



FTAA-2502-1025: Application received for referral of the Powerhouse Funicular Railways Queenstown Regional Development project under the Fast-track Approvals Act 2024 – Stage 1 decisions

Project Name: Powerhouse Funicular Railways Queenstown Regional Development

Date submitted:	19 March 2025	Tracking #: BRF-5975	
Security level:	In-Confidence	MfE priority:	Urgent

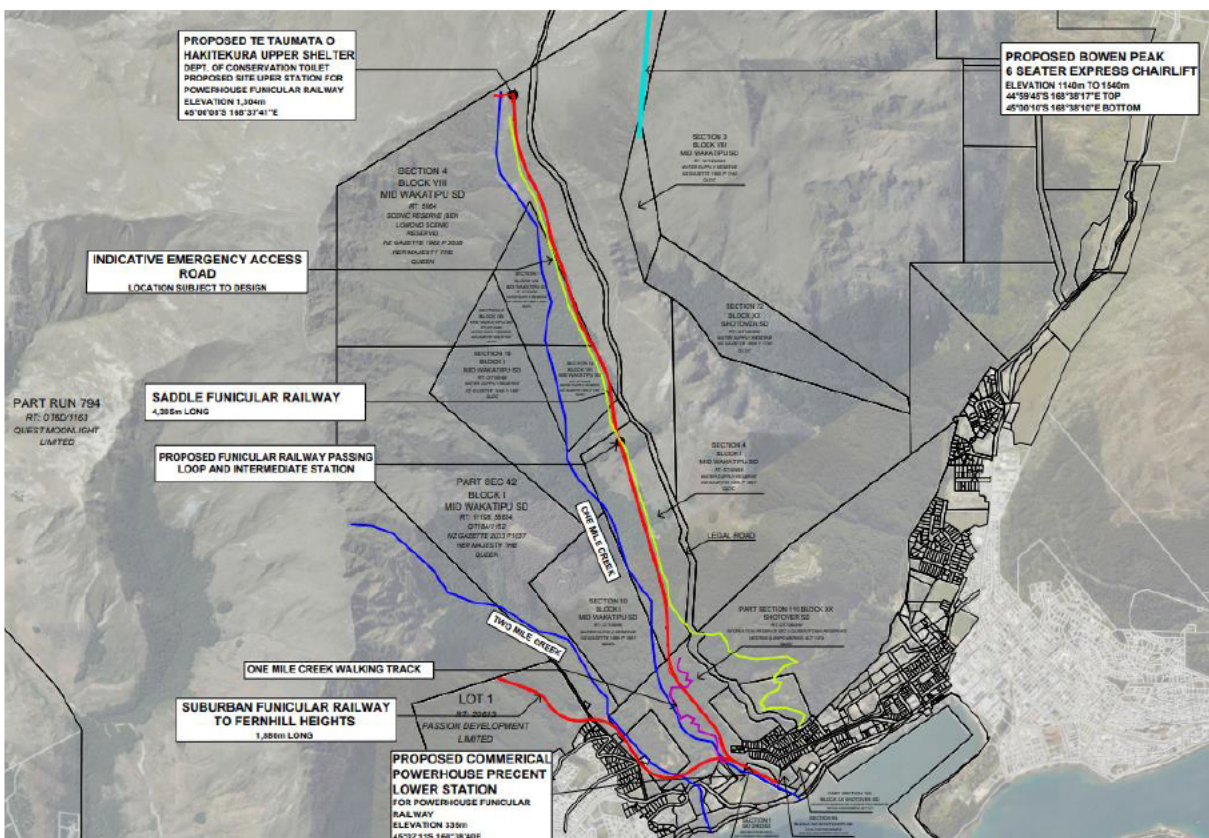
	Action sought:	Response by:
To Hon Chris Bishop, Minister for Infrastructure	Decisions on recommendations in Table A	To be advised

Actions for Minister's Office staff	Return the signed briefing to MfE: FTAreferrals@mfe.govt.nz Send attached letters (if signed)
Number of attachments: 4	Attachments: <ol style="list-style-type: none">Application documents for Powerhouse Funicular Railways Queenstown Regional Development project: (File exchange link provided in email)List of the Māori groups referred to in section 18(2)Statutory framework summaryList of Records of Title included in the project area

Ministry for the Environment contacts:

