

Your Comment on the Ayrburn Screen Hub

If you wish to make comments on the application, please include all the contact details listed below with your comments and indicate whether you can receive further communications from us by email to substantive@fasttrack.govt.nz.

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| 1. Contact Details | | | |
| Please ensure that you have authority to comment on the application on behalf of those named on this form. | | | |
| Organisation name (if relevant) | N/A | | |
| First name | Paul | | |
| Last name | Dougherty | | |
| Postal address | [REDACTED] | | |
| | [REDACTED] | Work phone | [REDACTED] |
| Email (a valid email address enables us to communicate efficiently with you) | [REDACTED] | | |
| 2. We will email you draft conditions of consent for your comment | | | |
| <input checked="" type="checkbox"/> | I can receive emails and my email address is correct | <input type="checkbox"/> | |

- 1 My name is Paul Dougherty. I am married to Hilary Poole and we own [REDACTED]. We purchased the property in April 2021, with the intention of building a new home on the site. We are now in the final stages of building that home – it should be completed by February 2026 – and when complete it is our intention to move into that home as our main residence. We were attracted to the location by its low level of residential development, the quintessentially Queenstown rural/open-space outlook and the associated peace and quiet. We believed this character was protected by the Proposed District Plan (PDP). Our home is approximately 400 - 500 metres to the west of the proposed Screenhub buildings and associated activity.
- 2 By way of background, I am currently a Senior Advisor at Cameron Partners, having worked here for nearly 30 years and having been a partner for 25 years. I was responsible for establishing the Auckland office of the firm in 2000. Cameron Partners is a leading investment bank in New Zealand. We advise public and private companies on mergers, acquisitions and divestments and on raising capital. In this role, a key required skill is to analyse the business plans of companies and assess their credibility or otherwise. I regard myself as having significant expertise in this area and I have previously appeared as an expert witness in this capacity in proceedings. However, I am not presenting my evidence as expert testimony.
- 3 In my evidence I use the term “Screenhub” or “project” to refer to the total proposed development, “Production facility” to cover the elements directly related to the screen production facility that is the core of the proposal (being studio, workshop, office, venue, storage and logistics), and the “Accommodation” to refer to the accommodation elements.
- 4 I am writing to oppose the application for the development of the Screenhub. My submission is in four parts:
 - 4.1 The proposed Screenhub is entirely against the wording and intent of the Proposed District Plan (PDP) and entirely out of keeping with the intended level and type of development for this area. It effectively allows an intensive industrial activity and intensive accommodation in an area clearly intended only for very low-density residential living and the maintenance of high rural and open-space amenity values. It will have significant immediate negative impacts on the amenity of the area. In addition, approval of this development will almost certainly lead to further diminution of local-area amenity in the future, potentially to the point where the current PDP is rendered meaningless for the surrounding area.
 - 4.2 Given the overwhelming inconsistency with the PDP and the strongly negative impact on immediate and future amenity value, there must be a very strong focus on the credibility of the economic benefits being proposed. I believe the level of economic analysis supporting the application is very poor, significantly overstates the benefits and is not at all at a level that should be relied upon for decision-making. The following issues exist:
 - 4.2.1 Much of the benefits arise from the Accommodation, but that is not why the proposal is on the Fasttrack.
 - 4.2.2 The case for co-located accommodation and Production facility is not sufficiently robust, nor is the appropriate sizing of the Accommodation assessed.
 - 4.2.3 The regional benefits analysis of the Screenhub is entirely inconsistent with the on-going and significant decline being observed in the NZ film and TV production industry (both from international and domestic demand).
 - 4.2.4 The economic assessment is limited in scope, no more than supposition, runs against current market trends of declining production volumes, and is significantly overstated.
 - 4.2.5 The negative impacts of the proposal have been entirely omitted (amenity, impacts on waste-water treatment infrastructure, traffic, negative impacts on surrounding house/land values, future risks).

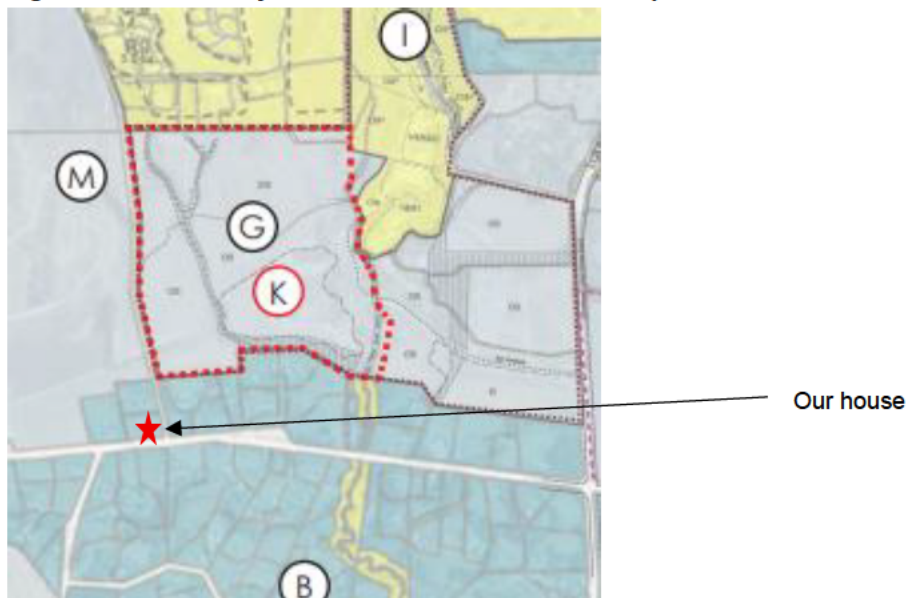
The application should fail on these points.

