From: <u>Infrastructure Portfolio</u>

To: FTAreferrals

Subject: FW: Invitation to comment on fast-track referral application for Ayrburn Screen Hub project under the Fast-track Approvals Act 2024 – FTI002

Date: Monday, 14 April 2025 2:40:14 pm

From: Environment Portfolio < Environment. Portfolio @parliament.govt.nz>

Sent: Monday, 14 April 2025 1:50 PM

To: Infrastructure Portfolio <Infrastructure.Portfolio@parliament.govt.nz>

Subject: RE: Invitation to comment on fast-track referral application for Ayrburn Screen Hub project under the Fast-track

Approvals Act 2024 - FTI002

Good day,

Apologies for the delay in formally responding to this email. On behalf of Hon. Minister Penny Simmonds, Minister for the Environment, please note there are no comments on this application.

Kind Regards,



Office of Hon Penny Simmonds Environment Portfolio

Minister for the Environment | Minister Vocational Education Associate Minister for Social Development & Employment

Website: www.beehive.govt.nz

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

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From: Infrastructure Portfolio < lnfrastructure.Portfolio@parliament.govt.nz

Sent: Monday, 10 March 2025 4:32 PM

To: Christopher Bishop (MIN) < C.Bishop@ministers.govt.nz >; Penny Simmonds (MIN) < P.Simmonds@ministers.govt.nz >; Shane Jones (MIN) < S.Jones@ministers.govt.nz >

Cc: <u>ftareferrals@mfe.govt.nz</u>; <u>RMAReform.portfolio <RMAReform.portfolio@parliament.govt.nz</u>>

Subject: Invitation to comment on fast-track referral application for Ayrburn Screen Hub project under the Fast-track Approvals Act 2024 – FTI002

To:

Minister for Housing
Minister for the Environment
Minister for Regional Development

Dear Ministers,

Hon Chris Bishop, the Minister for Infrastructure (the Minister) has asked for me to write to you on his behalf.

The Minister has received an application from Waterfall Park Developments Limited for referral for the **Ayrburn Screen Hub project** under the Fast-track Approvals Act 2024 (the Act) to the fast-track process (application reference FTAA-2502-1008).

The purpose of the Act is to facilitate the delivery of infrastructure and development projects with significant regional or national benefits.

Invitation to comment on referral application

I write in accordance with section 17 of the Act to invite you to provide written comments on the referral application. I have provided summary details of the project below.

If you wish to provide written comments, these must be received by **return email** within **20 working days** of receipt of this email. The Minister is not required to consider information received outside of this time frame. Any comments

submitted will contribute to the Minister's decision on whether to accept the referral application and to refer the project.

If you do not wish to provide comments, please let us know as soon as possible so we can proceed with processing the application without delay.

If the Minister decides to accept the application and to refer the project, the Applicant will need to complete any preliminary steps required under the Act and then lodge their substantive application for the approvals needed for the project. An expert panel will be appointed to decide the substantive application.

Process

The application documents are accessible through the Fast-Track portal. If you haven't used the portal before, you can request access by emailing the terms and conditions, you will receive a link to view the documents. Existing users will be able to see application documents via the request when logging into the portal.

To submit your comments on the application, you can either provide a letter or complete the attached template for written comments and return it by replying to this email.

Before the due date, if you have any queries about this email or need assistance with using the portal, please email contact@fasttrack.govt.nz. Further information is available at https://www.fasttrack.govt.nz.

Project summary

Project name	Ayrburn Screen Hub project
Application ref	FTAA-2502-1008
Applicant	Waterfall Park Developments Limited
Project description	The project is to construct and operate a film production facility, including worker accommodation and associated site works (including works to improve water quality of Lake Hayes which an onsite ephemeral stream flows into).
	The project involves activities such as earthworks, construction (15 buildings) sediment control, riparian and mitigation planting, worker accommodation and ongoing operation of the facility.

Yours sincerely

Hon Chris Bishop

Minister for Infrastructure



Office of Hon Chris Bishop

Minister of Housing, Minister for Infrastructure, Minister Responsible for RMA Reform, Minister for Sport & Recreation, Leader of the House, Associate Minister of Finance

Email: christopher.bishop@parliament.govt.nz Website: www.beehive.govt.nz Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand

Your written comments on a project under the Fast Track Approvals Act 2024

Project name	Ayrburn Screen Hub
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Before the due date, for assistance on how to respond or about this template or with using the portal, please email contact@fasttrack.govt.nz or phone 0800 FASTRK (0800 327 875).

All sections of this form with an asterisk (*) must be completed.

1. Contact Details

Please ensure that you have authority to comment on the application on behalf of those named on this form.

this form.			
Organisation name (if relevant)	Otago Regional Council		
*First name	Joanna		
*Last name	Gilroy		
Postal address	70 Stafford Street		
	Private Bag 1954		
	Dunedin 9054		
*Contact phone number	s 9(2)(a)	Alternative	0800 474 082
*Email	s 9(2)(a)		

2. Please provide your comments on this application

If you need more space, please attach additional pages. Please include your name, page numbers and the project name on the additional pages.

Note: All comments will be made available to the public and the applicant when the Ministry for the Environment proactively releases advice provided to the Minister for the Environment.

Thank you for your invitation to provide written comments on the application for referral of the Ayrburn Screen Hub project under the Fast-track Approvals Act 2024. This application was reviewed by elected members delegated to participate in the fast-track process and teams across Otago Regional Council (ORC). Please see below comments on this application.

ORC does not believe that sufficient consultation was undertaken prior to the referral application being made. Whilst Council appreciates the opportunity to visit the site, one site

visit should not be considered full consultation in accordance with section 11 of the Fast-track Approvals Act 2024. In ORC's opinion the referral application would have benefited from further consultation prior to being lodged.

