

**BEFORE THE INDEPENDENT HEARING PANEL APPOINTED BY THE
QUEENSTOWN LAKES DISTRICT COUNCIL**

UNDER the Resource Management Act 1991 (RMA)
IN THE MATTER of the Te Pūtahi Ladies Mile Plan Variation in accordance
with section 80B and 80C, and Part 5 of Schedule 1 of the
Resource Management Act 1991.

**STATEMENT OF EVIDENCE OF SUSAN MICHELLE FAIRGRAY
29 September 2023**

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Introduction

- 1 My name is Susan Michelle Fairgray.
- 2 I am an Economist and Associate Director at Market Economics. I have been in this position since 2016. Prior to this, I was a senior research economist in Auckland Council's Research, Evaluation and Monitoring Unit.
- 3 I have been asked to provide evidence by Queenstown Lakes District Council (**QLDC** or **Council**). I have not previously been involved in the Te Pūtahi Ladies Mile Masterplan (**TPLM Masterplan**) and Te Pūtahi Ladies Mile Plan Variation (**TPLM Variation**), including any assessments that have informed the Section 32A report that was notified. Despite this, I am familiar with the TPLM Variation and associated TPLM Masterplan documentation.

Qualifications and experience

- 4 I hold the qualifications of Bachelor of Science and Master of Science (1st Class Honours) in geography, specialising in economic geography, from the University of Auckland.
- 5 I have over 15 years of experience in urban economics developing and supporting central/local government and private-sector positions across a range of areas. Residential capacity, growth and demand assessments across a range of higher and medium growth urban economies have formed an important area of focus within the context of assessing and developing district plans (and plan changes and variations). My experience traverses a wide range and scope of urban economics including but not limited to:
 - (a) Capacity and demand assessments: under the National Policy Statement for Urban Development 2020 (**NPS-UD**), Housing and Business Development Capacity Assessments (**HBAs**), intensification plan changes and Future Development Strategies;
 - (b) assessing land use patterns and effects on urban form;
 - (c) developing robust and detailed methodologies for aligning residential capacity with demand;
 - (d) retail assessments, providing advice for commercial and public sector clients on the most appropriate scale and location of retail

as well as the effects of retail location on the existing network and future urban form; and

(e) preparing and presenting evidence and expert conferencing in relation to the above matters.

6 I was an author of the 2017 Housing Capacity and Demand Assessment (**BDCA**) for QLDC under the National Policy Statement on Urban Development Capacity 2016 (**NPS-UDC**) and a subsequent update in 2020 under the NPS-UD. I have also completed the capacity and demand assessments during 2022/2023 for QLDC to inform the Urban Intensification Plan Variation.

Code of conduct

7 I confirm that I have read the Code of Conduct for expert witnesses contained in the Environment Court Practice Note 2023. Accordingly, I have complied with the Code in the preparation of this evidence, and will follow it when presenting evidence at the hearing. Unless I state otherwise, this assessment is within my area of expertise, and I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.

Scope of Evidence

8 My evidence addresses the following (focusing on the residential precincts within the Te Pūtahu Ladies Mile Zone under the TPLM Variation):

- (a) Demand for dwellings in Queenstown;
- (b) Dwelling capacity in Queenstown: Plan enabled and current commercial feasibility;
- (c) Dwelling capacity in Queenstown: Future commercial feasibility;
- (d) Current dwelling development market in Queenstown;
- (e) Additional dwelling capacity in the TPLM Variation area;
- (f) Proposed dwelling densities;
- (g) Development opportunity effect of urban form and spatial economic structure; and
- (h) Response to submissions.

9 In preparing my evidence, I have relied on the following:

- (a) QLDC Growth Projections;
- (b) The capacity and demand assessments (and including their data sources as set out in their technical reports) I have undertaken for the 2021 HBA and the Urban Intensification Plan Variation (2022/2023);
- (c) M.E's Queenstown Residential Capacity Model (for modelling future feasible capacity);
- (d) Statistics New Zealand Building Consent data;
- (e) Corelogic customised building consent data;
- (f) The QLDC Operative District Plan (ODP);
- (g) The QLDC Proposed District Plan (PDP);
- (h) TPLM Masterplan Report;
- (i) Where stated, the retail and economic evidence of Ms Hampson and the transport evidence of Mr Shields; and
- (j) Site visits, aerial photographs and other online resources/websites.

Executive Summary

- 10 I have undertaken detailed assessments of dwelling demand and capacity across Queenstown's urban environment over the past six years. Demand for urban dwellings is projected to double in the district over the long-term, amounting to demand for an additional 20,000 urban dwellings (including a 15%-20% margin) over the next 30 years, with around two-thirds of the demand projected to occur in the Wakatipu Ward.
- 11 The most recent assessment was undertaken for QLDC in 2022/2023 to inform the Urban Intensification Plan Variation. This assessment considered the shifts that may occur in the district's dwelling market with the increased development opportunity enabled by the intensification provisions and changes in household patterns of demand.
- 12 There are projected gradual changes in the patterns of demand toward more intensive medium to higher density dwellings. Over the long-term, duplex/terraced dwellings are projected to account for around 38% of the growth in dwelling demand, with apartments accounting for 8% to 22% of the long-term growth. This equates to a long-term projected net

increase of around 7,600 additional duplex/terraced dwellings, and 1,600 to 4,300 apartment dwellings.

- 13 Medium density dwelling demand is projected to account for a significant share of demand growth in the medium-term, increasing further in the long-term. The demand modelling shows that more intensive attached dwellings (apartments) are likely to become more established over the medium to long-term. Under the higher market shift scenario, the apartment market is projected to become increasingly established in the long-term with the total market becoming significantly larger. The modelling indicates that most of the demand for apartments is projected to occur in the long-term (2031-2051) where they are projected to account for similar shares of growth to detached dwellings under the higher market shift scenario.
- 14 Queenstown's existing Proposed District Plan (**PDP**) plan enabled and commercial feasible capacity is large relative to long-term demand, increasing further under the Urban Intensification Plan Variation. The feasibility modelling indicates that less intensive attached and terraced housing are already likely to be feasible across a range of locations within the Queenstown market. More intensive higher density dwellings currently have lower feasibility across a smaller range of locations.
- 15 I consider that the feasibility of higher density dwellings depends on a range of interrelated factors that change through time. The modelling indicates their feasibility is likely to increase through time and become more well-established across a range of locations when the market size increases in the long-term.
- 16 Examination of current development patterns data show that medium density dwellings have become increasingly well established in Queenstown over the past 5-10 years, now accounting for a larger share of the market than detached dwellings. In my view, this is likely to reduce the risk and increase the likelihood and ability for the market to deliver these types of dwellings.
- 17 New attached dwellings have generally occurred at the lower to mid parts of the market, resulting in stable dwelling consent value trends. In contrast, detached dwellings have continued to increase in value.
- 18 The TPLM Variation would add further dwelling capacity to Queenstown over the medium to long-term. While capacity across Queenstown is

large relative to demand, this is important as only a share of capacity will get taken up by the market, with the total size of capacity only one factor in the ability to meet long-term housing need. It is also critical to consider the location and type of development opportunity, which form key components in assessing the sufficiency of capacity to meet *relative* demand.

- 19 I consider that the development patterns enabled under the TPLM Variation have an efficient location relative to current and future patterns of development in Queenstown's spatial economic structure. The TPLM Variation development opportunity is likely to increase the range of dwelling types and range of values in the eastern corridor¹ part of Queenstown. Diversifying the dwelling mix in this location is important in meeting relative demand through better aligning with long-term patterns of community housing need. I consider that that these aspects are important to achieving a well-functioning urban environment in this location over the long-term.
- 20 I have evaluated the TPLM Variation enabled development opportunity (including density, height, typology, etc) in relation to market feasibility and projected demand. I have considered the overall dwelling mix likely to be delivered by the proposal and its contribution to the dwelling value profile and typology mix in the eastern corridor part of Queenstown.
- 21 I consider that proposed High Density Residential (**HDR**) and Medium Density Residential (**MDR**) Precinct minimum densities encourage patterns of dwelling development (including a mixture of medium and higher density attached dwellings), most of which are likely to be feasible in the short to medium-term and are already established within the Queenstown market. Only a small share (5% to 10%) of the total land area within the HDR Precinct is required to develop at higher density apartment typologies, which I consider is likely to increase in feasibility over the medium to long-term when demand becomes more established. The increased enabled heights are likely to increase their feasibility through higher potential yields relative to other development options and construction costs. I also consider that feasibility of higher density developments could be increased through enabling a portion to be

¹ This refers to the QLDC Spatial Plan reporting area of the Eastern Corridor. It is defined by the combined Statistical Area 2 areas of Shotover Country, Lake Hayes Estate and Lake Hayes, and the further TPLM Variation area.

occupied by visitor accommodation. This may encourage the market to deliver this type of development, increasing the supply of apartment dwellings, therefore benefiting the wider community.

- 22 I support the TPLM Variation proposed minimum densities within the MDR and HDR precincts. In my view, they encourage a pattern of development (in terms of dwelling mix within each area) that is appropriate for establishing an urban node in this location. I note that spatial extent over which they are applied is designed to achieve the total required dwelling yield to support the functioning of the proposed transport network. My assessment considers the development patterns that are required to achieve the proposed densities and their feasibility with the Queenstown market. I have not assessed the public transport modelling assumptions in relation to the timing of dwelling development. I note the evidence of Colin Shields addresses the transport impacts of the TPLM Variation.
- 23 I consider that the TPLM Variation area is likely to develop over the medium to long-term as a residential node with a dwelling mix that is better suited to patterns of community demand. I note there are trade-offs for existing land owner developers that would be able to achieve greater short-term returns with a less intensive development pattern. However, I consider that shorter-term development at a reduced density is likely to be less beneficial for long-term community demand.
- 24 I do not support further expansion of the TPLM Variation area at the MDR Precinct densities. I consider the area is already large relative to medium-term projected demand and therefore further expansion at these densities may dilute the intensification that would otherwise occur in more appropriate areas surrounding the proposed commercial centre.
- 25 From an economic perspective, I support increasing the densities within the LDR Precincts to those enabled under the PDP. However, I note that this would increase the dwelling yield in this location, which may impact the transport network. I defer to the evidence of Colin Shields on the transport impacts of the TPLM Variation.
- 26 Overall, I consider that the TPLM Variation is likely to contribute toward achieving a well-functioning urban environment in Queenstown's eastern corridor area over the medium to long-term. It forms an efficient location for a residential and commercial node within the context of

Queenstown's surrounding spatial economic structure and would increase the urban amenity to the eastern corridor catchment area.

- 27 I support increasing the dwelling mix (typologies, sizes and values) within the eastern corridor and consider that this is likely to occur over the medium to long-term with the proposed TPLM Variation. I consider the TPLM Variation will create better alignment with longer-term patterns of community household demand, increase housing affordability and offer a wider dwelling mix in relation to the existing narrow range of dwellings within this part of the urban environment.