Position	Name	Cell phone	1 st contact
Principal Authors	Ashiley Sycamore Joanne Waitoa		
Acting Manager	Ben Bunting		
Acting General Manager	Stephanie Frame	s 9(2)(a)	✓

Project location



Key messages

1. This briefing seeks your initial decisions on an application from Bowen Peak Limited to refer the Powerhouse Funicular Railways Queenstown Regional Development project (the project) under the Fast-track Approvals Act 2024 (the Act) to the Fast-track approvals process. At this stage you can either decline an application for the reasons set out in section 21, or provide the application to, and invite comments from, the parties identified in section 17. If you do not decline the application, you will receive a further briefing following receipt of comments, to support your final decision on whether to refer the project.
2. The project comprises several activities within the Fernhill, Lake Esplanade, and Ben Lomond area of Queenstown including:
 - a. a development (labelled as the 'Powerhouse precinct') within One Mile Recreation Reserve to provide retail, hospitality and tourism offerings, a 1,500-person conference facility, and associated carpark building.
 - b. a high-density residential development of approximately 1,040 housing units for 2,000+ residents, and associated subdivision.
 - c. two funicular railways (including stations) connecting the Powerhouse precinct to the new residential suburb and the Powerhouse precinct to the Ben Lomond – Te-Taumata-o-Haketikura Saddle.
 - d. seasonal ski field and mountain bike park on Bowen Peak, serviced by a six-seater chairlift.
 - e. a top station building associated with the ski field containing a bar/restaurant, retail, and guest services.
 - f. predator-free fencing covering a 3-hectare area within One Mile Recreation Reserve and a 180-hectare predator-free sanctuary near the top of the One Mile Creek valley.
 - g. construction of a boardwalk and walking trail along the One Mile Creek stream.
 - h. wilding pine removal and native planting within the One Mile Recreation Reserve.
3. The project will require the proposed approvals:
 - a. resource consents under the specified Act – Resource Management Act 1991.
 - b. archaeological authority under the specified Act – Heritage New Zealand Pouhere Taonga Act 2014.
 - c. concession under the specified Act – Conservation Act 1987.
 - d. wildlife authority under the specified Act – Wildlife Act 1953.
 - e. approval under the specified Act – Reserves Act 1977.
4. We have undertaken initial analysis of the referral application. This is presented along with our considerations and recommendations in Table A.
5. We have decided the application is complete and complies with section 14 of the Act, as the application complies with section 13 requirements, may be capable of satisfying the criteria in section 22 and does not appear to involve an ineligible activity. The applicable fee and levy have been paid.
6. We recommend you progress consideration of the referral application to the next stage

of analysis (Stage 2) and invite written comments from the parties prescribed in section 17(1) of the Act being: local authorities, the Minister for the Environment and relevant portfolio Ministers, relevant administering agencies, the owners of Māori land within the project area, and identified Māori groups from section 18(2) of the Act. The identified Māori groups are listed in Attachment 2.

7. As the project area includes public conservation land, we note you must obtain a report from the Director-General of Conservation in accordance with section 19(1) of the Act.
8. We recommend that under section 20 you request further information from the applicant and the Otago Regional Council as detailed in Table A.

Action sought

9. Please indicate your decisions on the recommendations in Table A.

Signature

A handwritten signature in black ink, appearing to read 'S Frame', is written over a light blue rectangular background.

