

MEMORANDUM ON FAST-TRACK APPROVAL

MATTER: 32635 Fast Track Application

CLIENT: Gibbston Valley Station

DATE: 3rd May 2024

Introduction and executive summary

1. Gibbston Valley Station (**GVS**) is submitting an application for its project to be listed in Schedule 2 of the fast-track approvals Bill (**Bill**). This project is located centrally within the Gibbston Valley Station resort-zoned land, approximately 14km east of Frankton and Queenstown Airport, and 22km west of Cromwell. The project anticipates providing approximately 900 residential homes, with associated commercial amenities and retail activities, plus a 300-350 student year 1-8 school (**Gibbston Village**).
2. This memo provides an overview of the **Bill**, specifically, the entry criteria and eligibility of an application for this Project to be fast-tracked through the Bill and listed within Schedule 2. Our opinion concludes that:
 - (a) All matters required to be provided in the Ministry for the Environment's application form for listed projects have been completed for the Gibbston Village; and
 - (b) The Gibbston Village is considered to meet the purpose of the Bill and applicable eligibility criteria and there are no ineligibility criteria triggered.
3. We note the GVS Application for listing is on the basis of seeking listing in schedule 2A in the first instance, or otherwise 2B.

Outline of the Bill and process

Current positioning

4. The Bill has passed its first reading in Parliament. Submissions regarding the Bill closed on Friday, 19 April 2024.
5. An independent Fast-track Projects Advisory Group (**advisory group**) has been appointed to consider applications for projects to be included in Schedule 2 of the Bill. The advisory group will provide independent recommendations to the Ministers of Infrastructure, Regional Development and Transport. Responsible Ministers will consider the recommendations and decide which projects to include in the Bill. The advisory group will be engaged between April and July 2024.

6. Expert panels will then be appointed to decide on substantive applications for consenting approval, from either listed or referred projects. Such panels have not yet been appointed.

Part A and Part B of Schedule 2

7. Applications for projects to be listed under Schedule 2 come under either Part A (for which applications are then directly lodged with the EPA) or Part B (to be listed, requiring joint Ministers to take those into account if and when an application comes before them for referral to the EPA).
8. Both Part A and Part B projects will have been assessed as having significant regional or national benefits.¹
9. Projects which apply to be included in Part A but are not found to be eligible can still be considered for inclusion in Part B. We note this is the basis on which the GVS Village has submitted its application.

Application process for listing projects

10. The following outlines the process for applications for listed (Schedule 2) projects:²

Listed projects process

- (a) Applications must be submitted to the Ministry for the Environment (**MfE**) by 3 May 2024.
- (b) After submission, MfE officials check the project application has the required information, whether it triggers any ineligibility criteria in the Bill and that it meets Treaty settlement requirements. Officials then provide the application and their assessment to the advisory group;
- (c) The advisory group will consider whether the application meets the eligibility criteria in the Bill, the purpose of the Bill, and whether a project is regionally or nationally significant. The Group will also consider additional relevant matters such as risk.³
- (d) The advisory group provides a final recommendation report to Ministers on which projects should be listed. Ministers then make final decisions on lists, which are proposed to be included in the Bill at the Committee of the Whole House stage.
- (e) After the Bill is enacted, projects listed in Part A of Schedule 2 will be able to apply directly to the EPA. Projects listed in Part B will still need to apply to Ministers for referral.

¹ Part 2, subpart 1, clauses 12(2) and (3) of the Bill

² The referral stage only applies to referred projects in Part B; listed projects in Part A skip this step.

³ This is not a substantive assessment of the effects of a project, that would be undertaken by the Expert Panel.

Ministry for the Environment Form for listing applications

11. Any application for listing in Schedule 2 must be made through the formal application form, which can be found [here](#).
12. Though not specifically relevant to this application form, we note that clause 14(2)(b) of the Bill states that an application for referral need only provide a general level of detail about the different approvals required for the project (ie. If the project only requires approval under the RMA, then a summary of those approvals under that legislation) sufficient to inform the joint Ministers' decision on the application.
13. From this, we infer that additional information specific to a listed project can be supplemented at a later date through application either directly to the EPA (for Schedule 2A) or to the responsible Minister (2B), and a similar 'general' level of detail is anticipated through the MfE application for the listing process.
14. The MfE application form requests applicants to state whether their project will deliver either regionally or nationally significant infrastructure/projects. While the application can include that the project will be both regionally and nationally significant, the applicant will still need to pick one of those options in the application.
15. The information required from the MfE form as applicable to the proposed Gibbston Village are included and addressed as set out below:

