

<b>Under the</b>	Fast-track Approvals Act 2024
<b>In the matter</b>	of the application by RCL Homestead Bay Limited in relation to Homestead Bay

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**MEMORANDUM OF COUNSEL FOR QUEENSTOWN LAKES DISTRICT COUNCIL  
RESPONDING TO MINUTE 3 OF THE PANEL CONVENER**

**11 August 2025**

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**May it please the Convener:**

**1. INTRODUCTION**

**1.1** This memorandum is provided on behalf of Queenstown Lakes District Council (QLDC) in response to Minute 3 of the Panel Convener (**Minute**) regarding the Homestead Bay application (**Application**) under the Fast-track Approvals Act 2024 (**FTAA**). Simpson Grierson has been instructed to act for QLDC in respect of the Application.

**1.2** The Convener has directed QLDC to file a memorandum by 12pm Monday 11 August 2025 that:

- (a) comments on the level of complexity including any novel or difficult legal issues, any evidential complexity, or any factual complexity;
- (b) identifies, as a feature of this complexity, the principal issues in contention or other disputed matters;
- (c) states whether the drafting of proposed consent conditions (including any draft management plan filed) is accepted;
- (d) proposes efficient processes to enable the panel to understand, resolve or narrow the scope of any likely issues and indicate how these processes may be accounted for under the decision timeframe; and
- (e) addresses the matters in Schedule 1 (estimated timeframes) and Schedule 2 (matters to consider when preparing for conference) of the Minute.

**1.3** The Minute recognises that an assessment of merits is not required at this stage. This memorandum addresses each of the above matters in turn.

**2. LEVEL OF COMPLEXITY**

**2.1** The Application includes applications for a number of land use and subdivision consent approvals required under the Queenstown Lakes Proposed District Plan (**PDP**).

**2.2** The Applicant's list of consents required under the PDP is set out in Section 7.1 of the Applicant's AEE, as follows:

- (a) Subdivision within the Rural Zone and Jacks Point Zone (under 4 separate rules);
- (b) Building and Reservoirs (under 13 separate rules);
- (c) Utilities (under 8 separate rules);
- (d) Earthworks (under 3 separate rules);
- (e) Transpower (under 7 separate rules);
- (f) Indigenous Vegetation Biodiversity (under 4 separate rules)
- (g) National Environment Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (under 1 rule); and
- (h) National Environmental Standard for Freshwater (under 4 separate rules).

**2.3** At this stage Council is not in a position to confirm if that list correctly includes all consents required under the PDP by the Proposal.

**2.4** In terms of the matters that fall within QLDC's jurisdiction as a territorial authority, QLDC has not identified any novel or unusual legal complexity with the Application – except to note that the Fast-Track Approvals Act 2024 (**FTAA**) is new legislation, and this is the first Substantive Application that QLDC is involved in the processing of under the FTAA. There is no doubt going to be novel legal issues involved in the interpretation of the FTAA as the processing of the Application advances.

**2.5** QLDC considers there to be evidential or factual complexity with the Application. This is due to the volume of expert reporting which includes approximately 15 expert reports and associated plans and management plans which require careful consideration. Council is also conscious of the limitations of securing resources to undertake review of the reporting with constraints in the availability of experts.

**2.6** The proposed development is also of a significant scale which seeks to enable approximately 2500 residential units and associated activities. As such, the level of

detail required to adequately assess the effects and ensure appropriate conditions of consent are imposed is significant and time intensive particularly with known significant resourcing constraints.

### **3. PRINCIPAL ISSUES IN CONTENTION**

**3.1** The principal issues in contention, or other disputed matters, are considered to be:

- (a) Alignment with the Te Tapuae Southern Corridor – Draft Structure Plan;
- (b) Three water Infrastructure.

**3.2** To a lesser extent, issues in contention / dispute also include:

- (a) Natural Hazards;
- (b) Transport;
- (c) Subdivision Design and Staging;
- (d) Ecology.

#### **Te Tapuae Southern Corridor – Draft Structure Plan Alignment: Three Waters**

**3.3** QLDC has engaged in consultation with the Applicant largely in regard to the development of the draft Structure Plan for Te Tapuae Southern Corridor (**TTSC**). The draft TTSC structure plan covers an area of land 1300 hectares south of the Kawarau River that has been identified as one of six Priority Development Areas in the Queenstown Lakes Spatial Plan. The Application site is located within the draft TTSC Structure Plan, which is due for formal adoption by QLDC in early September 2025.

**3.4** A large focus of the discussions with the Applicant (on the FTAA application) has related to Council's planned infrastructure response for the wider Te Tapuae Southern Corridor and how the Applicant's proposed water and wastewater design can align with that wider response, rather than impacting negatively on it. The largest risk for the implementation of the TTSC Structure Plan is the Homestead Bay development installing a three waters solution that only services Homestead Bay, without any contemplation of the wider structure plan area, resulting in

challenges to servicing the other housing development anticipated under the TTSC, both technically and financially. This could have a significant flow-on adverse effect in terms of significant loss of planned housing growth in the District.