Stephanie Frame
Acting General Manager – Delivery and Operations

Table A: Stage 1 analysis

Project details	Project Name	Applicant		Project Location		
	Powerhouse Funicular Railways Queenstown Regional Development	Bowen Peak Limited – Guy Hingston		The project area comprises several sites within the Fernhill, Lake Esplanade, and Ben Lomond area of Queenstown. The project involves both private and public land. Refer to Attachment 5 for a summary of the titles and relevant instruments.		
Project description	The project comprises several activities within the Fernhill, Lake Esplanade, and Ben Lomond area of Queenstown, including: <div><div>a.</div><div>a development (labelled as the ‘Powerhouse precinct’) within One Mile Recreation Reserve to provide retail, hospitality, and tourism offerings, a 1,500-person conference facility, and an associated carpark building.</div><div>b.</div><div>a high-density residential suburb of approximately 1,040 housing units for 2,000+ residents, and an associated subdivision.</div><div>c.</div><div>two funicular railways (including stations) connecting the Powerhouse precinct to the new residential suburb, and the Powerhouse precinct to the Ben Lomond – Te-Taumata-o-Haketikura Saddle.</div><div>d.</div><div>a seasonal ski field and mountain bike park on Bowen Peak, serviced by a six-seater chairlift, and a top station building associated with the ski field containing a bar/restaurant, retail, and guest services.</div><div>e.</div><div>predator-free fencing covering a 3-hectare area within One Mile Recreation Reserve and a 180-hectare predator-free sanctuary near the top of One Mile Creek valley, construction of a boardwalk and walking trail along One Mile Creek stream, and wilding pine removal and native planting within One Mile Recreation Reserve.</div></div>					
Consultation undertaken	As required by s11, the applicant has consulted with:					
	Relevant local authorities	Relevant iwi authorities, hapu and Treaty settlement entities:	Relevant MACA groups	Ngā hapū o Ngāti Porou	Relevant administering agencies	Holder of land to be exchanged
	<div><div>•</div><div>Queenstown-Lakes District Council (QLDC)</div><div>•</div><div>Otago Regional Council (ORC)</div></div>	<div><div>•</div><div>Te Rūnanga o Ngāi Tahu</div><div>•</div><div>Te Rūnanga o Ōtākou</div></div>	N/A	N/A	<div><div>•</div><div>Ministry for the Environment</div><div>•</div><div>Department of Conservation</div><div>•</div><div>Heritage New Zealand Pouhere Taonga</div></div>	N/A
Section 22 assessment criteria						
The project is an infrastructure or development project that would have significant regional or national benefits [section 22(1)(a)]	The Minister may consider any of the following matters, or any other matters the Minister considers relevant:					
	<div>Will deliver new regionally or nationally significant infrastructure or enable the continued functioning of existing regionally or nationally significant infrastructure [s22(2)(a)(ii)]</div> <div>The applicant considers that the two funicular railways align with the definitions of ‘rapid transit services’ and ‘nationally significant infrastructure’ as outlined in the National Policy Statement on Urban Development 2020. Additionally, the applicant has indicated that the Bowen Peak ski area and mountain bike chair lift are considered regionally significant infrastructure, being classified as ‘Ski Area Infrastructure’ in the Proposed Otago Regional Policy Statement. We recommend seeking feedback from ORC to confirm whether they consider the proposed infrastructure components as having regionally and/or nationally significant benefits.</div>					
	<div>Will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment [s22(2)(a)(iii)]</div> <div>The project includes a high-density residential development of 1,040 housing units for 2,000+ residents in the Queenstown area, and associated subdivision. The application highlights that the development has the capacity to accommodate residents equivalent to 7.6% of the projected population growth in Queenstown Lakes from 2024 to 2053, and 2.7% of Otago’s population growth. The application includes a signed agreement between Bowen Peak Ltd (the Applicant) and Queenstown Lakes Community Housing Trust to commit 5% of the residential lots for affordable housing.</div>					
	<div>Will deliver significant economic benefits [s22(2)(a)(iv)]</div> <div>The applicant considers the following aspects of the project will result in significant economic benefits:</div> <div><div>•</div><div>employment related to the Saddle funicular railway line serving the ski area and mountain bike park is expected to average 150 staff throughout the year, peaking at 250 during the winter season due to increased activity at the ski area. Additionally, the conference facility and Powerhouse Precinct (retail and hospitality businesses) are projected to create up to 175 jobs.</div><div>•</div><div>the conference facility is anticipated to host 39,000 delegates per year – the equivalent of one 500 to 1,000 delegate event each week.</div><div>•</div><div>the Saddle funicular railway line is projected to carry 1.1 million passengers annually. Of these, an estimated 1 million will sightsee, bike, or visit the proposed Ben Lomond predator-free sanctuary, while 100,000 will ski at the proposed Bowen Peak ski area.</div><div>•</div><div>visitors to the Powerhouse Precinct and during their stay in Queenstown are expected to spend up to \$127 million annually. Additionally, visitors accessing the skiing, biking, and nature experiences are projected to spend a further \$120 million each year.</div></div>					
	<div>Will support climate change mitigation, including the reduction or removal of greenhouse gas emissions [s22(2)(a)(vii)]</div> <div>The applicant considers that the two funicular railways will provide a public transport option that will reduce the need for private vehicles to access the proposed residential development in Fernhill Heights. The application states that the funicular railways are electrically powered (with a solar contribution) and do not rely on fossil fuels, thereby supporting climate change mitigation. The Saddle funicular is designed to carry 770 people per hour and uses the energy equivalent of only three electric cars. The applicant further asserts that this transport option supports climate change mitigation by significantly reducing greenhouse gas emissions from mountain biking and snow skiing activities, compared to the emissions generated by motor vehicle access to other ski fields in New Zealand.</div>					
<div>Will support climate change adaptation, reduce risks arising from natural hazards, or support recovery from events caused by natural hazards [s22(2)(a)(viii)]</div> <div>The applicant considers that removing plantation forestry on the Fernhill Heights block, to allow for the proposed residential development, will reduce wildfire risk.</div>						
<div>Will address significant environmental issues [s22(2)(a)(ix)]</div>						

