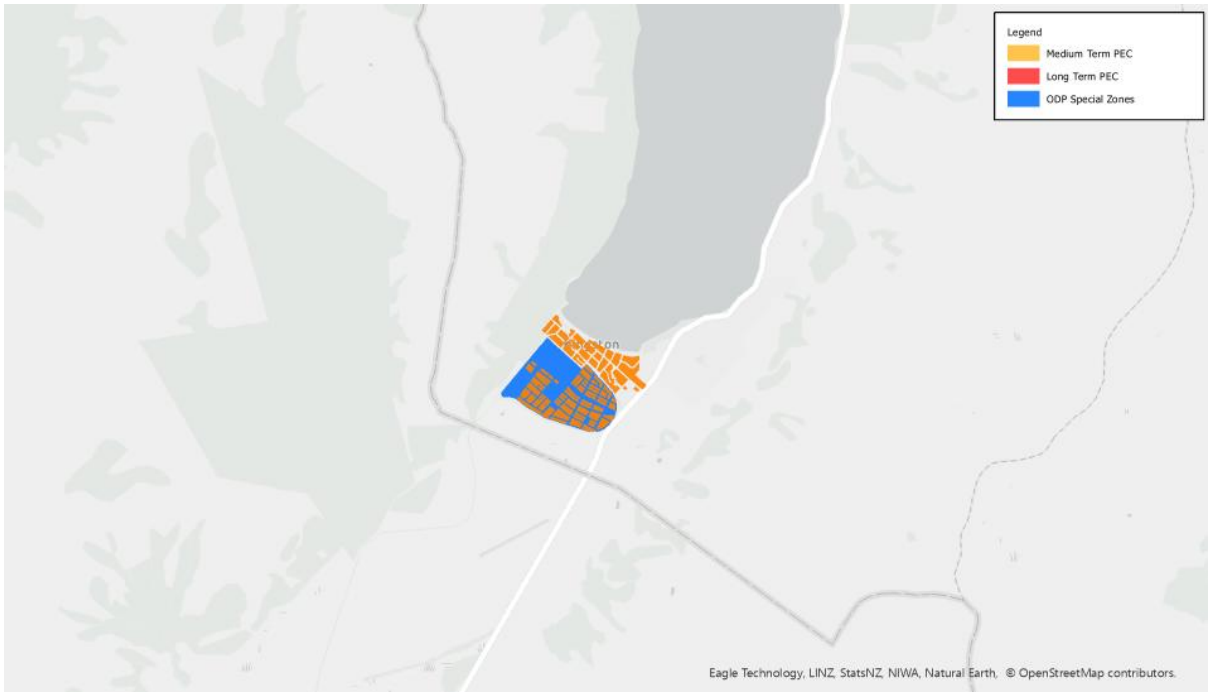


Figure 2-18 – Long- Term Urban Zones: UIV, ODP Special Zones and Spatial Plan Growth Areas: Kingston



In the Whakatipu Ward, sizeable areas of future urban expansion are added in the long-term by the Spatial Plan in the southern part of the Te Tapuae Southern Corridor and further expansion at the eastern and southern edges of the Eastern Corridor as shown above. The Te Tapuae Southern Corridor Structure Plan has recently been adopted by Council and whilst still to undergo a planning process to live-zone the area, it is likely to provide for a mixture of dwelling densities and local commercial centres to support the additional 7,000 dwellings proposed by the structure plan.

There are significant areas for long-term future urban expansion around the southern part of Wānaka. These are relatively sizeable in comparison to the existing urban area. They cover the existing lifestyle property zoned area and have a future lower density suburban-scale residential development opportunity.

2.2.4 Future Growth Strategic Direction of QLD

The 2021 Queenstown Lakes Spatial Plan sets a long-term vision to guide growth across the district through to 2050. Developed under the Whaiora Grow Well Partnership (QLDC, Kāi Tahu, central government, and ORC), the plan responds to challenges like housing affordability, infrastructure pressure, climate change, and tourism impacts. It promotes a consolidated growth model, focusing development within and around existing urban areas to reduce sprawl, support public transport, and protect the natural environment. The plan aims to deliver well-designed, resilient communities with diverse housing, sustainable transport, and a thriving economy.

Central to the plan are six Priority Development Areas, identified as key locations for enabling medium to high-density, well-functioning neighbourhoods:

Future Structure Plans

1. Queenstown Town Centre to Frankton Corridor – aims to improve connectivity, intensify housing, and support mixed-use development along a key transport spine.
2. Five Mile Urban Corridor – focuses on expanding commercial and residential capacity in a growing hub with strong transport links.
3. Southern Wānaka – A new urban neighbourhood of potentially 5,000 additional houses, supported by infrastructure upgrades to enable new housing and community development.
4. Wānaka Town Centre to Three Parks Corridor – aims to consolidate growth, improve transport, and support mixed-use development

Completed:

1. Te Pūtahi Ladies Mile – A new urban neighbourhood to integrate with Lake Hayes Estate and the Shotover Country to deliver an additional 1,700 – 2,400 dwellings, a second high school for the ward, alongside integrated transport, infrastructure, and community facilities.
2. Te Tapuae Southern Transit Corridor – Once zoned is anticipated to deliver up to an additional 7,000 homes. It will deliver new schools, parks, town centres, and transport upgrades, including potential gondola and bridge connections.

Each PDA is intended to unlock growth potential while ensuring infrastructure, transport, and environmental considerations are addressed. Together, they form the backbone of a more sustainable, resilient, and inclusive future for the Queenstown Lakes District.

2.3 Stakeholder Engagement

Under clause 3.21 of the NPS-UD, preparation of an HBA must seek and include information and comment from the development sector, providers of development and additional infrastructure and anyone else who has information that may materially affect the calculation of development capacity.

The timing of this 2025 HBA closely follows or aligns with the extensive public consultation, submissions and hearing processes for a number of significant planning decisions in the district. These include the UIV (with the hearings process currently underway, the recent hearings process for the TPLM (late 2023 to 2024), and planning for the Southern Corridor future urban growth patterns. M.E have been directly involved with these processes and therefore have knowledge of the feedback provided through submissions and other engagement/consultation.

Stakeholder engagement was undertaken in May 2023 to help inform the QLDC HBA Growth Model, this included a number of housing and business developers, community organisations and infrastructure providers. A summary of the discussions:

- Three Waters Infrastructure Misalignment: Growth is constrained by delays in infrastructure delivery, particularly for water and wastewater. Providers are ready to invest but need certainty, coordination, and early engagement.

- Consenting Delays & Complexity: Developers report significant delays in resource consents, engineering approvals, and 224c processes. These delays increase holding costs and reduce feasibility, especially for affordable and higher-density housing.
- Affordability & Feasibility Challenges: High land and construction costs, interest rates, and limited margins make affordable housing delivery difficult. KiwiBuild and Build to Rent models are seen as unviable without incentives or policy reform.
- Support for Density & Mixed Typologies: There is growing market acceptance of smaller lots, attached housing, and apartments. Stakeholders support increased density, especially near transport and amenities, but call for planning rules to enable this.
- Inclusionary Zoning: Developers support inclusionary housing in principle but stress the need for incentives such as upzoning, DC offsets, or streamlined processes. Mandatory land provision is seen as a barrier to small-scale development.
- Labour & Seasonal Constraints: Labour shortages and seasonal limitations (e.g. earthworks in winter) affect construction timelines and costs. Worker accommodation is needed but constrained by land availability and planning rules.
- Power, Telecom & Gas Infrastructure Needs: All providers seek improved planning alignment and early visibility of growth. Electricity providers are planning major upgrades but face ONL constraints.
- Community Impacts: Housing shortages are affecting workforce retention, business viability, and social wellbeing. Stakeholders call for more proactive Council leadership, better coordination, and targeted investment.

In addition to the above, QLDC have provided updated information held on the capacities and development status of the ODP Special Zones and PDP Special Purpose Zone areas located within the urban environment. This includes developer information on dwelling yields and development patterns and intended sizes and activities in commercial centres within these areas.

Part 1 – Housing Market Assessment

3 Current Housing Demand

This section examines the current level of housing demand across Queenstown Lakes District. It firstly considers the structure and components of demand within the local market, arising from resident households and visitors, and the occupancy status of dwellings. It then examines the existing patterns of dwelling demand among resident households, which have an important influence on the patterns of future projected demand examined in Section 5.

3.1 Current Structure of Dwelling Demand

It is critical to understand the structure of demand for dwellings in Queenstown Lakes District. This refers to the portions of total dwelling demand from different drivers of demand, including households and visitors, as well as vacant dwellings. Different types of activity and economic conditions within the local market have important influences on the total demand for dwellings.

This section summarises the structure of the district's dwelling demand in relation to the main drivers of demand. It is followed by a more detailed analysis of resident household demand, the main driver of demand, in Section 3.2.

Total Dwelling Demand

An analysis of the current structure of dwelling demand within QLDC's Ratings Database[15] is summarised in Table 3-1 below. It shows the total estimated dwellings by location across the district, identifying the portions typically used to accommodate resident households vs. holiday dwellings. The dwellings are shown for each reporting area used in the capacity assessment, as well as the balance of dwellings shown in other parts of each ward outside these areas[16].

[15] The Ratings Database information was extracted by QLDC in December 2024. It was provided to as an input to the QLDC Growth Model to form the baseline structure for dwelling demand projections and to M.E Ltd for the analysis of the district's existing dwelling estate. Refer to Appendix 1.

[16] Dwellings outside of the urban environment (as covered by the capacity assessment) are included in 'Other – Wānaka' and 'Other Whakatipu' areas. A minor portion of the dwellings listed within some reporting areas may also occur outside of the urban environment where they were associated with SA1s that covered both the defined urban environment and adjacent non-urban areas.

Table 3-1 – Estimated Dwellings by Location and Component of Demand, December 2024

Reporting Area	Estimated Dwellings			Share of District Estimated Dwellings			Share of Reporting Area Dwellings		
	Resident Dwellings	Holiday Dwellings	Total Dwellings	Resident Dwellings	Holiday Dwellings	Total Dwellings	Resident Dwellings	Holiday Dwellings	Total Dwellings
Wanaka	5,800	1,700	**7,500**	28%	38%	**30%**	77%	23%	**100%**
Luggate	200	-	**300**	1%	0%	**1%**	92%	8%	**100%**
Lake Hawea	900	200	**1,100**	4%	4%	**4%**	84%	16%	**100%**
Cardrona	400	100	**400**	2%	2%	**2%**	82%	18%	**100%**
Other - Wanaka	400	-	**400**	2%	1%	**2%**	89%	11%	**100%**
Wanaka Ward Total	***7,700***	***2,000***	***9,800***	***37%***	***45%***	***38%***	***79%***	***21%***	***100%***
Arrowtown	1,300	300	**1,600**	6%	8%	**6%**	79%	21%	**100%**
Arthurs Point	500	100	**600**	2%	2%	**2%**	83%	17%	**100%**
Queenstown	2,700	600	**3,400**	13%	14%	**13%**	82%	18%	**100%**
Frankton	2,800	500	**3,300**	13%	12%	**13%**	84%	16%	**100%**
Shotover Ladies Mile	2,200	100	**2,200**	10%	2%	**9%**	97%	3%	**100%**
Lake Hayes	200	100	**300**	1%	2%	**1%**	74%	26%	**100%**
Kelvin Heights	600	100	**700**	3%	2%	**3%**	88%	12%	**100%**
Jacks Point	1,500	200	**1,800**	7%	5%	**7%**	87%	13%	**100%**
Kingston	200	100	**300**	1%	2%	**1%**	76%	24%	**100%**
Other - Whakatipu	1,200	300	**1,500**	6%	7%	**6%**	78%	22%	**100%**
Whakatipu Ward Total	***13,200***	***2,500***	***15,700***	***63%***	***55%***	***62%***	***84%***	***16%***	***100%***
TOTAL	**20,900**	**4,500**	**25,400**	**100%**	**100%**	**100%**	**82%**	**18%**	**100%**

Source: QLDC Dwelling Demand Projections (March 2025) and M.E QLD Dwelling Demand Model, 2025.

Table 3-1 shows there are an estimated 25,400 dwellings within the district. Nearly all (92%) of these occur within the district's urban areas, with nearly two-thirds (62%) in the Whakatipu Ward and 38% in the Wānaka Ward. These are an estimate of the total principal dwellings, with a significant portion (11% of urban-scale detached dwellings) also containing minor residential flats.

Resident households are the largest driver of demand, with 82% of the dwelling stock typically used for resident households. Overall, resident households generate demand for 20,900 dwellings[17][18]. These are similarly distributed between the Whakatipu and Wānaka Wards to total dwellings. Resident households include owner and non-owner households (rental market), which are examined further in Section 3.2 below.

While demand for dwellings is driven primarily by resident households, there is a strong component of demand for dwellings arising from visitors to the district. These include holiday dwellings owned and temporarily by households residing elsewhere (during their visit to the district) as well as dwellings made available for occupation by other non-owner visitors to the district.

Table 3-1 estimates that nearly one-fifth (18%; 4,500 dwellings) of dwellings are generally used as holiday dwellings[19]. These are distributed more evenly across the wards, with Wānaka containing nearly half (45%; 2,000 dwellings) of the holiday houses, which is above its share of dwellings overall. Within the Wānaka Ward, these dwellings are concentrated into the main Wānaka urban area, containing 84% of the ward's holiday dwellings. The impact of visitor activity on dwelling demand in the district is examined further below.

[17] It is noted that some of these dwellings may also meet demand for visitor households when residents are away. However, their predominant use is to accommodate resident households.

[18] The Ratings Database estimate of dwellings for resident households has been applied in this assessment for the baseline market situation. Further information on the relationship to Statistics New Zealand 2023 Census households is contained in Appendix 1.

[19] The share of dwellings used as holiday dwellings was estimated within the March 2025 projections provided by QLDC. M.E Ltd further verified this through our analysis of the QLDC Ratings Database information.

Dwelling Occupancy

Further analysis on the structure of the district's dwelling demand is contained in Table 3-2 below. It shows the shares of the dwelling estate that were occupied and unoccupied within each Ward on each Census night. While these components are factored into the total dwelling demand above, levels of occupancy are also relevant for estimating the level of demand for consumer demand-driven commercial activity arising across the district

Table 3-2 – Dwellings by Occupancy Status: 2013, 2018 and 2023

Census and Area	SNZ Dwellings						
	Occupied	Unoccupied			Total Existing Dwellings	Dwellings Under Construction	Total Existing plus Under Construction
		Residents Away	Empty	Total Unoccupied			
2013 Census							
Wanaka Ward	3,852						
Whakatipu Ward	7,215						
Total District	**11,508**						
Total New Zealand	**1,570,695**						
2018 Census							
Wanaka Ward	5,160	732	1,746	2,481	7,641	186	**7,827**
Whakatipu Ward	8,547	1,524	1,476	2,988	11,535	519	**12,054**
Total District	**14,061**	**2,340**	**3,291**	**5,631**	**19,692**	**711**	**20,403**
Total New Zealand	**1,673,877**	**98,670**	**97,842**	**196,509**	**1,870,386**	**16,122**	**1,886,508**
2023 Census							
Wanaka Ward	6,729	1,191	1,617	2,808	9,537	285	**9,822**
Whakatipu Ward	10,815	2,181	1,896	4,071	14,886	537	**15,423**
Total District	**17,835**	**3,474**	**3,603**	**7,077**	**24,912**	**828**	**25,740**
Total New Zealand	**1,804,101**	**113,505**	**111,663**	**225,168**	**2,029,269**	**27,306**	**2,056,575**
Share of Existing Dwellings							
2018 Census							
Wanaka Ward	68%	10%	23%	32%	100%		
Whakatipu Ward	74%	13%	13%	26%	100%		
Total District	**71%**	**12%**	**17%**	**29%**	**100%**		
Total New Zealand	**89%**	**5%**	**5%**	**11%**	**100%**		
2023 Census							
Wanaka Ward	71%	12%	17%	29%	100%		
Whakatipu Ward	73%	15%	13%	27%	100%		
Total District	**72%**	**14%**	**14%**	**28%**	**100%**		
Total New Zealand	**89%**	**6%**	**6%**	**11%**	**100%**		

Source: Statistics New Zealand, Census of Population and Dwellings (2013, 2018, 2023).

Table 3-2 shows that a high share of the district's dwellings are usually unoccupied. Over the past two censuses, between one-quarter and one-third (28%-29%) of the district's dwellings were unoccupied. This is large in comparison to New Zealand overall where only 11% of dwellings were unoccupied. Around half of the unoccupied dwellings were due to residents being away (with dwellings usually occupied by resident households), with the remainder as empty dwellings.

There is a complex relationship between dwelling occupancy status and type of dwelling demand (resident vs. non-resident demand). Occupied dwellings are predominantly occupied by resident households, with a smaller, albeit significant, portion occupied by visitors. Unoccupied dwellings with residents away are typically occupied by resident households, with some available to visitor households for a minor share of time. Other holiday homes (visitor dwellings) are contained in the unoccupied empty dwellings, with a share of these commercially supplied to meet visitor demand.

Visitor Demand

The Queenstown Lakes District has a high amount of visitor activity as a significant destination of both domestic and international tourists. It also forms the main access point and urban centre proximate to other surrounding areas[20] that attract a significant share of tourism. The sizeable role of tourism is reflected in the high share of commercial activity it sustains in some of the district's main commercial centres[21].

Visitor activity in the district has a sizeable influence on the district's dwelling demand, and availability of dwellings to meet resident demand. It increases the total demand for dwellings where a share of visitors are accommodated within residential dwellings. Some of this demand is met through visitors being accommodated within dwellings that are usually occupied by resident households (including accommodating visits by friends and family). This has only limited impact on the total dwelling demand as these dwellings remain available for resident households. However, visitors also generate demand for further dwellings that are not typically available for resident households within the district. Table 3-1 shows that around 18% of the district's dwellings are currently used as holiday dwellings.

Demand for additional dwellings generated by visitors include dwellings used primarily to accommodate visitors to the district. A share of these dwellings are secondary dwellings owned by households that live outside the district, or within other parts of the district, and used as holiday dwellings. Another share include holiday dwellings generally offered to the market on a commercial basis to accommodate non-owner visitors to the district. An area of overlap exists between these parts of the market where holiday dwellings may be offered on a commercial basis for a minor share of their use. Visitors are also accommodated through 'homestays' where individual rooms in occupied dwellings are rented to visitors. Homestays do not impact the availability of housing for residents, and provide a source of income for home owners / occupants. The PDP enables residential flats to be used as homestays when the associated residential unit is occupied.

The use of dwellings for visitor accommodation impacts the availability of dwellings to accommodate resident households in the district. The largest impact occurs for households in the rental market[22] where there are differences in returns to property investors between offering dwellings for supply in the rental vs. the visitor accommodation market. Supply of dwellings for commercial visitor accommodation forms a

[20] These include the Southland and Fiordland Districts and parts of Central Otago District. It also forms a main connection to the southern end of the West Coast highway route.

[21] Section 3.2.1 of M.E's Te Tapuae/Southern Corridor Commercial Area Roles and Future Needs Analysis (August 2024) shows the share of visits by origin to the district's main commercial centres based on M.E's Visits Data Product (VDP) customised GIS dataset (YE June 2021). Domestic tourist accounted for over half of the visits to Queenstown's Town Centre. If international visitors were included, then the share of visits from tourists would be significantly higher.

[22] There is also likely to be some impact for the ownership-occupier market where dwellings are instead purchased for supply as commercial accommodation, making them unavailable for resident households.

more attractive option[23] for a portion of the market, making the dwellings that would otherwise have been rented to long term tenants unavailable for resident households.

3.2 Current Resident Household Dwelling Demand

Resident households form the largest component of dwelling demand in Queenstown Lakes District, accounting for over four fifths of the demand for dwellings. This section provides updated information from the 2023 Census[24] on the structure of resident household demand in Queenstown Lakes District. It summarises core information on household characteristics that drive demand for different types of dwellings and ownership patterns. It then examines the resulting patterns of dwelling demand by ownership status across the district in comparison to the national picture.

Resident Households by Household Composition and Income

The structure of the district's resident households by household type and income band are shown in Table 3-3. The upper portion of the table shows the number of households within each type and income combination, with the middle section showing the share of the district's households within each of these combinations. The lower portion of the table shows the relative concentration of households within each combination, with values greater than one indicating a concentration of households into the income band or household type.

Over half (55%) of the district's households are one to two person households. There are important differences within these groups, with one-person households concentrated into the lower income brackets, while couple households are concentrated into the mid-to upper income bands.

Family households account for most of the remainder of households (37%), with non-family households[25] accounting for 7.5% of households. Two parent family households have a higher income profile, with one parent families over-represented in the lower to mid income bands.

The district's household type structure differs to that nationally. It contains a greater share of couple households (39% compared to 29% nationally), and a smaller share of family households (37% compared to 43% nationally) and one person households (17% compared to 22% nationally).

Nearly two-thirds (64%) of the district's households have total annual incomes of $100,000 or greater. Household incomes are on average higher than nationally, where just under half (49%) of households are

[23] The average per night revenue achieved from a dwelling is often higher within the commercial visitor accommodation market than within the rental market. However, this may be coupled with lower average occupancy rates and further higher risk through having a greater number of individual occupants. Property owners balance these components to offer dwellings to different parts of the market.

[24] M.E's Queenstown Lakes District Dwelling Demand Model applies customised data from the 2023 Census to estimate the structure of the 2024 resident household base.

[25] Non-family households include households where the residents are not related by birth, marriage, adoption and do not form a couple. Flatting households are included in this category.

within the $100,000 or greater income bands. The district's median household income of $125,600, as at the 2023 Census, was 29% higher than the national median of $97,000.

Table 3-3 – Queenstown Lakes District Resident Households by Household Type and Income Band

	Queenstown-Lakes District Household Composition by Income 2024							
Household Type	<$30,000	$30-50,000	$50-70,000	$70-100,000	$100-150,000	$150-200,000	$200,000+	**Total**
One Person household	870	690	620	550	210	180	100	**3,220**
Couple household	210	550	530	1,140	1,860	1,630	1,550	**7,470**
2 Parents 1-2 children	50	70	170	580	1,390	1,230	1,430	**4,920**
2 Parents 3+ children	-	-	20	80	230	200	270	**800**
1 Parent Family	70	140	140	200	140	130	60	**880**
Multi-family household	-	-	-	-	100	80	410	**590**
Non-family household	10	30	90	230	370	320	390	**1,440**
Total Households	**1,210**	**1,480**	**1,570**	**2,780**	**4,300**	**3,770**	**4,210**	**19,320**
One Person household	4.5%	3.6%	3.2%	2.8%	1.1%	0.9%	0.5%	**16.7%**
Couple household	1.1%	2.8%	2.7%	5.9%	9.6%	8.4%	8.0%	**38.7%**
2 Parents 1-2 children	0.3%	0.4%	0.9%	3.0%	7.2%	6.4%	7.4%	**25.5%**
2 Parents 3+ children	0.0%	0.0%	0.1%	0.4%	1.2%	1.0%	1.4%	**4.1%**
1 Parent Family	0.4%	0.7%	0.7%	1.0%	0.7%	0.7%	0.3%	**4.6%**
Multi-family household	0.0%	0.0%	0.0%	0.0%	0.5%	0.4%	2.1%	**3.1%**
Non-family household	0.1%	0.2%	0.5%	1.2%	1.9%	1.7%	2.0%	**7.5%**
Total Households	**6.3%**	**7.7%**	**8.1%**	**14.4%**	**22.3%**	**19.5%**	**21.8%**	**100.0%**
Relative Concentration into Income Bands								
One Person household	**4.31**	**2.80**	**2.37**	**1.19**	0.29	0.29	0.14	
Couple household	0.45	0.96	0.87	**1.06**	**1.12**	**1.12**	0.95	
2 Parents 1-2 children	0.16	0.19	0.43	0.82	**1.27**	**1.28**	**1.33**	
2 Parents 3+ children	-	-	0.31	0.69	**1.29**	**1.28**	**1.55**	
1 Parent Family	**1.27**	**2.08**	**1.96**	**1.58**	0.71	0.76	0.31	
Multi-family household	-	-	-	-	0.76	0.69	**3.19**	
Non-family household	0.11	0.27	0.77	**1.11**	**1.15**	**1.14**	**1.24**	

M.E Queenstown Lakes District Dwelling Demand Model, 2025.

Resident Households by Dwelling Type and Tenure

The structure of households by their characteristics translate into important differences in the patterns of demand for different types of dwellings and their tenure. The distribution of households by dwelling type and tenure are shown below by household income band (Table 3-4) and by household type (Table 3-5 and Figure 3-1).

Table 3-4 shows that nearly two-thirds of occupied dwellings are owner occupied, with higher concentrations of lower income band households in the dwelling ownership market[26], along with households in the highest income bracket. These households are also concentrated into detached dwellings. Households in the middle income brackets are more concentrated into non-occupier owned dwellings, with a higher representation in attached dwellings. This differs somewhat to the national picture

[26] This may include households that are retired.

where rates of home ownership instead increase with household income, with mid to higher income households over-represented in detached dwellings.

Table 3-4 – Dwelling Type and Tenure by Household Income Bracket

Queenstown-Lakes District Dwelling Tenure and Typology by Income 2024									
Household Income	Owned or Trust			Not Owned[1]			Total		
	Detached	Attached	**Total**	Detached	Attached	**Total**	Detached	Attached	**Total**
<$30,000	800	60	**860**	240	100	**340**	1,040	160	**1,200**
$30-50,000	940	90	**1,030**	310	140	**450**	1,250	230	**1,480**
$50-70,000	880	70	**950**	370	240	**610**	1,250	310	**1,560**
$70-100,000	1,480	120	**1,600**	570	610	**1,180**	2,050	730	**2,780**
$100-150,000	2,300	340	**2,640**	920	740	**1,660**	3,220	1,080	**4,300**
$150-200,000	2,030	270	**2,300**	810	650	**1,460**	2,840	920	**3,760**
$200,000+	2,750	200	**2,950**	870	390	**1,260**	3,620	590	**4,210**
Total Households	**11,180**	**1,150**	**12,330**	**4,090**	**2,870**	**6,960**	**15,270**	**4,020**	**19,290**
<$30,000	4%	0%	**4%**	1%	1%	**2%**	5%	1%	**6%**
$30-50,000	5%	0%	**5%**	2%	1%	**2%**	6%	1%	**8%**
$50-70,000	5%	0%	**5%**	2%	1%	**3%**	6%	2%	**8%**
$70-100,000	8%	1%	**8%**	3%	3%	**6%**	11%	4%	**14%**
$100-150,000	12%	2%	**14%**	5%	4%	**9%**	17%	6%	**22%**
$150-200,000	11%	1%	**12%**	4%	3%	**8%**	15%	5%	**19%**
$200,000+	14%	1%	**15%**	5%	2%	**7%**	19%	3%	**22%**
Total Households	**58%**	**6%**	**64%**	**21%**	**15%**	**36%**	**79%**	**21%**	**100%**
Relative Concentration of Tenure and Income									
<$30,000	**1.15**	0.84	**1.12**	0.94	0.56	0.79	**1.09**	0.64	
$30-50,000	**1.10**	**1.02**	**1.09**	**0.99**	0.64	0.84	**1.07**	0.75	
$50-70,000	0.97	0.75	0.95	**1.12**	**1.03**	**1.08**	**1.01**	0.95	
$70-100,000	0.92	0.72	0.90	0.97	**1.47**	**1.18**	0.93	**1.26**	
$100-150,000	0.92	**1.33**	0.96	**1.01**	**1.16**	**1.07**	0.95	**1.21**	
$150-200,000	0.93	**1.20**	0.96	**1.02**	**1.16**	**1.08**	0.95	**1.17**	
$200,000+	**1.13**	0.80	**1.10**	0.97	0.62	0.83	**1.09**	0.67	

1 Not Owned includes NEI *M.E Queenstown Lakes District Dwelling Demand Model, 2025.*

Table 3-5 and Figure 3-1 show that home ownership rates are higher among two parent families, with nearly three-quarters of these households occupying dwellings they own. Overall, these households are also concentrated into detached dwellings. In contrast, home ownership rates are lowest among single parent, multi-family and non-family households, with less than half of the households occupying dwellings they own.

Table 3-5 – Dwelling Type and Tenure by Household Type

Queenstown-Lakes District Dwelling Tenure and Typology by Income 2024									
Household Type	Owned or Trust			Not Owned[1]			Total		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
One Person household	1,900	290	**2,100**	540	520	**1,100**	2,400	820	**3,200**
Couple household	4,600	460	**5,000**	1,100	1,300	**2,400**	5,700	1,700	**7,500**
2 Parents 1-2 children	3,200	320	**3,500**	960	410	**1,400**	4,200	730	**4,900**
2 Parents 3+ children	570	20	**590**	180	30	**210**	750	50	**800**
1 Parent Family	420	10	**430**	390	60	**450**	800	70	**880**
Multi-family household	270	20	**290**	200	100	**300**	470	130	**590**
Non-family household	270	30	**300**	690	440	**1,100**	970	470	**1,400**
Total Households	**11,200**	**1,100**	**12,300**	**4,100**	**2,900**	**7,000**	**15,300**	**4,000**	**19,300**
One Person household	10%	2%	11%	3%	3%	6%	12%	4%	17%
Couple household	24%	2%	26%	6%	7%	13%	30%	9%	39%
2 Parents 1-2 children	17%	2%	18%	5%	2%	7%	22%	4%	25%
2 Parents 3+ children	3%	0%	3%	1%	0%	1%	4%	0%	4%
1 Parent Family	2%	0%	2%	2%	0%	2%	4%	0%	5%
Multi-family household	1%	0%	2%	1%	1%	2%	2%	1%	3%
Non-family household	1%	0%	2%	4%	2%	6%	5%	2%	7%
Total Households	**58%**	**6%**	**64%**	**21%**	**15%**	**36%**	**79%**	**21%**	**100%**
Relative Concentration of Tenure and Household Type									
One Person household	0.99	**1.53**	**1.05**	0.79	**1.10**	0.92	0.94	**1.22**	
Couple household	**1.06**	**1.03**	**1.06**	0.72	**1.16**	0.90	0.97	**1.12**	
2 Parents 1-2 children	**1.13**	**1.09**	**1.13**	0.92	0.57	0.77	**1.07**	0.72	
2 Parents 3+ children	**1.22**	0.44	**1.15**	**1.06**	0.27	0.73	**1.18**	0.32	
1 Parent Family	0.82	0.19	0.76	**2.08**	0.49	**1.43**	**1.16**	0.41	
Multi-family household	0.77	0.68	0.76	**1.60**	**1.16**	**1.42**	0.99	**1.02**	
Non-family household	0.33	0.29	0.32	**2.28**	**2.08**	**2.20**	0.85	**1.57**	

1 Not Owned includes NEI

M.E Queenstown Lakes District Dwelling Demand Model, 2025.

Figure 3-1 – Dwelling Tenure by Household Type: Queenstown Lakes District

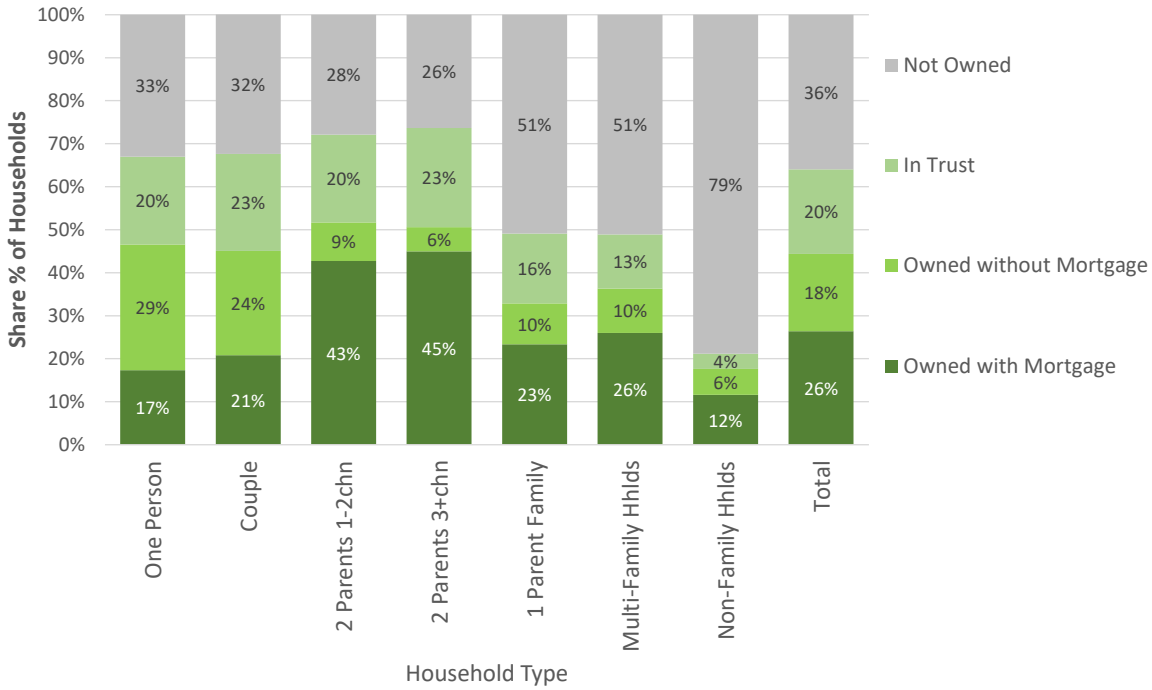
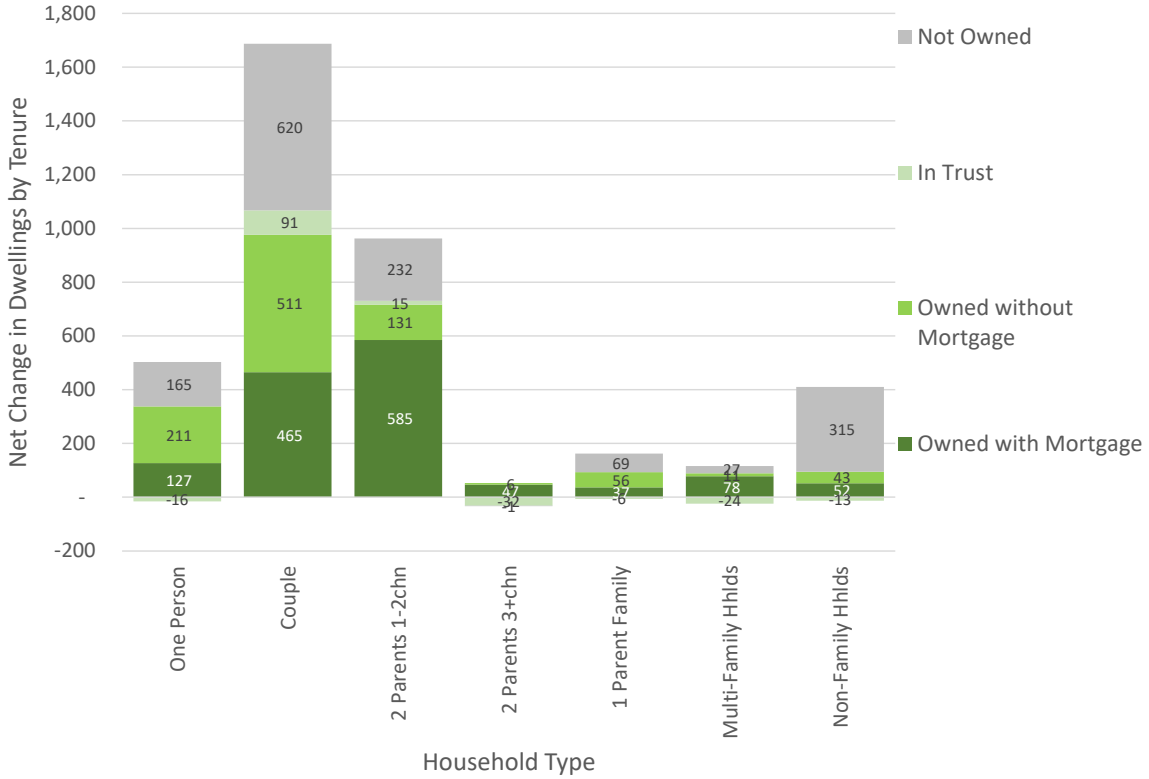


Figure 3-2 shows the changes in households within the district by dwelling type and tenure between the last two censuses. Couples have accounted for the largest growth in the number of resident households, with nearly two thirds of growth in this category occurring within the home ownership market. Approximately one-third of the growth in household numbers occurred as family households, with higher rates of home ownership within the 2 parent and multi-family households.

Figure 3-2 – Change in Dwelling Demand by Tenure and Household Type: Queenstown Lakes District 2018-2023



There are differences in the structure of dwelling types between the rental and home ownership markets, which are summarised in Table 3-6 below. The home ownership market has a greater focus on detached dwellings, which account for nearly all (91%) of dwellings occupied by households in this market. Nearly three-quarters (73%) of the district's resident households that occupy detached dwellings are in the home ownership market.

In contrast, most (71%) of the attached dwellings occupied by resident households are in the rental market. The shares are highest for apartment dwellings (indicated by 4+ storey dwellings), where only 9% that are occupied by resident households own the dwellings. Within the portion of the rental market occupied by resident households, dwelling types are more evenly distributed across detached vs. attached dwellings. Most of the attached dwellings rented to resident households are between 1 and 3 storeys.

Importantly, as set out in the previous section, there are other sizeable components of demand within the district's rental market, which compete for supply with resident households. A comparison of the total numbers of attached dwellings occupied by resident households, with the district's total estimated

attached dwellings (from the Ratings Database), indicates that non-resident rental demand has a similar dwelling type profile to rental households, but with a higher share of apartments occupied by non-resident households.

Table 3-6 – Queenstown Lakes District Resident Households by Dwelling Tenure and Typology

Queenstown-Lakes District Dwelling Tenure and Typology 2024							
	Detached	Attached					**Total**
Dwelling Tenure 2023	Separate House	Joined 1 Storey	Joined 2-3 Storey	Joined 4+ Storey	**Total Attached**	Other Dwelling	**Total Dwellings**
	Households by Tenure and Dwelling Type						
Owned with mortgage	4,400	230	420	20	*670*	-	**5,100**
Owned without mortgage	3,200	80	180	-	*260*	-	**3,500**
Owned by Trust	3,600	70	150	-	*220*	-	**3,800**
Total Owned or in Trust	***11,200***	***390***	***740***	***20***	***1,100***	**-**	***12,300***
Not owned	4,100	1,200	1,500	160	*2,900*	-	**7,000**
Total Housing	**15,300**	**1,600**	**2,300**	**180**	***4,000***	**-**	**19,300**
	Share of Tenure by Dwelling Type						
Share Owned	73%	24%	33%	9%	*29%*	0%	**64%**
Share Not Owned	27%	75%	67%	89%	*71%*	0%	**36%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**0%**	**100%**
	Share of Dwelling Type by Tenure						
Ownership	91%	3%	6%	0%	*9%*	0%	**100%**
Non-Ownership	59%	17%	22%	2%	*41%*	0%	**100%**
Total	**79%**	**8%**	**12%**	**1%**	**21%**	**0%**	**100%**

M.E Queenstown Lakes District Dwelling Demand Model, 2025.

Dwelling Tenure and Type for Resident Households by Ethnicity and Age

In accordance with the NPS-UD (3.23(2)), the following tables provide a further breakdown of the patterns of dwelling demand by type and tenure for households in different age brackets and by ethnicity[27].

Table 3-7 shows that a high share of the district's households are of European ethnicity. At 84% of resident households, Europeans account for a higher share than households nationally where they account for 70% of households. Correspondingly, the district has smaller shares of households within other ethnic groups than New Zealand overall.

There are sizeable differences in the patterns of dwelling type and tenure between different household ethnicities. European households have higher rates of home ownership and occupation in detached dwellings than other groups, which are over-represented in the rental market and in attached dwellings.

[27] Household ethnicity is estimated by Statistics New Zealand (https://www.stats.govt.nz/methods/producing-family-and-household-data-by-ethnicity-and-maori-descent-in-the-2023-census/#methods_ethnicity). As such, this information is indicative only as many households are likely to contain household members across multiple ethnic groups, as well as many individual household members belonging to multiple ethnic groups.

Table 3-7 – Dwelling Type and Tenure by Ethnicity

Queenstown-Lakes District Dwelling Tenure and Typology by Ethnicity 2024									
	Owned or Trust			Not Owned[1]			Total		
Ethnicity	Detached	Attached	**Total**	Detached	Attached	**Total**	Detached	Attached	**Total**
European	9,610	1,490	**11,100**	3,030	2,120	**5,150**	12,640	3,610	**16,250**
Māori	350	40	**390**	280	210	**490**	630	250	**880**
Pacific	20	-	**20**	10	20	**30**	30	20	**50**
Asian	170	70	**240**	500	540	**1,040**	670	610	**1,280**
Other	100	20	**120**	360	340	**700**	460	360	**820**
Total	**10,250**	**1,620**	**11,870**	**4,180**	**3,230**	**7,410**	**14,430**	**4,850**	**19,280**
European	50%	8%	**58%**	16%	11%	**27%**	66%	19%	**84%**
Māori	2%	0%	**2%**	1%	1%	**3%**	3%	1%	**5%**
Pacific	0%	0%	**0%**	0%	0%	**0%**	0%	0%	**0%**
Asian	1%	0%	**1%**	3%	3%	**5%**	3%	3%	**7%**
Other	1%	0%	**1%**	2%	2%	**4%**	2%	2%	**4%**
Total	**53%**	**8%**	**62%**	**22%**	**17%**	**38%**	**75%**	**25%**	**100%**
Relative Concentration of Tenure by Ethnicity									
European	**1.11**	**1.09**	**1.11**	0.86	0.78	0.82	**1.04**	0.88	
Māori	0.75	0.54	0.72	**1.47**	**1.42**	**1.45**	0.96	**1.13**	
Pacific	0.75	-	0.65	0.92	**2.39**	**1.56**	0.80	**1.59**	
Asian	0.25	0.65	0.30	**1.80**	**2.52**	**2.11**	0.70	**1.89**	
Other	0.23	0.29	0.24	**2.02**	**2.47**	**2.22**	0.75	**1.75**	

1 Not Owned includes NEI *M.E Queenstown Lakes District Dwelling Demand Model, 2025.*

The patterns of dwelling type and tenure by household age are shown in Table 3-8. The district's households are concentrated into the younger to mid age brackets in comparison to the national average. Over half (57%) of households are within the age brackets below 50 years, in comparison to 46% nationally.

There are differences in patterns of dwelling demand by type and tenure between the household age brackets. Younger households are concentrated into the rental market, with over half of the rental market households aged below 40 years. Younger households are also over-represented in attached dwellings, with over half (59%) of resident households in attached dwellings younger than 40 years.

The mid to upper age brackets have a greater focus within the home ownership market, and within detached dwellings. The concentration into these categories increases with household age.

Table 3-8 – Dwelling Type and Tenure by Age Bracket

Queenstown-Lakes District Dwelling Tenure and Typology by Income 2024									
Household Age	Owned or Trust			Not Owned[1]			Total		
	Detached	Attached	**Total**	Detached	Attached	**Total**	Detached	Attached	**Total**
15-29	620	90	**710**	810	790	**1,600**	1,400	880	**2,300**
30-39	1,900	340	**2,200**	1,400	1,200	**2,600**	3,300	1,500	**4,800**
40-49	2,400	270	**2,700**	810	430	**1,200**	3,200	700	**3,900**
50-64	3,300	290	**3,600**	660	320	**980**	4,000	600	**4,600**
65-74	1,800	90	**1,900**	210	110	**320**	2,100	200	**2,300**
75+	1,200	70	**1,200**	160	60	**220**	1,300	130	**1,500**
Total	**11,200**	**1,100**	**12,300**	**4,100**	**2,900**	**7,000**	**15,300**	**4,000**	**19,300**
15-29	3%	0%	**4%**	4%	4%	**8%**	7%	5%	**12%**
30-39	10%	2%	**11%**	7%	6%	**13%**	17%	8%	**25%**
40-49	12%	1%	**14%**	4%	2%	**6%**	17%	4%	**20%**
50-64	17%	1%	**19%**	3%	2%	**5%**	21%	3%	**24%**
65-74	10%	0%	**10%**	1%	1%	**2%**	11%	1%	**12%**
75+	6%	0%	**6%**	1%	0%	**1%**	7%	1%	**8%**
Total	**58%**	**6%**	**64%**	**21%**	**15%**	**36%**	**79%**	**21%**	**100%**
Relative Concentration of Tenure and Age Bracket									
15-29	0.46	0.68	0.48	**1.66**	**2.29**	**1.92**	0.78	**1.83**	
30-39	0.67	**1.19**	0.71	**1.42**	**1.63**	**1.51**	0.87	**1.50**	
40-49	**1.06**	**1.15**	**1.07**	0.98	0.74	0.88	**1.04**	0.86	
50-64	**1.25**	**1.05**	**1.23**	0.68	0.47	0.59	**1.10**	0.63	
65-74	**1.41**	0.69	**1.34**	0.44	0.33	0.39	**1.15**	0.43	
75+	**1.38**	0.83	**1.33**	0.52	0.28	0.42	**1.15**	0.44	

1 Not Owned includes NEI *M.E Queenstown Lakes District Dwelling Demand Model, 2025.*

4 Housing Supply – Current Dwelling Estate and Recent Trends

This section examines the current dwelling supply in Queenstown Lakes District. It analyses the patterns of dwellings by type and location across different parts of the urban environment. It then examines recent trends in additions to the district's dwelling estate through analysis of building consent data. Construction activity provides several important indicators for the housing market. Dwelling consents issued (for new dwellings) is a key indicator of the scale, value and typologies of those additions, as most consents issued do manifest as new dwellings within the following 12-24 months.

4.1 Current Dwelling Estate Supply

4.1.1 Dwelling Type and Location

There are an estimated 25,400 dwellings within Queenstown Lakes District current dwelling estate. These form the total district current housing supply and are occupied by a combination of resident households and visitors (including dwellings that are typically unoccupied that are used as holiday dwellings) as described in Section 3. This section analyses the structure of the total dwellings estimated in the current estate in Table 3-1.

The structure of the current dwelling estate by location (reporting area) and dwelling type is summarised in Table 4-1 below. The distribution of dwellings has been established through analysis of QLDC's Ratings Database, further technical detail on the approach in Appendix 1. There are important differences in the distribution and types of dwellings by location across different parts of the district's urban environment. It is important to understand these existing patterns of supply within the context of assessing the alignment between future patterns of demand and the levels of development opportunity enabled across the district.

Urban scale (i.e. non-lifestyle properties) detached dwellings make up nearly two-thirds (62%) of the district's current dwelling estate. A significant share of these (11%) also contain a residential flat in addition to the principal dwelling. A sizeable share of the properties containing residential flats are located in the relatively newer outer suburban areas (Jacks Point and Shotover) of the Whakatipu Ward, where a significant portion of the currently developed detached dwellings in these areas contain residential flats[28]. Residential flats form additional dwellings to the total estimated principal dwellings, with a portion currently meeting demand within the district's housing market.

Over one-quarter (27%) of the district's dwellings are attached dwellings. Around one-quarter of these are apartments, with most as other types attached dwellings (e.g. attached units, duplexes, terraces,

[28] This is estimated at around 20% of detached dwellings in Shotover Ladies Mile and 31% of detached dwellings in Jacks Point reporting areas. Overall, it is estimated that around 80% of the detached dwellings with residential flats are within the Whakatipu Ward, and around 20% within the Wānaka Ward.

townhouses). Apartments in the district are concentrated in Queenstown, Frankton and Wānaka. These include apartments that are occupied by resident households as well as those used for resident visitor accommodation.

A significant share of the district's dwelling estate are lifestyle dwellings. Together with other dwellings (e.g. farmhouses) in non-urban areas, lifestyle dwellings account for 12% of the total estate. Around half of these dwellings are located in parts of the district away from the urban environment, with up to half occurring within urban reporting areas. There are sizeable numbers of higher value lifestyle properties located around the urban edge in locations[29]. These reflect the significant share of demand for higher value dwellings within the district where households seek larger properties that are within proximity to the amenity offered by the urban environment.

Whakatipu Ward

Table 4-1 shows that the Whakatipu Ward contains 62% of the current dwelling estate, with most (90%) located within the urban environment reporting areas. Within these areas, over half of the dwellings are located within the more central parts of the urban environment, which include the Queenstown, Arthurs Point, and Frankton reporting areas.

Attached dwellings account for a higher share (34%) of the wards dwellings than in the district overall. These are focussed into central parts of the wards urban environment, where they make up higher shares (up to two-thirds) of the dwellings in these areas. Outer suburban areas have a greater share of their dwelling estate as lower density detached dwellings, containing over two-thirds of the wards detached dwellings.

Wānaka Ward

The Wānaka Ward contains over one-third of the district's dwellings, with over three-quarters of these located within the Wānaka reporting area.

The patterns of dwellings within the Wānaka Ward differ to those contained within the Whakatipu Ward. The current dwelling estate is generally less intensive, with a greater share as lower density detached dwellings. Detached dwellings make up around three-quarters (74%) of the ward's dwellings, with most of these located within the Wānaka reporting area, followed by Lake Hāwea. Around 5% of these contain a residential flat.

Correspondingly, a smaller share (14%) of the Wānaka Ward's dwellings are attached. The intensity of these is lower than in the Whakatipu Ward, where a lower portion (16%) are apartments.

[29] These occur across a combination of Large Lot Residential (included in the capacity assessment), resort, rural residential and lifestyle and ODP Special Zones.

Table 4-1 – Current Dwelling Estate: Estimated Dwellings by Type and Location, 2024

Reporting Area	Dwelling Type							
	Detached	Detached with Flat	Detached Total	Attached	Apartments	Total Attached	Lifestyle	Total
Wanaka	5,700	300	***6,000***	1,000	200	***1,200***	300	**7,500**
Luggate	200	-	***200***	-	-	**-**	100	**300**
Lake Hawea	900	-	***1,000***	-	-	**-**	100	**1,100**
Cardrona	-	-	**-**	100	-	***200***	300	**400**
Other - Wanaka	-	-	**-**	-	-	**-**	400	**400**
Wanaka Ward Total	***6,900***	***300***	***7,200***	***1,200***	***200***	***1,400***	***1,200***	***9,800***
Arrowtown	1,300	100	***1,400***	200	-	***200***	-	**1,600**
Arthurs Point	400	-	***400***	-	100	***100***	-	**600**
Queenstown	900	200	***1,100***	1,900	400	***2,300***	-	**3,400**
Frankton	1,200	100	***1,300***	1,100	800	***1,900***	100	**3,300**
Shotover Ladies Mile	1,400	400	***1,800***	100	-	***100***	300	**2,200**
Lake Hayes	100	-	***100***	-	-	**-**	200	**300**
Kelvin Heights	400	-	***400***	200	-	***300***	-	**700**
Jacks Point	1,100	500	***1,600***	200	-	***200***	100	**1,800**
Kingston	300	-	***300***	-	-	**-**	-	**300**
Other - Whakatipu	300	-	***300***	100	-	***100***	1,100	**1,500**
Whakatipu Ward Total	***7,300***	***1,300***	***8,600***	***3,900***	***1,300***	***5,200***	***1,800***	***15,700***
TOTAL	**14,100**	**1,700**	***15,800***	**5,000**	**1,600**	***6,600***	**3,000**	**25,400**

Source: QLDC Dwelling Demand Projections (March 2025) and M.E QLD Dwelling Demand Model, 2025 (using QLDC Ratings Database - extracted December 2024).

4.1.2 Dwelling Value Band Profile

The estimated distribution of the district's current dwelling estate by dwelling value band is shown in Table 4-2, and for each ward in Figure 4-1 (Wānaka Ward) and Figure 4-2 (Whakatipu Ward) below. This reflects the estimated total property value of each dwelling (i.e. land and improvement value)[30] as estimated from the Ratings Database Capital Value information.

Around half of the district's total dwelling estate falls within the dwelling value bands from $1m to $2m, with around one-fifth (20%) within value bands of up to $1m. Together these categories account for 70% of the dwelling estate. Detached dwellings account for the largest share of the district's dwellings within the $1m to $2m value bands, with attached dwellings accounting for three-quarters (76%) of the dwellings in the value bands up to $1m.

A large share (30%) of the district's dwelling estate is in higher value dwellings of over $2m. Around two-thirds of these are urban-scale detached dwellings. Lifestyle properties also account for a significant portion of these dwellings (29%), and are concentrated into the higher value bands within this range, with over 40% with a value greater than $4m.

Attached dwellings have a substantially lower value profile, with over half (60%) in value bands less than $1m. They account for around three-quarters of the district's current dwelling estate that is in value bands of less than $1m. One third of attached dwellings (33%) are in value bands between $1m and $2m, with only 7% of attached dwellings in value bands greater than $2m.

[30] The value is expressed on a per dwelling basis where the total property value is divided by the number of dwellings. The exception are detached dwellings containing flats where the total property value for the principal dwelling and flat combined are attributed to the principal dwelling.

There are important differences in the dwelling value profiles between the Wānaka and Whakatipu wards. These are largely due to differences in the dwelling type mix for urban-scale dwellings that are in value bands of up to $2m. The Whakatipu Ward has a significantly higher share of attached dwellings, which have a lower overall dwelling value profile, with most in dwelling bands of less than $1m. This contributes to a greater share (23%) of the Whakatipu Ward's total dwelling estate in these bands than in the Wānaka Ward (16%).

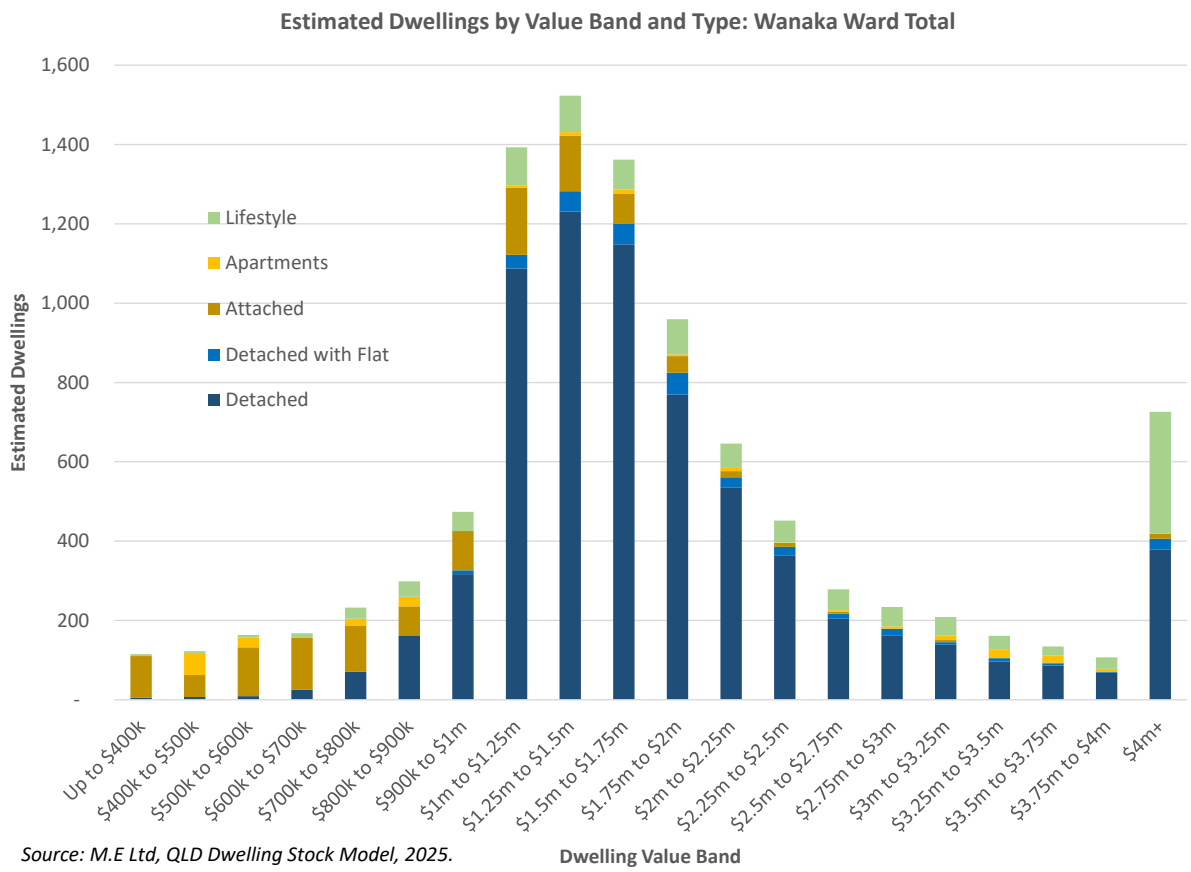
Both wards have a similar share (30%) of their dwelling estates in the higher value bands of over $2m. Urban-scale detached dwellings account for the largest share of dwellings in these bands within each ward, although to a lesser extent in the Whakatipu Ward. Lifestyle properties account for a higher share of these dwellings (32%) in the Whakatipu Ward (compared to 22% in the Wānaka Ward), and within this range are concentrated into the highest dwelling value bands.