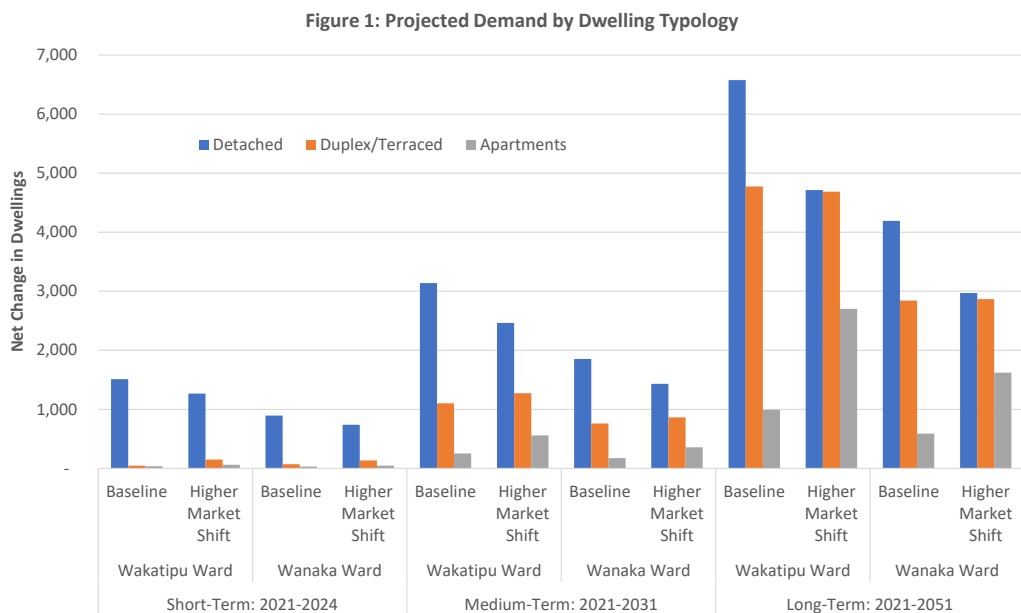
Demand for Dwellings in Queenstown

- 28 There has been detailed assessment of housing demand and potential supply in Queenstown over the last 6 years, starting with the 2017 Housing Development Capacity Assessment (**HBA**) study by Market Economics to meet the requirements of the NPS-UDC 2016.
- 29 Market Economics was again engaged in 2020/2021 by QLDC to undertake the next HBA to meet the requirements under the NPS-UD. This assessment included modelling and analysis of the projected urban dwelling demand by location and dwelling type. It compared the projected dwelling demand with the modelled plan enabled and commercially feasible capacity within the district's urban environment over the short (2020-2023), medium (2020-2030) and long-terms (2020-2050) to assess the sufficiency of capacity.
- 30 Most recently, in 2022-2023, I have undertaken the demand and capacity assessment in Queenstown to inform the Urban Intensification Plan Variation to the Proposed District Plan that implements Policy 5 of the NPS-UD. This included modelling the demand for urban dwellings across the district's urban environment. The assessment modelled demand for dwellings by location and dwelling typology across the short, medium and long-terms.
- 31 The 2022-2023 assessment modelled the development opportunity enabled by the intensification provisions. In a significant range of areas, these enable substantially different development patterns to the level of development previously enabled. The assessment correspondingly modelled the shifts that may occur in the structure and patterns of dwelling demand by typology and location. It provided a baseline projection of demand reflecting past patterns of development and a

scenario with an allowance for a higher preference shift towards more intensive dwellings.

- 32 My assessment considered a range of factors including the effect of gradual changes in underlying household base structures on patterns of demand, recent dwelling development patterns and how these have changed through time, changes in the plan enabled development opportunity and the alignment of Queenstown Lakes District (QLD) urban economy relative to other urban economies and their development patterns. My assessment of these factors provided an indication of the types of future patterns of dwelling demand that may occur in QLD.
- 33 The assessment modelled projected future demand for the following dwelling typologies that correspond to the enabled dwelling densities:
- (a) Higher density attached dwellings, which range from higher density terraced housing, up to vertically attached apartments.
 - (b) Other attached dwellings, which range from lower density attached dwellings, such as duplex pairs and one-level attached units, up to terraced housing.
 - (c) Detached dwellings, which range from larger standalone dwellings on full sites, up to 2 to 3 storey smaller standalone houses on much smaller sites.
- 34 The district's demand for urban dwellings is projected to approximately double over the long-term (by 2051), with a projected net increase in demand for an additional 20,000 dwellings (2021-2051), including the NPS-UD 15%-20% competitiveness margin. Urban dwelling demand is projected to increase by 13% (+2,600 dwellings) in the short-term (2021-2024), and by 37% in the medium-term (+7,300 dwellings) (2021-2031).
- 35 There is a gradual market shift through time in the structure of demand in both scenarios. Medium to higher density dwellings account for increasing shares of the growth in demand and dwelling stock through time. The market is currently dominated by detached dwellings, which account for 83% of the baseline existing dwelling stock. Faster growth in medium to higher density dwellings means that the share of dwelling demand for detached dwellings is projected to decrease to 61% to 68% by 2051.

36 Figure 1 shows the total projected net increase in urban dwelling market size within each typology over the short, medium and long-term in each of the district’s wards. The share of dwelling demand growth occurring as medium to higher density dwellings (attached typologies) is projected to gradually increase through time. Over the long-term, duplex/terraced dwellings are projected to account for around 38% of the growth in dwelling demand, with apartments accounting for 8% to 22% of the long-term growth. This equates to a long-term projected net increase of around 7,600 additional duplex/terraced dwellings, and 1,600 to 4,300 apartment dwellings.



Source: M.E 2023 Queenstown Lakes District Intensification Economic Assessment.

37 Nearly two-thirds of the long-term urban dwelling demand is projected to occur in the Wakatipu Ward. Table 1 shows the net change in dwelling demand by dwelling typology location within the Wakatipu Ward. The table shows that duplex/terraced dwellings are projected to account for a significant share of the total dwelling growth (25%-28%) to the end of the medium-term, increasing further to 38% to 39% across the long-term. This equates to a medium-term demand for 1,100 to 1,300 additional duplex/terraced dwellings, increasing to 4,700 to 4,800 additional dwellings in the long-term.

38 The demand modelling shows that more intensive attached dwellings (apartments) are likely to become more established over the medium to long-term. They are projected to account for between 6% to 12% of the dwelling growth over the medium-term, equating to a total increase in

300 to 600 dwellings. Under the higher market shift scenario, the apartment market is projected to become increasingly established in the long-term with the total market becoming significantly larger. Apartments are projected to account for similar shares (27%) of growth to detached dwellings (30%) within the long-term (2031-2051), amounting to an overall 22% share of dwelling growth out to 2051. Under this scenario, this equates to an additional 2,100 apartments across the 2021 to 2051 period, with most occurring within the long-term.

Table 1: Net Change in Demand by Dwelling Typology and Location: Wakatipu Ward

Catchment	NET CHANGE IN DEMAND BY DWELLING TYPOLOGY											
	Short-Term: 2021-2024				Medium-Term: 2021-2031				Long-Term: 2021-2051			
	Detached	Duplex/Terrace	Apartments	TOTAL	Detached	Duplex/Terrace	Apartments	TOTAL	Detached	Duplex/Terrace	Apartments	TOTAL
	Baseline Demand Scenario											
Arrowtown	30	-18	-1	10	-58	67	16	25	-171	195	40	65
Eastern/Frankton/Quail	529	32	14	575	1,074	439	99	1,612	2,457	1,631	339	4,428
Queenstown/Arthurs	279	-52	1	228	248	333	79	660	406	1,201	249	1,856
Kelvin Heights/Southern Corridor	607	68	18	694	1,732	183	42	1,956	3,565	1,465	305	5,335
Wakatipu Small Township/Other	66	16	4	87	142	82	18	242	320	283	59	662
Total Wakatipu Ward	1,511	46	37	1,594	3,137	1,104	255	4,495	6,578	4,776	993	12,346
	Higher Market Shift Scenario											
Arrowtown	10	-14	-0	8	-83	53	34	24	-198	129	112	64
Eastern/Frankton/Quail	450	66	22	574	857	497	198	1,615	1,791	1,646	912	4,432
Queenstown/Arthurs	207	-28	7	246	123	303	175	691	143	963	688	1,890
Kelvin Heights/Southern Corridor	543	104	26	689	1,455	332	121	1,938	2,744	1,673	847	5,323
Wakatipu Small Township/Other	56	21	5	86	114	89	32	242	234	275	143	664
Total Wakatipu Ward	1,267	149	61	1,603	2,465	1,275	560	4,509	4,714	4,686	2,703	12,372

Source: M.E Residential Intensification Analysis, 2022 and M.E QLD Residential Demand and Affordability Model, 2021.

Dwelling Capacity in Queenstown: Plan Enabled and Current Commercial Feasibility

- 39 My assessment in 2022-2023 to inform the Urban Intensification Plan Variation included modelling the plan enabled and commercially feasible capacity and demand for urban dwellings across the district's urban environment. The assessment modelled capacity and demand for dwellings by location and dwelling typology across the short, medium and long-terms.
- 40 The plan enabled capacity refers to the capacity enabled within each parcel (and aggregated to urban environment and catchment totals) when applying the planning provisions. The assessment then estimates the enabled capacity that is likely to represent a feasible development option for a profit-driven commercial developer if it were available to the market. This is based on a standard feasibility modelling approach of estimating whether the likely sales price of the plan-enabled dwelling

options are likely to exceed the estimated development costs by a sufficient margin.

- 41 The outputs from my Urban Intensification Plan Variation modelling by dwelling typology, development pathway (e.g. infill, redevelopment, greenfield) and location are contained in **Appendix A**. The modelling shows there is a baseline plan enabled capacity for an additional 62,100 urban dwellings in Queenstown (excluding Special Zone areas), of which 40,000 additional dwellings occur in the Wakatipu Ward. Approximately half of the capacity is estimated to currently represent feasible development options for a commercial developer if it were available to the market.
- 42 The proposed Urban Intensification Plan Variation would increase plan enabled capacity by approximately 36% to reach an additional approximately 84,200 urban dwellings. The intensification provisions are likely to increase the feasibility of development opportunities, increasing both the level of commercially feasible capacity and the share of plan enabled development opportunities that are likely to be feasible.
- 43 The capacity feasibility modelling shows that:
- (a) There are important differences in the level and scale of feasibility between dwelling typologies and location.
 - (b) Less intensive attached dwellings and terraced housing are already estimated to be commercially feasible within the Queenstown market. A sizeable proportion of this capacity is currently feasible across a range of locations.
 - (c) The feasibility of more intensive vertically-attached dwellings is currently lower than other typologies. Within the Wakatipu Ward, vertically attached dwellings are currently only feasible in Queenstown Town Centre, including both across the Town Centre and High Density Residential Zones.
- 44 I conducted further sensitivity testing on the feasibility of higher density residential development (vertically-attached apartments) as part of my Urban Intensification Plan Variation assessment. It found that greater building heights, up to a point that corresponds with the timing of market demand, may increase the feasibility of a development, including in terms of land and development costs per dwelling.

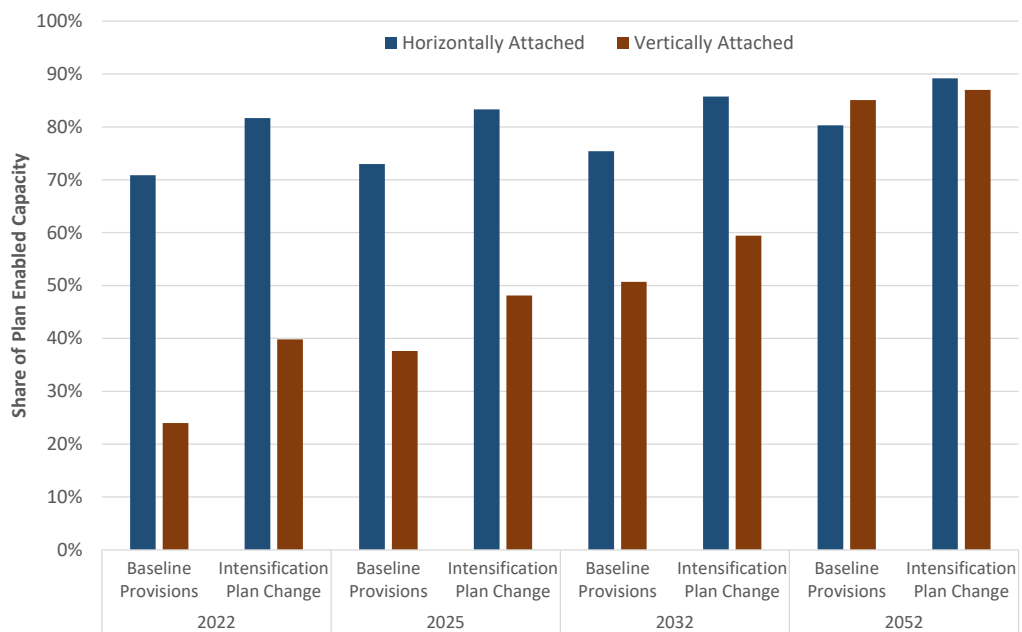
Dwelling Capacity in Queenstown: Future Commercial Feasibility