	<p>The project introduces a new public transport option (being the funicular railway), which the applicant considers will promote a shift in transportation modes and improve connectivity to Fernhill Heights and the recreational opportunities within the One Mile / Ben Lomond reserves corridor. This connection to Fernhill Heights could reduce reliance on motor vehicles, thereby lowering greenhouse gas emissions. Additionally, the project proposes restoration works and conservation through predator-free fencing and enclosed breeding areas for native birds. The applicant believes this will boost investment in conservation initiatives and enhance educational opportunities for firsthand wildlife experiences</p> <p><i>Is consistent with local or regional planning documents, including spatial strategies [s22(2)(a)(x)]</i></p> <p>The applicant considers some aspects of the project are generally consistent with relevant planning documents, particularly enabling recreational use of recreation reserves, conservation/restoration, and public transport. The applicant has also considered other aspects are not generally consistent with the relevant planning documents. The project will introduce built form into the Open Space Zones of the Proposed Queenstown Lakes District Plan, as well as urban development within rural zoned land, and outside the identified Urban Growth Boundary. The housing aspect is not within an area identified for growth in the QLDC Spatial Plan, however the applicant notes the proposed development is adjacent to existing housing in Fernhill. QLDC has released a draft Te-Taumata-o-Hakitekura Ben Lomond & Te Tapunui Queenstown Hill Reserve Management Plan for public consultation, and the applicant states he intends to lodge a submission.</p>		
Referring the project to the fast-track approvals process [section 22(1)(b)]	<p><i>Would facilitate the project, including by enabling it to be processed in a more timely and cost-effective way than under normal processes [s22(1)(b)(i)]</i></p> <p>The applicant notes that, given the multiple number of resource consent requirements from the local and regional authorities, and concessions/approvals required under various legislation, the Fast-track approvals process provides an avenue to consolidate and streamline these processes together. It is noted that the project involves a range of development activities across multiple sites of public and private land. Several approvals are required from five specified Acts including the Resource Management Act 1991, Heritage New Zealand Pouhere Taonga Act 2014, Conservation Act 1987, Wildlife Act 1953, and Reserves Act 1977.</p> <p><i>Is unlikely to materially affect the efficient operation of the fast-track approvals process [s22(1)(b)(ii)]</i></p> <p>The applicant has considered that the referral of this project is unlikely to affect the efficient operation of the fast-track approvals process. The applicant has stated that they are committed to undertaking additional assessment and detailed design for the substantive application phase. The applicant intends to lodge one substantive application if the project is referred.</p>		
Minister invites comments	<p><i>You must copy the application to, and invite written comments from [s17(1)]:</i></p> <ul style="list-style-type: none"> a. Relevant local authorities: <ul style="list-style-type: none"> • QLDC • ORC b. Minister for the Environment c. Relevant portfolio Ministers: <ul style="list-style-type: none"> • Minister of Housing • Minister of Climate Change • Minister of Conservation • Minister of Transport • Minister for Land Information • Minister for Tourism and Hospitality d. Relevant administering agencies: <ul style="list-style-type: none"> • Ministry for the Environment • Department of Conservation • Heritage New Zealand Pouhere Taonga e. The Māori groups identified in Attachment 2 f. The owners of Māori land in the project area: None <p>Note: We have considered the Minister of Housing and the Minister of Climate Change to be relevant portfolio Ministers for this project. This is because the project includes a high-density housing development and funicular railway lines, with a claim that they will significantly reduce greenhouse gas emissions. These Ministers will be able to provide advice on whether they consider the project has regional/nationally significant benefits, and whether the project will reduce greenhouse gas emissions. The Minister of Conservation is also considered a relevant portfolio Minister as the project area covers Public Conservation Land and approvals are sought under the Wildlife Act 1953, Reserves Act 1977, and Conservation Act 1987. The Minister of Transport is considered relevant due to the inclusion of funicular railways identified as public transport. The Minister for Land Information has been included to confirm whether the project requires a 'commercial recreation permit' (or other access arrangement) under the Land Act 1948. A commercial recreation permit may be needed to undertake commercial recreational activities on a Crown pastoral lease. The Ben Lomond Special Lease boundary covers part of the project area. The Land Act 1948 is not a specified Act, and any associated permits or access arrangements would not be included in the Fast-track approvals process. The Minister for Tourism and Hospitality has been considered relevant as the proposal involves tourism and hospitality activities in Queenstown.</p>	<p><i>The Minister may also copy the application to, and invite written comments from, any other person [s17(5)].</i></p> <p>We have considered section 17(5), and we have no further recommendations for additional persons to invite for written comments, beyond those already mentioned.</p>	<p><i>The Minister may request further information about a referral application from the applicant, the relevant local authorities, or the relevant administering agencies to be provided within the time frame specified in the request.</i></p> <p>We recommend you request the following information from <u>the applicant</u>:</p> <ul style="list-style-type: none"> • To satisfy the information required by Clause 2(1)(a) of Schedule 6 of the Act, provide further detail regarding the anticipated term of the lease (including any renewals) in relation to the concession approval under the Conservation Act 1987. • Provide evidence that the privately held land within the project area will be able to be utilised to deliver the project and provide detail on how this will occur. <p>We recommend you request the following further information from <u>Otago Regional Council</u>:</p> <ul style="list-style-type: none"> • Does the Council consider that the proposed funicular railways align with the definition of 'rapid transit services' and 'nationally significant infrastructure' under the National Policy Statement for Urban Development 2020 (NPS-UD)? • Does the Council consider that the proposed Bowen Peak ski infrastructure meets the definition of 'regionally significant infrastructure' in the Proposed Otago Regional Policy Statement (pRPS)? <p>The Minister must request a report in relation to the use of public conservation land from the <u>Director-General of Conservation</u> as required under s19(1).</p>