- 4.3 The lack of substance to the economic case, combined with the alternative use options for the development that preserve (and potentially enhance) value for the applicant should the Production facility benefits not arise, creates a significant risk that this is simply a further attempt by the applicant to achieve an intensive (residential) outcome for the land in question. There is a significant risk that the concept of a Screenhub is simply a smokescreen to allow the applicant to access the Fasttrack process and avoid the proper and fair scrutiny that such intensification deserves. The Panel should be alive to this risk and if it is to approve the application, should impose conditions that maximise the probability the proposed benefits of the Production facility actually arise by making the applicants decision to proceed with construction clearly subject to the economics of building and operating the Production facility and not the value of alternative options created from the wider development.
 - 4.4 Finally, I raise elements of the applicant's proposal where I have specific concerns and recommend the Panel seeks further information and/or imposes appropriate conditions.
- 5 My major conclusion is that the Panel has not been presented with sufficient evidence supporting the regional economic benefits, to the extent it is provided, the benefits are significantly over-stated, and there is no credible economic case for the Screenhub to justify such an overwhelming abuse of the PDP and current and future local amenity value. Consequently the Panel should reject the proposal.
- 6 However, in the event the Panel finds otherwise, I maintain that the Panel should be very clearly focused on the fact that this application has received access to the Fasttrack process due to the proposed regional benefits arising from a working Production facility, not simply from increasing hotel accommodation or residential intensification In the Queenstown Lakes region. The Panel should set conditions that give the greatest confidence that the marginal benefits of the Production facility will arise. If the Panel is to give the applicant the right to develop the Screenhub under a Fasttrack consent, it should impose conditions that ensure the applicant's decision to go ahead with the development is a function of its views on the economics of its use as a Production facility (and in accordance with the operating restrictions finally consented). Conditions should be imposed so that it is clear to the applicant that its decision to go ahead cannot be based on:
 - 6.1 The value that can still accrue to it if the Production Facility benefits fail to arise,
 - 6.2 The value to it of the development in some alternative use once intensively developed.
 - 6.3 A view that the consent or conditions can be subsequently amended for an alternative purpose in its favour once in place.
- 7 Conditions such as the following should be considered:
 - 7.1 A greater limitation than proposed on the use of the residential accommodation for reasons other than its use by production facility users – if the economic case assumes X% occupancy from Production facility users, then use by others should be restricted to 100% - X%. Furthermore, the accommodation should be sized so that 100%-X% is a small number.
 - 7.2 A requirement that Building A can only be used for Production facility purposes and cannot be repurposed, only demolished.
 - 7.3 A restriction so the applicant cannot repurpose office buildings B1 and B2 to accommodation.
 - 7.4 Limitations on alternative monetisation of the accommodation units (ie no conversion to multi-bedroom units and subsequent sale).
 - 7.5 Clear articulation that changes to the consent (eg hours of operation, noise limits) will not be allowed. The applicant's investment decision needs to be informed by the consent given and not by a view that conditions may be malleable over time

Part 1 Destruction of lifestyle and amenity value

- 8 In its acceptance into the Fasttrack, the project is described as being to “construct and operate a screen production facility (film and television). The project includes buildings (including for studio, workshop, office, venue, storage and logistics, accommodation (approximately 185 units)”¹.
- 9 The project is being located within a 26.25ha site as bounded by the red dotted line in Fig 1 below:

Figure 1 – the wider Ayrburn section in which the development is located



- 10 The overlay of the proposed development on this site is shown in Fig 2 below:

Fig 2 – The location of the development within the wider Ayrburn section

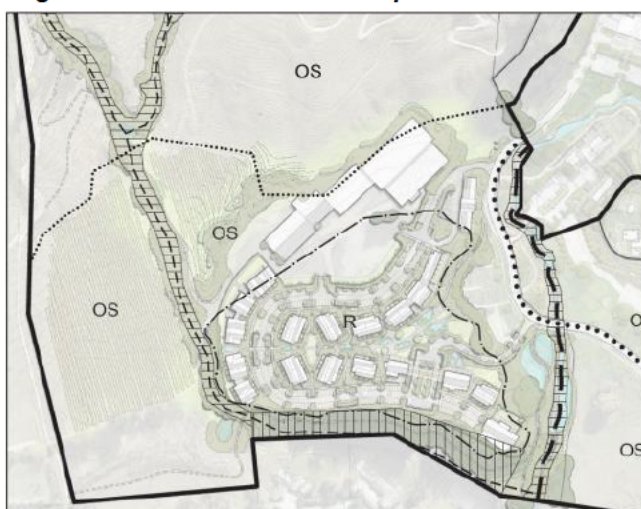


Figure 8: Masterplan With Ayrburn Structure Plan Overlay. Source: Ayrburn Design Report "Masterplan with Ayrburn Structure Plan Overlay" Page 17 attached at Appendix 7.