- 3.5** The Application states that Homestead Bay's preference is for the infrastructure servicing the development to be vested in QLDC. There are ongoing discussions between QLDC and the Applicant on this issue, and the overlap with the Structure Plan process, which as mentioned above has not yet been endorsed by full Council.
- 3.6** The Applicant has proposed an 'either/or' scenario in which there is the availability for the proposed infrastructure (and associated land) to be vested in QLDC, or alternatively to be held privately by, and operated and maintained by an Incorporated Society or equivalent. There have also been discussions between the applicant and Council as part of the TTSC consultation around an interim solution whereby a privately owned onsite water wastewater service system is utilised until such time as Council owned Infrastructure has been made available to this development from Council's wider wastewater network.
- 3.7** Whilst there could be a possible solution to service the site and discussions continue with the Applicant, its coordination and timing with the wider servicing for the TTSC structure plan area remains the principal issue for QLDC.

**Other issues that have arisen during pre-lodgement and post-lodgement consultation and engagement**

- 3.8** QLDC has engaged in reviewing the proposed application documents by internal staff against typical information requirements for a resource consent for a development of this nature and scale. However, a full assessment of the merits of the application has not been undertaken as that is not a specified 'function' of the QLDC under the FTAA. The other issues that have arisen during this pre-lodgement and post-lodgement consultation and engagement are as follows, however QLDC expects these can be potentially resolved by further information or peer reviews requested by the Panel, or through the Panel's decision-making role.

### **Three water Infrastructure**

#### *Water supply*

- 3.9** The supplied water testing does not demonstrate consistently compliant results from a reliable source, throughout all seasons of the year which is required to confirm feasibility for the long-term use by future users.
- 3.10** The provided water testing has not been analysed by an IANZ Accredited Laboratory and water quality results appear to differ between Reports (Stantec Feasibility Report and KSL Report). Clarification on this would be required to ensure safe and compliant water supply for future users.
- 3.11** The treatment of Arsenic (to enable a safe water supply) does not appear to address removal or disposal of Arsenic which can be expensive. How the applicant proposed to address this would be expected to be requested by the EPA Panel.
- 3.12** There remain questions on the water demand calculations for residential units and also the proposed reserves.
- 3.13** Bore capacity testing is somewhat inconclusive and should be clarified by the applicant.

#### *Wastewater*

- 3.14** If QLDC was decision maker it would expect a peer review of the proposed wastewater treatment, to confirm its feasibility in the proposed location given the close proximity to water treatment, public facilities and overland flow paths. It is possible to access to land to confirm ground conditions testing undertaken may be required.
- 3.15** Any further peer review of Wastewater Treatment staging should consider the appropriate level of service for the anticipated amount of development enabled at each stage of the development.

### *Stormwater*

- 3.16** QLDC expects careful consideration of stormwater treatment of both sedimentation during construction and also contaminants of metals from roads post completion.

### **Natural Hazards**

- 3.17** QLDC anticipates further information or review of hazard assessments will be required by the Panel, particularly in relation to Lot 12 DP 364700 and any risk potential to proposed onsite services.
- 3.18** QLDC also anticipates the Panel would need a review of how natural hazards restricts feasibility of building on lots due to building restriction areas or prohibitively expensive foundation design.
- 3.19** It is anticipated that a stormwater peer review is undertaken to inform the Panel in regard to flood risk and proposed mitigations.

### **Transport**

- 3.20** The proposal is reliant on future bus routes which are managed by Otago Regional Council (**ORC**). Confirmation of commitment to bus routes/lanes is typically required by ORC. It will also be critical to understand the Applicant's responsibility for costs relating to provision of public transport infrastructure required outside of the development area to ensure significant downstream transport effects arising from the development are mitigated.
- 3.21** A review of possible connectivity and required upgrades to residential development to the south and also Chief Recko Road as proposed as a possible future connection by the Applicant.
- 3.22** Careful consideration is required in regard to the proposed roundabout upgrades with timing of further approvals such as Notice of Requirements and possible requirements for NZTA speed reductions. This is largely a matter for Waka Kotahi and QLDC understands they will be involved in the FTAA process.

- 3.23** Homestead Bay Road access being established at later stages may be problematic with public transport reliance.