Competing Applications

1. Any applications that have been lodged with the Council that would be a competing application or applications if a substantive application for the project were lodged. If no such applications exist, please also confirm this in writing.

There are no competing applications to undertake works in Mill Creek and its tributaries at this location.

2. In relation to projects seeking approval of a resource consent under section 42(4)(a) of the Act, whether there any existing resource consents issued where sections 124C(1)(c) or 165ZI of the Resource Management Act 1991 (RMA) could apply, if the project were to be applied for as a resource consent under the RMA. If no such consents exist, please also confirm this in writing.

There are no such consents to undertake works in Mill Creek and its tributaries at this location.

Specific matters to address

1. Are there any reasons it would be more appropriate for the project to proceed through existing RMA processes rather than the processes under the Act?

There is no reason, from a Regional Council perspective, why this application could not go through the standard RMA consent process within statutory timeframes. However, ORC have no objection to this proceeding as a Fast-Track application.

2. Does the applicant or a company owned by the applicant, have any environmental regulatory compliance history in your council's area?

The following companies have been identified as being owned by the Applicant:

- Winton Property Limited
- Northlake Investments Limited
- Northlake Townhouse Limited
- Waterfall Park Developments Limited
- Winton Partners Investments Limited

ORC's Compliance Team have reviewed the compliance history of these companies and identified that Northlake Investments Limited have been:

- Prosecuted in 2019 for the discharge of silt and sediment laden water into the Clutha Mata-Au river.
- Issued an abatement notice in 2021 for a sediment discharge to the Clutha Mata-Au river.

Both were a result of non-compliances associated with residential earthworks activities.

3. Does the project, from council's perspective, involve any activity classified as a prohibited activity under the RMA?

No prohibited activities are identified under the RMA.

4. Would the project have any significant adverse effects on the environment?

As long as a Water Quality Management Plan is prepared, implemented, and maintained to ensure enduring environmental sustainability, we believe significant adverse effects on the receiving environment can be mitigated.

Preventing further degradation of water feeding into Lake Hayes is an important bottom line. For many years, this water body has been a focus for improvement, particularly by the local community and the Regional Council. Reversing deterioration caused by eutrophication relies on reducing nutrient and sediment loads entering the lake.

Maintaining a strong environmental focus on the restoration and enhancement of water bodies that drain into Lake Hayes, including Mill Creek, is important to Council, the community, mana whenua, and visitors to this highly valued lake.

Whilst currently lacking significant detail of mitigation methods, which makes reaching a conclusion on significant adverse effects on the environment difficult, the proposal has the potential to capture sediment during development and reduce sediment load to Lake Hayes for the life of the consent should mitigation works be adequately designed, constructed and maintained (e.g. designing and maintaining ponds' capacity for sediment capture).

5. Would the project, from council's perspective, have significant regional benefits? Our Regional Policy Statement (RPS) provides a framework for achieving long-term environmental sustainability by integrating the protection, restoration, enhancement, use, and development of Otago's natural and physical resources.

The RPS also seeks to provide mana whenua and communities with opportunities to carry out activities that support their economic, cultural, and social needs, while recognizing that a thriving and healthy environment is essential to sustaining well-being.

Queenstown Lakes District Council continues to support and strengthen regional collaboration with other councils (through regional deals) and stakeholders to grow opportunities in the screen industry.

We believe this project has the potential to deliver significant regional benefits, provided that environmental sustainability is balanced with economic, cultural, and social considerations.

Other considerations

Resource Consents

The Applicant has identified the need to apply for resource consents for residential earthworks, bed disturbance to install (and maintain) sediment traps in an ephemeral tributary of Mill Creek, and Mill Creek itself. They have also identified the need for a water permit for diversion of water while undertaking the instream works. Resource consents for the residential earthworks and associated discharge from those activities are not required from the ORC. These works are not classed as residential earthworks in the Regional Plan Water for Otago (RPW), as it is for the creation of film industry buildings, and associated accommodation for film industry workers (and will be visitor accommodation when they are not in use by film industry workers).

Disturbance of the bed and banks (and subsequent bed remobilisation) to construct a sediment trap, divert water, remove bed material and maintain a sediment trap in Mill Creek is a discretionary activity under Rule 13.5.3.1 of the RPW. A land use consent will be required for this activity. This consent has not been identified in the referral application.

The Applicant has correctly identified that a water permit would be required for the diversion of water of Mill Creek while constructing a sediment trap in Mill Creek as a discretionary activity under Rule 12.3.4.1 of the Regional Plan Water for Otago.

Permitted Activities:

If the applicant can meet all the requirements of Rule 13.5.1.10 of the RPW, the installation of sediment traps in an ephemeral tributary of Mill Creek at Points D and E identified in Figure 1 below, will meet the permitted activity criteria. The applicant could apply for a Certificate of Compliance to confirm this. The applicant hasn't discussed additional works, other than installing sediment traps. Any other works in the bed of the ephemeral tributary, such as clearing out the tributary will likely need a consent.

If the applicant can meet all the requirements of Rule 12.B.1.8 of RPW, the discharge of treated stormwater from the constructed tertiary pond identified by the pink dot identified in Figure 1 below to Mill Creek will meet the permitted activity criteria. The applicant could apply for a Certificate of Compliance to confirm this.

All the rain gardens, and constructed wetlands, and tertiary pond are to be constructed on land away from Mill Creek and the unnamed tributaries and therefore do not need resource consents from ORC.



Figure 1: Stormwater Overview Plan from page 16 of Design Report Appendix 01 date 30 January 2025

Contaminated Land

The information in the letter from Environmental Consultants Otago (Ref: 112-18 Ayrburn Remediation) dated 24 January 2025, accurately summarises the findings of the Preliminary Site Investigation (PSI), Detailed Site Investigation (DSI) remediation of contaminated areas and the additional sampling undertaken during May 2020.