Table 4-2 – Estimated Dwelling Value Band Profile by Dwelling Type: District Total

Dwelling Value Band	Dwelling Type							
	Detached	Detached with Flat	Total Detached	Attached	Apartments	Total Attached	Lifestyle	Total
TOTAL	**Estimated Dwellings by Value Band**							
Up to $400k	10	-	***10***	400	200	***600***	-	**600**
$400k to $600k	30	-	***30***	600	300	***900***	20	**1,000**
$600k to $800k	300	-	***300***	800	300	***1,100***	50	**1,400**
$800k to $1m	800	10	***800***	1,100	200	***1,300***	100	**2,200**
$1m to $1.25m	2,000	70	***2,100***	800	200	***1,000***	100	**3,300**
$1.25m to $1.5m	2,800	300	***3,100***	500	90	***600***	100	**3,800**
$1.5m to $1.75m	2,300	600	***2,900***	300	40	***300***	300	**3,500**
$1.75m to $2m	1,500	200	***1,700***	200	30	***200***	200	**2,100**
$2m to $2.5m	1,900	200	***2,100***	200	70	***200***	200	**2,600**
$2.5m to $3m	900	100	***1,000***	50	20	***70***	200	**1,400**
$3m to $4m	900	80	***1,000***	60	70	***100***	500	**1,600**
$4m+	800	70	***800***	40	-	***50***	1,200	**2,100**
Total	**14,100**	**1,700**	***15,800***	**5,000**	**1,600**	***6,600***	**3,000**	**25,400**
	Share of Dwellings within Value Bands							
Share up to $1m	8%	1%	***7%***	58%	64%	***60%***	6%	**20%**
Share $1m to $2m	61%	73%	***62%***	35%	25%	***33%***	22%	**50%**
Share $2m+	32%	26%	***31%***	6%	10%	***7%***	72%	**30%**
Total	**100%**	**100%**	***100%***	**100%**	**100%**	***100%***	**100%**	**100%**
	Share of Value Band by Dwelling Type							
Share up to $1m	21%	0%	***21%***	56%	19%	***76%***	3%	**100%**
Share $1m to $2m	68%	10%	***78%***	14%	3%	***17%***	5%	**100%**
Share $2m+	59%	6%	***65%***	4%	2%	***6%***	29%	**100%**
Total	**56%**	**7%**	***62%***	**20%**	**6%**	***26%***	**12%**	**100%**

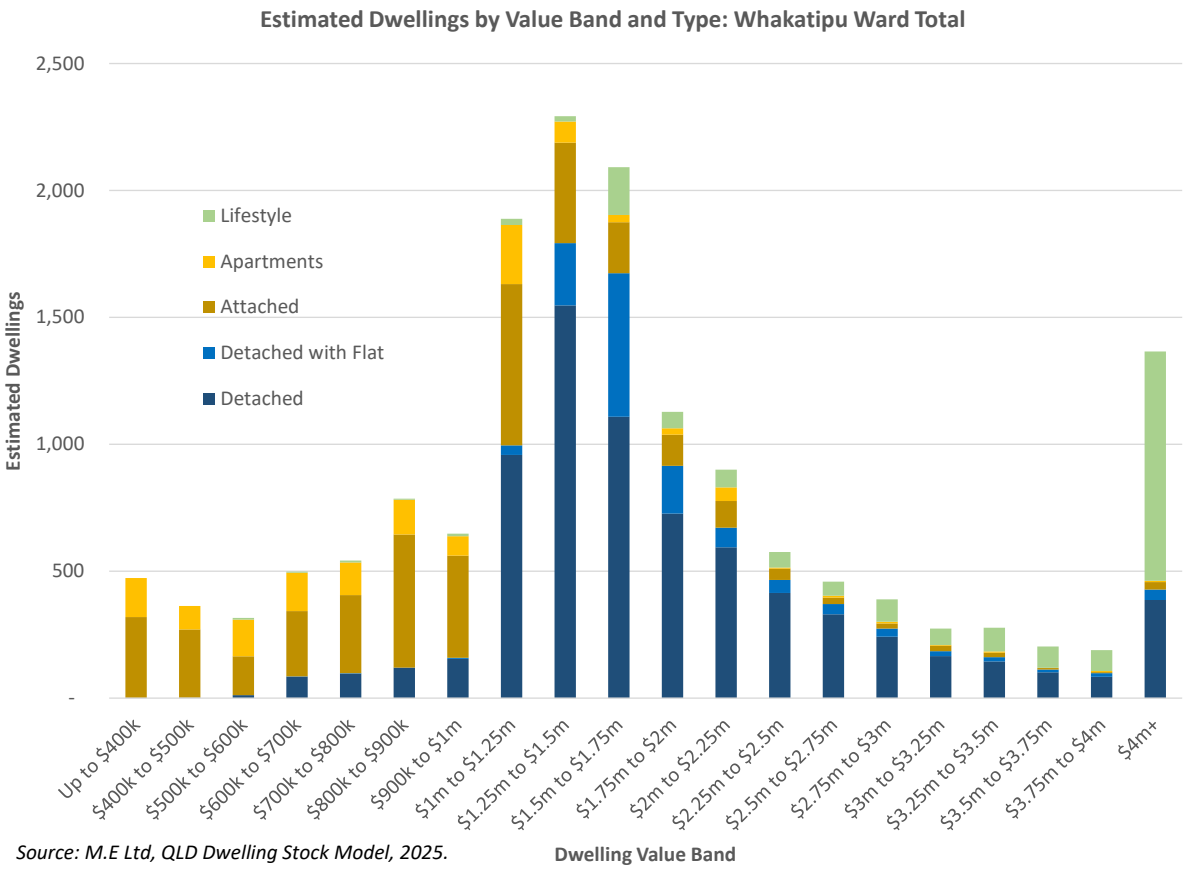
Source: M.E QLD Dwelling Stock Model, 2025.

Figure 4-1 – Estimated Dwelling Value Band Profile for Wānaka Ward Current Dwelling Estate



Source: M.E Ltd, QLD Dwelling Stock Model, 2025.

Figure 4-2 - Estimated Dwelling Value Band Profile for Whakatipu Ward Current Dwelling Estate



Source: M.E Ltd, QLD Dwelling Stock Model, 2025.

4.1.3 Dwelling Size Profile

The estimated dwelling size structure of the district's current dwelling estate is summarised in Table 4-3, and for each ward in Figure 4-3 (Wānaka Ward) and Figure 4-4 (Whakatipu Ward). Dwelling size bands reflect the per dwelling floorspace area.

Nearly three-quarters (72%) of the district's dwellings are between 100m^2 and 300m^2. Most of these dwellings are urban-scale detached dwellings, with dwellings containing flats focussed into the upper part of this range.

Attached dwellings have a smaller dwelling value size profile than other types of dwellings. They make up most of the dwellings within the smaller size bands (up to 100m^2), and a sizeable share (35%) of dwellings between 100m^2 and 150m^2. Apartments are concentrated toward the lower end this range.

Lifestyle dwellings have the largest dwelling size profile, accounting for 38% of the districts dwellings with floorspace greater than 300m^2.

There are differences in the dwelling size profiles between the Wānaka and Whakatipu Wards largely due to the differences in dwelling type mix between these areas. There are a greater number of smaller dwellings within the Whakatipu Ward as a result of the higher share of attached dwellings.

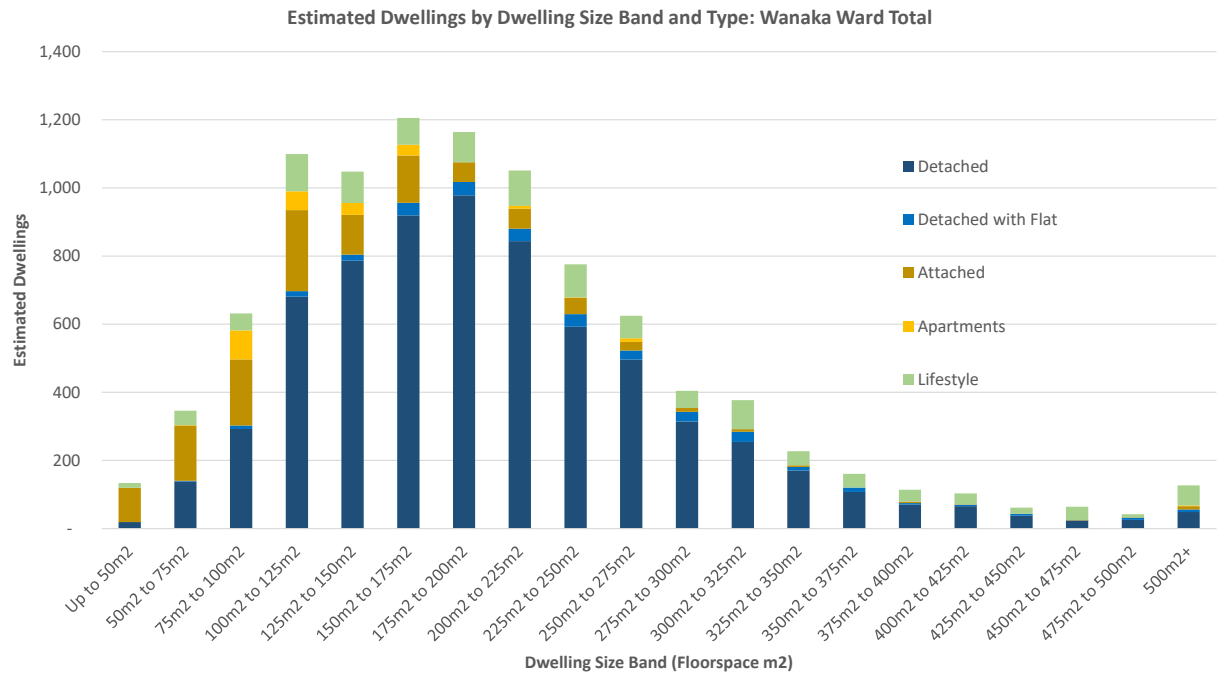
There are also differences in the size profiles of attached dwellings between the wards. Apartments in the Whakatipu Ward are concentrated into the lower dwelling size bands, with over half (53%) of apartments in the smallest size bands of up to 75m^2. The Wānaka Ward apartments are on average larger, with nearly all (90%) within the 75m^2 to 175m^2 range.

Table 4-3 – Estimated Dwelling Size Band Profile by Dwelling Type: District Total

Dwelling Size Band (Floorspace m2)	Dwelling Type							
	Detached	Detached with Flat	Total Detached	Attached	Apartments	Total Attached	Lifestyle	Total
TOTAL	**Estimated Dwellings by Size Band**							
Up to 50m2	40	-	***40***	800	400	***1,100***	30	**1,200**
50m2 to 100m2	1,000	20	***1,100***	1,300	600	***1,900***	200	**3,200**
100m2 to 150m2	3,200	100	***3,300***	1,600	300	***2,000***	400	**5,600**
150m2 to 200m2	3,900	400	***4,300***	800	200	***1,000***	400	**5,700**
200m2 to 250m2	3,000	700	***3,700***	400	60	***400***	600	**4,700**
250m2 to 300m2	1,600	300	***1,800***	100	20	***100***	400	**2,300**
300m2 +	1,400	200	***1,600***	90	10	***100***	1,100	**2,800**
Total	**14,100**	**1,700**	***15,800***	**5,000**	**1,600**	***6,600***	**3,000**	**25,400**
	Share of Dwellings by Size Band							
Up to 50m2	0%	0%	***0%***	15%	23%	***17%***	1%	**5%**
50m2 to 100m2	7%	1%	***7%***	27%	36%	***29%***	6%	**12%**
100m2 to 150m2	22%	6%	***21%***	32%	22%	***30%***	12%	**22%**
150m2 to 200m2	28%	23%	***27%***	16%	14%	***15%***	13%	**22%**
200m2 to 250m2	21%	40%	***23%***	7%	4%	***6%***	19%	**18%**
250m2 to 300m2	11%	17%	***12%***	2%	2%	***2%***	12%	**9%**
300m2 +	10%	14%	***10%***	2%	1%	***2%***	36%	**11%**
Total	**100%**	**100%**	***100%***	**100%**	**100%**	***100%***	**100%**	**100%**
	Share of Size Band by Dwelling Type							
Up to 50m2	3%	0%	***3%***	64%	30%	***95%***	2%	**100%**
50m2 to 100m2	33%	1%	***34%***	43%	18%	***60%***	6%	**100%**
100m2 to 150m2	57%	2%	***59%***	29%	6%	***35%***	6%	**100%**
150m2 to 200m2	69%	7%	***75%***	14%	4%	***18%***	7%	**100%**
200m2 to 250m2	65%	14%	***79%***	8%	1%	***9%***	12%	**100%**
250m2 to 300m2	67%	12%	***79%***	4%	1%	***5%***	16%	**100%**
300m2 +	50%	8%	***58%***	3%	0%	***4%***	38%	**100%**
Total	**56%**	**7%**	***62%***	**20%**	**6%**	***26%***	**12%**	**100%**

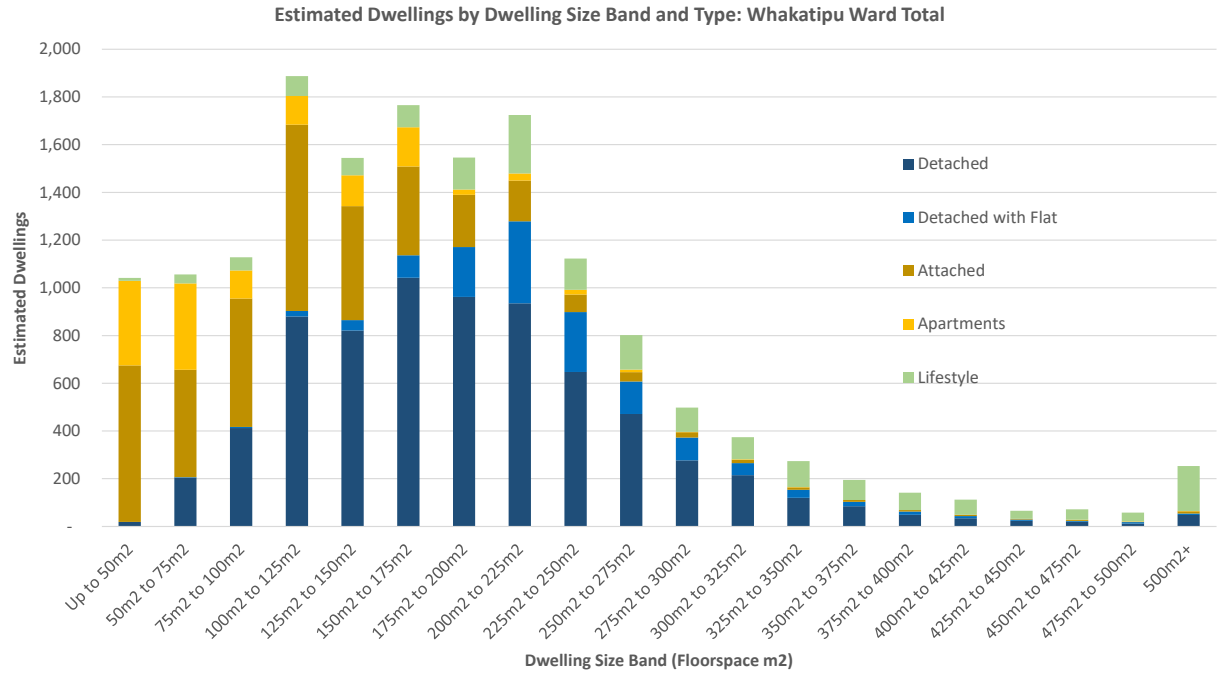
Source: M.E QLD Dwelling Stock Model, 2025.

Figure 4-3 – Estimated Dwelling Size Band Profile for Wānaka Ward Current Dwelling Estate



Source: M.E Ltd, QLD Dwelling Stock Model, 2025.

Figure 4-4 - Estimated Dwelling Size Band Profile for Whakatipu Ward Current Dwelling Estate



Source: M.E Ltd, QLD Dwelling Stock Model, 2025.

4.2 Recent Supply: Dwelling Consent Trends

It is important to understand current trends in additions to the QLD dwelling estate. Construction activity provides several important indicators for the housing market. Dwelling consents issued (for new dwellings) is a key indicator of the scale, value and typologies of those additions, as the majority of consents issued do manifest as new dwellings, with completion estimated to occur within 12-24 months following consent issue.[31]

The number and type and new dwellings consented in the district over the past five years is summarised for each ward in Table 4-4, with further breakdown by location in Table 4-5. Over this period, there have been consents issued for around 6,400 new dwellings. This is large in comparison to the existing dwelling estate, amounting to around quarter of the number of existing dwellings[32].

Nearly two-thirds (64%) of the consents for new dwellings were issued within the Whakatipu Ward, with over one-third (36%) within the Wānaka Ward. This is consistent with the previous five years (2015-2019), with the current decade having an increased share of consents occurring in the Whakatipu Ward than previously.

The recent patterns of dwelling supply reflect important differences between the local dwelling markets of each ward. Attached dwellings make up a significantly greater share of the Whakatipu Ward's recent dwelling supply at up to 59% (townhouses, flats, units and other dwellings[33], and apartments), with over 80% of the district's attached dwellings occurring within the Whakatipu Ward. In comparison, attached dwellings account for less than one-quarter (up to 23%) within the Wānaka Ward's recently consented dwellings, which are instead heavily focused toward houses which accounted for nearly three-quarters (74%) of the dwelling consents.

There are important differences in the types of attached dwellings between the wards, which are consistent with the patterns observed within the current dwelling estate. Patterns of recent supply for apartment dwellings are concentrated into the Whakatipu Ward, with the market more established in this part of the district. A higher share of the Whakatipu Ward consented attached dwellings are for apartment dwellings (12%), which are heavily concentrated into this ward when assessed at the district-level. Within the ward, these are focussed into areas surrounding the main commercial centres (Queenstown Town Centre and Frankton), along with recent consents in Jacks Point. In comparison, apartments account for only 5% of consented attached dwellings in the Wānaka Ward, which contains only 8% of the district's apartment consents.

Within the Wānaka Ward, consents for new dwellings are focussed into the main Wānaka urban area. Nearly three-quarters of the ward's consents occurred in this location, where they compared to 23% of the existing dwelling stock.

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[31] The residential consent data does not provide any visibility (detail) on the end use of the dwelling unit. It may be owned and occupied by a resident household, built for long term rental, built as a holiday home, or used for short term residential visitor accommodation. Anecdotally, many of the apartments consented recently in the district have been for residential visitor accommodation. There is however lots of flexibility to switch from one use to another.

[32] Existing dwellings are as at December 2024 as extracted from the QLDC Ratings Database.

[33] It is noted that attached residential flats that form part of a combined property with a principal dwelling are included in this category. The principal dwelling is included within the 'houses' consent category.

Over half of the Whakatipu Ward consented dwellings were located within Jacks Point, reflecting the large urban expansion recently occurring in this area. The consents are for mainly attached dwellings, which are likely to contain a combination of recent/current development stages closer to the new Jacks Point Village commercial centre, a share of residential flats attached to principal dwellings and medium density development across other parts of the reporting area. The next largest shares of consented dwellings occurred in Frankton, Shotover Ladies Mile and Queenstown.

Table 4-4 – Summary of New Dwelling Consents by Ward in Queenstown Lakes District: 2020 to 2024

Location	Dwelling Consents (2020-2024)				
	Houses	Townhouses, flats, units, and other dwellings	Apartments	Retirement village units	All Dwellings units
	Consented Dwellings				
Wanaka Ward Total	1,700	500	30	70	**2,300**
Whakatipu Ward Total	1,500	2,100	300	200	**4,000**
TOTAL	**3,200**	**2,600**	**300**	**300**	**6,400**
	Share of Consented Dwellings				
Wanaka Ward Total	54%	20%	8%	27%	**36%**
Whakatipu Ward Total	46%	80%	92%	73%	**64%**
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**
	Consented Dwellings				
Wanaka Ward Total	74%	22%	1%	3%	**100%**
Whakatipu Ward Total	36%	52%	7%	5%	**100%**
TOTAL	**50%**	**41%**	**5%**	**4%**	**100%**

Source: M.E Dwelling Consents Model, 2025 (Statistics New Zealand, Building Consent data).

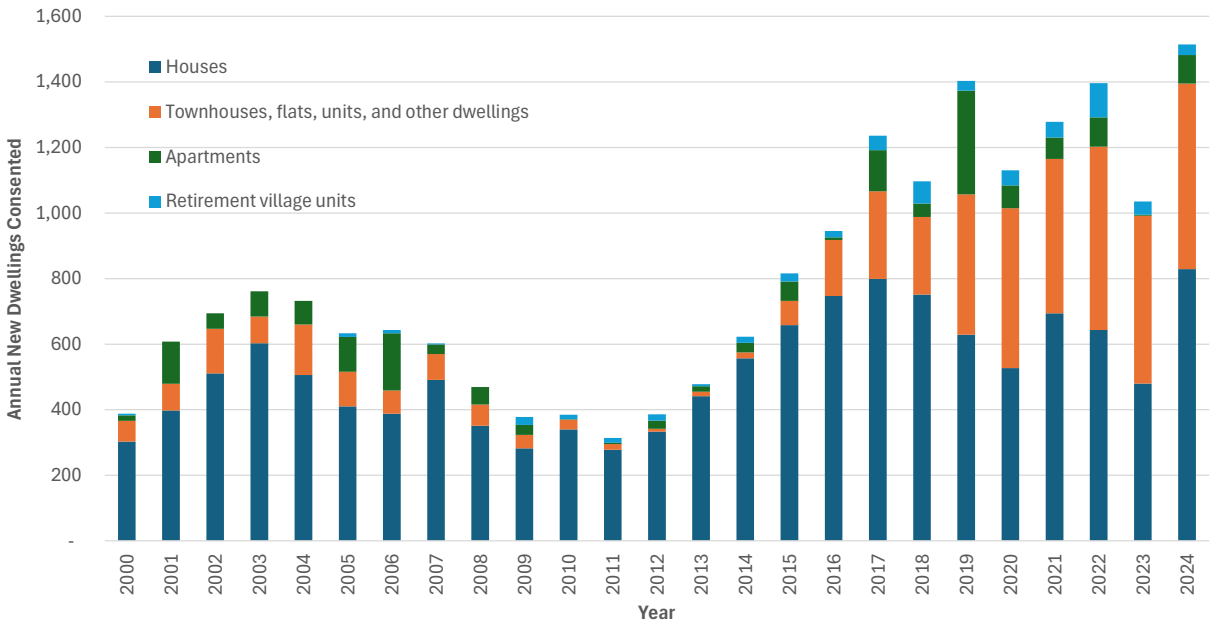
Table 4-5 - New Dwelling Consents by Location and Dwelling Type in Queenstown Lakes District: 2020 to 2024

Reporting Area	Dwelling Consents (2020-2024)					Share Relative to Current Estate		
	Houses	Townhouses, flats, units, and other dwellings	Apartments	Retirement village units	All Dwellings units	Detached	Attached	Total
Wanaka	1,200	400	20	70	**1,700**	19%	43%	**23%**
Luggate	20	10	-	-	**30**	8%	164%	**11%**
Lake Hawea	400	50	-	-	**400**	37%	150%	**41%**
Cardrona	30	-	-	-	**30**	10%	1%	**7%**
Other - Wanaka	90	10	10	-	**100**	20%	2556%	**24%**
Wanaka Ward Total	***1,700***	***500***	***30***	***70***	***2,300***	***20%***	***43%***	***24%***
Arrowtown	80	100	-	60	**200**	5%	76%	**15%**
Arthurs Point	20	70	-	-	**80**	4%	47%	**14%**
Queenstown	40	80	200	-	**300**	4%	11%	**8%**
Frankton	300	100	60	20	**500**	21%	11%	**15%**
Shotover Ladies Mile	100	100	-	100	**400**	6%	453%	**17%**
Lake Hayes	40	10	-	-	**50**	17%	40%	**18%**
Kelvin Heights	50	10	10	-	**70**	11%	9%	**10%**
Jacks Point	600	1,500	50	-	**2,100**	36%	1014%	**120%**
Kingston	30	-	-	-	**30**	12%	10%	**12%**
Other - Whakatipu	200	60	-	-	**300**	14%	46%	**17%**
Whakatipu Ward Total	***1,500***	***2,100***	***300***	***200***	***4,000***	***14%***	***49%***	***26%***
TOTAL	**3,200**	**2,600**	**300**	**300**	**6,400**	**17%**	**48%**	**25%**

Source: M.E Dwelling Consents Model, 2025 (Statistics New Zealand, Building Consent data).

The patterns of consents by dwelling typology are shown for the district through time in Figure 4-5 below. It shows an increasing share of consents for attached dwellings and apartments over the past decade. In line with other growing urban economies, these types of dwellings have become more established through time in the district's housing market. This has predominantly occurred at the medium-density scale, although apartment developments have increasingly occurred recently within the Whakatipu Ward.

Figure 4-5 – Queenstown Lakes District Dwelling Consents by Typology: 2000-2024



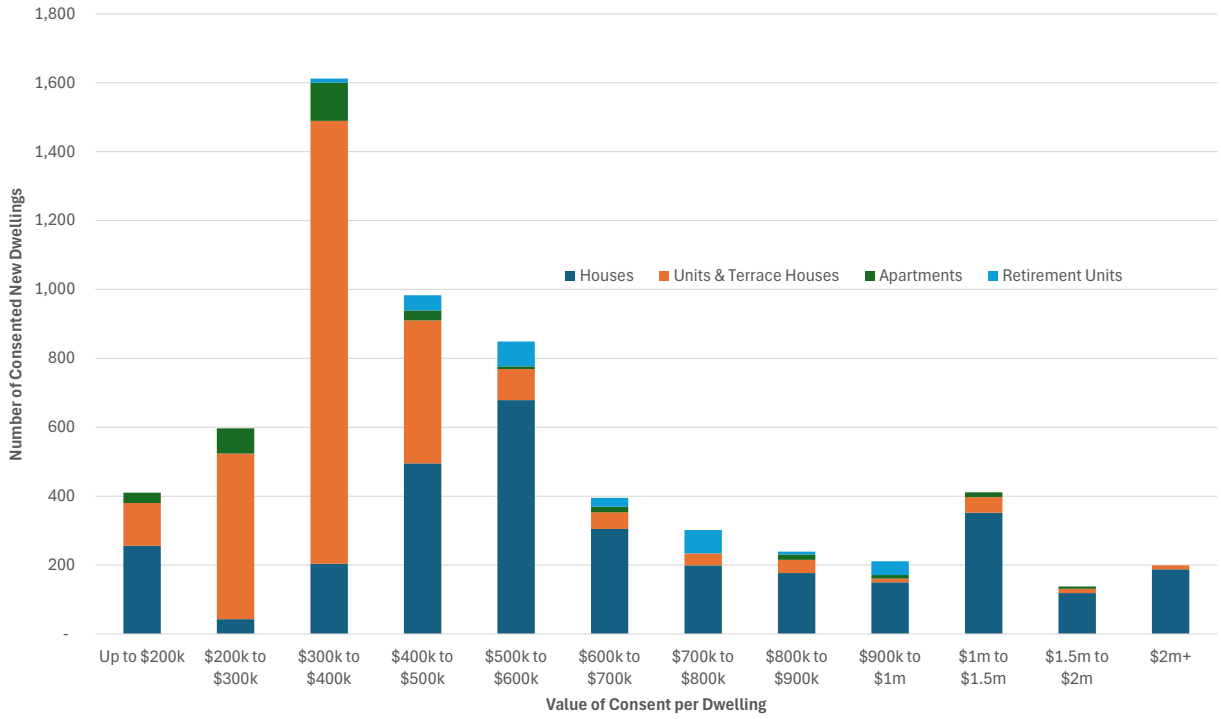
Source: Statistics New Zealand, Building Consent data, 2000-2024.

The district's value and size distribution of new dwelling consents by dwelling type are shown in Figure 4-6 and Figure 4-7. The average value and size of consents for new dwellings are summarised by location and dwelling type in Table 4-6.

Consents for attached dwellings have a lower value and size distribution than houses, with over half with a value below $400k. This is largely due to the smaller size of these dwellings, with nearly three quarters (72%) less than 120m^2 in floorspace.

Increased shares of attached dwellings, in comparison to the existing dwelling estate, means that increased shares of dwellings have been added within the lower to mid areas of the existing dwelling value profile. Half of the units and terraced house consents have been in the medium-small (100 to 120m^2) dwelling size band, which is likely to indicate increased supply of medium density attached dwellings that align with a larger part of the dwelling demand profile than smaller attached dwellings.

Figure 4-6 – Value of New Dwelling Consents in Queenstown Lakes District: 2020-2024



Source: Statistics New Zealand, Building Consent data (customised dataset), 2020-2024.

Figure 4-7 – Size of New Dwelling Consents in Queenstown Lakes District: 2020-2024

Source: Statistics New Zealand, Building Consent data (customised dataset), 2020-2024.

Table 4-6 – Summary of Average Size and Value of New Dwelling Consents by Type and Location: 2020-2024

Reporting Area	Average Floorspace (m2) per Dwelling (2020-2024)					Average Consent Value per Dwelling (2020-2024) (2024 $000s)				
	Houses	Townhouses, flats, units, and other dwellings	Apartments	Retirement village units	All Dwellings units	Houses	Townhouses, flats, units, and other dwellings	Apartments	Retirement village units	All Dwellings units
Wanaka	214	123	182	148	**187**	$ 818	$ 455	$ 667	$ 760	**$ 720**
Luggate	184	91	-	-	**156**	$ 688	$ 315	$ -	$ -	**$ 576**
Lake Hawea	155	95	-	-	**148**	$ 489	$ 288	$ -	$ -	**$ 465**
Cardrona	203	200	-	-	**203**	$ 1,226	$ 550	$ -	$ -	**$ 1,204**
Other - Wanaka	243	101	78	-	**218**	$ 950	$ 247	$ 103	$ -	**$ 828**
Wanaka Ward Total	***201***	***120***	***158***	***148***	***181***	***$ 755***	***$ 431***	***$ 537***	***$ 760***	***$ 681***
Arrowtown	206	121	-	156	**156**	$ 943	$ 374	$ -	$ 526	**$ 590**
Arthurs Point	216	77	117	-	**105**	$ 773	$ 242	$ 1,215	$ -	**$ 356**
Queenstown	361	108	97	-	**141**	$ 2,139	$ 395	$ 499	$ -	**$ 727**
Frankton	106	151	109	234	**123**	$ 335	$ 592	$ 381	$ 712	**$ 422**
Shotover Ladies Mile	202	108	-	174	**159**	$ 755	$ 354	$ -	$ 618	**$ 568**
Lake Hayes	364	97	-	-	**329**	$ 2,532	$ 234	$ -	$ -	**$ 2,232**
Kelvin Heights	296	324	166	-	**276**	$ 1,552	$ 2,143	$ 941	$ -	**$ 1,523**
Jacks Point	191	113	143	-	**135**	$ 688	$ 358	$ 511	$ -	**$ 453**
Kingston	162	45	-	-	**158**	$ 501	$ 99	$ -	$ -	**$ 489**
Other - Whakatipu	312	162	-	-	**276**	$ 1,786	$ 720	$ -	$ -	**$ 1,529**
Whakatipu Ward Total	***205***	***117***	***111***	***174***	***151***	***$ 901***	***$ 389***	***$ 499***	***$ 599***	***$ 593***
TOTAL	**203**	**117**	**115**	**167**	**162**	**$ 823**	**$ 398**	**$ 502**	**$ 642**	**$ 625**

Source: M.E Dwelling Consents Model, 2025 (Statistics New Zealand, Building Consent data).

4.3 Existing and Planned Assisted and Social Housing Supply

There are other parts of the market beyond the profit-driven commercial developer sector that make some contribution to the district's dwelling supply. These include social and community housing providers and

other developers (e.g. Iwi) that are driven by other objectives than only sufficient profit, or have different development models (e.g. dwellings constructed for rental returns rather than profit gained from sales revenue). These parts of the market also respond to the same development opportunity provided by planning, although may have differences in patterns of development[34] to that delivered by the commercial developer part of the market. For example, assisted housing delivered through the Queenstown Lakes Community Housing Trust (QLCHT) is funded in part by developers through the fulfilment of stakeholder deed agreements, which is a form of value capture for affordable housing.

The contribution to the district's dwelling stock from these parts of the market is summarised in Table 4-7 below, with comparison to the national dwelling stock. There is very limited *direct* (i.e. on an owned or directly managed basis) supply of central government social housing within the district's rental market. There are only 13 dwellings that are owned or managed by Kainga Ora within the district, amounting to 0.1% of the existing dwelling stock. This is much lower than the national average, where Kainga Ora supplies 3.5% of the total national dwelling stock. The direct supply of dwellings by Kainga Ora has been constant within the district across the past decade i.e. no additional Kainga Ora dwellings have been constructed in QLD. Kainga Ora are currently focussed on maintaining its homes and do not have any plans to grow their public housing portfolio within the district.

Registered Community Housing Providers (CHPs) play a larger role in assisted social housing provision within the district, which predominantly occurs through the Queenstown Lakes Community Housing Trust (QLCHT). Dwellings are provided to the market across a range of models, from government subsidised social/public housing, through to affordable rentals and shared ownership models. The upper part of Table 4-7 shows there are 80 further dwellings supplied to the rental market (mainly in the Whakatipu Ward), amounting to a combined rental stock of 93 dwellings. This amounts to 0.4% of the district's dwelling market, which is still significantly below the national average of 3.8%. These include a combination of dwellings supplied on a social rental and affordable rental[35] bases, and recipients of the housing must comply with eligibility criteria (including household income limits).

The district's social and assisted housing market supplies a greater number of dwellings within the ownership market. The lower part of Table 4-7 shows there are at least[36] a further 146 dwellings supplied for household ownership, which have occurred under a range of development models (including shared ownership models) outside the private profit-driven development model. In combination with the rental market social dwellings, these dwellings amount to less than 1% of the district's total dwelling market.

These dwellings have been provided by the QLCHT through a range of development models and pathways. Private Stakeholder Agreements between developers, the Council, and the Trust in conjunction with upzoning have provided both funds and land to support the development of the Trust's assisted housing

[34] For instance, sites may be developed in a way that seeks to maximise dwelling yield. This may produce more intensive dwellings that would be unlikely to generate sufficient profit to be commercially feasible development options for a profit-driven private developer.

[35] Dwellings are supplied as affordable rentals where rents are set at the district's lower quartile rental price.

[36] This captures known supply from social housing providers. There are likely to be further dwellings supplied by other providers under non-profit-driven development models.

portfolio[37]. Further funding involves interaction with different parts of the market, including central government subsidies (when available) and occasionally land transfers from QLDC to QLCHT.

There is an estimated future supply of a further 178 dwellings through the QLCHT that are currently in the development pipeline and likely to be supplied within the next few years. These will be supplied across a combination of the rental and ownership markets.

Table 4-7 – Summary of Social Market Dwelling Supply in Queenstown Lakes District and Nationally, 2024

Dwelling Market Component	Queenstown Lakes District		New Zealand Total	
	Dwellings	Share of Total Dwelling Stock	Dwellings	Share of Total Dwelling Stock
Kainga Ora Dwellings (Managed + Vacant)	13	0.1%	72,799	3.5%
Other Social Housing	80	0.3%	4985	0.2%
Total Social Housing Rented Stock	***93***	***0.4%***	***77,784***	***3.8%***
QLD Social Housing Providers - Dwellings Provided for Affordable Ownership	146	0.6%		
QLD Social Housing (Rented + Owned)	239	0.9%		
ational Estimated Total Dwellings[1]	**25,422**		**2,062,972**	
Social Dwellings in Future Development Pipeline				
Rental market	80			
Ownership market	44			
Undetermined market	54			
Total identified socail market provider development pipeline	**178**			
Combined current and development pipeline social market supplied dwellings	**417**			

Source: Kainga Ora Housing Statistics (Owned and Managed Stock, Vacant Properties and national combined social housing provision); Statistics New Zealand (2023 Census and Building Consent data); Queenstown Lakes Community Housing Trust (2025).

[1] Total national dwelling stock is estimated by the 2023 Census total dwelling count and 80% of building consents issued across the June 2023 to December 2024 quarters. QLD total dwelling stock is estimated from the QLDC ratings database.

[37] For example, some housing being provided by the Trust is funded in part by KO/MHUD for households which are eligible, and the Toru apartments represent new government investment in housing in partnership with the Trust.

5 Future Housing Demand

The section presents estimates of demand for housing in Queenstown Lakes District in the short, medium and long term. It takes account of expected growth in household numbers, and the socio-demography of household growth, to identify total and additional demand for housing within the district, in relation to dwelling types, and locations within the urban environment.

An overview of the approach taken to modelling demand for dwellings within the District's urban environment is provided below. This covers the recently updated Queenstown Lakes District Demand Projections (QLDC dwelling demand projections) and the QLDC use of the High Plus Series, and then the further modelling to estimate demand by dwelling type. The HBA provides an outline of the technical approach of these components of modelling undertaken as part of separate projects. It does not provide a review of these approaches or their inputs. The rest of the section then provides the demand for urban dwellings by typology and location across different parts of the urban environment, and identifies the housing bottom lines.

5.1 Approach

QLDC Updated Total Dwelling Demand Projections

Updated dwelling demand projections were produced for QLDC in March 2025[38], providing the total dwellings demanded each year by location across the district. As a total dwelling demand, they include dwellings for resident households as well as dwellings occupied by visitors, incorporating vacant dwellings. The urban component of these dwellings has been defined by the projection location[39] and forms the total dwelling demand (with a margin) applied in the HBA sufficiency assessment.

The updated projections have a 2024 base year, with annual projected demand over the short, medium and long-term out to year 2055. They include four projection series – Low, Medium, High and High Plus, with the High Plus Series forming the projection series adopted by QLDC and consequently applied in this assessment.

The technical information on the methodology used for the dwelling demand projections is published in the following document:

- Utility Limited, 2025. *Queenstown Lakes District Demand Projections,* 28 March 2025, Final.

Based on the above document, together with further technical discussions with QLDC, we summarise the key technical stages of these projections for the HBA as follows:

[38] The May 2025 demand projections have now superseded those from March 2025, a decision was made to retain the use of the March projections for the HBA. This approach was taken to ensure consistency with other policy modelling work that was being undertaken concurrently and also utilised within the HBA.

[39] The QLDC Growth Model selects the SA2 areas that best align with the district's urban environment (with the projections supplied at the SA2 level). It is noted that some SA2s contain shares of non-urban demand, which are mostly lifestyle dwellings.

- The 2024 base year demand was established through an estimation of dwellings within the QLDC Ratings Database. Analysis of ratings codes provided an estimate of holiday vs. resident household dwellings in each location.
- Ratios were calculated between current estimated households and dwellings, which were then applied to the district-level projected growth in population and households to estimate the future resident household dwelling demand. The low, medium and high projected households were based on the most recent Statistics New Zealand projection series, with the High Plus series set at a level above these series.
- Demand for holiday dwellings were added at a rate of 120 additional dwellings per year based on past trends.
- The combined district total dwelling demand was allocated spatially[40] across the district based on the distribution of previous capacity estimates[41]. Weightings were applied by capacity location (greenfield vs. existing urban) and dwelling types in each time period as outlined in the projection technical report.

The relevant outputs from this stage of demand modelling were tables of annual projected (2024-2055) total dwellings demanded for each location for each projection series. These were disaggregated into total resident vs. holiday houses, without further aggregation by location type or dwelling type.

Growth Model Demand Allocation

The total dwelling demand projections formed inputs to the QLDC Growth Model. Within the model, these were then allocated to location type (new urban/greenfield vs. existing urban) and dwelling type (standalone vs. attached).

The Growth Model aggregated the QLDC demand projection areas to the reporting areas shown in Figure 2-4 in Section 2.1.3. Demand from projection areas outside of these areas was excluded as they did not form part of the urban environment.

The growth model allocates demand to existing urban vs. greenfield areas ("new urban"). This appears as an input to the model[42] that occurs at the ward level[43]. In total, the growth allocates most (72% to 75%) of the district's dwelling demand to occur within greenfield areas, and to a slightly increasing extent through time in each ward.

The growth model then applies a ward-level estimated ratio to allocate dwellings to standalone vs. attached dwellings in each location. The ratios are applied universally across all locations within each ward. The

[40] This predominantly occurred at the Statistical Area 2 (SA2) level, which are broadly suburban scale areas. Some SA2 boundaries were modified to reflect the spatial structure of urban development patterns that do not align well with existing boundaries.

[41] These included a combination of the previous 2021 HBA, the UIV capacity modelling (both undertaken by M.E Ltd), Spatial Plan assessment and quarterly monitoring reports.

[42] This has been implied through examining the demand table outputs. The Growth Model assumptions information does not specifically outline the process of allocating demand between existing urban and greenfield areas.

[43] In the Wānaka Ward, 79% of short-term demand is allocated to greenfield areas, increasing to 80% in the long-term. In the Whakatipu Ward, 67% of short-term demand is allocated to greenfield areas, increasing to 71% in the long-term.

patterns of demand by dwelling type are held constant through time across the short, medium and long-term.

The QLDC Growth Model demand projections form the baseline demand scenario applied within the HBA sufficiency assessment. This scenario reflects the current market patterns of demand, with a focus on detached dwellings and growth in greenfield areas. This structure is applied consistently across the short, medium and long-term assessment period.

Consideration of Alternative Patterns of Dwelling Demand by Typology

Alternative patterns of demand by dwelling typology[44] have also been considered and are contained in Appendix 2.

The QLDC Growth Model demand projections form the baseline situation assessed within the HBA sufficiency assessment. These are the baseline position adopted by QLDC as a starting point input to the growth model.

5.2 Total District Dwelling Projections

5.2.1 Projected Dwelling Demand

The total dwelling demand projected for the district over the short, medium and long-term is summarised in Table 5-1. It includes dwelling demand both within the urban environment and other parts of the district outside the urban environment, as well as resident and non-resident dwelling demand (e.g. visitor demand as residential visitor accommodation and dwellings used as holiday homes).

The HBA applies the High Plus Series Projected Demand as the projection series adopted by QLDC. Under this projection series, there is a total projected demand for an additional 2,500 dwellings over the short-term, increasing the total demand base to 27,000 dwellings. The district's total demand for dwellings is projected to increase by nearly one-third (32%) by the end of the medium-term, amounting to a further 7,900 dwellings. Over the long-term, the district's dwelling demand is projected to nearly double (+96%) from that of the current base, with a projected net increase in demand for an additional 23,600 dwellings, bringing the total dwelling demand to 48,100 dwellings.

Resident households form the largest driver of demand, accounting for 85% of the net change in demand over the long-term. This results in a slight increase in their share of total demand from 82% currently, to 83% by 2053. Holiday dwellings account for the remaining 15% of the projected demand in dwellings, amounting to an increase of 3,600 dwellings over the long-term.

The QLDC projections apply a faster growth rate to the Wānaka Ward, particularly in the short to medium-term. Over the projection period, around 45% of the district's growth is projected to occur within the Wānaka Ward, which is larger than its current 38% share of dwelling demand. As result, the Wānaka Ward's

[44] The wider evidence base projections have the same total level of dwelling demand growth as the QLDC baseline demand scenario as they also use the QLDC High Plus Series projections. They model different patterns of growth within these same total net projections.

share of the district's total dwelling base is projected to increase to 42% by the end of the long-term, more than doubling the current number of dwellings.

An increased share of demand directed into the Wānaka Ward differs to past patterns of growth in the district. In comparison, the Wānaka Ward has grown at a similar rate to the Whakatipu Ward across a number of indicators over the past five years[45].

Table 5-1 – Queenstown Lakes District Level Projected Dwelling Demand: High Plus Series

		Projected Dwelling Demand by Year				Net Change in Demand			Percentage Change in Demand		
Demand Component	Location	2023	2026	2033	2053	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2053	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2053
Resident Dwellings	Wanaka Ward	7,400	8,400	10,400	16,600	980	3,000	9,100	13%	41%	123%
	Whakatipu Ward	12,700	13,800	16,400	23,600	1,100	3,700	10,900	9%	29%	86%
	Total District	**20,100**	**22,200**	**26,800**	**40,100**	**2,100**	**6,700**	**20,000**	**11%**	**33%**	**99%**
Holiday Dwellings	Wanaka Ward	2,000	2,200	2,500	3,500	190	540	1,500	9%	27%	74%
	Whakatipu Ward	2,400	2,600	3,000	4,500	170	660	2,100	7%	27%	88%
	Total District	**4,400**	**4,700**	**5,600**	**7,900**	**360**	**1,200**	**3,600**	**8%**	**27%**	**82%**
Total Dwellings	Wanaka Ward	9,400	10,600	13,000	20,000	1,200	3,500	10,600	12%	38%	113%
	Whakatipu Ward	15,100	16,400	19,400	28,000	1,300	4,300	13,000	9%	29%	86%
	Total District	**24,500**	**27,000**	**32,400**	**48,100**	**2,500**	**7,900**	**23,600**	**10%**	**32%**	**96%**

Source: QLDC May 2025 Dwelling Demand Projections (Utility Ltd).

5.2.2 High Plus Comparison to Other Projection Series

Table 5-2 compares the High Plus Series to the other projection series produced as part of the QLDC May 2025 updated demand projections. The top portion of the table shows the district level total dwelling demand (and net changes) for each projection series. The net and percentage differences to the High Plus Series projections are shown in the middle and lower portions of the table.

The High Plus Series has a substantially higher level of projected growth in dwelling demand than the other projection series. In the short-term, it has growth that is 10% to 24% higher than the High and Medium series projections, increasing to a 16% to 39% difference in the medium-term.

The differences between the projection series continue to become larger in the long-term. Over the long-term, it has a net increase in projected demand that is 49% higher than the Medium Series projection, and 19% higher than the High Series projection. This equates to a further 3,800 to 7,700 additional dwellings, with a dwelling base that is projected to be 9% to 19% larger by the end of the long-term than that in other projection series. The High Plus Series projection has approximately double the level of growth projected over the long-term than that contained in the Low Series projections.

QLDC have adopted the High Plus Series projection for their planning to manage future risk of higher than expected levels of growth. The QLDC projection series technical documentation outlines that previous growth in the district has typically been higher or aligned with the Statistics New Zealand High Series projections, which have been used to generate the High Series within these set of projections. It also notes that population projection series updates have been consistently increased from previous projection series.

[45]The Wānaka Ward accounted for 37% of the district's total dwellings increase between the 2018 and 2023 Censuses, and 33% of the increase in the estimated resident population. Over the past ten years, 36% of the district's consents for new dwellings were in the Wānaka Ward, which is slightly below its estimated share of the current dwelling estate.

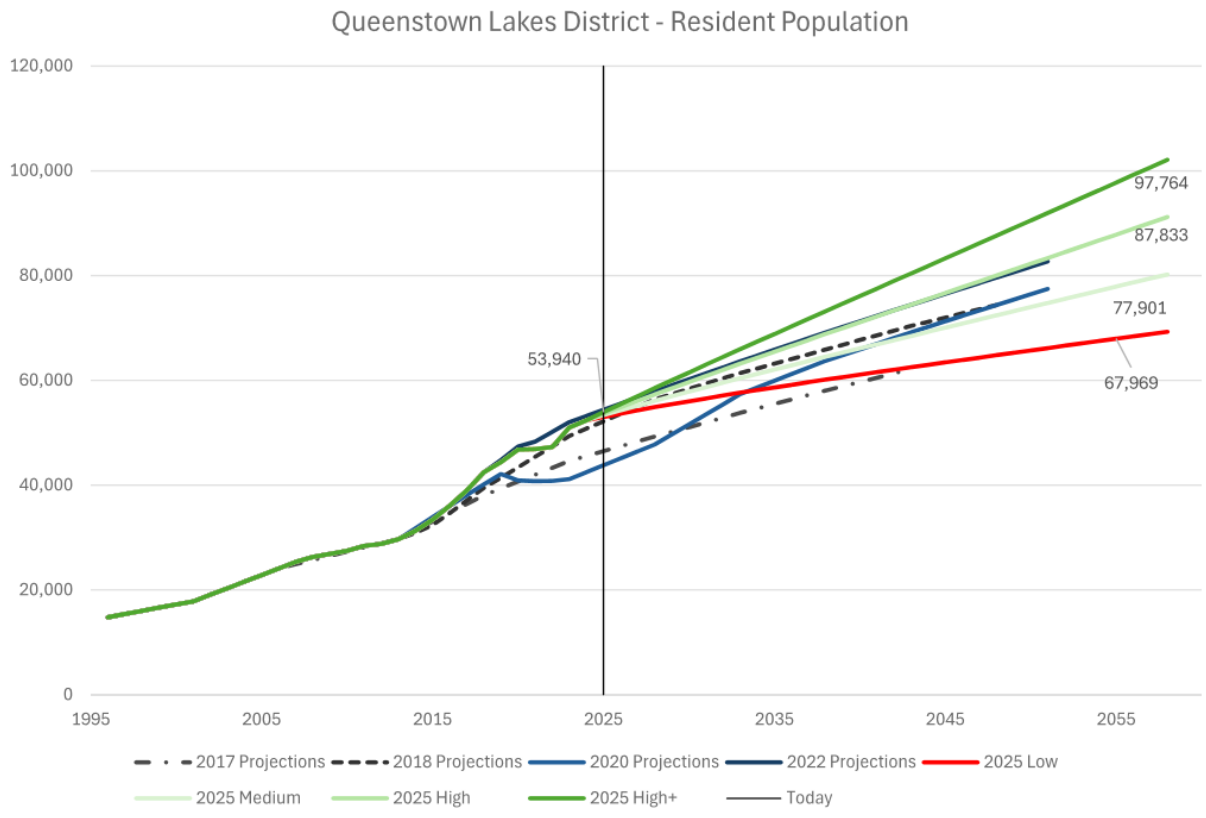
This is shown in Figure 5-1, which is sourced directly from the QLDC technical documentation (referenced in Section 5.1).

Table 5-2 – QLD Projected Dwelling Demand by Projection Series

Projection Series	Projected Dwelling Demand by Year				Net Change in Demand		
	2023	2026	2033	2053	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2053
High Plus	24,500	27,000	32,400	48,100	2,500	7,900	23,600
High	24,500	26,700	31,300	44,300	2,300	6,800	19,800
Medium	24,500	26,500	30,200	40,300	2,000	5,700	15,900
Low	24,500	26,300	29,000	36,400	1,800	4,500	11,900
	High Plus Series Net Difference to Other Series						
High	-	230	1,100	3,800	230	1,100	3,800
Medium	-	470	2,200	7,700	470	2,200	7,700
Low	-	710	3,300	11,700	710	3,300	11,700
	High Plus Series Percentage Difference to Other Series						
High	0%	1%	3%	9%	10%	16%	19%
Medium	0%	2%	7%	19%	24%	39%	49%
Low	0%	3%	12%	32%	40%	74%	98%

Source: QLDC March 2025 Dwelling Demand Projections (Utility Ltd).

Figure 5-1 – Summary of Previous and Latest Demand Projection Scenarios (2025 and 2055 Residential Population Shown) (Source: Utility Ltd, 2025)



5.2.3 Resident Household Projections

Resident households form the largest driver of future dwelling demand across the district. The demographic patterns and structure of household demand have important impacts on the types of dwellings demanded.

The characteristics of future resident household demand have been examined within M.E's QLD Housing Demand Model, which uses detailed customised data from the 2023 Census for the QLD. The model takes into account household characteristics including household composition, income, age, ethnicity and ownership status, and their current relationship to demand for different types of dwellings within the district.

The following graph (Figure 5-2) and table (Table 5-3) provide a summary of the structure of future resident household demand across the key indicators of household composition and household income for the current market (2023) and projected long-term.

Nearly three quarters of the projected long-term growth in resident households within the district is expected to occur as net increases in the number of smaller 1 to 2 person households. Couple households account for most of this growth, with nearly half (48%) of the district's long-term net increase. The next largest share of growth is projected to occur within smaller 2 parent families.

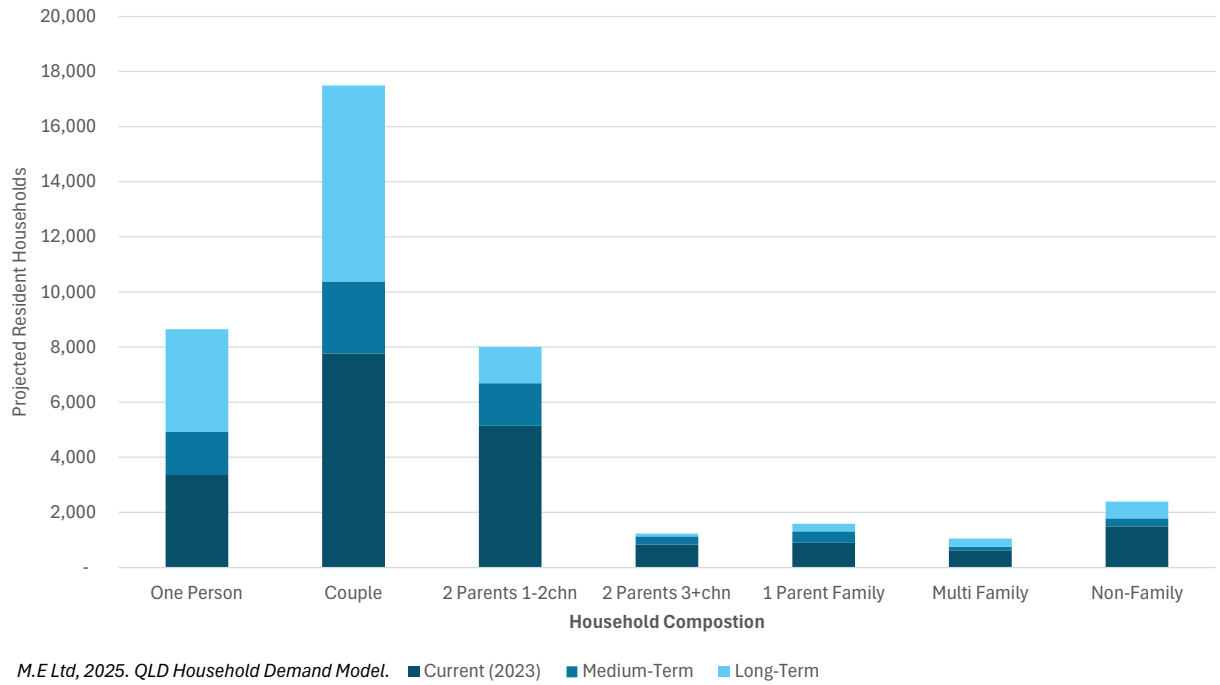
Growth in households is spread more evenly by income group overall, with differences in the distribution within different household composition types. Higher shares of the one-person households are projected to occur in the lower income bands, while couple households have greater shares of net growth within the mid to upper income bands.

