

**Planning & Strategy
10 May 2018**

Report for Agenda Item 1

Department: Planning & Development

Housing & Business Development Capacity Assessments

Purpose

The purpose of this report is to receive the results of the Housing Development and Business Development Capacity Assessments required under the National Policy Statement on Urban Capacity.

Executive Summary

- 1 The National Policy Statement on Urban Development Capacity (the National Policy Statement) came into effect in December 2016. The National Policy Statement required the Council to undertake Housing and Business Capacity Development Assessment by 31 December 2017. The Queenstown Lakes District is identified as a “high growth area” and is subject to the full suite of provisions of the National Policy Statement. Due to the significant amount of work that was required to complete these assessments this target date was not met. It is noted that the majority of other high growth councils also did not meet this target.
- 2 The National Policy Statement is designed to provide direction to local councils and to help make informed decisions about planning for growth in urban environments. Ensuring that there are sufficient opportunities for development to operate in an efficient land market means that there are a range of opportunities for businesses and households to be accommodated in appropriate locations without undue constraint over the short (2016 to 2019), medium (2016 to 2026) and long terms (2016 to 2046).
- 3 The Housing and Business Development Capacity Assessments are a key part of the Council’s evidence base for the Future Development Strategy and inform the setting of targets for sufficient, feasible development capacity. The targets need to be included in the Proposed District Plan (**PDP**) and the Proposed Regional Policy Statement for Otago. The Future Development Strategy and the targets are due to be completed by the 31 December 2018.
- 4 The Housing and Business Development Capacity Assessments are based on the notified PDP and Operative District Plan (**ODP**) (where relevant) and draw on Council’s external datasets, consider past trends and monitoring of indicators, and factor in current and proposed infrastructure. The assessments focus on the urban environment of Queenstown and Wanaka, but also provide an assessment of capacity (albeit un-modelled) of areas that do not fall within these areas. Decisions on Stage 1 of the PDP are due to be adopted by Council on the 3 May 2018. These result in changes to the notified PDP and the impacts on the results of the Housing and Business Development Capacity Assessments will need to be reported on separately.

- 5 The findings of the Business Development Capacity Assessment are that the PDP (notified version) and ODP provide sufficient capacity for retail and commercial growth for the next 30 years across the Queenstown Lakes District. The Wanaka Ward is also well served for industrial land over the next 30 years. However, excluding land that forms part of the Queenstown Airport and removing some land where some forms of commercial/retail use can take place from this assessment of available development capacity, the Wakatipu Ward identifies a shortfall of approximately 16.5 ha of industrial capacity to cater for the estimated 34 ha needed over the long term. This scenario suggests there will be a shortfall of industrial land from 2026. This does not include the new Coneburn Industrial B Zone that is being promoted in the decision version of the PDP.
- 6 The analysis of demand and feasible plan enabled capacity for housing in this Housing Development Capacity Assessment has shown that the PDP and ODP (where relevant) are able to meet all the requirements under the National Policy Statement in terms of total feasible development capacity for growth for the next 30 years. This inclusion applies to both the urban environment and the total demand for the district. It needs to be emphasised that these results are based on number of assumptions and will need to be subject to monitoring. It is anticipated that the delivery of houses through infill and redevelopment will only make up a small portion of the overall housing stock. Noting that increased densities have been promoted in the PDP that encourage this form of development.
- 7 The analysis of feasibility across different price bands shows a shortfall of feasible capacity in the lower band priced housing. The analysis suggests the plans provides capacity for the market to provide a substantial share of the shortfall of houses in the lower to medium price bracket. However, because of high demand and the potential for developers to sell houses at much higher prices the market is not delivering these dwellings.
- 8 The Housing and Business Development Capacity Assessments can be further enhanced through further work and updates. The monitoring of the take-up of housing and business land is also required, as it important to understand what is actually being developed across the district.

Recommendation

That the Planning and Strategy Committee:

1. **Notes** the contents of this report and;
2. **Adopt** the contents of the Housing and Business Development Capacity Assessments subject to any minor changes as a result of point 3. below;
3. **Delegate** to the General Manager, Planning and Development the authority to finalise the Housing and Business Development Capacity Assessments on behalf of Council pending feedback from the Ministry of Business, Innovation and Employment (**MBIE**);
4. **Note** the key findings of these assessments will help inform Council's future work programmes and Councils ongoing obligation to monitor the uptake and use of residential and business zoned land; and

5. **Note** the quarterly monitoring reports required as part of the National Policy Statement on Urban Development Capacity will be reported back to the Planning & Strategy Committee.