The area that was originally considered a possible landfill (HAIL.01692.05) is accurately classified as a Verified Non – HAIL. This HAIL Classification confirm that it has been established, more likely than not, that an activity or industry described in the HAIL has not been undertaken on the site at the time of listing. Furthermore, the remainder of the area earmarked for development, forms part HAIL.01692.01 (Waterfall Park Balance of Farm), which is also classified as a Verified Non – HAIL.

Ecology

SLR have completed an ecology assessment for the applicant¹. The assessment of affects covers the sediment trap, sediment trap maintenance and sediment discharge during construction. The assessments include advice on:

- the timing of the Mill Creek diversion to avoid spawning and migrating periods for fish.
- the timing of bulk earthworks to avoid wetter months

- fish salvage expectations during and after trap construction.
- targeting dry periods when disturbing the isolated stream bed to minimise sediment discharge.
- the slow rewetting of the trap after sediment removal to avoid a sediment flush to Lake Hayes
- sediment level monitoring in the trap to inform timing of sediment removal

The applicant has indicated that the two existing ponds in the ephemeral stream (blue dots Figure 1) will also be periodically cleaned out during dry months (this should be a noted in the consent) and extensive riparian planting will be carried out alongside the ephemeral stream. Riparian planting planned for the sediment trap is not mentioned, this would be encouraged, and details should be included.

It should be noted that a precedent has been set around in-line sediment traps in the Mill Creek catchment with the construction of 'Puku Nui' (shown as photos in Figure 1) which successfully collects sediment from the top half of the catchment. If the sediment pond is constructed according to the advice in the SLR ecology assessment, riparian planting is carried out as indicated (including around sediment pond) and maintenance of the sediment pond is included as part of the consent, the construction of the sediment trap will decrease the sediment transfer to Lake Hayes, which in turn will hasten the recovery of the Lake.

The positive effects of the development are already summarised in the SLR ecology report (section 3.1). The long-term goal for Lake Hayes is an improvement in water quality, this project has the potential to reduce the sediment (and phosphorus) load into the lake.

Connection to existing projects

There has been significant work completed by the community, Council and mana whenua in the catchment. This work includes the Lake Hayes project work to enhance water quality. It would appear that the actions proposed to capture sediment and improve water quality would be a good outcome for the catchment.

Natural Hazards

The below comments are primarily related to the stormwater and flood analysis components of the project.

As with many of these types of applications, the project has not yet undergone final design and is still in the preliminary design phase. As such, it lacks the details necessary to determine the likely adverse effects on the environment. The information provided says that all of the requirements set out in the district plan and related development code of practice will be met however, there is little in terms of technical data to support this conclusion. For example, the stormwater report indicates that post development peak discharge will be less that predevelopment. However, the engineering plans do not show any grading of the ponds (showing storage volumes) to demonstrate that this can actually be achieved. Similarly, the report mentions the use of several proprietary devices for water quality treatment but provides no

details. While this project may well achieve the intended results, there are many aspects of this proposal that lack sufficient detail to make any sort of determination with regard to overall effectiveness and/or adverse effects.

Several preliminary calculations appear to use the Rational Equation for volume estimates which may not be appropriate. (Final design item.) Reference: <u>Attachment</u>

With regard to flooding, Council would typically want to see a pre-development flood model for the 100-year event, as well as a post-development model for the same event. The models should show that there is no adverse impact or shifting of the floodplain. In this case, it might not be an issue since any flood increase would presumably be limited to the applicant's property. It is recommended that this information is sought from the Applicant.

From the limited information provided, it appears the proposed stormwater ponds are located in the existing floodplain. It will be critical to understand how these systems perform during simultaneous events (which is likely). It is recommended that this information is sought from the Applicant. The ponds cannot be inundated during a flood as they will not be effective at their intended purpose of rate control. Similarly, they should be protected from erosion failure thus allowing a breach. This should be reviewed as part of the final design.

At this point in the process the information is insufficient to assess if it can meet the criteria and/or designed as intended. It should be understood that a thorough review of the final design will be required to fully demonstrate compliance.

For the final application I would expect to see a full stormwater report with modelling details and output. As per any standard report, the model details should be supported by design details in the final plans and specifications. Any assumptions would need to be clearly explained and justified.

Policy Context

From a policy perspective, since 2015 ORC has worked as part of the RMA process feeding into the Queenstown Lakes District Council's planning framework in the proposed district plan process. This input focused on a range of areas, but specifically for the Wakatipu basin, a range of planning provisions around water quality, urban development, landscape values, and natural hazards. These provisions in the plan should be considered carefully if the application is processed under the fast-track process.

It may pay to note the assessment will need to check if the proposal is required to meet the following: Propose District Plan test:

27.3.25.4 Require a Water Quality Management Plan be prepared and implemented that ensures development contributes to the improvement of water quality in the Lake Hayes catchment by:

a. revegetating, rehabilitating, and protecting the Water Quality Conservation Areas mapped within the Structure Plan area, and their margins; and

b. preventing any stock access to the water bodies and Water Quality Conservation Areas.

Transport matters

Integration into the public transport network

ORC would encourage Ayrburn to connect the film hub development and the existing Ayrburn site to the public transport (PT) network by providing bus stop infrastructure. Route 2 (Arrowtown-Arthurs Point via Frankton) runs along Arrowtown-Lake Hayes Road in both directions. It operates at half-hourly frequencies at peak times (6-8am, 3:30-6:30pm Monday to Sunday) and hourly at off-peak times (8am-3:30pm and 6:30-10pm Monday to Sunday). Providing a bus stop (pull-in bay, shelter and seating) would provide visitors and staff with a sustainable and affordable transport choice. This would reduce pressure on the capacity of Ayrburn's car park or the wider roading network. Stop infrastructure directly on Arrowtown-Lake Hayes Road would be preferred, but we would also consider use of the bus bay on Ayr Avenue depending on its location. Integrating with the PT network may be more financially viable than running a commercial Ayrburn Shuttle.

