

## **McDonald Oral Submission on Plan Change 50**

My wife and I are the business owners of Browns Boutique Hotel, a small 10 room accommodation business in Isle Street which will be directly affected by Plan Change 50 and the new rules for the proposed Isle Street Sub Zone.

**We support the Lakeview development of the proposed Convention Centre and the development of one hotel of approx. 250 rooms adjacent to it. This combined with existing Queenstown hotels can support the Convention Centre. The Convention Centre will add enormously to the visitor market mix. But, a Convention Centre does not mean the Town Centre needs expanding.**

**What is driving the need for change?**

**Is it simply the need to enlarge the rating base to help fund new projects such as a Convention Centre?**

Despite the large volume of reports and expert opinions so far presented by Council and its outside consultants, we remain totally unconvinced of any need to change the status quo in relation to the Isle Street Sub Zone.

As we stated in our submission;

The proposed height limits of ~~15m~~ and 12 metres and the amalgamation of 2000 metre sites are out of scale given the sloping contours of the land. Many existing owners will be shaded and lose their views.

The proposed site coverage of 70% is too intensive and will lead to minimum setbacks between properties. This will also take away views of any properties without a Man St frontage.

We believe it is unfair to impose Town Centre rates onto existing owners and the current High Density Residential rates should remain.

We are opposed to the car parking provisions which do not allow for enough onsite car parking for both residential and commercial properties and on Isle Street

It is incorrect to state that visitors for conventions will not have cars. Many choose to bring partners to their conference, hire cars, then stay longer to

enjoy the wider local environment and to travel on to other parts of the country.

All our guests are Independent travellers and 70% have cars. We have parking for 50% of our guest rooms and that is not enough but in 2000 when the property was built that was all that was required by law.

Markets that used to coach around NZ like Japanese, Chinese and Indians now hire cars so the volume of car parking required is actually increasing.

What is urgently needed in Queenstown is a sensible parking plan or “park & ride” system for the central Queenstown area to cater for visitors and residents alike. In the outer perimeters of Isle, Man and Hay Streets parking is impossible and cars are circling the area like sharks trying to squeeze into any small area. Alternative parking could be achieved utilizing flat land further along Gorge Road.

We are opposed to the “mixed use model” proposed in the Isle Street Zone which could see bars and restaurants with their accompanying noise and mess in a largely residential neighborhood. These should be contained within the current town centre. **The current town centre should remain the small unique, vibrant, heart of the district with fabulous restaurants, bars, and small boutique shopping tucked neatly around Queenstown Bay.**

The need for additional office and retail space in downtown Queenstown has **NOT** been proven despite the multitude of consultants reports so far produced. We believe there is still the opportunity in the current town centre to re-develop existing buildings and increase floor space as the re-development of the AMI building has shown and with the new proposed Skyline development next to Eichardts.

By increasing the size of the town centre, there is a real risk that existing businesses will be enticed to move to new proposed developments in the Isle Street Sub Zone, fracturing the town centre and leaving empty buildings, shops and restaurants.

**Not a good look for a tourism icon like Queenstown.**

Queenstown is the commercial and tourism hub of the district but with its high rentals it will never compete with Frankton and its lower rentals and available land, made so by this same Council in Plan Change 19.

There is no justification whatsoever in developing more commercial accommodation.

A number of the reports state that we need to refresh and build new properties as current stock is getting older. Why ?

With higher occupancy levels and higher revenues many existing hotels could afford to refresh and re-develop existing properties. With the down turn in the tour market in recent years, Queenstown hotels have been overly dependent on the independent traveller leisure market resulting in a competitive environment where room rates are slashed to achieve occupancy. This has had a negative affect on every hotel's profitability, therefore negating any re-investment in those properties.

At current building and land cost levels it is uneconomic to build a new property unless much higher room rates and occupancy levels than the current norm are achievable.

Commercial hotel accommodation is predominantly located in central Queenstown. Despite offering a total of 115 properties including hotel, motels & apartments, the commercial accommodation stats by Statistics NZ for the year ending Aug 2014 show only an annual 58.6 % occupancy. These figures **exclude** B & B's, Backpackers and private house rentals. Why would you build more?

People come to New Zealand for the natural beauty of the country. Queenstown is the perceived as the "Jewel of NZ " and is strongly promoted by Tourism NZ and Air NZ ahead of other regions for its dramatic and beautiful scenery.

Most of our domestic and international visitors enjoy Queenstown not only for its natural beauty but also the small, vibrant yet intimate downtown environment with its first class restaurants, cafes, boutique shops, fabulous tourism attractions, and active waterfront energy.

85% of our guests are international visitors, and many comment on how "big" and commercial" the town is and how they never realized this. For those that are very negative we say "just look up at the mountains – that's why you came here"

What do we say if they look up at the mountains and see "high rises"??  
How will we all feel if their perceptions change and they choose our neighbours Wanaka and Te Anau as more attractive places to stay?

When we purchased this business in 2008 one of the deciding factors was the fact that the Man Street car park building in front of us had been declined resource consent to build higher than was then permitted. If it had been allowed, the stunning views from our property currently enjoyed by our guests would have been severely compromised and we would not then have purchased this business.

In summary therefore we repeat we adamantly oppose Plan Change 50 in the belief that the current regulations regarding future development in the Queenstown CBD are more than adequate for its continuing success as New Zealand's leading tourism attraction.

**Do not kill the goose that lays the golden egg.**

**Thank you for your time today.**