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30 April 2018

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30 April 2018

Background

- 9 National Policy Statements are a legislative tool in the Resource Management Act 1991. They are a means for central government to prescribe objectives and policies for matters of national significance, which all local authorities must implement within their planning framework.
- 10 The National Policy Statement came into effect in December 2016. Its purpose is to enable urban environments to grow and change in response to the changing needs of communities and to provide enough space for their populations to live and work. The aim of the National Policy Statement is to achieve better information and understanding of the dynamics of land supply and development activity. The National Policy Statement has four key objectives (with associated policies). These are:
- Outcomes for planning decisions;
 - Evidence and monitoring to support planning decisions;
 - Responsive planning and coordinate planning evidence; and
 - Decision making.
- 11 The Queenstown Lakes District Council (**QLDC**) has been identified as a high growth area because of its high rates of population growth, and as a result, all of the objectives and policies of the National Policy Statement are relevant to the QLDC.
- 12 The National Policy Statement is designed to provide direction to local councils and to help make informed decisions about planning for growth in urban environments. Local authorities have an important role to play in ensuring urban environments meet the needs of communities through zoning and managing the development of land and facilitating the provision of infrastructure to support development. Ensuring that there are sufficient opportunities for development to operate in an efficient land market means that there are a range of opportunities for businesses and households to be accommodated in appropriate locations without undue constraint over the short (2016 to 2019), medium (2016 to 2026) and long terms (2016 to 2046).

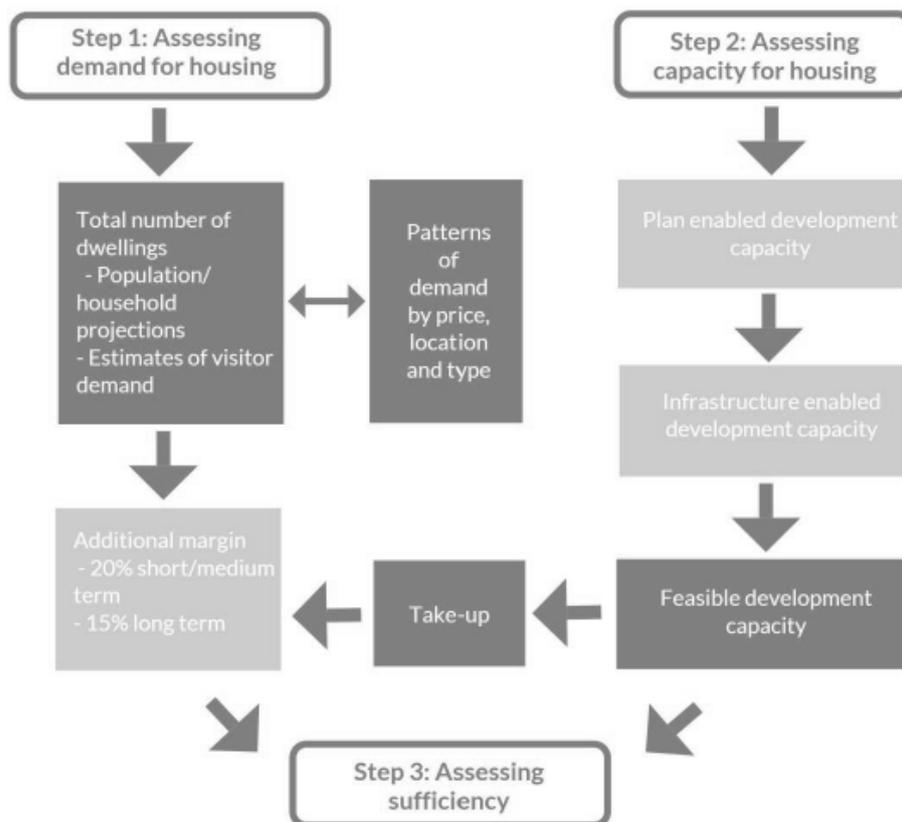
- 13 The National Policy Statement requires Council's to produce a robust comprehensive and frequently updated evidence base to inform planning decisions. The evidence base has two separate components 1) the assessment(s) and 2) the monitoring and reporting of indicators. Increasing visitor numbers and investment from within NZ and overseas have also been built into the assessments. The Housing and Business Development Capacity Assessments were both due to MBIE on the 31 December 2017. Due to the significant level of work that was required to produce these assessments including ground truthing, workshops with key stake holders, and the complexity of the PDP and ODP (including the high number of Special Zones and the various stages that they are being development) this time frame was unable to be met. It is noted that the majority of other high growth Councils were also unable to meet this timeframe. The QLDC is still waiting for feedbacks/comments from MBIE in relation to the reports.
- 14 The Housing and Business Development Capacity Assessments both comprise a demand and capacity analysis, consider the feasibility of capacity, have a 2016 base year for demand, adopt Council's growth projections (and a range around these projections) and consider the short, medium and long-term outcomes. The assessments focus on the urban environment of the Wanaka ward (including Albert Town, Hawea and Luggate) and the Queenstown urban environment (Arthurs Point, Arrowtown, Fernhill and Sunshine Bay, Queenstown Bay, Queenstown Hill, Jacks Point (includes Jacks Point, Hanley downs and Homestead Bay), Frankton, Frankton East, Kelvin Heights, Lake Hayes South), but also provide an assessment on areas outside of the urban environment, which includes some of the Special Housing Areas (SHAs), Kingston, Cardrona, rural living and rural zones..
- 15 Both assessments are based on the notified PDP and the ODP (for areas that were not considered as part of Stage 1) and draw on Council's external datasets, consider past trends (including unoccupied homes and demand from visitor accommodation) and monitoring of indicators, and factor in current and proposed infrastructure.
- 16 The release of decisions on Stage 1 of the PDP will mean that some areas within the Housing and Business Development Capacity Assessments will need to be re-evaluated. For example, Commissioner Recommendations reduce the Local Shopping Centre Zone on Cardrona Valley Road in Wanaka, and a new industrial zone has been recommended in Queenstown.
- 17 The Housing and Business Development Capacity Assessments need to be produced every 3 years. The results of these assessments will inform the Future Development Strategy and the feasible development capacity targets that are required to be incorporated into the PDP and Proposed Regional Policy Statement for Otago. The completion of the Future Development Strategy is a significant body of work and Council will endeavour to meet the timeframes of the National Policy Statement as best as possible. However, it is likely that some delays maybe experienced. External consultants have been commissioned to assist Council with meeting this target.
- 18 This report provides a very brief summary of the results of the Housing and Business Development Capacity Assessments. The full reports are attached.