Integration into the active transport network

We appreciate the active transport considerations of the public cycle trail connections in the design. However, we agree the locality of the site is too far from services and facilities to meaningfully increase active transport trips.

Existing accessibility to the public transport network

The current public transport stop south of Speargrass Flats Road, 1.1km away from Ayrburn facilities, is not reasonably accessible to Ayrburn as no footpath exists along Arrowtown-Lake Hayes Road.

Your written comments on a project under the Fast Track Approvals Act 2024

Project name	Ayrburn Film Hub

Before the due date, for assistance on how to respond or about this template or with using the portal, please email contact@fasttrack.govt.nz or phone 0800 FASTRK (0800 327 875).

All sections of this form with an asterisk (*) must be completed.

1. Contact Details Please ensure that you have authority to comment on the application on behalf of those named on this form. Organisation name Queenstown Lakes District Council (QLDC) (if relevant) *First name David Wallace *Last name Postal address 74 Shotover Street, Queenstown, Otago, 9300 Alternative *Contact phone number s 9(2)(a) *Email s 9(2)(a)

2. Please provide your comments on this application

Foreword

The following constitutes QLDC comments in relation to the Ayrburn Screen Hub under Sections 17 (1)(a) and 3(a)-(b) of the Act. QLDC's technical comments are included below. Further to this, comments from Elected Members are included within Appendix 3 and 4.

QLDC would also would like to alert the Ministry that the applicant has not consulted with Council since the Commencement of the Act and as such QLDC is of the opinion that no consultation has been undertaken with the relevant local authority as required by Section 11(1)(a) of the Act.

S17(3(a) - Competing Applications

QLDC is not aware of any applications for an activity that are similar in nature to the proposed development. However, the are two active applications for resource consent in a similar location, these include:

RM240982 - proposed 9 lot subdivision, including proposed esplanade strips, to reflect the approved and constructed development across the site and future development enabled by the Ayrburn structure plan.

This consent is currently being processed by council and seeks the subdivision of land, including the proposed site for this referral application. If granted would result in some of the proposed buildings of this referral application being constructed over the proposed future lot boundaries sought to be created by RM240982.

RM250135 - Construction and use of three commercial (retail) buildings at 1 Ayr Avenue.

This consent is currently being processed. The proposed buildings are in close proximity to the development proposed by this referral application.

S17(3)(b) - Existing resource consents issued where sections 124C(1)(c) or 165ZI of the Resource Management Act 1991

QLDC is not aware of any resource consents or applications relevant to this site or proposal where 124C(1)(c) or 165ZI would apply.

S17(1)(a) - Additional Comments

Compliance History

QLDC's Monitoring and Enforcement Department are not aware of any history of compliance issues with previous resource Consents

Reasons it would be more appropriate for the project to proceed through existing RMA processes rather than the processes under the Act

As outlined below, the proposal is contrary to a number of Council Strategies and recent Court Decisions that currently provide the residents of the Queenstown Lakes District a level of certainty of the development they can anticipate in their community. Under the existing RMA processes Council would consider who may be potentially affected parties and if parties, or the general public were identified as affected they would have the ability to voice their opinions on such a departure from these strategies and decisions which may be better facilitated through an RMA consent process or Plan Change.

Prohibited activity under the RMA

The proposed development does not involve any prohibited activities under the Queenstown Lakes District Plan.

Adverse Effects on Environment

The proposed development has the potential to have adverse effects on the environment.

Landscape and Rural Amenity:

Ayrburn Farm is a 42.9 ha parcel of land located at 343 Arrowtown Lake Hayes Road, between Arrowtown and Lake Hayes, and was subject to submissions and an appeal as part of Stage 2 of the Queenstown Lakes District Plan review. It is noted that the application area is limited to Lot 4 DP540788, which is a smaller area of approximately 32.4 ha which is Zoned Wakatipu Basin Rural Amenity (WBRAZ) by the Partially Operative Proposed District Plan (PDP). The site is adjacent to various zones, including the Waterfall Park Zone (WPZ) and the Millbrook Resort Zone. A number of Environment Court decisions has been made in regard to the zoning of the site and surrounds. A detailed summary of these decisions are provided in Appendix 1.

The outcomes of the Environment Court decisions emphasised the sensitivity of the landscape and visual amenity values of the site are fundamental considerations, given its prominent location and sensitivity to development. Court decisions have reinforced the need to maintain open space, rural character, and ecological values, particularly in relation to Landscape Character Unit 8 - Speargrass Flat. The Modified WBRAZ zoning and associated structure plan emerged from extensive Court deliberations to ensure that development is carefully managed, balancing limited rural living with landscape protection, ecological enhancement, and water quality improvements.

The proposed development is at odds with the evidence of QLDC through the appeals, in relation to the landscape absorption capability of the site that was presented in evidence and confirmed by the Court, and in relation to provision of urban-type development. In particular, the structure plan identified areas within the overall site that could be developed, while maintaining rural character in the balance of the site. The application includes identification of the structure plan areas for low density rural development, as well as open space areas, in the context of the proposed development.

Considering the significant increase in development and activity proposed in relation to the structure plan, it is anticipated that there are likely to be considerable adverse landscape and visual amenity effects.

It is recommended that careful consideration is given to the findings of the Court in relation to landscape capacity, given the differentiation between the findings of the Court, and the landscape assessment provided by Rough and Milne supporting the application. Should a substantive application be lodged for the development, QLDC would recommend a thorough independent peer review of the landscape report is undertaken.

Ecological Effects

The conifer hedge is shown as being retained as per the Ayrburn structure plan. Invasive wilding species across the development can be problematic in terms of wilding tree spread. This includes mature tree species such as Crack Willow, Sycamore, Douglas Fir etc. Therefore consideration should be given to the removal of the conifer hedge and replacement with non wilding or native species.