MfE application form requirement	GVS Project
Applicant details	Included –TPG report
Project location and details	Included –TPG report
Approvals required	Included (resource consents only required under RMA)– TPG report
Applications already made for the project	Included –TPG report (N/A)
Construction readiness	Included – page Developer Vision statement from Mr Greg Hunt
Record of consultation	Included –TPG report
Relevant Treaty settlements, relationship with the Takutai Moana Act, Māori land considerations	Included –TPG report (N/A)
Adverse effects	Included –TPG report
Alignment with national direction	Included –TPG report and urban design assessment with respect to NPS Urban Development 2020

Details on how the project is eligible and meets the purpose of the Act	Refer legal assessment set out below, as well as the TPG report
Details on whether the project triggers any ineligibility criteria	Refer legal assessment below
Relationship to climate change and natural hazards.	Included –TPG report and urban design assessment
Compliance track record under any relevant legislation	Included –TPG report

Overview and assessment of eligibility criteria

16. The Bill applies where an approval is required for a listed or referred project. An 'approval' under clause 10(1) of the Bill includes, relevant to Gibbston Village, a resource consent, notice of requirement, or certificate of compliance under the Resource Management Act 1991 (**RMA**). The applicant must identify in their referral application all of the consents, authorities, and permissions that are being applied for.
17. The overall purpose of the Bill is to "provide a fast-track decision-making process that facilitates the delivery of infrastructure and development projects with significant regional or national benefits".⁴ Therefore, for the application to become a listed project it is critical to assess whether the project is regionally or nationally significant.
18. Clause 17 of the Bill outlines what qualifies as an eligible activity under the Bill.

Clause 17 – eligibility criteria for projects that may be referred

19. Clause 17 is the key wording in the Bill stipulating what the Ministers must assess when an application is made. The following criteria must be assessed under 17(2):
 - (a) whether referring the project is consistent with the purpose of the Bill;
 - (b) whether access to the fast-track process will enable the project to be processed in a more timely and cost-efficient way than under normal processes;
 - (c) the impact referring this project will have on the efficient operation of the fast-track process;
 - (d) whether the project would have significant regional or national benefits; and
 - (e) whether the application contains sufficient information to inform the referral decision.

⁴ Fast-Track Approvals Bill 2024 (31-1) clause 3.

20. Under clause 17(3), in considering whether s 17(2)(d) is met, the Ministers may consider, among other things, whether the project:
- (a) will deliver regionally or nationally significant infrastructure;
 - (b) will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of policy 1 of the National Policy Statement on Urban Development 2020 (**NPS-UD**));
 - (c) will deliver significant economic benefits;
 - (d) will support primary industries;
 - (e) will support climate change mitigation, including the reduction or removal of greenhouse gas emissions;
 - (f) is consistent with local or regional planning documents, including spatial strategies.
21. Our interpretation of the above is that clause 17(2) sets five key bottom line or gateway 'tests' for fast track project eligibility. Subservient to this, are the range of discretionary considerations that could be taken into account under 17(3) in terms of whether regional or national significance is met. There may be other relevant matters in any case.
22. Our review of the Gibbston Village Application against these criteria is set out below. Overall, we consider the GVS Project will provide increased housing supply address housing needs, and contribute to a well-functioning urban environment,⁵ will deliver significant economic benefits to the region, and is therefore consistent with clauses 17(3)(c) and (d), as well meeting all five elements of clause 17(2)(d).

Definition of 'nationally or regionally significant'

Legal interpretation

23. In broad terms, 'nationally significant' refers to projects with the potential to have a major impact on a national scale, specifically with those factors outlined above in cl 17(2)(d).
24. While there is nothing specific referring to the scope of 'regionally significant', a reasonable and ordinary interpretation would mean the geographic region in which the project is proposed to take place, or the economic region. In this case, to qualify under the Bill, the Gibbston Village Project will need to be significant to the Otago Region, as well as the economic sub region of inland Otago (QLDC and Central Otago).
25. There is little guidance as to what qualifies as 'nationally or regionally significant' outside of the context of the Bill, beyond the discretionary considerations at clause 17(3). Therefore, what is significant will likely need to be addressed based on the

⁵ Per policy1 of the NPS-UD.

numbers provided with the proposal (for example, in relation to the Gibbston Village – this is in relation to number of houses, retail area, and school places) relative to what is available and required for future growth in the Otago Region.