Key findings of the Housing Development Capacity Assessment

19 The Housing Development Capacity Assessment contains information on:

- the current supply of housing and likely future housing demand growth by market sector;
- the amount of capacity enabled under the current planning provisions plus any other strategic planning documents by type and location;
- an assessment of the feasibility or developability of that capacity; and finally
- an assessment of the sufficiency of capacity to meet the foreseeable demands arising in the urban area in the short, medium and long-terms.

This is summarised in [Figure One](#) below.



[Figure One](#): HDCA approach overview

20 Under Policy C1 of the National Policy Statement, Councils must provide for an “additional margin of feasible development capacity over and above the projected demand” of 20% in the short (2016 to 2019) and medium term (2016 to 2026) and 15% in the long term (2016 to 2046). Development that is commercially viable to a developer considering the current likely costs, revenues and yield of developing. Feasibility has a corresponding meaning in the National Policy Statement and is defined within the National Policy Statement.

21 Overall, housing demand in the Queenstown Lakes District is assessed to be between 29,200 (Statistics NZ (SNZ) medium population forecast), 30,900 (Council population growth projections) and 33,900 (SNZ high population forecast) households from 2016 to 2046. Table One includes a breakdown of the existing housing stock, predicted demands under the Statistics NZ medium and high growth scenarios and the Council growth projections. It also provides the demand with the required NPS margins.

Table One: Queenstown Lakes District Residential Housing Stock and projected demand from 2016 to 2046

	SNZ Medium growth scenario	Council growth projections	SNZ High growth scenario
Estimated existing housing stock (2016)	17,600	18,040	17,600
Projected Residential demand (NPS margins)	11,600 (13,400)	12,900 (15,300)	16,300 (18,800)
Total (NPS margins)	29,200 (31,000)	30,940 (33,340)	33,900 (36,400)

22 Table One highlights that the housing stock across the Queenstown Lakes District is predicted to double in the next 30 years.