Table 5-3 – Projected Long-Term Resident Household Demand by Household Income and Household Composition

Household Type	Household Income							
	Under $30K	$30-50K	$50-70K	$70-100K	$100-150K	$150-200K	$200K+	**Total**
	2023 Households							
One Person	910	720	640	580	220	180	110	**3,360**
Couple	220	570	550	1,180	1,950	1,690	1,610	**7,770**
2 Parents 1-2chn	60	70	170	610	1,450	1,280	1,500	**5,140**
2 Parents 3+chn	-	-	20	80	240	210	280	**830**
1 Parent Family	70	140	140	210	150	130	60	**900**
Multi Family	-	-	-	-	110	80	430	**620**
Non-Family	10	30	90	240	400	320	400	**1,490**
Total	**1,270**	**1,530**	**1,610**	**2,900**	**4,520**	**3,890**	**4,390**	**20,110**
	2053 Households							
One Person	2,900	2,050	1,450	1,210	450	380	210	**8,650**
Couple	620	1,880	1,650	2,970	3,860	3,360	3,150	**17,490**
2 Parents 1-2chn	90	100	260	910	2,180	1,940	2,530	**8,010**
2 Parents 3+chn	-	-	30	110	350	300	440	**1,230**
1 Parent Family	120	240	230	360	300	230	110	**1,590**
Multi Family	-	-	-	-	210	150	690	**1,050**
Non-Family	10	40	170	430	630	520	590	**2,390**
Total	**3,740**	**4,310**	**3,790**	**5,990**	**7,980**	**6,880**	**7,720**	**40,410**
	Net Change in Households (2023-2053)							
One Person	1,990	1,330	810	630	230	200	100	**5,290**
Couple	400	1,310	1,100	1,790	1,910	1,670	1,540	**9,720**
2 Parents 1-2chn	30	30	90	300	730	660	1,030	**2,870**
2 Parents 3+chn	-	-	10	30	110	90	160	**400**
1 Parent Family	50	100	90	150	150	100	50	**690**
Multi Family	-	-	-	-	100	70	260	**430**
Non-Family	-	10	80	190	230	200	190	**900**
Total	**2,470**	**2,780**	**2,180**	**3,090**	**3,460**	**2,990**	**3,330**	**20,300**

Source: M.E Ltd, QLD Household Demand Model, 2025.

Figure 5-2 – Projected Future Resident Households by Household Composition



M.E Ltd, 2025. QLD Household Demand Model.

5.3 Urban Housing Demand

The above detailed analysis of resident housing demand has been for the district as a whole. In accordance with clause 3.24 of the NPS-UD, the HBA must also estimate demand for additional housing in the urban environment, and in different locations within that urban environment by dwelling type. This is not limited to resident household dwellings. Total urban dwelling demand is required to assess the sufficiency of residential capacity against where households and other dwelling purchasers typically seek to locate within the district and urban environment.

This sub-section estimates the total demand for dwellings within the urban environment from the different components of demand over the short, medium and long term. It includes the urban component of projected resident households (which assumes one household per dwelling and includes vacant dwellings) as well as the urban component of non-resident dwelling demand.

5.3.1 Latent Housing Demand

The QLDC growth model does not include an allowance for latent demand for housing within the district. While there are currently 30 people on the MSD housing register, unmet demand is likely to be substantially higher. This is discussed further in Section 4.3.

5.3.2 Total Urban Housing Demand by Location – High Plus Series Projections

Nearly all of the district's growth in demand for dwellings is projected to occur within the urban environment. Demand for lifestyle and some rural dwellings in areas surrounding suburban scale areas are included as part of this demand[46]. In the short-term, 92% of the projected growth is modelled to occur within the urban environment, amounting to an additional 2,300 dwellings. The share of growth projected to occur in the urban environment increases through time, amounting to 97% of the net increase over the long-term projection period. This equates to demand for an additional 22,800 urban dwellings.

Table 5-4 shows the projected dwelling demand by location within the urban environment. In the short-term, nearly half (48%) of the growth in urban dwelling demand is projected to occur within the Wānaka Ward. Within this ward, growth is heavily concentrated into the main Wānaka urban area (including Albert Town), which has a projected demand for an additional 910 dwellings in the short-term.

Over the medium to long-term, the Wānaka Ward is projected to attract 45% to 46% of the district's urban dwelling demand. This amounts to an additional 10,400 dwellings over the long-term, with 7,900 of these projected to occur within the main Wānaka urban area. Sizeable growth in urban dwelling demand is also projected to occur in Lake Hāwea, with a net increase of 1,900 dwellings over the long-term (which equates to 9% of the district's urban dwelling demand growth).

Over half of the district's urban dwelling demand is projected to occur within the Whakatipu Ward, increasing slightly to amount to 55% over the long-term. In the short-term, this amounts to demand for an additional 1,200 urban dwellings within the ward, and a total of a net additional 12,500 dwellings over the long-term.

Growth in projected dwelling demand is spread across different parts of the Whakatipu Ward urban environment, including outer areas of urban expansion and within the existing urban extent. Over the long-term, over half of the ward's urban growth (60%; +7,400 dwellings) is projected to occur within the Te Tapuae Frankton reporting area. This area covers the large urban node of Frankton, and extends south to cover the Te Tapuae Southern Corridor area of urban expansion. Sizeable amounts of growth are also projected to occur within the Queenstown reporting area (22%; +2,700 dwellings), which covers other central parts of the urban environment; and within the Te Pūtahi Eastern Corridor (13%; +1,600 dwellings) reporting area.

These projections reflect the estimated location of the growth in dwelling demand within each ward. It is important to note the difference between projected demand and likely resulting growth patterns. Although the technical approach (as outlined in Section 5.1) is influenced by the spatial distribution of capacity, the spatial patterns of realised growth across the district may differ due to a combination of factors. A key part of this is likely to occur as households and investors respond to the supply offered by the housing market, which may vary in timing and location to the projected distribution of demand growth.

[46] The QLDC growth model has included the Large Lot Residential Zones within the capacity assessment and correspondingly demand for these types of properties. It has also included a small component of growth in demand for rural properties where the demand projection areas included further land areas beyond the urban and lifestyle zones. We consider these are likely to be insignificant and therefore unlikely to materially affect the assessment.

In this assessment, we consider that it is critical to understand demand (including the patterns of demand by dwelling and location type) as it arises at a broader market level. While this approach incorporates the spatial patterns of projected demand, it recognises that demand typically arises at a broader spatial scale. This demand is then met at different locations within the urban environment as households/investors make choices and trade-offs between different location opportunities, also incorporating the effect of dwelling type, size and price.

Within the QLD context, we consider that there are key delineations within the housing markets that occur between the Wānaka and Whakatipu Wards. The district's geography means there is less demand substitution and cross-over between these areas, with important differences in the patterns of demand between these markets, which are covered in the following sub-section.

Table 5-4 – Projected Dwelling Demand by Location

Location Reporting Area	Projected Dwelling Demand by Year				Net Change in Demand		
	2023	2026	2033	2053	Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2053
Urban Environment							
Wanaka	7,300	8,200	9,800	15,200	910	2,500	7,900
Lake Hawea	1,000	1,200	1,700	3,000	160	650	1,900
Cardrona	440	470	660	940	30	210	500
Wanaka Ward Total	***8,700***	***9,800***	***12,100***	***19,100***	***1,100***	***3,400***	***10,400***
Arrowtown	1,600	1,700	1,700	1,800	50	110	190
Arthurs Point	570	680	850	1,100	110	280	530
Queenstown	3,600	3,800	4,600	6,300	230	1,000	2,700
Te Tapuae Frankton	5,500	6,100	7,600	12,900	620	2,200	7,400
Te Putahi Eastern Corridor	2,400	2,600	2,800	4,000	180	470	1,600
Whakatipu Ward Total	***13,600***	***14,800***	***17,600***	***26,100***	***1,200***	***4,000***	***12,500***
Total Urban Environment	**22,300**	**24,600**	**29,800**	**45,100**	**2,300**	**7,400**	**22,800**
Non-Urban Environment							
Whakatipu - Other	1,500	1,600	1,800	2,000	130	290	500
Wanaka - Other	700	760	830	920	70	140	220
Total Non-Urban Environment	**2,200**	**2,400**	**2,600**	**2,900**	**190**	**430**	**730**
Total District	**24,500**	**27,000**	**32,400**	**48,100**	**2,500**	**7,900**	**23,600**

Source: QLDC March 2025 Dwelling Demand Projections (Utility Ltd).

Table 5-5 shows the projected urban environment dwelling demand by existing urban vs. greenfield areas for each Ward from the QLDC Growth Model. Overall, nearly three-quarters (72% to 75%) of the district's demand is allocated to greenfield areas, remaining relatively constant through time. The remaining 25% to 28% of demand is allocated to occur within existing urban areas. A higher proportion (79% to 80%) of the Wānaka Ward demand is allocated to greenfield areas, in comparison to 66% to 71% of demand within the Whakatipu Ward.

Table 5-5 – Projected Dwelling Demand by Location Type (QLDC Growth Model)

Ward	Short-Term (2023-2026)			Medium-Term (2023-2033)			Long-Term (2023-2053)		
	Existing Urban	Greenfield	Total	Existing Urban	Greenfield	Total	Existing Urban	Greenfield	Total
	Net Additional Dwelling Demand								
Wanaka Ward	200	900	**1,100**	700	2,700	**3,400**	2,100	8,400	**10,500**
Whakatipu Ward	400	800	**1,200**	1,400	2,700	**4,100**	3,600	9,000	**12,600**
Total Urban Environment	**600**	**1,700**	**2,300**	**2,100**	**5,400**	**7,500**	**5,700**	**17,300**	**23,100**
	Share of Demand by Location Type								
Wanaka Ward	21%	79%	**100%**	21%	79%	**100%**	20%	80%	**100%**
Whakatipu Ward	33%	67%	**100%**	34%	66%	**100%**	29%	71%	**100%**
Total Urban Environment	**27%**	**73%**	**100%**	**28%**	**72%**	**100%**	**25%**	**75%**	**100%**

Source: QLDC Growth Model, 2025.

5.3.3 Urban Environment Dwelling Demand by Dwelling Type

The projected change in dwelling demand by type across the urban environment is summarised for each time period and ward in Table 5-6. The table contains the outputs from QLDCs growth model, which reflects a detached dwellings focussed current market picture that is held constant over the long-term. Further scenarios of future patterns of dwelling demand recently modelled within the wider QLDC evidence base are contained in Appendix 2.

The growth model allocates over two-thirds (67% to 68%) of the total urban dwelling demand to detached dwellings, with around one-third (32% to 33%) allocated to attached dwellings. A higher share of the Wānaka Ward demand is allocated to detached dwellings (74%) in comparison to the Whakatipu Ward (61% to 63%). The patterns of demand by dwelling type are held fixed through time within each ward.

In the short-term, the QLDC growth model projects a demand for a net additional 1,600 detached dwellings, with 800 of these within the Wānaka Ward. A corresponding district total demand for 700 attached dwellings, is focussed into the Whakatipu Ward (500 dwellings).

In the medium-term, the QLDC growth model projects demand for an additional 5,000 detached dwellings, which are distributed evenly between the two wards. It projects demand for a net additional 2,500 dwellings, with 1,600 of these within the Whakatipu Ward.

In the long-term, the growth model provides a scenario that retains the significant focus toward detached dwellings. It projects a demand for 15,700 detached dwellings, and 7,400 attached dwellings. The detached dwellings are distributed relatively evenly between the wards, with the attached dwellings more focussed into the Whakatipu Ward (4,700 dwellings).

Examination of the development activity across the district's urban environment show that these patterns of demand are likely to vary across different parts of the urban environment. The levels of relative demand for different types of housing have been assessed recently during the district's UIV hearings process. Demand for more intensive dwellings is likely to be concentrated into more geographically central parts of the urban environment, with less intensive patterns of demand in less central suburban areas. Growth in the share of demand for medium-density attached dwellings is likely to see demand for this housing type increase in scale across a greater proportion of the urban environment.

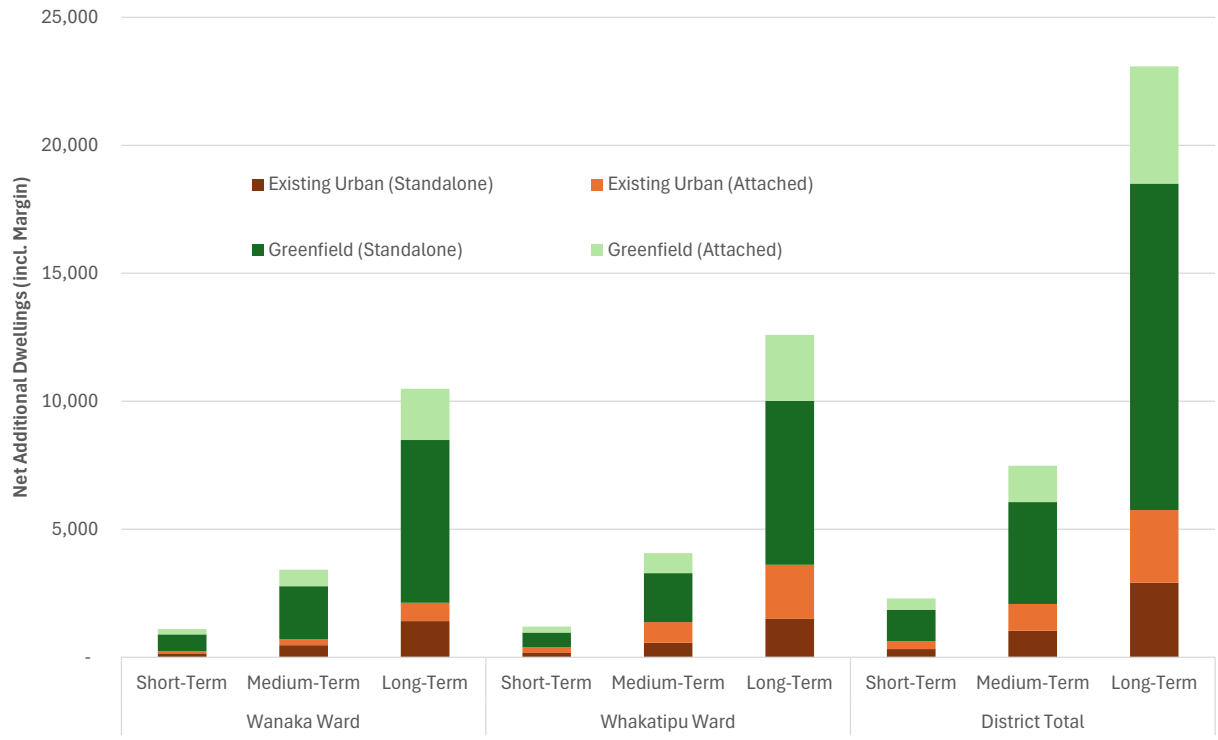
Table 5-6 – Urban Environment Dwelling Demand by Dwelling Type: 2023-2053

Ward	Short-Term (2023-2026)			Medium-Term (2023-2033)			Long-Term (2023-2053)		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
	Net Additional Dwelling Demand								
Wanaka Ward	800	300	**1,100**	2,500	900	**3,400**	7,800	2,700	**10,500**
Whakatipu Ward	700	500	**1,200**	2,500	1,600	**4,100**	7,900	4,700	**12,600**
Total Urban Environment	**1,600**	**700**	**2,300**	**5,000**	**2,500**	**7,500**	**15,700**	**7,400**	**23,100**
	Share of Demand by Dwelling Type								
Wanaka Ward	74%	26%	**100%**	74%	26%	**100%**	74%	26%	**100%**
Whakatipu Ward	62%	38%	**100%**	61%	39%	**100%**	63%	37%	**100%**
Total Urban Environment	**68%**	**32%**	**100%**	**67%**	**33%**	**100%**	**68%**	**32%**	**100%**

Source: QLDC Growth Model, 2025.

A summary of the growth model projected dwelling demand by location type and dwelling type that is applied within the sufficiency assessment is shown in Figure 5-3. Overall, it allocates over half of the district's growth to detached dwellings within greenfield areas across the short to long-term. A minor share (12% to 14%) of the growth is allocated to occur as attached dwellings within existing urban areas. Most (58% to 62%) of the attached dwelling demand is allocated to occur within greenfield areas.

Figure 5-3 – QLDC Growth Model Projected Dwelling Demand by Location Type and Dwelling Type



Source: QLDC Growth Model, 2025.

5.3.4 Competitiveness Margin Applied to Urban Dwelling Demand

Clause 3.22 of the NPS-UD requires that a competitiveness margin of 20% in the short and medium term and 15% in the long term be added to projected demand for assessing the sufficiency of capacity in Tier 1

and Tier 2 urban environments. It is important to recognise that the competitiveness margin is in effect provision for additional land or development opportunity for feasible housing capacity and the infrastructure to support it, but it is not anticipated additional dwelling supply as at 2026, 2033 or 2053. The core reason for the additional land capacity or development opportunity is to provide a land/development opportunity supply buffer in case housing demand is higher than anticipated, with a view also to place downward pressure on land prices.

Table 5-7 and Table 5-8 show the total projected growth in dwelling demand within the urban environment with the NPS-UD competitiveness margins applied. Table 5-7 shows the projected change in demand (with a margin) by dwelling type across each of the ward's urban housing markets and follows the same format as Table 5-6 above. The margin applied to the total projected demand for each location within the urban environment is shown in Table 5-8. The dwelling demand growth with a margin applied is summarised by location in Table 5-8.

With a margin applied:

- There is a short-term demand (incl. margin) for a net additional 2,800 dwellings within the urban environment. This includes a net increase of 1,300 dwellings in the Wānaka Ward urban environment and 1,400 dwellings in the Whakatipu Ward.
- There is a medium-term demand (incl. margin) for a net additional 9,100 dwellings within the urban environment. This includes a net increase of 4,100 dwellings in the Wānaka Ward urban environment and 4,900 dwellings in the Whakatipu Ward.
- There is a long-term demand (incl. margin) for a net additional 27,100 dwellings within the urban environment. This includes a net increase of 12,200 dwellings in the Wānaka Ward urban environment and 14,700 dwellings in the Whakatipu Ward.

Table 5-7 – Growth in Total Urban Dwellings by Type Including Margin (High Plus Series Projection)

Ward	Short-Term (2023-2026)			Medium-Term (2023-2033)			Long-Term (2023-2053)		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
	Net Additional Dwelling Demand								
Wanaka Ward	1,000	300	**1,300**	3,000	1,100	**4,100**	9,100	3,200	**12,200**
Whakatipu Ward	900	600	**1,400**	3,000	1,900	**4,900**	9,200	5,500	**14,700**
Total Urban Environment	**1,900**	**900**	**2,800**	**6,000**	**3,000**	**9,100**	**18,300**	**8,600**	**27,100**
	Share of Demand by Dwelling Type								
Wanaka Ward	74%	26%	**100%**	74%	26%	**100%**	74%	26%	**100%**
Whakatipu Ward	62%	38%	**100%**	61%	39%	**100%**	63%	37%	**100%**
Total Urban Environment	**68%**	**32%**	**100%**	**67%**	**33%**	**100%**	**68%**	**32%**	**100%**

Source: QLDC Growth Model, 2025.

Table 5-8 – Growth in Total Urban Dwellings by Location Including Margin (High Plus Series Projection)

Location Reporting Area	Net Change in Demand (with margin) Short-Term: 2023 - 2026	Medium-Term: 2023 - 2033	Long-Term: 2023 - 2053
Urban Environment			
Wanaka	1,100	3,100	9,300
Lake Hawea	190	790	2,300
Cardrona	30	260	590
Wanaka Ward Total	***1,300***	***4,100***	***12,200***
Arrowtown	60	130	220
Arthurs Point	130	340	630
Queenstown	310	1,200	3,200
Te Tapuae Frankton	710	2,600	8,700
Te Putahi Eastern Corridor	220	570	1,900
Whakatipu Ward Total	***1,400***	***4,900***	***14,700***
Total Urban Environment	**2,800**	**9,100**	**27,100**
Non-Urban Environment			
Whakatipu - Other	130	290	500
Wanaka - Other	70	140	220
Total Non-Urban Environment	**190**	**430**	**730**
ɔtal District	**2,900**	**9,500**	**27,800**

Source: QLDC March 2025 Dwelling Demand Projections (Utility Ltd) and QLDC Growth Model, 2025.

5.4 Housing Bottom Lines 2023-2053

Clause 3.6(1) of the NPS-UD requires that "the amount of development capacity that is sufficient to meet expected housing demand plus the appropriate competitiveness margin" in the short-medium and in the long term is clearly stated in each district of a tier 2 urban environment. The Housing Bottom Line is to be based on the amount of "feasible, reasonably expected to be realised development capacity that must be enabled to meet demand, along with the competitiveness margin". Once determined, the Housing Bottom Lines must be inserted into the District Plan and Regional Policy Statement.

The following are the calculated Housing Bottom Lines for the Queenstown Lakes District urban environment for the short, medium and long term. They are based on the analysis set out in Section 5.3.4 above and are driven by Council's preferred High Plus demand projection series. Sufficient zoned and infrastructure-served, feasible development capacity is required to meet demand to accommodate the following number of projected additional dwellings in each time period:

i) Short-Medium Term (10 years, 2023-2033): an additional 9,100 dwellings.

ii) Long Term (20 years, 2033-2053): an additional 18,000 dwellings.

iii) Combined Total Long Term (30 years, 2023-2053): an additional 27,100 dwellings.

6 Māori Housing Demand

The NPS-UD has specific reference to Te Tiriti o Waitangi, with the intention of meeting the needs of Māori living in urban environments. Under Objective 5 and Policy 9 of the NPS-UD, local authorities must ensure iwi/Māori are engaged in processes to prepare plans and strategies that shape urban environments. Assessing Māori housing demand in HBAs is a requirement under section 3.23(2) of the NPS-UD. Including analysis of Māori housing demand, aspirations and barriers in this HBA is intended to help QLDC to better consider these factors in their decision-making, help progress housing initiatives that improve housing outcomes for Māori and further strengthen relationships with mana whenua.

6.1 Mana Whenua – Queenstown Lakes District Context

The Queenstown Lakes District falls within the area traditionally covered by the Ngāi Tahu iwi, which are also known as Kāi Tahu. They form partners in the management of the QLD's natural and physical resources through the implementation of the District Plan.

Ngāi Tahu are part of the Te Rūnanga o Ngāi Tahu (the iwi authority), which is made up of 18 papatipu rūnanga[47]. These are predominantly located in traditional coastal settlements, forming a focus for whānau and hapū who have Manawhenua status within the Queenstown Lakes District. The papatipu rūnanga that have a shared interest in the Queenstown Lakes District are:

- Te Rūnanga o Moeraki;
- Kāti Huirapa Rūnaka ki Puketeraki;
- Te Rūnanga o Ōtākou;
- Hokonui Rūnaka;
- Te Rūnanga o Oraka-Aparima;
- Te Rūnanga o Awarua;
- Waihopai Rūnaka.

Māori form an important part of the QLD's local housing market. It is critical to understand how development activity and dwelling supply within the market are aligned to patterns of Māori housing demand and projected future housing need. This is recognised within the QLD Joint Housing Action Plan (JHAP) (2023-2028)[48] where solutions require an integrated approach that involves collaboration between Central and Local Government, Iwi, community and the private sector.

The JHAP contains key actions to enable affordable housing choice through legislative and other tools that are important in relation to aligning dwelling supply with Māori housing demand within the local market. Among these, Action D requires key agencies (QLDC, Kāi Tahu and the QLCHT) in the short-term to "Seek opportunity for collaboration and partnership with Kāi Tahu to address housing challenges for Māori and

[47] QLDC Proposed District Plan, Chapter 5.

[48] https://www.qldc.govt.nz/media/dtuhktca/qldc_joint-housing-action-plan.pdf

improve housing outcomes, including papakāinga housing." The JHAP requires the stability and tenure of across all ethnicities to be measured and monitored, with "KPIs/measures relating to Māori housing are to be further developed in consultation with Aukaha[49], Te Ao Marama Incorporated[50] and local community (p28)."

Ngāi Tahu are involved in dwelling supply and other business development within the QLD through their property development, investment and management company Ngāi Tahu Property. They currently have dwelling supply (300 dwellings once completed) through the Te Pā Tāhuna development within the QLD as part of their intended development pipeline.

6.2 Quantitative Assessment of Māori Housing Demand

This section provides brief analysis of a range of quantitative datasets (indicators) that are readily available, that relate to Māori housing demand (and supply), and that are specific to the QLD.[51] It firstly provides information on the number of Māori households within the district. It then examines information from the 2023 Census on patterns of dwellings and household types of people within Māori descent within the district, followed by the urban dashboard indicators on Māori housing from the 2023 Census.

6.2.1 Māori Households

Around 12% of the QLD's households reported having Māori descent within the 2023 Census, amounting to an estimated 1,944 Māori households within the Queenstown Lakes District. This is up from an estimated 1,395 households with a Māori descent reported in the 2018 Census (11% of the district's households). The district contains around 0.5% of New Zealand's households with a reported Māori descent.

Table 6-1 shows the patterns of the district's population living within family households by Māori and non-Māori households. The top half of the table shows people living within Māori families, and the lower half within non-Māori families. Each portion of the table shows the relative incidence of each household type combination (family and household income) relative to the total district households.

The table shows that a higher share of Māori family households have children than non-Māori families. Māori families are also over-represented in single parent families, with many of these within lower income bands. However, the number of Māori single-parent households are small meaning that the scale of over-representation may be over-stated.

[49] Aukaha is a mana whenua-owned consultancy delivering social, economic, environmental, and cultural services (https://aukaha.co.nz/).

[50] Te Aa Marama Incorporated provide professional advice on behalf of mana whenua in their role as treaty partners with Councils and Central Government.

[51] While there are some indicators that are at a regional level (i.e. Otago Region), this HBA has chosen not to include those as the Queenstown Lakes District's contribution/role in those regional statistics is unknown, with most of the activity likely to be focussed into other parts of the region, particularly the main urban centre of Dunedin.

Table 6-1 – People in Family Households by Income and Family Type: Māori vs. Non-Māori Households

Family Type	Household Income							
	$20,000 or less	$20,001-$30,000	$50,001-$70,000	$70,001-$100,000	$100,001-$150,000	$150,001-$200,000	$200,001 or more	Total
	People in Households with Maori Descent							
Couple Only	12	15	57	105	246	123	93	**651**
Couple with Children	9	3	54	159	525	417	462	**1,629**
One Parent with Children	15	24	57	66	51	6	9	**228**
Total	**39**	**45**	**168**	**333**	**822**	**546**	**561**	**2,514**
	Relative Incidence by Family Type - Maori Descent							
Couple Only	0.47	0.89	0.65	0.53	0.71	0.73	0.70	**0.67**
Couple with Children	0.47	0.47	0.93	0.92	1.20	1.31	1.18	**1.16**
One Parent with Children	1.24	2.49	1.95	1.89	1.68	0.69	1.04	**1.71**
Total	**0.68**	**1.36**	**0.96**	**0.82**	**1.01**	**1.10**	**1.05**	**1.00**
	People in Households with No Maori Descent							
Couple Only	297	189	1,011	2,298	3,939	1,926	1,521	**11,181**
Couple with Children	225	75	651	1,947	4,773	3,450	4,302	**15,423**
One Parent with Children	132	93	297	357	318	99	96	**1,392**
Total	**660**	**357**	**1,959**	**4,602**	**9,030**	**5,475**	**5,919**	**28,002**
	Relative Incidence by Family Type - No Maori Descent							
Couple Only	1.05	1.01	1.03	1.04	1.03	1.02	1.03	**1.03**
Couple with Children	1.05	1.05	1.01	1.01	0.98	0.97	0.98	**0.99**
One Parent with Children	0.98	0.87	0.91	0.92	0.94	1.03	1.00	**0.94**
Total	**1.03**	**0.97**	**1.00**	**1.02**	**1.00**	**0.99**	**1.00**	**1.00**

Source: Statistics New Zealand, Census of Population and Dwellings, 2023.

6.2.2 Patterns of Māori Housing Outcomes

Home Ownership

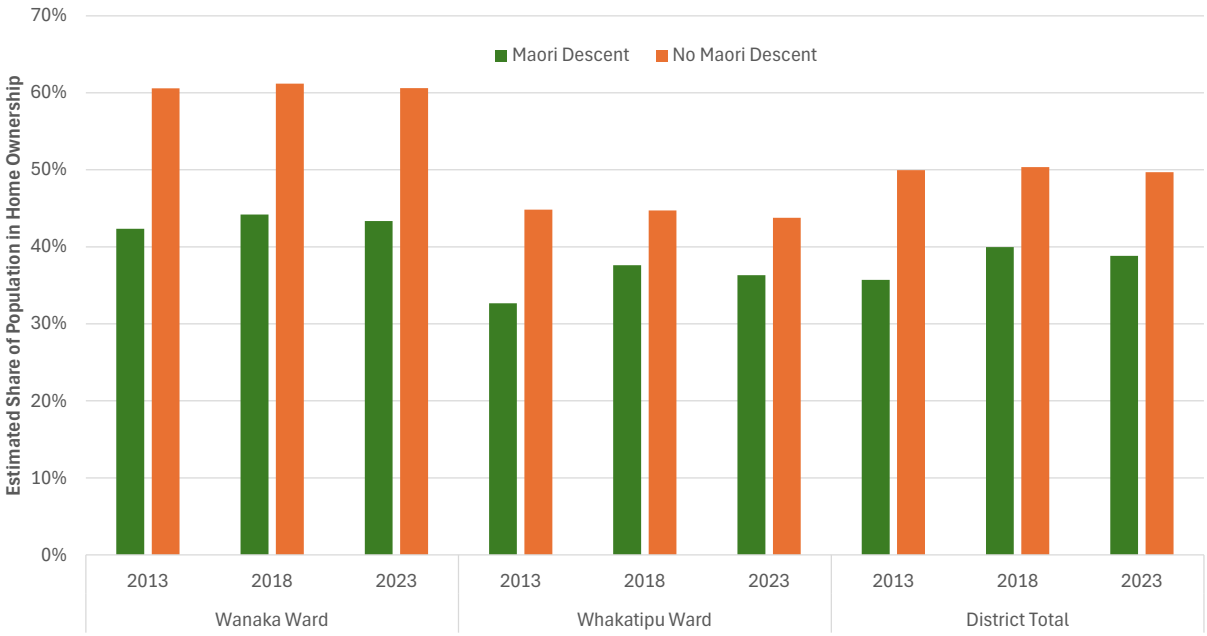
Māori households have lower rates of home ownership than non-Māori households within the QLD. The estimated[52] rates of home ownership within each ward across the past three Census periods are shown in Figure 6-1 below. They show that an estimated 39% of the district's Māori population lived within dwellings that were owned in the 2023 Census. This compares to 50% of the district's non-Māori population.

The differences in home ownership rates between Māori and non-Māori households have increased since the previous 2018 Census, but are lower than the differences indicated by the 2013 Census. Non-Māori households have had relatively stable rates of home ownership at around 50% across the three Censuses. In comparison, Māori households have risen from 36% in 2013, to 40% in 2018, decreasing slightly to 39% in 2023.

The estimated rates of home ownership among Māori households are higher within the Wānaka Ward at 43%, in comparison to 36% within the Whakatipu Ward. These differences in rates of home ownerships between the wards also occur for non-Māori households. However, the differences between Māori and non-Māori households are largest within the Wānaka Ward.

[52] The rates of home ownership are based on the share of the population within each home ownership category where respondents answered by ownership and Māori descent status.

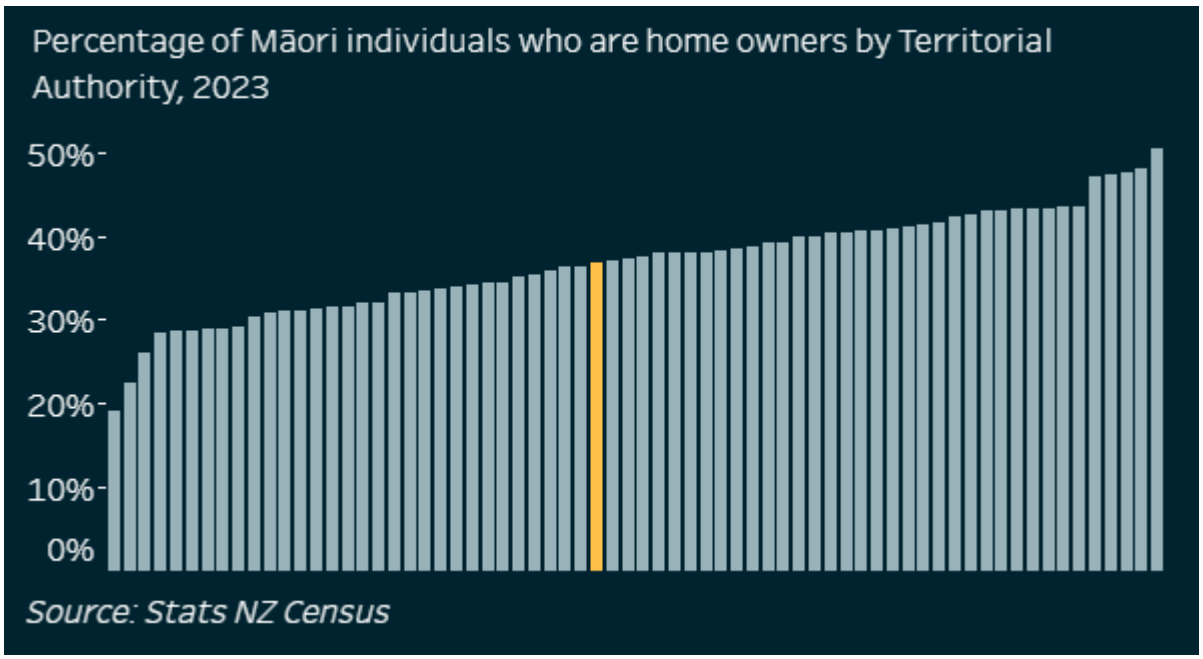
Figure 6-1 – Estimated Rates of Home Ownership by Māori Descent



Source: Statistics New Zealand, Census of Population and Dwellings, 2013, 2018 and 2023.

A comparison of the rates of Māori home ownership within the QLD to other territorial authorities is shown in Figure 6-2. The district is ranked around the mid-range of other areas in relation to rates of Māori home ownership. Rates of Māori home ownership are higher within the district than most other Tier 1 and 2 urban economies, where Māori households typically have lower rates of home ownership than in smaller economies.

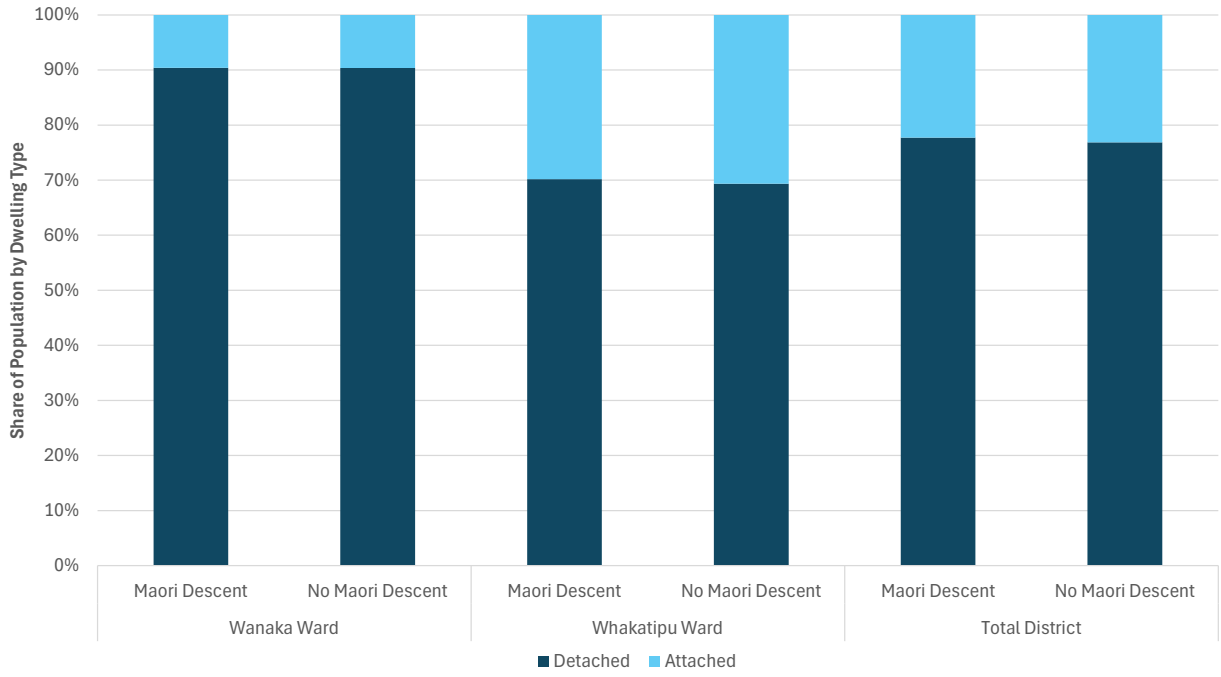
Figure 6-2 - Percentage of Māori Individuals Who Are Homeowners by TA, 2023 Queenstown Lakes District Focus



Dwelling Type

The patterns of households by broad dwelling type (detached vs. attached dwellings) were relatively similar between Māori and non-Māori households in the 2023 Census. The share of each ward's Māori and non-Māori population within each dwelling type is shown in Figure 6-3. Over three-quarters of the population within each group were within detached dwellings, with a higher share in detached dwellings within the Wānaka Ward (90% in each group).

Figure 6-3 – Estimated Share of Population by Dwelling Type and Māori Descent



Source: Statistics New Zealand, Census of Population and Dwellings, 2023.

Household Crowding

Figure 6-4 and Figure 6-5 are from the MHUD Local Housing Statistics dashboard and present indicators on the level of household crowding for Māori households within the QLD. The indicators examine the number and proportion of Māori households living within dwellings where additional bedrooms are required. Households are regarded as crowded where one extra bedroom is required, and severely crowded where two or more additional bedrooms are needed.

Figure 6-4 shows that 9% of Māori households within the QLD are crowded, with 2% living within severely crowded households. Figure 6-5 shows that this proportion of crowded households is relatively low in comparison to Māori households in other locations, where the district has the fourth lowest rate of Māori household crowding.

Figure 6-4 – Number of Māori Living in Crowded and Non-crowded Housing 2023

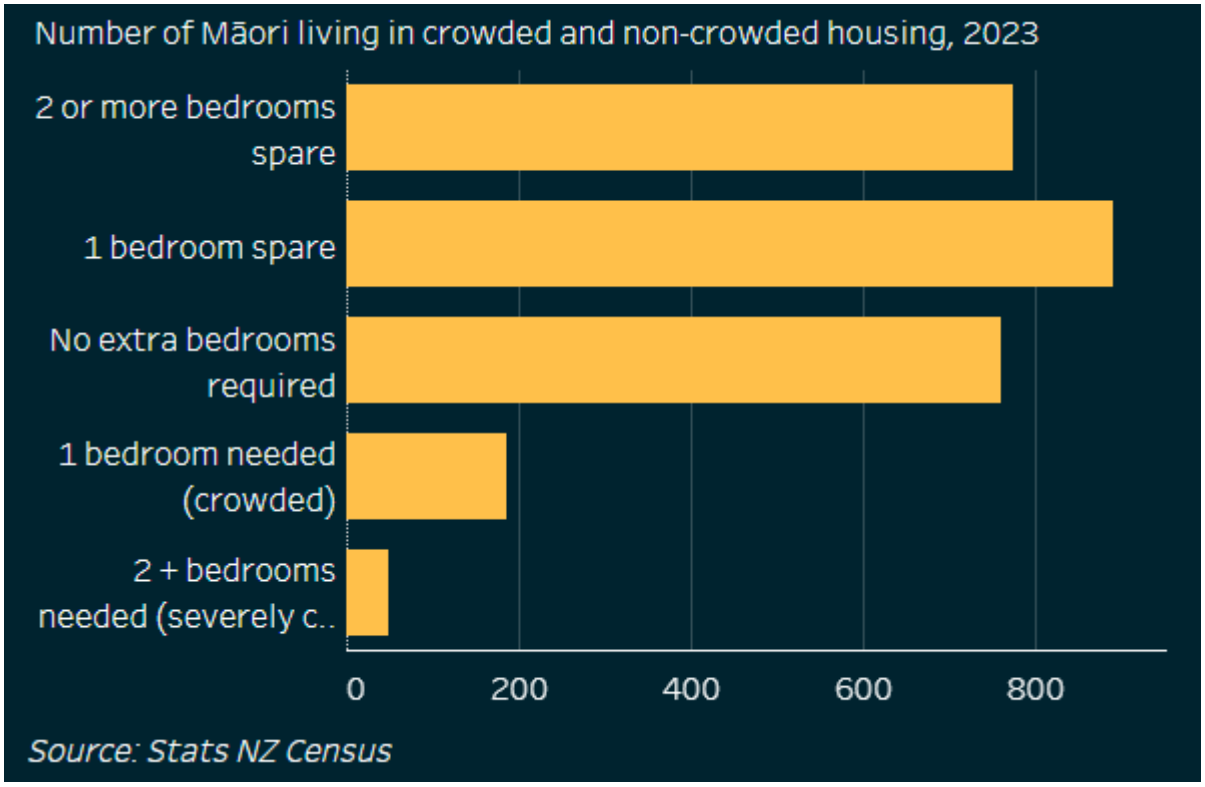
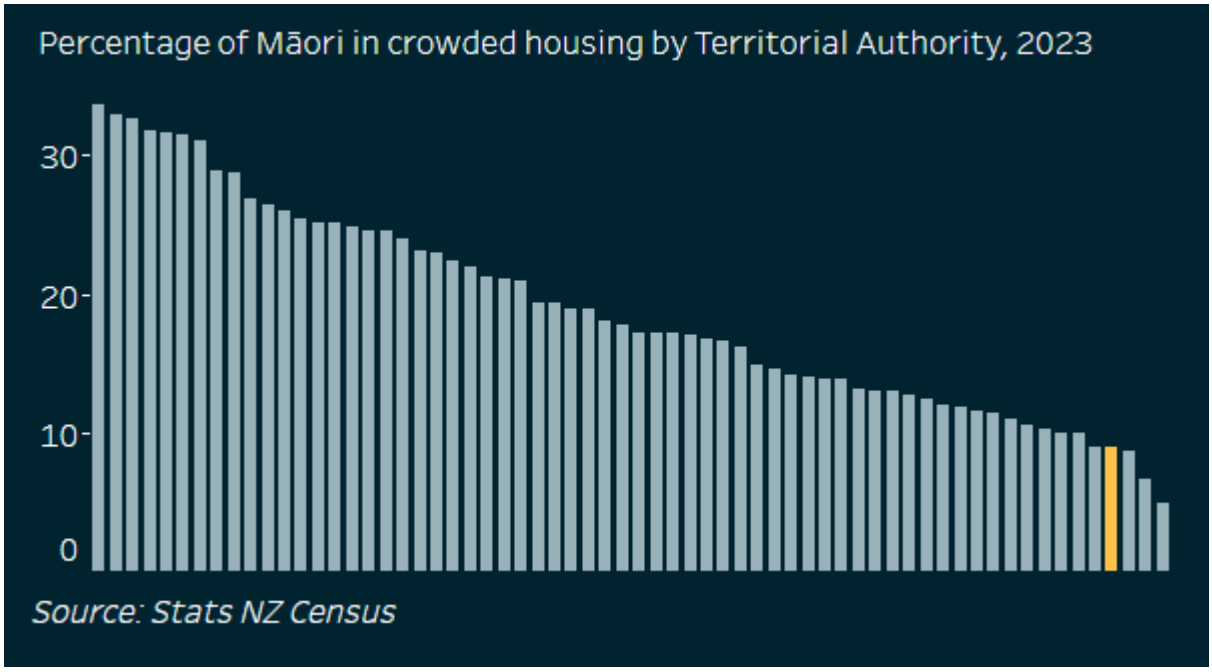


Figure 6-5 – Percentage of Māori in Crowded Housing by TA 2023, Queenstown Lakes District Focus



Part 2 – Housing Capacity Assessment

7 Plan Enabled Capacity

This section quantifies the level of capacity for additional dwellings within the district's urban environment from the development opportunity enabled under the planning framework applied for each time period. Plan enabled capacity reflects the theoretical number of additional dwellings that could be accommodated if each parcel were developed to the maximum potential enabled under the Plan.

Estimating the plan enabled capacity is a key part of the HBA assessment. It is critical to understand the level of development opportunity enabled for the market by the planning provisions across Queenstown Lakes District's current and future urban environment. It forms a key component to understanding the effect of planning.

In accordance with the NPS-UD, the plan enabled capacity represents the level of development opportunity theoretically enabled by the planning provisions and therefore generally reflects the highest level of development at the greatest intensity enabled on each parcel. Importantly, this stage of capacity is unlikely to reflect the level of growth within the urban environment. Take up of this plan-enabled opportunity through dwelling growth is instead more likely to occur at a level closer to growth in demand and at intensities (including typologies and sizes) able to be sustained by different parts of the market through time.

7.1 Approach

The plan enabled capacity has been calculated by the QLDC Growth Model to meet the NPS-UD Policy 2 requirement for this HBA. The PEC for the short term estimates the maximum theoretical capacity that be accommodated within the current ODP and PDP rules, the Medium-Term calculations take into consideration any changes anticipated to the PDP within the next 3 to 10 year timeframe, including the notified UIV as set out in Section 2.2. The Long-Term calculation includes the planned future growth areas as indicated in the Spatial Plan. The outputs from the model provide plan enabled capacity totals for each location and time period.

7.1.1 QLDC Growth Model Technical Approach

The QLDC growth model technical approach to modelling plan enabled capacity is summarised by the following stages:

- Land parcels are tagged with the zone from the planning framework applied in each time period.
- The net land area for development is calculated for each parcel (total parcel area) through removing areas for roads and reserves (generally set at 33%) on greenfield parcels (where required), and removing any undevelopable areas or parcels unable to be developed for residential uses. These may include significant areas of geographic constraints or parcels with other designated uses.

- The density provisions for each zone were applied to each parcel to calculate the gross number of dwellings able to be accommodated on each parcel. These were applied as measure of net land area per dwelling[53]. The total parcel land area was divided by the land area per dwelling to produce the gross number of dwellings. The input assumptions on land areas per dwelling are contained in Appendix 3.
- The net additional dwelling capacity was then calculated by subtracting any existing dwellings on each parcel. The parcel level results are aggregated to reporting areas.
- The growth model provides plan enabled outputs in the form of net additional dwellings enabled by the plan. It provides the total net additional dwellings for each time period within each reporting area. The plan enabled capacity outputs are calculated as dwelling totals and are not disaggregated by dwelling typology within this stage of the model. As such, the outputs reflect the densities produced by the most intensive enabled dwelling typologies on each parcel.

Structure of Development Pathways and Dwellings Options Modelled

Capacity within the district's current and future urban environment is classified into the following location types:

- Existing urban areas: these are sites within the existing urban extent that are already developed into urban uses. Additional capacity was modelled to occur through redevelopment, where the existing buildings are demolished, with the site redeveloped to a greater intensity.
- Greenfield areas: these are areas for future urban expansion that are not yet urbanised. They are defined for future urbanisation based on their zoned status in accordance with the NPS-UD definitions by assessment time period[54].

7.2 Plan Enabled Capacity Outputs

The QLDC growth model plan enabled capacity outputs by ward and location type are summarised for each time period in Table 7-1, with the reporting area totals in Table 7-2. The changes in capacity between each time period, as a result of the changes in planning frameworks, are summarised in Table 7-3 and Figure 7-1.Figure 7-1 – Summary of QLDC Growth Model Changes in Plan Enabled Capacity by Ward and Location Type

7.2.1 Short-Term

In the short-term, the growth model estimates that the PDP would enable a further 50,200 dwellings to be accommodated within the urban environment to the size of the existing dwelling stock. This implies that if

[53] In zones where multiple dwellings are enabled on each vacant lot, the model applies an assumption on net land area per dwelling based on the density produced by the highest enabled dwelling typology. The assumptions are contained in Appendix 3.

[54] Greenfield areas in the short and medium term are live zoned under the ODP/PDP. Further urban greenfield growth areas within the Spatial Plan are included in the long term, as set out in Section 2.2.

all (existing urban and greenfield) sites were developed to their maximum enable potential, the urban environment could accommodate around three time the current number of dwellings.

The short-term plan enabled capacity is distributed relatively evenly between the Wānaka and Whakatipu Wards, with just over two-thirds of the capacity occurring within the existing urban area. This equates to a capacity for an additional 34,300 dwellings within the existing urban area. In comparison, there is a modelled capacity for 15,900 dwellings within greenfield areas, a higher proportion (9,500 dwellings) in the Whakatipu Ward, and capacity for 6,500 dwellings within the Wānaka Ward greenfield areas.

Plan enabled capacity within the Wānaka Ward is concentrated into the Wānaka reporting area as the main urban node within the ward. This reporting area contains nearly three-quarters of the ward's plan enabled capacity, with most occurring within the existing urban area. The Lake Hāwea reporting area also contains sizeable plan enabled capacity, with a net additional 5,100 dwellings, of which 2,000 dwellings are within the greenfield areas. There is a significant amount of greenfield capacity (1,000 dwellings) within the Cardrona reporting area.

Nearly half (12,800 dwellings) of the Whakatipu Ward plan enabled capacity occurs within the Te Tapuae Frankton reporting area. This includes capacity within the sizeable urban node of Frankton as well as capacity in outer areas of the urban environment within the southern corridor. This area contains over two-thirds of the ward's greenfield capacity, but also similar amounts of capacity occurring within existing urban areas.

The Queenstown reporting area contains nearly one-third of the ward's plan enabled capacity, with a net additional 8,500 dwellings. These are predominantly within existing urban areas (7,400 dwellings), although there is a significant greenfield component (1,100 dwellings).

The Te Pūtahi Ladies Mile Eastern Corridor also contains a significant portion of the ward's greenfield capacity (1,800 dwellings). Although this detail is not provided by the growth model, this predominantly occurs at a medium-density scale within the recently approved development area along SH6.

Table 7-1 – QLDC Growth Model Plan Enabled Capacity by Ward and Time-Period

Ward	Net Additional Dwelling Capacity			Share of Capacity		
	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053
Wanaka Ward						
Existing Urban	16,800	18,400	18,400	33%	24%	20%
Greenfield	6,500	11,200	19,500	13%	15%	21%
Total Wanaka Ward	**23,200**	**29,600**	**37,900**	**46%**	**38%**	**41%**
Whakatipu Ward						
Existing Urban	17,500	34,900	34,900	35%	45%	38%
Greenfield	9,500	12,500	19,300	19%	16%	21%
Total Whakatipu Ward	**26,900**	**47,500**	**54,300**	**54%**	**62%**	**59%**
Total Urban Environment						
Existing Urban	34,300	53,400	53,400	68%	69%	58%
Greenfield	15,900	23,700	38,800	32%	31%	42%
Total Urban Environment	**50,200**	**77,100**	**92,200**	**100%**	**100%**	**100%**

Source: QLDC Growth Model, 2025.

Table 7-2 - QLDC Growth Model Plan Enabled Capacity by Reporting Area and Time-Period

Reporting Area	Location Type	Net Additional Dwelling Capacity			Net Change in Dwelling Capacity		
		Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053	Short-Term to Medium-Term	Medium-Term to Long-Term	Short-Term to Long-Term
Wānaka	Existing Urban	13,600	15,200	15,200	1,700	-	1,700
	Greenfield	3,300	7,900	16,200	4,500	8,300	12,800
Lake Hawea	Existing Urban	3,100	3,100	3,100	10	-	10
	Greenfield	2,000	2,200	2,200	190	-	190
Cardrona	Existing Urban	60	60	60	-	-	-
	Greenfield	1,100	1,100	1,100	-	-	-
Arrowtown	Existing Urban	860	1,200	1,200	330	-	330
	Greenfield	-	-	-	-	-	-
Arthurs Point	Existing Urban	1,400	2,900	2,900	1,500	-	1,500
	Greenfield	-	-	-	-	-	-
Queenstown	Existing Urban	7,400	22,500	22,500	15,100	-	15,100
	Greenfield	1,100	1,100	1,100	70	-	70
Te Tapuae Frankton	Existing Urban	6,300	6,800	6,800	560	-	560
	Greenfield	6,600	9,600	14,400	3,000	4,900	7,900
Te Putahi Eastern Corridor	Existing Urban	1,500	1,600	1,600	50	10	60
	Greenfield	1,800	1,800	3,800	-	2,000	2,000

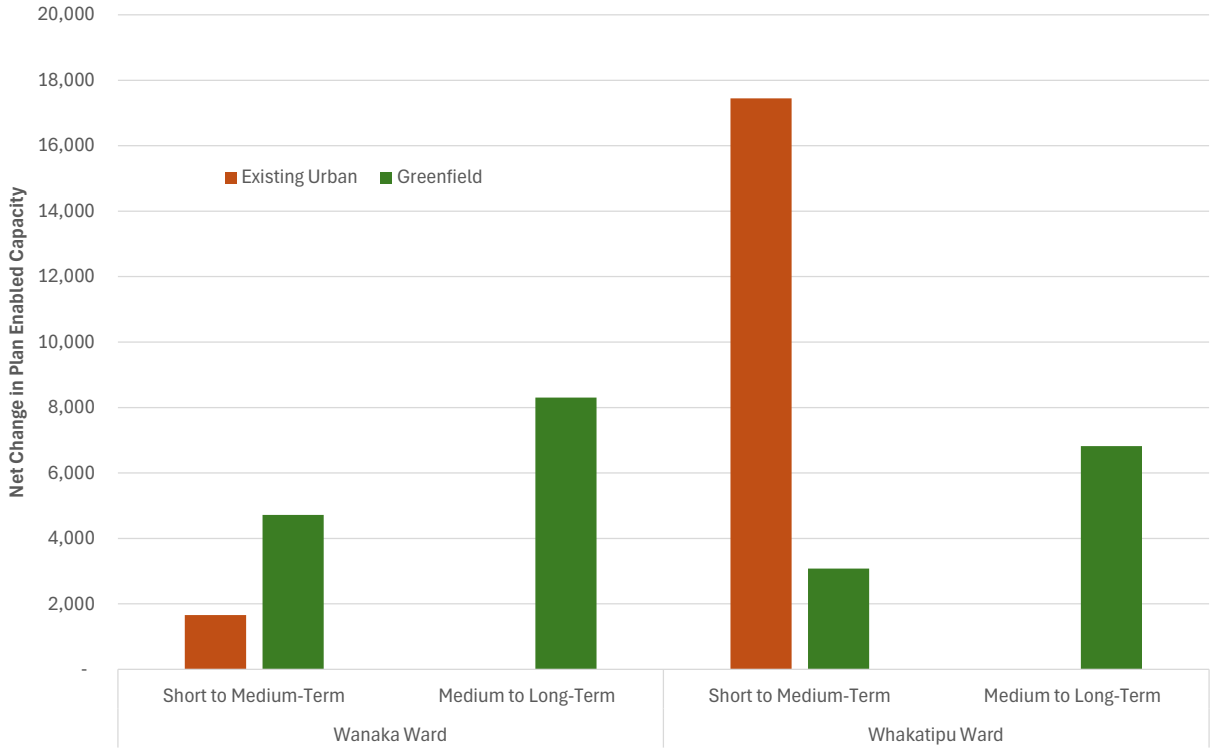
Source: QLDC Growth Model, 2025.

