



## FTC #148: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions

### Application 2022-092 The Yards Project

Date submitted:	11 August 2022	Tracking #: BRF-1867	
Security level:	In-Confidence	MfE priority:	Urgent

	<b>Action sought:</b>	<b>Response by:</b>
To Hon David Parker, Minister for the Environment	Decision on recommendations in Table A	To be advised

Actions for Minister's Office staff	<ol style="list-style-type: none"> <li><b>Return</b> the signed briefing to MfE.</li> <li><b>Send</b> attached letter (if signed) with accompanying template and links to application documents.</li> </ol>
Number of attachments: 3	<p>Attachments:</p> <ol style="list-style-type: none"> <li>Application documents for The Yards Project and additional information received (Databox link)</li> <li>Letter to Ministers – inviting comments on The Yards Project referral</li> <li>Template for ministerial comment</li> </ol>

### Ministry for the Environment contacts

Position	Name	Cell phone	1 <sup>st</sup> contact
Principal Author	Max Gander-Cooper		
Acting Manager	Madeleine Berry	027 554 7577	
Acting Director	Stephanie Frame	027 257 3197	✓

## **FTC#148: Application for referred project under the COVID-19 Recovery (Fast-track Consenting) Act 2020 – Stage 1 decisions**

### **Key messages**

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1. This briefing seeks your initial decisions on an application from The Cardrona Cattle Company Limited to refer The Yards Project (project) to an expert consenting panel (panel) under the COVID-19 Recovery (Fast-track Consenting) Act 2020 (the FTCA).
2. The project is to subdivide a 37.3 hectare site at 186 Victoria Flats Road, Gibbston, Otago, to create approximately 59 lots and to develop those lots for a range of rural industrial, industrial and service activities. The project will include:
  - a. construction and operation of a storage facility involving approximately 338 storage units and associated facilities
  - b. construction and operation of a resource recovery park including recycling centre, demolition yard and building materials recycling and resales yard, by parties other than the applicant
  - c. construction of buildings with a ground floor area of up to 600 square metres per lot and a maximum height of 8 metres, on approximately 50 of the lots, and associated operation of rural industrial, industrial and service activities, by parties other than the applicant
  - d. construction of supporting infrastructure including vehicle accessways, utility services and three-waters services.
3. The project will require subdivision and land use consents under the Proposed and Operative Queenstown Lakes District Plans, discharge and water permits under the Regional Plan: Water for Otago, and resource consents under the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (NES-F) and Resource Management (National Environmental Standards for Assessing and Managing Contaminants in Soils to Protect Human Health) Regulations 2011 (NES-CS).
4. The project site is in the Rural and Gibbston Character zones under the Operative and Proposed Queenstown Lakes District Plans, and the project has non-complying activity status because it involves undertaking industrial activities in these two zones.
5. The applicant has lodged a resource consent application for the storage facility with Queenstown Lakes District Council (QLDC). This was publicly notified and five submissions were received: one in opposition and four seeking changes to the application. The applicant advises that they have resolved the issues with the submitters seeking changes and anticipate reaching a solution with the submitter in opposition. A hearing has not yet been held or scheduled. The applicant will withdraw this consent application if this project is referred. We note that this consent only relates to the storage facility and does not cover the rest of the project.
6. We have undertaken an initial (Stage 1) analysis of the referral application and this is presented along with our recommendations in Table A.
7. The project meets all of the eligibility criteria in section 18(3) of the FTCA, but more analysis is needed before we can advise you if it meets the purpose of the FTCA (thus satisfying section 18(2) of the FTCA) and advise you on matters in section 23(5) which may influence your referral decision.
8. We recommend you progress consideration of the application to the next stage of analysis (Stage 2) and invite comments from Queenstown Lakes District Council, Otago Regional

Council and specific Ministers listed in section 21(6) of the FTCA.

9. We recommend that you invite comments from Waka Kotahi NZ Transport Agency and Transpower New Zealand Limited as additional parties under section 21(3) of the FTCA.
10. We also recommend you request further information from the applicant as detailed in Table A.

### Statutory framework summary

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11. You are the sole decision maker for the referral application as the project will not occur in the coastal marine area.
12. You may decline the referral application before seeking comments from the relevant local authorities and any relevant Ministers:
  - a. if you are satisfied the project does not meet the referral criteria in section 18 of the FTCA, (which include helping to achieve the purpose of the FTCA) (see sections 18(2) and 23(1) of the FTCA)
  - b. for any other reason (see section 23(2) of the FTCA).
13. If you do not decline the referral application at this stage:
  - a. you must provide the application to, and invite comments from, the relevant local authorities and the relevant Ministers prescribed by section 21(6) of the FTCA
  - b. you may provide the application to and invite comments from any other person.
14. You are also able to request further information from the applicant or any relevant local authority at any time before you decide to decline or accept the referral application (see section 22 of the FTCA).