Three Water Servicing

Water Supply

The subject site is located outside of the QLDC water supply scheme boundary. It has not been demonstrated that an extension to this scheme boundary can undertaken without compromising the existing and required level of service of the scheme. This may lead to significant adverse effects on the environment and is critical to understanding the feasibility of servicing the development. Consultation with QLDC has not been undertaken to understand this issue. A separate resolution and special consultative procedure may be required from Full Council in order to extend the infrastructure scheme boundaries as that can have impacts on Development Contributions and Rates.

To extend this boundary the principles listed in Appendix 2 need to be complied with and critically it needs to be demonstrated that the level of service of the scheme should not be significantly compromised by the extension. This should be validated by a QLDC officer or a suitably qualified professional.

The wider Ayrburn site is supplied with water from a 315mm OD PE private water supply pipe that receives water from the Council network from where it connects at the Arrowtown – Lake Hayes Road and Speargrass Flat Road intersection. Due to the size and the pressure available in this area it is anticipated that this pipe can adequately supply the water required provided the volume is available from the source and reservoir storage that supplies this pipe. Further assessment is needed in this regard to determine if upgrades to the water source or storage is required and possible.

Wastewater

As with water the proposed development site is outside of the QLDC wastewater scheme boundary and It has not been demonstrated that an extension to this scheme boundary can undertaken without compromising the level of service of the scheme. Without understanding this, significant adverse effects upon the environment cannot be ruled out.

In assessing whether the scheme boundary can be extended, the principles contained within Appendix 2 should be applied.

The wider Aryburn area is serviced for wastewater via a series of private reticulation and pump stations that discharge to the council network at the intersection of Arrowtown - Lake Hayes Road and Ayr Avenue. Wastewater network technical reporting assessments by CKL does not directly assess whether there is enough emergency storage in the pump stations to meet Council standards following this development and the existing consented environment. This will also need to be addressed to avoid related adverse effects.

Stormwater

It is advised that any stormwater design is independently peer reviewed prior to any substantive applications ensure the feasibility and any associated adverse effects are mitigated.

Hazards/flooding

The report from CKL shows stormwater rain events of 1% AEP (1 in 100yr rain events) flow over the access road at flow depths of 0.5-0.75m depth. The assessment determines that flooding was resolved under previous resource consent RM240252. However, this Fast Track development is

more affected by flooding than previously considered development areas given the entire frontage of this development with Ayr Avenue, including both entrances onto/from Ayr Ave are heavily impacted by flooding and the frontage consists of all of the lowest parts of Ayr Avenue Road. This flooding is potentially exacerbated as there is still no entrance/exit route yet available via Waterfall Park road meaning that travel through these flood routes is unavoidable. The flooding can be seen below resulting in engineering concern, especially in regard of the proposed visitor accommodation, that could result in adverse safety outcomes when arriving or departing site.

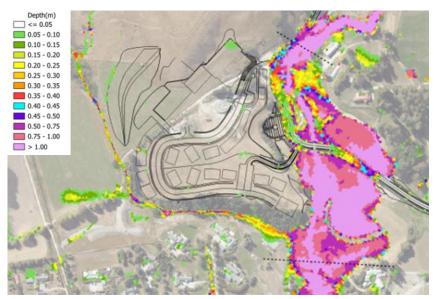


Figure 9: Post-Development 100yr ARI flood map

Transport

The development however is largely silent on larger vehicles associated with the studios and ensuring the access designs/provisions accommodates such movements and/or onsite parking for HMV's accessing the studios. Additionally coaches will need access to the site associated with the conference facilities. These matters have the ability to result in adverse traffic safety and efficiency effects and should be resolved in any substantive application if the project continues to that stage.

Furthermore, the conference facility is proposed for up to 200 persons with parking demand based on repurposing studio staff parking to unformed parking areas. This would appear to provide opportunity for significant onsite parking shortfalls with potentially unresolved adverse outcomes in the subject site/ wider roading network/surrounds if this provision is not fully explored or eventuate as described.

The Transport Assessment identifies that there are currently no public transport bus links adjacent to the site. Discussions with ORC are encouraged to explore the addition of a bus stop, particularly given the potential scale of visitor accommodation within the development.

Without adequate public transport options, the development is likely to become highly cardependent, exacerbating traffic congestion on State Highway 6 and the Shotover Bridge enroute to Frankton.

Staging of Development

It is unclear if the development is proposed to be staged and what the associated adverse effects relating to servicing and transport will be. For example if only part of the land use is developed then safe thru access may not be available.

Positive Effects

Notwithstanding the above, QLDC acknowledges the positive effects of the proposed development as outlined below.

Public Access

The proposed new trail connecting with Mill Creek Esplanade reserve is positive, creating increased public access and connectivity. However, it is noted that this must be constructed in accordance with QLDC trail specifications and public access easement registered. Also the Applicant should be responsible decommissioning and remediating existing section of trail to be replaced to ensure positive outcome.

Water Quality

The proposed sediment controls and riparian planting are considered a benefit to improving water quality leaving the site which in turn will have a positive effect of improving the water quality of Lake Hayes.

Economic Diversity

A dedicated screen hub for the district would be a significant step towards achieving the goal of promoting and growing the capabilities of the local film industry, including workforce and infrastructure development projects.

Consistency with, QLDC Planning Documents, Spatial Strategies and Other Projects

Partially Operative Proposed District Plan (PDP)

As outlined above, whilst a number of positive effects of the proposal have been identified, the proposed development is at odds with the evidence of QLDC through the appeals, in relation to the landscape absorption capability of the site that was presented in evidence and confirmed by the Court. As such is likely be contrary to a number of key Objectives and Polices of Chapter 3 (Strategic Direction), Chapter 6 (Landscapes) and Chapter 24 (Wakatipu Basin) which critically seek to maintain or enhance landscape character and visual amenity of the Wakatipu Basin and to avoid urban development outside of the urban growth boundaries.

