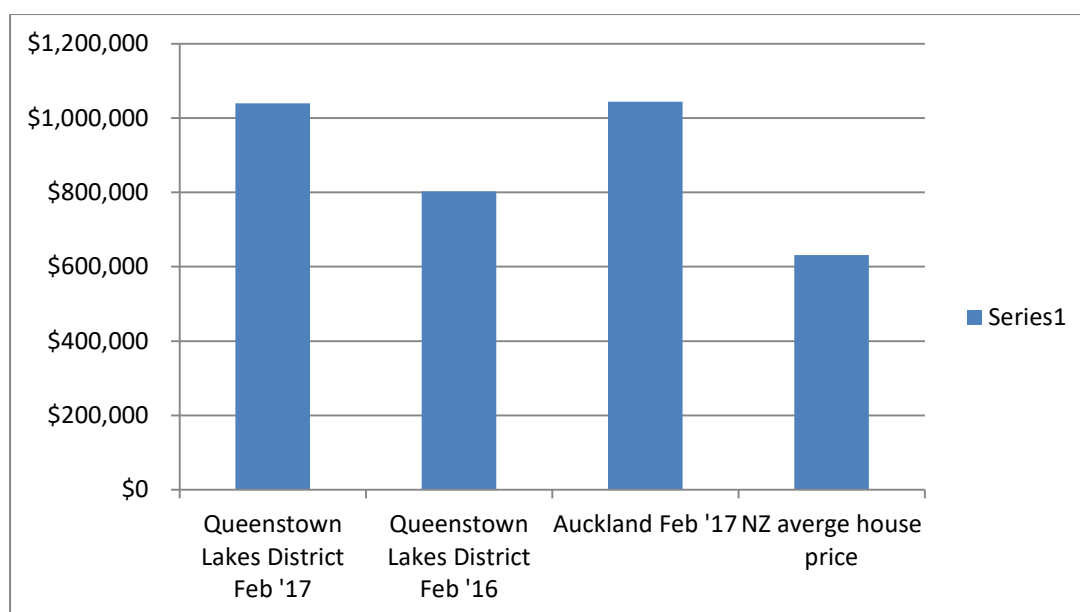


## Ladies Mile Discussion Document

### Why do we need to look at Ladies Mile?

Housing affordability and an adequate supply of suitable housing are crucial to maintaining a functioning community with a strong economy. Currently our housing market is experiencing major issues with the supply, affordability, and suitability of housing.

Queenstown is faced with an unprecedented housing affordability challenge. Average house prices in the district have increased by 29.5% over the last year as shown in the graph below:



The ratio of median house prices to median incomes for Queenstown is the highest in the country in February 2017 at 10.7, i.e. the median price for a house is 10.7 times the median income.

Average weekly rents in Queenstown were the highest in the country at \$550, up 22.8 percent from \$448 in 2016 and above average rents in Auckland at \$518.

As a tourist area, our housing supply is impacted when properties are used as holiday homes and visitor accommodation. This adds further pressure to the housing market and residential land supply.

These issues will become more pronounced if housing supply does not respond to demand, particularly the need for more compact and affordable housing closer to employment.

The Government recently issued a new National Policy Statement on Urban Development Capacity which requires Councils to provide “sufficient” development capacity. Under this policy, Council will need to provide land across the district for at least 9158 additional dwellings by 2028 and 17,462 by 2048.

	2028		2048	
	Projected Additional dwellings	Additional dwellings required by NPS 20%	Projected Additional dwellings	Additional dwellings required by NPS 15%
<b>Wakatipu</b>	4623	5548	9,630	11,556
<b>Wanaka</b>	3008	3610	4,922	5,906
<b>District Wide</b>	7631	9158	14,552	17,462

While there is already a considerable amount of land zoned for development in the District, the majority of this land is contained in a small number of ownerships. Queenstown therefore does not have a shortage of zoned land but rather a low uptake of the land that is zoned for development and this is constraining the market.

### Why Ladies Mile?

Queenstown has limited growth corridors and areas of land suitable for urban development that are flat, accessible, serviceable and not zoned as an Outstanding Natural Landscape. The opportunities for Queenstown's urban growth are largely contained in four geographic areas:

- a) Intensification of existing urban areas
- b) Ladies Mile
- c) The valley between the Kawarau River and Jacks Point/Hanley Downs
- d) Along Malaghans Road from Arthurs Point

With regard to the intensification of urban areas – this is being addressed through the Proposed District Plan process. While this will likely provide additional housing units, experience shows that this can be limited due to a range of economic and existing land use reasons.

Council believes Ladies Mile is best placed to accommodate increased development given it is adjacent to existing urban development in the form of Lake Hayes Estate, Shotover Country and the Queenstown Country Club. Ladies Mile is also close to the major employment area of the Frankton Flats and its industrial zones.

The area can also be serviced with infrastructure more readily, due to the proximity of the Council's wastewater treatment plant and water bore field, and the existing reticulated water networks in Lake Hayes Estate and Shotover Country.

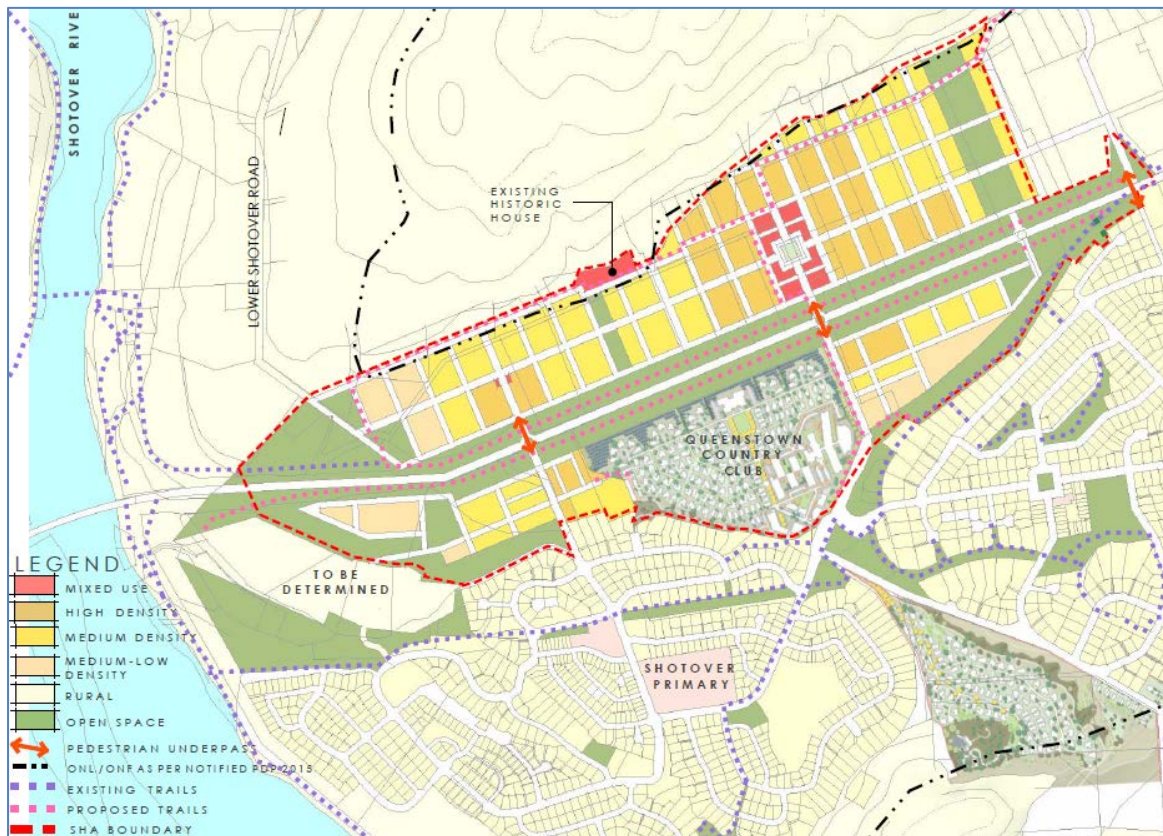
The land along Malaghans Road still has a strong rural character and little development. The Wakatipu Basin Land Use Study identified it as having a low capacity to absorb development.

The land between the Kawarau River and Jacks Point/Hanley Downs is also being considered, however it is less readily serviced from an infrastructure perspective and would therefore be more

costly and take longer to be made available for development.

### What sort of development is being proposed?

Given the scarcity of land suitable for urban development in the Wakatipu Basin, it is recommended that a mixture of high, medium and low density development is provided for, as shown in the indicative master plan for the Ladies Mile on the following page.



The different densities would be centred around a mixed-use core that would contain retail on the ground floor with residential above. This 'convenience retail' area would provide a community heart to the combined Lakes Hayes Estate, Shotover Country and Ladies Mile urban areas. Housing would be developed as attached dwellings, largely consisting of two and three storey buildings with a high standard of design.

A landscaped setback from the state highway is proposed, with extensive tree planting. New pedestrian underpasses and traffic roundabouts would be required to ensure linkages across the State Highway. The aim would be for a comprehensive and integrated approach to development. Public parks and reserves would be large and suitable for both active and passive recreation.

Any Special Housing Area proposal would need to align with the Indicative Master Plan. This plan uses a grid layout to achieve an efficient use of the land and encourage a mixed use of the land, as well as lending itself to increased use of public transport, walking and cycling.

It is proposed that developers would need to provide a 10% contribution of land or housing to the Queenstown Lakes Community Housing Trust who would then use it to provide affordable housing options.

While the normal rezoning processes under the Resource Management Act involves more public input, the timeframes associated with submissions, further submissions, a hearing and then appeals means any development could be delayed for many years.

Rather than rezoning the land, Council is considering enabling use of the Special Housing Area process for development because it could result in being built sooner.

### **Transport Implications**

Queenstown's geography means that there are only three roads into Queenstown. There is no easy solution to Queenstown transport issues but a range of initiatives are underway, including enhanced public transport.

Based on current QLDC growth forecasts, the Shotover Bridge will reach capacity when operating during the evening peak in 2035, which will extend out to 2044 if 10% of vehicle drivers shift to public transport or other alternative modes. Additional residential development on the Ladies Mile brings forward the time at which the bridge reaches capacity.

Under any development plan on the Ladies Mile, it is clear that encouraging and enabling greater use of public transport is an important factor to consider.