



# Developers considering options

By **MATTHEW HAGGART**

MORE legal action could be on the cards for Queenstown Lakes developers as they continue efforts to stop a contentious council policy imposing affordable housing levies on them.

A group of developers, which includes Queenstown's Remarkables Park Ltd, Wanaka's Infinity Ltd, and Willowridge Ltd, are opposed to the Queenstown Lakes District Council's affordable housing policy.

Willowridge and Infinity directors are considering their options after Judge Gordon Whiting ruled the QLDC's plan change 24 — Affordable and Community Housing (PC24) — fell within the scope of the Resource Management Act (RMA).

The QLDC wants to use PC24 to impose a levy, under the resource consent process, when land is rezoned from rural to urban classification.

Infinity general manager Marc Bretherton and Willowridge director Allan Dippie have both described PC24 as an unfair tax on district property developers who are already providing

affordable housing schemes.

The pair met this week and Mr Dippie told the *Otago Daily Times* the companies were considering their next move.

"We can either appeal the decision to the High Court, mediate and go into negotiations with the council, or wait for the second substantive hearing," he said.

The two companies were among a group of five Queenstown Lakes property developers, which asked the Environment Court to rule on a preliminary question of law whether PC24 — and the council's intention to regulate the commercial market — was within the scope of planning law and the RMA.

QLDC senior policy analyst Scott Figenshow hailed the Environment Court's decision this week as an "important community win."

PC24 will apply whenever developers seek to rezone land from rural to urban.

"Rezoning ... improves land value [and] this plan change means the wider community can benefit from that," Mr Figenshow said.

He acknowledged developers had already voluntarily provided "stakeholder" schemes to the council at seven different develop-

ments around the district during the past eight years.

There are 250 affordable homes scheduled to be delivered over the next 15 years.

Mr Dippie said times had changed since PC24 was first envisaged and an economic downturn had affected the property.

He claimed PC24 would have the reverse affect on the housing market when developers were forced to pass on the cost of the levy to the majority of buyers who would be ineligible for affordability schemes.

PC24 is scheduled to come before the Environment Court again later this year. Mr Dippie said the QLDC had indicated a willingness to go into mediation negotiations regarding PC24 policies.

"The plan change was made with good intentions. It's just backfiring when you consider there are already affordable housing schemes in place without any need for it," he said.

PC24 was "hugely complex" to administer and it was "more efficient for an existing market-led approach" which was already "working well", Mr Dippie said.

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## Affordable houses

### QLDC Plan Change 24 (PC24): Affordable and Community Housing

#### What is it?

The council wants to "cement a mechanism in statute" by way of Plan Change 24 to address a housing crisis in the Queenstown Lakes, which prices low-income earners out of the property market.

#### History:

February, 2005: PC24 stems from the QLDC's "Housing Our People in our Environment" (HOPE) strategy workshops.

October, 2007: PC24 proposal notified and put out for public consultation.

July, 2008: Public hearing by independent commissioners to consider PC24 proposal.

December, 2008: Councillors' vote split 6-6 on whether to adopt a recommendation from PC24 commissioners. Mayor Clive Geddes uses

casting vote to accept commissioners' recommendation.

January, 2009: QLDC adopts PC24 in to the district plan.

February, 2009: Developers, Remarkables Park Ltd, Five Mile Holdings Ltd (subsequently placed in receivership), and a group comprising Wanaka-based Infinity Investment Group Holdings, Willowridge Developments Ltd and Orchard Road Holdings Ltd, appeal PC24 to the Environment Court.

#### Progress without PC24?

During the past eight years, the QLDC has signed seven affordable housing stakeholder agreements volunteered by developers for existing projects at Queenstown, Wanaka, Albert Town, Kingston, and Cardrona which will deliver more than 250 affordable homes during the next 15 years — without PC24.



**Easy on the wallet . . . Lake Hawea subdivision Timsfield has a market-driven affordable housing scheme without the need for council planning policy, its developer says.**

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