Table 7-3 – Changes in QLDC Growth Model Plan Enabled Capacity between Time Periods

Ward	Net Additional Dwelling Capacity			Net Change in Dwelling Capacity			% Change in Dwelling Capacity		
	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053	Short-Term to Medium-Term	Medium-Term to Long-Term	Short-Term to Long-Term	Short-Term to Medium-Term	Medium-Term to Long-Term	Short-Term to Long-Term
Wanaka Ward									
Existing Urban	16,800	18,400	18,400	1,700	-	1,700	10%	0%	10%
Greenfield	6,500	11,200	19,500	4,700	8,300	13,000	73%	74%	202%
Total Wanaka Ward	**23,200**	**29,600**	**37,900**	**6,400**	**8,300**	**14,700**	**27%**	**28%**	**63%**
Whakatipu Ward									
Existing Urban	17,500	34,900	34,900	17,500	-	17,500	100%	0%	100%
Greenfield	9,500	12,500	19,300	3,100	6,800	9,900	33%	54%	105%
Total Whakatipu Ward	**26,900**	**47,500**	**54,300**	**20,500**	**6,800**	**27,400**	**76%**	**14%**	**102%**
Total Urban Environment									
Existing Urban	34,300	53,400	53,400	19,100	-	19,100	56%	0%	56%
Greenfield	15,900	23,700	38,800	7,800	15,100	22,900	49%	64%	144%
Total Urban Environment	**50,200**	**77,100**	**92,200**	**26,900**	**15,100**	**42,000**	**54%**	**20%**	**84%**

Source: QLDC Growth Model, 2025.

Figure 7-1 – Summary of QLDC Growth Model Changes in Plan Enabled Capacity by Ward and Location Type



Source: Net changes calculated from QLDC growth model outputs.

7.2.2 Medium-Term

The plan enabled capacity increases by 54% in the medium-term to reach a total capacity for 77,100 net additional dwellings. This equates to a net increase of 26,900 dwellings from the short-term. Figure 7-1 shows that most of this net increase occurs within the existing urban area. The increase is heavily focussed into the Whakatipu Ward, which accounts for three-quarters of the change in plan enabled capacity.

Nearly two-thirds (62%) of the medium-term plan enabled capacity is contained within the Whakatipu Ward, with a net additional 47,500 dwellings. Most of the ward's capacity occurs within the existing urban areas. The largest increases in capacity have occurred within the Queenstown reporting area existing urban area, which accounts for nearly three-quarters of the medium-term increases in plan enabled capacity.

The Wānaka Ward has lower increases in plan enabled capacity, with capacity increasing by 27% (compared to +76% for the Whakatipu Ward). It has a plan enabled capacity for a net additional 29,600 dwellings in the medium-term. In contrast to the Whakatipu Ward, the largest increases have occurred within the greenfield areas.

7.2.3 Long-Term

The plan enabled capacity increases by a further 20% into the long-term, to reach a total of 92,200 net additional dwellings. The increase in capacity occurs entirely through the addition of further greenfield urban expansion areas through the Spatial Plan, with no change in enabled development potential within the existing urban area.

The Spatial Plan adds plan enabled capacity for an additional 15,100 dwellings, increasing the greenfield capacity by nearly two-thirds (64%) from that in the medium-term. The largest increases occur within the Wānaka Ward, with an increase of 8,300 net additional dwellings. Sizeable growth areas are provided to enable urban expansion of the Wānaka township area in a southern direction along Cardrona Valley Road. This would significantly expand Wānaka's urban footprint.

The Spatial Plan also adds significant greenfield growth areas within the southern end of the Te Tapuae Frankton reporting area and around the Te Pūtahi Eastern Corridor reporting area in the long-term. Together these areas contain plan enabled capacity for a further net additional 6,800 dwellings.

8 Infrastructure Ready Capacity

This section examines what amount of dwelling development opportunity is estimated to be infrastructure ready. This element of the NPS-UD is central to the requirement for well-planned urban environments whereby infrastructure and land use provision are to be aligned, and the provision of infrastructure is timely so to avoid unnecessary costs. Quantifying urban housing capacity that is infrastructure ready also helps to determine the impact that planning and infrastructure is having on the capacity for growth and the affordability and competitiveness of the Queenstown Lakes District housing market.

Clause 3.4(3) of the NPS-UD states that development capacity is infrastructure ready if:

a) In relation to the short term, there is adequate existing development infrastructure to support the development of land.

b) In relation to the medium term, either paragraph (a) applies, or funding for adequate infrastructure to support development of the land is identified in a LTP.

c) In relation to the long term, either paragraph (b) applies, or the development infrastructure to support the development capacity is identified in the local authority's infrastructure strategy (as required as part of its LTP).

Clause 3.5 of the NPS-UD states that local authorities must be 'satisfied' that the additional infrastructure to service the development capacity is likely to be available.

8.1 Approach for Infrastructure Ready Capacity

QLD have undertaken further assessment during 2024/2025 to update their estimated infrastructure capacity to accommodate future growth across different parts of the district. This updated information has then been applied within the QLDC growth model.

Modelling has been undertaken to calculate the number of additional dwellings that can be supported in each location, expressed as the residual infrastructure capacity of the following infrastructure networks:

i. Water supply network.
ii. Wastewater network.

The assessment methodology compared peak flow capacity of key pumpstations, pipelines, and treatment plants to the current expected reasonable demands, resulting in an indicative assessment of residual infrastructure capacity at a SA2 level or lower. Where an infrastructure constraint is shared between multiple locations the residual infrastructure capacity has been shared proportionally by the estimated

development capacity of each area, as at March 2025. The resulting lowest infrastructure capacity for each SA2[55] was utilised as inputs to the growth model.

The QLDC growth model further allocated the SA2 level infrastructure residual capacities between existing urban and greenfield areas. These form assumptions that are applied to limit development capacity uptake within the model between existing urban and greenfield areas[56]. However, it is noted that the infrastructure networks themselves do not differentiate between growth that occurs within different parts or distinct zones within their respective catchments. This assumption is likely to have an important effect on the patterns of capacity within the model.

Lastly, the growth model allocates the infrastructure residual capacity within each area between residential and business uses.

Importantly, the QLDC growth model utilised *residual* infrastructure network capacities. This reflects the number of additional dwellings that can be supported by the networks rather than the total network capacity that includes existing dwellings. The measure of residual infrastructure capacity is correspondingly compared to the net additional plan enabled capacity within each area.

The QLDC growth model does not currently incorporate constraints within other infrastructure networks as updated information was not available at the time of model development. The district has significant capacity limitations within the road network infrastructure, which are likely to be incorporated within subsequent assessment updates.

8.2 Infrastructure Dwelling Capacity

8.2.1 Short-Term

Table 8-1 shows the proportion of plan enabled capacity that is supported by infrastructure within the urban environment across each time-period. There is very limited residual capacity within the district's infrastructure networks in the short-term. Only 4% of the short-term plan enabled capacity is supported by the infrastructure networks, amounting to around 1,900 net additional dwellings.

Almost all of the short-term infrastructure capacity is contained within the Wānaka Ward, where around 7% of the plan enabled capacity is supported by infrastructure. Within the Whakatipu Ward, only 1% of the plan enabled capacity is supported by infrastructure, amounting to only 240 net additional dwellings.

Table 8-1 shows the proportion of net additional plan enabled capacity that is supported by infrastructure within the urban environment across each time-period. There is very limited residual capacity within the district's infrastructure networks in the short-term. Only 4% of the short-term plan enabled capacity is supported by the infrastructure networks, amounting to around 1,900 net additional dwellings.

[55] This process was undertaken by QLDC. Infrastructure network capacity was generally allocated to SA2s on a pro-rata basis in accordance to anticipated growth patterns.

[56] In some cases, infrastructure capacity is allocated to certain areas to reflect specific known developments within the pipeline.

Almost all of the short-term infrastructure capacity is contained within the Wānaka Ward, where around 7% of the additional plan enabled capacity is supported by infrastructure. Within the Whakatipu Ward, only 1% of the additional plan enabled capacity is supported by infrastructure, amounting to only 240 net additional dwellings.

Importantly, the share of additional plan enabled capacity supported by infrastructure is not uniformly distributed across the ward. The distribution of short-term infrastructure-served capacity by reporting area across the district is shown in Figure 8-1. The full height of each bar shows the total additional plan enabled capacity from Section 7, with the grey part of each bar showing the portion of this capacity served by the infrastructure networks (i.e. residual capacity).

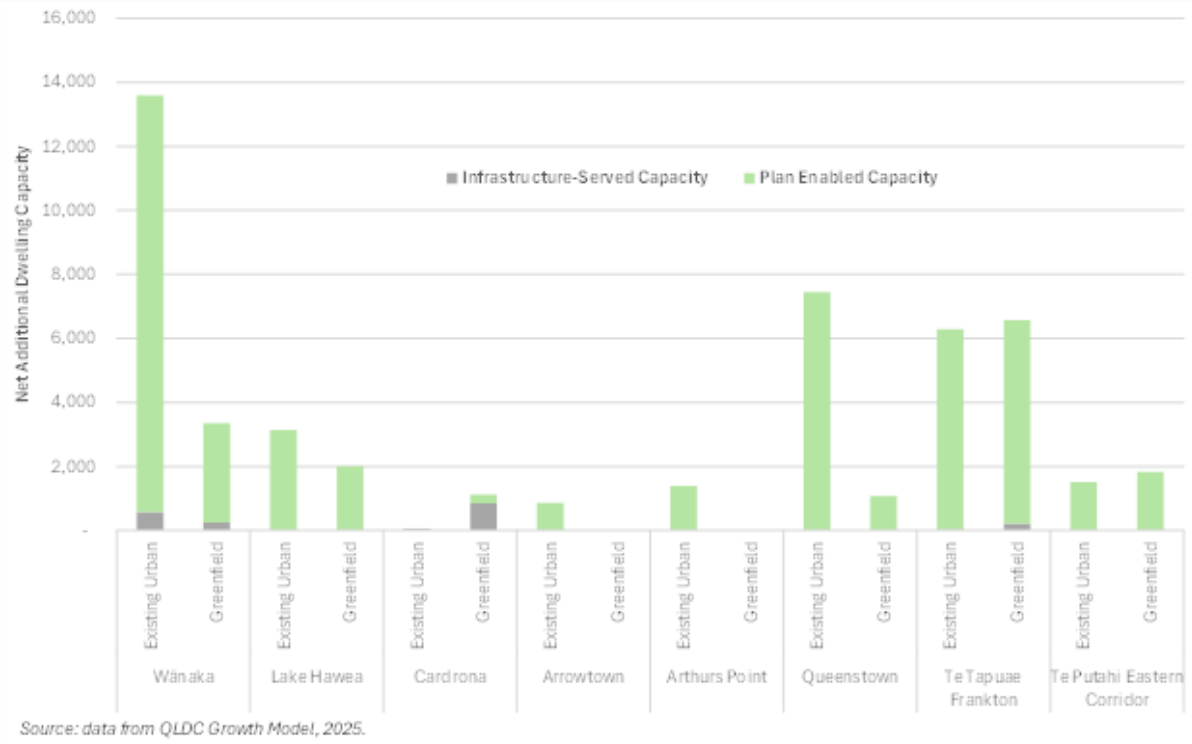
The residual infrastructure-served capacity within the Wānaka Ward is distributed relatively evenly between the main urban node of Wānaka township and the Cardrona reporting area The limited residual infrastructure capacity within the Whakatipu Ward is all located within the Te Tapuae Frankton reporting area, with no residual capacity within any other parts of the ward.

Table 8-1 – Combined Infrastructure Network Net Additional Dwelling Capacity

Ward	Infrastructure Net Additional Dwelling Capacity			Share of Infrastructure Capacity			Infrastructure Capacity as Share of Plan Enabled Capacity		
	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053	Short-Term: 2023-2026	Medium-Term: 2023-2033	Long-Term: 2023-2053
Wanaka Ward									
Existing Urban	610	3,100	6,900	32%	18%	21%	4%	17%	37%
Greenfield	1,100	3,200	8,200	56%	19%	24%	17%	29%	42%
Total Wanaka Ward	**1,700**	**6,300**	**15,100**	**87%**	**37%**	**45%**	**7%**	**21%**	**40%**
Whakatipu Ward									
Existing Urban	30	4,700	5,500	1%	27%	16%	0%	13%	16%
Greenfield	220	6,200	13,000	11%	36%	39%	2%	50%	67%
Total Whakatipu Ward	**240**	**10,900**	**18,400**	**13%**	**63%**	**55%**	**1%**	**23%**	**34%**
Total Urban Environment									
Existing Urban	640	7,800	12,300	33%	45%	37%	2%	15%	23%
Greenfield	1,300	9,500	21,200	67%	55%	63%	8%	40%	54%
Total Urban Environment	**1,900**	**17,200**	**33,500**	**100%**	**100%**	**100%**	**4%**	**22%**	**36%**

Source: QLDC Growth Model, 2025.

Figure 8-1 – Short-Term Residual Infrastructure and Plan Enabled Capacity by Reporting Area



Source: data from QLDC Growth Model, 2025.

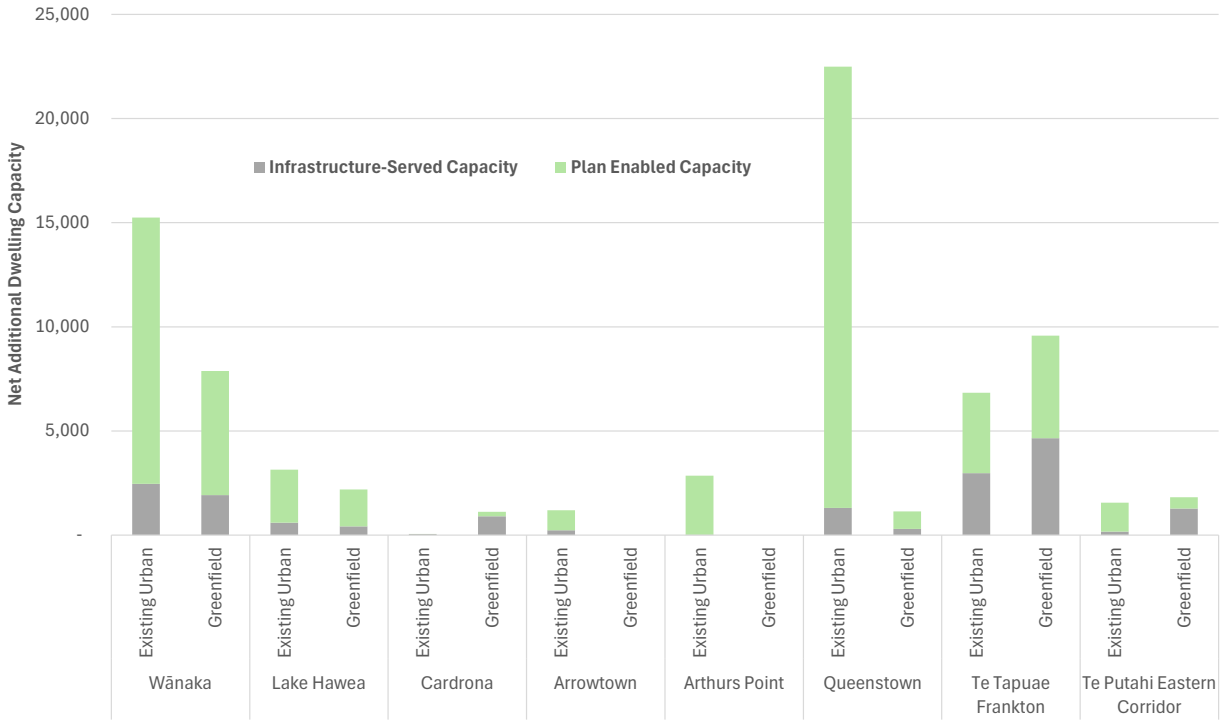
8.2.2 Medium-Term

Significant infrastructure capacity is added within the district within the medium-term, increasing the overall share of additional plan enabled capacity served by infrastructure networks to 22%. In total, Table 8-1 shows that there is an estimated capacity for a net additional 17,200 dwellings within the medium-term (2023 to 2033). Most of this capacity is added within the Whakatipu Ward, increasing residual infrastructure served capacity to 10,900 net additional dwellings. In comparison, there is residual infrastructure capacity for a net additional 6,300 dwellings within the Wānaka Ward.

Figure 8-2 shows that sizeable amounts of infrastructure capacity are added to a range of locations in the medium-term. Nearly half of the increases in capacity occurs within the Te Tapuae Frankton reporting area, with the model allocating substantial amounts in both the greenfield and existing urban areas. Sizeable increases in capacity also occur within the Queenstown and Te Pūtahi Eastern Corridor reporting areas within the Whakatipu Ward, with a smaller increase in Arrowtown.

In the Wānaka Ward, the largest increases in capacity occur within the main urban node of Wānaka reporting area, which accounts for three-quarters of the residual capacity added within this ward. Significant amounts of infrastructure capacity are also added in the Lake Hāwea reporting area in the medium-term. In both areas, the model allocates residual infrastructure capacity relatively evenly between the greenfield and existing urban areas.

Figure 8-2 - Medium-Term Infrastructure and Plan Enabled Capacity by Reporting Area



Source: data from QLDC Growth Model, 2025.

8.2.3 Long-Term

Table 8-1 shows that the district's residual infrastructure-served capacity increases to a net additional 33,500 dwellings in the long-term. This further increases the share of additional plan enabled capacity served by infrastructure to 36% overall in the long-term.

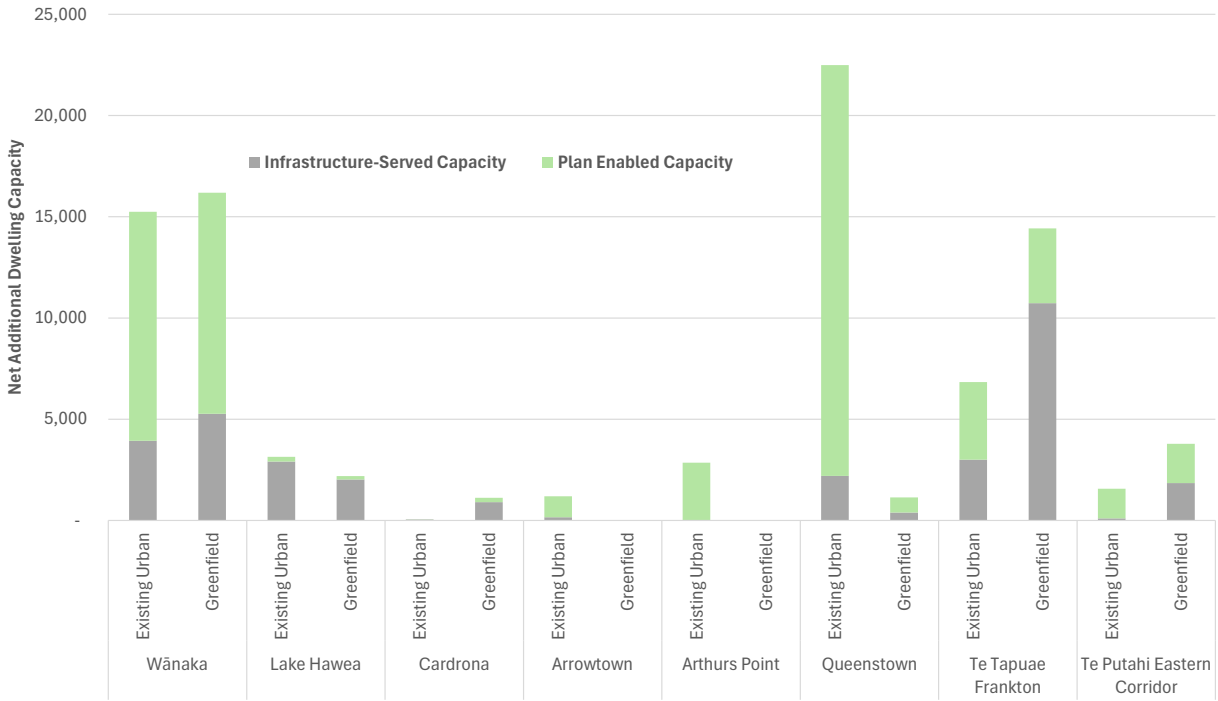
The largest increases in infrastructure capacity occur within the greenfield areas as a result of the additional capacity added through the Spatial Plan growth areas. In the long-term, nearly two-thirds (63%) of the district's residual infrastructure-served capacity occurs within greenfield areas, with over half (54%) of the additional enabled capacity within these areas served by infrastructure. It is important to note however that infrastructure networks may be able to support the development of a greater proportion of the greenfield land areas as these areas may develop at a lower dwelling yield than the maximum enabled under the Plan.

The long-term residual infrastructure capacity by reporting area is shown in Figure 8-3. The largest increases in the Whakatipu Ward infrastructure capacity have occurred within the greenfield areas of the Te Tapuae Frankton reporting area (+6,100 dwellings), followed by a smaller increase of 900 additional dwellings within the existing urban area of the Queenstown reporting area. This has increased the focus of residual infrastructure-served capacity into outer parts of the ward's urban environment.

Figure 8-3 shows that significant increases in infrastructure-served capacity have also occurred within parts of the Wānaka Ward's urban environment. The largest increases have occurred within the Wānaka reporting area (+4,800 dwellings), with a higher share within the greenfield area. A sizeable amount (+3,900

dwellings) of infrastructure capacity has also been added within the Lake Hāwea reporting area, with most of this occurring within the existing urban area.

Figure 8-3 - Long-Term Residual Infrastructure and Plan Enabled Capacity by Reporting Area



Source: data from QLDC Growth Model, 2025.

9 Commercially Feasible Capacity

This section describes the approach taken to model commercially feasible capacity within the district's urban environment. This is the portion of plan enabled capacity available to the market that is estimated to be commercially feasible (profitable) to construct. Testing the commercial feasibility of capacity forms a component of the modelling process, with the growth model incorporating this process together with plan-enabled and infrastructure-ready capacity in the RER capacity outputs.

The QLDC growth model tests the commercial feasibility of capacity as a stage within the calculation of the RER capacity outputs produced for the NPS-UD sufficiency assessment that are reported in Section 10. Commercially feasible capacity outputs are not produced as a separate stage of capacity, but are combined with the stages of plan-enabled and infrastructure-ready requirements within the RER capacity outputs. The focus of this section is to summarise the technical approach to feasibility and the key assumptions applied within the model as required under NPS-UD 3.26(1)(b).

9.1 Summary of Approach

The QLDC growth model tests the commercial feasibility of plan enabled capacity within each area that is served by infrastructure networks. The main stages of the approach are described below, with the following sub-sections outlining the key assumptions and ranges applied within the model.

The following stages are applied within the QLDC growth model to form the dwelling option inputs to be tested for commercial feasibility.

- **Select parcels with plan enabled capacity that are served by infrastructure-networks.** The QLDC growth model selects the parcels within each area that are served by the infrastructure network capacity (as calculated in the previous stage). The model requires plan enabled capacity to be served by infrastructure capacity to be tested for commercial feasibility.
- **Specify the physical land and dwelling development characteristics for each selected parcel.** The model specifies the size and type of dwellings to be constructed on each parcel. These are combined with the average net land areas per dwelling (as outlined in Appendix 3), together with the other development rules (e.g. height and site cover) affecting the physical size and type of dwellings able to be constructed as set out in the plan-enabled capacity stage.

The QLDC model then applies a commercial feasibility modelling approach to test the commercial feasibility of each of the specified dwellings. In accordance with the NPS-UD, this approach models the feasibility of each development option for a developer. The key stages include:

- **Estimation of the overall cost to develop each dwelling option.** The growth model estimates the total cost for a developer to develop sites to contain the development options identified above. The model includes the following costs (with ranges set out in the following sub-sections):
    - Costs associated with the initial land purchase and site development:
        - Initial land cost.
        - Land development costs.
        - Site preparation costs and demolition of existing dwellings.
        - Development contributions and utilities connections.
        - Resource consenting costs.
    - Costs associated with the construction of the dwellings:
        - Building consenting costs.
        - Build costs of dwellings.
- **Estimation of the sales prices of each dwelling constructed.** The model then estimates the sales prices of each dwelling constructed.
- **Calculation of profit margin of dwelling options.** The model then calculates the estimated profit margin achieved by each development option through comparing the estimated sales price with the total development costs. The dwelling development option is estimated to be commercially feasible if a sufficient profit margin is achieved.

The QLDC growth model then selects the feasible dwelling development option to form part of the RER capacity estimation based on the RER scenario selected. These involve either the feasible dwelling option that produces the largest percentage profit margin or the feasible dwelling option that produces the greatest dwelling yield (in terms of net additional dwellings).

The following sub-sections outline the key assumption ranges and data sources applied within the QLDC growth model in relation to each of the above stages.

9.2 Feasibility Modelling Land Area and Dwelling Size Assumptions

Table 9-1 contains the dwelling sizes applied within the QLDC growth model and are expressed in terms of m^2 gross floor area (GFA) per dwelling. The model tests three different sized dwellings on each parcel where each dwelling typology is applied, which are specified as the small, medium and large dwellings[57].

[57] It is noted that the dwelling sizes for attached, townhouse and apartment dwellings were specified by QLDC to be applied within the growth model. These were calculated for the RER land areas used within the growth model based on the relationships between land area and dwelling size observed within the local (and other) markets for each typology.

The dwellings of each size are applied to the corresponding net land areas on each parcel. These are produced by dividing the initial total parcel net land area by the RER assumptions of land area per dwelling (contained in Appendix 3)[58].

Table 9-1 – Modelled Dwelling Size Assumptions by Dwelling Typology

Dwelling Size	Dwelling Size (Gross Floor Area m2 per Dwelling) by Typology			
	Standalone	Attached	Townhouse	Apartment
Small	160	127	96	60
Medium	190	168	161	80
Large	230	208	226	100

Source: QLDC Growth Model, 2025.

9.3 Feasibility Modelling Price and Cost Ranges

This sub-section contains the price and cost ranges applied within the QLDC growth model for each of the above components. All costs and prices exclude GST.

Initial Land Cost

The initial land values were obtained from the capital valuations contained within the QLDC ratings database as at year end 2024.

Land Development Costs

Land values applied within the model reflect the cost of urbanised land. This is generally reflected in the ratings database capital values for existing urban areas. Greenfield land costs are estimated from vacant already urbanised section prices to capture the costs of urbanisation.

Site Preparation and Demolition Costs

Site preparation and demolition of existing dwellings (where relevant) costs were obtained from the QV cost builder database. A site preparation cost of $31 per m^2 of land area was applied to each dwelling. Demolition costs of $112 per m^2 of floorspace were applied to the floorspace area of any existing dwellings on site that required demolition prior to redevelopment.

Development Contributions, Utilities and Consenting Costs

The development contributions (DCs), utilities and (resource and building) consenting costs were provided by QLDC as inputs to the growth model. DCs are applied in accordance with the Council's DC policy by catchment area. These costs are applied as a fixed amount per dwelling and are shown in Table 9-2 below.

[58] This produces some variation in land area for each dwelling (but tending toward the input land assumption area) as parcels are divided by the number of complete dwellings they can accommodate.

Table 9-2 – Fixed Costs Applied Per Dwelling: DCs, Utility Connections and Consenting Costs

Cost Component	Cost per Dwelling
Resource Consent Fees	$3,183
Building Consent Fees	$5,850
Council Development Contribution	$21,000-$70,000
Water Connection	$359
Sewerage Connection	$150
Stormwater Connection	$150

Source: QLDC Growth Model, 2025.

Dwelling Construction Costs

Table 9-3 contains the range of total construction costs applied per dwelling within the QLDC growth model. A per m^2 construction cost (from the QV Cost Builder database) was applied to the dwelling sizes modelled in Table 9-1 to produce the range of total build costs per dwelling shown below. The model tests different quality dwellings as shown in the ranges below.

Table 9-3 – Dwelling Construction Cost Ranges per Dwelling by Typology and Quality

Dwelling Quality	Build Cost per Dwelling by Typology and Quality			
	Standalone	Attached	Townhouse	Apartment
Budget	$470,000-$790,000	$393,000-$673,000	$316,000-$793,000	$339,000-$563,000
Average	$548,000-$915,000	$453,000-$760,000	$363,000-$894,000	$404,000-$663,000
Premium	$599,000-$997,000	$519,000-$879,000	$405,000-$1,003,000	$463,000-$759,000

Source: QLDC Growth Model, 2025.

Other Ancillary Costs and Professional Services

The model includes other ancillary costs such as legal, surveying, sales and marketing after the completion.[59] There is also allowance for any contingency costs at three steps the site preparation, building, and ancillary.[60] These are included within the above cost ranges.

[59] Sales and Marketing of 3.5% and Legal and surveying 1.5% of the sales price.

[60] 10% contingency is included at each step.

Dwelling Sales Prices

Table 9-4 contains the range of sales prices that are applied within the QLDC growth model. These are applied per dwelling and are varied by dwelling size and quality, as well as by location. The dwelling sales prices are obtained from Corelogic Property Guru data sources for the district.

Table 9-4 – Dwelling Sales Prices per Dwelling Ranges by Typology and Quality

Dwelling Quality	Sales Prices per Dwelling by Typology and Quality			
	Standalone	Attached	Townhouse	Apartment
Budget	$948,000-$1,363,000	$348,000-$1,053,000	$263,000-$1,095,000	$165,000-$722,000
Average	$1,067,000-$1,534,000	$701,000-$1,231,000	$568,000-$1,338,000	$355,000-$833,000
Premium	$1,166,000-$1,677,000	$838,000-$1,576,000	$727,000-$1,712,000	$455,000-$987,000

Source: QLDC Growth Model, 2025.

9.4 Feasibility Modelling Growth and Financial Assumption Parameters

Price and Cost Growth Rates

The QLDC growth model market growth assumptions applied to the costs and prices within the feasibility modelling are shown in Table 9-5 below.

The QLDC growth model applies the current market costs and prices within the model to the short and medium-term feasibility calculations in accordance with the requirements of the NPS-UD. As such, the costs and prices shown in the tables in Section 9.3 are held constant across these time-periods.

In the long-term, the QLDC growth model has allowance for market growth in costs and prices in accordance with the NPS-UD. Land costs are modelled to increase by 1.39% per annum, equating to a total increase of 51% over the long-term. Other development costs are modelled to increase by 0.51% per annum, equating to a total increase of 16% over the long-term. Dwelling sales prices increase by 2.42% per annum, equating to a total increase of 105% over the long-term.

Table 9-5 – QLDC Growth Model Feasibility Growth Assumptions

Time-Period	Real Price Growth Per Annum			
	Land Price	House Price	Attached Price	Build Costs
Short-Term	Set to zero as per NPS-UD requirement			
Medium-Term	Set to zero as per NPS-UD requirement			
Long-Term	1.39%	2.42%	2.42%	0.51%
Data Source:	Ministry of Housing and Urban Devleopment QD			SNZ National Build Costs Inflation

Source: QLDC Growth Model, 2025.

Financial Assumptions and Timing

The QLDC growth model requires a development to achieve a 20% or greater profit margin to be calculated to be commercially feasible for a developer. The required profit margin has been specified by QLDC. The model also assumes holding costs of 10%, which apply during the project development which varies depending on the type of dwelling.[61]

[61] The following construction periods apply, detached seven months, attached 8 months, townhouse 9 months and apartment 24 months.

10 Serviced, Feasible & Reasonably Expected Capacity

This section contains the results of infrastructure serviced, feasible and reasonably expected to be realised dwelling capacity estimates in the short, medium, and long term, collectively referred to here as "RER" capacity. The results estimate the amount of plan enabled capacity that is served by infrastructure and is commercially feasible capacity that is likely to represent RER capacity across each time period within each of the reporting areas.

The RER capacity forms the final measure of capacity across the district's urban environment that is applied within the sufficiency assessment for each time period. This section firstly sets out the approach to RER capacity undertaken within the model and then presents the outputs for the short, medium and long-term.

10.1 Approach

The RER capacity has been calculated by the QLDC growth model and therefore is a sub-set of the earlier stages of plan enabled and infrastructure-ready capacity that is calculated within the model. The model provides outputs of the RER capacity for each reporting area for the short, medium and long-term. The outputs are expressed in terms of net additional dwellings to the current dwelling stock.

The RER capacity totals are split out by detached vs. attached dwellings, and by existing urban vs. greenfield areas. The attached dwelling capacity outputs are produced as a total number by the growth model, but include a range of medium to higher density dwellings from less intensive attached duplex pairs/units, terraced dwellings, low-rise apartments up to higher density apartments. Detached dwellings outputs are also produced as a total dwelling output by the growth model, but include all dwellings that are not attached to another dwelling and range in size, value and density.

The feasibility test assesses multiple alternative dwelling options and while the reasonable realisable capacity does not test a certain type of dwelling, per se, rather a density which could represent a range of dwellings types.

The main stages of the QLDC growth model RER calculation process are summarised below[62]:

- The model applies the infrastructure capacity limits as outlined in the previous stage. These are set at the SA2 level within each reporting area, with fixed limits for greenfield vs. existing urban areas. These are firm limits within the model, with capacity only able to be tested for commercial feasibility and allocated up to these levels.

[62] M.E Ltd have summarised the stages of the QLDC growth model based on information supplied to us by QLDC.

- The model firstly allocates a portion of the infrastructure capacity limits to any known developments within each reporting area[63].
- Within the remaining infrastructure capacity limits, the model then selects parcels within each area to test the commercial feasibility of dwelling development. This is undertaken using the commercial feasibility modelling approach described in Section 9.
- The model establishes an estimate of the market realisable capacity, using information from developer intentions which covers most of capacity in the district (i.e. large developments). This data is a manual input to the model to reflect the stated dwelling yield . All other sites are assumed to develop to the level observed in recent dwelling consents.
- Finally, the model selects the minimum between the commercially feasible and market realisable. The NPS-UD suggests that RER can be calculated as the "lower" of the commercial feasible capacity and the reasonable realisable capacity (and must also be infrastructure-ready).[64] The QLDC growth model applies this method, which is likely to be conservative as in some cases the feasible capacity will be higher than the reasonable realisable capacity, and vice versa.
- The QLDC growth model includes capacity for residential visitor accommodation (RVA) within the residential capacity results. Commercial visitor accommodation (CVA) is included within the business capacity outputs.

The QLDC growth model has produced two scenarios of RER capacity outputs to be applied within the HBA. The scenarios are both generated through the above approach, but assume different patterns of development by dwelling type. These are:

- Baseline scenario – under this scenario, the QLDC growth model selects the dwelling development option on each selected parcel that is modelled to produce the largest percentage profit margin.
- Highest dwelling yield scenario – under this scenario, the QLDC growth model instead selects the commercially feasible dwelling development option[65] with the highest dwelling yield (in terms of number of dwellings) on each parcel.

The Baseline Scenario has been applied in the sufficiency assessment and is therefore the RER scenario reported here.

[63] The developer intentions have been set using QLDC data on developer intentions which covers most of the large developments in the District. For other development there is no developer intention data, building consents data has been used to establish the share of capacity that could be achievable.

[64] NPS-UD 3.26(2)(a).

[65] The development option is selected out of the subset of dwelling typology options that are commercially feasible as defined by the development modelled to achieve a certain minimum profit margin (set at a minimum of 20%).

10.2 RER Dwelling Capacity

10.2.1 Short-Term

The short-term RER capacity within the urban environment is summarised in Table 10-1. The first set of columns show the RER capacity by ward, location type (i.e. greenfield/existing urban) and dwelling type as modelled by the QLDC growth model, and is reported in terms of net additional dwellings. The middle section shows the structure of RER capacity by these categories, with the final two columns expressing the RER capacity as a share of the modelled plan enabled and infrastructure-ready capacity.

In the short-term, there is a modelled RER capacity for a net additional 1,700 dwellings under the baseline scenario. The RER capacity is closely aligned with the level of infrastructure capacity provision, taking up 100% of the Whakatipu Ward infrastructure capacity and 88% of that in the Wānaka Ward. Short-term infrastructure constraints within the Whakatipu Ward mean nearly all of the RER capacity occurs within the Wānaka Ward.

Overall, under the baseline scenario, the capacity is split evenly between detached and attached dwellings, although the patterns of capacity by dwelling type vary substantially within different parts of the urban environment. Within the Wānaka Ward, greenfield areas have a greater focus on attached dwellings, while most of the RER withing existing urban areas is for detached dwellings.

The distribution of RER capacity by reporting area within each ward is shown in Figure 10-1. Each bar represents the modelled capacity within each reporting area, with the height of the bar showing the amount of modelled net additional capacity. The bars are broken down into different sections to show the different components of capacity, which are additive as follows:

i. The brown and orange sections of each bar show the RER capacity in each area for detached and attached dwellings. These sections together show the total RER capacity for each reporting area.
ii. The grey sections of each bar show any additional residual infrastructure-served capacity within the reporting area beyond that which forms part of the RER capacity.

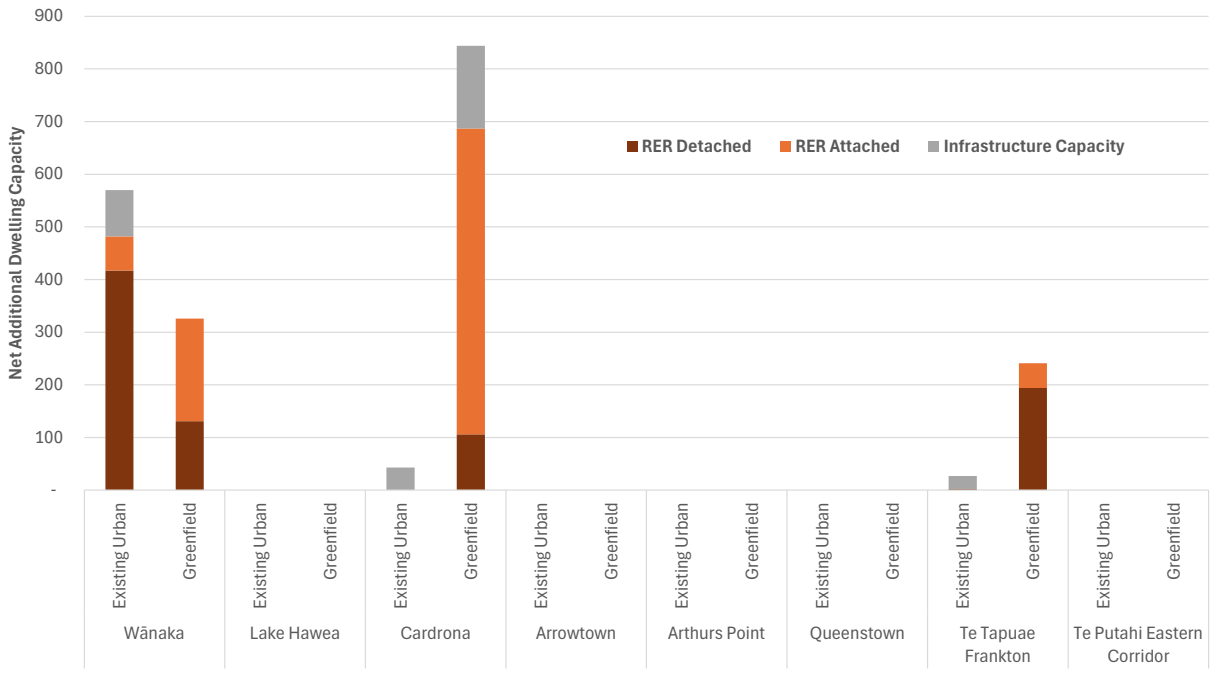
The reporting area distribution of RER capacity is aligned with that of infrastructure capacity in the short-term. Wānaka Ward RER capacity is concentrated into the Wānaka and Cardrona reporting areas, while Whakatipu Ward RER capacity all occurs within the Te Tapuae Frankton reporting area.

Table 10-1 – Summary of Short-Term RER Dwelling Capacity by Ward

Ward	RER Capacity (Net Additional Dwellings)			Share of RER Capacity			RER as Share of Capacity Type	
	Detached	Attached	Total	Detached	Attached	Total	Infrastructure Capacity	Plan Enabled Capacity
	RER BASELINE SCENARIO							
Wanaka Ward								
Existing Urban	420	70	**480**	24%	4%	28%	79%	3%
Greenfield	240	780	**1,000**	14%	45%	58%	94%	16%
Total Wanaka Ward	**650**	**840**	**1,500**	**38%**	**48%**	**86%**	**88%**	**6%**
Whakatipu Ward								
Existing Urban	-	-	**-**	0%	0%	0%	7%	0%
Greenfield	190	50	**240**	11%	3%	14%	112%	3%
Total Whakatipu Ward	**200**	**50**	**240**	**11%**	**3%**	**14%**	**100%**	**1%**
Total Urban Environment								
Existing Urban	420	70	**480**	24%	4%	28%	76%	1%
Greenfield	430	820	**1,300**	25%	47%	72%	97%	8%
Total Urban Environment	**850**	**890**	**1,700**	**49%**	**51%**	**100%**	**90%**	**3%**

Source: QLDC Growth Model, 2025.

Figure 10-1 – Short-Term RER and Infrastructure Capacity by Reporting Area: Baseline RER Scenario



Source: data from QLDC Growth Model, 2025.

10.2.2 Medium-Term

The RER capacity increases to 15,100 net additional dwellings in the medium-term (with the range formed by the RER scenarios). This equates to around one-fifth (20% to 21%) of the plan enabled capacity. This is summarised by ward in Table 10-2 and by reporting area in Figure 10-2.

Most of the increase in RER capacity has occurred within the Whakatipu Ward, resulting in capacity for a net additional 9,200 dwellings. Over two-thirds (70%) of the ward's increase in RER capacity has occurred within the Te Tapuae Frankton reporting area. Sizeable amounts of RER capacity also occur within the Queenstown and Te Pūtahi Eastern Corridor reporting areas.

RER capacity has also increased within the Wānaka Ward, amounting to capacity for a net additional 5,800 dwellings. The largest increase in RER capacity has occurred within the existing urban area of the Wānaka reporting area. Sizeable increases have also occurred within the Wānaka greenfield areas and across the Lake Hāwea reporting area.

The patterns of growth in RER capacity have similarly followed patterns of infrastructure capacity in the medium-term. This reflects the sizeable influence of infrastructure limits on modelled development across the urban environment.

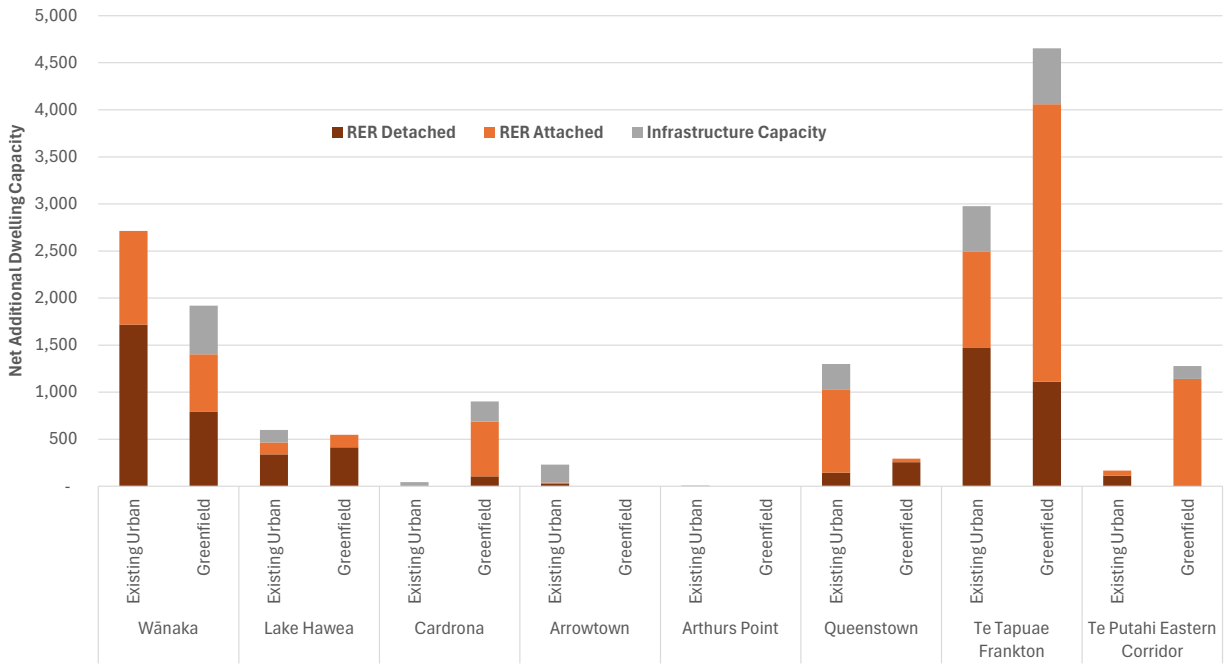
The RER capacity has become increasingly focussed into attached dwellings into the medium-term. Under the baseline scenario, attached dwellings account for 57% of RER capacity overall. Most of the capacity within the Whakatipu Ward occurs as attached dwellings. This shift particularly occurs in greenfield areas, where attached dwellings account for three-quarters of the modelled capacity in these areas within the Whakatipu Ward (up from one-fifth in the short-term). The modelled distribution across dwelling types occurs more evenly within the Whakatipu Ward existing urban areas, where attached dwellings account for just over half (53%) of the RER capacity in these areas.

Table 10-2 – Summary of Medium-Term RER Dwelling Capacity by Ward

Ward	RER Capacity (Net Additional Dwellings)			Share of RER Capacity			RER as Share of Capacity Type	
	Detached	Attached	Total	Detached	Attached	Total	Infrastructure Capacity	Plan Enabled Capacity
	RER BASELINE SCENARIO							
Wanaka Ward								
Existing Urban	2,100	1,100	**3,200**	14%	7%	21%	103%	17%
Greenfield	1,300	1,300	**2,600**	9%	9%	18%	81%	24%
Total Wanaka Ward	**3,400**	**2,400**	**5,800**	**22%**	**16%**	**39%**	**92%**	**20%**
Whakatipu Ward								
Existing Urban	1,800	2,000	**3,700**	12%	13%	25%	80%	11%
Greenfield	1,400	4,100	**5,500**	9%	27%	37%	88%	44%
Total Whakatipu Ward	**3,100**	**6,100**	**9,200**	**21%**	**40%**	**61%**	**85%**	**19%**
Total Urban Environment								
Existing Urban	3,800	3,100	**6,900**	25%	21%	46%	89%	13%
Greenfield	2,700	5,400	**8,100**	18%	36%	54%	86%	34%
Total Urban Environment	**6,500**	**8,500**	**15,100**	**43%**	**57%**	**100%**	**87%**	**20%**

Source: QLDC Growth Model, 2025.

Figure 10-2 – Medium-Term RER and Infrastructure Capacity by Reporting Area: Baseline RER Scenario



Source: data from QLDC Growth Model, 2025.

10.2.3 Long-Term

In the long-term, the RER capacity increases to 29,700 net additional dwellings. This amounts to around one-third (32%) of the plan enabled capacity, and around 89% of the infrastructure ready capacity.

Under the baseline scenario, the increases in capacity are split relatively evenly between the two wards. Most of the increase occurs in greenfield areas, with a focus on detached dwellings. This reverses the trend from the medium-term, resulting in over half of the overall RER capacity in detached dwellings. This dwelling type shift occurs in the long-term as the QLDC growth model allocates most of the Te Tapuae and Southern Wānaka capacity to detached dwellings, while medium-term greenfield capacity was predominantly attached dwellings in Te Pūtahi Ladies Mile and Quail Rise.

The long-term distribution of RER capacity by reporting area is shown Figure 10-3. The Whakatipu Ward RER capacity continues to be concentrated into the Te Tapuae Frankton reporting area, which contains nearly three-quarters (73%) of the wards RER capacity. Almost all of the remainder of the ward's RER capacity is distributed between the Queenstown and Te Pūtahi Eastern Corridor reporting areas.

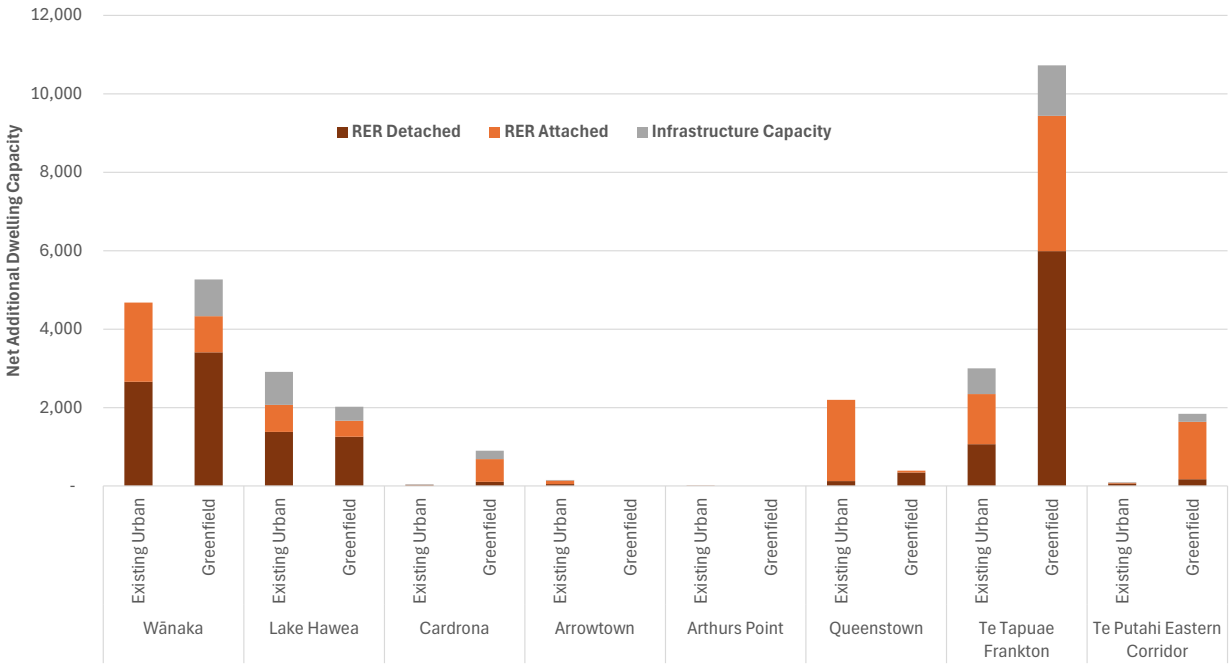
The Wānaka reporting area forms the largest area of RER capacity within the Wānaka Ward in the long-term. Most of the increase in RER capacity occurs within the greenfield areas within this reporting area. Under the baseline scenario, these increases are heavily focussed into detached dwellings. There are also large increases in RER capacity in the Lake Hāwea reporting area in the long-term.

Table 10-3 – Summary of Long-Term RER Dwelling Capacity by Ward

Ward	RER Capacity (Net Additional Dwellings)			Share of RER Capacity			RER as Share of Capacity Type	
	Detached	Attached	Total	Detached	Attached	Total	Infrastructure Capacity	Plan Enabled Capacity
	RER BASELINE SCENARIO							
Wanaka Ward								
Existing Urban	4,100	2,700	**6,800**	14%	9%	23%	98%	37%
Greenfield	4,800	1,900	**6,700**	16%	6%	23%	82%	34%
Total Wanaka Ward	**8,800**	**4,600**	**13,500**	**30%**	**16%**	**45%**	**89%**	**35%**
Whakatipu Ward								
Existing Urban	1,300	3,500	**4,800**	4%	12%	16%	87%	14%
Greenfield	6,500	5,000	**11,500**	22%	17%	39%	88%	59%
Total Whakatipu Ward	**7,800**	**8,400**	**16,200**	**26%**	**28%**	**55%**	**88%**	**30%**
Total Urban Environment								
Existing Urban	5,400	6,200	**11,500**	18%	21%	39%	94%	22%
Greenfield	11,300	6,900	**18,200**	38%	23%	61%	86%	47%
Total Urban Environment	**16,600**	**13,100**	**29,700**	**56%**	**44%**	**100%**	**89%**	**32%**

Source: QLDC Growth Model, 2025.

Figure 10-3 – Long-Term RER and Infrastructure Capacity by Reporting Area: Baseline RER Scenario



Source: data from QLDC Growth Model, 2025.

11 Sufficiency of Housing Capacity

In accordance with Clause 3.2 of the NPS-UD, this section assesses the sufficiency of housing capacity to meet future urban dwelling demand across the district's urban environment (and including the competitiveness margin). In line with the technical requirements of the NPS-UD, it therefore compares the level of serviced, feasible and RER capacity estimated in Section 10 with the demand for urban dwellings in Section 5 under the preferred High Plus growth future projections.

11.1 Approach

Clause 3.2 of the NPS-UD specifies that QLD must provide at least sufficient development capacity in its urban environment "to meet expected demand for housing: (a) in existing and new urban areas; and (b) for both standalone dwellings and attached dwellings; and (c) in the short term, medium term, and long term". That development capacity must be plan enabled, infrastructure ready, feasible and reasonably expected to be realised and include the appropriate competitiveness margin. The requirement to assess sufficiency for housing development capacity is also set out in clause 3.27 of the NPS-UD.

At a high level, the sufficiency assessment compares the reasonably expected to be realised (RER) modelled capacity (which is plan-enabled, commercially feasible and infrastructure-served) with the projected net change in demand for dwellings (including a margin). A surplus of capacity is projected to occur if the level of RER capacity is greater than the projected net increase in demand and vice versa for a shortfall. Shortfalls/surpluses of capacity are quantified in terms of the number of dwellings.

The sufficiency assessment is undertaken for both the total QLD urban environment as well as within different sub-components of the market. These sub-components correspond to the levels of output provided by the QLDC growth model, which were set to meet the minimum requirements of the NPS-UD sufficiency assessment.

Assessment within different parts of the market is a critical aspect to understand the ability for the urban environment to meet future growth needs overall. This is because demand is likely to arise within different parts of the market including across different types of dwellings and location types (e.g. greenfield vs. existing urban), and within different geographic parts of the urban area. While there are degrees of demand substitution, it is unlikely that supply in only one of these categories could reasonably meet all demand arising across these categories. Furthermore, development across these areas is often undertaken by different parts of the market, and it is unlikely that capacity within developer/construction parts of the market could directly expand across all areas of supply.

As such, the sufficiency assessment is undertaken across the following sub-areas:

- By location type to assess the sufficiency of capacity provided through greenfield development vs. through intensification within existing urban areas.

- By dwelling typology to assess the relative balances across different parts of the market for detached and attached dwellings. At the RER stage, the QLDC growth model disaggregates capacity into these two types to meet the minimum NPS-UD requirements.
- By reporting area location to assess the ability for households to locate within different geographic areas of the urban environment.

While the assessment has been undertaken within each of these categories, it remains important to consider the ability for demand substitution to occur, to an extent, across these categories. This includes the ability for a shortfall in one area to be met through surpluses in another.

A sufficiency assessment has been undertaken for the Baseline RER dwelling capacity scenario within each time period.

11.2 Short-Term Sufficiency

In the short-term, there is an overall small surplus in RER capacity (180 dwellings) within the Wānaka Ward urban environment, but a larger shortfall across the Whakatipu Ward (-1,200 dwellings). These are summarised below in Table 11-1. The left-hand portion of the table contains the demand (incl. a margin) from Section 5, while the middle portion contains the RER capacity from Section 10. The demand is subtracted from the RER capacity to estimate the net sufficiency in the right-hand portion of the table.

While these present the overall balance in capacity, it is important to examine the patterns of sufficiency across different parts of the market, which are set out below. A full breakdown of the sufficiency by reporting area, location type and dwelling type is provided in Table 11-2, with a reporting area summary and comparison to total capacity in Figure 11-1.