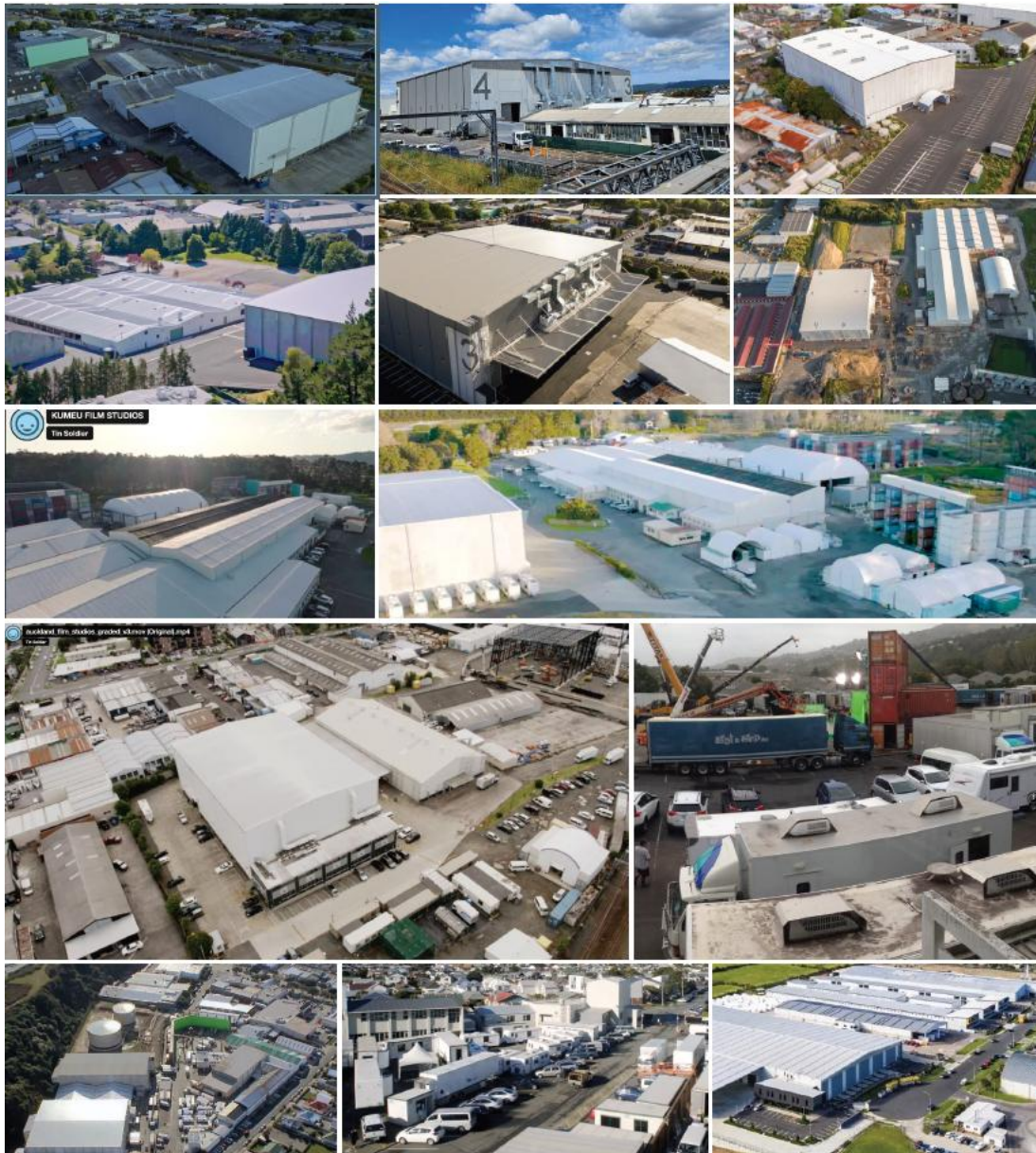
- 11 I do not have the details of how the area of the total site divides into sub-zones, but from viewing the maps accompanying the application, the following seems the case:

¹ There seems to be an inconsistency between these accommodation figures and the total level of accommodation being proposed in the body of the application which proposes 201 units but is otherwise equivalent wording

- 11.1 Most of the site (up to 75%) is designated as Open Space.
 - 11.2 Probably less than 25% of the site (less than ~6ha) is intended to have any development of any kind (Zone R in the above diagram)
- 12 There can be little argument that the proposal materially compromises the letter and intent of the Proposed District Plan and the carefully constructed Structure Plan included in the District Plan by the Environment Court.
 - 12.1 The proposal includes the construction of a significant building on an area designated Open Space. Under the Structure Plan in the PDP, the construction of any building on such land is a non-complying activity. There should be no construction on this land. By way of contrast, the applicant intends to construct on land largely designated as Open Space, an industrial building (large warehouse and offices by nature) measuring a continuous (ie unbroken) 184m in length, covering 7,300 sqm GFA, and rising up to 15m tall (approximately 4 storeys).
 - 12.2 The core of the proposal is to operate an industrial activity on this site. I note the applicant is keen to have this activity labelled as commercial. But that is simply not the case. The core activity is not office or retail activity – its purpose is to act as centre for continuous cycle of construction, demolition, traffic and loud noises associated with film-making. I have included a montage of other screen production facilities extracted from evidence provided by the owners of 515 Speargrass Flat Road to demonstrate the industrial reality of such facilities (see Fig 3).
 - 12.3 The proposal further includes (mostly located in Zone R in the above map):
 - 12.3.1 The construction of two large commercial buildings for use as offices and accommodation – each measuring an unbroken length of around 75m and 8m tall.
 - 12.3.2 The construction of accommodation units (delivering a total of approximately 201 units and 247 beds), with the intention of operating the accommodation as a hotel.
 - 12.3.3 226 carparks.Under the Proposed District Plan (PDP), the site is located within the Wakatipu Rural Amenity Zone (WRAZ). In contrast to the proposal, through the Structure plan a maximum of 3-4 residential dwellings would be expected in Zone R.
- 13 There can be little argument that proposal materially compromises the amenity of the area and the enjoyment and capital value of those living nearby. For planning purposes “amenity” refers to the quality or character of an area and elements that contribute to the overall enjoyment of a property or community. The current (and expected under the PDP) amenity and lifestyle of the area can be described as follows:
 - 13.1 Very low intensity, residential-only, single-dwelling development.
 - 13.2 Significant Open Spaces and rural areas and outlook.
 - 13.3 Traffic, lighting and noise levels associated with this character of development and intensity.
- 14 I am aware that other parties are providing evidence that challenge the impacts on landscape, and the light impacts and noise impacts of the proposal and I do not repeat those here – although I do raise some specific points in section 4. However, for now, my point is made by simply noting the contrast between the current amenity of the area and the impact of the proposal which anticipates:
 - 14.1 A very significant industrial building and high intensity industrial activity.
 - 14.2 Two large two-storey commercial buildings.
 - 14.3 A large operating hotel ~201 units with 226 carparks.

- 14.4 A significant encroachment into land specifically set aside as Open Space in the Structure Plan.
- 14.5 Traffic, lighting and noise levels associated with this level of development and industrial activity.

Fig 3 – Other film/tv productions studios



- 15 Finally in this section, I note that acceptance of the proposal would almost certainly lead to further and greater degradation of the amenity values over time and put at risk the whole concept of the PDP and the entire character of the valley.