26. Other potential projects, including other Fast-Track applications could be put forward in the local area which might introduce trade-offs and influence more detailed future assessments of the regional significance of the Gibbston Village project proposal.

Clause 17(3)(c) Supply of housing

27. The proposal to develop 900 residential allotments embodies an immediate and significant response to the housing needs of the Queenstown Lakes District. Recognising the pressing demand for housing, the proposal seeks to increase housing supply in a manner that efficiently utilises existing resort zoned land, reflecting the NPS-UD.
28. Based on analysis, these homes are expected to house more than 5.7% of expected population growth in the Queenstown Lakes District, and more than 2.3% in the Otago region, over the next 30 years. This is especially important in the local area around Queenstown, Cromwell, and Wanaka, because of the extreme lack of housing in the area, leading to accommodation shortages. The above statistics and demand support the interpretation of the development being both nationally and regionally significant.
29. We note that the drafting of clause 17(3)(c) refers to the increase in supply of housing and addressing housing needs. It does not refer to a quantum of significance for any such increase. Nevertheless, the context of the Bill and its purpose suggests that any such provision must be of a significant scale to therefore support regional or national significance. The scale of the Gibbston Village, and the conclusions of the supporting economic assessment determine that the supply of housing and ability to address housing needs in and of itself is significant. Consideration of the NPS-UD is in addition to, (rather than cumulative with), these supply matters. Nevertheless, as set out below this is also considered to be achieved by the Gibbston Village.
30. The assessment of whether the impact of a project on housing supply must be assessed within the meaning of policy 1 of the NPS-UD. This is confirmed in the supporting planning assessment. The 350 primary students provided for at the Gibbston Village primary school would be able to cater for 25% of anticipated primary school demand growth in Queenstown Lakes District as a whole and 40% of demand growth within the Whakatipu Ward part of the District (an area that encompasses Queenstown and the Whakatipu Basin).
31. This further assists the determination that the project is significant on a national or regional level by achieving clause 17(3)(c).

Clause 17(3)(d) Significant economic benefits

32. The project constitutes a major project for the region. In the short term, this will bolster the amount of jobs in the region, and stimulate economic growth.

33. Collectively the labour supplied by residents of the proposed Gibbston Village residential subdivision could generate \$140 million of GDP annually to the local economy.
34. The Queenstown Lakes Homes Strategy (2021-2031)⁶ identified housing as one of the biggest challenges facing the district, with housing supply being a factor at the centre of this challenge. This has consequential effects on economic and social stability.
35. In the long term, however, the general sustainability of the Otago and Queenstown Lakes District economy will be supported. This is through a large increase in the supply of worker housing, addressing the extreme shortage in housing for the Region, especially the Queenstown Lakes District. The amenities available at the project development also make relocation for skilled workers, which the surrounding economy desperately needs, more likely. Relocation with families is supported by the planned primary school, with a wide variety of housing available, ranging from standalone houses to multiplex buildings.
36. The above factors support the conclusion that the GVS Project meets the criteria of delivering significant economic benefits, and this will assist in determining that the project is significant on a national or regional level.

17(3)(i) will address significant environmental issues:

37. The lack of housing supply within the Queenstown Lakes District is an issue which creates an unaffordability issue and therefore related an environmental issue and social effects. The proposal addresses this issue by increasing the supply of housing within the District. The proposal has provision for three waters infrastructure to ensure that those living and working within the development will have potable water to drink and will have the necessary facilities for waste removal whilst also having stormwater provided for to ensure flooding is not an issue. Climate change is to be addressed through building design, sustainable drainage systems, green infrastructure integration and other leading improvements that can ensure the proposal is completed with climate change top of mind and addressed through innovation.

17(3)(j) is consistent with local or regional planning documents, including spatial strategies.

38. The project is consistent with local and regional planning documents. While there is a Queenstown Lakes Spatial Plan which does not identify the Site as an urban growth area, it is notable that this was established in 2021 and predates the NPS-UD. The Council is currently working on a Future Development Strategy under the NPS-UD and the Applicant's proposal has been put forward and recommended as part of that plan. Council is also undertaking a review of its Housing Capacity Assessments required under the NPS-UD as part of this project, which may show that its feasible capacity is even less than currently projected.

⁶ Available here: https://www.qldc.govt.nz/media/mp3bzxvr/queenstown-lakes-homes-strateg_final.pdf

39. Therefore, taking all of the above into consideration it has been displayed that the project would have significant regional and national benefits under section 17 of the Fast Track Approvals Bill 2024, and is eligible for the fast-track schedule 2a process.

