

Before the Independent Hearings Panel

Under the Resource Management Act 1991

In the matter of submissions on the Inclusionary Housing Variation to the  
Queenstown Lakes Proposed District Plan

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**Legal Submissions for Northlake Investments Limited (Submitter 129)**

5 March 2024

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- 1 Northlake Investments Limited (**NIL**):
  - a. is a subsidiary of Winton Land Limited;
  - b. records its support for the legal submissions presented by Kristen Gunnell of Russell McVeagh on behalf of Winton Land Limited;
  - c. is part of the 'developer consortium' represented by Maree Baker-Galloway of Anderson Lloyd and records its support for the legal submissions presented by Maree Baker-Galloway;
  - d. is involved in residential development and retirement village development;
  - e. is not presently directly affected by Council's Inclusionary Housing Variation (**IHV**) but might possibly be in the future;
  - f. focuses on the retirement village aspect for the purposes of this hearing;
  - g. intends to address a few points relevant to issues raised in detailed legal submissions already presented.

- 2 Relevant objectives and policies of the National Policy Statement on Urban Development 2020:

***Objective 1:*** *New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.*

...

***Policy 1:*** *Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:*

(a) *have or enable a variety of homes that:*

(i) *meet the needs, in terms of type, price, and location, of different households;"*

- 3 NIL notes that:

- a. Provision for retirement living directly helps to achieve Objective 1 and Policy 1 quoted above – refer evidence of Julian Cook.

- b. Nobody else in the Queenstown Lakes District seeks to achieve Objective 1 and Policy 1 for people who need retirement living opportunities.
  - c. In particular the Queenstown Housing Trust does not seek to cater for retirees.
- 4 It is clear from the legal submissions and evidence presented to date that:
  - a. The IHV does not seek to address an effect of, or arising from, the provision of retirement living.
  - b. The financial levies authorised by the IHV constitute a tax levied against some (but not all) residential developers (including retirement village developers) to address an acknowledged social problem in the Queenstown Lakes District, being the lack of affordable housing.
  - c. No part of that tax is intended to be applied to assist the achievement of residential provision for retirees.
- 5 The IHV tax, as applicable to retirement villages, must adversely affect the achievement of Objective 1 and Policy 1 in respect of provision of residential opportunities for retirees, to some degree.
- 6 Section 32(1)(b) – NIL challenges the extent to which the Council has established, or even tried to establish, that the proposed provisions relevant to retirement villages are the most appropriate way to achieve the outcomes the IHV seeks to achieve. In particular:
  - a. Reasonableness/fairness/equity – where is the ‘most appropriate’ analysis which justifies levying a tax on retirement villages but not on commercial development (eg: Bunnings/The Warehouse) or visitor accommodation or other forms of commercial activity which generate demands for housing, including affordable housing.
  - b. Where is the economic analysis of the ‘most appropriate’ basis for the specified residential zone exceptions, such as Jacks Point:
    - i. justification for any exceptions;
    - ii. creates market distortion.
  - c. Why the exemption for rural lifestyle subdivision in the rural zones but not in the rural living zones.

- d. Further illogicality – exemption for managed care units in retirement villages.
- 7 How does the levy calculation Rule 40.6.1.2 apply to a retirement village development which does not involve creation of separately saleable units:
- “Development:*
- (a) *Residential floorspace for any new or relocated units as part of a multi-unit development on lots that have not been subject to a financial contribution under 1(a) above: A monetary contribution shall be paid to the Council equal to the lesser of:*
- (i) *2.0% of the estimated sales value of each additional unit,*  
*or*
- (ii) *\$150 per sqm of the net increase in residential floorspace.”*
- 8 Attached Schedule details amendments requested to give effect to NIL’s Submission.

Broader points

- 9 Rating alternative – retirement villages.
- 10 Rating alternative – planning value uplift.
- 11 Rating alternative – comparison of potential funds collected for affordable housing.
- 12 Section 32 assessment.

Dated 5 March 2024



W Goldsmith  
Counsel for Northlake Investments Limited

## SCHEDULE

### Schedule of amendments requested

#### Amendments requested in Submission

1. Amend Policy 40.2.1.4 by adding the following additional subclause d):

“d) zoning or development which has previously provided social or affordable housing”

Note: The wording of the proposed Policy 40.2.1.4.d as recommended by David Mead in his Rebuttal Evidence.

2. Amend Rule 40.6.1.3.c as follows (additions shown as underlined and deletions as ~~strike through~~):

3. *Exemptions:*

*For the purposes of this standard, the following types of residential activities should not be counted as contributing to the total number of residential lots or units in a development, nor be ~~counted towards fulfilling~~ subject to the requirement of 40.6.1:*

...

- c. *A ~~managed care~~ unit in a Retirement Village or Rest Home (as defined by the Retirement Villages Act 2003 or the Health & Disability Act), or ...”*

#### Consequential amendments requested

3. Amend Policy 40.2.1.1 as follows (additions shown as underlined and deletions shown as ~~strike through~~):

“40.2.1.1 Apply affordable housing contributions to residential subdivisions and developments (including Residential Visitor Accommodation ~~and~~ but excluding independent living units in retirement villages) ...”

4. Amend Policy 40.2.1.4 as follows (additions shown as underlined and deletions as ~~strike through~~):

*“40.2.1.4 Recognise that the following forms of residential development either provide affordable housing or do not generate pressure on housing resources and should not be subject to the affordable housing contribution:*

*...*

*b) ~~managed care~~ units in a Retirement Village (as defined by the Retirement Villages Act 2003) or Rest Home (under the Health & Services Disability Act 2001);”*

5. Amend Rules 40.5.1 and 40.5.2 as follows (additions shown as underlined and deletions shown as ~~strike through~~):

*40.5.1 Subdivision or development that is proposed to contain or is capable of containing residential lots or units (including residential visitor accommodation units ~~and~~ but excluding independent living units in retirement villages) and provides an affordable housing financial contribution in accordance with standard 40.6.1.*

*40.5.2 Subdivision or development that is proposed to contain or is capable of containing residential lots or units (including residential visitor accommodation units ~~and~~ but excluding independent living units in retirement villages) which does not provide an affordable housing financial contribution in accordance with standard 40.6.1.”*