15.1 There is a not insignificant risk that in time it turns out the Screenhub does not produce the required profits to be retained as the highest-value use of that site and the development on it. There is a significant risk of:

- 15.1.1 The industrial buildings being preferred for some other use and re-purposed.
- 15.1.2 The accommodation being more valuable if monetised for uses other than as short term accommodation for Screenhub users – ie as a pure hotel or with the units monetised in some form via sale.

- 15.1.3 The facilities being reconsented for other uses on the basis that they are already in place. However, had the facilities not already been there then such an activity would not have been considered.
- 15.2 But putting aside this concern, even if the Screenhub was successful, approval would set a dangerous precedent that will inevitably lead to ongoing loss of the Queenstown region's special character.
 - 15.2.1 Once one Fasttrack approval for industrial intensification in land intended to be preserved to underwrite the region's character has been approved, there will be precedents for more applications.
 - 15.2.2 Even outside of the Fasttrack process, the existence of one such activity in the valley, significantly weakens the ability to protect the immediate contingent areas from further industrial and commercial development.
- 16 It seems to me that regardless of any supposed economic benefit, if not on the Fasttrack, the lack of any compliance with the Council's considered (and heavily consulted) blueprint for the area, what is best for preserving the essence of the Queenstown district, and the destruction of local amenity and lifestyle values, the proposal would be rejected out of hand, the applicant would be encouraged to find an appropriate industrially zoned location to build the Production facility and the residential development intensity would be restricted to that consistent with the immediate surrounds.
- 17 The Fasttrack legislation undoubtedly requires the Panel to give the greatest weighting to the National and/or Regional economic benefits of a proposal. However, the Panel still has an obligation to decline where the project has adverse impacts that are out of proportion to those benefits. A clear tension in this assessment is that the construction of anything will by definition have a regional benefit – a wastewater treatment plant on the hills below Coronet Peak would meet the test for having regional benefits, despite the absurdity of such a proposition. While the economic benefits can be assessed and quantified, much of the adverse impact cannot and will only become apparent as Queenstown loses its special character. The Panel should give heavy weighting to the unique character of the Queenstown region and the attempts to preserve it as reflected in the PDP. The Council 's PDP states "The district's outstanding natural environment which includes lakes, rivers, mountains and basins...are internationally recognised as the basis for the District's importance as a visitor destination, are crucial to the tourism industry and economy, as well as encouraging residents to settle within the District". The approval of an industrial activity (and related buildings) and intense accommodation in the middle of an area which epitomises the above reference is tantamount to saying these elements do not matter as long as there is a buck in it. It would set a dangerous benchmark in terms of rendering the PDP meaningless and expose the whole Queenstown basin to industrial intensification.

Part 2 The economic analysis

- 18 My comments in this section are in two parts:
 - 18.1 The case is not satisfactorily made that the Accommodation is necessary for the operation of the Production facility. The Accommodation appears to be a separable activity and should be considered separately. The Panel should exclude the accommodation benefits from the regional benefits, exclude the Accommodation from the application altogether, and/or, if the applicant refuses to treat them separately, the application should fail.
 - 18.2 In any event the economic analysis is not of a standard to support approval of the Project.

A. The Accommodation benefits

- 19 As is clearly set out in the Ministers decision to bring the project into the Fasttrack process and in the application itself. "The Project is to construct and operate a screen production facility (film and television)."
- 20 While the applicant wishes to construct accommodation facilities at the same time, no necessary link has been established between this latter activity and the construction and operation of a Production facility. It is the Production facility activity that is the reason for inclusion in the Fasttrack process. Only activities necessary for the operation of the Production facility should form part of the analysis (and of the proposal). The Panel should be very alive to the applicant connecting other activities with the Production facility that allow it to maximise the value of its land-holdings but are not necessary for (or are only tenuously connected to) the Production facility. Merely because it suits the applicant to construct these elements and they are near the Production facility should not mean their benefits are automatically included in the consideration of "the construction and operation of a screen production facility." Developments not sufficiently linked to the Production facility should not be considered in the Fasttrack process and can be left for ordinary consideration under standard planning rules. In this regard, other than letters from a few parties (who bear no cost of saying otherwise) that it would be nice to have the accommodation, the applicant has not provided any evidence of a necessary linkage between the Accommodation and the operation of the Production facility. This is clearly unacceptable given the scale and intensity of the proposed accommodation development – it is far from an incidental activity. Given the likely high value to the applicant of achieving the accommodation outcome (regardless of the performance of the Production Facility), the Panel should be very alive to not conflating separable activities into one.
- 21 I go further and point out that prima-facie it is very hard to believe that the Accommodation is a necessary offering for the production facility:
- 21.1 My understanding is that the standard model for production facilities is to not have accommodation co-located. The proposal is quite unusual in this regard.
- 21.2 This is certainly the case at Queenstown's other production facility, Remarkable Studios.
- 21.3 My understanding is that the industry operates by paying most workers a per-diem for food and accommodation and allowing workers to make their own decisions about how much to spend and where to stay. The clear inferences being that many workers will prefer lower cost accommodation and keeping the difference and prefer this model
- 21.4 The setting and standard of accommodation being proposed at Ayrburn will likely have an opportunity nightly-cost that many workers associated with the production industry will find expensive. It is almost certain that screen-hub workers will not be the highest value users of the Accommodation and will be squeezed out by domestic and international tourists.
- 21.5 The one example I can find of co-located accommodation is the yet-to-be started operation in Wanaka (Silverlight Studios). The fact that this development seems stalled indicates there may be a significant lack of demand for a co-located accommodation model and it is far more likely the major purpose of the Accommodation is to serve general tourism.
- 21.6 Comments made by the QLDC mayor on the opening of the Remarkable Studios² demonstrate council support for more production facilities in the region. However, outside of the anecdotal support set out on the applicant's proposal, I have found no call for co-located accommodation. Indeed, QLDC's Economic Futures team has stated that one of the existing benefits of filming in the region is the "world class accommodation, dining and entertainment options available for cast and crew"³ This

² [Undercover Queenstown film studio announced - at last | The Press](#)

³ [Film Queenstown Lakes - QLDC](#)

seems very much at odds with an assertion that further and co-located accommodation for workers is required.

