

Queenstown Lakes District Council

Variation to the Proposed District Plan: Urban Intensification Variation

Hearing Panel Minute 6: Hearing next steps and questions for Queenstown Lakes District Council ("QLDC") to consider

PURPOSE OF, AND BACKGROUND TO, THIS MINUTE

1. The purpose of this Minute is to set out timing for the closing submissions on behalf of QLDC and to provide questions to QLDC from the panel for it to consider in its closing submissions.
2. On Wednesday 27 August 2025 the panel adjourned the hearing until 26 September 2025 for QLDC's closing submissions. We indicated that if additional time is required then we would prefer that QLDC request that time rather than rush its closing given the significant issues in play. We also indicated that we would provide QLDC with questions to consider in its closing submissions.
3. In addition to the questions below, as made clear during the hearing, the panel is very interested in and would be significantly assisted by QLDC providing a considered and detailed breakdown in relation to:
 - (a) An analysis of Policy 5 of the NPSUD and exactly how it is to be applied and how it fits within the overall framework of the NPSUD. This includes considering the various discussions during the hearing and the legal submissions the panel received from submitters. As a guide, the Panel has received a wide range of information, and may need to make determinations, on any or all of the following:
 - (i) the extent of the specific "Tier 2" urban environment of "Queenstown" listed within the NPSUD (and whether it includes any or all of Sunshine Bay, Frankton, Jacks Point, Lake Hayes Estate, or other areas such as the PC50 area (noting QLDC's position that this latter area falls outside of the Variation)), and the specific NPSUD requirements that apply to that;
 - (ii) excluding (i) above, of the remaining "urban environments" in the district (please identify those), which would qualify as "Tier 3" urban environments, and the specific NPSUD requirements that apply to those;
 - (iii) what (if any) parts of any existing "urban environment(s)" might not be compulsorily subject to Policy 5) and why;
 - (iv) of all of the above, a summary of those parts of the existing urban environment(s) within the District are not proposed to be subject to the UIV;
 - (v) what requirements of the NPSUD relate to functions that would apply across the entire district, and what requirements relate solely to any specific urban environment(s) described above; and
 - (vi) what requirements of the NPSUD relate to urban environments and require outcomes limited to land within an urban environment (i.e., a planning response limited to land within an urban environment), and what requirements of the NPSUD relate to urban environments but might allow for outcomes outside of an urban environment (e.g.,

promoting an urban environment outcome by means of a planning response affecting land outside of an urban environment).

- (b) Questions of scope considering the various legal submissions the panel received from submitters.
- (c) In respect of (a) and (b) the panel signals that it may not find the NPSUD MfE Guidance document, referred to by several parties, authoritative. Without going as far as to conclude that we will not rely on the MfE Guidance on any point(s), QLDC is nevertheless asked to provide its own advice on the above rather than merely refer us to that Guidance.

