

# MEMORANDUM OF THE NEW ZEALAND TRANSPORT AGENCY WAKA KOTAHİ ON THE RCL HOMESTEAD BAY LIMITED DEVELOPMENT

## Comments on the Draft Conditions

21 January 2026

### **1 Introduction**

- 1.1 This memorandum provides comments by the New Zealand Transport Agency Waka Kotahi (NZTA) on the Draft Conditions, released 17 December 2025 along with the Draft Expert Panel Decision, for the Homestead Bay project (**Application**), submitted by RCL Homestead Bay Limited (**RCL**) under the Fast Track Approvals Act 2024 (**FTAA**), application reference FTA-2506-1071.
- 1.2 NZTA appreciates the opportunity to comment on the Draft Conditions pursuant to section 70 of the FTAA.

### **2 Comments on the Draft Conditions under FTAA section 70**

- 2.1 The Panel have set out their request for how comments on the Draft Conditions should be provided through Minute 7 released 17 December with the Draft Decision and Condition documents. Attached is copy of the Draft Conditions with suggested amendments recorded as tracked changes and associated explanations as comments. A copy of the text included in the explanation comments is also attached to this Memo as Appendix 1 for clarity given the length of some of the comments provided.
- 2.2 Also below are specific comments on matters raised in the Draft Decision regarding the previous FTAA section 53 comments process.

### **3 Assessment of NZTA comments provided under FTAA section 53**

- 3.1 In its draft decision (para 226) the Panel finds it detrimental that no 'expert transport evidence was provided' and concludes that 'in the absence of contrary expert analysis' material weight was to be placed on the applicant's assessments.
- 3.2 This approach is very problematic for the current application and for future applications not only in the Southern Corridor but also nationally. NZTA notes the following:

- Section 53 of the FTA provides that the Panel is to 'invite written **comments** on a substantive application' from various parties.
- Parties are currently only provided with 20 (to be 15 under the FTA Amendments) working days to respond with any 'comments'.
- Parties invited to comment are often considering multiple applications on top of typical BAU and do not have the time or resources to respond at a detailed level.
- The FTA and supporting framework do not specify a standard or requirement that comments must achieve to be considered appropriately.

3.3 And specifically in this instance:

- NZTA has drawn on input from qualified and experienced internal staff with knowledge and experience of working in Queenstown when putting together its comments. In the case of the RCL proposal input was sought from:

**Chris Baker**: Principal Transport Planner based out of the NZTA Dunedin Regional Office. Chris has 11 years' experience in transport planning, modelling and economics, investment assurance and business case development. Chris holds a Bachelor of Engineering in Civil with first class honours from the University of Auckland and is a Professional Development Scheme mentor with the Transport Planning Society, currently working towards the Transport Planning Professional qualification recently rolled out in New Zealand.

**Tony MacColl**: Principal Planning Advisor based in the NZTA Dunedin Regional Office. Tony has been employed by NZTA and its predecessor Transit New Zealand since 2007. Tony holds a Master of Resource and Environmental Planning (MRP) from Massey University, and Master of Science (MSc) from the University of Otago. Tony is a full member of the New Zealand Planning Institute (MNZPI), has completed the Making Good Decisions programme, and is an accredited Hearings Commissioner.

**Helen Dempster**: Principal Planner based in the NZTA Dunedin Regional Office. Helen has been employed by NZTA in their Environmental Planning team, since 2020. Helen holds the qualification of Bachelor of Science with Honours (First Class) from the University of Otago.

**Roy Johnston**: Principal Safety Engineer based in the NZTA Dunedin Regional Office. Roy has been employed by NZTA for 19 years and holds a Diploma in Engineering (Level 6) (Civil) from Otago Polytechnic.

**Lauren Barnett**: Senior Legal Counsel in the Environment and Property section of the NZTA National Legal Team. Lauren has been in the Environment and Property industry since 2006 and has been employed by NZTA for 3 years. Lauren holds a Bachelor of Law qualification from University of Otago and is an Associate member of the New Zealand Planning Institute.

- The Panel did not utilise its powers to request further information or convene expert conferencing to further consider traffic effects, as it chose to do with wastewater<sup>1</sup>.
- The project was listed under Schedule 2 of the FTAA. This is a fresh application to NZTA (and other parties); it was not given earlier input or chance for consideration as it would with a referral application.

3.4 It would be beyond the intention of section 53, unjust, unreasonable and impractical to require that parties 'comments' are to include expert evidence to a standard of the applicants.