- 22 There is a significant likelihood that the Accommodation is the “jewel in the crown” for the applicant. It is entirely possible the applicant may say it will only proceed with the Production facility if it gets the right to do the Accommodation. But this is not proof of a necessary link between the Accommodation and what is operationally required for the Production facility – it is simply an acknowledgement that the Production facility may not be viable, and the applicant needs a sweetener to do it. It is not the Panel’s role to find ways to approve a Fasttrack application by handing out un-related sweeteners or facilitating risk-management by bundling-in unrelated activity.
- 23 In the absence of any better evidence, there seems a significant likelihood the Accommodation is unnecessary for the operation of the Production facility (even if it is a condition of the application) and is simply being bundled-in by the applicant as it wishes to develop the accommodation in its own right. In the absence of far better analysis and supporting data, the Panel should at least reject this element of the economic analysis, should consider rejecting that element from the application altogether and if made inseparable by the applicant, should consider rejecting the application in total as being unnecessarily wide.
- 24 In addition to informing the Panel’s analysis of the regional benefits of the Proposal, separating and discounting the accommodation element also focuses the application on what it primarily is – a 184m long, 4 story industrial centre in the middle of a rural-lifestyle precinct.
- 25 In the event the Panel accepts the applicant’s contention that some level of accommodation is necessary for the operation of the Production facility, at the very least the Panel should seek some independent view about what the appropriate sizing of the Accommodation needs to be to support the Production Facility. Any accommodation approved under this application should only be dimensioned to provide the required support for the Production facility.

The economic analysis

- 26 Given the extent to which the proposed development compromises the PDP and the amenity value of the area and puts at risk the protection of the fundamental qualities of the Queenstown district, the regional benefits arguments need to be extremely compelling and the quality of the analysis very robust. I maintain that neither of these are true and, in the absence of something far more compelling, the application should be rejected.
- 27 The main benefits analysis has been provided by Property Economics. The main role of Property Economics is to take assumptions on expected construction and operating expenditures provided by the applicant and Mr David Gibson and, using approaches described as industry-standard, calculate how much of that spend may occur in the region and then apply industry-standard multipliers to recognise that such expenditure will lead to further expenditure and benefits. This leads to a calculation of the regional economic benefit. The number of expected FTEs are also calculated.
- 28 I am not an expert in the technical elements of this kind of regional impact analysis and cannot comment on whether the right expenditure extracts and multipliers have been used. However, I expect there is a wide range across all assumptions and multipliers used and, given their multiplying effect, small changes could lead to significant variations in the final assessment. I would encourage the Panel to have this work peer-reviewed to ensure the assumptions provided by the applicant are reasonable and the judgements applied by Property Economics are balanced around accepted mid-points.

29 Notwithstanding the technical elements of the work, my view that the analysis is inadequate is based on the following:

- 29.1 As noted in my previous section, at no stage in the analysis is it shown that the Accommodation is a necessary element of this proposal.
- 29.2 Even if required, there is no analysis to assess whether the proposed accommodation is “right-sized” for the Production Facilities – ie that the accommodation is not unnecessarily large. The analysis assumes an 80% occupancy rate but does not state how much of that occupancy is linked to the assumptions of use by Production facility users.
- 29.3 There is no consideration of the extent to which economic activity associated with the Accommodation is simply a transfer of activity from one Queenstown-region business to another. It seems very likely that if users of the Production facility did not have access to the Accommodation, they would simply stay elsewhere, rather than not come.
- 29.4 There is no consideration of the ability of Production facility to operate within the operating hours, noise limits and traffic movement restrictions being considered. As is clear from Mr Gibson’s evidence, the act of filming and production has a significant fixed cost (the cost of having cast and crew on site) and there is considerable pressure to maximise the use of the relevant facilities in as short a time as possible. I note for example, the consent for Silverlight Studios in Wanaka allowed for 24 hour operation of that production facility. This suggests a location such as Ayrburn with tighter operating and noise restrictions may be a less attractive option as a consequence.
- 29.5 There is no analysis of the current level of demand for Production facilities in New Zealand and the dynamics of that demand. The absence of this analysis seriously undermines the credibility of the forecasts used in the economic-benefits analysis. On that note, there seems to be evidence that overseas and domestic film and screen production in New Zealand is in fact experiencing a significant decline. I cite three references:
 - 29.5.1 On October 11 2025, The Post newspaper reported⁴ that there has been a “major drop in production” and a “decline across our international, domestic and commercial screen markets”. The article cites the NZ Film Commission reporting “significantly reduced business [international productions] year on year and NZ on Air reporting that applications for funding [domestic productions] have “dropped steadily since 2021”.
 - 29.5.2 On 18 November 2025, a paper from MBIE to the Minister of Finance seeking changes to the New Zealand Screen Production Rebate settings made the following observations:
 - 29.5.2.1 “Australia, in particular, has recently increased its rebate from 16.5 to 30 per cent and removed limits on how much can be claimed for key creative roles like actors and directors. When combined with extra funding offered by individual states, productions filming in Australia can now receive support worth up to around 40 per cent of their spending. These changes have made Australia far more attractive to international studios and are already drawing both productions and highly skilled New Zealand workers across the Tasman. Once those workers establish themselves overseas, it will be difficult to attract them back to New Zealand.”
 - 29.5.2.2 “In contrast, New Zealand’s screen production settings have become uncompetitive and less attractive, with recent examples – such as the new Street Fighter movie opting for Australia due to more favourable rebate settings. The impact is now visible across the New Zealand screen sector: international production enquiries have fallen by 32 per cent year-on-year, **73 per cent of studio stage space sits empty with four of six major**

⁴ [‘Hardest I’ve ever known it’: NZ’s screen sector faces its toughest test in years | The Post](#)

facilities holding no forward booking, indicating a steep decline in pipeline confidence and an increasing risk of long-term loss of capability” (my highlighting).