Queenstown Lakes Spatial Plan

The Spatial Plan outlines five key outcomes, including Outcome 5: a diverse economy where everyone can thrive, and Strategy 14: diversifying the economy.

Spatial Plan Gen 1.0 (SPG1) acknowledges that Queenstown Lakes is an iconic destination and a key part of New Zealand's tourism economy. However, the region's heavy reliance on tourism has made it vulnerable to global economic shocks. Recognising this, SPG1 prioritizes economic diversification, with a particular focus on high-value sectors such as the film industry, which has the potential to create quality jobs and strengthen the local economy.

The proposal is considered to support Outcome 5 and Strategy 14 of SPG1. The site is adjacent to active travel routes as well as close to Arrowtown-Lake Hayes Road which does have public transport options, even if not currently adjacent to the site.

The improvements to Mill Creek will enhance ecological protection and contribute to better water quality in Lake Hayes. These environmental benefits will, in turn, support the local economy by ensuring an exceptional visitor experience while safeguarding the health and well-being of the community. Furthermore, the proposed trail connection will increase public access and connectivity. As such, the proposed development result in positive enhancement of Blue Green Network

However, the subject site is not identified as a future development area within the Spatial Plan. Therefore, there has been no structure planning or infrastructure planning for this area in that regard. Furthermore, without adequate public transport options, the development is likely to become highly car-dependent, exacerbating traffic congestion on State Highway 6 and the Shotover Bridge enroute to Frankton. Therefore, suitable travel plans, and public transport provisions should be integral considerations in any future assessment of a potential proposal.

Whilst the application states that the project will increase housing supply and address housing needs in line with the NPS-UD, the proposed accommodation will primarily serve film crews on an as-needed basis, with the remainder of the time used for visitor accommodation. Unfortunately, this does not provide long-term or permanent housing for the community and therefore does not contribute to the district's need for more housing, particularly affordable housing.

It is acknowledged that, due to the nature of the film industry and the studio operations, these accommodation units will often remain vacant. To remain economically viable, they are proposed to be utilised as visitor accommodation. However, as there is unlikely to be a suitable planning mechanism to secure these units as part of the district's housing provision, consideration should be given to an affordable housing contribution. This could take the form of a 5% contribution, either in housing, land, or a financial contribution.

For the reasons stated above the proposal is not considered to be consistent with the growth areas outlined in the Queenstown Lakes Spatial Plan.

The Economic Diversity Plan

The Economic Diversification Plan (EDP), endorsed by 18 local organisations including QLDC, aims to create a more diverse range of career and business opportunities across the Queenstown Lakes district. 'Film and Creative Industries' is identified as one of the priority sectors that leverage the natural advantages the district has. There is already a strong local film industry but to grow further,

the plan identifies the need to 'promote and grow the capabilities of the local film industry, including workforce and infrastructure development projects.' A dedicated screen hub for the district would be a significant step towards achieving these goals.

Film Queenstown Lakes (FQL) is hosted by Council within the Economic Futures team of QLDC to support the film industry and act as a point of coordination for film activity. It also inputs into regional and national collaboration via Film Otago Southland and Regional Film Offices NZ (RFONZ). These efforts illustrate the commitment Council has to supporting the industry.

Film Queenstown Lakes (FQL) sees the development of dedicated film/screen infrastructure in the district as a key opportunity that will unlock the local industry's further potential and economic value.

FQL supports many of the points outlined in the Film Expert Report, particularly the assessment that a lack of dedicated screen infrastructure means that productions that come to the district spend less time and money here than they potentially could. FQL has been provided this feedback by producers and industry decision-makers directly on numerous occasions.

FQL also verifies that Dave Gibson (author of the Film Expert Report) is an established expert in the screen sector, as are the film professionals who submitted letters of support for the project.

FQL acknowledges the intention of the applicant to use the adjacent accommodation for non-film related visitors when not required by the film industry. It corroborates that the demand for studio facilities can be unpredictable and influenced by international market activity outside of a studio operator's control. However, for the industry to get the full benefit of the studio complex, there should be mechanisms in place to prioritise booking these facilities for industry use over non-film related visitor use.

APPENDIX 1 – SUMMARY OF RELEVANT ENVIRONMENT COURT DECISION

The following provides a summary of decisions issued by the Environment Court (excluding decisions on costs, which were awarded to QLDC and one of the s274 parties to the appeal). The discussion notes issues of relevance to the application site, however a fuller evaluation of the matters affecting the site are provided in the Court decisions.

[2023] NZEnvC 207 (Interim Decision)

In this decision, the Court declined Waterfall Park Development Limited's (WPDL) request to extend the Arrowtown Urban Growth Boundary (UGB). The proposal sought to include part of the site in the urban growth boundary for future development. However, the Court found that extending the UGB would contradict the PDP, particularly policies aimed at managing urban growth in a strategic, integrated way, and accepted the Council's evidence on this matter.¹

In relation to Ayrburn Farm and Landscape Character Unit (LCU) 8 - Speargrass Flat, this was the most contentious part of the decision, as it involved determining the most appropriate zoning for approximately 42.9 ha of the site. The Court focused significantly on the landscape and visual amenity values of the area, particularly in relation to LCU 8: Speargrass Flat, where the site is located.