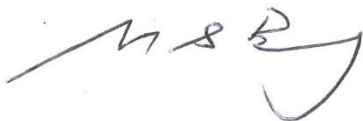
### Action sought

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

### Signature

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Madeleine Berry  
**Acting Manager – Fast-track Consenting**

**Table A: Stage 1 initial assessment of project eligibility – projects where the Minister for the Environment is the only decision maker**

**Project to progress**

Project details	Project description	Project funding	Is project eligible for referral? [section 18(3)]	Will project help to achieve the purpose of the FTCA? [section 18(2)]						Recommendations	Minister's decisions
				Economic benefits and costs for people or industries affected by COVID-19 [section 19(a)]	Effect on social and cultural wellbeing of current and future generations [section 19(b)]	Likelihood project will progress faster under the FTCA than would otherwise be the case [section 19(c)]	Public benefit [section 19(d)]	Potential for significant adverse environmental effects, including greenhouse gas emissions [section 19(e)]	Any other relevant matters [section 19(f)]		
<p><b>Name</b> The Yards Project</p> <p><b>Applicant</b> Cardrona Cattle Company Limited</p> <p>c/- JGH Advisory</p> <p><b>Location</b> 186 Victoria Flats Road, Gibbston, Otago</p>	<p>The project is to subdivide a 37.3-hectare site at 186 Victoria Flats Road, Gibbston, Otago, to create approximately 59 lots and to develop those lots for a range of rural industrial, industrial and service activities. The project will include:</p> <p>a. construction and operation of a storage facility involving approximately 338 storage units and associated facilities</p> <p>b. construction and operation of a resource recovery park including recycling centre, demolition yard and building materials recycling and resales yard, by parties other than the applicant</p> <p>c. construction of buildings with a ground floor area of up to 600 square metres per lot and a maximum height of 8 metres, on approximately 50 of the lots, and associated operation of rural industrial, industrial and service activities, by parties other than the applicant</p> <p>d. construction of supporting infrastructure including vehicle accessways, utility services and three-waters services.</p> <p>The project will require subdivision and land use consents under the Proposed and Operative</p>	<p>The applicant has provided information that the cost of undertaking the necessary works will be approximately \$2.5 million (this excludes works which be undertaken by parties other than the applicant. The applicant has agreed pre-sales on lots (conditional on resource consent being obtained) of \$15.5 million.</p> <p>On this basis we do not have any concerns about the applicant's ability to fund the project at this stage.</p>	<p>Based on available information at this stage, we consider the project is eligible for referral because:</p> <ul style="list-style-type: none"> <li>it does not include any prohibited activities</li> <li>it does not include land returned under a Treaty settlement</li> <li>it does not occur in a customary marine title area or protected customary rights area under the Marine and Coastal Area (Takutai Moana) Act 2011.</li> </ul>	<p>Based on the information provided by the applicant we consider that the project may result in the following economic benefits:</p> <ul style="list-style-type: none"> <li>provide 19 full-time equivalent (FTE) jobs over an 18-month construction period</li> <li>enable 325 FTE jobs in the construction sector (associated with the construction of buildings by third parties) and 451 ongoing FTE jobs once the rural industrial, industrial and service activities are operational</li> <li>contribute \$2.4 million to local GDP through land development, and potentially contribute \$114.9 million to GDP through construction and ongoing operation.</li> </ul>	<p>Based on the information provided by the applicant, we consider the project has potential for positive effects on the social wellbeing of future generations as it will:</p> <ul style="list-style-type: none"> <li>generate employment</li> <li>provide flow-on economic benefits</li> </ul> <p>The applicant states that the project will not adversely affect cultural wellbeing but does not identify any positive cultural benefits.</p>	<p>A resource consent application for the storage facility lodged with QLDC was publicly notified and five submissions were received: one in opposition and four seeking changes to the application. The applicant advises that they have resolved the issues with the submitters seeking changes and anticipate reaching a solution with the submitter in opposition, although we note this has yet to be resolved. QLDC has yet to schedule a hearing for this application.</p> <p>The applicant considers that local authorities would likely also process resource consents for the remainder of the project under standard Resource Management Act 1991 (RMA) processes on a notified basis and this would likely take 12-18 months to reach a substantive decision and potentially longer if the decision were appealed. We consider that this assessment is reasonable, and the project is therefore likely to progress 12-18 months faster through the FTCA process than would be the case under standard RMA process.</p> <p>We recommend seeking comment from Queenstown Lakes</p>	<p>Based on the information provided by the applicant we consider that the project may result in the following public benefits:</p> <ul style="list-style-type: none"> <li>generating employment contributing to waste minimisation through resource recovery and diversion of waste from landfill (if the resource recovery yard is established)</li> </ul>	<p>The applicant advises that the project has potential for adverse environmental effects arising from:</p> <ul style="list-style-type: none"> <li>traffic</li> <li>reverse sensitivity related to the nearby landfill</li> <li>noise</li> <li>temporary construction activities</li> <li>industrial activities</li> </ul> <p>and may include adverse effects on:</p> <ul style="list-style-type: none"> <li>landscape and natural character values</li> <li>the National Grid corridor</li> </ul> <p>The applicants have provided some preliminary technical assessments in support of their view that the project will not have any significant adverse effects.</p> <p>We note that you do not require a full Assessment of Environment Effects and supporting evidence to make a referral decision</p>	<p>The applicant advises that they will withdraw the consent application with QLDC if QLDC has not made a decision on it by the time the applicant lodges resource consent applications with a panel under FTCA process.</p> <p>The applicant considers the limited number of submitters on their storage facility consent application, only one of whom is opposed to the storage facility, indicates there is not a high degree of public interest in the site development. However, we note that the project is for a substantially larger development than the storage facility. As part of the project is subject to a current RMA consent application and members of the public have had the opportunity to submit, it may be more appropriate for the project to continue through standard consenting processes. We recommend you seek the views of QLDC and ORC on this matter.</p> <p>The applicant has provided records of</p>	<p>a. <b>Note</b> that section 23(3) of the FTCA permits you to decline the referral application without inviting comments from the relevant local authorities and any relevant Ministers.</p> <p>b. <b>Note</b> that you have not yet provided the application to, nor sought any comments on it from, relevant local authorities or relevant Ministers but that you are required to do so if you do not decline the application under section 23(3) of the FTCA.</p> <p>c. <b>Note</b> that section 21(3) of the FTCA permits you to forward an application to, and invite written comments from, any other person.</p> <p>d. <b>Note</b> that section 22 of the FTCA permits you to request further information from the applicant or relevant local authorities at any time before you decide whether to accept or decline an application.</p> <p>e. <b>Agree</b> to progress The Yards Project to our Stage 2 analysis. The project warrants further analysis because it has potential to achieve the purpose of the FTCA but we need to consider some matters further before providing you with our final advice on the referral application.</p> <p>f. <b>Agree</b> to provide the application to, and invite comments from:</p> <ul style="list-style-type: none"> <li>the Ministers listed in section 21(6)(a)–(m) of the FTCA</li> <li>the relevant local authorities – Queenstown Lakes District Council and Otago Regional Council</li> </ul>	<p>Yes/No</p> <p>Yes/No</p>

