



Appendix

1A

Powerhouse Fast-track Application

FTAA Section 22 Requirements



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EXECUTIVE SUMMARY

The project comprises an integrated gondola-based transport system, an alpine residential neighbourhood, an all-season low-impact recreation park catering to skiing and snowsports, mountain biking and walking, and a large-scale ecological restoration on Bowen Peak and Fernhill, Queenstown.

It has the potential to deliver significant regional benefits through substantial new housing supply, employment generation, visitor economy uplift, and long-term wilding pine removal and predator control.

The proposal also seeks to introduce regionally significant tourism and transport infrastructure that may improve access to alpine environments and reduce pressure on existing networks. However, the extent to which these benefits rise to national significance remains less clearly demonstrated and is contingent on delivery certainty and the resolution of identified environmental and infrastructure constraints.

1.0 PROJECT SUMMARY

The proposal is an integrated development and infrastructure package comprising:

- **Powerhouse Aerial Ropeways and Station Buildings:** “Powerhouse Gondola”, “Saddle Funifor”, and “Bowen Peak Gondola” connecting the Queenstown lakefront / One Mile Reserve to the proposed Fernhill Heights, and to Ben Lomond Saddle and Bowen Peak.
- **Fernhill Heights Alpine Village:** 175 chalets on about 52 ha, providing 1,333 housing units (2–4 bedrooms) with 5% of all units allocated to the Queenstown Community Housing Trust, and further priority given to the accommodating key workers.
- **Predator-Free Sanctuaries:** a small lower sanctuary (3 ha) and a large upper sanctuary (290 ha).
- **Bowen Peak Ski and Mountain Bike Area and walking trails:** Year round high-country recreation experiences and trails
- **Wilding pine clearance and ecological restoration:** involving 400 ha of wilding conifer removal with native replanting.

3. Section 22(1)(a): SIGNIFICANT REGIONAL OR NATIONAL BENEFITS

- i. **Whether the project has been identified as a priority project in a central government, local government, or sector plan or strategy (for example, in a general policy statement or spatial strategy), or a central government infrastructure priority list.**

The project is not identified by central or local government as a priority project and this matter appears **not applicable**.

- ii. **Whether the project will deliver new regionally or nationally significant infrastructure or enable the continued functioning of existing regionally or nationally significant infrastructure.**

The proposed multi-stage aerial ropeway system constitutes new transport and tourism infrastructure that is both **nationally and regionally significant**.

The NPS-UD defines nationally significant infrastructure as including ‘rapid transit services’, which in turn is described as “..any existing or planned frequent, quick, reliable and high-capacity public transport service that operates on a permanent route (road or rail) that is largely separated from other traffic.” The aerial ropeway is consistent with this definition.

Regionally Significant Infrastructure is defined in the Partially Operative Regional Policy Statement (ORC) as including ski area infrastructure and any infrastructure identified as national significant infrastructure. Both the aerial ropeway and the proposed ski area are regionally significant infrastructure.

There is potential to form an integrated of ropeway systems across the wider Wakatipu Basin, enhancing access through to Frankton, the airport and other residential communities. Such a network will potentially reduce congestion on the regionally and nationally significant highway network.

iii. **Whether the project will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of policy 1 of the National Policy Statement on Urban Development 2020).**

The scale of housing proposed is large relative to the local market and could make a **material regional contribution** to housing availability and workforce accommodation whilst easing regional housing pressures. The inclusion of key worker and community housing components strengthens this aspect of the proposal. Longer-term affordability outcomes will depend on delivery arrangements and ongoing management rather than the consent pathway alone.

The Fernhill Heights neighbourhood can connect to network infrastructure with comparatively less complications than other proposed urban growth nodes, that will require substantial investment partnerships to construct new networks and bridge across the Shotover and Kawarau Rivers.

Well-functioning urban environments are defined in the NPS – UP (Policy 1) as being urban environments that, as a minimum:

- (a) have or enable a variety of homes that:
 - (i) meet the needs, in terms of type, price, and location, of different households; and
 - (ii) enable Māori to express their cultural traditions and norms; and
- (b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
- (c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
- (d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
- (e) support reductions in greenhouse gas emissions; and
- (f) are resilient to the likely current and future effects of climate change.

