

**PROPOSED TE PŪTAHI LADIES MILE PLAN VARIATION
SUMMARY OF EVIDENCE OF PHILIP OSBORNE ON BEHALF OF
THE ANNA HUTCHINSON FAMILY TRUST**

1. My name is Philip Osborne. I am an Economist at Property Economics.
2. I have prepared evidence, dated 20th October 2023, in relation to economics in support of the submission of the Anna Hutchinson Family Trust (**Trust**), a submitter on the Te Pūtahi Ladies Mile Variation (**Variation**).
3. My evidence identifies the potential economic costs and benefits of rezoning the submission area (**Extension Area**), as well as commenting on the appropriate nature of its inclusion into the Variation.

Summary

4. It is important to note that I support the economic objectives of the Variation in providing additional residential development capacity within an efficient location at a district level.
5. I have narrowed the summary of my evidence to the few remaining issues of contention given the agreements reached in the Economic Joint Witness Statement of the 2 November.
6. It is my understanding that the remaining issues are limited to the timing and extent of the rezoning for the Extension Area.
7. There is substantial agreement on the issue at play with regards to the current difficulties faced in the wider Queenstown Lakes housing market as well as the suitability and efficiencies of the Extension Area for housing development. It is important that the remaining points of disagreement are considered in light of these conditions.
8. The points raised by Council witnesses Ms. Fairgray and Ms. Hampson on the extension area appear to relate to their position in the Joint Witness

Statement¹ where they identify their concern that the area may affect the level of residential intensification closer to the Commercial Precinct in the short to medium term resulting in a temporal inefficiency².

9. While the level and potential extent of the Extension Area on the Commercial Precinct is addressed in Mr Heath's evidence, I think it is pertinent to consider the likely economic benefits of the Extension Area in light of any potential temporal impact.
10. As identified in my evidence in chief there are a large number of market factors that are likely to impact upon the level of residential capacity actually realised by the market. Impacts through market feasibility and typology acceptance are likely to impact upon the timing and extent of provision within the wider Variation area.
11. Inherently the level of flexibility and capacity indicated by the extent of zoning impacts upon housing fundamentals such as choice and affordability.
12. I understand that a key consideration in terms of the NPS-UD is the utilisation of appropriate land around centres for intensified residential development to provide efficient access to services (and opportunities).
13. In assessing the economic appropriateness of the Extension Area to the Variation, there are a number of other factors that require consideration. Firstly, the potential for economic costs. When considering locational options for increased density residential development it is important that the appropriateness of the location is considered. With a finite level of demand for medium to high density development, adding development potential in inappropriate locations can increase competition redistributing demand to less efficient locations.

¹ *Economic Joint Witness Statement 2 November 2023*

² *Ibis, point 3 (a)*

- 14.** There are two key factors to consider here. The first is that the Extension Area will provide additional development capacity to a market that is in desperate need for additional development options, impacting upon district wide housing choice and affordability. The second is that the Extension Area (as an agreed position) is an efficient location with regard to both the wider Variation area and its proximity to the Frankton area.

- 15.** Essentially, even over the short to medium term, the Extension Area proposed represents an efficient location for development that is unlikely to result in any tangible economic costs, while contributing to a more efficient, effective and affordable housing market for the Queenstown Lakes community.

Philip Osborne

11 December 2023