23 The plan enabled capacity over the 30 year period to 2046 is summarised in Table Two below. The results have been separated into plan enabled greenfield and infill (excluding redevelopment), and then the plan enabled capacity that also includes redevelopment. The redevelopment process occurs where existing dwellings are demolished and the site is redeveloped, typically to a greater density.

24 Table Two needs to be reviewed with caution to ensure that capacity does not get confused with the level of take up or demand (which has been summarised in Table One above).

Table Two: Plan enabled capacity 2016 to 2046.

Plan enabled capacity for the Queenstown Lakes District Urban Environment			
	Greenfield	Other	Total
Plan enabled capacity (excluding redevelopment)	18,590 (67%)	9,060 (33%)	27,650
Plan enabled capacity (including redevelopment)	18,590 (48%)	19,760 (52%)	38,350

- 25 Outside the urban environment there is capacity for approximately 3,390 residential unit's district wide. This was not modelled as part of the Housing Development Capacity Assessment, but informed the PDP review process.
- 26 Overall, it is projected that 97% of the plan enabled capacity, including redevelopment is commercially viable over the long term. This is a significant level of commercial feasibility, which differs from other high growth areas throughout NZ. It is noted that commercial feasibility must not be confused with demand or take up.
- 27 However, it needs to be emphasised that this is a theoretical capacity based on a number of assumptions that will need to be monitored. In particular, there needs to be caution in placing too much reliance on infill or redevelopment capacity, as capacity is not a predictor of what growth is likely to occur. A high proportion of the capacity for infill and redevelopment identified in the model is economically feasible due to the high prices across the Queenstown Lakes District. However, it is expected that rates of take-up will form only a small portion of the identified feasible capacity. This was also emphasised at the stakeholder workshops. The monitoring of this is timely with Commissioner Recommendations being recently released for Stage 1 of the PDP.
- 28 In the Housing Development Capacity Assessment the capacity for the different dwelling types is also investigated for example, standalone, duplex and apartments. This analysis is also detailed for each zone of the PDP (or ODP), provides an analysis of capacity within the urban growth boundaries (**UGBs**) and the urban environment overall over the short, medium and long terms.
- 29 Approximately two-thirds (67%) of the capacity enabled under the District Plans occurs within the greenfield areas of urban expansion. The plans enable 18,200 dwellings within the UGB greenfield areas, approximately two-thirds (67%; 12,200 dwellings) of which are included within areas where structure plans or subdivision plans exist (i.e. within Special Zones). Nearly three-quarters (72%; 13,100 dwellings) of these greenfield dwellings are enabled within the Queenstown UGB, with a further 28% (5,100 dwellings) within the Wanaka UGB (and only a further 20 dwellings within the Arrowtown UGB, which is contained solely in the Arrowtown South Special Zone).
- 30 Approximately two-thirds (68%) of the long term feasible capacity is projected to occur within the Queenstown UGB, and one third within the Wanaka UGB (32%). This pattern of development will need to be carefully monitored due to the high level of development that is taking place in Wanaka.
- 31 There is a large amount of feasible residential capacity available across most locations in the District, but it cannot be predicted when this will be developed or come to the market. Almost all of projected urban housing demand could be met within the greenfield areas (even with the high growth scenario), which typically have very high rates of take-up (if they are developed) as they do not have the same obstacles to assembling sites, finance, consenting and developing in confined spaces that can deter infill developments. As such, a rate of capacity take-up substantially below the level of feasible capacity within Queenstown Lakes

District's existing urban areas is unlikely to cause a constraint on growth. This will need to be monitored.

32 The results of the Housing Development Capacity Assessment have found that UGBs in the PDP effectively provide for growth in a range of locations and the analysis shows there is also capacity for growth in a range of localities across the rural environment (not modelled). The PDP increases the opportunities for intensification through infill development as well as providing further green field capacity – all in the context of an outstanding natural environment where the PDP seeks to avoid urban development in outstanding natural landscapes and significant natural areas. These provisions also provide for a range of dwelling types and locations.

Sufficiency of Housing Capacity

33 The National Policy Statement also requires Council to gain an understanding of the capacity and demand for dwelling typologies and prices and the variations in potential in each of the value bands. Sufficiency was modelled at the District level and for the urban environment.