The Fernhill Heights neighbourhood will provide a medium density housing typology that will be targeted towards meeting the needs of first home buyers and essential workers. Each of the 175 chalets include multiple unit configurations. There are opportunities through the substantive application for a range of other multi-unit housing design options to be developed. There is overall variety of accommodation options, that differentiate type, price and location. The opportunity is available for Papakainga housing to be developed in consultation with local iwi.

Fernhill Heights is proposed to be a predominantly residential neighbourhood. Opportunities will be available for work-from-home offices and similar small scale commercial activities that occur in a typical residential environment. The neighbourhood remains comparatively close to the Queenstown CBD, and respects the urban hierarchy set out in the strategic chapters of the District Plan that discourage new commercial areas from being established outside those established centres. In that respect, Fernhill Heights contributes to those strategic provisions by strengthening and not undermining the role of those commercial nodes. The proximity of Fernhill Heights to the CBD differs from other new urban developments that, due to physical separation from existing centres, need to include their own small-scale commercial centre.

The access challenges of developing Fernhill Heights is recognised and managed in part through developing an aerial ropeway that ensures efficient access into the Queenstown urban area. This neighbourhood remains close to places of employment and community services. Recreational opportunities and access to natural and open spaces is available by existing and proposed trail connections. The steep nature of this neighbourhood does not enable the development of flat playing fields, however that is common across the neighbourhoods that surround the CBD and are located above Frankton Road.

The Fernhill Heights neighbourhood provides an alternative option for residential accommodation. Recent greenfield developments have focused on single level detached dwellings, typically following the same 3 bed/ 2 bath typology on flat freehold sections. As land scarcity increases those young families and other entrants to the housing market, have been required to locate further away from the CBD and commercial nodes. The six-level chalets that characterise the Fernhill Heights neighbourhood will support a competitive housing market and provide more cost efficient accommodation options closer to the Queenstown CBD and support access to employment.

The introduction of an electric-powered aerial cableway will provide an alternative transport system that will provide residents and guests to the neighbourhood and other existing residents in Fernhill with alternative access options.

The electric cableway and Funifor to Bowen Peak will provide enhanced access into the front-country for a wide range of recreation opportunities.

Both transport systems support a potential reduction in greenhouse gas emissions.

Climate change will likely include an increased frequency and intensity of extreme weather events, which in turn will increase risks of natural hazard events and have impacts on infrastructure and other services and ecosystems. Adaptive building design is an important response and includes designing buildings and laying out development in a more durable manner that recognises and accommodates more frequent and extreme events such as high winds, long duration rainfall events and associated flooding, as well as increased temperatures. Passive building design and energy efficiency needs to be built in early in the design phase, as well as using durable low maintenance materials that perform in harsh conditions. The elevated nature of Fernhill Heights avoids risks of inundation, but will need additional geotechnical and natural hazard advice on associated risks.

The housing proposed within Fernhill Heights is deliberately more substantial than typical greenfield suburbs. The land is proposed to be used efficiently with six-level chalets built into the hillside. That density and scale is a necessary component as that enables a necessary and appropriate level of investment to offset and mitigate the climate risks.

Overall, the proposed Fernhill Heights neighbourhood will contribute to Queenstown as a well-functioning urban environment.

iv. **Whether the project will deliver significant economic benefits.**

The economic assessment identifies that the Saddle Funifor demand of 1.1 million passengers per annum, with the majority sightseeing, biking, or viewing the Te Taumata o Hakitekura Predator-free Sanctuary, resulting in annual revenue estimates of \$147m. A further 75 new jobs would be created at the Powerhouse Precinct, with a further 1250 new jobs associated with activities accessed by the Saddle Funifor, peaking at 250 new jobs during winter months. **This is a significant national benefit.**

