## **BEFORE THE OTAGO REGIONAL COUNCIL**

IN THE MATTER of the Resource Management Act 1991

**AND** 

IN THE MATTER of the Proposed Otago Regional Policy Statement 2021 –

Chapter 5 SRMR – Significant resource management

issues for the region

# STATEMENT OF EVIDENCE OF KATHRYN RUSSELL ON BEHALF OF QUEENSTOWN LAKES DISTRICT COUNCIL (138)

### **23 NOVEMBER 2022**

PO Box 323 QUEENSTOWN 9348 Tel +64 3 379 7622 Fax +64 3 379 2467

Solicitor: Alice Balme / Jake Robertson (alice.balme@wynnwilliams.co.nz) (jake.robertson@wynnwilliams.co.nz)



#### 1. INTRODUCTION

- 1.1 My name is Kathryn Russell. I am an intermediate policy planner employed by the Queenstown Lakes District Council (QLDC) and have prepared evidence on the biodiversity section of the Otago Regional Council's Proposed Regional Policy Statement (RPS).
- 1.2 I hold the qualifications of a duel Bachelor of Arts degree in Environmental Studies and Modern Literature from the University of California, Santa Cruz. I am undertaking my final coursework towards a Masters in Planning from Massey University, and will graduate in June 2023. I have 3 years' experience in planning policy with QLDC, and have worked previously for the Department of Conservation as a community ranger where I worked for the Sub Antarctic Islands team.
- 1.3 I confirm that I have read the Code of Conduct for Expert Witnesses contained in the Environment Court's Practice Note 2014 and that I agree to comply with it. I confirm that I have considered all the material facts that I am aware of that might alter or detract from the opinions that I express, and that this evidence is within my area of expertise, except where I state that I am relying upon the evidence of another person.

# 2. PURPOSE AND STRUCTURE OF EVIDENCE

- 2.1 The purpose of my evidence is to support QLDC's submission in relation to parts of the significant resource management issues for the region (**SRMR**) section of the proposed RPS. In preparing this evidence, I have read the following:
  - a. Section 42A Hearing Report Proposed Otago Regional Policy Statement 2021, Chapter 5: Submissions on Part 2 – Resource Management overview, Jacqui Todd and James Adams, 4 May 2022; and
  - b. Brief of supplementary evidence of Jacqui Ann Todd, SMRM significant resource management issues for the region, 11 October 2022.

- SRMR-I4 poorly managed urban and residential growth affects productive land, treasured natural assets, infrastructure and community well-being – economic impact snapshot
- 3.1 QLDC's submission on SRMR-I4 sought that the Economic impact snapshot paragraph be amended so that it "more accurately describes the long established and growing housing affordability challenges that are present in the Queenstown Lakes District".
- 3.2 The s 42A report recommended the removal of the housing affordability statistics in the Economic Impact section as follows:

#### **Economic**

. . .

In Otago, housing has been more affordable for homeowners than the NZ average in recent years, however house value growth has been higher in Otago (12.6% per annum) than the NZ average (7%) since 2017.

- I support this amendment as it better reflects the significance of housing affordability in the Queenstown Lakes District (**QLD**). The QLD is consistently one of the most expensive locations in the country to buy a home. A standard measurement of housing affordability compares the average house value to average household income. In this ratio anything over 5 is considered unaffordable. In QLD the ratio for buying a home is 13.1, compared with 8.7 for the rest of New Zealand, and 8.4 for Dunedin city. Rental prices are more variable but have also been a well-documented challenge, the rent to earnings ratio is 22.5% for the QLD<sup>2</sup>. This ratio represents the average weekly rent to average household income.
- In response QLDC is undertaking a comprehensive approach to achieve a managed and sustainable approach to growth, while also seeking to ensure that there are affordable homes for the community. Key highlights at a national and regional level include the Whaiora Grow Well Spatial Plan, the present work on the Future Development Strategy alongside Otago Regional Council as well as a Joint Housing Action Plan with Government. Locally, intensification and

<sup>1</sup> https://ecoprofile.infometrics.co.nz/queenstown-lakes%2bdistrict/StandardOfLiving

<sup>&</sup>lt;sup>2</sup> https://ecoprofile.infometrics.co.nz/queenstown-lakes%2bdistrict/StandardOfLiving/RentalAffordability

housing diversity plan changes are being sought in a key development area of Te Pūtahi Ladies Mile, as well as a district-wide assessment under the National Policy Statement Urban Development. Another key strand of work seeks to implement inclusionary housing through a recently notified plan change.

- 3.5 The high cost of housing is connected to a range of negative outcomes, and given the severity of the issue, further acknowledgement of the issue as a regional priority is appropriate in the SRMR section of the RPS.
- 3.6 To address the housing affordability challenges in the district, I recommend an amendment of the fourth bullet point in the Economic impact snapshot, shown in <u>underline</u> and <u>strikethrough</u> in red as follows:

#### **Economic**

While potentially providing short term commercial returns, poorly managed urban growth and development may result in long term impacts including:

. . .

 housing affordability <u>challenges are present in the region</u> <del>can be</del> and are negatively affected by urban growth where demand outpaces supply-, <u>in some areas the supply of affordable housing is not meeting</u> demand and localised solutions may be required.

Kathryn Russell

23 November 2022