SPECIFIC QUESTIONS FOR QLDC TO CONSIDER

4. The specific questions for QLDC to consider are:

- (a) Linked to paragraph 3(a), if the panel agreed that an existing part of an urban environment required a NPSUD Policy 5 response, does QLDC consider that Policy 5 would require both development heights and densities to be amended (operating as a combo/package noting the NPSUD's use of the conjunctive "and") or does it consider that one could be amended but not the other so as to deliver a "commensurate" outcome (i.e., such as a scenario of an additional density enablement but not an additional height enablement being provided)?
- (b) Ms Fairgray helpfully commented verbally on the likely timing of viable, market-supported three-storey dwellings (in Arrowtown). The panel took from her evidence, supported by numerous submitters, that, in at least some, and potentially substantial, parts of the district's existing urban environments development of three storey dwellings is generally unlikely in the short to medium term (and may be some 20-30 years, plus, away). Could Ms Fairgray please confirm the extent of such 'long term' 3-storey land within the relevant urban environment(s), and then explain what she considers will be likely to happen on that land if it was enabled for three storey development as a result of the UIV? For example, might it lead to strategic land banking as developers 'wait for the market', or is it more likely that two-story dwellings will be built in the interim? If the latter, then what is the likelihood of those townhouses being demolished after only a relatively short-period and replaced once there is greater demand (and economic return) for three storey apartment-style dwellings? Does Ms Fairgray consider that delivery of two-storey developments in the short-medium term will better deliver on the requirements of Policy 5 (as decided on by QLDC in paragraph 3(a)) rather than potentially encouraging land to remain un-intensified at all for potentially 20-30 years? Is so why? If not why? What is QLDC's planning position on that factoring in Ms Fairgray's comments plus the submissions heard? The panel is particularly interested in the scenario, described by many submitters, of additional enablement premised on long-term demand that does not yet exist, being used for larger dwellings or additions and extensions (and various resultant adverse effects), but not actually providing materially more dwellings (the positive benefit in RMA s.5 and NPSUD 'well-functioning urban environments' terms that those adverse effects would be primarily justified by).
- (c) If the panel is minded to consider greater heights in some areas than the s.42A recommendations, are there any areas QLDC considers could accommodate greater heights? Does QLDC consider there to be a general scope for the panel to pursue that

scenario? If not, is there scope for specific sites (for example Three Parks, Wanaka; Hawea South, Hawea; and PC50 in Queenstown were each mentioned by some submitters)?

- (d) In the context of a hypothetical scenario of a Wanaka-wide Policy 5 response being 'heavily lifted' within the largely green-field Three Parks area, and a question from the Panel regarding the potential risks of putting all of one's eggs in one basket / location, Willowridge Development Limited stated that it could accept the imposition of a minimum density requirement and that such an approach could be appropriate for the HDRZ. Does QLDC consider there to be scope for such an approach generally and/or or in specific areas such as Three Parks? Does QLDC support such an approach generally (noting that the recent Ladies Mile zone includes such a method)? If so why / why not? If a minimum density was imposed for HDRZ or any specific location(s), what density would QLDC propose, and would it be a rule, assessment matter, or other Plan provision?
- (e) Retaining adequate sunlight access during winter was raised as a key issue (generally, but especially for Arrowtown submitters). Having heard the submissions does QLDC consider there are any alternative methods to recession planes that could deliver improved provision of sunlight during winter?
- (f) Should the panel consider that the PC50 land is within scope what provisions, if any, does QLDC consider would be required in addition to the information already provided by the relevant submitters to ensure that the District Plan appropriately covers all relevant matters?
- (g) Does QLDC still consider retaining the Design/Character Guidelines referenced within the relevant parts of the District Plan to be appropriate? If so please set out in detail why and how they can provide plan integration and align with the NPSUD (especially Policy 5) direction. If not does QLDC consider that key design elements can still be appropriately included (given the NPSUD direction) in each case and what is QLDC's preference?
- (h) While public transport is managed by ORC could QLDC please provide us with (or a link to) the current bus schedules for the district and identify (if any) any material changes planned in the RLTP (or other relevant documents) in the short to medium term.
- (i) In the specific context of Arrowtown, the panel heard from many submitters how the current Plan approach was not working to maintain or enhance existing character values. Many specifically described the existing permitted activities enabled by the Plan as a key problem (with two new dwellings on Pritchard Place regularly referred to as examples). In the hypothetical of the panel agreeing that Arrowtown's character was an important planning outcome, but also determining that additional building heights and/or densities were required to implement NPSUD Policy 5, would the panel have scope to provide for that additional height and/or density by way of an increased mandatory consideration of Arrowtown's character as a means of managing resultant adverse effects from that additional height and/or density (such as removing existing permitted activities), and why or why not?

5. To be clear these are not the only matters that arose during the hearing and which QLDC will respond on. They are just particular matters that the panel wishes to have a response to.

David Allen, Ian Munro and Lyal Cocks

Commissioners

9th September 2025