LCU 8 - Speargrass Flat is a landscape character unit (LCU) identified in the PDP as part of the Wakatipu Basin. It was rated with a "Low" landscape capacity for additional development, meaning it has limited ability to absorb new development without significantly affecting its visual amenity and landscape character values. The key characteristics of this area include a sense of openness and spaciousness, and the unobstructed rural views from Speargrass Flat Road to the surrounding hillsides and escarpment. The Court emphasised the importance of maintaining these landscape values, particularly the open outlooks and the spatial openness in views from areas like the Queenstown Trail and Arrowtown-Lake Hayes Road.²

The Court recognise that while some development could occur, any proposed changes would need to be carefully managed to maintain visual amenity and landscape character values. Specifically, the eastern portion of LCU 8, which includes parts of the site, was highlighted for its sensitive visual aspects, as it offers views from important public areas, such as the Countryside Trail and Arrowtown Lake Hayes Road. The Court was particularly concerned about the integration of buildings with the landform and the protection of natural features. It noted that development in this area should blend with the landscape, maintain openness, and respect the area's rural setting.

The Court also referenced the landscape values outlined for LCU 8, which include maintaining views of the hillslopes, escarpments, and the open space in the valley. These aspects were considered essential to preserving the rural character of the area. The presence of Mill

¹ At [30] NZEnvC207

² Ibid at [119]-[120]

Creek, which flows through the site, added to the landscape sensitivity, as it contributes to both the ecological values of the area and its visual amenity.

The Court initially considered a modified precinct or urban zoning for parts of the Ayrburn Farm but ultimately concluded that this would not be appropriate given the area's landscape values. The Court emphasised that development under Wakatipu Basin Rural Amenity Zone (WBRAZ) would better protect the landscape, as this zone was intended to maintain or enhance the landscape character and visual amenity values of the basin. However, the Court acknowledged the potential for modifications to the WBRAZ to allow for limited rural living development. It considered that there was "moderate" capacity within an approximately 3.8 ha part of the site, which was subsequently identified for residential development in the centre of the site³, and for an approximately 2.75ha part of the site fronting onto Arrowtown Lake Hayes Road.⁴ At an average minimum of 1ha, with a minimum of 6000m², the a total of 5 rural residential sites would be provided for.

The Court reserved its ultimate determination on the matter, but directed the parties to consider an unmodified WBRAZ, or modified WBRAZ as described in its decision.⁵

[2024] NZEnvC 87 (Second Decision)

In this decision, the Court confirmed that Modified WBRAZ was the most appropriate zoning for the part of the site known as Ayrburn Farm. WPDL proposed a modified version of WBRAZ that included a structure plan for the subdivision and development of the site. The proposal included specific controls on subdivision to be incorporated through consent notices, related to permissible planting, tree protection, buildings in the open space area, wastewater discharge, fertiliser usage, commercial livestock and vehicle access.

The Court issued directions to refine and adjust several policies within the PDP related to the zoning of Ayrburn Farm. It focused on provisions that would protect the open space values of the area while allowing for rural living. In particular, the Court considered the wording of Objective 27.3.25 and Policy 27.3.25.2⁶, as well as new Policy 27.3.25.11⁷, which was introduced to replace the previously proposed provision on open space management.

Directions were made for supplementary submissions on the final wording of the policies and objectives. The Court highlighted that the Modified WBRAZ would likely be confirmed as the most appropriate zoning.

[2024] NZEnvC 134 (Third Decision)

⁴ Ibid at [125]-[126]

6 [2024] NZEnv87 at [32]-[39]

³ Ibid at [116]

⁵ Ibid at [135]-[139]

⁷ Ibid at [43]

This decision marked the final confirmation of the Modified WBRAZ zoning for Ayrburn Farm. The Court considered all the submissions, including those from QLDC and the s274 parties, and concluded that the Modified WBRAZ was the most suitable zoning option. This decision came after WPDL had proposed specific modifications to the zoning that included a structure plan with clear rules for development, including provisions for landscape protection, ecological enhancement, and water quality improvement. The structure plan included limitation of development to residential areas within the structure plan, with requirements for Open Space on the balance of the land.

The Court instructed QLDC to provide a full set of updated provisions, including any maps, to reflect the Modified WBRAZ zoning outcome. These provisions were to be submitted for the Court's approval. The decision included specific provisions to guide the development and subdivision of Ayrburn Farm, which aimed to balance limited rural living with environmental and landscape maintenance and enhancement.

The Court also addressed the final wording of Objective 27.3.25 and Policy 27.3.25.11. These policies provided the framework for rural living, ensuring that development would occur in a way that maintained or enhanced the landscape, ecological, and water quality values of the area.

APPENDIX 2 - PRINCIPLES FOR SCHEME INFRASTRUCTURE BOUNDARY EXTENSION

- 1. That an existing water main or wastewater main with suitable capacity is adjacent to the property boundary.
- 2. All cost to extend the QLDC water supply or wastewater network shall be covered by the applicant. Full development contributions and rates shall also be levied and paid.
- 3. The level of service of the scheme should not be significantly compromised by the extension. Validation by a QLDC officer or a suitably qualified professional will be required. The effects of future development shall also be considered. The cost of the validation will be the responsibility of the applicant.
 - Note: This requires evidence to be provided to demonstrate that the wider network is not significantly compromised. Being granted a scheme boundary extension should become a consent condition to ensure the wider water supply system can service this development without adversely affecting existing uses.
- 4. Any reticulation extensions should be vested to QLDC when on council land and/or where there are multiple owners. Otherwise the extension should be privately owned.
- 5. Design and construction must comply with all applicable QLDC standards and policies at the time to ensure the integrity and quality of QLDC networks are maintained.
- 6. The agreement with QLDC shall define the level of service to be provided and any landowner requirements, e.g. restricted flow supply, private storage for fire-fighting purposes and irrigation, pressure wastewater connection.
- 7. The agreement with QLDC shall acknowledge that the use of the public supply for large scale irrigation by private landowners is not viable in the long term. The water use of the public supply shall not exceed 750 litres/day per dwelling. This is based on the residential average daily consumption identified throughout the water meter trial 2015/16.
- 8. The extension is for a development that has obtained an agreement with Council that water will be available, only if resource consent is granted the boundary change applies. The new water supply or wastewater scheme boundary does not extend beyond the consented development.