34 Figure Two sets out the estimated demand and supply modelled for the Queenstown Lakes District across 17 value bands as at 2046 in a Stats NZ high growth scenario (the medium growth scenario has also been modelled)¹.

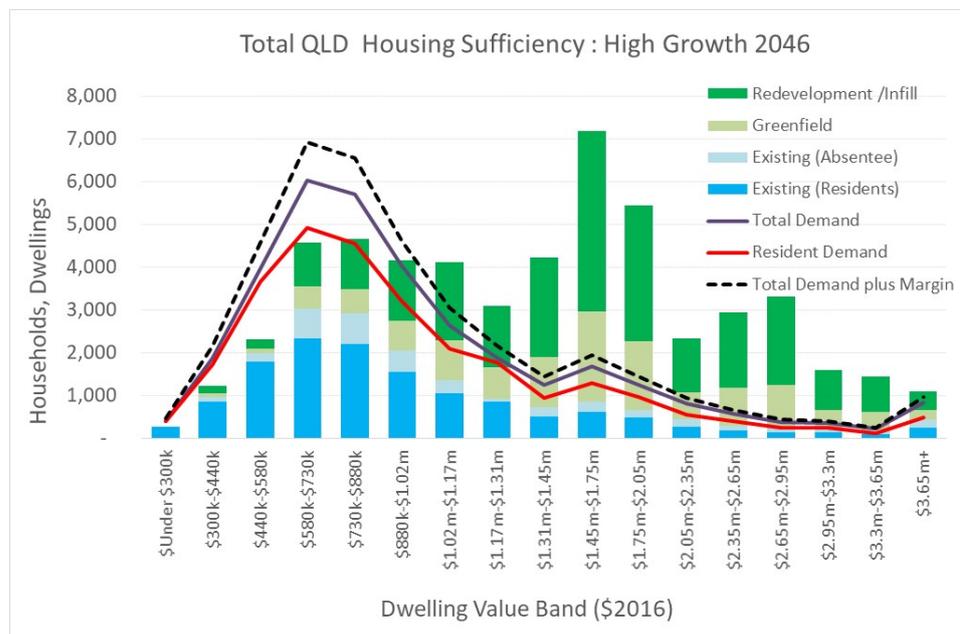


Figure Two: Total QLD Housing Sufficiency (High Growth) 2046

35 Figure Two shows the supply side and the demand side in each value band, as estimated for 2046. Overall, demand peaks in the \$580-730,000 and \$730-880,000 price bands. It is noted that capacity in the SHAs, rural environment and up-zonings in the PDP are not included, but are reported on separately. The indicated capacity

¹This has also been modelled for the urban environment only.

for lower value dwellings in the SHAs and rural townships could potentially reduce the indicated shortfall to a minor degree.

- 36 If allowance is made for long-term growth to be 15% higher than projected, to accommodate the margin required by the National Policy Statement, the shortfall in the lower value bands would be larger, at -6,150 residential units. However, the overall total sufficiency would still be very substantial, with potential supply exceeding demand by approximately 18,000 dwellings. What this means is that overall there will be sufficient supply (even with the required buffer), but the number of residential units delivered by the market in the lower value bands will not meet the predicted demand.
- 37 The assessment shows a consistent pattern where district total housing capacity is well in excess of demand, for both the urban area and the total district as a whole, in the short, medium and long-term. This includes allowance for the margins required by the National Policy Statement and assessment under a medium and high growth outlook (which spans Council's growth projection). At a high-level, this satisfies Policy A1 of the National Policy Statement.
- 38 However, the analysis shows small shortfalls in the short term and medium scale shortfalls in the medium (2016 to 2026) and long term (2016 to 2046) across the lower dwelling value bands. This is relevant to Policy B1a. There is considerable demand growth expected for these lower value bands – generally under \$580,000 – but limited supply currently and limited additional feasible supply into the long-term. The results of the Housing Development Capacity Assessment indicate that there is scope for a substantial share of the potential shortfall in the lower dwelling bands to be addressed by the commercial housing market. However, current information suggest that few dwellings are being released to the market at the 'affordable' price levels.
- 39 Queenstown Lakes District has relatively high property values – a product of its popularity as a holiday and investment location and its relatively rapid growth. This combination of features means that increasing the supply of dwellings in the lower value bands (e.g. under \$600,000) will require specific initiatives to make development of such dwellings both feasible and likely to occur. Enabling greater density where the plan already enables greater density in a range of areas is unlikely in and of itself to increase the rate of take-up unless these are targeted to the lower spectrum of the housing where it has been determined that there are shortages in supply.
- 40 Encouraging and enabling such initiatives to complement the broad-brush mechanisms like zoning and development controls in the District Plan, will be important to help ensure a comprehensive and balanced future dwelling estate across the Queenstown Lakes District.