### **Subdivision Design and Staging**

- 3.24** Review of the proposed staging to ensure there is appropriate alignment with wastewater treatment staging.
- 3.25** Review of proposed staging to ensure the benefits of the development are realised early in the development of the area to ensure housing provision without essential supporting community occurring.
- 3.26** Assessment in relation to appropriate connectivity and access to public transport should be provided early in the staging. Currently, access to Homestead Bay Road and associated public transport is provided in the final stage (11) which is considered to be inappropriate and a significant risk should the development company pause development for unforeseen reasons after earlier stages are completed.
- 3.27** It is noted that the proposal has been designed to an outdated version of the QLDC Land Development and Subdivision Code of Practice. It is recommended that all engineering work is in accordance with the 2025 version including roading design for residential and commercial areas.

### **Ecology**

- 3.28** Ecological reports have not been reviewed extensively as QLDC does not have any inhouse ecologists. However, QLDC would expect any loss of biodiversity values to be quantified to ensure there is no net loss in indigenous biodiversity values. A peer review in relation to this would typically be expected if QLDC were assessing this proposal under standard RMA decision making.



## **Other areas of assessment:**

**3.29** Other aspects of the proposal that have not been reviewed in detail by QLDC, however are in less contention and are likely to be resolved by conditions of consent include:

- (a) Urban Design;
- (b) Historic Heritage;
- (c) Noise/Acoustics; and
- (d) Public Reserves.

## **4. PROPOSED CONSENT CONDITIONS**

**4.1** QLDC is not currently in a position to accept the conditions proposed by the Applicant, especially given the observation in the Minute that an assessment of the merits is not required at this stage.

**4.2** Considering the Applicant's desire for alignment with the future servicing for the TTSC Structure Plan area and the uncertainty at this stage for the timing and approach for this servicing, QLDC considers that there should be careful consideration around the conditions of consent should consent be granted. As above, the three waters servicing is a principal issue for QLDC, including any consenting of a wastewater system that then may result in non-delivery of the other housing development that will be enabled by the TTSC.

## **5. PROPOSED PROCESS AND ESTIMATED TIMEFRAMES**

**5.1** QLDC has focussed its review of the Application on the matters that fall within its jurisdiction under the RMA. Without having a full picture of the matters of concern to the other participants, it is difficult to provide an accurate estimate of the overall timeframes required to process this Application.

**5.2** It is critical to understand QLDCs resourcing constraints resulting from difficulty in employing staff into the District. In that regard QLDC's resource consents team is

currently operating with only 75% of its known FTEs required to process approximately 1000 applications per year, without the added workload of these FTAA applications. Council's engineering and associated infrastructure functions are severely understaffed to work on the District's known three waters and transport requirements, despite significant recruitment efforts over recent years. As such QLDC is highly dependent on private sector availability when seeking assistance on technical matters it does not hold resource for.

**5.3** QLDC foreshadows that it holds concerns as to what are *“actual and reasonable costs incurred by [QLDC] in performing or exercising their functions, duties, or powers under this Act in relation to the application”*. That is because the FTAA only requires the Council to provide written comment on the Substantive Application, it does not require the Council to undertake a full merits assessment of the Application, including through obtaining peer reviews, in the way it might normally do when it is a decision maker under the RMA.

**5.4** Such costs (for example) either need to be able to be recovered from Applicants as an actual and reasonable cost under section 104 of the FTAA or included in Long Term/Annual Plan budgets, to avoid unacceptable and unanticipated cost burdens for the District's small rate payer base. QLDC considers this should be taken into account when considering any directions around QLDC involvement in this application process, and also in respect of the timing to provide responses to assist the EPA.

**5.5** QLDC offers the following comments on the time required for decision making:

- (a) Once a Panel is appointed, QLDC understands that the timeframes for QLDC to provide written comments on the Application and any draft conditions of the Panel, are subject to the requirements in sections 53 and 54 of the FTAA and are unable to be waived or extended;
- (b) If there is considered to be need for an alternative process such as an 'issues' conference, particularly on the Infrastructure Issue, then QLDC would support additional timing being included in the Schedule 1 timeframe (eg as an “other procedural step”);

- (c) The appropriate period of time for participants to comment on draft conditions will depend on their complexity and the extent to which matters remain in contention. Given the importance of getting consent conditions that apply to a subdivision consent, workable and correct (particularly for latter section 223 and section 224(c) processes which will be administered by QLDC), QLDC anticipates that additional time beyond 5 working days would assist in the quality of the final decision.

## **6. PANEL MEMBERSHIP**

### **6.1 Composition of the Panel**

**6.2** QLDC is of the view that the panel should include the knowledge, skills and experience that relate to the following:

- (a) Infrastructure: Wastewater systems and networks, water infrastructure and drinking water standards, and Infrastructure Planning – how three waters and transport infrastructure sits into and works within the wider networks, and Stormwater management;
- (b) Natural hazards;
- (c) Drafting of appropriate subdivision conditions, including having clarity on future section 223 and section 224(c) processes, understanding of the use and validity of Consent Notices and Covenants.

**Date:** 11 August 2025



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Counsel for Queenstown  
Lakes District Council