Within the Wānaka Ward, there is a projected shortfall of 320 detached dwellings under the baseline RER scenario. These shortfalls originate within the greenfield areas within the Wānaka reporting area. There are projected capacity surpluses within the Cardrona reporting area, which increases the overall greenfield sufficiency within the ward. However, these surpluses are predominantly focussed toward attached dwellings (and are likely to predominantly meet visitor demand) and may have reduced ability to meet resident household demand arising within the main township area due to the increased distance.

There are projected shortfalls across all parts of the Whakatipu Ward urban environment in the short-term. These are due to the infrastructure constraints which provide very little capacity within this time period.

Figure 11-1 shows that there are large amounts of plan enabled capacity relative to demand across the urban environment. However, under the technical requirements of the assessment, this capacity is unable to meet demand due to the infrastructure constraints.

Table 11-1 – Short-term Sufficiency by Ward, Location Type and Dwelling Type: Baseline RER Scenario

Ward	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
Wanaka Ward									
Existing Urban	180	90	**280**	420	70	**480**	230	- 30	**200**
Greenfield	790	250	**1,000**	240	780	**1,000**	- 560	530	- **30**
Total Wanaka Ward	**980**	**340**	**1,300**	**650**	**840**	**1,500**	- **320**	**500**	**180**
Whakatipu Ward									
Existing Urban	200	270	**470**	-	-	**-**	- 190	- 270	- **470**
Greenfield	690	280	**970**	190	50	**240**	- 500	- 230	- **730**
Total Whakatipu Ward	**880**	**550**	**1,400**	**200**	**50**	**240**	- **690**	- **500**	- **1,200**
Total Urban Environment									
Existing Urban	380	370	**750**	420	70	**480**	40	- 300	- **260**
Greenfield	1,500	530	**2,000**	430	820	**1,300**	- 1,100	300	- **750**
Total Urban Environment	**1,900**	**890**	**2,800**	**850**	**890**	**1,700**	- **1,000**	- **10**	- **1,000**

Source: QLDC Growth Model, 2025.

Table 11-2 – Short-term Sufficiency by Reporting Area, Location Type and Dwelling Type: Baseline RER Scenario

Reporting Area	Location Type	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
		Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
Wānaka	Existing Urban	160	80	240	420	70	480	260	- 20	**240**
	Greenfield	650	210	860	130	200	330	- 520	- 10	- **530**
Lake Hawea	Existing Urban	30	10	40	0	0	0	- 30	- 10	- **40**
	Greenfield	120	40	150	0	0	0	- 120	- 40	- **150**
Cardrona	Existing Urban	0	0	0	0	0	0	-	-	**-**
	Greenfield	20	10	30	110	580	690	80	570	**660**
Arrowtown	Existing Urban	30	40	60	0	0	0	- 30	- 40	- **60**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Arthurs Point	Existing Urban	50	70	130	0	0	0	- 50	- 70	- **130**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Queenstown	Existing Urban	90	130	220	0	0	0	- 90	- 130	- **220**
	Greenfield	60	30	90	0	0	0	- 60	- 30	- **90**
Te Tapuae	Existing Urban	20	30	50	0	0	0	- 20	- 30	- **50**
Frankton	Greenfield	470	190	660	190	50	240	- 280	- 140	- **420**
Te Putahi Eastern	Existing Urban	0	0	10	0	0	0	-	-	- **10**
Corridor	Greenfield	150	60	220	0	0	0	- 150	- 60	- **220**

Source: QLDC Growth Model, 2025.

Figure 11-1 – Summary of Capacity and Demand by Reporting Area: Short-Term

Source: data from QLDC Growth Model, 2025.

11.3 Medium-Term Sufficiency

At the district and ward-level, the overall sufficiency of capacity is projected to increase in the medium-term. Overall, there is a projected surplus of 6,100 net additional dwellings across the urban environment in aggregate.

There are sizeable projected surpluses in capacity, at the total level, for both wards, with the largest surplus projected to occur within the Whakatipu Ward. The ward-level medium-term projected sufficiency is summarised in Table 11-3, with a breakdown by reporting area location within each ward in Table 11-4.

The Wānaka Ward has a projected sufficiency surplus of a net additional 1,700 dwellings under the baseline scenario. There are significant surpluses in capacity within the existing urban areas, particularly within the main Wānaka township area. This occurs for both detached and attached dwellings as a result of the substantial increases in development opportunity in the medium-term from the modelled changes to the PDP.

However, there is a shortfall in capacity (960 dwellings) within the Wānaka reporting area greenfield area due to shortfalls in detached dwelling capacity. This occurs where the modelled demand profile is significantly focussed toward detached dwellings in these areas, with capacity showing that development is occurring as attached dwellings, producing a shortfall.

It is noted that the growth model indicates that greenfield area shortfalls are also occurring due to a reduced take-up of infrastructure-ready capacity in these areas (which appears as surplus infrastructure capacity). This has been investigated further with QLDC to understand whether there are feasibility issues within these greenfield areas that are constraining their take-up of infrastructure-ready capacity. They have determined that there are no feasibility constraints, with the shortfalls instead due to smaller spatial-scale infrastructure limit allocations within the growth model. These limitations will be addressed within the subsequent round of modelling updates.

There is a sizeable projected overall surplus of a net additional 4,400 dwellings within the Whakatipu Ward in the medium-term. Surpluses occur within both greenfield and existing urban areas when considered in aggregate across reporting areas.

Within the overall surpluses, the model indicates that shortfalls are likely to occur in detached dwellings within the greenfield areas and within the existing urban area of the Queenstown reporting area. Similar to the Wānaka Ward, the modelled detached dwelling focussed demand profile is a key contributing factor to these shortfalls, together with high shares of demand allocated into greenfield areas.

The modelling also indicates that there are sizeable attached dwelling surpluses across different parts of the urban environment. These are large within the medium-term as a result of the capacity arising from the increased development opportunity for a greater range of dwelling types across large areas of the urban environment, with significant portions of this supported by infrastructure.

We consider that the attached dwelling surpluses are likely to meet significant parts of the projected shortfalls in detached dwellings. We note that gradual changes in the demand profile, such as those modelled within the wider evidence base, would increase the share of demand for attached dwellings through time. This is likely to occur as households make trade-offs between dwelling type, size, price and location and respond to the increased range of dwelling types likely to be delivered within the market through time. This would correspondingly reduce the size of shortfalls for detached dwellings. However, we note that modelled infrastructure capacity may limit the ability for this to occur within parts of the urban environment if these limits are applied to the market take-up of development opportunity.

Figure 11-2 shows the level of capacity within each reporting area relative to demand. It shows the RER capacity, any further capacity supported by infrastructure, and then the further capacity enabled by the planning provisions in each area. It shows that there are very large amounts of capacity enabled by the plan within the central parts of the urban environment. However, it indicates that take up of this capacity is closely aligned with infrastructure, with lower infrastructure limits within central parts of the Whakatipu Ward (Queenstown reporting area).

Table 11-3 – Medium-Term Sufficiency by Ward, Location Type and Dwelling Type: Baseline RER Scenario

Ward	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
	Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
Wanaka Ward									
Existing Urban	570	290	**850**	2,100	1,100	**3,200**	1,500	830	**2,300**
Greenfield	2,500	780	**3,300**	1,300	1,300	**2,600**	-1,200	540	**-610**
Total Wanaka Ward	**3,000**	**1,100**	**4,100**	**3,400**	**2,400**	**5,800**	**340**	**1,400**	**1,700**
Whakatipu Ward									
Existing Urban	680	960	**1,600**	1,800	2,000	**3,700**	1,100	1,000	**2,100**
Greenfield	2,300	930	**3,200**	1,400	4,100	**5,500**	-920	3,200	**2,300**
Total Whakatipu Ward	**3,000**	**1,900**	**4,900**	**3,100**	**6,100**	**9,200**	**160**	**4,200**	**4,400**
Total Urban Environment									
Existing Urban	1,200	1,300	**2,500**	3,800	3,100	**6,900**	2,600	1,900	**4,400**
Greenfield	4,800	1,700	**6,500**	2,700	5,400	**8,100**	-2,100	3,700	**1,600**
Total Urban Environment	**6,000**	**3,000**	**9,000**	**6,500**	**8,500**	**15,100**	**490**	**5,600**	**6,100**

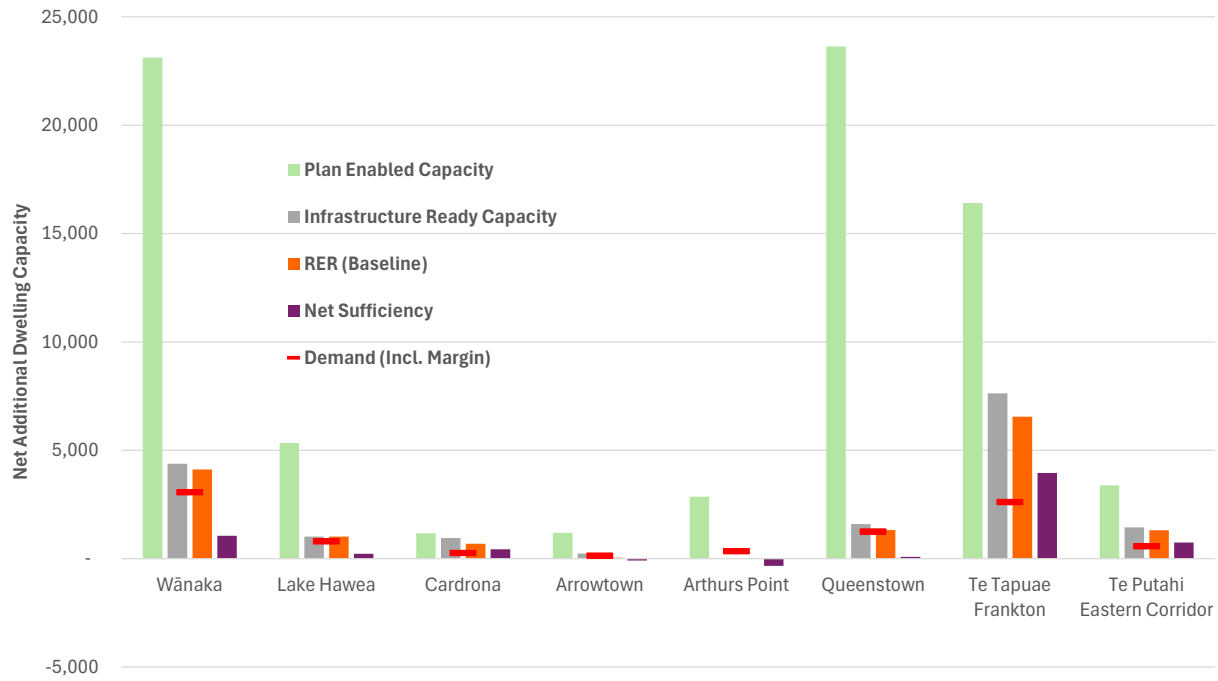
Source: QLDC Growth Model, 2025.

Table 11-4 – Medium-Term Sufficiency by Reporting Area, Location Type and Dwelling Type: Baseline RER Scenario

Reporting Area	Location Type	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
		Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
Wānaka	Existing Urban	460	240	700	1700	1000	2700	1,300	760	**2,000**
	Greenfield	1800	570	2400	790	610	1400	-1,000	40	**-960**
Lake Hawea	Existing Urban	100	50	160	340	130	470	240	70	**310**
	Greenfield	480	150	630	420	130	550	-70	-20	**-80**
Cardrona	Existing Urban	0	0	0	0	0	0	-	-	**-**
	Greenfield	190	60	260	110	580	690	-90	520	**430**
Arrowtown	Existing Urban	50	80	130	30	10	40	-20	-60	**-90**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Arthurs Point	Existing Urban	140	200	340	0	0	10	-140	-190	**-330**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Queenstown	Existing Urban	410	570	980	150	880	1000	-260	310	**50**
	Greenfield	190	80	270	260	40	290	70	-40	**30**
Te Tapuae Frankton	Existing Urban	80	110	190	1500	1000	2500	1,400	920	**2,300**
	Greenfield	1700	690	2400	1100	2900	4100	-610	2,300	**1,700**
Te Putahi Eastern Corridor	Existing Urban	0	10	10	110	50	170	110	50	**160**
	Greenfield	400	160	560	10	1100	1100	-390	970	**590**

Source: QLDC Growth Model, 2025.

Figure 11-2 – Summary of Capacity and Demand by Reporting Area: Medium-Term



Source: data from QLDC Growth Model, 2025.

11.4 Long-Term Sufficiency

In the long-term, there is also a projected surplus in capacity for 2,800 net additional dwellings in aggregate for the urban environment overall. The total sufficiency for each ward is summarised for the long-term in Table 11-5 and a disaggregation by reporting area within each ward is shown in Table 11-6. The overall level of modelled capacity of each type relative to demand for each reporting area is shown in Figure 11-3.

There are modelled surpluses in capacity for both wards in the long-term, although there are important differences in the patterns of sufficiency across different parts of the market. These vary by location (including type of location) and dwelling type.

Within the Wānaka Ward, there is a modelled sufficiency surplus of a net additional 1,200 dwellings. The overall surplus is due to the large surpluses in capacity within the existing urban areas of Wānaka township and Lake Hāwea, but is coupled with large shortfalls in the Wānaka greenfield areas.

In the long-term, there is a modelled shortfall of around 3,000 dwellings within the Wānaka reporting area greenfield area. Under the baseline scenario, this occurs within both detached and attached dwellings. These shortfalls are occurring as a result of infrastructure constraints within these areas in the long-term[66]. As shown in Figure 11-3, large areas of capacity are added through the Spatial Plan within the Wānaka

[66] Similar to the medium-term, it is noted that not all infrastructure-ready capacity is being taken up by the model within Wānaka's greenfield areas. However, this is due to finer spatial-scale infrastructure capacity allocation assumptions applied within the growth model, which will be addressed in later model updates.

Reporting area, although only a portion of this enabled capacity is supported by infrastructure network capacity. There are also some smaller shortfalls within the Lake Hāwea greenfield areas that are projected to occur if these areas are taken up with only limited attached dwellings.

The Whakatipu Ward has a modelled capacity surplus of 1,600 net additional dwellings in the long-term at the total level. However, there are differences in the level of sufficiency across different parts of the market within the ward's urban environment.

The growth model projects shortfalls in capacity within some reporting area locations within the ward. These include central parts of the urban environment (Queenstown reporting area), as well as the less central areas of Arrowtown and Arthurs Point. Shortfalls in these areas are projected to occur as a result of infrastructure constraints. This is particularly significant within the Queenstown reporting area, where large amounts of plan enabled development opportunity are otherwise provided.

The Whakatipu Ward infrastructure capacity is focussed into the Te Tapuae Frankton reporting area, distributed between the main node of Frankton and the outer parts of the urban environment within the southern corridor. Substantial additional capacity is provided within this reporting area through the application of the Te Tapuae Structure Plan to meet the district's growth needs in the long-term.

There are projected shortfalls for detached dwellings across the Whakatipu Ward. These occur in part due to the detached-dwelling focussed modelled demand scenario, but also due to the likely developer sector responses over the medium to long-term. The increased returns from the higher yields from attached dwelling typologies mean that parcels within central parts of the district are less likely to develop to contain detached dwellings.

Table 11-5 – Long-Term Sufficiency by Ward, Location Type and Dwelling Type: Baseline RER Scenario

	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
Ward	**Detached**	**Attached**	**Total**	**Detached**	**Attached**	**Total**	**Detached**	**Attached**	**Total**
Wanaka Ward									
Existing Urban	1,600	840	**2,500**	4,100	2,700	**6,800**	2,400	1,900	**4,300**
Greenfield	7,400	2,300	**9,700**	4,800	1,900	**6,700**	- 2,600	- 430	**- 3,100**
Total Wanaka Ward	**9,100**	**3,200**	**12,200**	**8,800**	**4,600**	**13,500**	**- 230**	**1,500**	**1,200**
Whakatipu Ward									
Existing Urban	1,800	2,500	**4,200**	1,300	3,500	**4,800**	- 440	990	**550**
Greenfield	7,500	3,000	**10,500**	6,500	5,000	**11,500**	- 950	2,000	**1,000**
Total Whakatipu Ward	**9,200**	**5,500**	**14,700**	**7,800**	**8,400**	**16,200**	**- 1,400**	**2,900**	**1,600**
Total Urban Environment									
Existing Urban	3,400	3,300	**6,700**	5,400	6,200	**11,500**	2,000	2,900	**4,800**
Greenfield	14,900	5,300	**20,200**	11,300	6,900	**18,200**	- 3,600	1,500	**- 2,100**
Total Urban Environment	**18,300**	**8,600**	**26,900**	**16,600**	**13,100**	**29,700**	**- 1,600**	**4,400**	**2,800**

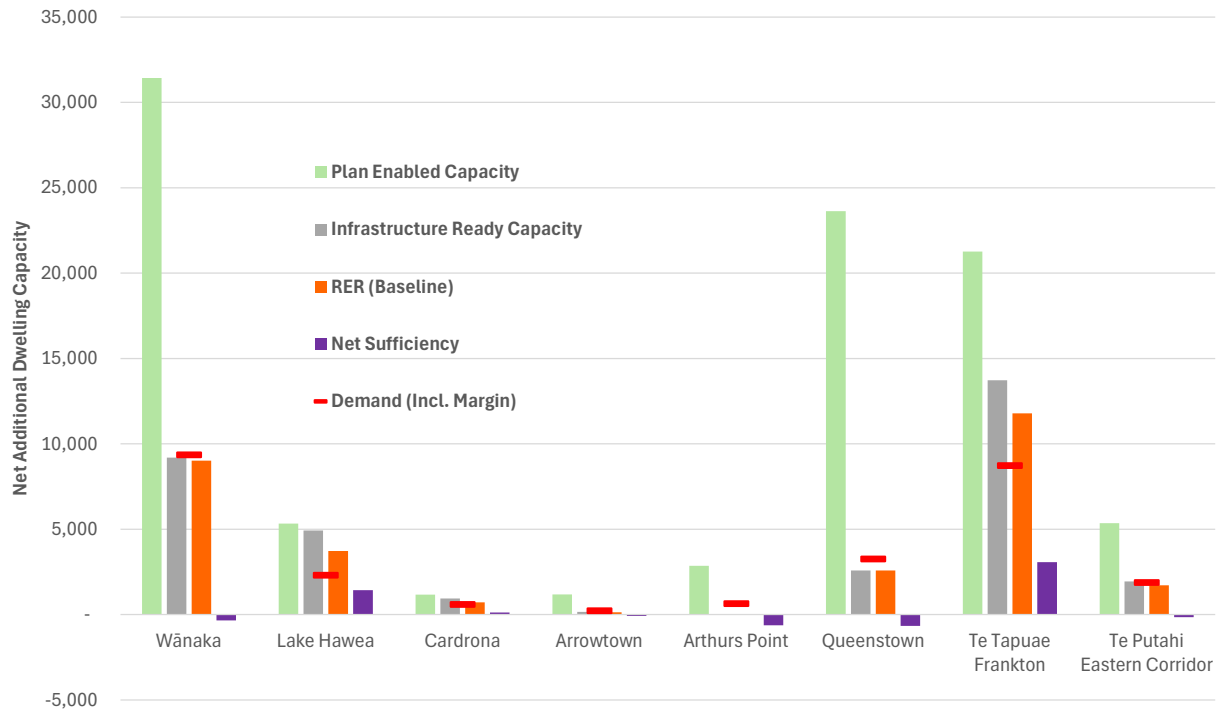
Source: QLDC Growth Model, 2025.

Table 11-6 – Long-Term Sufficiency by Reporting Area, Location Type and Dwelling Type: Baseline RER Scenario

Reporting Area	Location Type	Demand (incl. Margin)			RER Capacity (Baseline Scenario)			Net Sufficiency		
		Detached	Attached	Total	Detached	Attached	Total	Detached	Attached	Total
Wānaka	Existing Urban	1300	690	2000	2700	2000	4700	1,300	1,300	**2,700**
	Greenfield	5600	1800	7300	3400	920	4300	- 2,200	- 830	**- 3,000**
Lake Hawea	Existing Urban	300	160	460	1400	690	2100	1,100	530	**1,600**
	Greenfield	1400	440	1800	1300	400	1700	- 140	- 40	**- 170**
Cardrona	Existing Urban	0	0	0	20	10	30	20	10	**30**
	Greenfield	450	140	590	110	580	690	- 340	440	**100**
Arrowtown	Existing Urban	90	130	220	50	90	140	- 40	- 40	**- 80**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Arthurs Point	Existing Urban	260	370	630	0	0	10	- 260	- 370	**- 620**
	Greenfield	0	0	0	0	0	0	-	-	**-**
Queenstown	Existing Urban	1200	1600	2800	130	2100	2200	- 1,000	450	**- 570**
	Greenfield	340	140	480	340	50	390	-	- 90	**- 80**
Te Tapuae Frankton	Existing Urban	240	340	590	1100	1300	2300	820	940	**1,800**
	Greenfield	5800	2300	8100	6000	3500	9400	190	1,100	**1,300**
Te Putahi Eastern Corridor	Existing Urban	10	10	20	60	20	80	60	10	**60**
	Greenfield	1300	530	1900	180	1500	1600	- 1,100	930	**- 210**

Source: QLDC Growth Model, 2025.

Figure 11-3 – Summary of Capacity and Demand by Reporting Area: Long-Term



Source: data from QLDC Growth Model, 2025.

12 Impact of Planning and Infrastructure

This section builds on the analyses of housing market activity, demand, and sufficiency of capacity to assess the impacts of planning decisions and provision of infrastructure in Queenstown Lakes District's urban environment. It examines how the development opportunity provided by these parameters contributes to a well-functioning urban environment, including the effect on housing affordability and competitiveness of the local housing market, as required by clause 3.23 of the NPS-UD.

12.1 Introduction

Planning has a core influence on the development of a well-functioning urban environment. It provides development opportunity that, together with other factors, encourages different growth patterns across different parts of the market. The distribution and type of growth have important effects on urban form (the efficiency of the spatial layout of the urban environment) and housing affordability through the alignment of dwelling supply with future housing need. The type of development opportunity provided to the market can influence the operation of different parts, with consequent effects on urban form and housing supply.

It is important to note that planning provisions and other planning decisions and strategies are one of the factors that affect the feasibility of the development process and housing market outcomes. Other factors include the scale and timing of market demand, financial conditions, construction sector capacity, restrictions via land covenants, infrastructure provision, etc. The resulting dwelling development patterns delivered by the market are a combined function of these aspects.

This section of the report draws on the key areas of assessment undertaken to examine the likely impacts of QLDC's planning decisions and infrastructure provision on these factors. This includes the high-level capacity outputs from the QLDC growth model (Sections 7 to 11) as well as more detailed recent assessment undertaken within the QLD that contains important detail to understand the effect of the district's planning provisions. The first part focusses on housing affordability, and the remainder on infrastructure, competitiveness and urban form.

12.2 Impact on Housing Affordability

This sub-section examines the impact of planning provisions on housing affordability in the district's urban environment.

There is an important difference between *housing affordability* and *affordable housing.* Housing affordability forms the focus of this assessment and considers the level of affordability across the dwelling value profile of viable housing options for different household types across the full demand profile in each location. This differs to *affordable housing*, which instead refers to a subset of dwellings that are supplied

at or below a particular price point, which is typically defined at a point in relation to an area's median income. Changes in dwelling development patterns, as encouraged by different sets of planning provisions, are likely to have an effect on housing affordability, but may not necessarily deliver affordable housing.

12.2.1 Housing Affordability Indicators

This section describes the current picture and recent changes in housing affordability indicators in Queenstown Lakes District (QLD). It uses the indicators provided by the Ministry of Housing and Urban Development[67]. They provide average measures across the district but are not able to assess levels of affordability within different parts of each market.

The assessment focusses on levels of affordability within QLD's housing market, comparing these to affordability in other Tier 2 urban economy housing markets and the national picture. It examines the changes in affordability that have occurred over the past 10 to 15 years, including the changes which have occurred more recently within the past few years (2022 to 2025). Affordability is considered separately for the home ownership segment of the market and for households within the rental market.

Home Ownership Affordability

The indicators show the QLD has lower levels of home ownership housing affordability than all other Tier 2 urban economies. This is shown in Table 12-1 below which summarises the average level of home ownership affordability across different urban economies through relating median house sales prices to median household incomes in each area. It expresses the affordability in terms of house prices as a multiple of average incomes. The indicator suggests that areas with higher multiples are less affordable, with areas containing lower multiples as more affordable.

Table 12-1 shows that the median house sales price in QLD is 11.3 times the median household income. This is significantly higher than other Tier 2 urban economies, which have values within the range of 7.0 to 9.8 (with all except Tasman District below 9.0). The average level of housing affordability is lower within the district than 10 years earlier, where the median sales price was 7.7 times the median household income. While housing affordability is at lower levels than a decade earlier across all Tier 2 areas, the QLD has not experienced the same level of improvement in affordability that has generally occurred elsewhere within the past couple of years, leaving the district substantially less affordable in comparison to other Tier 2 areas.

[67] These cover the indicators that are included within the QLDC Infometrics Ltd online profile.

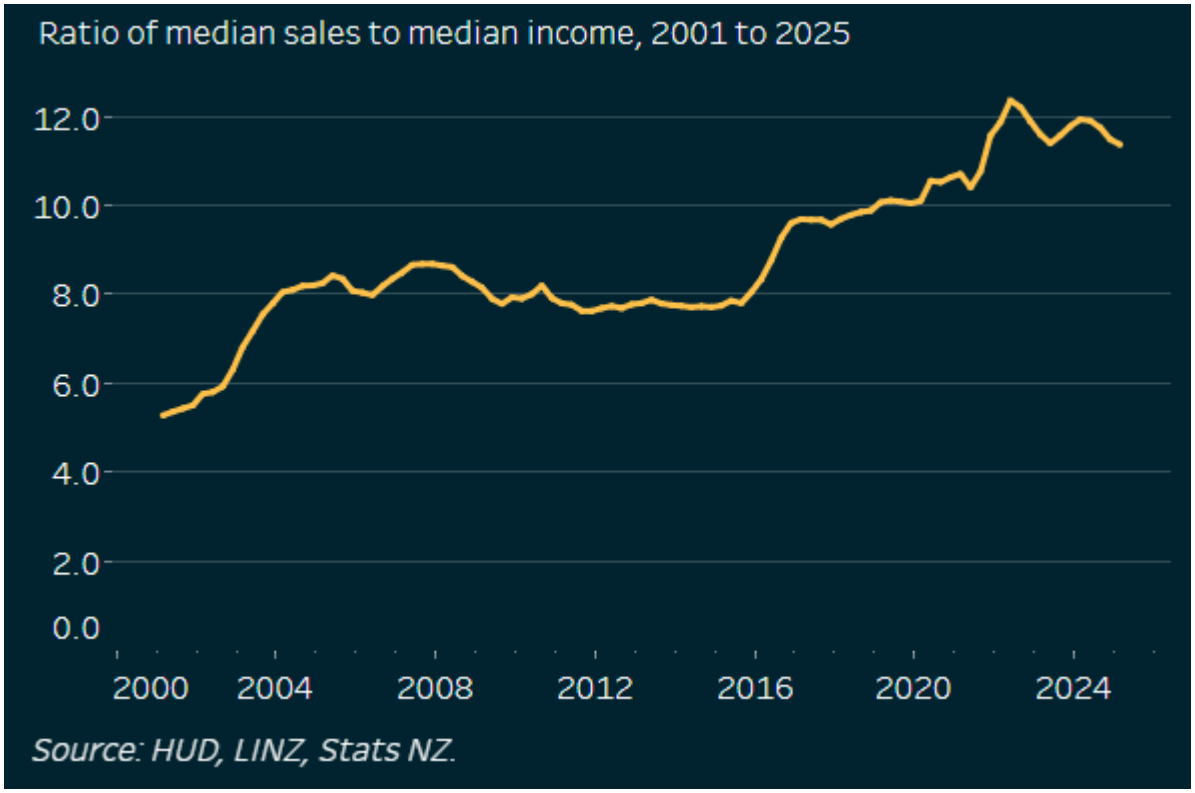
Table 12-1 – Home Ownership Affordability: Ratio of Median Sales to Median Income

	Time				
Location	**Mar-15**	**Mar-20**	**Mar-23**	**Mar-24**	**Mar-25**
Queenstown Lakes District	7.7	10.1	11.6	11.9	11.3
Other Tier 2 Urban Economies					
Whangarei	6.3	8.1	10.0	8.9	8.1
Rotorua District	4.7	7.0	7.9	7.5	7.1
New Plymouth	6.0	6.9	8.7	8.0	7.7
Napier	6.5	9.3	10.0	8.9	8.7
Hastings	5.6	7.6	8.6	8.0	7.5
Palmerston North	5.1	7.0	7.9	7.2	7.0
Nelson	7.1	9.4	10.0	9.2	8.6
Tasman	7.6	9.9	11.6	10.5	9.8
Dunedin	5.2	7.9	8.5	7.8	7.6

Source: Ministry of Housing and Urban Development (MHUD, CoreLogic, Stats NZ).

A time-series of the home ownership average housing affordability indicator over the past 25 years is shown below in Figure 12-1. It shows that affordability decreased within the district over the past 10 years, with some improvement since 2022.

Figure 12-1 – Home Ownership Affordability: Queenstown Lakes District

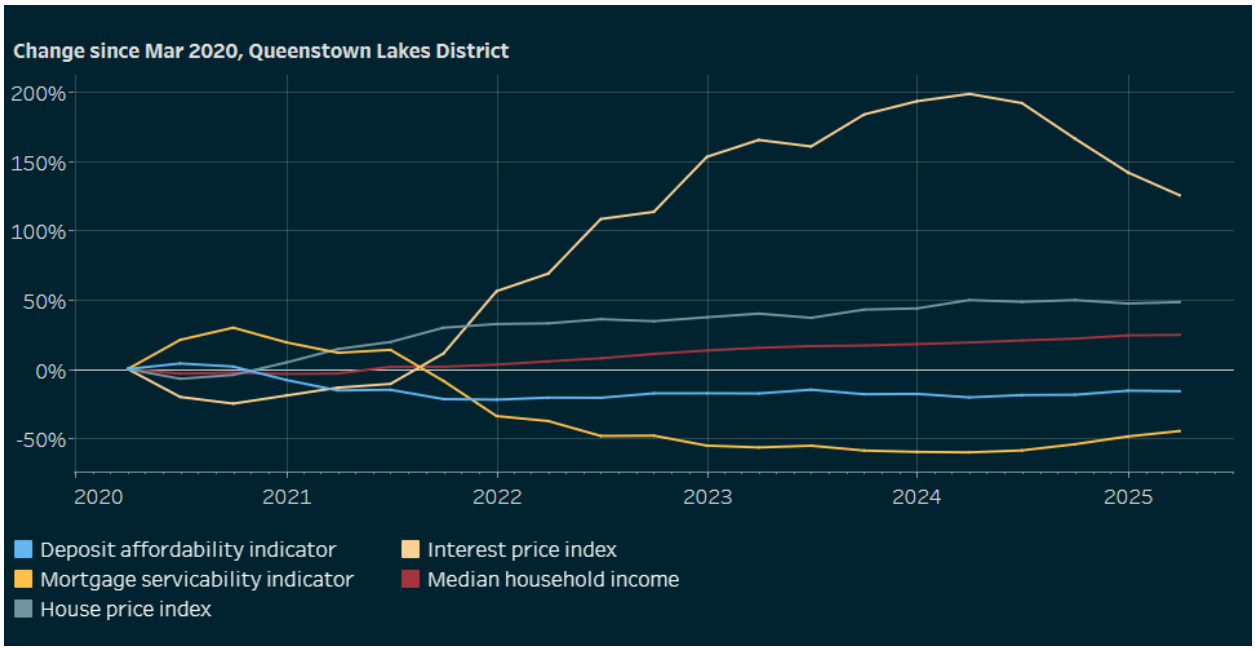


Indices of the components of home ownership affordability for the QLD are shown in Figure 12-2. It shows that housing affordability for first home buyers has decreased as a result of growth in house prices relative

to income over the past 5 years. House prices have risen by 59% since June 2020, with a smaller 29% increase in average household incomes over the same time period. Interest rate rises have also decreased the serviceability of mortgages, but have improved over the past year.

The district's housing affordability for first home buyers has also decreased relative to the national picture within this time period. This is due to the continued growth in house prices within the district, which have instead decreased nationally over the past 4 years.

Figure 12-2 – Change in Housing Affordability Indicators (Source: MHUD)



Rental Market

The indicators suggest that rental affordability has fluctuated in QLD over the past 10 years both in terms of change within the district's rental market as well as the position of the local market in comparison to the national picture.

Figure 12-3 provides an indication of affordability within QLD's rental market from the previous four Censuses. It shows the share of renting households where rent is equal or greater to a proportion of household income, with rental stress considered to occur at 40%. It shows that in 2023 over one-fifth (22%) of rental households had rent that was equal to or greater than 40% of household income. This has decreased from 24% in the 2018 Census and is similar to that in 2013 (21%).

A comparative picture of the proportion of households estimated to have rental stress is shown in Figure 12-4. It shows the share of rental households with rental stress (rent >= 40% of household income) across all local authorities in 2023. At this point in time, QLD had nearly the lowest level of rental stress in comparison to other Tier 1 and 2 urban economies. The district's share of 22% compares to a range of 26% to 37% for other Tier 2 urban economies.

Figure 12-3 – Rental Affordability: Queenstown Lakes District (MHUD Local Housing Statistics Dashboard)

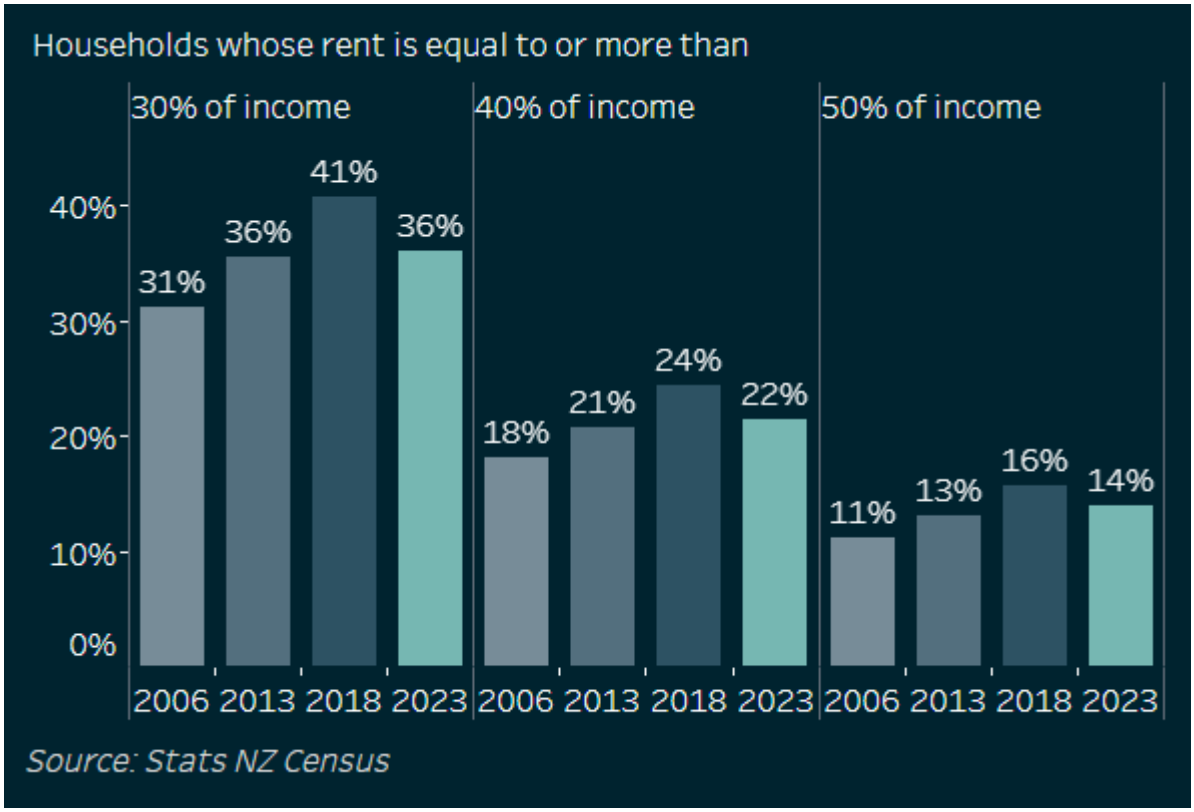
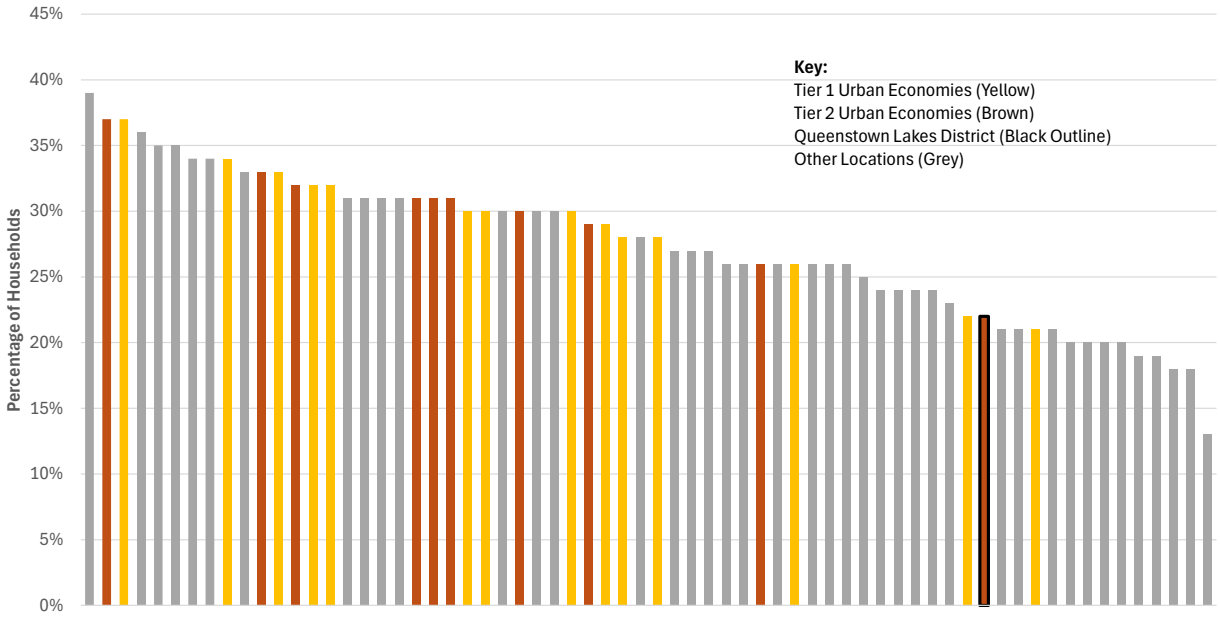


Figure 12-4 – Rental Stress: Percentage of Renting Households Spending Over 40% of Income on Rent by Territorial Authority, 2023



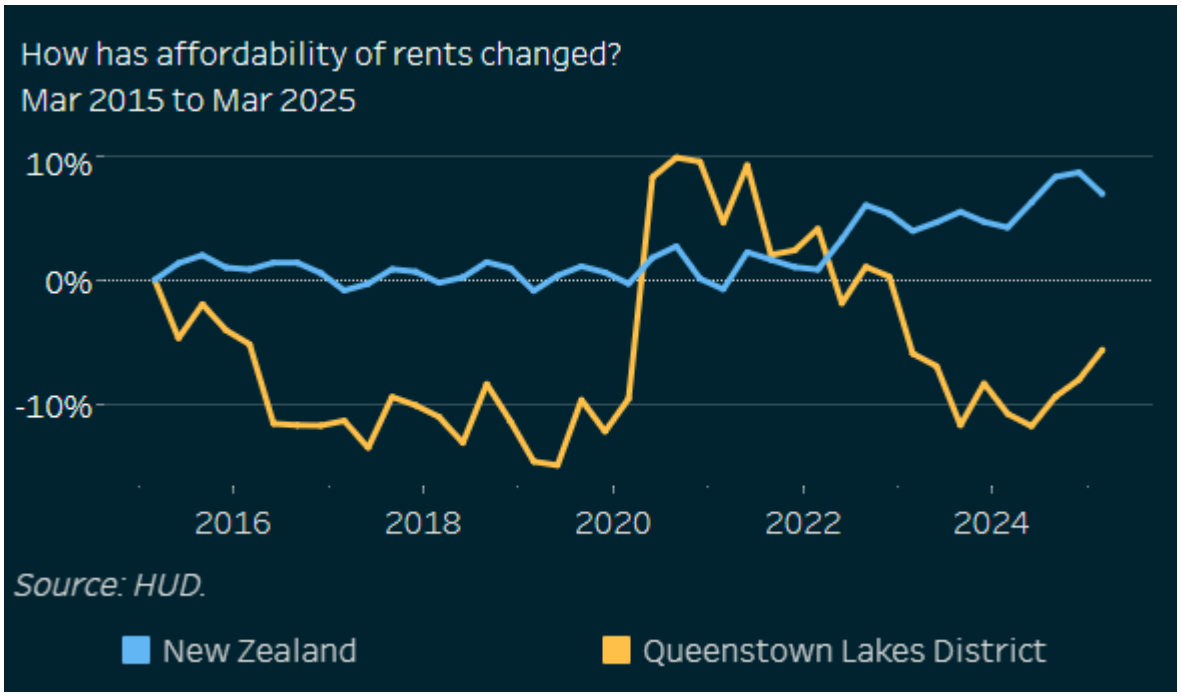
Source: MHUD (Stats NZ 2023 Census).

Rental affordability within the QLD has fluctuated since the 2023 Census both in net terms and relative to the national average. Rents have initially risen faster than household incomes within the district following

the Census, reducing rental affordability. However, the rental market has improved over the past year as growth in rental prices has slowed, while household incomes have continued to increase. This has resulted in the variable changes within the district's rental market that are shown in the index in Figure 12-5, with recent improvements within the district that have shown greater improvement than the national picture, which has declined during the past quarter.

Earlier improvements in rental affordability (2019 to 2020) are likely to have occurred partly due to an increase in dwellings available for the rental market. A reduction in visitor demand from Covid-19 resulted in a proportion of dwellings being offered within the district's rental market that were previously used as visitor accommodation.

Figure 12-5 – Changes in Affordability of Rents Since 2015



The above indicators present a picture of the average and median positions within the district's housing markets and how the markets have changed through time. However, they do not show the pressures in housing affordability within different parts of the market.

There are significant pressures within the lower end of QLD's housing market, with a limited supply of lower value dwellings. This has occurred due to the high growth pressures within the district in terms of the scale of growth as well as the higher dwelling price points sustained by the characteristics in other parts of the demand profile. The previous planning development opportunity has also limited the provision of a range of dwellings across large parts of the urban environment, including those better aligned to the lower end of the market. High proportions of past patterns of development have been characterised by spatially extensive growth of lower density detached dwellings, which are typically higher in value than smaller attached dwellings.

The Ministry of Social Development Housing Register shows there are currently 30 people on the register (as at June 2025), up from 14 people five years earlier (as at June 2020). This equates to only 6 applicants per 10,000 population, which is significantly lower than the national average of 36 applicants. However, this indicator is likely to only present a portion of the lower value housing need within the district as it only includes people who are eligible for social housing. The number of applicants to the register may also be influenced by the very limited supply of social housing dwellings within the district.

The Queenstown Lakes Community Housing Trust (QLCHT), which plays a predominant role within the district's social housing sector (Section 4.3), recently presented at the QLDC UIV hearing [68]. The information showed a significantly wider picture of housing need at the lower end of the housing market within the district. The QLCHT stated that it has around 7% of the district's resident population on its waiting list (1,480 households)[69].

Pressures at the lower end of the district's housing market have previously been identified within a range of studies. These include within the 2021 HBA[70] and the Queenstown Lakes Joint Housing Action Plan 2023-2028[71].

12.2.2 Dwelling Mix and Housing Affordability

The potential impact on housing affordability forms a core component of the impact of planning decisions. This occurs through the alignment of development patterns (dwelling size, typology and location) with housing demand, with important differences between the patterns encouraged under different sets of provisions.

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 occurs 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[72].

Achieving a beneficial dwelling mix for long term housing need in the community is a core component of improving housing affordability within the district's urban environment. Importantly, this is a function of both dwelling typology and size. A dwelling mix across both of these factors is required to meet long term community demand. While there is a correlation between dwelling size and dwelling value, the typology also significantly influences the substitutability of household demand across different housing options.

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[68] QLCHT summary statement presented at QLDC Urban Intensification Variation Hearing on 30 July 2025. https://www.qldc.govt.nz/media/rsjom1za/submitter-1273-queenstown-lakes-community-housing-trust.pdf

[69] The QLCHT waiting list differs to the Social Housing Register. It contains applicants for dwellings provided by QLCHT through a number of different ownership or rental models.

[70] M.E Ltd, 2021. *Housing Development Capacity Assessment 2021: Queenstown Lakes District,* prepared for Queenstown Lakes District Council and Otago Regional Council, Final, 15 September 2021.

[71] Improving housing outcomes in Queenstown Lakes

[72] 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.

The development opportunity provided by planning provisions to the market influences the types of dwellings delivered across different parts of the district's urban environment. Past patterns of development across the District have been characterised by spatially extensive growth of low density detached dwellings in response to the development opportunity provided by the PDP and previous ODP provisions. This pattern of development has previously limited the potential for households to increase their level of housing affordability through making trade-offs between dwelling size, type, price and location.

These patterns have begun to change more recently, with new growth areas and developments increasingly containing a wider dwelling mix. Key areas include Te Pūtahi Ladies Mile (with a minimum density requirement of 40 dwellings per hectare, with standalone dwellings non-complying), Quail Rise North and existing Frankton areas (RPL), with all containing areas of medium and high density residential zoning. The development market is responding to the opportunity provided within these areas, with a greater share and range of attached dwelling types (such as terraced housing and apartments).

The impact of these changes in dwelling development patterns on housing affordability has been considered recently for the district within the wider evidence base (that has occurred outside of the QLDC growth model). This included how this may occur in the future as the market responds to the development opportunity enabled as a result of changes to the PDP. This was considered during the analysis undertaken to inform the notified UIV, which covered the extent of the medium-term urban environment[73].

Recent assessment has provided more detailed modelling on capacity and demand to inform the core notified UIV objectives to meet NPS-UD Policy 5 requirements (including how this may contribute to Policy 1). It modelled a full range of development opportunity (by dwelling type, density, height and scale, etc) corresponding to different sets of planning provisions across the district's urban environment (including the feasibility of different types of capacity). It also modelled the corresponding demand for these types of dwellings, incorporating changes in the demand profile through time. As a result, it was able to assess the likely effects on housing affordability arising from changes in housing choice. This assessment has been taken into account to understand the likely effects on housing choice and affordability in the district's medium-term urban environment, which are summarised in the following paragraphs. It has been considered together with information provided on the significant further growth areas added in the long-term through the Spatial Plan (including their modelled capacities from the QLDC growth model) and signaled development patterns in other new growth areas across the district.

Significant shifts in dwelling mix are expected to occur in the medium-term as a result of the changes to the PDP together with further development in new growth areas that contain greater provision for attached dwellings. The market is anticipated to gradually respond to the increased development opportunity to deliver both a greater number and range of dwellings than in previous development patterns within the District. This is likely to gradually increase housing choice across different parts of the urban environment. Housing affordability would improve through the increased ability to make trade-offs between dwelling type, size, price and locations with a greater range of viable dwelling options (including *within* each location).

[73] All areas of capacity within the medium-term urban environment were considered within this assessment, with modelling undertaken across the areas covered by the UIV. The assessment also included the contribution of development opportunity in other parts of the urban environment beyond the areas covered by the UIV.

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.

Attached dwellings will likely become an increasingly important component of the dwelling mix, across both central and suburban areas, providing cheaper options for a range of household types than alternatively occupying a detached dwelling in the same location. The MDR and HDR Zones (taking into account their increased provisions) are expected to play an important role where they are likely to result in a greater range of dwelling types within the more accessible locations. The market is expected to gradually deliver smaller and cheaper dwellings in these locations in comparison to that enabled under the current provisions, with terraced housing and attached dwellings expected to form core components of this dwelling mix.

Housing affordability is also expected to gradually increase within suburban areas (where the LDSR Zone is applied) as a result of changes to the PDP. A reduction in site size requirements, together with the application of an *average* site size increases the ability for the market to deliver smaller detached dwellings in these areas. It is likely that a portion of these lots would still be developed to contain larger dwellings (e.g. a dwelling at up to 240m^2 floorspace on a 300m^2 site) at two storeys, while a portion would be developed to also contain a reduction in dwelling size to meet demand within different parts of the market. In comparison, the current provisions encourage the development of larger dwellings that are scaled to the larger site sizes to achieve sufficient returns to developers.

Importantly, the effect on the district's dwelling mix is likely to occur gradually through time as new dwellings are incrementally delivered to the market in response to growth. The effect on dwelling mix is likely to become more significant over the medium to long term with the cumulative growth in dwellings. This means that changes in affordability will occur gradually through household trade-offs/decisions in response to the increased housing choice (becoming larger through time), rather than as any immediate large-scale reduction in dwelling prices across the market.

12.2.3 Housing Affordability by Dwelling Value Band Analysis

The current housing affordability pattern in the District has been examined by drawing together recent statistics on resident households and the numbers on non-owner households, data on housing values to indicate affordability, and the statistics on new dwellings enabled by the Plan to indicate the potential to improve levels of housing ownership.

The current pattern of ownership is shown in Table 12-2, based on a customised Census 2023 dataset, updated to 2024 according to population growth. Overall, some 36% of QLD households are identified as Non-owners, with the shares ranging from just 26% for larger, 2-parent families to 79% for Non-family households. There is no clear pattern according to household income.

Table 12-2 – Owner and Non-Owner Households by Type and Income 2024

Household Type	Household Income Band 2024							
	Under $30K	$30-50K	$50-70K	$70-100K	$100-150K	$150-200K	$200K+	Total
Not Owned								
One Person	240	260	290	240	60	50	10	1,150
Couple	30	100	120	420	780	680	520	2,650
2 Parents 1-2chn	20	20	70	290	450	400	250	1,500
2 Parents 3+chn	-	-	20	20	80	60	40	220
1 Parent Family	80	70	80	110	60	50	20	470
Multi Family	-	-	-	-	70	50	220	340
Non-Family	10	30	70	200	320	270	320	1,220
Total	380	480	650	1,280	1,820	1,560	1,380	7,550
Owned or Trust								
One Person	700	480	380	360	160	140	100	2,320
Couple	200	500	460	820	1,240	1,080	1,170	5,470
2 Parents 1-2chn	40	50	110	340	1,060	940	1,310	3,850
2 Parents 3+chn	-	-	-	60	170	150	250	630
1 Parent Family	-	80	60	110	100	80	40	470
Multi Family	-	-	-	-	50	30	230	310
Non-Family	-	-	20	50	90	70	100	330
Total	940	1,110	1,030	1,740	2,870	2,490	3,200	13,380
Share Not Owned %								
One Person	26%	35%	43%	40%	27%	26%	9%	33%
Couple	13%	17%	21%	34%	39%	39%	31%	33%
2 Parents 1-2chn	33%	29%	39%	46%	30%	30%	16%	28%
2 Parents 3+chn	0%	0%	100%	25%	32%	29%	14%	26%
1 Parent Family	100%	47%	57%	50%	38%	38%	33%	50%
Multi Family	0%	0%	0%	0%	58%	63%	49%	52%
Non-Family	100%	100%	78%	80%	78%	79%	76%	79%
Total	29%	30%	39%	42%	39%	39%	30%	36%

Source: Census 2023, ME *Note: Totals may not sum due to rounding*

The projected numbers of Non-owner households are shown in Table 12-3, assuming *a priori* that Non-ownership levels show little change for each household type and income combination. It suggests that by 2053, there would be around 14,460 Non-owner households, up from the 7,230 estimated for 2024.

We note the Census 2023 data represents the recorded situation in that year, and that for many households dwelling ownership or not is a choice, rather than being dictated by income and wealth levels. Ownership varies across household life stages, and households in lower income bands (for example, super-annuitants) may own dwellings even thought their current income levels would not sustain purchase of a dwelling if they were not already owners. Similarly, a share of the population opts to not own a dwelling even though they might be able to afford ownership according to their income and resource levels.

Table 12-3 – Projected Non-owner households to 2053

Year	Household income Band								Total Owner	Total House holds
	Under $30K	$30-50K	$50-70K	$70-100K	$100-150K	$150-200K	$200K+	Total Non-Owner		
2023	360	460	620	1,230	1,740	1,500	1,320	7,230	12,910	20,140
2024	370	480	640	1,280	1,810	1,560	1,370	7,510	13,400	20,910
2027	410	520	700	1,400	1,980	1,700	1,500	8,210	14,680	22,890
2028	420	540	730	1,440	2,040	1,760	1,540	8,470	15,100	23,570
2033	480	610	830	1,640	2,320	2,000	1,760	9,640	17,190	26,830
2038	540	690	930	1,840	2,600	2,240	1,980	10,820	19,320	30,140
2043	600	760	1,030	2,040	2,890	2,490	2,190	12,000	21,400	33,400
2048	660	840	1,130	2,250	3,180	2,740	2,410	13,210	23,560	36,770
2053	720	920	1,240	2,460	3,480	3,000	2,640	14,460	25,790	40,250
Chg 2023-2033	120	150	210	410	580	500	440	2,410	4,280	6,690
Chg 2023-2033 %	33%	33%	34%	33%	33%	33%	33%	33%	33%	33%
Chg 2023-2053	360	460	620	1,230	1,740	1,500	1,320	7,230	12,880	20,110
Chg 2023-2053 %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Census 2023, ME *Note: Totals may not sum due to rounding*

A number of standard models are available from banks and finance institutions to estimate what value of dwelling households in each income band are able to afford, according to their income levels and interest rates, on the basis of long term mortgage funding. We note these models require a range of assumptions, and should be treated as indicative. That said, the 'affordable' values for first home buyers in each census income band are shown in Table 12-4, assuming an average 6.5% interest rate over 30 years, and deposit levels based on the annual mortgage payments being saved for 2 years prior to purchase. are subject to

Table 12-4 – Estimated 'Affordable' Dwelling Value by Household Income ($000)

Income Band	Mean Income	Income to Housing Payments	Affordable Mortgage @6.5 % ($000)	Deposit ($000)	Total Value Affordable ($000)
		35%			
Under $30K	$ 23	$ 8	$ 98	$ 10	$ 107
$30-50K	$ 40	$ 14	$ 153	$ 15	$ 168
$50-70K	$ 60	$ 21	$ 229	$ 23	$ 252
$70-100K	$ 85	$ 30	$ 325	$ 33	$ 357
$100-150K	$ 125	$ 44	$ 477	$ 48	$ 525
$150-200K	$ 175	$ 61	$ 668	$ 67	$ 735
$200K+	$ 220	$ 77	$ 840	$ 84	$ 924

Source: ME, WINZ 2025

12.2.4 Affordability of New Dwellings

ME have modelled the affordability of new dwellings in each value band being added to the QLD dwelling estate. The modelled values are based on statistics of new dwelling consents which show the size (m^2 floor area) and estimated construction cost by type, together with data drawn from a customised dataset prepared by Cotality on total built value plus land value. The Cotality data is important to establish the link from new consents by size and typology to final total value of new dwellings. Typically, the total value of improvements including site enhancements is 1.3 to 1.5 times the consented value from the NZStat figures,

while land value accounts for 35 to 45% of the total new dwelling value. From that, we have estimated the value range of new dwellings developed in the QLD Market.