- 45 In the Urban Intensification Plan Variation assessment, I have estimated the commercially feasible capacity within the *current* 2022 market where prices and costs reflect the existing market conditions. I consider that additional capacity is likely to become feasible through time with market growth. Consequently, as part of the further assessment for the proposed plan variation at Ladies Mile, I have also estimated the likely future feasibility of capacity.
- 46 I have used the same modelling capability developed for the 2021 HBA and further developed for the Urban Intensification Plan Variation assessment. Future feasibility has been estimated through allowing gradual changes in costs and prices through time with market growth, which is observed across nearly all growing urban economies and is consistent with approaches I have undertaken in other locations. I consider that market growth scenarios of commercial feasibility form an appropriate basis to understand likely future capacity over the medium to long-term. Fixed market feasibility estimates are appropriate to understand short-term capacity, and potentially medium-term capacity for a conservative lower estimate.
- 47 The figures below show the feasibility of attached dwellings across the current market, short, medium and long-terms for the baseline and proposed intensification planning provisions. Figure 2 shows the share of plan enabled capacity that is estimated to be potentially commercially feasible development opportunities if available to the market. Figure 3 shows the total modelled attached dwelling capacity that is plan enabled and commercially feasible in each time period. The attached dwelling capacity consists of horizontally attached dwellings, which range from lower intensity pairs of attached units, up to more intensive 3 level walk-up terraced houses. Vertically attached dwellings refer to vertically stacked apartment dwellings, with some buildings also containing non-residential uses. Importantly, these components of capacity are not entirely additive as some parcels may have development potential for each mutually exclusive option.
- 48 The future commercially feasible capacity modelling suggests that a relatively high proportion of the horizontally attached plan enabled dwelling capacity is currently feasible. Around three-quarters of this development capacity is estimated to be currently commercially feasible,

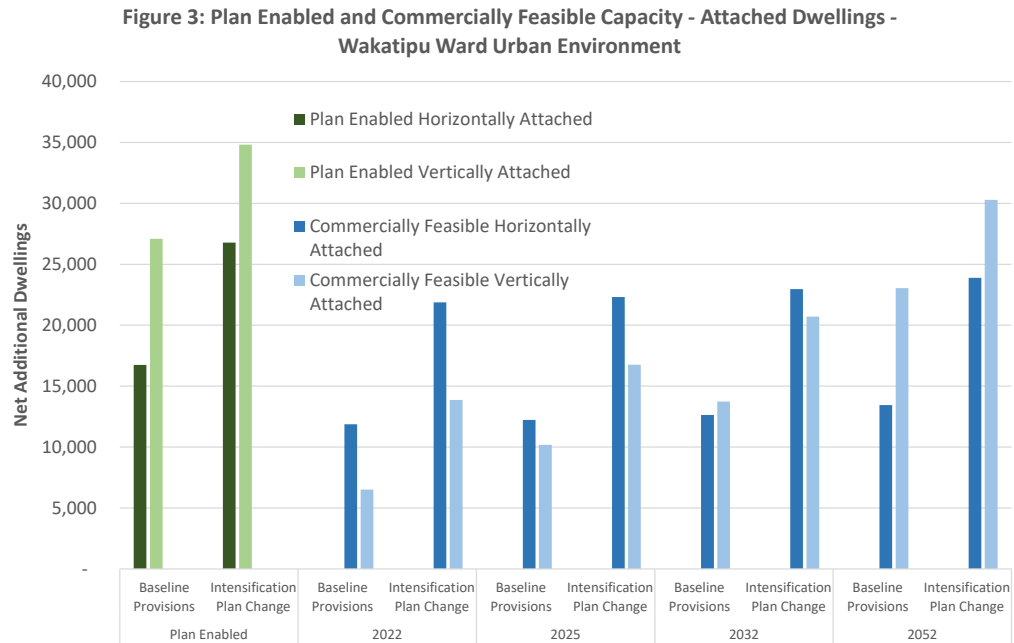
increasing gradually through time to around 80% to 89% of plan enabled capacity. I consider that this suggests that there is a large existing scope for feasible attached dwelling development options across the Wakatipu Ward. Furthermore, the feasibility outputs by location (contained in Appendix A) suggest that this dwelling typology is likely to be a feasible development option across most broad locations within the Wakatipu Ward’s urban environment.

49 Commercial feasibility modelling indicates the feasibility of the development opportunity provided to the market. It is important not to equate the estimated feasible capacity with take-up (level of dwellings delivered by the market). Only a portion of this capacity will get taken up by the market, which will generally be closer to the level of market demand. In my view, a key aspect of take-up relates to the extent to which this development pathway is established within the market. I consider this aspect in detail in relation to the recent development patterns and level of dwelling development market activity within the following section.

Figure 2: Share of Plan Enabled Capacity Estimated as Commercially Feasible Development Opportunity - Wakatipu Ward Urban Environment



Source: M.E 2023, QLD Residential Capacity Model.



Source: M.E 2023, QLD Residential Capacity Model.

- 50 The additional feasibility modelling also shows that vertically-attached apartment dwellings are currently less well established within the Queenstown market. A lower share of the plan enabled capacity is currently commercially feasible, with the feasibility limited to the central parts of Queenstown and a smaller amount in Kelvin Heights (Appendix A). Importantly, Figures 2 and 3 show that apartments are projected to increase in feasibility through time. My examination of the more detailed model outputs shows that apartments are likely to become feasible across a wider range of locations within the Wakatipu Ward in the long-term.
- 51 I consider that the apartment market is likely to become more established through time in Queenstown's urban area. In my view, the viability of this dwelling typology is simultaneously affected by a range of inter-related factors that change through time including the level of demand, feasibility and confidence within the property development sector, plan enabled development opportunity by location within the urban environment and level of capacity within the market to deliver the typology.
- 52 I also note that the propensity for the market to develop properties at the higher densities of vertically attached apartments depends upon the relativities to other potential development options. My earlier modelling

has shown that feasibility increases with height as increased dwelling yields offset the higher construction costs of this typology. However, the ability to construct taller buildings is also related to the overall market size (demand) for this development at each stage in time.

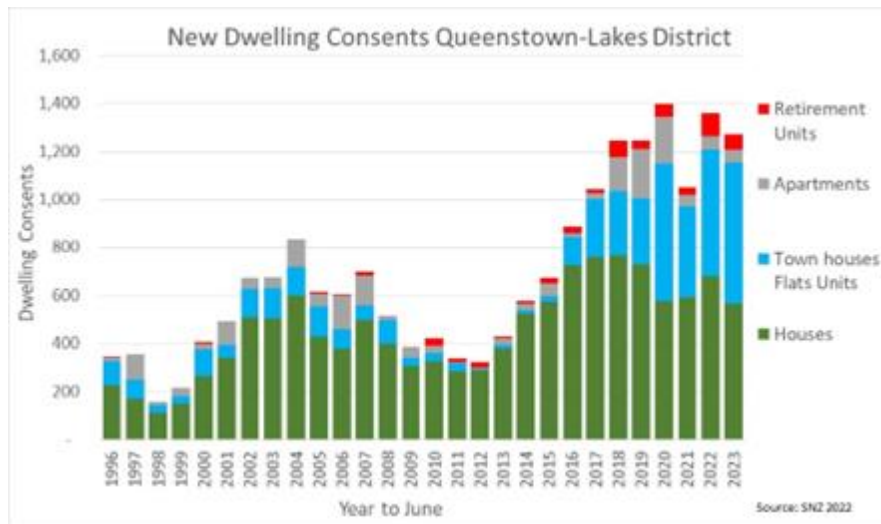
- 53 In my view, as the market size increases and the achievable yields correspondingly increase, the achievable returns from this typology are more likely to exceed those of less intensive typologies where there is a more established larger market base. In my view, this is more likely to occur to a greater extent in the medium to long-term when the projected demand for higher density apartments becomes significantly larger.

Current Dwelling Development Market in Queenstown

- 54 I have undertaken further analysis of the property development market within Queenstown, particularly to understand the existing level of market establishment for medium to higher density dwellings in Queenstown. I have examined the recent patterns of dwelling delivery by the market, taking account of dwelling typology, size and value. I have also assessed how the nature of dwellings differ between typologies and their contribution to the overall dwelling value profile and distribution in the Queenstown market.
- 55 In summary, I have found that the market for attached dwellings has become increasingly established in Queenstown over the past 5-10 years. This has mainly occurred through less intensive to medium-density attached dwellings such as townhouses, flats and units. The level of market activity in apartments remains relatively small, but has contributed to the lower value band component of the market.
- 56 These changes to the structure of new dwelling patterns have resulted in a relatively stable average dwelling consent value through time as attached dwellings are typically added to the lower part of the overall dwelling value profile. In contrast, detached dwellings have continued to occur at mid to higher parts of the dwelling value profile. The detail of my assessment is set out in the following paragraphs.
- 57 Queenstown Lakes has seen substantial new dwelling activity in the last 7 years, with more than 8,600 new dwellings consented since 2016. That period has seen a substantial change in new dwelling supply patterns, with stand-alone dwellings slowly decreasing in numbers, while town houses and units (mostly terrace houses) accounting for much of

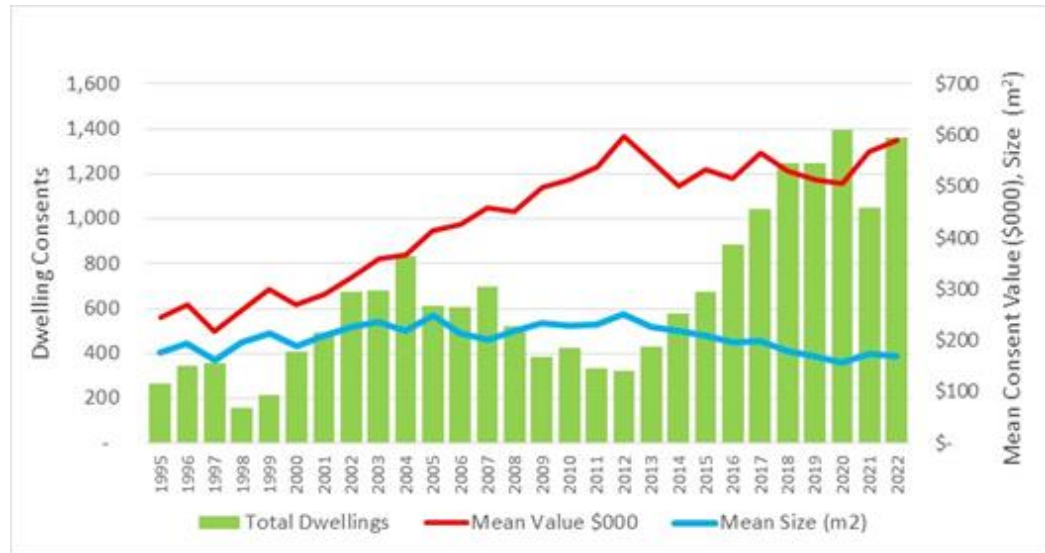
the growth. In 2023, new town houses and units (46%) exceeded detached dwellings (45%) for the first time (Figure 4). The Queenstown pattern is broadly similar to the national trends, with town and terrace house numbers increasing substantially, while apartments remain a relatively small segment of the total market.