Recommendations	Minister's decision
a. Note that section 25(1)(a) of the Act permits you to decline the referral application without inviting comments from the relevant local authorities and any relevant Ministers.	
b. Note that you have not yet provided the application to, nor sought any comments on it from, the parties listed in section 17(1) but that you are required to do so if you do not decline the application under section 21 of the Act.	
c. Note that section 17(5) of the Act permits you to forward an application to, and invite written comments from, any other person.	
d. Note that if comments have been sought and provided within the required time frame you are required to consider it, along with the referral application, before deciding to decline the application.	
e. Note that section 20 of the Act permits you to request further information from the applicant or relevant local authorities or relevant administering agencies at any time before you decide whether to accept or decline an application.	
f. Agree to progress the Powerhouse Funicular Railways Queenstown Regional Development Project to our Stage 2 analysis (invitation to comment and s18 report stage).	Yes / No
g. Agree to provide the application to, and invite comments from: <ul style="list-style-type: none"> Queenstown Lakes District Council and Otago Regional Council under section 17(1)(a). The Minister for the Environment, Minister of Conservation, Minister of Housing, Minister of Climate Change, Minister of Transport, Minister for Land Information, and Minister for Tourism and Hospitality under section 17(1)(b). The Ministry for the Environment, Department of Conservation, and Heritage New Zealand Pouhere Taonga as the relevant administering agencies under section 17(1)(c). Te Rūnanga o Ngāi Tahu, Te Rūnanga o Waihao, Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Hokonui Rūnanga, Waihōpai Rūnaka, Te Rūnanga o Awarua, Te Rūnanga o Ōraka-Aparima, Aukaha and Te Ao Mārama Incorporated under section 17(1)(d). 	Yes / No
h. Agree to seek further information from: <ul style="list-style-type: none"> the applicant on the anticipated term of lease (including renewals) for the concession approval and evidence of how the privately owned land can be utilised for the project. Otago Regional Council on whether they consider the funicular railways meet the definition of 'nationally significant infrastructure' under the NPS-UD and whether the ski infrastructure meets the definition of 'regionally significant infrastructure' under the Otago pRPS. 	Yes / No Yes / No
i. Note that section 19(1) of the Act requires you to obtain and consider a report in relation to the use of public conservation land for the project from the Director-General of Conservation.	
j. Agree to the Ministry for the Environment requesting the section 19(1) report on your behalf in accordance with your delegation to the Secretary for the Environment.	Yes / No
k. Note that you have agreed to delegate to the Secretary for the Environment your responsibility to send all correspondence other than to Ministers	
l. Sign and send the attached letters to the Minister for the Environment, Minister of Conservation, Minister of Housing, Minister of Transport, Minister for Land Information, Minister of Climate Change, and Minister for Tourism and Hospitality	Yes / No