The Model (ME Dwelling Affordability Tracker) identifies the numbers of Non-owner households in each income band who would be able to afford one of the dwellings in each value band. It allocates to Non-owner households the new dwellings built in each value band until that new supply is used up, or there are no more Non-owner households in the income band able to afford a dwelling.

The results in Table 12-5 show that dwellings provided in the $300-800,000 value bands would be potentially taken up by non-owner households in the higher income bands ($70,000+). This would not satisfy non-owner household demand in the lower household income bands as well as some demand within the mid to higher income bands (up to $150,000). The patterns of met and un-met demand for non-owner households are summarised for the medium and long-term in Figure 12-6 and Figure 12-7 below.

Table 12-5 – New Dwellings taken up by Non-Owners (ME Dwelling Affordability Tracker): Long-Term

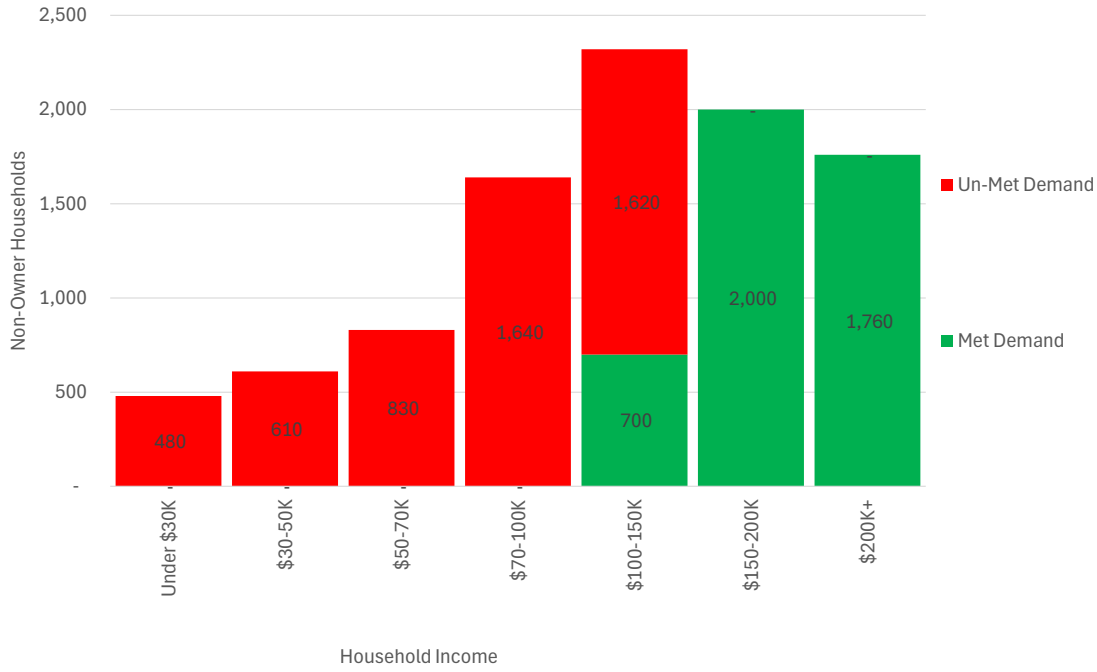
Dwelling Value Band	Feasible Dwellings Built	Household income Band							
		Under $30K	$30-50K	$50-70K	$70-100K	$100-150K	$150-200K	$200K+	Total
		New Dwellings Taken Up by Non-Owners							
Up to $100k	-	-	-	-	-	-	-	-	-
$100k to $200k	-	-	-	-	-	-	-	-	-
$200k to $300k	-	-	-	-	-	-	-	-	-
$300k to $400k	4	-	-	-	**4**	-	-	-	**4**
$400k to $500k	420	-	-	-	-	**420**	-	-	**420**
$500k to $600k	845	-	-	-	-	**845**	-	-	**845**
$600k to $700k	2,211	-	-	-	-	-	**2,211**	-	**2,211**
$700k to $800k	3,859	-	-	-	-	-	**789**	**2,640**	**3,429**
$800k to $900k	1,429	-	-	-	-	-	-	-	-
$900k to $1m	4,057	-	-	-	-	-	-	-	-
$1m to $1.1m	797	-	-	-	-	-	-	-	-
$1.1m to $1.2m	540	-	-	-	-	-	-	-	-
$1.2m to $1.3m	105	-	-	-	-	-	-	-	-
$1.3m to $1.4m	-	-	-	-	-	-	-	-	-
$1.4m to $1.5m	-	-	-	-	-	-	-	-	-
$1.5m to $1.6m	188	-	-	-	-	-	-	-	-
$1.6m to $1.7m	-	-	-	-	-	-	-	-	-
$1.7m to $1.8m	-	-	-	-	-	-	-	-	-
$1.8m to $1.9m	8	-	-	-	-	-	-	-	-
$1.9m or more	-	-	-	-	-	-	-	-	-
TOTAL	14,460	-	-	-	-	**1,270**	**3,000**	**2,640**	**6,910**
Un-Met Demand		720	920	1240	2460	2210	0	0	7,550
Total Demand		720	920	1240	2460	3480	3000	2640	14,460

Source: ME Dwelling Affordability Tracker 2025

In the modelling, it is assumed that lower income households would be prioritised to get first choice of the lower value dwellings. while this would not necessarily materialise in the real world, the Model is a good indicator of the extent to which new dwelling supply in each value band could meet Non-owner demand to be owners.

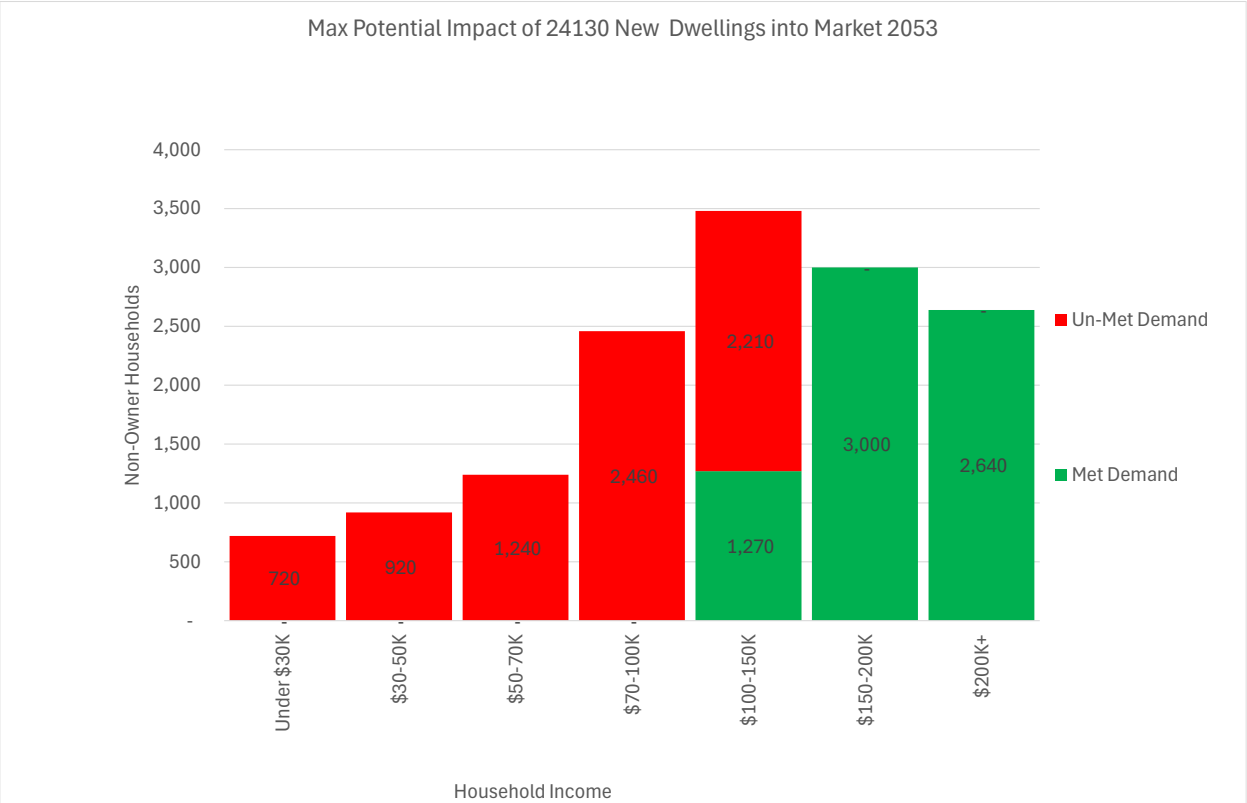
The value of new dwellings being provided in the QLD market, according to the most recent consenting statistics, suggest the potential to meet up to one-third on demand for Non-Owner households, although always on the assumption that other purchasers – already owners – would not pre-empt them.

Figure 12-6 – Patterns of Met and Un-Met Demand for Non-Owner Households: Medium-Term



Source: M.E QLD Dwelling Affordability Tracker, 2025.

Figure 12-7 – Patterns of Met and Un-Met Demand for Non-Owner Households: Long-Term



Source: M.E QLD Dwelling Affordability Tracker, 2025.

12.2.5 Sufficiency by Dwelling Value Band for Resident Households

The sufficiency of expected patterns of future dwelling supply by dwelling value band for residential households has been assessed within the M.E's QLD Dwelling Affordability Tracker Model. The assessment is summarised in Table 12-6 below, which shows the projected shortfalls and surpluses of dwellings in relation to resident household demand within each value band for the short, medium and long-term. The resident household demand reflects the estimated affordable dwelling price for households based on their household characteristics, most notably, income. The value bands of dwellings are also estimated within M.E's QLD Dwelling Affordability Tracker Model based on observed dwelling value profiles within the district together with our analyses of the value profiles within the district's current dwelling stock.

Similar to the previous assessments, there are expected shortfalls in the lower dwelling value bands. These mostly occur in value bands of up to $500,000, with shortfalls also occurring within the $600,000 to $700,000 dwelling value bands. The cumulative shortfalls across these bands amounts to an estimated 3,120 dwellings in the short-term, increasing to a shortfall of 5,150 dwellings in the long-term.

Table 12-6 – Sufficiency by Dwelling Value Band for Resident Households

Dwelling Value Band ($000's)	2025	2026	2033	2053
$0-200	- 360	- 400	- 480	- 720
$200-300	- 450	- 500	- 600	- 910
$300-400	- 360	- 430	- 570	- 980
$400-500	- 920	- 1,050	- 1,330	- 2,140
$500-600	480	630	950	1,890
$600-700	- 770	- 740	- 650	- 400
$700-800	770	1,450	2,920	7,210
$800-900	- 60	1,330	1,880	3,470
$900-1000	1,120	1,830	3,370	7,890
$1000-1100	1,360	1,500	1,810	2,690
$1100-1200	1,320	1,420	1,620	2,220
$1200-1300	1,230	1,250	1,290	1,400
$1300-1400	1,730	1,730	1,730	1,730
$1400-1500	1,450	1,450	1,450	1,450
$1500-1600	1,780	1,810	1,890	2,100
$1600-1700	1,160	1,160	1,160	1,160
$1700-1800	1,100	1,100	1,100	1,100
$1800-1900	830	830	830	840
$1900-2000	670	670	670	670
$2000-2100	680	680	680	680
$2100-2200	600	600	600	600
$2200-2300	450	450	450	450
$2300-2400	440	440	440	440
$2400-2500	390	390	390	390
$2500-2600	310	310	310	310
$2600-2700	310	310	310	310
$2700-2800	240	240	240	240
$2800-2900	300	300	300	300
$2900-3000	200	200	200	200
$3000+	3,650	3,650	3,650	3,650
TOTAL	20,140	22,240	26,830	40,250
Shortfall	- 2,920	- 3,120	- 3,630	- 5,150
	25,670	27,940	30,860	39,870

Source: ME Dwelling Affordability Tracker 2025

12.3 Impact of Infrastructure

The provision of infrastructure is a core requirement of the dwelling development process. Infrastructure constraints can potentially occur through constrained network coverage in urbanised areas, limiting additional supply of new dwellings.

As required under the NPS-UD, this assessment has identified separately (Section 8) the portion of capacity that is served by infrastructure networks. The RER capacity incorporates the identified infrastructure limits (Section 8), within the sufficiency tested in Section 11.

The assessment has found that there are significant constraints to short-term development capacity within the Whakatipu Ward due to constraints within the modelled infrastructure networks. There is almost no capacity for further development within the networks in the short-term, meaning that short-term shortfalls are produced across all reporting areas within the ward. It is important to note, however, that the NPS-UD requires short-term infrastructure capacity to be within currently existing networks, therefore excluding any capacity that may currently be under development or planned within the short-term.

The assessment shows that there is sufficient capacity within the modelled infrastructure networks to accommodate the projected growth (incl. a margin) at a ward-level over the medium to long-term. However, the geographic distribution of infrastructure network capacity has substantial variation across different parts of the urban environment, which may significantly affect the future growth pattern within the district, particularly within the long-term in the Whakatipu Ward.

The assessment in Section 8 has shown that infrastructure network additional capacity is heavily concentrated into the Frankton Te Tapuae reporting area. Over two-thirds (69%) of the additional network capacity added within the ward in the medium-term occurs within this reporting area, and over four-fifths (81%) of the further capacity added within the long-term. It is likely that a large share of this additional capacity is planned for the outer areas of urban expansion within the southern corridor.

In contrast, there is only limited further infrastructure network capacity added within the central parts of the ward's urban environment in the medium and long-term, with almost no additional capacity in some locations[74]. Only 15% of the additional capacity within the medium-term occurs within the Queenstown reporting area (and 13% of that added within the long-term), which covers the central parts of the district where the medium-term intensification provisions are focussed.

These patterns of additional infrastructure network capacity provision are likely to limit the broader patterns of growth able to occur across the ward's urban environment if infrastructure limits are enforced when enabling growth. This is most likely to occur within the long-term where there is less headroom within the infrastructure network capacity in comparison to projected growth.

A critical aspect is that infrastructure constraints, if applied, may limit the ability for a greater share of growth to occur within central parts of the ward's urban environment. This constraint is likely to become more significant in the medium to long-term as the market would otherwise be likely to respond to the

[74] QLDC have advised that this is partly due to the assumed spatial allocation of demand. The current demand projections allocate only limited demand into central parts of the district's urban environment, meaning that there is correspondingly limited planned investment.

additional development opportunity and associated greater returns provided under the medium and long-term planning provisions.

We consider that the scale of this constraint may be larger than reflected in the baseline housing market conditions modelled within the QLDC growth model. The model has applied a lower density outward urban expansion pattern of demand, which is focussed into outer parts of the ward's urban environment. As shown in Section 5.3.2, this market situation is held constant and applied across the next 30 years over the long-term. QLDC have noted that if future updates to demand projections see a higher share of growth expected to occur within central parts of the district, then this is likely to correspondingly influence the geographic focus of infrastructure investment.

If the district's housing market responds to the development patterns incentivised and encouraged by the medium and long-term planning framework, then this is likely to see an increased share of demand occurring within central parts of the ward's urban environment. This would consequently produce shortfalls in capacity within these areas in the medium-term and increase the size of projected shortfalls in the long-term.

The potential geographic constraints to medium to long-term development patterns may also reduce the alignment between patterns of future housing demand and the types of dwellings delivered by the market. This is because a higher share of the development opportunity for attached dwellings occurs in central areas, with development for these types of dwellings generally more feasible in these locations than in outer parts of the district.

The commercial feasibility for different types of dwellings (by typology, density, size, etc) within different parts of the district's urban environment were examined through the housing capacity and feasibility assessments undertaken to inform the UIV. There are important differences in the feasibility of development opportunity for attached dwellings between inner and outer parts of the urban environment. The greater dwelling yields enabled within the HDR and MDR Zones within the central areas, together with the differences in the value of location, mean that attached dwellings are better sustained by the scale and timing of market demand within central areas.

If infrastructure constraints are applied to limit growth within the central parts of the Whakatipu Ward over the medium to long-term, then this is correspondingly likely to encourage a more dispersed pattern of development with a potentially reduced dwelling mix in comparison to the types of dwellings that are expected to produce the greatest returns to developers within central areas. While new growth areas are increasingly being developed to contain a greater range of dwellings than past patterns of the development, the QLDC growth model shows that sizeable proportions of the greenfield areas have lower density patterns of development within the long-term.

The QLDC growth model generally indicates that infrastructure networks contain sufficient additional capacity to accommodate growth within the Wānaka Ward's urban environment across the medium and long-term. There is some constraint within the short-term to accommodate projected growth within the main Wānaka township area.

The model does indicate that infrastructure limitations may occur within Wānaka and Lake Hāwea's greenfield areas within the ward. These result in capacity shortfalls within the sufficiency assessment in Section 11. However, we understand that these occur as a result of spatial allocations between greenfield

and existing urban areas that are applied within the model rather than actual limitations within the infrastructure networks. Further development is intended to occur to address this aspect of the model in subsequent updates. The level of capacity provided by infrastructure networks within their actual catchments means that the reporting areas have sufficient infrastructure capacity to accommodate future growth.

Lastly, we note that the QLDC growth model does not yet incorporate road network infrastructure capacity limitations within the district. Previous assessments have identified significant constraints across parts of the urban environment within each ward as a result of road network bridges and capacity constraints along key arterial corridors (such as SH6A). Within the Whakatipu Ward, these include the Kawarau, Arthurs Point and Shotover bridges, limiting growth within the outer parts of the ward's urban environment in areas beyond the bridges. The Albert Town bridge was also previously identified as a constraint likely to limit future growth within the Albert Town and Lake Hāwea parts of the Wānaka Ward urban environment[75].

While these bridge constraints are not yet incorporated within the growth model, they may significantly limit future growth if they still apply. This is particularly important for the Whakatipu Ward urban environment where a sizeable share of the growth model future RER capacity is contained in areas south of Kawarau bridge within the Frankton Te Tapuae reporting area.

If the bridge constraints still apply, then they are likely to have a greater effect on the assumed baseline growth scenarios currently applied within the growth model as these are focussed into outer parts of the urban environment. They would have less impact on the market's ability to respond to the intensification development opportunity provided within the medium and long-term as this predominantly occurs in areas of the urban environment that are within the spatial extent of the bridges.

QLDC are currently undertaking significant assessment to understand the constraints and levels of residual capacity within the district's road infrastructure networks to support future growth[76]. This is currently within the development stages and will be incorporated into future HBA's. Furthermore, while the road infrastructure network is currently facing capacity constraints, their effect is experienced on a more differentiated basis than constraints within other infrastructure networks. The road network constraints do not prevent further development occurring within the district, with the effect instead experienced through higher levels of congestion and lower contributions of development to a achieving a well-functioning urban environment.

12.4 Competitiveness in the Housing Market

It is important to ensure that sufficient development opportunity is provided by planning parameters to enable competitiveness in the QLD's housing market, while simultaneously encouraging an efficient long term development pattern.

There are differences in the economic effects (e.g. infrastructure cost, commercial feasibility of development, housing choice and sustainability of urban form) between the spatial structures of growth

[75] The Albert Town bridge is a single lane, signalised bridge. The Waka Kotahi State Highway Investment Programme 2024 - 2034 includes 'SH6 Albert Town Bridge' in its listed proposed improvement activities in the state highway programme for the Otago region.

[76] It is noted that Waka Kotahi are also initiating a strategic review of the transport needs within the district.

encouraged under the set of planning provisions applied within each time-period. These need to be appropriately balanced with opportunity for competition across the market. Competition between different developers within the market is one factor that encourages patterns and rates of dwelling supply to better align with demand, including in dwelling prices.

Our assessment has drawn upon the wider evidence base[77] within the QLD to examine the types of development opportunity enabled by the different sets of planning provisions as set out in Section 2.2. We have considered the types of dwellings, their scale (e.g. height), density and feasibility by location across the urban environment and how this aligns with the current and likely future development patterns within the housing market and patterns of demand for different types of dwellings within the local economic context. We have also considered how this assessment applies to the types of development opportunity and expected dwelling mix offered within new growth areas within the district, including the Spatial Plan growth areas in the long-term.

For the land subject to the intensification provisions (as shown in the maps provided in Section 2.2.2), we have found that the medium-term intensification provisions are likely to increase competitiveness within the district's housing market. The increased range and density of dwelling types will enable developers to provide a more diversified dwelling mix meaning that there is likely to be greater scope for developers to compete through providing different housing choice options to meet demand. The greater enabled range of dwellings is also likely to increase the range of market demand targeted by developers.

The greater dwelling yields enabled by the increased medium-term provisions also increase the proportion of sites with feasible development potential. Importantly, this occurs within the existing urban area at the individual parcel scale. This increases the opportunity for smaller developers to deliver dwellings within the local market through redevelopment at a suburban parcel-scale.

There is also a sizeably greater opportunity for increased dwelling densities and mixes within the district's new growth areas in comparison to past patterns of lower density urban expansion. Many of these areas, as discussed in Section 12.2.2, contain zoned opportunity for medium to higher density development to which the market is responding. Although the zoning pattern has not yet been established, this is also likely to occur within the large areas added in the long-term through the Spatial Plan.

There are multiple landholder developers within the QLD's residential greenfield areas, with the developments and plan enabled yields summarised in Table 12-7. In total, there are 70 identified land developments, with 23 in the Wānaka Ward and 47 within the Whakatipu Ward. The land areas covered by these developments have an estimated long-term remaining plan enabled capacity for an additional 27,300 dwellings (which may differ to the developer intentions).

There are multiple developers involved in many of these developments, with some larger developers involved across multiple development areas. These include several larger developers within the district, which are likely to account for a sizeable portion of the future greenfield dwelling supply.

The market structure of the district's greenfield development sector is likely to enable competition between developers to occur. There are multiple developers involved within most of the district's larger

[77] This part of the assessment draws upon the capacity and feasibility modelling undertaken during 2022 to 2025 for QLDC to understand the changes to the current PDP. This modelling has covered both the notified UIV provisions as well as the current PDP baseline, together with other urban zoned areas, meaning it shows the changes between the short and medium-term.

greenfield developments, however, it is noted that there are some areas where a single developer/group/or landholder covers large stages of the development area. This occurs both within the lower density development areas as well as within the district's larger areas for apartment capacity. The Frankton area is a key example within the Whakatipu Ward where large areas of land are owned by a single developer. The level and type of development activity within this area has been influenced by the landholder's master planning objectives.

In most parts of the district's future urban environment, capacity within the infrastructure networks is enabled across a range of developers at each time as capacity is enabled at a localised level. This is likely to mean that infrastructure capacity is less concentrated into certain greenfield areas, therefore avoiding the potential to reduce competition among developers. An exception occurs within parts of the Frankton area within the Whakatipu Ward, where future infrastructure-ready capacity is concentrated within a single developer landholding. It is noted that there are also fewer developers within the Wānaka and Lake Hāwea urban areas.

Table 12-7 – Summary of QLD Greenfield Residential Land Developments

Reporting Area	Remaining Plan Enabled Dwelling Yield[1]	Number of Developments[2]
Wānaka	3,737	17
Lake Hawea	2,396	6
Cardrona	-	-
Total Wanaka Ward	***6,133***	***23***
Arrowtown	102	4
Arthurs Point	552	6
Queenstown	1,603	4
Te Tapuae Frankton	16,225	27
Te Putahi Eastern Corridor	2,637	6
Total Whakatipu Ward	***21,119***	***47***
Total District	**27,252**	**70**

Data Source: summary of data sourced fom QLDC August 2025.

[1] This is an estimate of the remaining plan enabled dwelling yield. Developer intentions may differ from these estimates.

[2] The number of developments is based on QLDC estimates as at January 2025.

12.5 Price Efficiency Indicators

The Ministry of Urban Development (MHUD) provides a price-cost ratio indicator for detached dwellings in each location, which is contained in Figure 12-8 below. It shows the ratio between the average sales price of detached dwellings and the estimated average construction cost of the dwellings.

The price cost ratio is calculated from the combined sales prices of all detached dwellings within the district. It includes sales data from newly constructed dwellings combined with dwellings (of all ages) that form part of the district's overall detached dwelling stock. The ratio is therefore a combined reflection of:

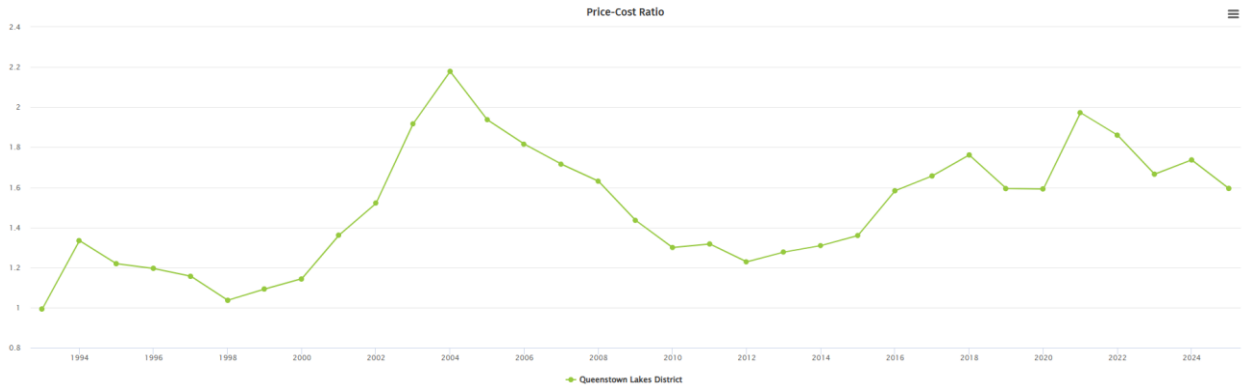
i. the land value portion of newly formed lots that are developed to contain new detached dwellings; and
ii. the land value component of properties that are sold that currently contain detached dwellings. This includes properties that are continued to be used for detached dwellings as well as properties that are subsequently redeveloped to a higher intensity.

The QLD had a price cost ratio of 1.595 in 2025. This is down from 1.973 in 2021, which corresponds to the previous HBA assessment, and is similar to the ratio of 1.592 five years ago in 2020.

The price cost ratio is affected by a range of factors, with the direction of change differing for each factor. The indicator is provided as an aggregate measure, meaning that the contribution of each change is not able to be determined from the indicator. The types of effects on the indicator may include:

a. Gradual rises in the share of the land value component that generally occur across all properties through time after they are developed. Land values typically grow faster than improvement values as a function of the value of the location and the gradually increasing returns that can be achieved through development of the site at higher densities with market growth through time.
b. Increasing sales of properties which are intended for redevelopment. These sites typically have higher land value components reflecting the value of their location and the greater returns able to be achieved through redevelopment at a higher density, and often contain dwellings with improvement values in line with the condition and age of the dwellings.
c. Changes in land cost with changes in enabled densities for different types of dwellings. Smaller required land areas generally result in lower land value shares, although dwelling sizes and types are scaled to site sizes and local market conditions.
d. Changes to the development costs associated with urbanisation that are reflected in the land value component. These include changes in infrastructure costs and any changes in land prices that are offered to the market.
e. Changes to other development costs that are associated with the cost of development of a dwelling.

Figure 12-8 – Housing Price to Cost Ratio (MHUD Urban Development Dashboard)



12.6 Urban Form and Well-Functioning Urban Environment

Planning has important economic effects on the QLD's urban form that are likely to arise over the medium to longer term as a result of development patterns that are encouraged by the planning provisions. Location is not neutral. An efficient urban form is a critical component of a well-functioning urban environment, where the geographic distribution of different land uses and their intensity, impact upon the efficiency of interactions and accessibility of households, businesses and individuals across the urban environment.

Changes to the District's urban form are likely to occur gradually and become significant over time through the cumulative effect of many individual land use decisions. These decisions are influenced by the types of development opportunity provided in different parts of the urban environment under each set of planning provisions. The developer market response in terms of the take-up of these opportunities is likely to gradually change through time as the market for different types of dwellings becomes larger and more established over the medium to long-term.

There are important changes that have occurred between each set of planning provisions that have been applied at each time period across the district within this assessment (as set out in Section 2.2). Each encourage different types of development patterns, with the enabled dwelling yields and levels of development incentivizing different types of dwellings in each area as sustained by the market. When examined geographically, at both local and wider urban scales, they produce different development trajectories that contribute to the district's urban form.

In the short-term, the operative planning provisions provide for some intensification in central parts of the district's urban environment at a higher density scale. Within the Whakatipu Ward, this is focused into the main commercial centres, and areas surrounding the Queenstown Town Centre (including PC50) at a lower scale. There are limited areas for medium density development within the already urbanised parts of the urban environment beyond these areas, with the development opportunity at a lower intensity scale. The opportunity for intensification within the Wānaka Ward is significantly lower. Much of the district's urban environment is covered by lower density suburban scale areas that have encouraged lower density patterns of detached dwelling development.

More recently, new growth areas within the district have increasingly included opportunity for more intensive dwellings. These areas form part of the modelled short-term development opportunity, with significant development already occurring within the development market in a number of locations. Their contribution to a well-functioning urban environment is likely to become cumulatively larger over the medium-term as greater proportions of these areas are taken up by the market. These areas are expected to contain a greater dwelling mix, with much of this activity occurring within the short to medium-term as dwellings are constructed and added to the district's dwelling stock.

There are also sizeable increases in the level of development opportunity across much of QLD's urban environment in the medium-term through the changes to the PDP. Assessment of these planning provisions show that they substantially increase the level of development opportunity from that under the current set of planning provisions within the existing urban areas as well within MDR and HDR zoned parts of new growth areas. The increased opportunity is greatest within central parts of the district through large increases in the level of development on each site enabling greater dwelling yields and an increased range of dwelling types. This is likely to increase the feasibility for commercial developers, with the same increase in development opportunity available to other parts of the market.

The changes to the PDP (which are incorporated into the medium-term capacity modelling and assessments) are consequently likely to encourage a pattern of growth that contributes to a more efficient spatial structure than a more dispersed pattern of growth currently encouraged by the current PDP. At a broader spatial scale, they are likely to encourage a greater share of growth to occur within central parts of the district's urban environment as the market responds to the increased potential returns in these areas. Greater shares of growth in these areas are more efficient as they align with the highest areas of accessibility and relative demand within the district.

Greater shares of growth within central parts of district are also generally more efficient in relation to infrastructure provision. Infrastructure costs to support more dispersed and lower density patterns are growth are typically higher. It is noted however that there is currently limited capacity within the district's modelled infrastructure networks within these areas.

The medium-term provisions also encourage the intensification of development around the district's main commercial centres. The level of residential intensification around commercial centres plays an important role in supporting a centres-based urban form. A concentration of residential demand within these locations reinforces the commercial viability and vitality of centres, with more dispersed patterns of growth resulting in reduced economic benefits for centres.

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.

The medium-term plan enabled level of development would continue to apply across the district's urban environment in the long-term. The capacity assessments undertaken from the QLDC's growth model, and more specifically by dwelling type within the QLD wider evidence base, show that these areas contain development opportunity that is sizeable in comparison to the projected future scale and type of demand. They show that the plan enabled development opportunity would enable central parts of the district,

including around commercial centres, to continue to intensify in line with the level and type of development sustained by future market demand.

In addition, the Spatial Plan signals further capacity for outward urban expansion within different parts of the district to contribute toward long-term growth needs. The capacity assessments contained within Sections 7 to 11 show that they contain a level of enabled capacity well ahead of demand, providing sizeable opportunity to meet future growth needs.

The QLDC growth model shows that the Spatial Plan long-term signaled capacity is substantial and likely to meet an important component of the district's long-term growth needs. Although the zoning pattern for these areas is not yet established, it is likely to incorporate a focus on the dwelling mix required to meet projected patterns of household demand within these locations in the long-term.

12.7 Alignment of Development Opportunity with Relative Demand

Examining the alignment between the level of development opportunity and demand for different types of housing forms an important part of understanding the effects of different sets of planning provisions in meeting the objectives and policies of the NPS-UD. Policy 5 of the NPS-UD requires district plans applying to tier 2 urban environments to enable heights and density of urban form commensurate with the greater of the level of accessibility or relative demand for housing and business use in that location.

The relative demand refers to the patterns and levels of demand for different types of dwellings, which varies by location across the urban environment. The development opportunity describes the level and types of dwelling development options (including scale and size) enabled by the provisions for heights and density applied to each site. This is distinct from "development capacity" as defined in the NPS-UD which instead has a greater focus on the amount of capacity defined in terms of the number of dwellings.

Meeting the requirements of Policy 5 formed a core objective of the QLD's intensification plan change applied in the HBA medium-term assessment. The alignment of the development opportunity within the notified provisions with patterns of demand was assessed for the district to inform the plan change. This was examined within both inner areas (covered by the HDR and MDR Zones) as well as less central parts of the urban environment.

Assessment undertaken within the QLD to inform the notified UIV found that the district's medium-term planning framework significantly increases the alignment with levels of demand for different types of housing from the short-term planning frameworks. The medium-term enabled development opportunity is generally well aligned with the level of relative demand across most parts of the urban environment, although could be increased (from that originally notified) in some locations within the context of recently updated higher demand growth projections for the district. The location, scale and spatial extent of the intensification provisions (HDR and MDR Zones) and opportunity for residential development in other zones within proximity to commercial amenity (e.g. Business Mixed Use Zone and commercial centre zones) generally aligns with demand for different types of housing, which varies by location within the urban environment. The feasibility of development in suburban areas (covered by the LDSR Zone) is also increased through providing greater flexibility for the market to deliver a greater size range of dwellings. This may

increase the affordability for households through enabling a portion of smaller sites to be developed that would be likely to contain smaller dwellings. However, greater variety in the dwelling mix may be limited as the LDSR Zone provisions do not incentivize the delivery of a component of attached dwellings.

The scale at which intensification occurs differs significantly by location. Medium density development typically accounts for a larger share of the intensification within smaller urban economies such as QLD and can be sustained across greater distances by market demand. The provision for higher density residential development is also an important aspect of the district's urban form, and is likely to become increasingly important into the future. It can play an important role in supporting the viability and vitality of commercial centres, but can also dilute potential intensification around centres if it occurs in less appropriate locations.

Part 3 – Business Demand & Capacity

13 Business Demand

This section provides an analysis of future demand for business land and floorspace in Queenstown Lakes' urban business enabled zones, in Whakatipu and Wānaka wards. It draws from the employment projections prepared by the QLDC growth model, covering employment expected to occur in the QLD environment over the long-term future. That employment growth is expressed as estimates of business land and floorspace demand, according to current parameters in the QLD market.

The first part of this section covers the projections of employment growth across the district's urban environment. It describes the levels and patterns of projected employment growth that generate demand for business space within different parts of the district. The next sections then show the resulting demand for business floorspace and the land required to accommodate different types of business activity.

13.1 Employment Projections

13.1.1 Approach

The QLDC growth model uses a set of projections for employment growth that are produced at the ward-level for the short, medium and long-term. These are provided as the projected number of employees within each industry sector for 2023 (base year), 2026, 2033 and 2053. They are provided at the 1-digit ANZSIC[78] level, which covers 19 broad industry sectors.

The employment projections are produced as an input to the QLDC growth model, with the model's supporting documents[79] providing further information. The key stages can be summarised as:

- **Stage 1:** statistical modelling is undertaken to forecast the demand for different goods and services within the regional economy from households and business sectors. This process incorporates data from a range of sources, including other projections for individual business sectors.
- **Stage 2:** The projected growth within each industry sector (from Stage 1) is applied within an input-output model. This model calculates the level of business activity growth that would correspondingly occur in other sectors through their linkages to each sector.
- **Application of QLDC population growth projections:** The QLDC High Plus growth projections are incorporated into the employment forecasting model as a driver of employment growth. The use of these projections is undertaken to enable consistency with the residential housing demand modelling.

[78] Australia New Zealand Standard Industrial Classification (ANZIC) is standardised business activity classification system consisting of different levels of activity classification. The one-digit level forms the broadest industry grouping, containing 19 different sectors.
[79] These are technical notes for internal use within QLDC.

13.1.2 Total District Projected Employment

The projected employment growth by industry sector within the QLD is shown in Table 13-1 for the short, medium and long-term.

Employment is projected to increase by 9% in the short-term, amounting to an additional 3,150 employees across the district. The largest sector increases are projected to occur in hospitality and construction, which together account for over one-third of the short-term growth. Growth in these sectors is likely to reflect the growth in tourism activity and property market development within the district.

Over the medium-term, employment is projected to increase by 24%, amounting to an additional 8,800 employees within the district. Hospitality and construction continue to be the industry sectors with the largest projected increases.

The district has a projected increase of 23,450 employees over the long-term. This amounts to an increase of nearly two-thirds from the existing employment base to reach a total projected employment of 60,500 employees by 2053.

The district is projected to have the greatest growth in employment in sectors that serve household and tourism demand. Over half (57%) of the district's long-term growth is projected to occur within the retail, hospitality and household services sectors together with the education and healthcare sectors that are driven by household demand. The district is projected to have similar levels of employment growth within the office-based and predominantly industrial-focussed activities, which each account for just over one-fifth of the long-term employment growth. There is very little projected growth within the primary (agricultural and mining) sectors, accounting for only 1% of long-term growth.

Table 13-1 – QLDC Projected Employment by Sector 2023-53

		YEAR				Net Change in Employment		
ID	ANZSIC One Digit Description	2023	2026	2033	2053	2023-26	2023-33	2023-53
A	Agriculture, Forestry and Fishing	950	990	1,040	1,100	40	80	150
B	Mining	50	50	50	40	-	-	-
C	Manufacturing	1,420	1,520	1,710	2,190	100	290	770
D	Electricity, Gas and Water Supply	200	210	230	270	10	30	70
E	Construction	5,260	5,770	6,570	8,280	510	1,310	3,020
F	Wholesale Trade	660	710	810	1,050	50	140	380
G	Retail Trade	4,340	4,670	5,340	7,100	340	1,000	2,760
H	Accommodation and Food Services	7,970	8,640	9,710	12,000	670	1,740	4,030
I	Transport, Postal and Warehousing	1,520	1,640	1,850	2,390	120	330	870
J	Information Media and Telecommunications	530	570	610	690	30	70	160
K	Financial and Insurance Services	390	410	460	600	30	80	210
L	Rental, Hiring and Real Estate Services	1,640	1,750	1,960	2,470	110	320	830
M	Professional, Scientific and Technical Services	3,340	3,600	4,050	5,040	270	710	1,700
N	Administrative and Support Services	2,220	2,460	2,820	3,590	240	590	1,370
O	Public Administration and Safety	840	900	1,030	1,430	60	200	600
P	Education and Training	1,320	1,510	2,000	4,170	190	680	2,850
Q	Health Care and Social Assistance	1,380	1,530	1,890	3,130	150	510	1,750
R	Arts and Recreation Services	1,890	2,040	2,330	3,120	150	440	1,220
S	Other Services	1,130	1,220	1,400	1,840	90	260	710
T	**Total**	**37,050**	**40,200**	**45,850**	**60,500**	**3,160**	**8,800**	**23,450**

Source: QLDC Growth Model, 2025.

The rates of employment growth across each sector are shown in the first part of Table 13-2 below. These are provided along with the share of growth occurring with each sector and the resulting changes to the structure of total employment over the long-term.

There is substantial variation in the rates of growth among different sectors, with rates ranging from 4% to 15% in the short term around the mean of 9%. The levels of growth across different sectors ranges from 4% to 52% in the medium term (around the mean of 24%), and from -4% to +216% in the long term (around the mean of 63%).

Differences in the rates of employment growth between industrial sectors result in gradual changes to the structure of the districts employment base over the long-term (as shown in the final section of Table 13-2). Substantially faster growth in the education and health sectors is projected to increase their share of the district's employment base over the long-term, with corresponding reductions in the share of employment in other sectors.

Table 13-2 – QLDC Projected Employment Growth and Shares by Sector 2023-53

		% Growth			Share of Growth by Sector			Share of Employment by Sector	
ID	ANZSIC One Digit Description	2023-26	2023-33	2023-53	2023-26	2023-33	2023-53	2023	2053
A	Agriculture, Forestry and Fishing	4%	9%	16%	1.3%	1.0%	0.6%	2.6%	1.8%
B	Mining	4%	4%	-4%	0.1%	0.0%	0.0%	0.1%	0.1%
C	Manufacturing	7%	20%	54%	3.1%	3.3%	3.3%	3.8%	3.6%
D	Electricity, Gas and Water Supply	5%	14%	35%	0.3%	0.3%	0.3%	0.5%	0.4%
E	Construction	10%	25%	57%	16.2%	14.9%	12.9%	14.2%	13.7%
F	Wholesale Trade	8%	22%	58%	1.6%	1.6%	1.6%	1.8%	1.7%
G	Retail Trade	8%	23%	64%	10.6%	11.3%	11.8%	11.7%	11.7%
H	Accommodation and Food Services	8%	22%	51%	21.3%	19.8%	17.2%	21.5%	19.8%
I	Transport, Postal and Warehousing	8%	22%	57%	3.8%	3.8%	3.7%	4.1%	3.9%
J	Information Media and Telecommunications	6%	14%	30%	1.0%	0.8%	0.7%	1.4%	1.1%
K	Financial and Insurance Services	7%	20%	55%	0.8%	0.9%	0.9%	1.0%	1.0%
L	Rental, Hiring and Real Estate Services	7%	19%	51%	3.5%	3.6%	3.5%	4.4%	4.1%
M	Professional, Scientific and Technical Services	8%	21%	51%	8.4%	8.0%	7.3%	9.0%	8.3%
N	Administrative and Support Services	11%	27%	62%	7.5%	6.8%	5.8%	6.0%	5.9%
O	Public Administration and Safety	7%	23%	71%	1.9%	2.2%	2.5%	2.3%	2.4%
P	Education and Training	15%	52%	216%	6.1%	7.8%	12.2%	3.6%	6.9%
Q	Health Care and Social Assistance	11%	37%	127%	4.8%	5.8%	7.5%	3.7%	5.2%
R	Arts and Recreation Services	8%	23%	65%	4.7%	5.0%	5.2%	5.1%	5.1%
S	Other Services	8%	23%	63%	2.9%	3.0%	3.0%	3.1%	3.0%
T	**Total**	**9%**	**24%**	**63%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: QLDC Growth Model, 2025.

13.1.3 Projected Employment Growth by Ward

This section shows the levels and patterns of employment growth across each ward within the district. It also examines important differences in the structure of employment activity between the wards.

The projected employment growth by sector in Whakatipu and Wānaka wards is shown in Table 13-3, and differences in growth rates by sector are summarised in Table 13-4.

The Whakatipu ward is expected to attract 72% of the projected growth (16,998 persons), with the balance to Wānaka (6,449 persons, 28% of the total). The projections indicate slightly stronger growth in Wānaka (+64%) than Whakatipu (63%), and overall the rates are very similar across every sector, as shown in Table

13-4. This indicates that the drivers of growth for each sector have almost identical effect in Whakatipu and Wānaka.

Table 13-3 – Whakatipu and Wānaka Wards Projected Employment Growth by Sector 2023-53

ID	ANZSIC One Digit Description	YEAR				Net Change in Employment		
		2023	2026	2033	2053	2023-26	2023-33	2023-53
	Whakatipu Ward							
A	Agriculture, Forestry and Fishing	480	500	520	550	20	40	80
B	Mining	30	30	30	30	-	-	-
C	Manufacturing	900	960	1,080	1,380	60	180	490
D	Electricity, Gas and Water Supply	120	130	140	170	10	20	40
E	Construction	3,690	4,050	4,610	5,810	360	920	2,120
F	Wholesale Trade	420	450	510	660	30	90	240
G	Retail Trade	2,940	3,170	3,610	4,810	230	680	1,870
H	Accommodation and Food Services	6,360	6,900	7,750	9,570	540	1,390	3,210
I	Transport, Postal and Warehousing	1,370	1,480	1,670	2,150	110	300	780
J	Information Media and Telecommunications	390	420	450	510	20	50	120
K	Financial and Insurance Services	290	310	350	450	20	60	160
L	Rental, Hiring and Real Estate Services	1,190	1,270	1,420	1,800	80	230	600
M	Professional, Scientific and Technical Services	2,150	2,320	2,610	3,250	170	460	1,100
N	Administrative and Support Services	1,930	2,140	2,450	3,120	210	520	1,190
O	Public Administration and Safety	780	840	970	1,340	60	180	560
P	Education and Training	870	1,000	1,320	2,740	130	450	1,880
Q	Health Care and Social Assistance	910	1,010	1,240	2,060	100	340	1,150
R	Arts and Recreation Services	1,390	1,500	1,720	2,290	110	320	900
S	Other Services	830	890	1,020	1,350	70	190	520
T	**Total**	**27,030**	**29,350**	**33,460**	**44,030**	**2,310**	**6,430**	**17,000**
	Wanaka Ward							
A	Agriculture, Forestry and Fishing	480	500	520	550	20	40	80
B	Mining	20	20	20	20	-	-	-
C	Manufacturing	520	560	630	810	40	110	280
D	Electricity, Gas and Water Supply	80	80	90	110	-	10	30
E	Construction	1,570	1,720	1,960	2,470	150	390	900
F	Wholesale Trade	250	270	300	390	20	50	140
G	Retail Trade	1,400	1,510	1,720	2,290	110	320	890
H	Accommodation and Food Services	1,610	1,750	1,960	2,420	140	350	810
I	Transport, Postal and Warehousing	150	160	190	240	10	30	90
J	Information Media and Telecommunications	140	150	160	180	10	20	40
K	Financial and Insurance Services	90	100	110	150	10	20	50
L	Rental, Hiring and Real Estate Services	450	480	540	680	30	90	230
M	Professional, Scientific and Technical Services	1,190	1,280	1,440	1,790	90	250	610
N	Administrative and Support Services	290	320	370	470	30	80	180
O	Public Administration and Safety	60	60	70	100	-	10	40
P	Education and Training	450	520	690	1,430	70	230	970
Q	Health Care and Social Assistance	470	520	650	1,070	50	180	600
R	Arts and Recreation Services	500	540	620	820	40	120	320
S	Other Services	300	330	380	500	20	70	190
T	**Total**	**10,010**	**10,860**	**12,390**	**16,460**	**840**	**2,370**	**6,450**

Source: QLDC Growth Model, 2025.

Table 13-4 – Whakatipu and Wānaka Wards relative Growth Rates and Growth Shares 2023-53

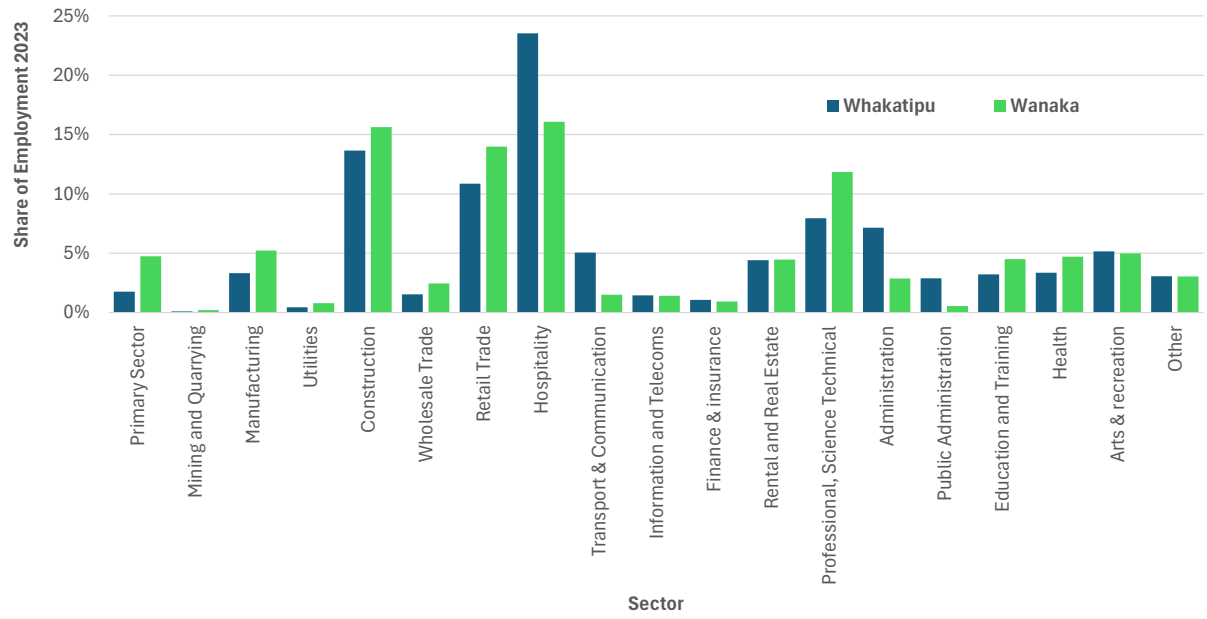
ID	ANZSIC One Digit Description	Growth Rates 2023-53		Relativity		Growth Share 2023-53		Relativity	
		Whakatipu	Wanaka	Whakatipu	Wanaka	Whakatipu	Wanaka	Whakatipu	Wanaka
A	Agriculture, Forestry and Fishing	16%	16%	1.00	1.00	50%	50%	0.69	1.82
B	Mining	-4%	-5%	0.88	1.15	50%	50%	0.69	1.82
C	Manufacturing	54%	54%	1.00	1.00	63%	37%	0.87	1.34
D	Electricity, Gas and Water Supply	35%	35%	0.99	1.01	60%	40%	0.83	1.44
E	Construction	57%	57%	1.00	1.00	70%	30%	0.97	1.08
F	Wholesale Trade	58%	58%	1.00	1.00	63%	37%	0.87	1.35
G	Retail Trade	64%	64%	1.00	1.00	68%	32%	0.93	1.17
H	Accommodation and Food Services	51%	51%	1.00	1.00	80%	20%	1.10	0.73
I	Transport, Postal and Warehousing	57%	57%	1.00	1.00	90%	10%	1.24	0.36
J	Information Media and Telecommunications	30%	30%	1.00	1.00	73%	27%	1.01	0.97
K	Financial and Insurance Services	55%	55%	1.00	1.00	76%	24%	1.04	0.88
L	Rental, Hiring and Real Estate Services	51%	51%	1.00	1.00	73%	27%	1.00	0.99
M	Professional, Scientific and Technical Services	51%	51%	1.00	1.00	64%	36%	0.89	1.29
N	Administrative and Support Services	62%	61%	1.00	1.00	87%	13%	1.20	0.47
O	Public Administration and Safety	71%	71%	1.00	1.01	93%	7%	1.29	0.24
P	Education and Training	216%	216%	1.00	1.00	66%	34%	0.91	1.24
Q	Health Care and Social Assistance	127%	127%	1.00	1.00	66%	34%	0.91	1.24
R	Arts and Recreation Services	65%	64%	1.00	1.00	74%	26%	1.02	0.96
S	Other Services	63%	63%	1.00	1.00	73%	27%	1.01	0.98
T	**Total**	**63%**	**64%**	**0.99**	**1.02**	**72%**	**28%**	**1.00**	**1.00**

Source: QLDC Growth Model, 2025.

There are important differences in the structures of the two Ward economies, which are shown in Figure 13-1. The hospitality sector accounts for the largest share of employment within the Whakatipu Ward, while construction, retail and professional services are relatively more important in the Wānaka Ward. That said, the QLD employment structure is becoming increasingly diverse as the economy grows, and the district's level of self-sufficiency gradually increases over time. That is a characteristic pattern for relatively small regional economies, although the major sectors which drive the economy have key roles into the long-term.

The key projected changes within the education and health sectors are examined further in the following section.

Figure 13-1 – Whakatipu and Wānaka Wards Employment Structure 2023



Source: QLDC Growth Model, 2025.

13.1.4 Major Growth in Education and Health Sectors

The employment projections indicate substantial growth in the education and health sectors of the QLD economy, particularly in the period after 2033. Employment in Education and Training is projected to increase by 216% in both Whakatipu and Wānaka wards, more than 3 times the overall employment growth of 63% (Table 13-4). Employment in Health care and Social Assistance is projected to increase by 127%, approximately twice the increase in total employment.

In the period after 2033, Education and training is projected to account for 13% of total growth in Whakatipu ward, despite accounting for only 3.9% of employment in 2033. Health care and Assistance is projected to account for 8% of growth, while accounting for 4% of total employment in 2033. The sectors would show similarly high shares of total growth in Wānaka ward, with healthcare and education together accounting for 29% of growth after 2033, despite their 11% share of employment in 2033.

13.1.5 Employment Growth and Population Growth

The district's projected employment growth is substantially lower than the level of projected household growth over the long-term. Households are projected to grow at over one and half times the rate of employment over the long-term, and at nearly double the rate of employment within the Wānaka Ward.

Differences in the rates of household and employment growth are summarised below in Table 13-5. The resulting changes in the employment rates per household over projection period are shown in Figure 13-2, along with the historic changes in rates.

There is currently an estimated rate of 1.84 persons employed per household across the district overall. The employment rates are substantially higher (2.13 persons per household) within the Whakatipu Ward in comparison to the Wānaka Ward (1.35 persons per household).

The faster growth in households over the long-term (+99%) than employment (+63%) means that the employment rate is projected to decrease for the district to 1.51 persons per household by 2053.

The projected shift is important and is strong within the context of the sizeable level of household growth projected to occur within the district over the long-term. The employment projections indicate a substantial fall in employment per household by 2053, to a level close to the current New Zealand average by 2053. That would imply some structural shift, where the QLDC economy would move closer to the New Zealand average.

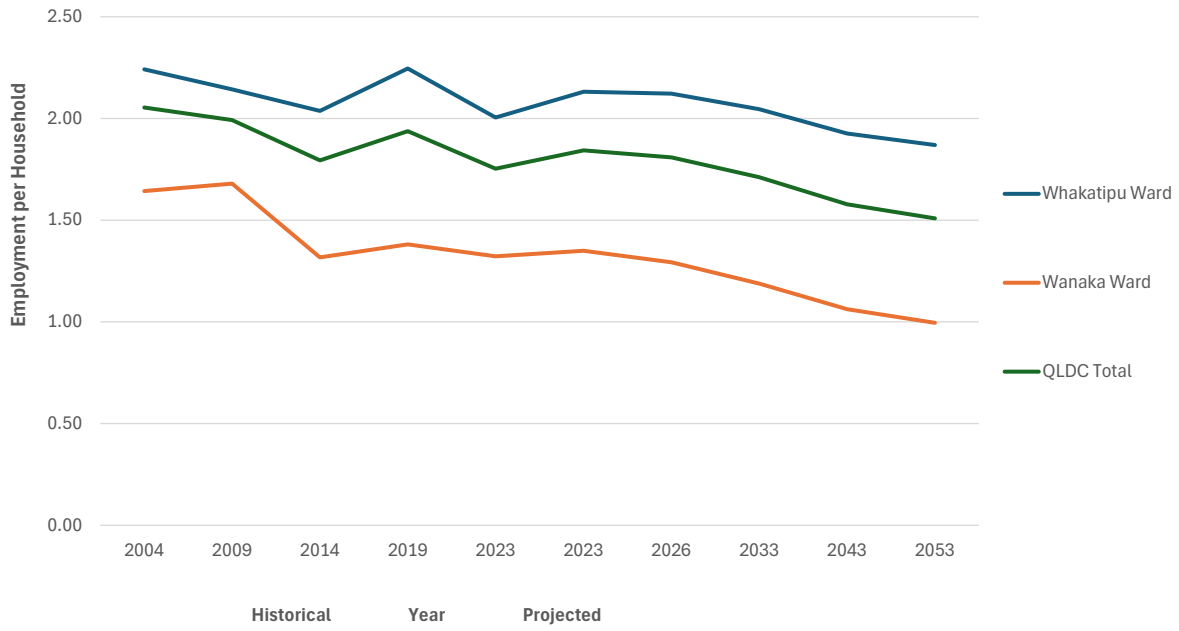
Employment levels in the district have historically been higher than the national average, which is around 1.40 to 1.42 persons employed per household. Likely reasons for this include the nature of the economy with many jobs in the hospitality and tourism sectors, and a substantial numbers in casual and contract work, including non-family households in flatting arrangements. In addition, the pressure on housing in the district has seen workers employed in businesses in Queenstown Lakes, while living in Central Otago District, especially Cromwell. This is evident in the employment and population figures for the two Districts, showing total employment per household in Queenstown Lakes as being 5-6% higher than in Central Otago.