Key findings of the Business Development Capacity Assessments

- 41 The Business Development Capacity Assessment needs to contain information summarised in Figure Three below on;
- the current economy and likely future economic growth by sector;

- the amount of capacity enabled under the current planning provisions plus any other strategic planning documents by type and location;
- an assessment of the feasibility or developability of that capacity; and
- an assessment of the sufficiency of capacity to meet the foreseeable demands arising in the urban area in the short, medium and long-terms.

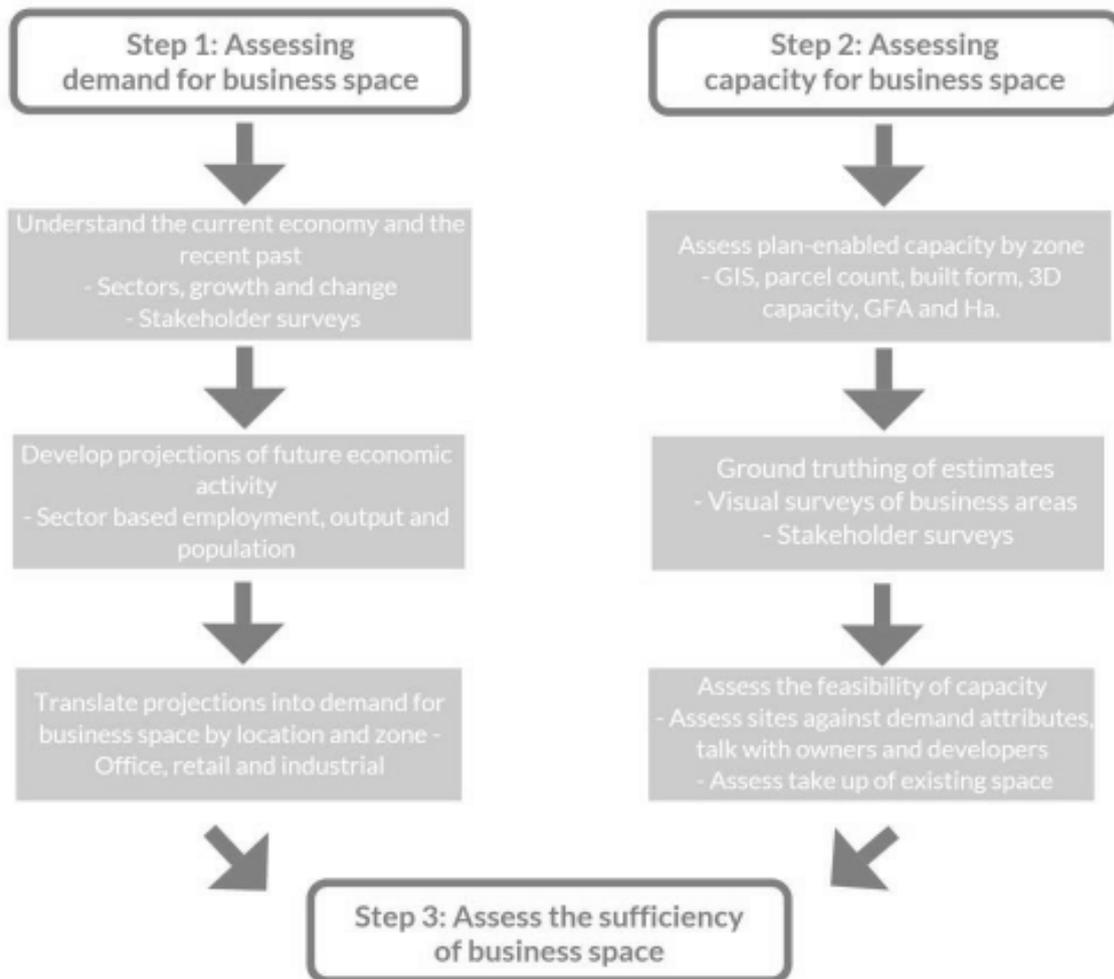


Figure Three: Overview of the Business Development Capacity Assessments

42 The Queenstown Lakes District has experienced strong recent growth in terms of residents and tourism. The four largest employment sectors are accommodation, construction, hospitality, and professional/scientific/technical/administration.