Signed:

Hon Chris Bishop
Minister for Infrastructure

Date:

**Attachment 1: Application documents for Powerhouse Funicular Railways
Queenstown Regional Development**

Attachment 2: List of the Māori groups referred to in section 18(2)

Name of group	Type of group (section of Act)
Te Rūnanga o Ngāi Tahu	Iwi authority (s18(2)(a)); Treaty settlement entity – Ngāi Tahu Claims Settlement Act 1998 (s18(2)(a))
Te Rūnanga o Waihao	Papatipu Rūnanga (s18(2)(a))
Te Rūnanga o Moeraki	Papatipu Rūnanga (s18(2)(a))
Kāti Huirapa Rūnaka ki Puketeraki	Papatipu Rūnanga (s18(2)(a))
Te Rūnanga o Ōtākou	Papatipu Rūnanga (s18(2)(a))
Hokonui Rūnanga	Papatipu Rūnanga (s18(2)(a))
Waihōpai Rūnaka	Papatipu Rūnanga (s18(2)(a))
Te Rūnanga o Awarua	Papatipu Rūnanga (s18(2)(a))
Te Rūnanga o Ōraka-Aparima	Papatipu Rūnanga (s18(2)(a))
Aukaha	Entity owned by Papatipu Rūnanga (s18(2)(k))
Te Ao Mārama Incorporated	Entity owned by Papatipu Rūnanga (s18(2)(k))

Attachment 3: Statutory framework summary

1. You are the sole decision maker for referral applications. If you accept a referral application, then the whole or part of the project will be referred to the fast-track approvals process.
2. If a Treaty settlement, the Marine and Coastal Area (Takutai Moana) Act 2011, the Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019, a Man Whakahono ā Rohe or a joint management agreement provides for consideration of any document or procedural requirements, you must, where relevant:
 - a. Give the document the same or equivalent effect through this process as it would have under any specified Act; and
 - b. Comply with any applicable procedural requirements.
3. You must decline a referral application if:
 - a. you are satisfied the project does not meet the referral criteria in s22
 - b. you are satisfied the project involves an ineligible activity (s5)
 - c. you consider you do not have adequate information to inform your decision.
4. You may decline an application for any other reason, including those set out in s21(5) and even if the application meets the s22 referral criteria.
5. You can decline an application before or after inviting comments under s 17(1). However, if comments have been sought and provided within the required time frame, you must consider them, along with the referral application, before deciding to decline the application.
6. If you do not decline a referral application at this initial stage you must copy the application to, and invite written comments from:
 - a. the relevant local authorities being Queenstown Lakes District Council and Otago Regional Council.
 - b. the Minister for the Environment and the following relevant portfolio Ministers: Minister of Conservation, Minister of Housing, Minister of Climate Change, Minister of Transport, and Minister for Land Information.
 - c. the following relevant administering agencies:
 - i. Ministry for the Environment
 - ii. Department of Conservation
 - iii. Heritage New Zealand Pouhere Taonga
 - d. the Māori groups identified in Attachment 2.
 - e. you may provide the application to and invite comments from any other person. We have considered the Minister of Transport and Minister for Land Information should also be invited to comment.
7. You can request further information from an applicant, any relevant local authority or any relevant administering agency at any time before you decide to decline or accept a referral application (see section 20 of the Act).
8. However, if further information has been sought and provided within the required time frame you must consider it, along with the referral application, before deciding to decline the application.

Attachment 4: List of Records of Title included in the project area