Table 13-5 – Whakatipu and Wānaka Employment per household 2023-53

Parameter	Year					Change: 2023-2053		
	2023	2026	2033	2043	2053	Net Change	% Change	Annual Growth Rate
Employment								
Wanaka Ward	10,010	10,860	12,390	14,250	16,460	6,450	64%	1.7%
Whakatipu Ward	27,030	29,350	33,460	38,310	44,030	17,000	63%	1.6%
QLDC Total	**37,050**	**40,200**	**45,850**	**52,560**	**60,500**	**23,450**	**63%**	**1.6%**
Households								
Resident Households								
Wanaka Ward	7,420	8,400	10,430	13,420	16,550	9,130	123%	2.7%
Whakatipu Ward	12,680	13,830	16,360	19,900	23,560	10,870	86%	2.1%
QLDC Total	**20,110**	**22,230**	**26,800**	**33,320**	**40,110**	**20,000**	**99%**	**2.3%**
Employment per Household								
Wanaka Ward	1.35	1.29	1.19	1.06	0.99	- 0.35	-26%	-1.0%
Whakatipu Ward	2.13	2.12	2.04	1.93	1.87	- 0.26	-12%	-0.4%
QLDC Total	**1.84**	**1.81**	**1.71**	**1.58**	**1.51**	**- 0.33**	**-18%**	**-0.7%**

Source: M.E Ltd calculations based on data from QLDC Growth Model, 2025.

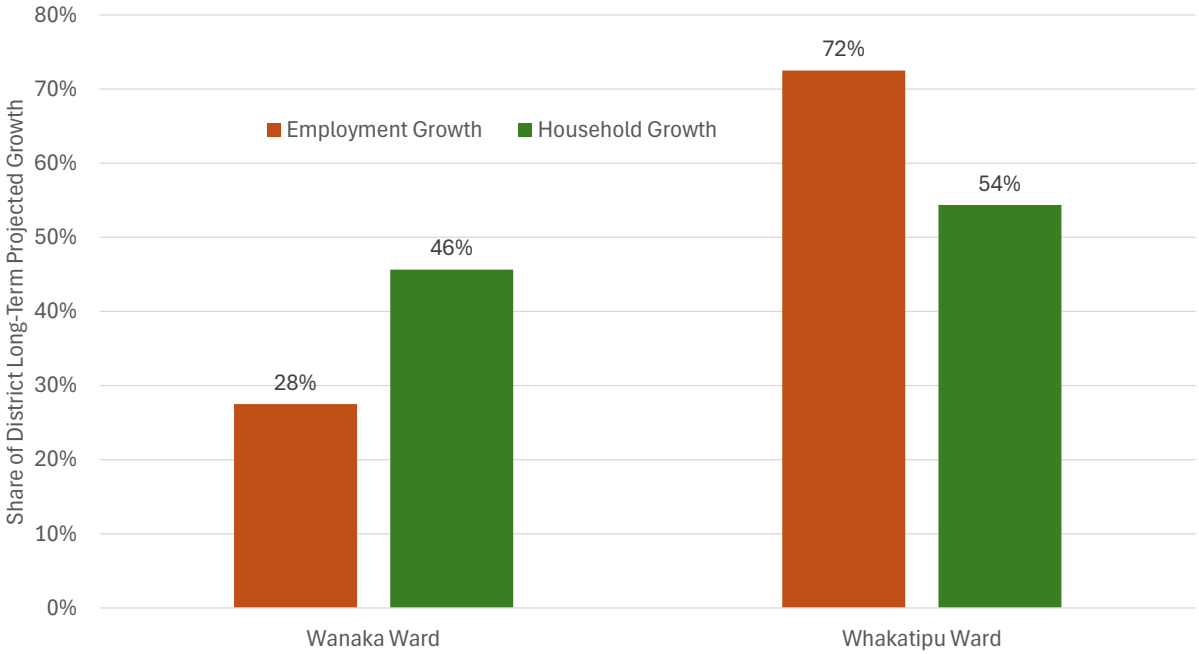
Figure 13-2 – Whakatipu and Wānaka Wards Employment per Household 2004-2053



The outputs also indicate that the district may see some shift in the structure of employment activity in relation to households over the long-term. If this occurs, then this may have implications for the patterns of movement between households and places of employment and accessing goods/services due to changes in the alignment between households and business activity.

These changes are indicated through the differences in the proportions of employment and household growth projected between the wards over the long-term (Figure 13-3). Much lower shares of the district's employment growth (28%) are projected to occur within the Wānaka Ward than the share of the district's household growth (46%). In contrast, higher shares of employment (72%) than household growth (54%) are projected to take place within the Whakatipu Ward over the long-term.

Figure 13-3 – Distribution of Long-Term Projected Household and Employment Growth by Ward



Source: M.E Ltd calculations from QLDC Growth Model, 2025.

13.2 Demand for Business Floorspace

The future demand for business floorspace forms a key input to the assessment of the sufficiency to accommodate future business growth within the district's urban environment. This sub-section firstly describes the approach taken to estimate floorspace demand within the QLDC Growth Model. It then presents the projected floorspace demand for each ward.

13.2.1 Approach

The QLDC Growth Model estimates the future demand for business floorspace from the projected growth in employment across the district. It applies a set of average ratios of business floorspace per employee to the employment projected to occur within each industrial sector as shown in the previous section.

The floorspace ratios within each sector have been estimated from a survey of existing business activity across the district and area expressed in terms of square metres gross floor area (GFA) per employee. The following district-level average ratios have been calculated for each sector and are applied as a constant across the urban environment:

- Commercial – 20m^2 GFA per employee
- Retail – 40m^2 GFA per employee
- Accommodation – 100m^2 GFA per employee
- Industrial – 120m^2 GFA per employee

The district-level ratios have been held constant within each sector across all locations within the urban environment. They have also been applied as a fixed ratio through time.

The growth model multiplies the projected net employment growth within each sector by the above ratios to produce the total net change in business floorspace demand within each time period. The model produces an output for each of the above activity types for each ward for the short, medium and long-term. The outputs produced by the model include the 15% to 20% NPS-UD margin on demand.

13.2.2 Projected Business Floorspace Demand

The net change in projected business floorspace demand provided by the QLDC Growth Model is shown in the left-hand side of Table 13-6. It shows the additional floorspace demanded within each of the four broad sectors of business activity within each of the wards for the short, medium and long-term. The right-hand side of the table shows the distribution of floorspace demand by sector within each ward and for the district overall. The long-term distribution of growth between the wards within each business sector is shown in Figure 13-4.

In the short-term, there is a projected demand for a net additional 111,400m^2 GFA (incl. margin) of business floorspace across the district. Just over three-quarters of the demand is projected to occur within he Whakatipu Ward, amounting to a net increase in demand for 84,200m^2 GFA. The remaining net increase in demand (+27,200m^2 GFA) is projected to occur within the Wānaka Ward.

In the medium-term, there is total net increase in demand for 307,800m^2 GFA (incl. margin) of business floorspace across the district. A similar share is projected to occur within each of the ward's, amounting to a net increase of 231,500m^2 GFA within the Whakatipu Ward and 76,300m^2 GFA within the Wānaka Ward.

Around 60% of the district's growth in business floorspace demand is projected to occur within the long-term. This amounts to demand for total net additional 781,100m^2 GFA (incl. margin) business floorspace from the base year. Three-quarters of the demand occurs within the Whakatipu Ward (+582,800m^2 GFA), with the remaining quarter (+198,300m^2 GFA) within the Wānaka Ward.

Demand for additional industrial floorspace accounts for nearly half (45% to 46%) of the demand for additional business floorspace across the district, as well as within each ward. In total, there is demand for 361,500m^2 GFA additional industrial floorspace over the long-term. Floorspace demand for this sector is proportionately higher than employment growth due to the larger space demands per employee than other sectors.

The next largest shares of demand are for retail (+179,700m^2 GFA) and commercial (+147,800m^2 GFA) floorspace over the long-term. These sectors have accounted for a gradually increasing share of floorspace demand through time. In the short-term, they are projected to account for 39% of demand, increasing to a combined 42% over the long-term.

The accommodation sector has a lower additional demand of 92,100m^2 GFA within the district over the long-term. A higher share of this is expected to occur within the Whakatipu Ward (83%) in comparison to

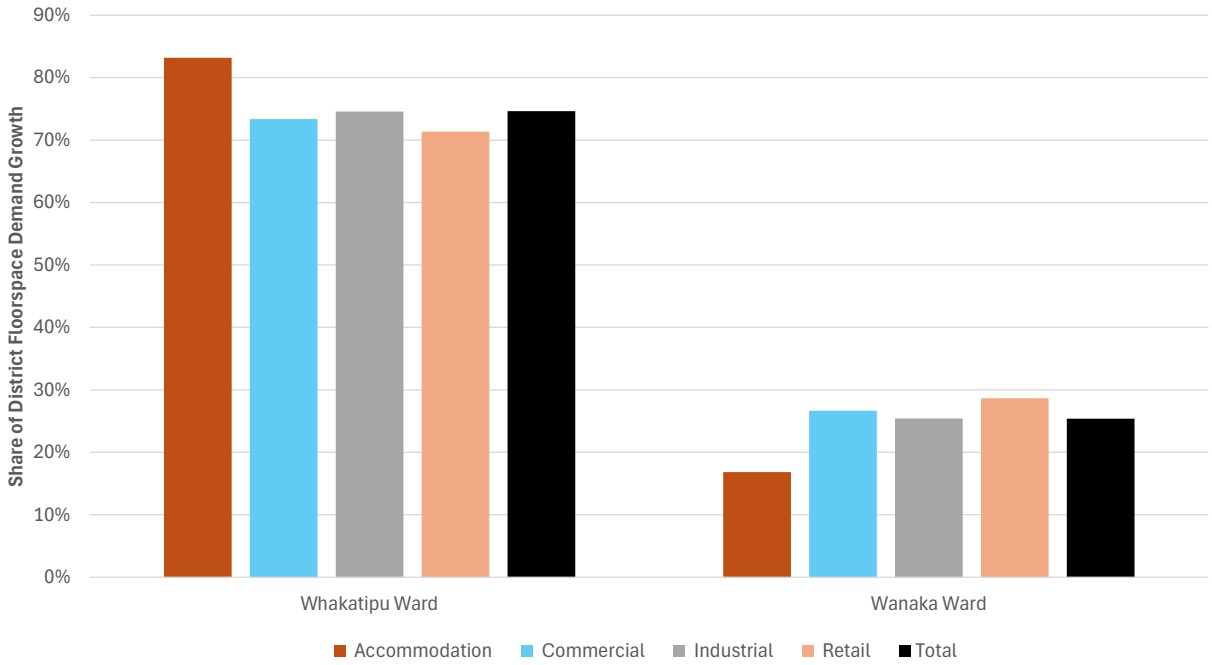
the ward's share of business floorspace demand growth overall (75%). This sector is projected to account for a decreasing share of the district's business floorspace demand growth through time from 16% in the short-term to only 10% of the long-term growth (resulting in an overall 12% share across the 30 year period).

Table 13-6 – Projected Net Change in Business Floorspace Demand (Incl. Margin)

Ward	Projected Net Change in GFA Demand			Share of Ward GFA Demand by Business Sector		
	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward						
Accommodation	14,900	36,600	76,600	18%	16%	13%
Commercial	14,100	40,300	108,400	17%	17%	19%
Industrial	37,800	104,700	269,600	45%	45%	46%
Retail	17,400	49,900	128,200	21%	22%	22%
Whakatipu Ward Total	**84,200**	**231,500**	**582,800**	**100%**	**100%**	**100%**
Wanaka Ward						
Accommodation	3,000	7,400	15,500	11%	10%	8%
Commercial	5,000	14,500	39,400	18%	19%	20%
Industrial	12,400	34,600	91,900	46%	45%	46%
Retail	6,800	19,800	51,500	25%	26%	26%
Wanaka Ward Total	**27,200**	**76,300**	**198,300**	**100%**	**100%**	**100%**
Total District						
Accommodation	17,900	44,000	92,100	16%	14%	12%
Commercial	19,100	54,800	147,800	17%	18%	19%
Industrial	50,200	139,300	361,500	45%	45%	46%
Retail	24,200	69,700	179,700	22%	23%	23%
Total District	**111,400**	**307,800**	**781,100**	**100%**	**100%**	**100%**

Source: QLDC Growth Model, 2025.

Figure 13-4 – Share of Long-Term Net Change in Business Floorspace Demand by Ward



Source: M.E Ltd calculations from QLDC Growth Model data, 2025.

13.3 Demand for Business Land

Together with floorspace demand, the NPS-UD also requires an assessment of the demand for business land within the urban environment. Assessing both of these aspects are critical for understanding the future growth needs of the district given the differences in the relationships between land and floorspace demands between each industry sector.

This sub-section firstly describes the approach taken to estimate land demand within the QLDC Growth Model. It then presents the projected land demand for each industry sectors within each ward.

13.3.1 Approach

The QLDC Growth Model converts the projections of business floorspace demand into business land demand for each industry sector. This is undertaken through multiplying the projected floorspace demand by a ratio between floorspace and land areas – the floor area ratio (FAR).

The FARs were estimated for the district based on a survey of land uses undertaken within business areas. FARs were estimated for each of the four industry sectors based on the development patterns observed within each ward. These are shown in Table 13-7 below.

The FARs were applied as a constant across all locations within each ward for each sector. They are also held constant through time, meaning that the relationships between land and floorspace per employee remain the same through time.

The QLDC Growth Model provides a total business land demand at the ward-level for each of the four industry sectors. It is provided in terms of net additional hectares, including the 15%-20% NPS-UD margin.

Table 13-7 – FARs Applied to Industry Sectors to Estimate Projected Business Land Demand within the QLDC Growth Model

Ward	FAR
Whakatipu Ward	
Accommodation	1.031
Commercial	0.772
Industrial	0.506
Retail	0.819
Wanaka Ward	
Accommodation	0.646
Commercial	0.711
Industrial	0.506
Retail	0.922

Source: QLDC Growth Model, 2025.

13.3.2 Projected Business Land Demand

The projected demand for net additional business land area (incl. margin) for each industry sector across the district is shown in Table 13-8. The table also shows the share of business land demand within each ward by industry sector.

In the short-term, there is a projected demand for a net additional 17.1 ha of business land (incl. margin) across the district. Three-quarters of the demand is projected to occur within the Whakatipu Ward, amounting to demand for an additional 12.8 ha of business land. The remaining 4.3 ha is expected to occur within the Wānaka Ward.

Over the medium-term, the projected net increase in business land demand is expected to reach a total of 47.8 ha (incl. margin) across the district. Three-quarters (35.6 ha) is projected to occur within the Whakatipu Ward and 12.2 ha within the Wānaka Ward. On average, this amounts to demand for nearly 5 ha of land per year across the 10-year time period.

The demand for business land within the district is projected to reach a net additional 122.1 ha (incl. margin) by the end of the long-term. Approximately three-quarters of the demand is expected to occur within the Whakatipu Ward (90.4 ha), and 31.7 ha within the Wānaka Ward. Within the long-term, this equates to an annual demand for 3.7 ha (2034-2053), which averages 4.1 ha per year over the full 30 year time period.

The industrial sector is expected to account for the largest proportion of business land, amounting to over half of the district's long-term land demand. In total, this amounts to demand for an additional 71.5 ha of industrial land within the district over the long-term. This is considerably higher than the district's share of employment which is expected to occur in sectors which have industrial land uses.

The high share of land demand within this sector is due to a combination of the large floorspace requirements per employee together with the lower FARs between the floorspace and land area requirements. In part, this occurs due to a higher proportion of industrial sites being developed to contain only ground floor uses, as many activities within this sector typically have lower ability to accommodate above ground floor uses. It also occurs as a result of the lower site coverages often seen in industrial areas due to the yard space area requirements.

The retail and commercial sectors each account for a similar share of the district's land demand (16% to 17% in the long-term). Together these sectors have a demand for an additional 40.8 ha of business land area over the long-term, with nearly three-quarters (73%) occurring within the Whakatipu Ward. The remainder of business land demand occurs within the accommodation sector, with a long-term land demand for a net additional 9.8 ha within the district.

Table 13-8 – Projected Net Change in Business Land Demand (Incl. Margin)

Ward	Projected Net Change in Land Demand (Hectares)			Share of Ward Land Demand by Business Sector		
	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward						
Accommodation	1.4	3.6	7.4	11%	10%	8%
Commercial	1.8	5.2	14.0	14%	15%	15%
Industrial	7.5	20.7	53.3	59%	58%	59%
Retail	2.1	6.1	15.7	16%	17%	17%
Whakatipu Ward Total	**12.8**	**35.6**	**90.4**	**100%**	**100%**	**100%**
Wanaka Ward						
Accommodation	0.5	1.2	2.4	12%	10%	8%
Commercial	0.7	2.0	5.5	16%	16%	17%
Industrial	2.4	6.8	18.2	56%	56%	57%
Retail	0.7	2.2	5.6	16%	18%	18%
Wanaka Ward Total	**4.3**	**12.2**	**31.7**	**100%**	**100%**	**100%**
Total District						
Accommodation	1.9	4.8	9.8	11%	10%	8%
Commercial	2.5	7.2	19.5	15%	15%	16%
Industrial	9.9	27.5	71.5	58%	58%	59%
Retail	2.8	8.3	21.3	16%	17%	17%
Total District	**17.1**	**47.8**	**122.1**	**100%**	**100%**	**100%**

Source: QLDC Growth Model, 2025.

14 Business Capacity

This section assesses the business land and floorspace development capacity within the Queenstown Lakes District urban environment as estimated by the QLDC Growth Model. It covers the capacity that is enabled by current planning rules within business zones and the share of capacity that is served by the district's infrastructure networks and is suitable for each business sector.

Estimating the level of capacity forms a core component of understanding the ability for the district's urban environment to accommodate the projected future growth in business activity over the short, medium and long-term. The QLDC Growth Model estimates the level of capacity to accommodate this business growth within the business zoned areas within the district's urban environment.

The first part of this section firstly specifies the different stages of capacity modelled in accordance with the NPS-UD. The section then outlines the approach taken within the QLDC Growth Model to model business capacity across the district. It covers all stages of the approach including plan enabled capacity, infrastructure-served capacity, and then the estimated portion of that capacity that is reasonably expected to be realised. The remainder of this section then contains the results from the QLDC Growth Model for each stage of modelled capacity.

14.1 Types of Capacity Modelled

The NPS-UD requires the HBA to model different stages of capacity as set out at NPS-UD 3.29. The QLDC Growth Model provides outputs for the following types of capacity:

- Plan enabled capacity – this is the level of development capacity for business uses that is theoretically enabled by the plan. The modelled capacity reflects the maximum potential level of capacity enabled by the planning provisions within each time period, if all sites were developed to the maximum level enabled by the Plan. Only a portion of this capacity likely to be taken up by the market.
- Infrastructure-Ready – this is the portion of the plan enabled capacity that is served by infrastructure network capacity within the district. The same definitions for determining whether capacity is infrastructure ready apply as those set out in Section 8.
- Capacity that is suitable for each business sector – this includes the plan enabled capacity that is served by infrastructure networks and is estimated to be suitable for each business sector.

14.2 Approach

14.2.1 Plan Enabled Capacity

The QLDC Growth Model estimates the maximum theoretical level of capacity for business uses enabled under each set of planning provisions within the district's urban environment over the short, medium and

long-term. It calculates the maximum business floorspace area that can be accommodated on each site through the application of the urban design planning rules.

The following stages summarise the approach taken within the model:

- Land parcels are tagged with the zone from the planning framework applied in each time period.
- The net land area for development is calculated for each vacant parcel through removing areas for roads and reserves (set at 30% for industrial and 25% commercial) on larger parcels (where required), and removing any undevelopable areas or parcels unable to be developed for businesses uses. These may include significant areas of geographic constraints or parcels with other designated uses.
- The density provisions for each zone were applied to each parcel to calculate the gross floorspace able to be accommodated on each parcel. The input assumptions on urban design rules are contained in Appendix 3.
- The net additional floorspace capacity was then calculated by subtracting any existing floorspace on each parcel.

The QLDC Growth Model has aggregated up the parcel level capacity results to provide totals for each business sector for each ward for the HBA. The outputs include a total business floorspace capacity for the commercial and industrial zones for the short, medium and long-term. A further disaggregation of the total plan enabled capacity (combined across the commercial and industrial sectors) has been provided by location within each ward from the model for the HBA.

This assessment also includes estimates of the plan enabled land areas for industrial uses. These are not provided by the QLDC growth model, but have been estimated from the growth model plan enabled floorspace outputs based on the application of stated plan enabled capacity parameters[80].

14.2.2 Infrastructure-Ready Capacity

The QLDC Growth Model applies the same infrastructure network capacity modelling outputs to the business capacity assessment as applied within the residential capacity modelling (Section 8.1). At the outset, the model allocates a share of the total infrastructure network capacity within each catchment (which forms an input to the model) to business land uses.

The infrastructure network capacities calculated in terms of residential dwellings (HUEs[81]), which the QLDC Growth Model then converts to business floorspace areas. These are then applied as the capacity limits within the model.

The QLDC Growth Model provides outputs of the infrastructure-ready business capacity for application within the HBA. These are expressed in terms of floorspace capacity (m^2 GFA) for business uses. The model

[80] QLDC have provided a more detailed output of the industrial capacity by zone. The growth model stated site cover and height parameters were applied to the business floorspace outputs to convert these areas to plan enabled land areas. This was undertaken in conjunction with QLDC.

[81] Household unit equivalents.

provides outputs at the ward level, with totals provided for the commercial and industrial zones for each time period.

14.2.3 Business Capacity Suitable for Each Sector

The final stage of the capacity modelling estimates the suitability of the modelled business area capacity for use by each sector. At a minimum, the NPS-UD requires that suitability must be defined in terms of location and site size.

The key stages of the QLDC Growth Model approach to modelling the suitability of business capacity are summarised as:

- The model assumes there is no change in business land development intensity in the future. this is a conservative assumption, likely underestimating business land capacity, as land use efficiency typically increases with both economic growth and the passage of time.
- Both vacant land (i.e. that is developable as new), and vacant potential land (i.e. redevelopment potential with existing floorspace) was modelled the in the base assessment. This is a conservative method for assessing redevelopment potential, as some sites may have existing development that exceeds the FAR on part of the site, while still allowing for development on the remaining unused land. However, QLDC opted to take a more conservative approach by removing redevelopment potential from the assessment entirely as this more accurately reflects the current conditions.
- The floorspace use within each zone is set according to the activities observed in the land use survey. These assumptions are derived from observed activity shares in the Business Land Survey and are presented as calculated values (to four decimal places).
- The growth model also allocates a portion of the capacity within business zones to residential uses (where enabled). It applies a 70m^2 apartment size.

The QLDC Growth Model provides final capacity outputs for use in the HBA. Outputs are provided for both business floorspace (m^2 GFA) and business land (hectares) capacity. The model provides ward-level totals for each of the four business sectors that correspond to the calculated categories of demand for each time period.

14.3 Plan Enabled Business Capacity

The QLDC Growth Model plan enabled capacity outputs are shown in Table 14-1, with the changes in capacity across the time periods summarised in Figure 14-1. The table shows the modelled capacity in terms of the net additional commercial and industrial business floorspace that can be accommodated within each ward. It also shows the structure of business capacity within each ward, as well as for the district overall, across these two business categories. A further breakdown of the plan enabled capacity by location within each ward is shown, for the commercial and industrial sectors combined, in Figure 14-2.

Under the current PDP, there is a modelled plan enabled capacity for a net additional 3.72 million m^2 GFA of business floorspace theoretically able to be accommodated within the district's business zoned areas. Nearly all of this occurs within the Whakatipu Ward where there is a modelled capacity for a net additional 3.12 million m^2 GFA of business floorspace.

Capacity for commercial activities accounts for the large majority of the modelled business floorspace capacity, with most of this located within the Whakatipu Ward. This is likely to occur due to the maximum development potential from the greater building heights enabled within commercially-focussed business zones. Importantly, only a portion of this development potential is likely to be taken up by the market.

Figure 14-2 shows that the plan enabled capacity is heavily concentrated into certain locations within each ward. Within the Wānaka Ward, almost all of the capacity (95%) of the plan enabled capacity is within the Wānaka Central area. Around two-thirds (67%) of the Whakatipu Ward business capacity is located within Frankton, with almost all of this occurring within the Remarkables Park area.

The next largest area of capacity within the Whakatipu Ward occurs within the central Queenstown area covered by the Queenstown Central and Warren Park locations in Figure 14-2. There is a modelled plan enabled capacity for 518,000m^2 GFA additional business floorspace within this area. A significant amount of capacity is also enabled within Te Tapuae (Jacks Point), amounting to around 300,000m^2 GFA additional business floorspace.

The modelled plan enabled capacity increases slightly (+2.4%) in the medium-term, to reach a total of 3.81 million m^2 GFA net additional business floorspace across the district. The increases in capacity occur entirely within the commercial sectors, where capacity increases by 2.7%, amounting to an increase of 91,000m^2 GFA. This is likely to occur as a result of the increased commercial zone heights enabled within the medium-term.

While there are significant changes in enabled height within the commercial zones between the short and medium-term, this produces only minor changes in modelled plan enabled capacity. This is because plan enabled capacity is only modelled on vacant sites. Increases in redevelopment potential are likely to be much larger.

Figure 14-1 shows that almost all (91%) of the modelled increase in capacity is within the Wānaka Ward. Figure 14-2 shows that this occurs within the Wānaka Central area, which covers the main town centre commercial area.

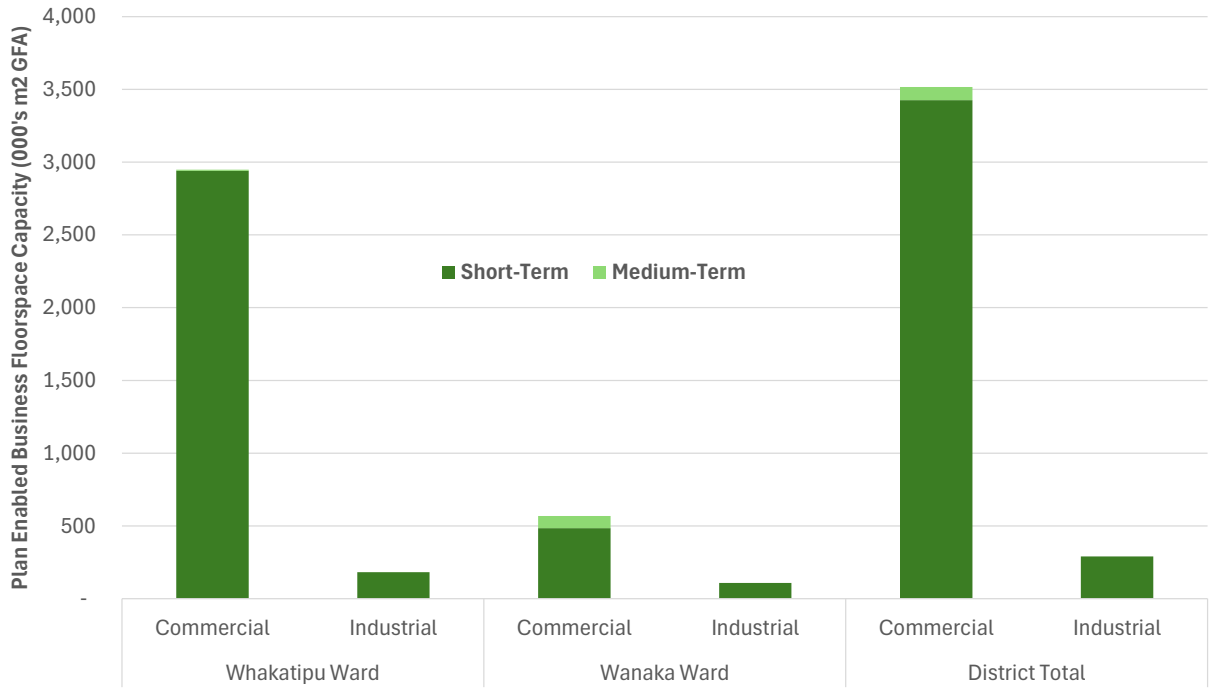
No further plan enabled business floorspace capacity is added within the district in the long-term.

Table 14-1 – QLDC Growth Model Business Plan Enabled Capacity (Floorspace m^2 GFA)

Ward	Modelled Plan Enabled Capacity (Floorspace m2 GFA) Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Share of Ward Capacity by Business Sector Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward						
Commercial	2,940,000	2,948,000	2,948,000	94%	94%	94%
Industrial	182,000	182,000	182,000	6%	6%	6%
Whakatipu Ward Total	**3,122,000**	**3,130,000**	**3,130,000**	**100%**	**100%**	**100%**
Wanaka Ward						
Commercial	485,000	568,000	568,000	82%	84%	84%
Industrial	109,000	109,000	109,000	18%	16%	16%
Wanaka Ward Total	**594,000**	**677,000**	**677,000**	**100%**	**100%**	**100%**
Total District						
Commercial	3,425,000	3,516,000	3,516,000	92%	92%	92%
Industrial	291,000	291,000	291,000	8%	8%	8%
Total District	**3,716,000**	**3,807,000**	**3,807,000**	**100%**	**100%**	**100%**

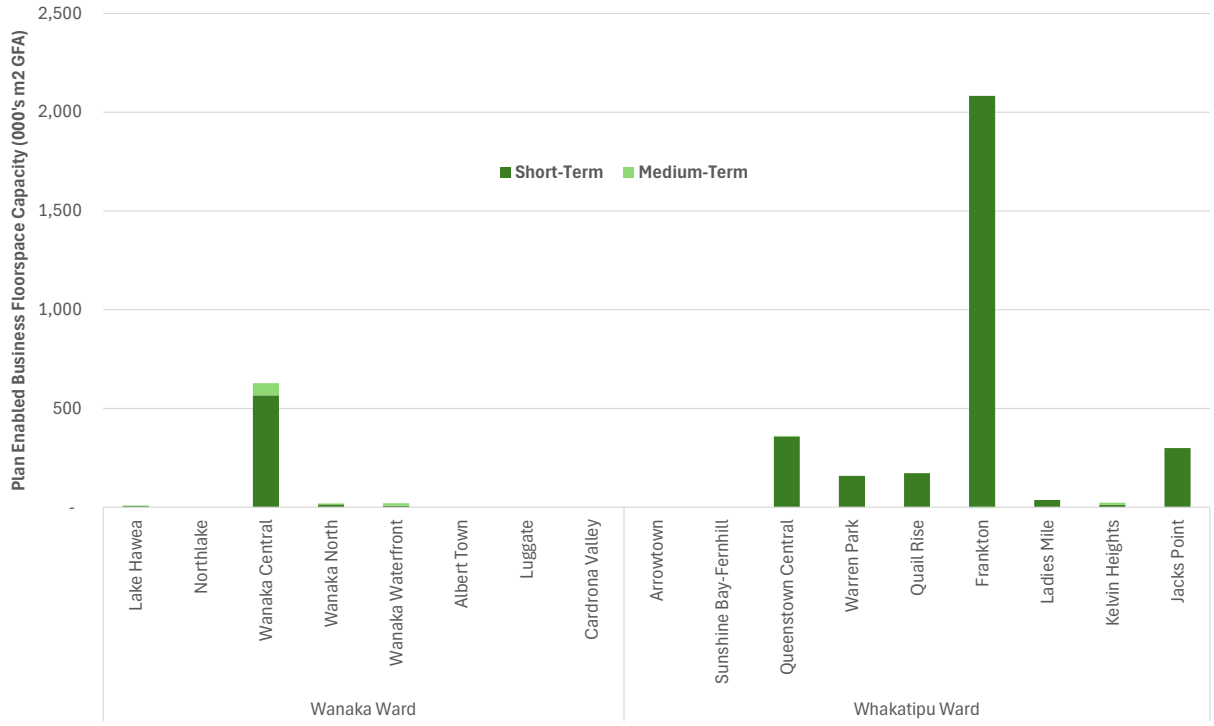
Source: QLDC Growth Model, 2025.

Figure 14-1 – Summary of Plan Enabled Capacity by Business Sector and Ward



Source: data sourced from QLDC Growth Model, 2025.

Figure 14-2 – Total Plan Enabled Capacity by Location



Source: data sourced from QLDC Growth Model, 2025.

14.4 Infrastructure-Ready Business Capacity

The infrastructure-ready business capacity outputs from the QLDC Growth Model are shown in Table 14-2. The table shows the modelled plan enabled capacity for the commercial and industrial business sectors within each ward that is served by infrastructure across each time period. A summary of the changes in infrastructure-ready capacity by ward is shown in Figure 14-3. The graph also shows the further amount of plan enabled capacity within each ward and business sector above the portion served by infrastructure.

Figure 14-2 shows that there is only a small amount of plan enabled business capacity that is served by infrastructure in the short-term. The capacity amounts to around 27,000 m^2 GFA additional floorspace, occurring entirely within the central parts of the Wānaka Ward, as shown in Figure 14-4. The infrastructure-ready capacity is also almost entirely within the commercial business sectors, with only 4,000m^2 GFA net additional business capacity floorspace for industrial sectors.

The infrastructure-ready capacity increases substantially in the medium-term, amounting to a total capacity for a net additional 419,000 m^2 GFA of business floorspace. Most of this capacity is added within the commercial business sector areas of the Whakatipu Ward (+311,000m^2 GFA), with the next largest increases occurring within the Wānaka Ward commercial sector areas (+70,300m^2 GFA added in the medium-term). With the additional infrastructure capacity supplied in the medium-term, around three-

quarters (74%) of the district's infrastructure ready capacity is expected to occur within the Whakatipu-Ward.

Figure 14-4 shows that the infrastructure capacity added in the medium-term is heavily focussed into the Te Tapuae (Jacks Point) area within the Whakatipu Ward. As a result, this location contains over half of the ward's infrastructure-ready capacity in the medium-term.

The district's infrastructure-ready business capacity future increases in the long-term with additional capacity supplied within the district's infrastructure networks. Capacity for a further 229,300m^2 GFA of business floorspace is added, resulting in a total long-term infrastructure-ready capacity for a net additional 649,000m^2 GFA business floorspace capacity in the long-term.

In the long-term, the largest increases in capacity occur within the industrial sectors, which account for 57% of the increase. This predominantly occurs within the Whakatipu Ward, with only small increases in industrial infrastructure-ready business capacity within the Wānaka Ward.

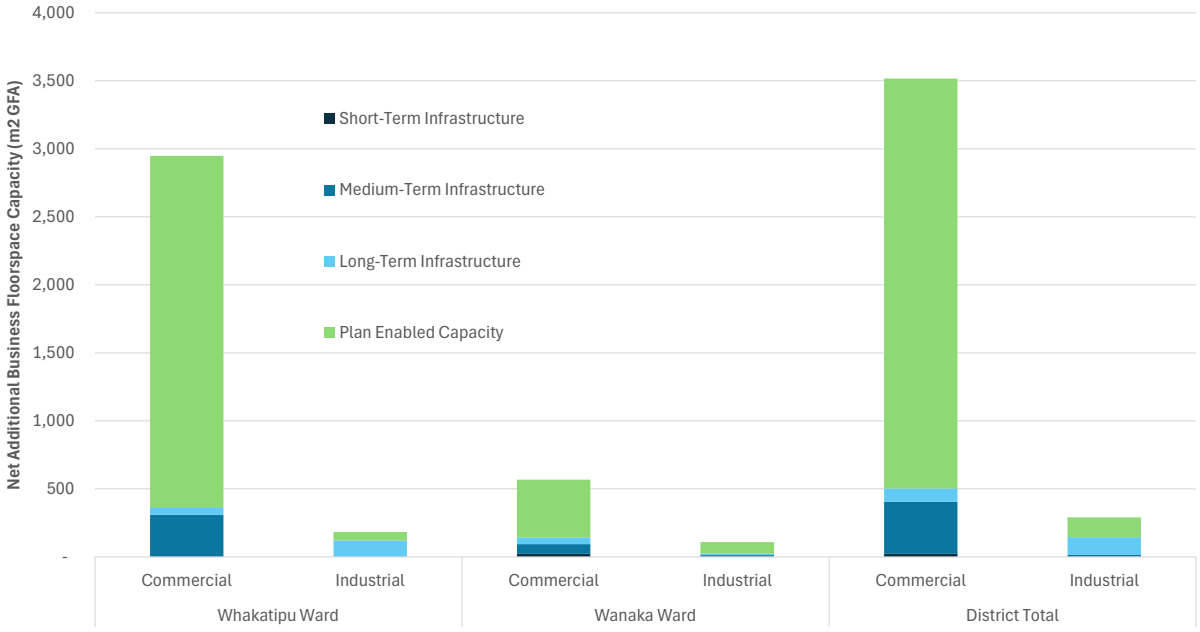
Figure 14-4 shows that additional infrastructure-ready capacity continues to be focussed into the Te Tapuae (Jacks Point) area within the Whakatipu Ward in the long-term, as well as within the Wānaka Central area within the Wānaka Ward. As a result, Te Tapuae (Jacks Point) contains over half (58%) of the wards long-term infrastructure-ready business capacity; and the Wānaka Central area, over four-fifths (83%) of the Wānaka Ward's capacity.

Table 14-2 – QLDC Growth Model Business Infrastructure-Ready Capacity (Floorspace m^2 GFA)

	Modelled Infrastructure-Ready Capacity (Floorspace m2 GFA)			Share of Ward Capacity by Business Sector		
	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
u Ward						
Commercial	-	311,000	359,000	0%	100%	75%
Industrial	-	1,000	121,000	0%	0%	25%
Whakatipu Ward Total	**-**	**312,000**	**480,000**	**0%**	**100%**	**100%**
Wanaka Ward						
Commercial	23,000	93,000	144,000	85%	87%	86%
Industrial	4,000	14,000	24,000	15%	13%	14%
Wanaka Ward Total	**27,000**	**107,000**	**168,000**	**100%**	**100%**	**100%**
Total District						
Commercial	23,000	405,000	503,000	85%	96%	78%
Industrial	4,000	15,000	145,000	15%	4%	22%
Total District	**27,000**	**419,000**	**649,000**	**100%**	**100%**	**100%**

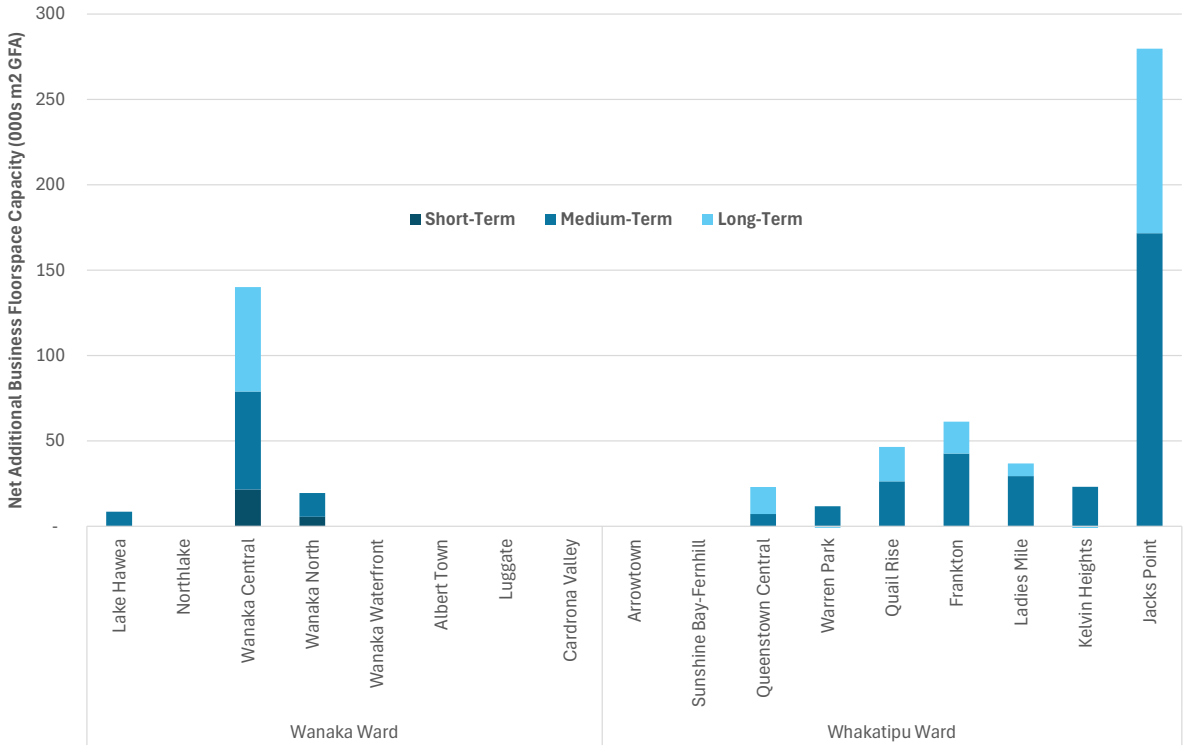
Source: QLDC Growth Model, 2025.

Figure 14-3 – Summary of Infrastructure-Ready Business Capacity by Time Period and Ward



Source: data sourced from QLDC Growth Model, 2025.

Figure 14-4 – Summary of Infrastructure-Ready Capacity by Location within Each Ward and Time-Period



Source: data sourced from QLDC Growth Model, 2025.

14.5 Suitable Business Capacity

This sub-section presents the QLDC Growth Model outputs of the plan enabled and infrastructure-ready business capacity that is estimated to be suitable for each business sector. It shows the net additional business floorspace that can be accommodated within suitable business areas (Table 14-3) and the vacant business land areas that are suitable for each sector (Table 14-4).

The QLDC Growth Model outputs indicate that the suitable capacity for business uses approximately aligns with the short and medium-term distribution of infrastructure-ready capacity modelled in the previous stage. In the short-term, most of the infrastructure-ready floorspace capacity is estimated to be suitable, with just over half (56%) estimated to be suitable within the medium-term. The modelling indicates there is sizeable amounts of infrastructure-ready capacity in Te Tapuae (Jacks Point) in the medium-term, although this is unable to be taken up by business uses.

In the long-term, the portion of suitable floorspace capacity increases to around two-thirds of the infrastructure-ready capacity. This predominantly occurs within Te Tapuae (Jacks Point) where a higher proportion of the industrial land areas become available for business uses in the long-term.

In the short-term, there is a modelled suitable capacity for a net additional 26,000m^2 GFA of business floorspace capacity within the district and suitable land area capacity of 4.8 ha. Due to the patterns of infrastructure capacity, the suitable capacity almost all occurs within the Wānaka Ward. Around 40% of this capacity occurs within the industrial sectors, with a suitable capacity for 10,000m^2 net additional business floorspace, and land area of 2 ha.

The suitable business capacity increases to 236,000m^2 GFA of net additional floorspace and a land area of 41.7 ha in the medium-term across the district. In line with the pattern of infrastructure provision and land availability, a greater proportion of this occurs within the Whakatipu Ward where capacity is focussed into the commercial business sectors.

In the long-term, the suitable business capacity substantially increases by 84% to a net additional 435,000m^2 GFA business floorspace. The suitable land area capacity increases by a similar proportion (+86%) from the medium-term, to reach a total capacity of 77.6 ha in the long-term[82].

In the long-term, a greater proportion of the suitable capacity occurs within the industrial business sectors as significant zoned land areas become available for industrial use in the long-term. This occurs within Te Tapuae where industrial land that is already zoned (and therefore contained within the short and medium-term plan enabled capacities) only becomes available for use in the long-term. The industrial business sector capacity accounts for nearly half of the district's long-term suitable net additional business floorspace capacity (42%) and suitable land area capacity (46%). Other increases in suitable capacity mainly occur as a result of the additional infrastructure capacity in the long-term.

[82] It is noted that the QLDC growth model suitable capacity outputs are significantly higher than the modelled infrastructure capacity outputs within the industrial sectors. QLDC have determined this occurs as a result of the infrastructure allocations between zones within the model. However, this balances out across business sectors when the commercial and industrial sectors are combined and will be addressed in future updates.

The geographic distribution of suitable capacity within each ward is shown in Figure 14-5. The largest areas of suitable capacity within each ward are within the Wānaka Central area and Te Tapuae (Jacks Point). The provision of infrastructure capacity within these areas is likely to form a key component driving the location of this capacity.

Table 14-3 – QLDC Growth Model Suitable Business Capacity (Net Additional Floorspace m^2 GFA)

Ward	Modelled Suitable Capacity (Floorspace m2 GFA)			Share of Ward Capacity by Business Sector		
	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward						
Accommodation	1,000	36,000	51,000	100%	24%	18%
Commercial	-	59,000	67,000	0%	39%	23%
Industrial	-	9,000	116,000	0%	6%	40%
Retail	-	46,000	53,000	0%	31%	19%
Whakatipu Ward Total	**1,000**	**149,000**	**287,000**	**100%**	**100%**	**100%**
Wanaka Ward						
Accommodation	2,000	5,000	8,000	7%	5%	5%
Commercial	5,000	16,000	26,000	20%	19%	18%
Industrial	10,000	37,000	66,000	41%	43%	45%
Retail	8,000	28,000	48,000	32%	33%	33%
Wanaka Ward Total	**25,000**	**86,000**	**148,000**	**100%**	**100%**	**100%**
Total District						
Accommodation	3,000	41,000	59,000	11%	17%	14%
Commercial	5,000	75,000	93,000	19%	32%	21%
Industrial	10,000	46,000	182,000	39%	19%	42%
Retail	8,000	75,000	101,000	31%	32%	23%
Total District	**26,000**	**236,000**	**435,000**	**100%**	**100%**	**100%**

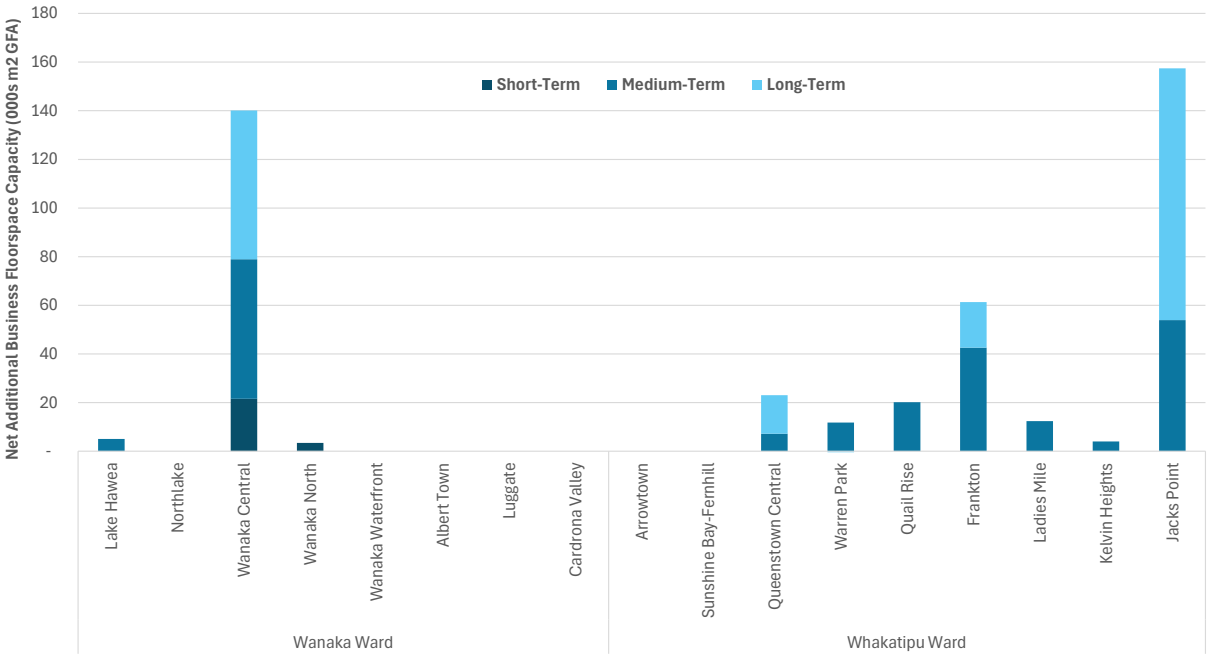
Source: QLDC Growth Model, 2025.

Table 14-4 – QLDC Growth Model Suitable Business Capacity (Vacant Land Area Hectares)

Ward	Modelled Suitable Capacity (Land Area Hectares)			Share of Ward Capacity by Business Sector		
	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053	Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward						
Accommodation	-	4.3	5.0	0%	17%	10%
Commercial	-	10.9	12.1	0%	43%	25%
Industrial	-	1.7	22.9	0%	7%	46%
Retail	-	8.3	9.3	0%	33%	19%
Whakatipu Ward Total	**-**	**25.2**	**49.3**	**0%**	**100%**	**100%**
Wanaka Ward						
Accommodation	0.3	0.8	1.4	7%	5%	5%
Commercial	0.9	3.1	4.9	20%	19%	17%
Industrial	2.0	7.3	13.0	42%	44%	46%
Retail	1.5	5.3	9.0	32%	32%	32%
Wanaka Ward Total	**4.8**	**16.5**	**28.3**	**100%**	**100%**	**100%**
Total District						
Accommodation	0.3	5.1	6.4	7%	12%	8%
Commercial	0.9	14.0	17.0	20%	33%	22%
Industrial	2.0	9.0	35.9	42%	22%	46%
Retail	1.5	13.6	18.3	32%	33%	24%
Total District	**4.8**	**41.7**	**77.6**	**100%**	**100%**	**100%**

Source: QLDC Growth Model, 2025.

Figure 14-5 – Summary of Suitable Capacity by Location within Each Ward and Time-Period



Source: data sourced from QLDC Growth Model, 2025.

15 Sufficiency of Business Capacity

In this section the results of the demand and capacity assessments are brought together to provide a quantitative comparison to determine the sufficiency of capacity provided for in Queenstown Lakes District's urban business zones in the short, medium, and long term. The sufficiency assessment is undertaken using the QLDC Growth Model Outputs to compare the plan enabled, infrastructure-ready and suitable capacity with the projected demand (incl. margin) within each time period.

15.1 Approach

Clause 3.3 of the NPS-UD specifies that QLD must provide at least sufficient development capacity in its urban environment "to meet the expected demand for business land: (a) from different business sectors; and (b) in the short term, medium term, and long term". That development capacity must be plan enabled, infrastructure ready, and suitable and include the appropriate competitiveness margin. The requirement to assess sufficiency for business development capacity is also set out in clause 3.30 of the NPS-UD.

At a high level, the sufficiency assessment compares the QLDC Growth Model suitable modelled capacity (which is plan-enabled, and infrastructure-ready) with the projected net change in demand for business land (including a margin). A surplus of capacity is projected to occur if the level of suitable capacity is greater than the projected net increase in demand and vice versa for a shortfall. Shortfalls/surpluses of capacity are quantified in terms of the net business floorspace capacity and business land areas.

The sufficiency assessment is undertaken for both the total QLD urban environment as well as within different sub-components of the market. These sub-components correspond to the levels of output provided by the QLDC growth model, which were set to meet the minimum requirements of the NPS-UD sufficiency assessment. Assessment within different parts of the market is a critical aspect to understand the ability for the urban environment to meet future growth needs overall. This is because demand is likely to arise within different parts of the market including across different sectors and types of business areas, and within different geographic parts of the urban area. While there are degrees of demand substitution, it is unlikely that supply in only one of these categories could reasonably meet all demand arising across these categories.

15.2 Sufficiency of Business Floorspace and Land Capacity

The calculated net sufficiency of business capacity is shown Table 15-1 for business floorspace and in Table 15-2 for business land capacity. The table shows the net sufficiency for each business sector for each ward, and for each time period.

15.2.1 Short-Term Sufficiency

In the short-term, there is an overall projected shortfall of 85,300m^2 GFA business floorspace and 12.4 ha of business land for the district overall. The comparative size of the projected short-term net sufficiency within each Ward and business sector is shown in Figure 15-1 and Figure 15-2.

The largest shortfalls occur within the Whakatipu Ward where there are net shortfalls in both floorspace and land across all business sectors. The shortfalls within this ward are a key contributor to the shortfalls projected at the district level. A lack of infrastructure capacity is the main cause of the shortfalls projected to occur within the Whakatipu Ward where there is no additional infrastructure capacity within the short-term. Within the Wānaka Ward, there is a small net shortfall of 2,400m^2 GFA business floorspace, and a small surplus of 0.5 ha of business land in the short-term.

The largest shortfalls in business capacity occur within the industrial sector, which accounts for nearly half of the district's business floorspace shortfall and nearly two-thirds of the business land shortfall. The industrial sector has the highest floorspace and land demand due to the higher space needs of the sector and more land-extensive patterns of development. This is a key contributor to the size of the shortfall.

The assessment shows that there are also projected shortfalls in capacity across most other business sectors in each location. The exceptions are the Wānaka Ward retail sector, which has small floorspace and land net surpluses (+1,200m^2 GFA and +0.8 ha, respectively), and a small commercial land surplus (+0.2 ha) within the Wānaka Ward.

Table 15-1 – Projected Net Sufficiency of Business Floorspace Capacity by Industry Sector and Queenstown Lakes District Ward

Ward	Business Floorspace Capacity Net Sufficiency (m2 GFA) Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward			
Accommodation	- 13,600	- 600	- 25,200
Commercial	- 14,100	18,400	- 41,800
Industrial	- 37,800	- 96,100	- 153,600
Retail	- 17,400	- 3,800	- 75,000
Whakatipu Ward Total	**- 82,900**	**- 82,100**	**- 295,500**
Wanaka Ward			
Accommodation	- 1,300	- 2,800	- 7,900
Commercial	-	1,800	- 13,200
Industrial	- 2,300	2,400	- 26,200
Retail	1,200	8,700	- 3,400
Wanaka Ward Total	**- 2,400**	**10,100**	**- 50,800**
Total District			
Accommodation	- 14,900	- 3,300	- 33,100
Commercial	- 14,100	20,100	- 55,000
Industrial	- 40,100	- 93,600	- 179,800
Retail	- 16,200	4,900	- 78,400
Total District	**- 85,300**	**- 72,000**	**- 346,300**

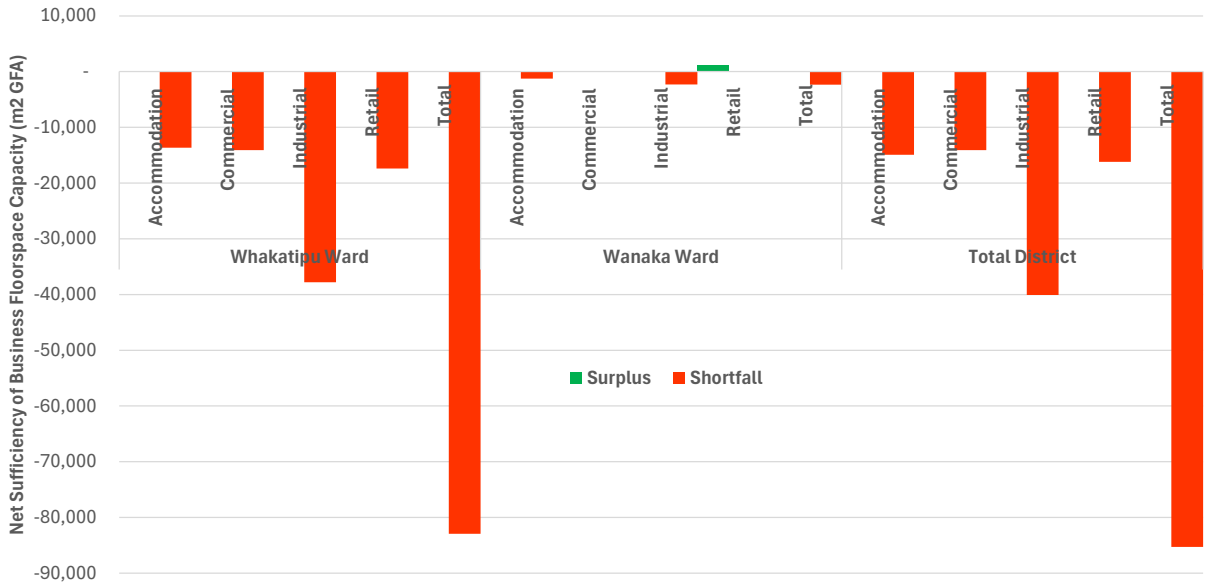
Source: QLDC Growth Model, 2025.