- 29.5.3 On 14 December 2025, the NZ Herald reported an interview with Hollywood Director James Cameron (Titanic, Avatar). Relevant excerpts from that report included the following:
- 29.5.3.1 “James Cameron’s third instalment of the hugely successful Avatar franchise may well be his last. “I can’t even tell you that there will be another Avatar film. That business model itself may have collapsed,” Cameron said. “Everybody’s belt-tightening right now. Because the theatrical marketplace has reduced by about a third, that’s a big deal. So big films like Avatar aren’t getting greenlit.”
- 29.5.3.2 “Cameron shot [Avatar movies] The Way of Water and Fire and Ash from 2017 to 2020 in New Zealand, using a mixture of over 3500 local and international cast and crew, as well as the team at Wētā FX. But the Oscar-winning director says New Zealand has big challenges ahead if the Government doesn’t act to help a struggling film industry rebuild and better compete with countries like the UK and Australia with more financially viable rebate schemes. “We have a big problem being competitive here in New Zealand, the way we used to be””
- 29.6 The significant decline in both domestic and international demand and the very high level of over-supply of production facilities in New Zealand provides direct evidence contradicting both the need for the Screenhub and the credibility of any forecast for its use.
- 29.7 Reasons cited in the Post article (and supported by the other references) for the decline in international productions are other countries (including Australia) offering materially better incentives, a greater focus on costs, greater use of AI, and concerns about threatened US tariffs on movies (up to 100%) made outside of the USA. Reasons for the domestic decline include audience fragmentation (across multiple streaming as well as TV platforms) and consequent declines in advertising revenue. All these issues appear quite structural, NZ-wide, and long term in nature. I make the following observations:
- 29.7.1 The forecasts of regional economic benefits cannot be treated as valid or reliable without some acknowledgement of these structural issues and incorporation of them into the demand analysis
- 29.7.2 There is nothing to suggest the Ayrburn offering can overcome these significant NZ-wide structural impediments (I note that none of the analysis of the industry indicates that a key reason for the decline is a lack of production facilities in the Queenstown region) and there is certainly no analysis provided that may give confidence on this point.
- 29.8 Against this backdrop it would appear the forecasts are nothing more than wishful thinking and there can be no confidence attached to the delivery of the regional economic benefits.
- 29.9 The decline in international and domestic screen production in New Zealand also has the following implications:
- 29.9.1 There is clearly significant surplus capacity across the sector, competition will be high, business harder to win, and prices will be forced down. Again, there is no discussion of this dynamic in the analysis.
- 29.9.2 It seems a far more likely scenario that the Ayrburn Screenhub will just be competing with other regional and national facilities for a share of an ever-decreasing pie. A significant

amount of any business the Production facility earns could simply be a loss to others in the industry rather than new business with potentially little if any national or regional benefits.

30 I further believe the regional benefits are considerably overstated for the following reasons:

- 30.1 Other than the construction benefits (which are significantly due to the Accommodation elements), the regional economic benefits are based on the evidence provided by Mr David Gibson regarding expectations for annual expenditure via the Production facility. Property Economics has unquestioningly adopted a figure of \$65.5m from Mr Gibson's paper as the direct expenditure expected from the Production facility in 2027. However, I do not believe Mr Gibson's figures are actually a forecast of an expected outcome. Mr Gibson himself notes his figures are a "matrix of possibilities" – it is one possible scenario, not an expected outcome. Mr Gibson constantly uses phrasing such as "if", "could", and "it is possible" in constructing his scenario, highlighting to me that this is not a considered business forecast but one possible scenario with no real basis to believe it is more likely than any other scenario. And, as I have noted in para 29, there is no market/demand analysis that supports the particular scenario Mr Gibson has settled on and, given the market situation, it seems very unlikely.
- 30.2 Mr Gibson goes on to say that the \$65.5m scenario might arise "if the Gods were on your side". It is clearly a low-probability and optimistic scenario and not an expected outcome and should have been appropriately (and heavily) discounted by Property Economics – especially given the market backdrop.
- 30.3 Property Economics then goes on to inflate this \$65.5m at 5% per annum. This is well above expected inflation, is at odds with what I would regard as normal practice (and certainly against the observed decline in the total market) and further over-inflates an already inflated figure.
- 30.4 Property Economics has used a 6% discount factor to calculate the NPV of these benefits. This level of discount rate is associated with cashflows that are almost certain. However, the proposed cashflows are considerably at-risk and quite uncertain. I would have expected a discount rate of 10%+ to have been applied to these operating assumptions. I cannot imagine an investor taking on the accommodation and studio risk for a lower return. There should be a correlation between the riskiness and therefore discount that efficient capital markets would attach to cashflows and that applied in determining regional benefits.
- 30.5 In total, these factors mean that regardless of one's views of the total market and Ayrburn's likely competitiveness, the forecasts and the consequent regional benefits of ongoing operations are significantly over-stated.
- 30.6 The analysis does not consider at all the local market and what options already exist to fill the demand that has been identified. Remarkable Studios has recently opened and appears to offer studio and production facilities similar to those being proposed by Ayrburn. In addition, there is the yet-to-be started Silverlight Studios development in the Wanaka region that would cater to the same demand. The lack of this analysis means:
 - 30.6.1 There is even less reliability on the forecasts – as they make no consideration as to how local competing offers may respond to and disrupt Ayrburn's business
 - 30.6.2 There is a significant risk that the Ayrburn forecasts (or a significant part of them) are simply a transfer of activity from one Queenstown district business to another with very little marginal regional benefit.
- 30.7 The analysis makes no allowance for the potentially considerable negative regional impacts of the proposal. These should be included to produce a net figure. I raised in Part 1 the negative impacts on amenity value, PDP integrity and the longer term risks to Queenstown character. However, setting aside those considerations, I would have expected the benefits analysis to at least have considered externalities such as:

- 30.7.1 The negative impact on competing businesses (eg Remarkable Studios and, potentially Silverlight)
- 30.7.2 The negative impacts arising from additional expenditure that must be spent on local infrastructure to accommodate the Screenhub. In particular I draw attention to the congested Shotover wastewater treatment facility and the pipeline leading to it from Ayrburn – both of which appear to require upgrades to accommodate the development⁵.
- 30.7.3 Negative impacts on amenity values of surrounding properties, translating to economic value.
- 30.7.4 Negative impacts arising from increased roading expenditure to accommodate increased traffic volumes

31 In summary, the economic analysis is insufficient in scope, lacks credibility and significantly overstates key benefits. It cannot be relied upon as a reasonable assessment of the prospective regional benefits.