43 In total, the district's urban business zones have remaining (developable) capacity for approximately 252.5 ha of business development. A significant amount, approximately 182.2 ha (72%) is contained within Special Zones (such as Three Parks, Remarkables Park and Frankton Flats). Overall, 71% (180.5 ha) of total vacant business capacity is located within the Wakatipu Ward and the balance (29% or 72.0 ha) is in the Wanaka Ward. Generally, the Town Centre Zones have very little vacant capacity, although Plan Change 50 has created an estimated 3.9ha of vacant business land attributable to the Queenstown Town Centre zone.

Vacant capacity in the Local Shopping Centres is spread between Hawea, Albert Town, Wanaka (Cardrona Valley Road)² and Frankton. Vacant Industrial B land is only available in the Wanaka Ward.

- 44 Overall, the findings of the Business Development Capacity Assessment indicate that the PDP and ODP provide a surplus of capacity for projected growth in demand for both retail and commercial sectors for the next 30 years. There is also reasonably strong alignment between results of the Multi Criteria Assessment that was undertaken by Market Economics and plan enabled capacity, indicating that Council has zoned land that is appropriately located and is likely to meet developer requirements.
- 45 The Wanaka Ward is well served with industrial capacity for the foreseeable future. This is largely due to new zones created in the Ballantyne Road area, including the presence of the Industrial B zone. The objective of this zone is to provide a mix of business, industrial, service and trade related activities and avoid residential, office (non-ancillary) and most retails uses.
- 46 Using a conservative estimate, the Wakatipu Ward could have approximately 28.1 ha of vacant industrial capacity (based on the alternate scenario whereby some zones that also allow commercial and retail were removed from the analysis). This is out of a potential maximum capacity of 43.6 ha if none is taken-up by retail or commercial activity (which seems very unlikely when considering the development of sites in the Frankton Flats B Zone). This capacity (28.1 ha) does include significant vacant capacity in the Queenstown Airport Mixed Use zone (which is estimated at 10.6 ha). Excluding this vacant capacity, the remaining 17.5 ha is all that is left to cater for industrial land demand in the Wakatipu Ward (excluding Air Transport Services) of approximately 34 ha over the long term. This represents a potential shortfall of 16.5 ha over the medium and long term under the Council's growth scenario.
- 47 In light of the pressures facing business zones enabling industrial land use, Council will need to be vigilant in monitoring the up-take of vacant sites, particularly in the Frankton Flats B Special Zone and the industrial zoned sites in Wanaka. Monitoring will allow QLDC to regularly update the stock-take of vacant business sites in light of current construction and approved building consents. It will also inform what land uses are being developed on sites potentially available for industrial activities and whether changes to rules are needed to protect land needed for employment and the specific location needs for a wide range of business activities from being re-purposed for land uses that are already well catered for.
- 48 In terms of the Future Development Strategy and future development responses, attention would need to be given to the provision of additional industrial zoned land in the Wakatipu Ward to meet medium-long term demand (or medium-term demand to take a more conservative approach). It is noted that a new industrial zone has been recommended to the Council by the Hearings Panel as part of the PDP process, the Coneburn Industrial B zone. The proposed zone has approximately 27.32 ha (out of 63 ha) made up of two activity areas for the

² Noting that the decision version of the PDP reduces the size of the Local Shopping Centre Zone by approximately 50%. This will need to be remodelled.

industrial activities; 5.32ha of Area 1 which will provide for large lots and 21.93 of Area 2 which would provide from smaller lots. The remaining 36ha of this zone is open space (i.e an area not available for development). Council Officers will need to update the Business Development Capacity Assessment and assess this as part of the Future Development Strategy.

What next?