Figure 4: New Dwellings Consents: Queenstown-Lakes District



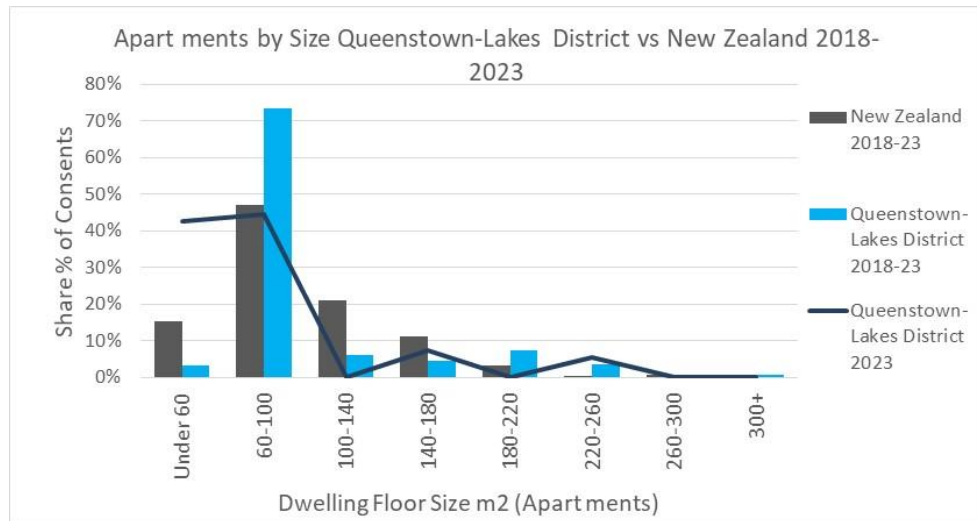
58 The value and size of new dwelling consents in the district is shown in Figure 5. Mean consent values remained relatively stable in real terms over the past decade, though increasing in the 2023 year. However, in real \$2022 terms, mean values per dwelling have been within the \$500-\$590,000 range over the last 15 years. The mean values and size trends have been driven mainly by the increase in town and terrace houses, as the mean value of detached dwellings has continued to increase (+4.6%pa) while the increase in town and terrace houses has been much lower (+0.5% pa). Detached dwellings values remain at more than twice the terrace house value.

Figure 5: New Dwelling Consents by Size and Value: Queenstown Lakes 1995-2022



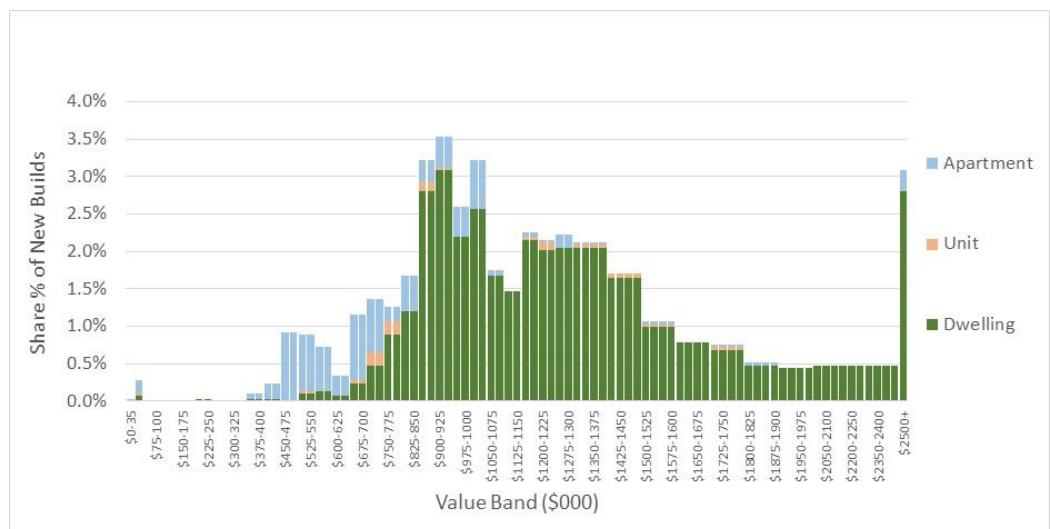
- 59 An important aspect suggested from this analysis is that the property development sector for attached dwellings is already established and operating within the Queenstown market. In my view, this is likely to reduce the risk and increase the likelihood and ability for the market to deliver these types dwellings. This differs to a situation where attached dwellings are not well established and would form an untested option for developers within the local market.
- 60 Apartments accounted for a small share of the total increase in supply, making up 9% of new dwellings consented over the last 5 years – similar to the national share – but this share has declined. In the 2023 year apartments accounted for just 4% of new dwellings consented, less than half the national total (9%). Queenstown’s count in 2023 of just 54 was only one-quarter of the peak number observed in 2019. The consent statistics indicate that apartments in Queenstown Lakes are larger (110m²) than the national average (98m²), and close to the mean size for town and terrace houses in the District (117m²). That said, the consent statistics also indicate that the majority of apartments are in the 60-100m² size band (Figure 6).

Figure 6: New Apartments Consents by Size (m2) – Queenstown Lakes 2018-2023



61 Figure 7 shows the type and value of new dwellings built in Queenstown in the 2018-2021 period. This draws from detailed statistics from Corelogic NZ on 2,923 new properties, identified by type, size (floorspace m²) and value. This offers a close view of nature of new builds in the current market. It shows that attached dwellings are concentrated in the mid to lower value parts of the dwelling market. They account for a large proportion of the lower value dwellings.

Figure 7: New Dwellings by Type and Value – Queenstown Lakes 2018-2021



Additional Dwelling Capacity in the TPLM Variation Area

- 62 I have considered the effect of increasing dwelling capacity in Queenstown from the TPLM Variation. My recent Urban Intensification Plan Variation capacity modelling (paragraphs 41 to 42) shows that both the existing baseline plan enabled capacity and that enabled under the proposed Urban Intensification Variation are large relative to projected long-term demand when considered at the total urban area level. The TPLM Variation would further increase the dwelling capacity. If developed at the yields stated within the TPLM Masterplan (approximately 2,000 to 2,400 dwellings), this would increase the district's urban capacity by a further 3% to 4% from that enabled under the baseline provisions.
- 63 In my view, it is appropriate and important for plan enabled and commercially feasible dwelling capacity to exceed demand. Only a portion of the capacity is likely to be available to or taken up by the market to be developed into dwellings.
- 64 I also consider that the sufficiency of dwelling capacity at the total urban area level forms only one component in assessing the ability for Queenstown to meet long-term housing demand and the appropriateness of the TPLM Variation proposal within this context. The location and type of dwelling development opportunity enabled under each planning scenario are not neutral. These are key factors that relate to the sufficiency of development opportunity in response to the level of *relative* demand that occur across different locations and parts of the market within the urban environment. It is important to provide choice and location to the market to provide a range of different locations that are appropriate for development.
- 65 I consider that the development patterns enabled under the TPLM Variation have an efficient location relative to current and future patterns of development in Queenstown's spatial economic structure. My assessment of the development opportunity provided by the TPLM Variation is that it is likely to increase the range of dwelling types and range of values in the eastern corridor part of Queenstown. Diversifying the dwelling mix in this location is important in meeting relative demand through better aligning with long-term patterns of community demand. I

consider that that these aspects are important to achieving a well-functioning urban environment in this location over the long-term.

Proposed Dwelling Densities

- 66 I have examined the proposed provisions for residential development in the TPLM Variation area. I have assessed the minimum required densities together with the precinct land areas, minimum heights and other provisions affecting the enabled dwelling development patterns in the TPLM Variation area. Taking into account these provisions, I have assessed the patterns of dwelling development to achieve the required minimum densities. Importantly, I have examined the required dwelling typology mix and associated densities.
- 67 The next stage of my assessment then compared these development patterns with the current and projected future development market in Queenstown as outlined in the previous sections of my evidence. During this process, I considered the dwelling mix patterns in relation to the assessed dwelling feasibility, the alignment of the dwelling mix and densities with the recent patterns of development in Queenstown, and the alignment with the projected patterns of future dwelling demand and market size. Finally, I have considered the overall dwelling mix likely to be delivered by the proposal and its contribution to the dwelling value profile and typology mix in the eastern corridor part of Queenstown.
- 68 I understand that the total resulting dwelling yield required to support transport objectives of the TPLM Variation forms one factor in the development of the proposed dwelling densities within the HDR and MDR precincts. My assessment considers the development patterns required to achieve the proposed densities and their feasibility within the Queenstown market. I have not assessed the public transport modelling assumptions in relation to the timing of dwelling development.
- 69 My assessment of the dwelling development patterns to achieve the required minimum densities within the TPLM Variation precincts is summarised in Tables B-1 and B-2 in **Appendix B**. Table B-1 displays a scenario (“low apartment scenario”) with a smaller share (5%) of the High Density Residential (**HDR**) Precinct land area developed into higher density, vertically-attached apartments, and Table B-2 displays a scenario (“high apartment scenario”) with a higher share, at 10% of the HDR Precinct land area. The minimum densities are able to be achieved

under the low apartment scenario, however the high apartment scenario has been provided to show a range of outcomes. Under this scenario, by developing an increased area as apartments, the remainder of the area could be developed at a lower intensity, with nearly half (46%) of total TPLM area dwellings and 70% of the land area developed as either detached/lower intensity attached dwellings.

- 70 The upper portion of the tables show the development patterns applied in each precinct type. They show the dwelling typology mix, characteristics and densities in each area type. The lower portion of the tables then summarise the overall resulting dwelling mix across all precincts. The first set of columns show the estimated dwelling mix in each precinct; the middle set of columns show the corresponding total land areas; and the final two columns show the resulting average land areas per dwelling (net) and dwelling densities per ha. The precinct land areas were obtained from the Draft TPLM Masterplan yield assessment (as noted in the table) as well as the dwelling yields in the commercial precincts.
- 71 Testing the required dwelling mix within the Medium and High Density Residential Precincts to achieve the overall minimum densities formed a key aspect of my assessment. In the HDR Precinct, I examined specifically the share of dwellings and land area needed to be developed at higher densities as vertically-attached apartments. This forms a key consideration as vertically-attached apartments are currently less established in the Queenstown development market, typically have higher associated risk and have lower demand.
- 72 The calculations in the Appendix B tables are based on the gross developable land areas of the HDR and MDR precincts. They use the mapped areas of the HDR precincts (C1, C2, E1 and F1) and MDR precincts (A1, A2, B1, B2, F2 and G1) displayed in the map on page 100 in the TPLM Masterplan Report. I have excluded a further 15% of these areas for stormwater, which has been considered as undevelopable land. I have excluded dwelling capacity on reserves outside of these precincts and have excluded the potential school site areas as indicated in the map.

Higher Density Residential Precinct Dwelling Development

- 73 The first row of Tables B-1 and B-2 shows the likely required level of development as vertically-attached apartments across the HDR Precincts. It shows that only a minor portion of the HDR Precinct would need to be developed as vertically-attached apartments to achieve the minimum density of 60 dwellings per gross hectare. I estimate that approximately 5% to 10% of the HDR Precinct land area would need to be developed as 6 storey apartment buildings, amounting to approximately 2% to 4% of the precinct developable land area (excluding the open space precinct, school sites and identified reserves). I also note that the full precinct area could theoretically be alternatively developed as intensive 3 storey terraced housing to achieve the overall minimum density. However, I consider it is more likely that at least a minor portion will be developed at higher densities in response to future market growth and diversification of the dwelling mix to correspond with different parts of the market.
- 74 Applying conservative development assumptions (30% site cover and 80m² gross average apartment size, based on analysis of recent apartment developments in Frankton), if this area were developed at 6 storeys, then I estimate it could accommodate approximately 165 to 333 apartment dwellings across 3-8 apartment buildings. This would amount to 14% of the HDR Precinct dwellings and 8% of dwellings overall under the low apartment scenario, and 28% of the HDR Precinct dwellings and 17% of the dwellings overall under the high apartment scenario. Combined with an estimated 120 apartments in the Commercial Precinct area (as estimated in the draft TPLM Masterplan, but not subject to minimum density targets), this equates to 14% to 23% of the dwelling mix. I note that my findings from the lower apartment scenario are consistent with the draft TPLM Masterplan example HDR Precinct yield assessment, which suggests that 15% of dwellings developed as 6-storey vertically-attached apartments to achieve the required minimum densities.
- 75 Based on my assessment in Appendix B, I estimate that nearly all of the HDR Precinct could potentially be developed in attached dwelling typologies that are significantly less intensive than vertically-attached dwellings. In particular, these are instead horizontally-attached dwellings, including 3 storey attached walk-up dwellings, terraced

houses, and a smaller share of lower intensity duplexes. My assessment (in the recent development pattern section above) shows that these typologies are already well established within the Queenstown market and form the largest share of recently delivered new dwellings. My experience in dwelling feasibility modelling shows these typologies generally have lower construction costs, greater market acceptance (demand and supply side) and have lower risk for developers.