Construction of the Station buildings, aerial ropeways and the Fernhill Heights residential area, including construction of 175 chalets over a 28 year programme will deliver **on-going regional economic benefits**.

material indicates sizeable local GDP/employment and visitor-spend effects, supporting a credible **regional economic benefits** case. The extent of “significance” is still sensitive to assumptions (visitor numbers, staging, displacement) and is less clearly evidenced as **net additional national benefit** rather than regional concentration/redistribution.

v. **Whether the project will support primary industries, including aquaculture.**

Not applicable.

vi. **Whether the project will support development of natural resources, including minerals and petroleum.**

Not applicable.

vii. **Whether the project will support climate change mitigation, including the reduction or removal of greenhouse gas emissions.**

There may be indirect mitigation benefits through mode-shift potential (ropeway as a transport option) and restoration/revegetation outcomes. However, these benefits are not primary project drivers, so this matter is **limited/secondary**.

viii. **Whether the project will support climate change adaptation, reduce risks arising from natural hazards, or support recovery from events caused by natural hazards.**

The project may deliver indirect climate benefits through public transport alternatives and native revegetation. These benefits are secondary to the project’s primary objectives.

The geotechnical and hazard materials address feasibility and risk management for development in a complex environment, but the project is not primarily described as an adaptation or hazard-risk-reduction programme for the wider community. This matter is therefore **limited/secondary**

ix. **Whether the project will address significant environmental issues.**

Large-scale wilding pine removal and predator control and establishing several related sanctuaries address recognised regional ecological issues. If delivered and maintained as proposed, these measures will provide long-term environmental benefits. This matter is therefore **limited/secondary**

x. **Whether the project is consistent with local or regional planning documents, including spatial strategies.**

The proposal is well aligned with the strategic directions (e.g., housing/economic diversification themes), but it is also some tension with planning provisions protecting Outstanding Natural Landscapes, with independent assessment indicating moderate–high residual landscape effects.

Regional and District growth policies rely upon often arbitrary urban growth boundaries as a method for managing and directing growth. The policy analysis identifies that the current growth boundaries are mostly retrospective and provide containment rather than recognise growth. Whilst Fernhill Heights is beyond the current growth boundary, it is not inconsistent with the district council growth policies that also recognise that it may be appropriate to extend existing urban areas, rather than establish new urban areas.

Overall, “consistency” appears **mixed** rather than clearly satisfied.

b. **Any other matters the Minister considers relevant.**

The proposal demonstrates strong consistency with the National Policy Statement - Urban Development. Its integrated transport, housing, and environmental outcomes provide a justified response to Queenstown’s growth needs.

While outside the current UGB, the project’s urban integration, sustainability measures, and public benefit advance the intent of the NPS-UD to create a **compact, resilient, and well-functioning urban environment**.

The project also meets the intent of the National Policy Statement -Indigenous Biodiversity by **restoring the natural environment, enhancing ecological values** while enabling carefully managed development within the Te Taumata o Hakitekura landscape.

In summary, the proposal is capable of being characterised as an infrastructure/development project with potentially significant national and regional benefits, particularly via housing supply, construction/visitor economy effects, and an ecological restoration package.

4. SECTION 22(1)(b)(i): WHETHER REFERRAL WILL FACILITATE THE PROJECT IN A MORE TIMELY AND COST-EFFECTIVE WAY THAN UNDER NORMAL PROCESSES

1. Project scale and complexity favour a coordinated approval pathway

The project comprises multiple interrelated components—large-scale residential development, aerial ropeway infrastructure, ecological restoration, transport works, and activities on both private and public land. Progressing these components through standard RMA processes would likely require **multiple parallel and sequential consent applications**, with associated hearings and appeal risk.

Referral to the fast-track process would provide a **single, integrated decision-making pathway**, materially facilitating coordinated assessment and alignment across these elements.

2. Fast-track process aligns with the project's strategic characteristics

The project is positioned as nationally and regionally significant infrastructure and development with long-term economic, housing, and environmental objectives. These characteristics align closely with the types of projects the fast-track regime was designed to address—particularly where timely decisions are sought to unlock investment certainty and enable staged delivery.