Project details	Project description	Project funding	Is project eligible for referral? [section 18(3)]	Will project help to achieve the purpose of the FTCA? [section 18(2)]					Recommendations	Minister's decisions	
				Economic benefits and costs for people or industries affected by COVID-19 [section 19(a)]	Effect on social and cultural wellbeing of current and future generations [section 19(b)]	Likelihood project will progress faster under the FTCA than would otherwise be the case [section 19(c)]	Public benefit [section 19(d)]	Potential for significant adverse environmental effects, including greenhouse gas emissions [section 19(e)]			Any other relevant matters [section 19(f)]
	Queenstown Lakes District Plans, discharge and water permits under the Regional Plan: Water for Otago, and resource consents under the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (NES-F) and Resource Management (National Environmental Standards for Assessing and Managing Contaminants in Soils to Protect Human Health) Regulations 2011 (NES-CS).			The applicant indicates that the proposed storage facility will be constructed as part of the project, but the 19 direct FTE jobs only appears to relate to the land development aspect of the project. We recommend that you seek additional information from the applicant on how many FTE jobs will be created during construction of the storage facility.		District Council (QLDC) and Otago Regional Council (ORC) on the appropriateness of using the FTCA process.		and a panel can consider this and any appropriate mitigation, offsetting, or compensation to manage adverse effects of the development.	title for some of the titles within the project site but not all, and the application seems to include land which the applicant does not own. We recommend that you seek additional information from the applicant on what land is to be included within the project site and the ownership of that land.	<ul style="list-style-type: none"> <li>Waka Kotahi NZ Transport Agency and Transpower New Zealand Limited as additional entities under section 21(3) of the FTCA.</li> </ul> <p>g. <b>Agree</b> to seek further information from the applicant the land to be included within the project and the owners of that land, the number of jobs created through constructing the storage facility.</p> <p>h. <b>Sign</b> the attached letters to Ministers.</p> <p>i. <b>Note</b> that while awaiting comments from invited parties and further information, the Ministry for the Environment will, in consultation with the Office of Māori Crown Relations – Te Arawhiti, prepare a report for the purpose of section 17 of the FTCA.</p>	<p>Yes/No</p> <p>Yes/No</p>

Signed:

Hon David Parker  
Minister for the Environment

Date: