

SUMMARY OF EVIDENCE – SUBMISSION #681 – PASSION DEVELOPMENT LIMITED

1. MATTERS OF SCOPE

- 1.1 In my evidence I undertook an assessment of the matter of scope of the submission on the notified Urban Intensification Variation (UIV) plan change. Post-lodgement of my evidence, the Submitter elected to engage Legal Counsel to provide evidence on the matter of scope. I consider Ms Hill's legal evidence to supersede my own and direct any questions the Commission may have on the matter of scope to Ms Hill.

2. BACKGROUND AND CONTEXT

- 2.1 The UIV was notified to give effect to Policy 5 of the National Policy Statement on Urban Development (NPS-UD). In accordance with the S32 report, the UIV also aims to advance the wider directives of the NPS-UD. This includes enabling well-functioning urban environments; ensuring sufficient development capacity is available for a range of housing typologies and business uses; and to enable market competition.
- 2.2 The Council's methodology for the UIV aims to zone land along a continuum so that the heights and densities of urban form are commensurate with the Policy 5 directive - aligning zoning with accessibility and/or relative demand. The submission directly advances that purpose by seeking to enable development on the lower slopes of Lot 1 DP 20613 (**Site**) through a re-zoning as part of the UIV is commensurate with both accessibility and relative demand.
- 2.3 This summary also addresses matters raised in Council's legal submissions and evidence, including the role of the Housing and Business Development Capacity Assessment (HBCA) and responsive planning under the NPS-UD and PRPS, relative demand, and commercial feasibility.

3. ACCESSIBILITY

- 3.1 The site performs strongly across all relevant transport modes (approx. 500m walk to high-frequency bus stops with 15-min peak time intervals), walkable to Queenstown Town Centre (2km), accessible by foot/bike/bus. E-bikes are now increasingly common making cycling uphill vastly less effort than previously required.
- 3.2 Policy 5(a) of the NPS-UD gives equal weight to active and public transport. This site is among the most accessible undeveloped areas in Queenstown, and Council's walkability-focused method underestimates its accessibility.

4. RELATIVE DEMAND & COMMERCIAL FEASIBILITY

- 4.1 Relative demand refers to typology and location-specific preferences across the urban environment. While economic modelling informed the UIV, it is clear that a location-specific typology assessment was not undertaken and that detached housing was not a focus. Ms Fairgray supports provision for intensification in Fernhill/Sunshine Bay to provide increased flexibility for the market in a relatively central location; and cautions that within the Whakatipu urban environment, the ability to meet long-term detached dwelling demand may be limited particularly within central areas.
- 4.2 Upper Fernhill performs strongly on both limbs of Policy 5. Higher land values here signal strong market demand and improve feasibility, especially for detached dwellings sold at a premium. With no significant servicing constraints, the site can deliver capacity that aligns with market demand, including detached typologies otherwise unlikely in central Queenstown.
- 4.3 I agree with Ms Fairgray that some spatial flexibility exists e.g., HDRZ at Three Parks can meet demand otherwise around Wānaka Town Centre. However, in the Queenstown context, I do not consider that detached demand in Fernhill can realistically be met in the Southern Corridor for example, which lacks central accessibility. The relative demand for detached housing in Fernhill cannot be assumed to be met elsewhere and the District Plan should provide for this through zoning.
- 4.4 Importantly, Policy 5(b) also applies to business land. The Submitter seeks a Visitor Accommodation (VA) Sub-Zone over the re-zoned areas of the site. VA is a major business activity in Queenstown, generating strong and sustained demand for urban land. Despite this, the UIV has no updated business land demand modelling or Housing and Business Capacity Assessment to assess VA capacity. Fernhill consistently attracts high VA demand, evidenced by numerous granted resource consents. Applying a VA Sub-Zone overlay to the site would proactively manage this demand, align with NPS-UD Policy 5(b) requirements to zone for business needs, and avoid ongoing reactive consenting. The site is accessible, serviceable, and in a locality with strong demand for VA use. The overlay would support tourism, economic resilience, and employment - contributing to a well-functioning urban environment. Without it, a key business land pressure in Queenstown will remain unaddressed. Rezoning with a VA overlay to MDRZ or LDSRZ is therefore justified and fills a clear policy gap.

5. LANDSCAPE CAPACITY, SERVICING & HAZARDS

- 5.1 While the site is located within an ONL – the Court-directed Landscape Schedules have specifically been developed to guide the assessment of both resource consent applications and plan changes within specific Priority Areas. The Priority Area in which the site is located specifically identifies capacity for urban expansions in the areas of the site for which the rezoning is sought by this submission.

- 5.2 The proposed rezoning affects a lower-elevation part of the ONL in Fernhill, well below ridgelines and directly adjacent to the existing residential zoning in a location that does not intrude on highly sensitive landscape features. The proposal complies with this guidance, is visually contained, and remains within the ONL's recognised capacity to absorb the proposed change.
- 5.3 Regarding three waters infrastructure, Mr Powell's evidence confirms that any necessary upgrades to infrastructure in the area can be addressed through the resource consent process. Natural hazard risks on the site are minor and localised, and can be assessed and mitigated through standard geotechnical assessment at the time of resource consent.

6. HBCA, MONITORING, AND RESPONSIVE PLANNING

- 6.1 The PRPS defines significant development capacity (UFD-P10) as that identified in a HBCA or through monitoring of price points, typologies, or business land. QLDC has not produced an updated HBCA to show how infrastructure provision affects plan-enabled capacity - what is commercially feasible (taking infrastructure constraints into account) and reasonably expected to be realised.
- 6.2 However Ms Fairgray's economic evidence functions as monitoring and identifies a likely shortfall for detached dwellings in central areas of the Wakatipu Ward (paragraph 4.37). This is due to infrastructure constraints in some areas (likely limiting new low-density residential development from being realised), and new MDRZ/HDRZ zoning which encourages attached typologies, further limiting detached supply. Policies 2 and 5(b) of the NPS-UD require responsive planning where shortfalls are identified. Ms Fairgray's monitoring demonstrates that a shortfall is already likely, and the plan should respond proactively with sufficient zoned capacity in the right locations. Therefore, a re-zoning of the identified areas of the site would represent responsive planning.

7. SECTION 32AA EVALUATION & CONCLUSION

- 7.1 I provided a s32AA evaluation within my evidence that concludes proposed rezoning is effective, and efficient to give full effect to Policy 5. It improves the responsiveness of the PDP to market conditions and infrastructure realities and best implements the strategic and policy direction of the NPS-UD, PRPS, PDP, and RMA. It addresses a recognised market gap, and supports a compact, accessible urban form. It is the most appropriate method under section 32AA and I therefore believe the proposed rezoning of the site to LDSRZ (or MDRZ) with a Visitor Accommodation overlay, is the best urban planning outcome.

Dated this 4th day of August 2025

Richard Michael Kemp