- 76 In my view, the potential timing of development is an important aspect when assessing the viability of the proposed provisions. I consider that it is likely that the precinct areas will develop gradually through time in line with growth in market demand. In my view, this creates potential for different parts of the development to occur in line with growth in the market size and changes in patterns of demand for different dwelling types. I consider that the small share of land area required to be developed as higher density vertically-attached apartments could occur in the medium to long-term as the market becomes more established and feasibility increases. This means that most of the HDR and MDR precinct area is able to be developed at densities and typologies that are already well established, ahead of the more intensive vertically-attached apartments. If undertaken in this way, developers would therefore be likely to be able to achieve returns from much of the development with growth in line with household growth, starting in the short to medium-term, rather than potential returns further into the future when higher density development becomes more feasible.
- 77 Overall, the number of dwellings required across the TPLM Variation area to meet minimum densities (as set out above in paragraph 72), equates to around 16% to 17% of the total long-term dwelling demand (including an NPS-UD competitiveness margin) in Wakatipu Ward. I estimate that the combined (high density and commercial precincts) vertically-attached apartment dwellings (approximately 285 dwellings) under the low apartment scenario would amount to 11% of Wakatipu Ward long-term apartment demand under a higher market shift scenario, and 29% under a scenario where demand patterns remain fixed in relation to recent past patterns of development. Under the high apartment scenario, it would amount to 17% to 46% of Wakatipu Ward long-term apartment demand.

Medium Density Residential Precinct Dwelling Development

- 78 I have also assessed the dwelling development patterns required to achieve the minimum densities within the MDR Precinct areas (see Appendix B). These areas require a combination of development at the medium-density attached dwelling scale. I estimate these are likely to occur as a combination of terraced/horizontally-attached walk-up dwellings and duplex or other lower intensity semi-detached dwellings. The average land areas per dwelling in the second to last column of Tables B-1 and B-2 reflect the lower intensity of these dwellings.
- 79 Based on my examination of the recent new dwelling development patterns in Queenstown (outline above), I consider that this development pattern is already likely to be feasible in line with the level of growth in market demand. I note that medium density dwelling development is occurring on a geographically widespread basis across the Wakatipu Ward, corresponding to sizeable portions of market demand in each location.
- 80 I estimate that the combined medium density dwellings across the MDR and HDR Precincts (approximately 1,400 to 1,600 dwellings) would amount to around 30% to 34% of long-term projected medium-density attached dwelling demand in the Wakatipu Ward.
- 81 I consider that a share of the lower intensity medium-density dwellings (i.e. duplex/lower intensity attached, which I estimate at around 32% to 39% of the total dwelling yield) may potentially also meet a minor portion of detached dwelling demand (beyond that already modelled in the demand high market shift scenario). I consider that there may be a level of demand substitutability across dwelling typologies, particularly where attached dwellings are less intensive and are able to provide a share of the dwelling utility value and function of a detached dwelling (e.g. adequate size and outdoor land area). This may occur in the context of Queenstown's market where prices are high and dwelling affordability is consequently lower.

Effect on Dwelling Mix

- 82 I have considered the effect of the dwelling development pattern on the overall dwelling mix. Importantly, I have examined this within the surrounding dwelling market context of Queenstown's eastern corridor. I consider that it is important to examine the effect of the TPLM Variation

area within at least this broader geographic context as it functions together with surrounding areas in meeting household demand that arises at this broader geographic scale.

- 83 The eastern corridor area is currently dominated by lower density detached dwellings on full sites, with a sizeable share as larger dwellings. There are only limited occurrences of attached dwellings with smaller land areas. My earlier analysis (see Figure 7) has shown that detached dwellings are higher in value and less affordable than attached dwellings, and have continued to increase in value through time.
- 84 My estimation of the potential dwelling development patterns of the TPLM Variation area (lower portion of Table 2) suggests that it is likely to deliver a range of dwelling typologies that predominately occur within the lower part of the dwelling value profile. This is achieved through a combination of smaller land areas per dwelling and a wider range of dwelling sizes. The inclusion of MDR and HDR Precinct areas means that smaller dwellings are able to be feasibly achieved in this part of Queenstown, where dwellings have previously been scaled to either the larger site size requirements of the Lower Density Suburban Residential Zone or previous patterns of market demand.
- 85 I consider that the TPLM Variation area is likely to consequently increase the mix and value distribution of dwellings within the eastern corridor area. I therefore consider that it is likely to contribute to achieving a well-functioning urban environment within the eastern corridor area over the medium to long-term. Furthermore, I consider that increasing the dwelling offering at the lower part of the market is also likely to increase housing affordability for current and future households in these areas.
- 86 If the TPLM Variation precincts were alternatively developed at lower densities consisting mainly of detached dwellings, then I consider this would result in a less efficient outcome. In my view, development of significantly larger shares of the TPLM Variation Precincts at lower densities would:
- (a) reduce the potential dwelling yield of the area, increasing the land area required to meet Queenstown's future housing demand;

- (b) result in more expensive dwellings (relative to those likely to occur under the proposed densities) that would have reduced benefits for housing affordability;
- (c) result in a decreased dwelling mix through a continuation of existing detached dwellings; and
- (d) result in lower localised household demand within the precinct area that would reduce the commercial viability of the centre and the level of amenity for the catchment area it serves.

Development Opportunity Effect on Urban Form and Spatial Economic Structure

- 87 I consider that establishing a node of medium to higher density residential development is likely to form an efficient location for this growth relative to Queenstown's wider spatial economic structure.
- 88 Growth in the TPLM Variation location would occur within the primary catchment area of the large emerging core of economic activity within the Frankton and Remarkables Park area. This economic activity is both a large employment hub as well as providing a high level of amenity to surrounding households.
- 89 I consider that the recent increased commercial growth within the Frankton and Remarkables Park area is likely to support the viability of apartment development across a broader geographic area beyond the central areas of Queenstown Town Centre. I note there are recent higher density apartment developments occurring within Frankton and the Remarkables Park area. A share of these are occupied by residential households, with a sizeable share as commercial accommodation.
- 90 In my view, the dwelling mix likely to be delivered by the TPLM Variation is likely to form a viable housing option for part of the local labour force within this commercial area.
- 91 I also consider that a node of dwellings within the TPLM Variation area is likely to generate local demand for the proposed commercial activity within the TPLM Variation area. In my view, sustaining commercial activity in this location will increase the local amenity to households located within the eastern corridor and I understand this is supported by

the evidence of Natalie Hampson who is providing evidence on retail economic matters. Ms Hampson's evidence notes that the proposed Commercial Precinct is expected to be commercially viable and will substantially increase the functional and social amenity of trade catchment residents, workers and visitors.

Responses to Submissions

92 I have reviewed the submissions that comment on matters relevant to my evidence. I respond to the key matters raised below.

Commercial Feasibility of Minimum Dwelling Densities

93 Several of the submissions consider that the proposed minimum dwelling densities in the MDR and HDR Precincts are unlikely to be commercially feasible.² Glenpanel Development Limited (submitter 73) and Sanderson Group and Queenstown Commercial (submitter 93) consider that the higher cost of vertically-attached apartments relative to other forms of intensification, is likely to decrease their feasibility. Jane Hamilton (submitter 119) considers that higher density development is unlikely to be feasible and identifies other locations where zoned provision for higher density development has not been developed, or developed after a significant time period.

94 The submissions have sought changes to the proposed densities and enabled dwelling typologies within these areas to increase the viability of development. These are set out as follows:

- (a) Ladies Mile Property Syndicate (submitter 77) and Winter Miles Airstream Limited (submitter 94) seek a reduction in the minimum density in the HDR Precinct to 40 dwellings per hectare, with the removal of the requirement to achieve this across the gross developable area. Winter Miles Airstream Limited also seeks the ability to develop detached dwellings in this area.
- (b) The Sanderson Group and Queenstown Commercial (submitter 93) seeks either the reduction of minimum densities in the HDR Precincts to 40 dwellings per hectare, or the calculation of a 60 dwelling per hectare limit across the net parcelled area. They also

² Glenpanel Development Ltd (submitter 73), Ladies Mile Property Syndicate (submitter 77), Winter Miles Airstream Limited (submitter 94), Maryhill Limited (submitter 105).

seek the application of this density at a site level (rather than across the precinct) as one developer could develop at a different density and consequently affect the development opportunity of a separate developer within another part of the same precinct.

(c) Glenpanel Development Limited (submitter 73) seeks a reduction in the MDR Precinct minimum density to 25 to 30 dwellings per hectare across the gross developable area. It also seeks the provision for detached dwellings.

(d) Maryhill Limited (submitter 105) seeks a reduction in the minimum density to 40 dwellings per hectare within the HDR Precinct.

95 Kāinga Ora (further submitter 136) opposes any reduction to the notified proposed minimum densities within the MDR and HDR Precincts. It considers that a reduction in densities would not achieve the outcomes of medium to high density development within the precincts.

96 I have examined the notified proposed dwelling densities in paragraphs 66 to 81. As set out in my assessment, I consider that only a minor portion of the land area within the HDR Precinct would need to be developed at higher densities to achieve the overall density provisions. My assessment found that almost all of the development could occur in dwelling densities that are already well established within the Queenstown market, and have formed the largest share of consents for new dwellings over the past few years. I note that there are higher density developments recently occurring in Frankton and consider that the market for this type of development is likely to become more feasible in the medium to long-term.

97 I consider that the alternative densities proposed in submissions by Ladies Mile Property Syndicate (submitter 77), the Sanderson Group and Queenstown Commercial (submitter 93) Winter Miles Airstream Limited (submitter 94) are likely to be less appropriate and result in lower economic benefits for the community over the long-term. In combination, the provisions proposed by Ladies Mile Property Syndicate and Winter Miles Airstream Limited could result in significantly lower development densities occurring in these areas that are likely to deliver significantly lower economic benefits in terms of dwelling affordability and the support for the viability and vitality of the commercial centre that would otherwise be more likely to occur through greater intensification.

- 98 If densities in the HDR Precinct were reduced to 40 dwellings per hectare and achieved across only the developed net parcelled area (i.e. with the removal of the requirement for the gross developable area), then this could result in the equivalent of a density of 30 to 34 dwellings per ha (across the gross developable area).
- 99 If the density were calculated based on the net parcelled area (i.e. 40 dwellings per hectare of final parcelled area), then this would result in an overall average site size of 250m² per dwelling. I consider that this is relatively large and could potentially result in a development pattern where a high portion of the lots were formed with larger dwellings (in comparison to the precinct development patterns described in the TPLM Masterplan). For example, a developer could develop 70% of a land area as detached dwellings (which are also sought in the submission) on 300m² lot sizes, with the remaining 30% as terraced houses, with an average land area of 133m² per dwelling. In my view, this would form a less efficient outcome and result in lower economic benefits to the centre and wider community than the proposed densities.
- 100 In my view, the HDR and MDR Precinct areas cover relatively large land areas within the context of medium-term development patterns and projected dwelling demand timeframes in Queenstown's urban area. I understand that development of a dwelling mix with an overall average density reduced from that proposed for the precincts is likely to enable existing landowners to develop greater shares of their land within shorter time periods than at the notified minimum densities. I agree that this may provide a lower risk option for developers where returns can be achieved within shorter time periods and with greater market certainty. However, I consider that the proposed densities are likely to encourage development patterns that create a more sustainable urban form and increased community benefit over the medium to long-term. I note also that development of this area over the medium to long-term at the proposed residential densities is likely to create greater returns for landowners over this time-period than the much lower currently enabled rural lifestyle densities.
- 101 I agree that the proposed minimum densities for the MDR and HDR Precincts are relatively high in relation to general suburban development patterns across the current Queenstown market. I have also compared the overall averages with other subdivisions, including Hobsonville in

Auckland, as highlighted by Ladies Mile Property Syndicate (submitter 77) and Maryhill Limited (submitter 105). However, I consider that the proposal is for a more intensive node of activity at this location (rather than a general suburban development) and therefore it is appropriate to encourage the development of more intensive dwellings generally at the lower end of the size distribution (in terms of land and floorspace). In my view, it is important to consider the distribution of dwelling sizes and types across a broader geographic scale (such as the eastern corridor) to assess their alignment with long-term patterns of community demand.

- 102 I consider that it would be less appropriate to enable development of detached dwellings within the MDR Precinct. In my view, the inclusion of this typology is not required within the TPLM Variation area to achieve a well-functioning urban environment. It is instead appropriate to consider the range of housing types as it occurs across the broader geographic area of the eastern corridor, which already contains large shares of detached dwellings. I note that opposes the provision of detached dwellings in this location as they are inconsistent with medium density development patterns.
- 103 I agree with the Sanderson Group and Queenstown Commercial (submitter 93) that the required development densities of each individual development are not independent from development across the wider precinct. In my view, it would therefore be appropriate to investigate planning mechanisms that would manage the increase in density requirements for developments occurring at later stages of the development.
- 104 In response to Glenpanel Development Limited's submission (submitter 73), I note that the provisions enable flexibility for a development to produce a range of dwellings at different sizes to achieve the minimum density overall. I have examined the development patterns to achieve the minimum densities within the precincts and consider they provide flexibility for the market to produce a range of dwelling types that align with existing levels of activity in the market. For example, the tables in Appendix B shows that if 30% of the MDR Precinct land area were developed as terraced housing at an average site size of 122m² per dwelling, then the remaining 70% of the land area could be developed at an average of 215 m² net land area per dwelling.

- 105 The submissions correctly identify the higher per m² construction cost of higher density vertically-attached apartments. While construction costs are higher, the cost is offset by lower land area per dwelling requirements and, when market demand allows, greater overall dwelling yields. I have considered these factors, which inform my support for increased building heights of 6 to 8 storeys as addressed in paragraphs 116 to 118.

Higher Density Residential Development

- 106 Several submissions consider that Ladies Mile is a less appropriate location for increased higher density dwelling supply.³ They consider that more affordable housing for workers should instead be located closer to the Queenstown town centre or Frankton. A number of submissions also object to higher density development generally,⁴ with some submissions also considering that the dwellings are unlikely to/may not be affordable for workers.⁵ Submissions by No 1 Hansen Road Limited (submitter 85) and Nicky Martin (submitter 117) were also received in support of the location for higher density development and its ability to increase housing affordability.
- 107 I consider that the TPLM Variation area forms an appropriate and efficient location for additional smaller dwelling supply. The proposal will increase the range of dwelling options available within the eastern corridor area, increasing the ability to meet longer-term housing need for a wider range of the community. It would provide lower cost housing options within proximity to the Frankton commercial area, which forms an important employment hub in Queenstown. I consider that increasing the supply of cheaper dwellings in this location is not mutually exclusive with increasing their supply in other Queenstown locations.
- 108 In my view, the residential development patterns encouraged in the TPLM area are likely to deliver more affordable dwelling options than the existing supply of dwellings in the eastern corridor. My analysis in

³ Ian Moore (submitter 11), Samuel Belk (submitter 20), Nadia Lisitsina (submitter 23), Lois Martin (submitter 32), Peter Chudleigh (submitter 35), Robert Burnell (submitter 47), Nicky Busst (submitter 49), Lake Hayes Estate Community Association (submitter 79), Andrew Morris (submitter 91), Louise McQuillan (submitter 98).

⁴ Nicholas Crouch (submitter 15), Nicole Fairweather (submitter 21).

⁵ Lois Martin (submitter 32), Robert Burnell (submitter 47), Lake Hayes Estate Community Association (submitter 79), Stephen Brent & Sheena Haywood (submitter 92), Louise McQuillan (submitter 98), Tim Allan (submitter 103).

paragraphs 58, 61, and 82 to 86 shows that these type of dwellings are likely to occur in the lower dwelling value bands.

Increased Housing Capacity

- 109 Several submissions consider that the proposed TPLM Variation area is not required as dwelling capacity in Queenstown already exceeds long-term projected demand.⁶ Submitters note that dwelling capacity is further increased in the QLDC housing intensification plan change. Some submissions also consider that there is already sufficient dwelling capacity in the existing dwelling stock within the district.⁷
- 110 I address these submissions points at paragraphs 62 to 65 above. In short, I consider that the total capacity forms only one factor in assessing the appropriateness of the proposal. It is important that capacity exceeds demand as only a portion of capacity will get taken up by the market. The proposal is located efficiently within Queenstown's spatial economic structure and will provide choice and location to the market in this location.

Western Expansion of the TPLM Area

- 111 The Trustees of the Anna Hutchinson Family Trust (**Anna Hutchinson Family Trust**) (submitter 107) seek the expansion of the TPLM area to include a further approximately 20 ha land area. It would result in a western linear expansion of the TPLM Variation area. The additional area would predominantly consist of MDR Precinct area, with a smaller amount of LDR Precinct in the northern part of the proposed area.
- 112 I consider that the proposed 20ha expansion would result in a substantial increase to the size of the TPLM. It compares to the notified gross developable area of around 20 ha within the HDR Precinct, 14 ha within the MDR precinct and 14 ha within the LDR Precinct (excluding stormwater areas).
- 113 I do not support the proposed expansion of the TPLM MDR Precinct area sought by the Anna Hutchinson Family Trust for the following reasons:

⁶ Lois Martin (submitter 32), Celine Austin (submitter 57), Lake Hayes Estate Community Association (submitter 79), Jane Hamilton (submitter 119).

⁷ Sarah and Blair O'Donnell (submitter 67), John Alexander (submitter 70).

- (a) I consider that the total area of the TPLM is already large relative to medium-term projected growth across the Wakatipu Ward. Further expansion of the TPLM MDR Precinct area would increase its scale of the development relative to the level of projected growth.
- (b) The relatively large scale of the TPLM in comparison to medium-term growth means that any proposed MDR Precinct expansion would be more likely to disperse growth across the development area rather than increase the total level of growth occurring in the area. This would therefore be likely to dilute the pattern of growth across the TPLM area over the medium-term while demand increased through time to take-up the additional capacity within the area.
- (c) In my view, the additional MDR Precinct proposed area forms a less efficient location for medium-density development than other parts of the TPLM. It is located further from the proposed commercial centre than other MDR and HDR precinct areas.
- (d) Within the context of the above market size and capacity location factors, I therefore consider that if medium density growth were to occur in the additional MDR Precinct proposed area, then it would be likely to reduce the level of intensification that would otherwise occur in more efficient parts of the TPLM surrounding the proposed commercial centre. This would be likely to reduce the economic benefits of supporting the viability and vitality of the commercial centre generally associated with intensification around centres.

114 While I do not support the proposed expansion of the MDR Precinct in this location, I consider that it may form an appropriate location for further LDR Precinct area. The proposed location is within the eastern extent of the urban edge and is closer to core areas of amenity in Frankton as well as that within the TPLM commercial centre. In my view, residential development at a significantly reduced scale (from that in the proposed MDR Precinct provisions) would be unlikely to dilute medium and higher density residential intensification from occurring in other locations across the precinct. However, I accept there may be other factors that may make this location less appropriate for urban residential development.

Proposed Building Heights

- 115 Several submissions consider that building heights within Ladies Mile should be restricted to levels below those proposed in the TPLM Variation.⁸ They consider that permitted building heights should instead be restricted to around 12 to 13 metres or three storeys. No 1 Hansen Road Limited (submitter 85) was in support of the proposed building heights, and the Sanderson Group and Queenstown Commercial (submitter 93) were seeking to increase building heights to 8 storeys (32m) to increase feasibility of higher density development.
- 116 In my view, increases in enabled building heights may increase the feasibility of development, provided there is sufficient market demand to take up the added dwelling capacity. I consider it is important that the height provisions within areas where higher density residential development is appropriate, are sufficient to enable the feasibility of development, noting that feasibility depends on a number of factors.
- 117 Increased heights enable greater dwelling yields to be achieved, which help to offset the higher land and development costs from this form of development. An examination of the construction costs per unit of vertically-attached apartment dwellings indicates that these are highest for three to four-storey buildings. This is due to the higher construction costs between horizontally-attached two to three-level walk-up apartments and vertically-attached typologies. The additional construction aspects associated with this typology (e.g. lifts and construction materials) are spread across a limited number of units at three to four-storeys, therefore often generally reducing the level of feasibility.
- 118 On the basis of these factors, I consider that a building height of at least that proposed (six storeys) within the HDR Precinct is appropriate. I also consider that an increase to 8 storeys, as sought in the submission of the Sanderson Group and Queenstown Commercial (submitter 93), may also be appropriate. In my view, buildings of 6 to 8 storeys are appropriately scaled in relation to market demand and the distribution of

⁸ Shane Pratley (submitter 41), Kim Netzler (submitter 50), Blakely Wallace Family (submitter 74).

higher density development across Queenstown, and are likely to increase the feasibility of development.

Super Lot Subdivision

- 119 Ladies Mile Property Syndicate (submitter 77) and Sanderson Group and Queenstown Commercial (submitter 93) consider that the subdivision rules do not make provision for the formation of super lots. This is because they require the concurrent application of land use consents for apartment buildings. This may reduce the ability to form super lots for sale to the property market to subsequently develop them into dwellings. This may occur where the lots and dwellings are formed by separate parts of the market rather than in a structure where the land developer also produces the dwellings. These lots are important for the delivery of integrated attached dwellings such as apartments or townhouses.
- 120 I agree that the formation of super lots is important for the provision of more intensive attached dwellings. Larger lots are a key component of the feasibility of attached dwellings. I therefore consider that it is important for planning provisions to enable the formation of super lots in market situations where the production of lots vs. dwellings are undertaken by separate agents within the market. However, I understand that QLDC consider there are infrastructure constraints in adopting such an approach and that this issue is dealt with more generally in the s42A Report.

Area Specific Changes

- 121 Jo and Matt Dobb (submitter 37) seek the rezoning of 13 Ada Place (0.99 ha land area) in the Lake Hayes Estate subdivision to either Medium Density Residential or Lower Density Suburban Residential zones. I consider that it may be appropriate for this property to develop at a lower density urban residential scale. However, I note that this would increase the dwelling yield in this location, which may impact the transport network. I do not support medium density residential development at this location as I consider that it may dilute intensification from occurring in more appropriate areas around the edges of the commercial centre within the TPLM.
- 122 Doolittle & Sons Limited (submitter 81) seeks the rezoning of 466 Frankton-Ladies Mile Highway (0.85 ha land area) to either commercial

or high density residential uses. I do not support these uses in this location. I consider commercial land uses would disperse the TPLM commercial activity across a larger area and therefore dilute the core commercial centre area that is more appropriately located within the TPLM. I also consider that higher density residential development may dilute residential intensification from occurring in more appropriate areas around the edges of the commercial centre within the TPLM.

Low Density Residential Provisions

- 123 Several of the Low Density Residential (**LDR**) Precinct landowners have made submissions seeking changes to the residential provisions in the H1, H2 and I precinct areas.⁹ They consider that the PDP Lower Density Suburban Residential (**LDSR**) Zone should instead be applied to these land areas, noting specifically the requests for the PDP zone density provisions and provisions for residential flats to apply. I note that Gary Erving (submitter 51) opposes the provision for residential flats in these areas and the Corona Trust (submitter 99) opposes the intensification of the H2 precinct area.
- 124 I agree with these submissions that provision for residential flats (up to 70m²) within the LDR Precincts would be likely to be appropriate.¹⁰ In my view, provision for minor dwellings would increase the dwelling mix (size and value) within this location, providing increased choice for a greater range of household types. Development at this scale would be consistent with the LDR Precinct suburban densities and would be unlikely to dilute the concentration of smaller attached dwellings within the central parts of TPLM.
- 125 I also agree, from an economic perspective, that the PDP LDSR minimum site size of 300m² is likely to be more appropriate in this location than the proposed 450m² minimum site size. In my view, this lot size would still be likely to accommodate detached dwellings at a suburban scale consistent with the intended pattern of development within the precinct.

⁹ Caithness Developments Limited (submitter 45), Shotover Country Limited (submitter 46), Koko Ridge Limited (submitter 80).