Part 3 - Ensuring the benefits materialise

- 32 In my opinion and experience, there is no conceivable way a publicly listed company with a market capitalisation of \$592m (Winton as at 10 December 2025) would commit to the proposed expenditure of ~\$200m on this Accommodation and Production facility, given the current demand/supply situation and on the basis of the analysis and business case as presented by Mr Gibson.
- 33 This observation raises the significant concern that the economics of the Production facility are not germane to the applicant's interest in this proposal. As other submitters will have noted, the applicant has a long history of seeking to overcome the Operating Plan, the PDP and Environment Court to achieve an intensive residential development outcome for the land in question. This proposal allows them to achieve that outcome under the guise of linking the accommodation intensification to the development of the Production facility.
- 34 Should the economic benefits of the Production facility fail to materialise sufficiently, the applicant will still have achieved a preferred outcome for the site. It could well be a relatively simple matter (and consenting process, given the buildings will already exist) to repurpose the Studio buildings for some other purpose (bars, restaurants, accommodation, conference venue, activities centre etc) and optimise the return from the Accommodation not by using it to support a Production facility but by operating it as a hotel and tourism centre, or monetising the properties through some form of sale. Even if the Production facility is profitable, this alternative scenario may still be a higher value use of the land and buildings created. As I have noted, it seems unlikely that film workers will be the highest value occupants of the Accommodation relative to domestic and international tourists.
- 35 The lack of substance to the economic case for the Screenhub, combined with the alternative use options for the development that preserve (and potentially enhance) value for the applicant should the Screenhub benefits not arise (or even if they do), creates a strong concern that this is simply a further attempt by the applicant to achieve a high value outcome via intensification for the land in question purely for the benefit of its shareholders and that the Screenhub itself is simply a smokescreen to allow it access to the Fasttrack process and avoid the proper and fair scrutiny that such intensification deserves.
- 36 The Panel should be alive to this risk and give it appropriate weighting when considering the proposal. It may be reasonable for the Panel to reject the application on the basis that it is not clear that the applicant will have the appropriate economic incentives to deliver the Production facility benefits and may in fact have stronger

⁵ Newsroom report 15 May 2025

incentives to pursue alternative uses once developed that do not deliver the level of regional benefits being promised.

- 37 The Panel should be very clearly focused on the fact that this application has received Fasttrack access due to the proposed benefits arising from the Production facility, not simply from increasing hotel accommodation or residential intensification in the Queenstown Lakes region. If it is to approve the application, the Panel should impose conditions that make the applicant's decision to proceed with construction and operation clearly subject to the economics of building and operating that Production facility over the long term and not the alternative options created from the development.
- 38 The Panel should set conditions that give the greatest confidence that the marginal benefits of the Production facility, not just those arising from more accommodation in the region will arise. If the Panel is to give Winton consent, it should impose conditions that ensure the applicant's decision to go ahead cannot be based on:
 - 38.1 The value that can still accrue to the applicant if the Production Facility benefits fail to arise,
 - 38.2 The value to the applicant of the development in some alternative use once intensively developed.
 - 38.3 A view that the consent can be subsequently amended for an alternative purpose in its favour once in place
 - 38.4 A view that the conditions of any consent can be subsequently amended. To the extent the Panel imposes conditions on the development to mitigate its impact on the area, the applicant's decision to invest and subsequent outcome should not be based on any view that if the conditions inhibit profitability they can be subsequently altered.
- 39 Conditions such as the following should be considered:
 - 39.1 Greater limitation than proposed on the use of the residential accommodation for reasons other than its use by Screenhub users – if the economic case assumes X% occupancy from Screenhub users, then use by others should be restricted to 100% - X%. Furthermore, the accommodation should be sized so that 100%-X% is a small number.
 - 39.2 A requirement that the large building can only be used for Production facility purposes and cannot be repurposed, only demolished.
 - 39.3 A restriction so the applicant cannot repurpose office buildings B1 and B2 to full accommodation
 - 39.4 Limitations on alternative monetisation of the accommodation units (ie no conversion to multi-bedroom units and subsequent sale)
 - 39.5 Clear articulation that changes to the consent (eg hours of operation, noise limits) will not be allowed. Winton's investment decision needs to be informed by the consent given and not by a view that conditions may be malleable over time

Part 4 – Specific concerns

- 40 In this section, I raise some specific areas of concern regarding the proposal where I believe the impacts are far from minor and I encourage the Panel, should it consider granting the application to set appropriate conditions.
- 41 I support the submissions made by other neighbours that the evaluation of each individual effect must be made against the permitted and expected level of development of this site, which is either farming, or a small number of residential houses (located in the area labelled R on the Structure Plan).

Hours of use

42 The applicant makes the following statements in its application (bold highlights added by me)

42.1 *The Screen Hub's production activities will generally operate as follows:*

42.1.1 **Normal hours** for preparation and shooting will be 0800 – 1845 Monday to Friday;

42.1.2 Work outside these hours or on weekends will only occur **occasionally**;

42.1.3 The **majority** of filming will take place during daytime hours;

42.1.4 Night-time or twilight shoots may **occasionally** be needed, but these are **typically** done on external locations rather than at the Screen Hub; and

42.1.5 If night-time sequences must be filmed on-site, they **will be** shot inside the sound stage, where the controlled environment prevents noise effects

43 However, no hours of operation or any limitations on specific activities occurring only within certain hours are actually proposed by the applicant. In its proposed conditions the applicant proposes that the only constraint on operations is the relevant noise limits (more on this below).