In this context, fast-track referral would meaningfully assist in progressing the proposal in a timely and structured manner.

3. Early clarity and direction would assist project refinement

Referral would enable an Expert Panel to provide early direction on key determinative issues (such as landscape effects, infrastructure interfaces, and ecological mitigation), supporting more efficient and focused refinement of the substantive application. This front-loading of clarity is likely to reduce uncertainty and duplication compared to a conventional consenting pathway.

4. Facilitation of engagement with multiple agencies and interests

The project involves coordination with ORC, QLDC, DOC, mana whenua, and infrastructure providers. The fast-track process provides a framework for structured agency input within defined timeframes, which can assist in aligning expectations and resolving issues in a coordinated manner, thereby facilitating progress.

5. Supports staged and adaptive delivery

Given the project's staged nature, fast-track referral would facilitate the establishment of a coherent consent framework that can accommodate sequencing, triggers, and adaptive management. This is likely to be more efficient and enabling than seeking multiple discrete approvals over time.

Overall conclusion on s 22(1)(b)(i)

On balance, referral of the project to the fast-track approvals process **would facilitate the project** by providing a coordinated, timely, and integrated pathway for assessing a complex, multi-component development that would otherwise face a fragmented and potentially protracted consenting process.

Accordingly, **s 22(1)(b)(i) is satisfied.**

5. SECTION 22(1)(b)(ii): WHETHER REFERRAL WILL MATERIALLY AFFECT EFFICIENT OPERATION OF THE FAST-TRACK PROCESS

On balance, the information now provided supports the view that **referral of the project could be accommodated within the fast-track approvals process without materially undermining its efficient operation**, subject to appropriate scoping and management at substantive stage.

1. Nature of complexity is anticipated by the Act

While the proposal is large and multi-faceted, the Fast-track Approvals Act is expressly designed to manage **complex, infrastructure-led and nationally/ regionally significant projects**, including those involving multiple consent triggers, non-complying activities, and sensitive environments. The scale and breadth of this proposal is not atypical of projects intended to be considered through the fast-track pathway.

2. Key risks have been identified early and transparently

A material strength of the current application is that the **principal risk areas**—landscape and ONL effects, transport integration, hazards, three waters, ecology, and staging—have been **explicitly identified and supported by technical reports**. Although some matters require further work, the issues are known, bounded, and capable of being addressed through targeted information requests and conditions, rather than emerging late in the process.

This reduces the likelihood of unexpected or unmanageable delays.

3. Evidence base is sufficient for efficient scoping

The level of information provided is appropriate for the referral stage and is sufficient to enable:

- clear identification of determinative issues,
- early narrowing of assessment scope,
- efficient direction-setting by an Expert Panel.

Further technical refinement (e.g. ecological surveys, detailed modelling, hazard risk analysis) is typical of fast-track projects and does not, of itself, indicate inefficiency—particularly where the pathway is used to **front-load clarity and sequencing**.

4. Interfaces with other authorities are manageable

Although the proposal interfaces with QLDC infrastructure planning and DOC land, these interactions are **clearly identified** and do not appear inherently incompatible with the fast-track process. The Act anticipates coordination with other statutory bodies, and such interfaces can be managed through conditions, staging requirements, and approval sequencing without derailing the process.

5. Staging supports, rather than undermines, efficiency

The long-term staged delivery of the project provides flexibility and allows effects to be managed incrementally. From a process perspective, this can **support efficiency**, as it enables:

- early delivery of benefits,
- deferred resolution of later-stage details,
- and proportionate assessment aligned with each stage.

Overall conclusion on section 22(1)(b)(ii)

Assessing the project as a whole, and recognising the purpose and design of the fast-track regime, it is **reasonable to conclude that referral of the project is unlikely to materially affect the efficient operation of the fast-track approvals process.**

While the project raises complex issues, those issues are well signposted, supported by an initial technical evidence base, and capable of being managed through the fast-track framework without undue procedural burden.