¹⁰ Caithness Developments Limited (submitter 45), Shotover Country Limited (submitter 46), Koko Ridge Limited (submitter 80).

- 126 I note that the application of the PDP LDSR zone densities and the provision for residential flats is likely to increase the total dwelling yields in this location. While I consider this may be appropriate from an economic perspective, I understand this may have transport network effects.
- 127 Koko Ridge Limited (submitter 80) also considers that a range of lot sizes should be provided for within the H2 precinct, with the ability to form up to three separate titles on each lot. They consider that a range of lot sizes would enable a suburban scale density that would better meet future household needs in the precinct.
- 128 I consider that it would be beneficial to encourage a range of lot sizes in the LDR Precinct areas. A range of lot sizes would provide greater opportunity to scale a range of dwellings to suit a wider range of community demand in this location. However, I consider that the formation of multiple titles from existing lots needs to occur together with appropriate provisions around lot sizes and the scale at which this would apply. It is important that provisions are appropriately established to avoid the spread of more intensive development in this location that may dilute the intensification that would otherwise occur in the MDR and HDR Precincts.

Residential Flats in Medium and High Density Precincts

- 129 Sanderson Group and Queenstown Commercial (submitter 93) also seeks an allowance for residential flats to be enabled in the MDR and HDR Precincts.
- 130 I consider that an allowance for residential flats may be appropriate in these locations to the extent they can be achieved within the enabled typologies. I agree that residential flats may increase the economic feasibility of households to occupy the primary dwellings. I also consider that residential flats may increase the dwelling options available at the lower end of the market.

Greenfield Development, Urban Expansion and Ability to Deliver Affordable Dwellings

- 131 Several submissions raise concerns about the outward urban expansion or urban development within this part of this district.¹¹ They variously consider that the proposal would result in further urban sprawl, that the area should remain either lower density residential or rural zone, have a lower permitted overall dwelling yield or that increased densities in this location would be inconsistent with the surrounding rural character. Several submissions also consider that greenfield urban expansion and TPLM are unlikely to result in affordable dwellings.¹² Hanan Ralph (submitter 111) considers that dwellings are likely to be purchased by non-local investors and therefore be unavailable as affordable dwellings to the local market. Glenpanel Development Limited (submitter 73) supports the expansion of the urban growth boundary at this location.
- 132 I disagree that the proposal would result in further urban sprawl or is able to be characterised as a similar expansion of existing lower density development patterns in this location. The location is closer to Queenstown's main central commercial centres than other parts of the eastern corridor. It would form a node of activity that would increase the amenity to existing urban development in the surrounding areas.
- 133 I also consider that the provisions for residential development in the proposal mean that it would form as a denser node and differ substantially to further lower density outward urban expansion. I also note that increasing dwelling supply through establishing a centralised node of smaller, cheaper dwellings may reduce the pressure for further outward urban expansion in other locations.
- 134 In paragraph 86 I set out why I consider that lower density urban development options of TPLM would form a less efficient outcome.
- 135 I disagree with the submitters that urban expansion in this location will be unlikely to result in more affordable dwellings. I have addressed this

¹¹ Keryn Smith (submitter 12), Vladimir Noskov (submitter 16), Allan Meredith (submitter 22), Bill Yuil (submitter 42), Kim Netzler (submitter 50), Anthony Stack-Forsyth (submitter 72), Lake Hayes Estate Community Association (submitter 79), Robyn Macleod (submitter 109).

¹² Celine Austin (submitter 57), Sarah and Blair O'Donnell (submitter 67), Maree Wheeler (submitter 76), Philippa Crick (submitter 97), Hanan Ralph (submitter 111), Jane Hamilton (submitter 119).

above in response to submissions in paragraph 108. My analysis in paragraphs 58, 61, and 82 to 86 shows that these type of dwellings are likely to occur in the lower dwelling value bands.

- 136 I disagree with the submission of Ralph Hanan (submitter 111) that the non-local purchase of dwellings would prevent the accessibility of the affordable dwellings to the local market. I consider that non-locally owned dwellings may be offered to local households within the rental market. Some lower income households are unable to afford the purchase price of a dwelling, but are able to occupy these dwellings at a lower cost through the rental market. A significant share of Queenstown's local workforce is also seasonal or workers not seeking a long-term location option. The rental market would therefore be more likely to be a more viable option to these households and workers.

Visitor Accommodation Provisions

- 137 Several submissions seek allowance for visitor accommodation to occur within different parts of TPLM.¹³ They consider that visitor accommodation may increase the viability of development and dwelling options for household owners. In contrast, there are other submissions that support the non-complying activity status of visitor accommodation to protect the dwelling stock for occupation by the local Queenstown resident community.¹⁴
- 138 I do not support the provision for residential visitor accommodation within the LDR and MDR Precincts. I agree that provision for visitor accommodation may improve the household economic position for some households to enable them to more easily occupy dwellings within the area. However, I consider that enabling residential visitor accommodation is also likely to reduce the availability of dwellings for the residential household population where the dwelling is utilised only as visitor accommodation.
- 139 I support a limited provision of visitor accommodation in higher density apartment building developments within the HDR Precincts. I consider that enabling some visitor accommodation within these buildings may

¹³ Glenpanel Development Limited (submitter 73), Ladies Mile Property Syndicate (submitter 77), Sanderson Group and Queenstown Commercial (submitter 93), Winter Miles Airstream Limited (submitter 94).

¹⁴ Gary Irving (submitter 51), Charlie Evans (submitter 95).

increase the commercial viability of higher density developments. Visitor accommodation often forms a component of the demand for higher density dwellings and may increase the market size, and therefore viability, for this type of development in the short to medium-term.

- 140 In my view, allowance for a portion of dwelling units within a higher density development to be occupied by visitor accommodation may be appropriate. I consider it may encourage the market to deliver this type of development, therefore increasing the overall supply of apartment dwellings, which would result in economic benefits to the wider community through also providing the remainder of units for occupation by residential households.

Overall conclusion regarding the proposal

- 141 I consider that development enabled by the TPLM Variation is likely to contribute toward achieving a well-functioning urban environment in Queenstown's eastern corridor area over the medium to long-term. It forms an efficient location for a residential and commercial node within the context of Queenstown's surrounding spatial economic structure and would increase the urban amenity to the eastern corridor catchment area.
- 142 I support increasing the dwelling mix (typologies, sizes and values) within the eastern corridor and consider that this is likely to occur over the medium to long-term with the proposed TPLM Variation. I consider the TPLM will create better alignment with longer-term patterns of community household demand, increase housing affordability and offer a wider dwelling mix in relation to the existing narrow range of dwellings within this part of the urban environment.
- 143 I support the TPLM Variation proposed minimum densities within the MDR and HDR precincts. In my view, they encourage a pattern of development (in terms of dwelling mix within each area) that is appropriate for establishing an urban node in this location. I note that the spatial extent over which they are applied is designed to achieve the total required dwelling yield to support the functioning of the proposed transport network. My assessment considers the development patterns that are required to achieve the proposed densities and their feasibility with the Queenstown market. I have not assessed the public transport modelling assumptions in relation to the timing of dwelling development.

- 144 I consider that proposed HDR and MDR precinct minimum densities encourage patterns of dwelling development, most of which are likely to be feasible in the short to medium-term and are already established within the Queenstown market. Only small share of the total land area within the HDR Precinct is required to develop as higher density apartments, which I consider are likely to increase in feasibility over the medium to long-term when demand becomes more established.
- 145 I consider that the TPLM is likely to develop over the medium to long-term as a residential node with a dwelling mix that is better suited to patterns of community demand. I note there are trade-offs for existing land owner developers that would be able to achieve greater short-term returns with a less intensive development pattern. However, I consider that shorter-term development at a reduced density is likely to be less beneficial for long-term community demand.
- 146 If there are any reductions in the proposed minimum densities, then it is important that these do not occur to the extent sought in some of the submissions and still encourage a development pattern that produces intensification at this node.

Susan Michelle Fairgray

27 September 2023

APPENDIX A

Table A-1: Plan Enabled Capacity by Location in QLD Urban Area: Baseline Scenario

Reporting Area	INFILL					REDEVELOPMENT					Max Infill or Redevelopment	GREENFIELD ²					Greenfield Max and Infill or Redevelopment
	Detached	Attached ¹	Terraced	Vertical Apartments	Max Infill	Detached	Attached ¹	Terraced	Vertical Apartments	Max Redevelopment		Detached	Attached ¹	Terraced	Vertical Apartments	Max Greenfield	
Arrowtown	200	200	20	-	200	1,000	1,000	300	-	1,000	1,000	100	100	-	-	100	1,100
Arthurs Point	400	500	200	700	1,000	1,100	1,200	400	1,400	2,300	2,300	600	600	200	-	600	2,900
Eastern Corridor	400	400	20	-	400	1,400	1,400	30	-	1,400	1,400	400	300	50	-	400	1,800
Frankton	200	200	-	60	200	900	900	-	200	1,000	1,000	100	100	-	-	100	1,100
Kelvin Heights	400	500	200	400	700	1,200	1,300	300	600	1,600	1,600	2,500	2,500	80	50	2,600	4,100
Outer Wakatipu	-	-	-	-	-	30	50	50	200	200	200	10	-	-	-	10	200
Quail Rise	20	20	-	-	20	30	30	-	-	30	30	400	700	700	4,600	4,700	4,700
Queenstown Town Centre	1,900	2,200	1,300	5,100	6,400	4,400	5,300	3,500	19,000	21,600	21,600	1,200	1,200	500	1,000	2,000	23,600
Small Township - Wakatipu	-	-	-	-	-	200	-	-	-	200	200	100	-	-	-	100	400
Southern Corridor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wakatipu Ward	3,500	3,900	1,700	6,300	8,900	10,300	11,200	4,500	21,400	29,400	29,400	5,400	5,500	1,600	5,600	10,600	40,000
Cardrona	50	-	-	-	50	60	-	-	-	60	60	100	-	-	-	100	200
Lake Hawea	700	700	-	20	800	1,900	1,900	-	400	2,300	2,300	3,300	2,700	500	-	3,300	5,600
Luggate	100	90	-	-	100	200	90	-	-	200	200	400	400	-	-	400	600
Outer Wanaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wanaka Town Centre	3,700	3,300	500	600	4,100	11,000	10,300	1,400	1,600	12,400	12,400	3,200	3,000	200	80	3,300	15,600
Wanaka Ward	4,600	4,100	500	600	5,100	13,100	12,300	1,400	2,000	14,900	14,900	7,000	6,100	700	80	7,100	22,000
Total Urban Environment	8,100	8,000	2,200	6,900	13,900	23,400	23,500	6,000	23,400	44,300	44,300	12,900	11,700	2,200	5,700	17,700	62,100

Source: M/E QLD Residential Intensification Capacity Model, 2022/2023.

Notes:

¹ Dwellings within this category are horizontally attached and occur at low to medium densities, dependent on the zone. They range from single-level pairs of attached units up to terraced housing. Terraced housing has also been included in this category.

² Greenfield capacity does not include dwellings within Special Zones, which are reported separately, largely based on structure planning or other developer information. Special Zone capacity is net additional.

Table A-2: Currently Commercially Feasible Capacity by Location in QLD Urban Area: Baseline Scenario

Reporting Area	INFILL					REDEVELOPMENT					Max Infill or Redevelopment	GREENFIELD ²					Greenfield Max and Infill or Redevelopment
	Detached	Attached ¹	Terraced	Vertical Apartments	Max Infill	Detached	Attached ¹	Terraced	Vertical Apartments	Max Redevelopment		Detached	Attached ¹	Terraced	Vertical Apartments	Max Greenfield	
Arrowtown	100	100	-	-	100	400	300	50	-	400	400	100	100	-	-	100	500
Arthurs Point	400	500	200	-	500	700	700	300	-	800	800	600	300	200	-	600	1,400
Eastern Corridor	300	300	-	-	300	700	400	-	-	700	800	300	30	-	-	300	1,000
Frankton	100	100	-	-	100	600	600	-	-	600	700	80	50	-	-	80	800
Kelvin Heights	400	400	200	400	700	600	700	300	600	1,000	1,100	2,500	2,500	80	-	2,500	3,600
Outer Wakatipu	-	-	-	-	-	30	50	50	-	50	50	-	-	-	-	-	50
Quail Rise	20	-	-	-	20	30	-	-	-	30	30	-	-	-	-	-	30
Queenstown Town Centre	1,800	2,000	1,300	2,400	4,000	2,800	3,400	2,400	4,400	7,300	8,200	1,200	1,100	500	400	1,500	9,700
Small Township - Wakatipu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Southern Corridor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wakatipu Ward	3,200	3,500	1,700	2,900	5,700	6,000	6,200	3,100	5,000	10,900	12,000	4,700	4,100	700	400	5,100	17,100
Cardrona	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lake Hawea	600	500	-	-	600	1,600	1,400	-	-	1,600	1,600	3,200	2,700	500	-	3,200	4,800
Luggate	100	40	-	-	100	90	40	-	-	90	100	400	-	-	-	400	500
Outer Wanaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wanaka Town Centre	3,400	3,000	500	300	3,600	7,800	6,400	1,200	600	8,300	8,500	3,100	2,800	200	-	3,100	11,600
Wanaka Ward	4,100	3,600	500	300	4,200	9,500	7,800	1,200	600	10,000	10,200	6,700	5,500	700	-	6,700	16,900
Total Urban Environment	7,300	7,000	2,200	3,200	10,000	15,500	14,000	4,300	5,600	20,900	22,300	11,300	9,600	1,400	400	11,700	34,000

Source: M/E QLD Residential Intensification Capacity Model, 2022/2023.

Notes:

¹ Dwellings within this category are horizontally attached and occur at low to medium densities, dependent on the zone. They range from single-level pairs of attached units up to terraced housing. Terraced housing has also been included in this category.

² Greenfield capacity does not include dwellings within Special Zones, which are reported separately, largely based on structure planning or other developer information. Special Zone capacity is net additional.

Table A-3: Plan Enabled Capacity by Location in QLD Urban Area: Proposed Plan Change

Reporting Area	INFILL					REDEVELOPMENT					Max Infill or Redevelopment	GREENFIELD ²					Greenfield Max and Infill or Redevelopment
	Detached	Attached ¹	Terraced	Vertical Apartments	Max Infill	Detached	Attached ¹	Terraced	Vertical Apartments	Max Redevelopment		Detached	Attached ¹	Terraced	Vertical Apartments	Max Greenfield	
Arrowtown	200	200	50	-	200	1,100	1,500	1,200	10	2,000	2,000	100	100	-	-	100	2,100
Arthurs Point	400	500	300	-	600	1,100	1,200	500	20	1,400	1,400	600	600	-	-	600	2,000
Eastern Corridor	400	400	60	-	400	1,400	1,400	100	-	1,500	1,500	400	300	90	-	400	1,900
Frankton	200	300	400	200	600	1,200	1,700	1,900	500	3,000	3,000	200	200	200	-	300	3,200
Kelvin Heights	400	500	300	1,100	1,400	1,200	1,300	400	1,400	2,400	2,400	2,500	2,500	200	100	2,700	5,100
Outer Wakatipu	-	-	-	-	-	40	50	80	-	80	80	10	-	-	-	10	80
Quail Rise	20	20	-	-	20	30	30	-	-	30	30	500	700	1,100	5,200	5,400	5,500
Queenstown Town Centre	2,200	2,800	3,200	6,600	8,900	5,200	7,400	10,000	26,300	32,100	32,100	1,200	1,200	600	1,200	2,400	34,500
Small Township - Wakatipu	-	-	-	-	-	200	-	-	-	200	200	100	-	-	-	100	400
Southern Corridor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wakatipu Ward	3,900	4,700	4,200	7,900	12,100	11,600	14,500	14,300	28,300	42,700	42,800	5,600	5,600	2,200	6,500	12,100	54,800
Cardrona	50	-	-	-	50	60	-	-	-	60	60	100	-	-	-	100	200
Lake Hawea	800	800	-	40	800	1,900	1,900	-	800	2,700	2,700	4,000	3,400	1,100	-	4,500	7,300
Luggate	100	90	-	-	100	200	90	-	-	200	200	400	400	-	-	400	600
Outer Wanaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wanaka Town Centre	3,900	3,800	1,800	700	5,500	12,100	12,500	6,600	2,000	17,900	17,900	3,200	3,000	90	200	3,400	21,300
Wanaka Ward	4,900	4,700	1,800	700	6,500	14,300	14,600	6,600	2,700	20,900	20,900	7,700	6,800	1,200	200	8,500	29,400
Total Urban Environment	8,700	9,400	6,000	8,700	18,600	25,900	29,100	20,900	31,000	63,600	63,600	13,900	12,400	3,400	6,600	20,500	84,200

Source: M.E QLDC Residential Intensification Capacity Model, 2022/2023.

Notes:

¹ Dwellings within this category are horizontally attached and occur at low to medium densities, dependent on the zone. They range from single-level pairs of attached units up to terraced housing. Terraced housing has also been

² Greenfield capacity does not include dwellings within Special Zones, which are reported separately, largely based on structure planning or other developer information. Special Zone capacity is net additional.

Table A-4: Currently Commercially Feasible Capacity by Location in QLD Urban Area: Proposed Plan Change

Reporting Area	INFILL					REDEVELOPMENT					Max Infill or Redevelopment	GREENFIELD ²					Greenfield Max and Infill or Redevelopment
	Detached	Attached ¹	Terraced	Vertical Apartments	Max Infill	Detached	Attached ¹	Terraced	Vertical Apartments	Max Redevelopment		Detached	Attached ¹	Terraced	Vertical Apartments	Max Greenfield	
Arrowtown	200	200	50	-	200	500	700	1,200	-	1,500	1,500	100	100	-	-	100	1,600
Arthurs Point	400	500	300	-	600	700	700	500	-	1,100	1,100	500	200	-	-	500	1,700
Eastern Corridor	300	300	30	-	400	700	400	50	-	800	800	300	30	20	-	300	1,100
Frankton	200	300	300	-	400	900	1,000	1,400	-	1,900	1,900	100	100	200	-	300	2,100
Kelvin Heights	400	400	300	200	700	600	700	400	100	1,000	1,000	2,500	2,500	200	-	2,600	3,700
Outer Wakatipu	-	-	-	-	-	40	50	80	-	80	80	-	-	-	-	-	80
Quail Rise	20	-	-	-	20	30	-	-	-	30	30	70	-	700	-	700	700
Queenstown Town Centre	2,100	2,700	3,200	5,500	7,800	3,500	5,300	8,700	10,100	17,600	19,600	1,200	1,200	600	500	1,800	21,400
Small Township - Wakatipu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Southern Corridor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wakatipu Ward	3,600	4,300	4,200	5,700	10,000	7,100	8,800	12,300	10,200	23,800	26,100	4,800	4,200	1,700	500	6,300	32,400
Cardrona	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lake Hawea	600	600	-	-	600	1,600	1,400	-	-	1,600	1,700	3,900	3,400	1,100	-	4,400	6,100
Luggate	100	40	-	-	100	90	40	-	-	90	100	400	-	-	-	400	500
Outer Wanaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wanaka Town Centre	3,600	3,500	1,800	40	4,600	9,100	8,800	6,500	40	13,000	13,300	3,000	2,800	90	-	3,100	16,400
Wanaka Ward	4,300	4,100	1,800	40	5,300	10,900	10,300	6,500	40	14,800	15,100	7,300	6,200	1,200	-	7,900	23,000
Total Urban Environment	7,900	8,400	6,000	5,700	15,300	18,000	19,100	18,800	10,300	38,600	41,200	12,100	10,300	3,000	500	14,300	55,400

Source: M.E QLDC Residential Intensification Capacity Model, 2022/2023.

Notes:

¹ Dwellings within this category are horizontally attached and occur at low to medium densities, dependent on the zone. They range from single-level pairs of attached units up to terraced housing. Terraced housing has also been

² Greenfield capacity does not include dwellings within Special Zones, which are reported separately, largely based on structure planning or other developer information. Special Zone capacity is net additional.

APPENDIX B

Table B-1: Potential Dwelling Development Patterns by Precinct Type and Summary of Dwelling Mix (Low Apartments in HDR Precinct)

Precinct Type	Dwelling Typology		Land Area		Density				
	Stores	Share of Dwellings (precinct type)	Share of Dwellings (total area)	Gross Developable Area (ha) ¹	Net Developable Area (ha) ²	Share net land area (precinct type)	Share net land area (total area)	Average net land area per dwelling (m ²) ³	Dwellings per Ha (gross)
High Density	6	14%	8%	1.0	0.7	5%	2%	45	167
	3	65%	38%	12.2	9.2	62%	24%	118	63
	2 to 3	21%	12%	6.6	4.9	33%	13%	201	37
	Total High Density Precinct	100%	59%	19.8	14.8	100%	39%	125	60
Medium Density	2 to 3	30%	9%	2.8	2.1	20%	6%	122	61
	2 to 3	70%	19%	11.2	8.4	80%	22%	215	35
Total Medium Density Precinct	100%	28%	14.0	10.5	100%	28%	187	40	
Commercial Area Low Density Precinct	3 to 6	100%	6%	3.4	2.5	100%	7%	213	35
	1 to 2	100%	7%	14.4	10.1	100%	27%	697	10
Total Precincts	2,012	100%	100%	51.6	38.0	100%	100%	189	39
Total	Pattern by Dwelling Type								
	Up to 6	285	14%	4.4	3.3	9%	116	65	
	2 to 3	945	47%	15.0	11.3	30%	119	63	
	2 to 3	638	32%	17.8	13.3	35%	209	36	
	1 to 2	145	7%	14.4	10.1	27%	697	10	
Total	2,012	100%	100%	51.6	38.0	100%	189	39	

¹ Gross land areas were obtained from the masterplan yield assessment. Based on the draft masterplan (p101), it has been assumed that 15% of the land area is not developable due to stormwater management requirements.

² It has been assumed that 25% of the gross developable area is allocated to areas outside of the final parcelled area associated with a dwelling. This is a conservative assessment as the larger identified reserves and open space precincts have already been excluded from the assessment.

³ The vertically-attached apartments within the High Density precincts assume a 30% site cover and gross average apartment size of 80m².

Table B-2: Potential Dwelling Development Patterns by Precinct Type and Summary of Dwelling Mix (High Apartments in HDR Precinct)

Precinct Type	Dwelling Typology		Land Area		Density	
	Storeys	Share of Dwellings (precinct type)	Gross Developable Area (ha) ¹	Share net land area (precinct type)	Average net land area per dwelling (m ²) ³	Dwellings per Ha (gross)
High Density	Vertically-attached apartments	28%	2.0	10%	44	169
	Terrace/Horizontally-attached walk-ups	38%	7.1	36%	118	64
	Duplex/Lower intensity attached	34%	10.7	54%	201	37
	Total High Density Precinct	100%	19.8	100%	125	60
	Medium Density					
Medium Density	Terrace/Horizontally-attached walk-ups	9%	2.8	20%	122	61
	Duplex/Lower intensity attached	70%	11.2	80%	215	35
Total Medium Density Precinct		28%	14.0	100%	187	40
Commercial Area	Vertically-attached apartments	6%	3.4	100%	213	35
	Detached	100%	14.4	100%	697	10
Total Precincts		100%	51.6	100%	189	39
High Density	Vertically-attached apartments	23%	5.4	4.0	89	84
	Terrace/Horizontally-attached walk-ups	31%	9.9	7.4	119	63
	Duplex/Lower intensity attached	39%	21.9	16.4	208	36
	Detached	7%	14.4	10.1	697	10
	Total	100%	51.6	38.0	100%	189

¹ Gross land areas were obtained from the masterplan yield assessment. Based on the draft masterplan (p.101), it has been assumed that 15% of the land area is not developable due to stormwater management requirements.

² It has been assumed that 25% of the gross developable area is allocated to areas outside of the final parcelled area associated with a dwelling. This is a conservative assessment as the larger identified reserves and open space precincts have already been excluded from the assessment.

³ The vertically-attached apartments within the High Density precincts assume a 30% site cover and gross average apartment size of 80m².