- 49 The results of the Housing and Business Capacity Assessments have highlighted that Council will need to be vigilant in monitoring the uptake and usage of business and residential land. This is particularly timely with the release of the Stage 1 decisions of the PDP that enable increased levels of development throughout urban areas of the QLD. Particular attention needs to be given to the use of industrial land in the Wakatipu ward.
- 50 Council will have to include residential development capacity targets in the PDP by the 31 December 2018.
- 51 The results of the Housing and Business Capacity Assessments will inform the Future Development Strategy, which is also required to be complete by the 31 December 2018. Council have commenced the initial stages of the Future Development Strategy, and will report back to the Planning and Strategy Committee in due course. It is noted that the timeframes for the completion of this work is very onerous, considering the Council does not currently have up to date growth strategy, the high level of community interest and the concurrent PDP process. Council Officers will endeavour to meet these timeframes, but there is a high risk that a time extension maybe required.
- 52 The Housing and Business Development Capacity Assessments highlight that further work with the Central Otago District Council is required to understand the level of demand and capacity of both business and residential land in Cromwell and its interaction with the QLD. Very limited data was available at the time of this assessment for this purpose, however it is likely that the next iteration will allow for more collaboration with adjoining districts.

Options

- 53 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:
- 54 Option 1: To adopt the findings of the Housing and Business Capacity Assessments (subject to minor amendments), pending feedback from MBIE.

Advantages:

- 55 Allows the Future Development Strategy work to proceed.
- 56 The initial findings will help inform Council's future work programmes and ongoing obligation to monitor the uptake of residential and business land.

Disadvantages:

- 57 MBIE may request a number of changes that will result in the Housing and Business Development Capacity Assessments being presented back to the Planning and Strategy Committee.
 - 58 A number of areas of additional research have been identified. The Housing and Business Capacity Assessments represent a point in time that needs to be improved in future iterations.
 - 59 Provides the opportunity to incorporate MBIE feedback prior to Council adoption.
- 60 Option 2 – Not adopt the Housing and Business Development Capacity Assessments.

Advantages:

- 61 Would allow Council the opportunity to fully understand the factors that are affecting the residential and business capacity and demands across the QLD, including the interaction with the CODC.
- 62 Would allow Council the opportunity to incorporate the feedback from MBIE prior to adoption.

Disadvantages:

- 63 Additional Council resources will be required to complete all of the outstanding matters that have been highlighted in the Housing and Business Capacity Assessments. This would take considerable time and resource. This would not meet the requirements of the National Policy Statement.
- 64 This report recommends Option 1 for addressing the matter.

Significance and Engagement

- 65 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because the matter relates to the appointment of Councillors and Commissioners to hear, deliberate and make recommendations on the submissions on the Proposed District Plan, which is a very significant statutory document in terms of the social, economic and environmental wellbeing of the District.

Risk

30. This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection)' as documented in the Council's risk register. The risk is classed as high. This matter relates to this risk because it is considered to be of significant importance in terms of the managed growth and regulation of development for the District.

31. The recommended options considered above mitigate the risk by: Treating the risk - putting measures in place which directly impact the risk. The recommended option considered above mitigates the risk by receiving the initial findings of the Housing and Business Development Capacity Assessments.

Financial Implications

66 There are budget and cost implications in regards to meeting the requirements of the National Policy Statement, including the monitoring and preparation of the Future Development Strategy. Council has commenced work on the Future Development Strategy and will be reporting back to Council in due course.

Council Policies, Strategies and Bylaws

67 The following Council policies, strategies and bylaws were considered:

- The Operative District Plan;
- The Proposed District Plan;
- Growth Management Strategy 2007;
- Housing Our People in our Environment Strategy;
- Economic Development Strategy;
- Housing Accords and Special Housing Areas Implementation Policy 2013;
- Queenstown Lakes District Housing Accord;
- 2017/2018 Annual Plan and the Long Term Plan; and
- 30 year Infrastructure Strategy

Local Government Act 2002 Purpose Provisions

68 The proposed resolution accords with Section 10 of the Local Government Act 2002, in that it fulfils the need for good-quality performance of regulatory functions.

69 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by keeping the Council informed;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

- 70 The persons who are affected by or interested in this matter are the Queenstown Lakes District community. There is also likely to be some wider community interest and national interest, given the high cost of housing and business land across the District and the significant growth that the District has experienced over the past 20 years.
- 71 Workshops were held with stakeholder groups to discuss the outputs of both the HDCA and BDCA. In future iterations of these reports Council intend to increase the level of community involvement and feedback within these reports.

Legal Considerations and Statutory Responsibilities

- 72 The process for dealing with HDCA and BDCA is set out in the National Policy Statement.

Attachments

- A Business Development Capacity Assessment 2017
- B Housing Development Capacity Assessment 2017