44 I regard this as unacceptable. It is clear that film and TV productions seek to minimise the time they have expensive cast and crew on site by maximising utilisation while on site. There is a significant risk the "Normal hours" of Mon-Fri 8am to 6.45pm will be challenged on more than an "occasional" basis by this industry approach. There is a clear risk the applicant is making these statements of expected hours as an attempt to present the proposal as low impact but with little intention of actually holding users of the Screenhub to any times of use once operational.

45 The lack of any specific conditions around hours of operation exposes local residents to operational noise at the limit for up to 24 hours a day, 7 days a week with our only right of redress being to make a noise complaint, which as other neighbours have pointed out places an unfair burden on us.

46 If it approves the application, the Panel must limit operating hours to the clearly defined "Normal Hours" (eg 8am – 6pm) and not allow weekend work. The potential alternative of defining an acceptable level of "occasionally" is unworkable as monitoring and enforcement is simply not practical

Construction noise

47 The applicant proposes that noise arising from its construction activity is limited by NZS 6803:1999. However, this standard allows weekday/Saturday (7.30am – 6pm) noise levels of 75dB (L10), 60dB (L95) and 90dB (Lmax). These levels are considerably higher than the noise limits applying in the PDP to the area (max 50dB). While it may be appropriate to tolerate occasionally higher levels of noise from construction when it is a single house being built somewhere in the valley by a single crew over a 12 month period (as is the experience in the area), it is disingenuous to suggest that this is acceptable for a three year, full time construction activity employing up to 1000 FTE (according to Property Economics) where residents will likely be exposed to the upper end of these thresholds continuously for that period. The Panel must recognise the full-time character of this construction noise and its significant impact over a long period and set lower thresholds.

Operational noise

48 In regard to operating noise limits, the current level of ambient noise in the area is very low – typified by birdsong, the occasional car passing and a distant mower, possibly with distant and sporadic house building activity somewhere in the valley. It is wrong to suggest that the limits of the PDP are an appropriate benchmark for an acceptable level of noise in this area, and I note this recent consideration of noise further along Speargrass Flat Road, at Thurlby Domain⁶:

48.1 [141] *The noise levels are by and large below PDP noise limits, but this does not mean they have no adverse effect on listeners. Noise level is just one of the factors that contribute to the reasonableness or otherwise of noise. Other contributing factors include: frequency and rhythm (high pitched, low pitched drums, bass, time of day (during sleep amenity period, how long it persists, how frequently it occurs, what the listeners are doing at the time (reading, conversing etc)).*

48.2 [142] *Assessment of noise effects involves both objective tests and subjective interpretation: how much sound occurs at the receiving environment, how does this compare to relevant standards, and how is this sound experienced by the hearer? The hearer will experience the sound of the activity over and above the general background noises that are occurring in their environment. While the sound can be measured and tested objectively, it is experienced subjectively.*

49 This particularly applies to backlot and set construction noise. These activities are likely to be the noisiest and produce the most jarring and intrusive noise relative to the sources and level of current ambient noise. In addition to enforcing hours of use (see paras 42-46 to ensure night-time noise is extremely limited), the Panel must set noise limits that are in line with the current experience, not PDP limits, with an accompanying rigorous Lmax control. If the applicant wants to build a Production facility in this area, it must do so with the constraint of maintaining the amenity of the area as far as possible – even if this is not fully aligned with profit-maximisation.

50 I also observe the Marshall Day analysis and Noise Management Plan has some odd statements and seems incomplete. I draw attention to the following elements:

50.1 The Marshall Day analysis defies the experience of myself and our neighbours in regard to noise and should be independently reviewed:

50.1.1 As noted in para 48, our experience is for very low levels of current ambient noise. At night it is nothing more than an occasional passing car. The Marshall Day analysis seems out of keeping with that experience.

50.1.2 Any artificial noise reverberates around this valley – in large part due to the funnelling effect of Christines Hill. Certainly, the experience of the neighbourhood when Ayrburn runs amplified music events (even with an enforced noise limit), is for very high levels of unwanted noise. It is hard to believe that powered tools, external film-making and the movement associated with this industrial activity and over 200 house guests can do anything other than significantly breach any reasonable standard of ambient noise for the area.

50.2 In regard to Backlot noise, Marshall Day's analysis assumes that night-time production is limited "as far as practicable." Given the type of noise likely to be generated from the Backlot (that associated

⁶ *Environment Court in Victoria Buckham v QLDC, Decision No. [2025] NZEnvC 343 paras 141 & 142*

with film-making), such noise will be entirely out of keeping with the ambient noise at that time and should not be allowed at all - see my comments on hours of use in paras 42-46.

- 50.3 In regard to traffic noise, the analysis makes the odd assertion that hotel guests will often arrive at daytime and therefore discounts incremental traffic noise as being not new to the environment. This seems simplistic at best. The accommodation is being built to service the film industry. Guests will be coming and going at all hours, generating significant non-ambient noise at unfriendly hours. This element of the analysis requires review, or specific conditions should be attached to carpark usage to ensure only the daytime access and egress that is assumed in the analysis is what actually occurs.
- 50.4 In regard to Workshop/set construction noise, the analysis makes the odd statement that the character of such noise will be "similar to general household construction noise" and therefore acceptable. However, this simplistically overlooks the fact that household construction in the area is sporadic (one house within sound-range every five years?), yet the workshop construction noise will be incessant and permanent. Any conditions must recognise this and as a consequence, set the limit at lower levels.
- 51 Finally, if it approves the application, the Panel must set out clear responsibilities for monitoring and enforcing the noise levels. This should not fall to local residents with no monitoring capability and complex and expensive enforcement avenues. The applicant should have to pay for independent recording of noise levels at agreed boundary points, this information should be made publicly available in real time (by way of a public dashboard), and monitoring charges imposed so that the Council is appropriately resourced to undertake enforcement. Continued breaches should lead to an automatic s 127 and 128 review, with cancellation of the consent a clear and signalled consequence. Again, I note that if the applicant wishes to operate an industrial activity in a rural amenity zone, it should fall to the applicant to ensure it can achieve that within any agreed mitigation arrangements.