#### **4 Conclusion**

4.1 In the assessment included with the substantive Homestead Bay FTAA application<sup>2</sup> and in the previous comments NZTA provided, the capacity limitations and significant programme of work required for the SH6 Southern Corridor have been detailed. NZTA considers that the potential impacts of the Homestead Bay development on the operation and safety of the corridor would be significant. For this reason, NZTA considers that to manage the potential for significant adverse transport impacts, controls through conditions are required to align the development with the implementation of the necessary programme of corridor improvements.

4.2 Given the importance of an efficient transport network to contribute to well-functioning urban environments, the potential impacts on key transport links like the SH6 Southern Corridor are matters to be considered carefully. It is in the interests of all parties that the transport system functions safely and efficiently.

4.3 NZTA would welcome the opportunity to discuss these issues with the applicant/panel further and work constructively on solutions.

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<sup>1</sup> Minute 5 of Expert Panel, 11 Nov 2025: 'A key outcome the Panel is looking to achieve from expert conferencing is whether there are any gaps/weaknesses in the technical assessments and proposed consent conditions. If so, where do the experts land on these matters.'

<sup>2</sup> RCL Homestead Bay Limited FTAA Application (FTA-2506-1071); Appendix GG Transportation Analysis – Summary Report.

## **Appendix 1**

### **Copy of comments attached to the recommended amendments to the Draft Conditions.**

#### **Draft Condition 4**

In the NZTA FTAA section 53 comments (section 4) it was identified that the anticipated vehicle generation arising from the Homestead Bay development, combined with traffic generation arising from existing and consented and/or District Plan-enabled developments along the Southern Corridor, is expected to soon exceed the capacity of the highway. Despite the improvements to SH6 proposed in the application, as well as active travel connections and suggested public transport services, this development will exacerbate congestion issues at locations north along the Southern Corridor.

As noted in the FTAA application (Appendix GG) and agreed by NZTA in previous comments, for the Southern Corridor to develop in a sustainable manner, considerable investment in the transport system is required. A comprehensive programme of infrastructure development and improvements is required to manage safety and efficiency effects on the Southern Corridor. Presently, there is no funding pathway for this programme of works required to address the looming transport infrastructure capacity deficits.

In the FTAA application and the Panel's Draft Decision and Conditions the Applicant is required to mitigate the impacts of their development on the transport network through the new intersection at the development entrance, upgrade to existing SH6 intersections, and staged connections to adjoining developments. NZTA noted previously that these measures would not address the wider State highway capacity issues and recommended that the Applicant also provide some of the other improvements identified in the wider programme identified in their FTAA application.

Acknowledging NZTA's statutory role to ensure the safe and efficient operation of the state highway network and the lack of any funding certainty to complete the programme of works necessary to improve the Southern Corridor, NZTA proposed a 'hold point' be identified for development within the subject site aligned with the corridor capacity issues and the implementation of measures to address these issues. The intention was to work with the Applicant on condition(s) to undertake a transport assessment to establish an appropriate hold point for development to manage capacity/level of service/safety effects on the wider Southern Corridor until the cumulative effects and carrying capacity of the corridor are addressed.

The Panel in their Draft Decision (clause 231) did not support the additional hold point as proposed by NZTA due to the uncertainty and risk that it would undermine the benefits the FTAA pathway is intended to secure.

NZTA is still of the view that the impacts on the capacity and safety of the receiving transport network, and the certainty of the delivery of necessary corridor improvements are relevant considerations. If the development were to progress without the programme of improvements in place, the adverse impacts on the performance of the corridor would be considerable. The NZTA Principal Transport Planner, Chris Baker, has done a basic first principles analysis of the potential impacts that the Homestead Bay proposal could have on SH6 south of the Kawarau River. For the development of 2,500 dwellings (as per Appendix GG Transportation Analysis – Summary Report), the peak direction traffic demand crossing the Kawarau Falls bridge would be in the order of 1,275-1,350 vehicles per hour (85-90% of current corridor capacity). This is based on:

- 0.8 trips/hh (0.9 observed at Lake Hayes Estate and Shotover Country)
- 75%/63% outbound/inbound trips for AM and PM respectively
- 90% of trips outbound/inbound trips cross the Kawarau
- Mode splits not considered explicitly but indirectly included in the trip generation rate

The average northbound weekday AM peak demand for November 2025 was 1,130 veh/hr. According to Appendix GG of the Application, the northbound capacity of the corridor is 1,500 veh/hr. This implies a current spare capacity of ~370 veh/hr. Clearly, in its current form, the corridor cannot accommodate an additional 1,275-1,350 vehicles per hour without significant queueing and delays.