APPENDIX 3 - COMMENTS FROM ELECTED MEMBERS OF COUNCIL - LISA GUY

SUMMARY OF APPLICATION

A film studio and associated accommodation on Arrowtown/Lake Hayes road. To summarise the proposal includes a total of 15 buildings including:

- Film Studio 7,200m2 GFA
- Accommodation and Film Office 185 accommodation units
- Hotel Reception and Office two storey 282m2 GFA
- Spa and Wellness Centre Two storey 377m2 GFA
- Function Venue 674m2 GFA
- Depot and Ayrburn Office three storey office space 928m2

SUMMARY OF INFO PROVIDED WITH APPLICATION

- 1. Planning report and proposal summary
- 2. Master and architectural plans
- 3. Engineering Documents
- 4. Expert Reports ecological, historical, transport, economic, cultural, film

IMPORTANT INFORMATION REGARDING THIS ELECTED MEMBER STATEMENT

- 1. Statements are an elected member's personal views and these do not constitute a collective decision or position of the Council. Discussions with constituents may have assisted to form this view.
- 2. The statement is an opinion and not put forward as expert evidence.
- The statement is intended to assist EPA following an invitation for commentary.

ELECTED OFFICIAL NAME - LISA GUY

ELECTED OFFICIAL STATEMENT:

Thank you for the opportunity to contribute my personal perspective to the Fast Track proposal from Ayrburn.

1. The amenity delivered by Ayrburn has in my opinion added considerable public amenity value to the Arrowtown - Kawarau ward, delivering an exceptional environment for hospitality experiences that is increasingly viewed as a pull factor for locals and visitors to our area. They now contribute to the ABPA commercial rate This has created employment, brings events to the area, and has greatly improved environmental outcomes, improving the surroundings of a piece of under-utilised land. The residential accommodation options / impacts are yet to be determined though I hear anecdotal reports of a high level of desirability in the market.

2. DP 24.2.4.2 This clause of our District Plan suggests -

Restrict the scale, intensity, location of subdivision, development, and use of land in the Lake Hayes catchment, unless it can occur consistently with improvements to water quality in the catchment.

For Lake Hayes to remain healthy **we must keep a low pollution load going forward**. Ayrburn improving the kaitiaki of the catchment up until now is encouraging, fish habitats and planting improvements are considerable to date. I would hope to see clear and proactive consideration of how DP24.2.4.2 might be included and committed to as a deliverable. Initial development at Ayrburn did present some challenges for Lake Hayes water quality, we now understand the phosphorus load levels to ensure a healthy lake environment, and I would hope that this remains a firm consideration. Ayrburn have improved the Millcreek environment considerably and with the appropriate controls / silt traps and planning for Storm water - taking into account if modelling takes into account frozen ground / winter conditions etc the developer may be able to ensure that any future development ensures the catchment waterways, silt traps and eventual Lake receiving environment is enhanced and at no risk of harm.

- 3. Hotel / Accommodation provision has been highlighted in recent community survey questions of the Arrowtown Business and Promotion Association (APBA) as a need in the Arrowtown area to provide a sustainable level of visitors to ensure our hospitality operators have a readily accessible market.
- 4. The growth and focus of Film Queenstown as a sector has seen an increase in facilities and workforce. Our local creative sector require an ongoing pipeline of work to be sustainable.

Thank you for the opportunity to share my point of view

APPENDIX 4 - COMMENTS FROM ELECTED MEMBERS OF COUNCIL - QUENTIN SMITH

SUMMARY OF APPLICATION

A film studio and associated accommodation on Arrowtown/Lake Hayes road. To summarise the proposal includes a total of 15 buildings including:

- Film Studio 7,200m2 GFA
- Accommodation and Film Office 185 accommodation units
- Hotel Reception and Office two storey 282m2 GFA
- Spa and Wellness Centre Two storey 377m2 GFA
- Function Venue 674m2 GFA
- Depot and Ayrburn Office three storey office space 928m2

SUMMARY OF INFO PROVIDED WITH APPLICATION

- 5. Planning report and proposal summary
- 6. Master and architectural plans
- 7. Engineering Documents
- 8. Expert Reports ecological, historical, transport, economic, cultural, film

IMPORTANT INFORMATION REGARDING THIS ELECTED MEMBER STATEMENT

- 4. Statements are an elected member's personal views and these do not constitute a collective decision or position of the Council. Discussions with constituents may have assisted to form this view.
- 5. The statement is an opinion and not put forward as expert evidence.
- 6. The statement is intended to assist EPA following an invitation for commentary.

ELECTED OFFICIAL NAME - QUENTIN SMITH

ELECTED OFFICIAL STATEMENT:

- 1. The Film Hub / Studio proposal is a trojan horse for development of a large resort and commercial industrial activity in the rural landscape.
- 2. The proposal is inconsistent with agreements reached under mediation and appeals to previous district plan and consent appeals.
- 3. The proposal represents a significant expansion to the largely unrealised Waterfall Park Special Zone.
- 4. Further large scale industrial, visitor accommodation, commercial activities associated with the film studio completely inconsistent with the Rural environment, WBLUS, Rural Amenity Zone and spatial plan.
- 5. The cumulative impact of surrounding zones and consented activities are more than enough for the receiving environment. Millbrook plus The Hills plus Hogans Gully plus Waterfall Park Zone plus Ayrburn Plus Arrowtown Retirement Village is simply more than enough. While the existing Ayrburn hospitality precinct is relatively tasteful it does already reach the limit of the receiving environment.

6. The extension creates further demand on roading network, water and wastewater than are completely unfunded and unresolvable within the short and medium term, long term unknown. There is simply no capacity within the roading network for any additional development without significant NZTA and PT investment.

Regards Quentin

Note: All comments will be made available to the public and the applicant when the Ministry for the Environment proactively releases advice provided to the Minister for the Environment.