Table 15-2 – Projected Net Sufficiency of Business Land Capacity by Industry Sector and Queenstown Lakes District Ward

Ward	Business Land Capacity Net Sufficiency (m2 GFA) Short-term 2023-2026	Medium-term 2023-2033	Long-term 2023-2053
Whakatipu Ward			
Accommodation	- 1.4	0.7	- 2.4
Commercial	- 1.8	5.7	- 1.9
Industrial	- 7.5	- 19.0	- 30.4
Retail	- 2.1	2.2	- 6.4
Whakatipu Ward Total	**- 12.8**	**- 10.4**	**- 41.1**
Wanaka Ward			
Accommodation	- 0.2	- 0.4	- 1.1
Commercial	0.2	1.1	- 0.6
Industrial	- 0.4	0.5	- 5.2
Retail	0.8	3.1	3.4
Wanaka Ward Total	**0.5**	**4.3**	**- 3.4**
Total District			
Accommodation	- 1.6	0.3	- 3.5
Commercial	- 1.6	6.8	- 2.5
Industrial	- 7.9	- 18.5	- 35.6
Retail	- 1.3	5.3	- 3.0
Total District	**- 12.4**	**- 6.1**	**- 44.5**

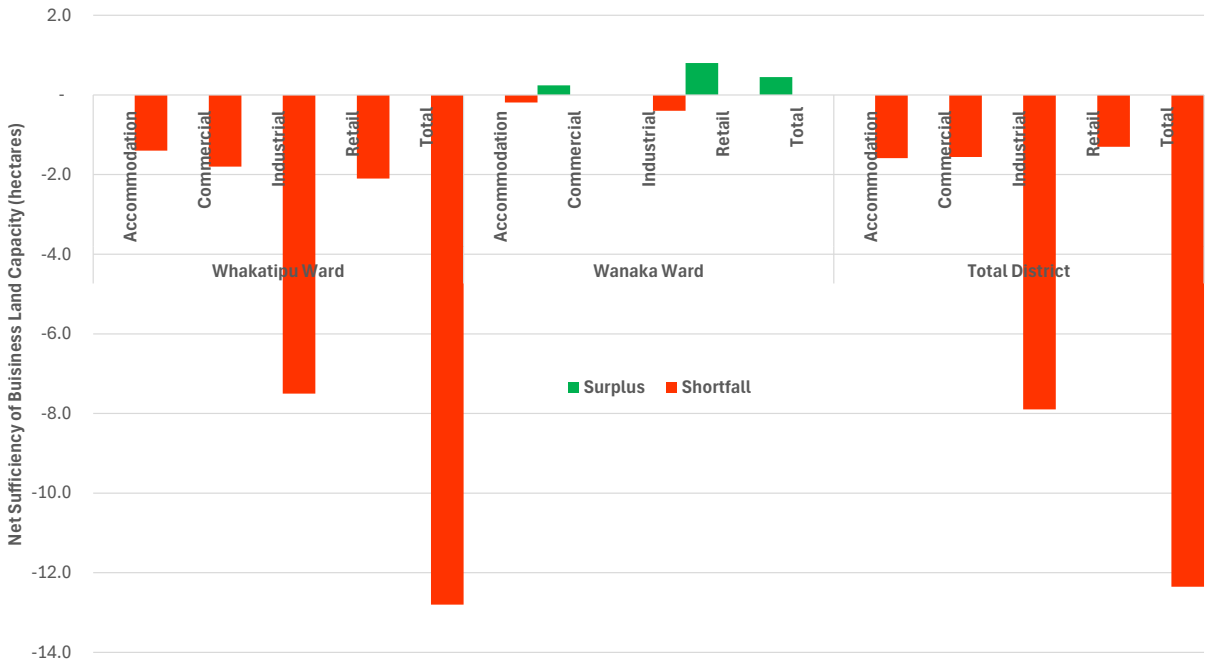
Source: QLDC Growth Model, 2025.

Figure 15-1 – Projected Net Sufficiency of Business Floorspace Capacity by Industry Sector and Ward: Short-Term



Source: data sourced from QLDC Growth Model, 2025.

Figure 15-2 – Projected Net Sufficiency of Business Land Capacity by Industry Sector and Ward: Short-Term



Source: data sourced from QLDC Growth Model, 2025.

15.2.2 Medium-Term Sufficiency

In the medium-term there are a combination of projected net surpluses and shortfalls of both business floorspace and land capacity across the business sectors within each ward. This is shown in Table 15-1 and Table 15-2 above, with the distribution by ward and business sector shown in Figure 15-3 and Figure 15-4.

At the district level, there is a projected net shortfall of 72,000m^2 GFA business floorspace and a net shortfall of 6.1 ha business land capacity. These are arising due to sizeable shortfalls in industrial space within the Whakatipu Ward, with variation in the sufficiency across the commercial sectors and between each ward.

The Whakatipu Ward projected industrial shortfalls amount to 96,100m^2 GFA and 19.0 ha land area, resulting in an overall shortfall of 82,100m^2 GFA and 10.4 ha land for the Whakatipu Ward. There is a slight surplus in industrial space within the Wānaka Ward. The contributing factors to the Whakatipu Ward industrial shortfalls are examined further in Section 15.2.4.

The Whakatipu Ward also has small medium-term projected shortfalls in floorspace for the accommodation and retail commercial uses. However, these sectors have corresponding surpluses in land area within the ward. Excluding these sectors, the Whakatipu Ward commercial sector has a sizeable projected 18,400m^2 GFA floorspace surplus, contributing to the district-level surplus of 20,100m^2 GFA commercial floorspace.

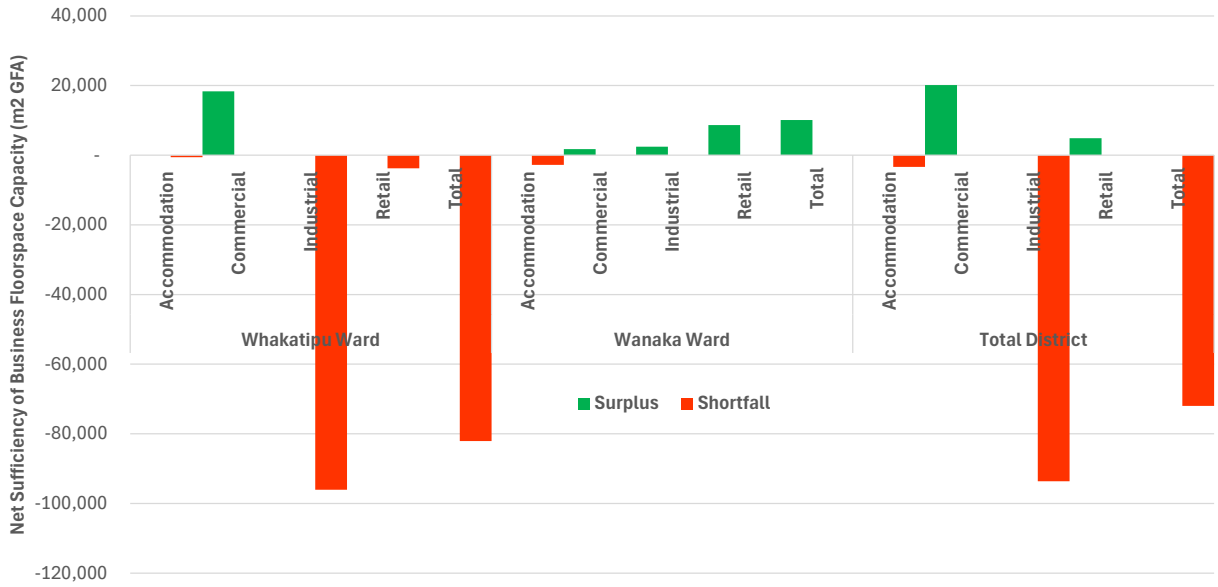
It is important to further examine the projected shortfalls in the accommodation and retail sectors within the Whakatipu Ward. These sectors, particularly retail, have more limited substitutability in location as their location is more sensitive to the distribution of demand within catchment areas that occur on a finer spatial scale within the wards urban environment.

There are projected medium-term surpluses in capacity for the Wānaka Ward for both business floorspace (+10,100m^2 GFA) and business land (+4.3 ha). These surpluses occur across the commercial, industrial and retail sectors.

The retail sector has the largest contribution to the ward's total surplus, with a surplus of 8,700m^2 GFA business floorspace and 3.1 ha land area. It is noted that the land surplus is proportionately larger than the retail floorspace surplus (where significantly greater retail floorspace could be supported on this land area). Further investigation may be required to determine whether there are any localised retail shortfalls within certain parts of the Wānaka Ward that may contribute to this smaller *net* retail floorspace surplus.

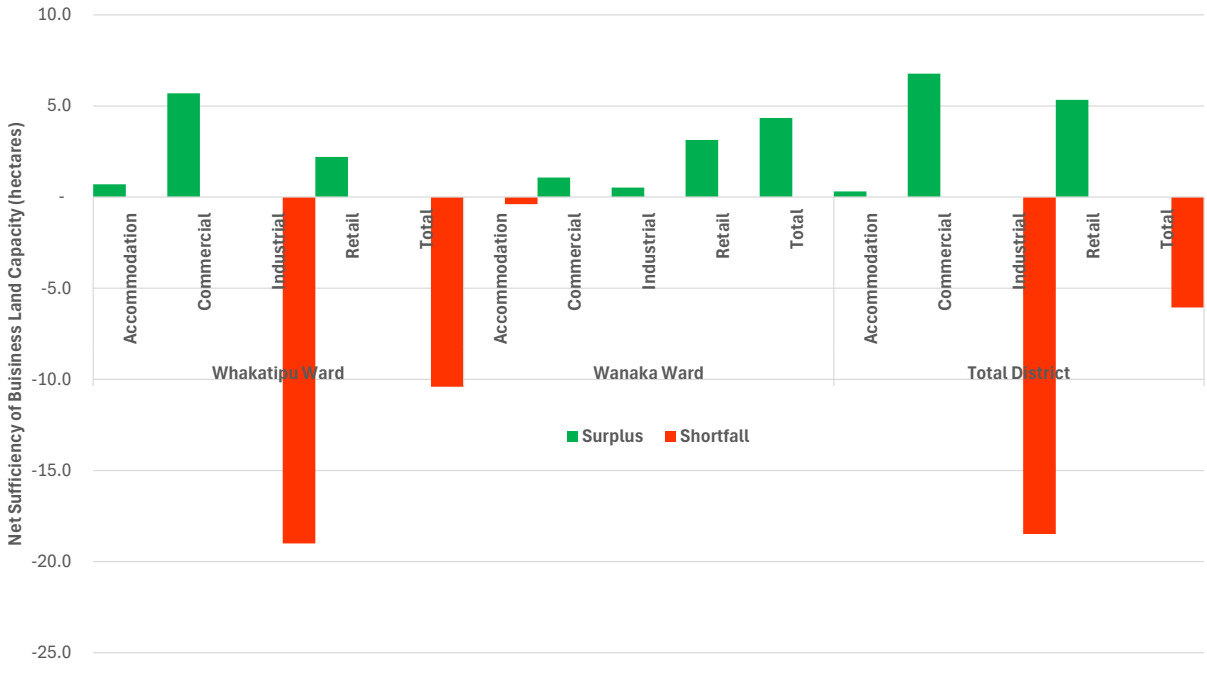
There are small projected shortfalls in business capacity within the accommodation sector within the Wānaka Ward. Part of this due to the average space per worker requirements within this sector, which are significantly larger than within the Whakatipu Ward. It is noted that the patterns of development within each sector are held constant through time, meaning that there may be scope for the sector to gradually develop more intensively through time and reduce the size of/resolve the projected land shortfall.

Figure 15-3 – Projected Net Sufficiency of Business Floorspace Capacity by Industry Sector and Ward: Medium-Term



Source: data sourced from QLDC Growth Model, 2025.

Figure 15-4 – Projected Net Sufficiency of Business Land Capacity by Industry Sector and Ward: Medium-Term



Source: data sourced from QLDC Growth Model, 2025.

15.2.3 Long-Term Sufficiency

The district has large projected net shortfalls in both business floorspace and land capacity in the long-term. At the total district level, there is a projected net shortfall of 346,300m^2 GFA business floorspace and 44.5 ha of business land. The projected long-term patterns of sufficiency by industry sector within each ward are shown in Figure 15-5 and Figure 15-6.

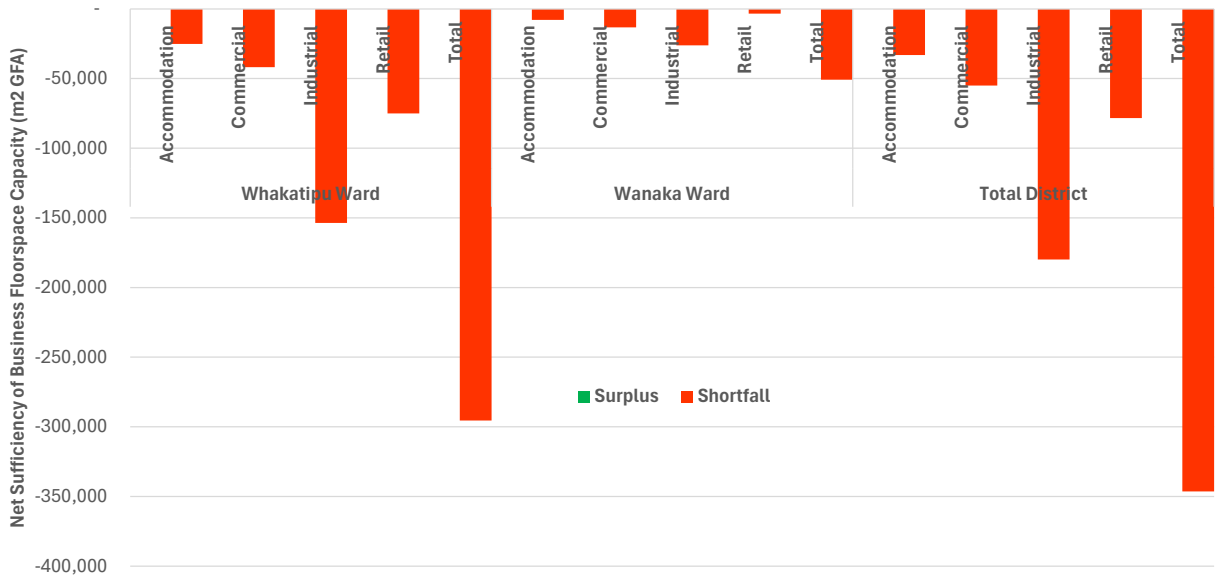
The long-term projected shortfalls in business capacity occur across all business sectors within both wards, with the exception of a 3.4 ha land surplus for the retail sector within the Wānaka Ward. However, this is accompanied by a 3,400m^2 GFA business land shortfall in capacity within this sector within the Wānaka Ward.

The largest shortfalls in capacity occur within the industrial sector, which account for over half of the net shortfall in business floorspace and 80% of the business land net shortfall. The industrial shortfalls in capacity are concentrated into the Whakatipu Ward, where there is a net land shortfall of 30.4 ha within the sector. The land shortfalls in other sectors are much smaller, with the largest being a shortfall of 6.4 ha within the Whakatipu Ward's retail sector.

The difference between the QLDC Growth Model long-term infrastructure-ready and suitable capacity by location across the district is examined further in Figure 15-7. The blue portions of each bar show the outputs of suitable business floorspace capacity, with the grey portions of each bar showing the further business capacity that is infrastructure-ready.

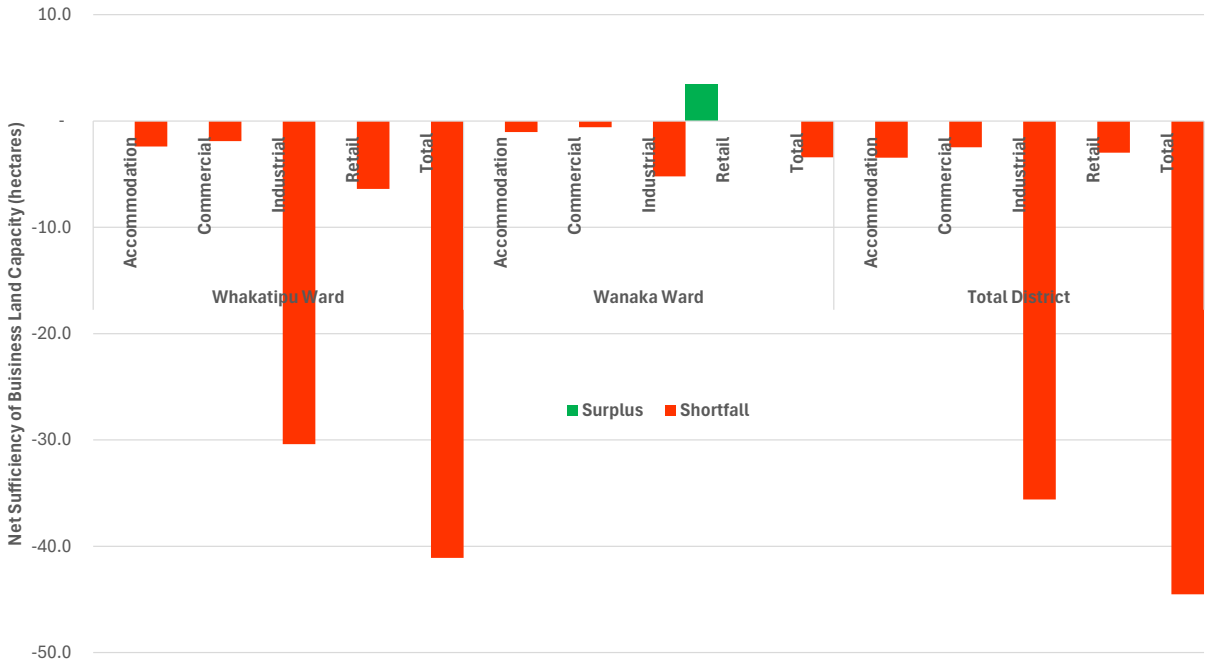
Figure 15-7 shows that there are sizeable differences between suitable and infrastructure-ready capacity within certain parts of the Whakatipu Ward, most notably Te Tapuae (Jacks Point). There are also large proportional and net differences between these two aggregate measures of capacity within Quail Rise, Ladies Mile and Kelvin Heights. This may indicate lower rates of capacity take up within these locations due to the suitability within the location. However, it is important to note that these outputs are provided at the total level without a breakdown by industry sector within each area, meaning that some of the differences may reflect the limited substitutability of capacity between different business sectors.

Figure 15-5 – Projected Net Sufficiency of Business Floorspace Capacity by Industry Sector and Ward: Long-Term



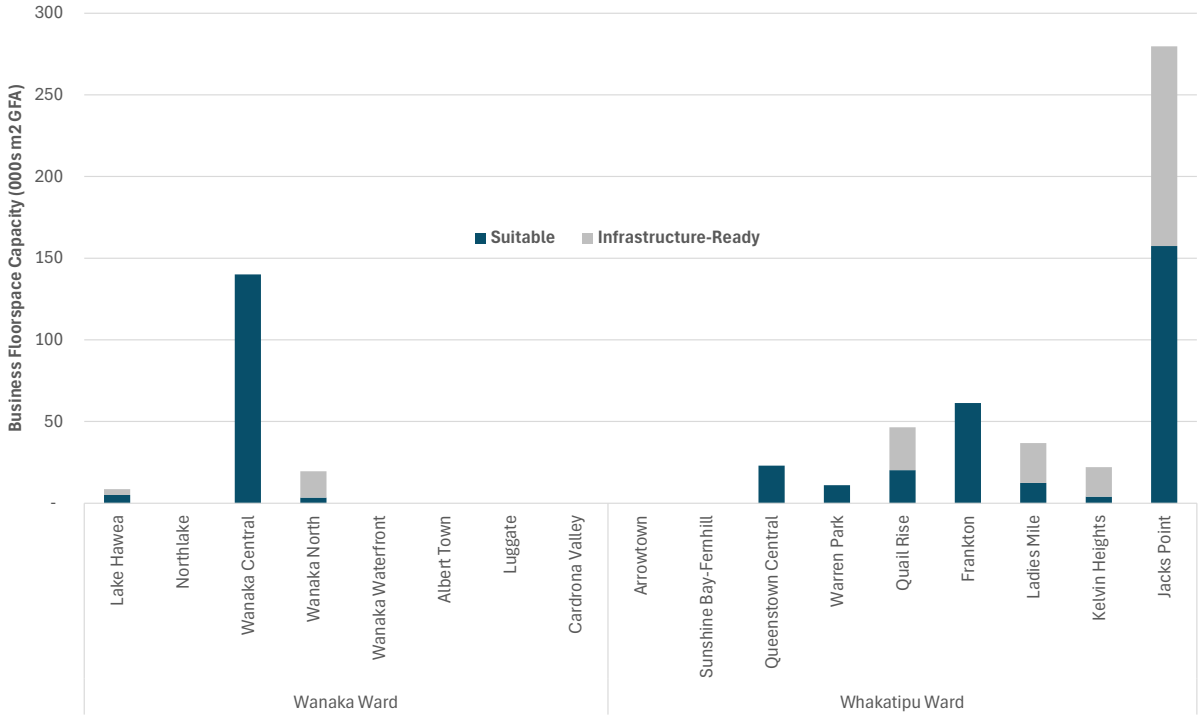
Source: data sourced from QLDC Growth Model, 2025.

Figure 15-6 – Projected Net Sufficiency of Business Land Capacity by Industry Sector and Ward: Long-Term



Source: data sourced from QLDC Growth Model, 2025.

Figure 15-7 – Comparison of Long-Term Infrastructure-Ready and Suitable Capacity by Location



Source: data sourced from QLDC Growth Model, 2025.

15.2.4 Summary of Projected Industrial Capacity Sufficiency

The industrial land component of the modelled business capacity is shown for each ward in Figure 15-8 below. Assessing the sufficiency of land areas forms the most relevant consideration for industrial sector uses.

The graph shows the plan enabled industrial zoned land areas (green bars) in comparison to the portion of these taken up as suitable capacity (brown bars). The difference between the suitable capacity, in comparison to the projected demand (red lines), produces the net sufficiency of industrial land for each ward and time period (purple bars).

Figure 15-8 shows the projected shortfalls over all time periods, with the district-level shortfalls predominantly driven by land capacity shortfalls within the Whakatipu Ward. A comparison of these components shows that the shortfalls occur due to a combination of infrastructure capacity constraints and zoned land area shortfalls.

Infrastructure capacity constraints in the short-term, mean that very little industrial capacity is able to be taken up. As a result, the short-term industrial shortfalls are due to infrastructure constraints.

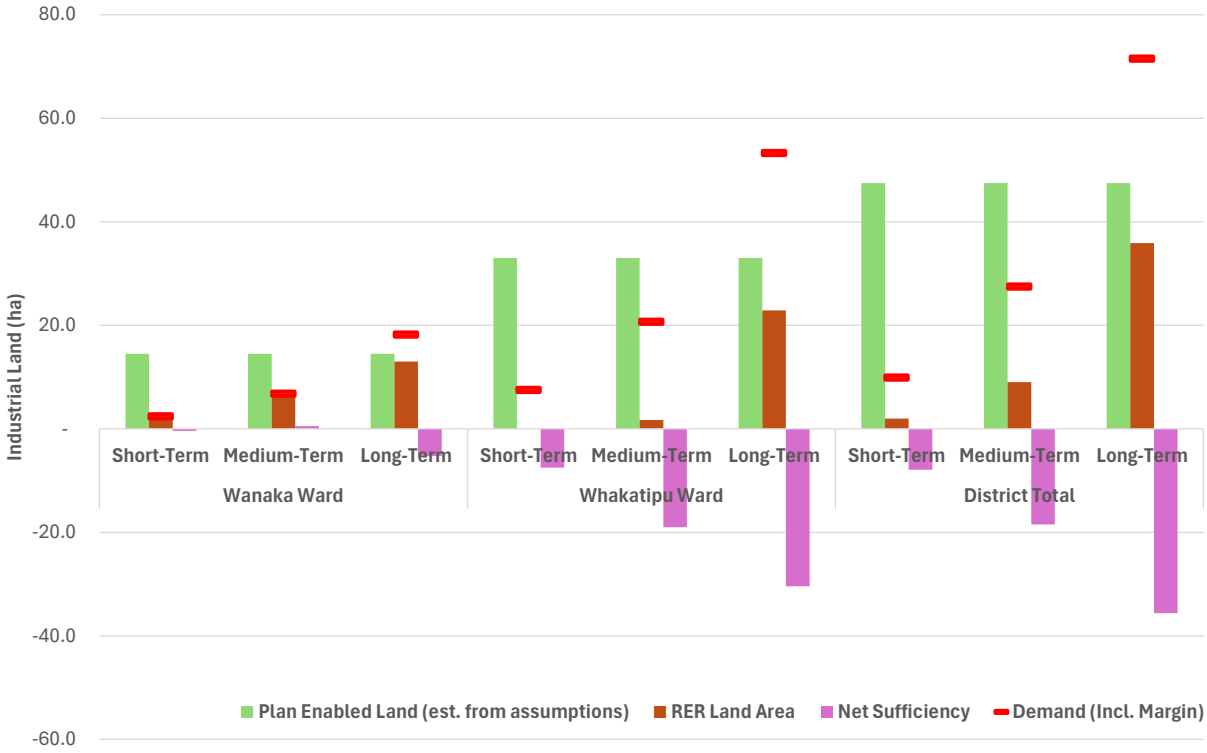
The medium-term shortfalls are projected to occur due to a combination of both zoned land area and infrastructure constraints. The zoned land area is larger than projected demand within the Whakatipu Ward, however, only a minor portion of this is projected to be taken up as suitable capacity. While the

zoned land area is large, much of this land is not estimated to become available to the market till the long-term. A sizeable share of the land is located within the Coneburn area, with urbanisation estimated (by QLDC) to occur beyond the medium-term. The projected demand exceeds the remaining zoned land area that is available to be taken up in the medium-term, which is located within Frankton.

Infrastructure constraints also contribute to the medium-term shortfalls, with only a minor portion of the zoned land within the Frankton area able to be supported by infrastructure networks. This means this zoned land is unable to be taken up to meet demand.

The graph shows that the Whakatipu Ward industrial zoned land area is unlikely to be sufficient to meet projected demand in the long-term, even if infrastructure constraints were resolved. This is seen where the projected demand is substantially greater than the amount of industrial zoned land. The land shortfalls are largest within the Whakatipu Ward, but also occur, albeit to a reduced extent, within the Wānaka Ward.

Figure 15-8 – Industrial Land Sufficiency Summary



Source: data and land areas calculated from QLDC Growth Model, 2025.

Part 4 – Conclusions

16 Conclusions

This section draws together key findings and conclusions from the 2025 HBA across the core areas of assessment within the district's housing and business markets, including the sufficiency assessments, and impact of planning and infrastructure evaluations.

16.1 Key Findings and Conclusions

Residential

The 2025 HBA has modelled substantial amounts of capacity for housing development within the district's urban environment. This occurs through a combination of capacity for intensification within the existing urban areas together with sizeable areas of future urban expansion.

The current planning framework contains capacity for residential growth occurs across a combination of PDP urban zones, together with ODP Special Zone areas which are predominantly covered by structure plans and account for a significant share of the district's capacity. There are a number of new growth areas within the district that are currently being developed by the market, which are likely to continue to provide significant shares of dwelling supply as they are developed into the medium and long-term.

There are important changes to the district's planning framework in the medium-term through the proposed changes to the current PDP. These substantially increase the level of development opportunity for different types and densities of dwellings across significant portions of the urban environment, which consequently increase the level of dwelling capacity. Further capacity is signalled through the Spatial Plan for the long-term, with the addition of sizeable areas of urban expansion within each ward.

The assessment has modelled the levels of additional dwelling capacity likely to be realised within these areas of plan enabled capacity across the urban environment. This has taken into account the expected commercial feasibility of development and the level of residual capacity within the district's infrastructure water networks to support additional dwellings. The sufficiency of the resulting capacity has been assessed to accommodate the projected future growth in demand for dwellings across the district's urban environment.

In the short-term, there is an overall modelled shortfall of 1,000 dwellings within the district. This is primarily due to infrastructure constraints within the Whakatipu Ward where there is almost no additional capacity within the short-term (resulting in a ward shortfall of 1,200 dwellings). Within the Wānaka Ward, there is instead a small expected capacity surplus of 180 dwellings. However, it is noted this relies on capacity uptake within outer parts of the urban environment, with shortfalls expected to occur within the main urban node of Wānaka township area.

Increased infrastructure investment and increased development opportunity within the planning frameworks have produced an expected medium-term surplus of 6,100 dwellings within the district's urban environment. There are overall surpluses occurring for each ward, although there are expected shortfalls in capacity within certain parts of the market. Most significantly, there are projected shortalls for detached dwellings within the greenfield areas across both wards. These shortfalls are driven by a combination of

the assumed patterns of demands, which are significantly focussed toward detached dwellings within greenfield areas, together with the QLDC growth model allocation of infrastructure capacity between greenfield and existing urban areas. QLDC have examined this aspect and find that the modelling infrastructure allocations are balanced at the ward-level when greenfield and existing urban areas are combined, resolving this component of the shortfall. The assessment has also produced sizeable surpluses for attached dwellings within each ward, including within the greenfield areas that have potential to meet a pattern of demand with a higher component for attached dwellings.

There is an overall projected surplus of 2,800 dwellings in the long-term for the district overall. There are also projected surpluses, at the total level, for each ward. However, the assessment indicates that there are potential shortfalls in capacity within certain parts of the market within each ward. Similar to the medium-term, these are focussed into detached dwellings and greenfield areas as well as some locations within the urban area. The Wānaka Ward greenfield shortfalls occur due to allocations of infrastructure capacity within the model, which balance out at the reporting area level, with sizeable amounts of capacity to accommodate future growth in these areas as signalled in the Spatial Plan.

The shortfalls within the Whakatipu Ward are focussed into the more central parts of the urban environment, with these occurring due to the more limited infrastructure residual capacity. QLDC have advised there is scope for future infrastructure investment to be redirected into central parts of the district if increased shares of growth occur within these areas. The shortfalls in detached dwelling capacity within greenfield areas are similarly driven by the differences between the assumed patterns of demand and market take up within these areas, with the shortfalls largely balancing out across dwelling types.

Issues of housing affordability are likely to continue to be a significant issue for the district, with high dwelling prices generating sizeable pressure within certain parts of the market. Despite the overall medium and long-term projected surpluses, shortfalls in capacity within the lower dwelling value bands are expected to remain for the district.

Our assessment of the impacts of planning decisions and infrastructure has found that the proposed changes to the PDP are likely to significantly increase the level of development opportunity for different types of dwellings across the district. Together with the capacity for medium to higher density residential development within new growth areas, this is likely to encourage the market to deliver an increased dwelling mix and range of dwellings that is better aligned to expected patterns of household demand. This is likely to increase housing choice, enabling households to improve their affordability (in comparison to a continuation of past patterns of development) through making trade-offs between different viable housing options, including within locations.

The district's development opportunity enabled through the different aspects of planning also provides for a pattern of growth that includes intensification within the areas of highest accessibility. While the currently modelled infrastructure capacity is more limited within the central parts of the Whakatipu Ward's urban environment, there is scope for this to respond to the future market take-up of this opportunity.

The effects of these development patterns and their contribution to a well-functioning urban environment are likely to occur gradually and cumulatively through time. They expected to become more significant through the medium and long-term as more dwellings are developed and added to the stock.

Business

The 2025 HBA has assessed the level of demand and capacity for business growth within the district's urban environment over the short, medium and long-term. This has predominantly been undertaken at the ward-level, with an examination across the main key business sectors within the local economy. These include the industrial sector, and then the commercial sectors, which are further disaggregated into accommodation, commercial and retail.

The assessment has modelled the different aspects of capacity within each time period. This includes the level of capacity enabled by the planning provisions, the level of additional capacity for growth supported by the district's infrastructure networks, and then an assessment of the suitability for the infrastructure-served capacity to meet projected future growth needs.

The QLDC growth model shows that the level of capacity enabled by the planning provisions remains almost constant for the district across all three time-periods. The exception is a small increase in capacity for commercial development within the Wānaka Ward occurring in the medium-term. The largest changes occur as a result of infrastructure provision, with significant amounts of residual capacity added in the medium and long-term. The capacity has been examined both in terms of business floorspace and business land areas.

The assessment has identified sizeable shortfalls in capacity across all sectors within the short-term, amounting to a shortfall of 85,300m^2 GFA floorspace and 12.4 ha of land area for the district overall. This is primarily due to the absence of further infrastructure capacity within the Whakatipu Ward. The largest shortfalls are projected to occur within the industrial sector, due to the greater space requirements of this sector.

Despite significant infrastructure investment, shortfalls in capacity are projected to continue to occur in the medium-term. At the district-level, these amount to a shortfall of 72,000m^2 GFA business floorspace, and 6.1 ha land area. These occur within the Whakatipu Ward, while there are instead small projected surpluses in both business floorspace and land area within the Wānaka Ward.

The Whakatipu Ward medium-term projected shortfalls are driven by shortfalls in space for industrial activities, with variable levels of sufficiency within the commercial business sectors. The industrial shortfalls occur due to both a shortfall in the available zoned land area, as well as infrastructure constraints.

The shortfalls for business spare are projected to become larger in the long-term within nearly all business sectors across both wards of the district. The projected shortfalls are sizeable at the district level, amounting to a shortfall of 346,300m^2 GFA business floorspace and 44.5 ha of land area. These continue to be primarily driven by the industrial sectors. Shortfalls in industrial land are projected to account for most of the land shortfalls in the long-term, with these focussed into the Whakatipu Ward. The QLDC growth model indicates that the Whakatipu Ward floorspace shortfalls are the result of both shortfalls in industrial zoned land area as well as limitations in the infrastructure capacity. Industrial zoned land shortfalls are also indicated by the model to occur within the Wānaka Ward, albeit to a smaller scale, with projected long-term demand ahead of plan enabled capacity.

In the long-term, there are also projected shortfalls in commercial business space across most areas of assessment. These occur within both wards across most business sectors, with the exception of a projected 3.4 ha retail land surplus within the Wānaka Ward.

Appendix 1 – Current Residential Demand and Dwelling Estate Technical Notes

This appendix provides further technical information on the estimation of current demand for housing in Queenstown Lakes District.

Estimation of Current Dwelling Stock

The QLDC dwelling demand estimates provided the starting point to estimating the structure to the district's existing dwelling base. These were produced by Utility Ltd as part of the March 2025 updated dwelling demand projections.

The technical approach to estimating the current dwelling demand base is contained in the projections documentation[83], with the key stages summarised as:

- Analysis of the parcel-level QLDC ratings database to estimate total existing dwellings.
- Ratings land use category codes and dwelling descriptions were used to determine whether dwellings were used for resident households vs. holiday dwellings. The QLDC ratings categories provide an indication of dwellings that are used for resident households vs. holiday dwellings and dwellings offered to the visitor accommodation market.

Triangulation with Other Data Sources on QLD Dwelling Stock

M.E have taken further steps to triangulate the estimated resident household component of the ratings database dwelling estimates with other estimates of resident households within the district.

The ratings database resident dwellings were compared to the Statistics New Zealand Census dwellings. The Ratings Database contains an estimated 20,900 resident household dwellings as at December 2024. This compares to the 2023 Census Night household count of 16,536 residential dwellings.

The census night count does not capture all households within the district. Indicatively, the previous 2018 final census household estimate of 15,690 households was 19% higher than the census night count of 13,176 households.

There is likely to be further growth in households between the 2023 Census (March) and 2024 (December) assessment period. There were a further 828 dwellings under construction at the time of the 2023 Census.

When taken together, the above points indicate that the district's household numbers are likely to be similar to those estimated within the Ratings Database.

[83] Utility Ltd, 2025. *Queenstown Lakes District Demand Projections,* 28 March 2025, Final.

Analysis of Structure of Current Dwelling Stock

M.E have undertaken further assessment of the total dwelling stock estimate to establish the structure of the district's current dwelling stock. This forms an important input to the subsequent housing affordability assessment as well as to understanding existing patterns within the district's dwelling supply.

M.E have further analysed the QLDC Ratings Databased at the parcel-level to estimate the structure of dwellings by dwelling type and value band. This analysis used a combination of dwelling description (ratings improvement descriptions and standardised codes), land use, and locational codes within the ratings database to estimate the dwelling typologies. Dwellings were classified into the typologies assessed in Section 3, including an estimation of the dwellings containing a residential flat. The CV information (with market adjustments) was used to estimate dwelling value bands, and floorspace information used to estimate dwelling size.

Dwelling value band profiles were estimated for each location. Importantly, these were estimated separately for each typology, producing value profiles by dwelling size.

Appendix 2 – Alternative Dwelling Type Demand Projections

This appendix summarises alternative scenarios of patterns of demand by dwelling type from other assessment recently undertaken within the QLD. They incorporate gradual changes in the patterns of demand arising from the household demographic structures together with modelled market shifts across different dwelling types.

Relationship to QLDC Growth Model Projections

The QLDC Growth Model demand projections form the baseline scenario applied within the sufficiency assessment of the HBA. The alternative projections were undertaken for a different purpose, separately to the HBA. However, they have been considered alongside this baseline scenario in the subsequent assessment of the impacts of planning and infrastructure.

Both the QLDC Growth Model and alternative projections apply the QLDC High Plus demand projections. They therefore contain the same level of net growth within the district's urban environment across the time periods analysed within the HBA.

The differences between the projections occur in terms of the patterns of projected demand by dwelling type within these totals. The QLDC Growth Model projections reflect the current market situations and apply this on a fixed basis over the short, medium and long-term. The alternative projections instead incorporate gradual changes in the patterns of future dwelling demand. These arise from changes in the demographic base and market preference shifts.

Range of Dwelling Types Modelled

The alternative projections provide greater detail on the patterns of demand for different types of dwellings that broadly align with the levels of development opportunity enabled within different areas of the urban environment[84]. They also provide greater disaggregation within the demand profile as it relates to the different types of dwelling supply[85]. Together these factors are crucial for assessing the alignment between the enabled development opportunity and levels of relative demand for different types across the district's urban environment. This forms an important aspect in assessing the impacts of planning in relation to NPS-UD Policy 5.

The dwelling types modelled within this assessment included:

- Detached dwellings

[84] The dwelling types were aligned across both the demand and capacity assessments within the wider evidence base (which were undertaken together) to enable this comparison.

[85] A key aspect is the further disaggregation within the attached dwelling category. Understanding the division between medium and higher density types of attached dwellings is very important for understanding the ability for supply in different zones to meet demand. For instance, higher density apartment supply within the medium to long-term HDR Zone aligns with a different proportion of the demand profile than the attached dwelling supply at a medium density encouraged within the MDR Zone.

- Attached/terraced dwellings
- Apartment dwellings

Summary of Technical Approach

The key technical stages of the technical approach for the alternative projections are contained in Appendix 5[86] of the notified UIV Section 32 report:

- The base structure of demand for dwellings was estimated for each location based on assessment of the current dwelling stock and recent patterns of supply.
- M.E's Residential Demand Model was applied to estimate the gradual changes in patterns of demand for dwelling types based on projected changes in the district's household demographics.
- Further scenarios of gradual future changes to dwelling demand patterns were developed for each market to reflect increasing household trade-offs across dwelling types, size, price and location. This involved analysing patterns of building consents for new dwellings for the district as well as for other urban economies[87], and consideration of main findings from housing preference studies.

Outputs of Dwelling Demand

The outputs of the alternative demand projections for the medium and long-term are shown in comparison to the baseline QLDC growth model outputs in Table A-1.

[86] M.E Ltd, 2023. *Queenstown Lakes District Intensification Economic Assessment: Intensification Plan Variation,* 16 May 2023, Final, prepared for Queenstown Lakes District Council.

[87] This provided an indication of potential future changes in patterns of demand through understanding the relationships and relative positioning of the district to other urban economies.

Table A-1 – Urban Dwelling Demand by Dwelling Type and Modelling Scenario: 2023-2053

Location and Modelling Series	Medium-Term: 2023 - 2033				Long-Term: 2023 - 2053			
	Detached	Attached	Apartments	**Total**	Detached	Attached	Apartments	**Total**
	Net Change in Dwelling Demand (No Margin)							
Wanaka Ward								
QLDC Growth Model	2,500	900		**3,400**	7,800	2,700		**10,500**
Alternative - Baseline Scenario	2,300	900	200	**3,400**	6,000	3,700	800	**10,400**
Alternative - Market Shift Scenario	2,000	1,000	400	**3,400**	4,700	3,700	2,100	**10,400**
Whakatipu Ward								
QLDC Growth Model	2,500	1,600		**4,100**	7,900	4,700		**12,600**
Alternative - Baseline Scenario	2,600	1,200	300	**4,100**	6,300	5,100	1,100	**12,500**
Alternative - Market Shift Scenario	2,200	1,300	600	**4,100**	4,700	4,900	2,900	**12,500**
District Total								
QLDC Growth Model	5,000	2,500		**7,500**	15,700	7,400		**23,100**
Alternative - Baseline Scenario	4,900	2,100	500	**7,500**	12,300	8,800	1,800	**23,000**
Alternative - Market Shift Scenario	4,100	2,400	1,000	**7,500**	9,400	8,700	4,900	**23,000**
	Share of Net Change in Dwelling Demand by Typology							
Wanaka Ward								
QLDC Growth Model	74%	26%		**100%**	74%	26%		**100%**
Alternative - Baseline Scenario	67%	27%	6%	**100%**	57%	35%	7%	**100%**
Alternative - Market Shift Scenario	57%	31%	12%	**100%**	45%	36%	20%	**100%**
Whakatipu Ward								
QLDC Growth Model	61%	39%		**100%**	63%	37%		**100%**
Alternative - Baseline Scenario	65%	28%	7%	**100%**	50%	41%	9%	**100%**
Alternative - Market Shift Scenario	53%	32%	15%	**100%**	37%	39%	23%	**100%**
District Total								
QLDC Growth Model	67%	33%		**100%**	68%	32%		**100%**
Alternative - Baseline Scenario	66%	28%	6%	**100%**	54%	38%	8%	**100%**
Alternative - Market Shift Scenario	55%	31%	14%	**100%**	41%	38%	21%	**100%**

Source: QLDC Growth Model, 2025; M.E Ltd, UIV Modelling (Dwelling Demand Model, 2025); QLDC March 2025 Dwelling Demand Projections (Utility Ltd).

The alternative projections have tested a range of 55% to 66% of demand for detached dwellings[88], amounting to 4,100 to 4,900 detached dwellings across the district's combined urban environment. The remainder of attached dwelling demand is allocated between demand for apartments and demand for other attached dwellings that occur at a lower intensity. It contains demand for between 500 and 1,000 additional apartments over the medium-term, and a further 2,100 to 2,400 other attached dwellings.

To reflect differences in the local markets, the additional modelling has applied a lower intensity dwelling profile to the Wānaka Ward and a greater intensity profile within the Whakatipu Ward. This is reflected to an extent[89] where higher shares of the Whakatipu Ward's demand is for attached dwellings, and within this, an increased component for apartment dwellings.

[88] It is noted that the upper range of the share of demand for detached dwellings is greater than that contained in recent building consent statistics for new dwellings as shown in 4.2. Allowance has been made for a higher share as a portion of the attached dwelling consents have occurred for minor dwellings/granny flats that are constructed together as part of the principal dwelling with most of these occurring as lower density standalone dwellings.

[89] Importantly, there are likely to be further differences between the local housing markets in the nature of demand within these broad dwelling categories. For instance, demand for attached dwellings within Wānaka is likely to occur at a lower scale to contain a greater share of duplexes or less intensive attached dwellings, while the Whakatipu Ward may contain a higher share of demand for terraced dwellings (than the Wānaka Ward).

The patterns of dwelling type demand increase in intensity between the medium and long-term within the alternative projections. The modelling provides a range of dwelling type demand that occurs either side of that applied within the growth model. In the long-term, the share of demand for attached and apartment dwellings increases to 46% to 59%[90] of the growth in demand. Within this, the portion of demand allocated to apartment dwellings increases to between 8% and 21% in the long-term. Correspondingly, the long-term share of demand for detached dwellings is modelled at between 41% and 54% across the urban environment.

The alternative projections continue to apply differences in patterns of demand between the Wānaka Ward and Whakatipu Ward housing markets. It estimates a projected demand for 3,700 attached dwellings and between 800 and 2,100 apartment dwellings within the Wānaka Ward over the long-term, and 4,700 to 6,000 detached dwellings. In the Whakatipu Ward, it projects a total net increase in demand for 4,900 to 5,100 attached dwellings and between 1,100 and 2,900 apartments. These are likely to occur at a more intensive scale within the Whakatipu Ward, reflecting the differences across parts of the housing markets.

[90] This reflects the share of demand for additional dwellings allocated across the full 30 year time period in aggregate. Within this time period, the wider evidence base modelling applies lower shares of demand for attached dwellings towards the start of the modelling period, with higher shares toward the end of the modelling period.

Appendix 3 – Capacity Modelling Assumptions

This appendix contains the inputs and assumptions applied within the QLDC growth model to estimate residential and business capacity within the QLD urban environment.

Residential Capacity Density Inputs and Assumptions

The following tables contain the site coverage, maximum building height and minimum land area per dwelling inputs and assumptions applied within the QLDC growth model across areas contained within the district plan zones. These are applied to each parcel to model the plan enabled and RER capacity for residential dwellings in the short, medium and long-term.

The density assumptions applied within the ODP Special Zone areas and areas covered by Structure Plans are in accordance with the bespoke density provisions for these areas. These areas include:

- Frankton Flats
- Kingston Village
- Meadow Park
- Cardrona
- Northlake
- Penrith Park
- Remarkables Park
- Shotover
- Jacks Point (incl. Jacks Point Village)
- Quail Rise
- Waterfall Park Resort
- Millbrook Resort
- Hogans Gully
- Hills Resort
- Arrowtown Lifestyle Village
- Ladies Mile

Table A-2 – Short-Term Plan Enabled and RER Capacity Development Modelling Parameters: District Plan Zones

Zone	Sub-Zone/Area	Site Coverage (%)	Height (m)	Lot Size (m2)	
				Plan Enabled Capacity	RER Capacity
Lower Density Residential Zone	Queenstown Country Club	40	7.0	400	500
	Deans Drive	40	7.0	450	585
	Coneburn	40	7.0	500	600
	Frankton North Airport Outer 55 (Incl. VA)	40	7.0	600	780
	B Hawea	40	7.0	800	1,040
	4.5m Kawarau Heights	40	4.5	300	390
	Arrowtown; 6m Kawarau Heights	40	6.0	300	390
	Luggate	40	7.0	300	910
	All other areas	40	7.0	300	390
Medium Density Resdential Zone	Wanaka (incl. VA); Transition Wanaka; Hawea; Arrowtown (incl. VA)	45	7.0	250	325
	Arthurs Point (incl. VA); Fernhill (incl. VA); Queenstown (incl. VA); Kelvin Heights; Frankton Road (incl. VA); Lake Hayes Estate	45	8.0	250	325
	Frankton North	50	8.0	250	325
High Density Residential Zone	Three Parks	70	12.0	95	124
	Frankton North	75	20.0	45	59
	All other areas	70	10.0	95	124
Settlement Zone	Glenorchy (incl. VA)	40	5.5	800	1,040
	Makarora (incl. VA)	40	5.5	1,000	1,300
	Kingston (incl. VA); Kinlock (incl. VA); Luggate	40	7.0	800	1,040
	Cardrona	40	12.0	800	1,040
	Cardrona VA	50	12.0	800	1,040
	Glenorchy Commercial Precinct	80	7.0	800	1,040
	Kingston Commercial Precinct; Luggate Commercial Precinct	80	8.5	800	1,040
	Cardrona Commercial Precinct	80	12.0	800	1,040
Residential Historic Management Zone	Incl. VA	30	5.0	650	845
Large Lot Residential A Zone	All areas incl. VA	15	8.0	2,000	2,600
Large Lot Residential B Zone	Wanaka	15	8.0	4,000	5,200

Table A-3 – Medium-Term Plan Enabled and RER Capacity Development Modelling Parameters: District Plan Zones

Zone	Sub-Zone/Area	Site Coverage (%)	Height (m)	Lot Size (m2)	
				Plan Enabled Capacity	RER Capacity
Lower Density Residential Zone	Queenstown Country Club	40	8.0	400	500
	Coneburn	40	8.0	500	600
	Frankton North Airport Outer 55 (Incl. VA)	40	7.0	600	780
	B Hawea	40	8.0	800	1,040
	4.5m Kawarau Heights	40	4.5	300	390
	6m Kawarau Heights	40	6.0	300	390
	Luggate	40	8.0	300	910
	All other areas	40	8.0	300	390
Medium Density Resdential Zone	Arthurs Point Specific Control 8.5.1.1a (incl. VA) and 8.5.1.1b; Queenstown Specific Control 8.5.1.2	45	8.0	275	358
	Frankton North	50	11.0	135	176
	All other areas	45	11.0	160	208
High Density Residential Zone	Kawarau Falls	70	10.0	95	124
	Wanaka	70	12.0	95	124
	Frankton Road Specific Control 9.5.1.3	70	20.0	20	26
	Frankton North	75	20.0	20	26
	All other areas	70	16.5	25	33
Settlement Zone	Glenorchy (incl. VA)	40	5.5	800	1,040
	Makarora (incl. VA)	40	5.5	1,000	1,300
	Kingston (incl. VA); Kinlock (incl. VA); Luggate	40	7.0	800	1,040
	Cardrona	40	12.0	800	1,040
	Cardrona VA	50	12.0	800	1,040
	Glenorchy Commercial Precinct	80	7.0	800	1,040
	Kingston Commercial Precinct; Luggate Commercial Precinct	80	8.5	800	1,040
	Cardrona Commercial Precinct	80	12.0	800	1,040
Residential Historic Management Zone	Incl. VA	30	5.0	650	845
Large Lot Residential A Zone	All areas incl. VA	15	8.0	2,000	2,600
Large Lot Residential B Zone	Wanaka	15	8.0	4,000	5,200

Table A-4 – Long-Term Plan Enabled and RER Capacity Development Modelling Parameters: District Plan Zones

Zone	Sub-Zone/Area	Site Coverage (%)	Height (m)	Lot Size (m2)	
				Plan Enabled Capacity	RER Capacity
Future Development Area	All areas	40	8.0	300	390
Lower Density Residential Zone	Queenstown Country Club	40	8.0	400	500
	Coneburn	40	8.0	500	600
	Frankton North Airport Outer 55 (Incl. VA)	40	7.0	600	780
	B Hawea	40	8.0	800	1,040
	4.5m Kawarau Heights	40	4.5	300	390
	6m Kawarau Heights	40	6.0	300	390
	Luggate	40	8.0	300	910
	All other areas	40	8.0	300	390
Medium Density Resdential Zone	Arthurs Point Specific Control 8.5.1.1a (incl. VA) and 8.5.1.1b; Queenstown Specific Control 8.5.1.2	45	8.0	275	358
	Frankton North	50	11.0	135	176
	All other areas	45	11.0	160	208
High Density Residential Zone	Kawarau Falls	70	10.0	95	124
	Wanaka	70	12.0	95	124
	Frankton Road Specific Control 9.5.1.3	70	20.0	20	26
	Frankton North	75	20.0	20	26
	All other areas	70	16.5	25	33
Settlement Zone	Glenorchy (incl. VA)	40	5.5	800	1,040
	Makarora (incl. VA)	40	5.5	1,000	1,300
	Kingston (incl. VA); Kinlock (incl. VA); Luggate	40	7.0	800	1,040
	Cardrona	40	12.0	800	1,040
	Cardrona VA	50	12.0	800	1,040
	Glenorchy Commercial Precinct	80	7.0	800	1,040
	Kingston Commercial Precinct; Luggate Commercial Precinct	80	8.5	800	1,040
	Cardrona Commercial Precinct	80	12.0	800	1,040
Residential Historic Management Zone	Incl. VA	30	5.0	650	845
Large Lot Residential A Zone	All areas incl. VA	15	8.0	2,000	2,600
Large Lot Residential B Zone	Wanaka	15	8.0	4,000	5,200

Business Capacity Density Inputs and Assumptions

The following tables contain the site coverage and maximum building height inputs and assumptions applied within the QLDC growth model across areas contained within the district plan zones. These are applied to each parcel to model the plan enabled and RER capacity for business uses in the short, medium and long-term.

The density assumptions applied within the ODP Special Zone areas and areas covered by Structure Plans are in accordance with the bespoke density provisions for these areas. These areas include:

- Three Parks
- Five Mile
- Frankton Flats
- Northlake
- Remarkables Park
- Jacks Point (incl. Jacks Point Village)
- Coneburn
- Ladies Mile

Table A-5 – Short-Term Plan Enabled Capacity Inputs and Assumptions for Business Development Capacity Modelling Parameters: District Plan Zones

Zone	Sub-Zone/Area	Site Coverage (%)	Height (m)
Local Shopping Centre Zone	Hansen; Frankton	50	10
	Kelvin Heights; Longview	75	10
	All other areas	75	7
Business Mixed Use Zone	Wanaka	75	12
	Frankton Marina	75	15
	Queenstown; Frankton North	75	20
	Lakeview	90	34
Town Centre Zone	Wanaka	75	10
	Queenstown P4 Transition and P7; Wanaka P2	75	12
	Wanaka P1	75	14
	Queenstown P1 Transition	75	15.5
	Future Lakeview	80	12
	Arrowtown	90	7
	Queenstown P3 and P6	100	8
	Queenstown P4 and P5	100	12
	Queenstown P2	100	14
	Queenstown P1 and P1a	100	15.5
General Industrial Zone	Wanaka and Gorge Road	75	7
	Arrowtown and Frankton	75	10

Table A-6 – Medium and Long-Term Plan Enabled Capacity Inputs and Assumptions for Business Development Capacity Modelling Parameters: District Plan Zones

Zone	Sub-Zone/Area	Site Coverage (%)	Height (m)
Local Shopping Centre Zone	Hansen	50	10
	Hawea; Longview	75	12
	Kelvin Heights; Fernhill	75	14
	All other areas	75	10
Business Mixed Use Zone	Wanaka; Frankton Marina	75	16.5
	Queenstown; Frankton North	75	20
	Lakeview	90	34
Town Centre Zone	Wanaka P2	75	12
	Future Lakeview	80	12
	Arrowtown	90	7
	Queenstown P1	100	8
	Queenstown P2	100	12
	Wanaka P1	100	14
	Queenstown P5	100	16
	Wanaka	100	16.5
	Queenstown P3	100	20
	Queenstown P4	100	24
General Industrial Zone	Wanaka and Gorge Road	75	7
	Arrowtown and Frankton	75	10