Under a simple analysis, the queue length corresponds to excess demand above capacity (i.e. the vehicles that cannot pass the bottleneck), which in this case is 905 to 980 veh/hr. This would result in queues of up to 980 vehicles, or up to 8km. A simple delay calculation (vehicles in queue divided by clearance rate, halved to represent average delay per vehicle) shows average delays during the peak hour of 18-20 mins/veh, or 36-40 mins/veh for vehicles arriving at the back of the queue. If demand in the hours after the peak period drops ~50% (as it does now), the queue would take up to 4 hours to clear.

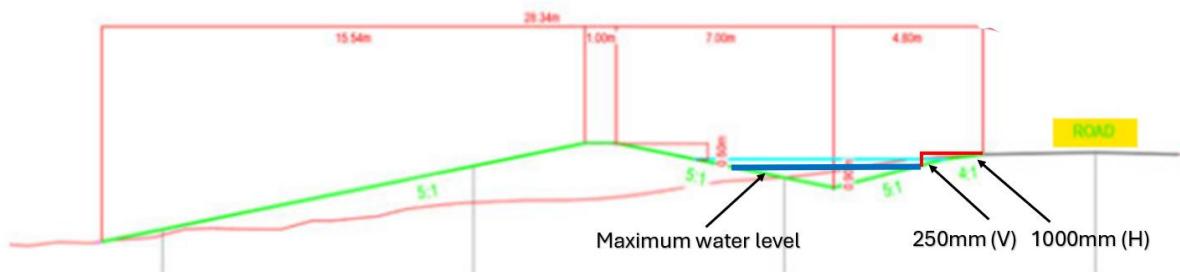
In reality, this degree of impact is unlikely as people would change their travel behaviour (delaying trips, traveling by different modes or working from home). However, the extent of behavioural change is difficult to predict accurately. The amount of change possible is limited as only so many people can change the time or place they go to work, while buses will offer no incentive for shifting mode without bus priority being provided. For average delays to be capped at 10 minutes (and max delays capped at 20 minutes) at the time the Homestead Bay proposal is complete, 20% of all Southern Corridor car trips would need to be removed. Additionally, *all* demand from *any* further development would have to be suppressed or accommodated by alternative modes, or additional capacity would need to be provided.

Therefore, given the current capacity limitations of the SH6 Southern Corridor and the uncertainty of funding for the programme of improvements required, the potential impacts of the Homestead Bay development on the operation and safety of the corridor would be significant. For this reason, NZTA is still of the view that, to manage the potential for significant adverse transport impacts, a development hold point condition as proposed previously is necessary. The condition proposed requires further transport assessment to establish a development hold point and triggers related to the programme of works to improve the carrying capacity and safety of the transport infrastructure, and measures to reduce traffic demand (carparking, park and ride, active travel and public transport provisions).

### **Draft Condition 23(ii)-(kk)**

In the NZTA FTAA section 53 comments (para 12.2) an amendment to the design of the diversion channel/bund along the SH6 frontage was requested to provide a 250mm freeboard. The height of the bund and rate of discharge through the diversion channel should be designed and constructed to ensure 250mm of freeboard is maintained at all times with the edge of the SH6 pavement formation and there is no standing water within a 1m horizontal offset (1000mm at a 4:1 slope) from the pavement to minimise the risk of pavement saturation.

These measurements are illustrated (annotated) on the image (a reproduction of Figure 48 in the Application) below:



***Figure 48: Engineering cross-section of diversion channel / bund along SH6 frontage***

Additional changes will also be required to the detail of the stormwater plans cited in draft condition 1 above.

### **Draft Condition 51**

Required to provide priority for development hold point and triggers recommended by the certified transport assessment proposed under condition 4 to manage the potential for significant adverse transport impacts on the Southern Corridor, and align the development staging with the implementation of the wider programme of works to improve the carrying capacity and safety of the corridor.

In the NZTA FTAA section 53 comments (para 8.2) additional wording was sought to provide for a scenario whereby NZTA manage the construction of the SH6 roundabouts under a funding agreement for the design, land acquisition and construction provided by the consent holder.

These conditions are intended ensure that the required infrastructure improvements are in place prior to the transport demand. This is achieved by limiting the issuing of titles to development trigger levels (subject to any changes recommended by the transport assessment proposed under condition 4) subject to the satisfactory completion of the intersection works.

On reflection, NZTA considers that the additional text proposed previously to cover the option for NZTA to deliver the intersection works subject to a funding agreement with the consent holder is unnecessary and less certain. In effect the condition could be discharged and titles issued without the required intersection improvement works being completed. For this reason it is recommended this alternative text be removed from condition 51(f) and (h).