Clause 17(2) criteria

17(2) (a) - The purpose of the Bill and increased time and cost efficiency

40. Clause 17(2)(a) states that another criterion to be assessed is whether the project is consistent with the purpose of the Bill. As stated, the overall purpose of the Bill is to “provide a fast-track decision-making process that facilitates the delivery of infrastructure and development projects with significant regional or national benefits”.
41. While the legal application of ‘significant regional or national benefits’ is dealt with above, the question becomes whether the application will fast-track and facilitate those stated significant benefits.
42. Clearly, if the GVS project were to proceed down ordinary consenting pathways, the process would be substantially longer. This stems from the significant nature of the project and should be assessed in comparison with some similar housing development projects around the Queenstown Lakes District, and Otago region.
43. If the ordinary consenting pathway was followed, it would mean a longer period before Queenstown and Otago received the benefit from a substantial increase in housing and schooling supply, and related amenities and benefits proposed.
44. The Gibbston Village is further consistent with the Bill in that not only will large scale housing development be consented quicker it will also be implemented quickly. This is set out in the developer vision statement which confirms the project is truly shovel ready and unique in that:
- (a) It is already zoned for large scale development – so is just a re-design and intensification of this expected land use
 - (b) The site is already consented, approved and partly implemented for infrastructure servicing – feasibility reports confirm very limited additional work required to completely service the whole of the development
 - (c) The developer is committed and ready to deliver on titles by early 2026.

17(2)(b) whether access to the fast-track process will enable the project to be processed in a more timely and cost-efficient way than under normal processes

45. This involves an analysis of whether the fast-track process will enable the project to be ‘processed in a more timely and cost-efficient way than under normal processes’. Clearly, the increased complexity and time constraints would also lead to a greatly

increased consenting cost. Reducing the time that would be spent in normal consent processes would therefore reduce the cost, and help to meet cl 17(2)(b) of the Bill.

46. The length of time and cost it would likely take for the GVS project to get consent, being in large part due to how significant the proposal is, in itself is another factor in deeming the proposal to be regionally or nationally significant.
47. Therefore, the GVS project is considered to meet the purpose of the Bill under cl 17(2)(a), with this dovetailing to support the related analysis of cl 17(2)(b). Therefore, these criteria are likely to be viewed positively for the GVS project.

17(2)(c) Effect on the efficient operation of the fast-track process

48. There is not anticipated to be any adverse effect of the application on the efficient operation of the fast-track process, as per cl 17(2)(d) of the Bill.
49. The application is well-detailed, with extensive supporting information that has been prepared by highly qualified professionals. Importantly, the extent of the project, its qualification as a project of national or regional significance, and any perceived adverse effects, are thoroughly set out, to enable the Ministers to fully assess the application on its merits.
50. The economic report significantly passes the 'test' of regional significance, and the supporting reports are conclusive as to minor adverse effects, no traffic or infrastructure and servicing constraints, and that the proposal achieves a well-function urban environment. As above, this is a unique housing proposal in that it is within land zoned, and partly consented, for significant development already.

17(2)(e) whether the application contains sufficient information to inform the referral decision.

51. A further criterion is found at cl 17(2)(e), regarding whether the information provided in the fast-track application contains sufficient information to inform the referral decision. Attached to this report is a summary of the key conclusions from each supporting report.
52. While additional information may be provided where the application is before the expert panel, the reports included in the application already show detailed information regarding the GVS project, at a level sufficient to inform the referral decision.

Ineligible projects

53. At clause 18 of the Bill, a range of factors are listed that will render a proposal ineligible.
54. Notably, s 18(h) means an activity that would occur on land listed in items 1 to 11 or 14 of Schedule 4 of the Crown Minerals Act 1991 (**CMA**) (other than an activity that would require an access arrangement under the CMA), is an ineligible activity. The land in Schedule 4 of the CMA includes:

- (a) a reserve under ss 20 or 21 of the Reserves Act 1977 (**Reserves Act**) (being a nature or scientific reserve);
 - (b) any land within a wetland and notified to the Ramsar Secretariat by the Minister;
 - (c) all land held, managed, or administered under the Conservation Act 1987, or under any enactment set out in Schedule 1 of that Act, as at 1 October 1991.
55. Section 18(j) also makes activities proposed to occur on a national reserve held under the Reserves Act that requires approval under that Act ineligible.
56. We do not consider that the GVS Project is subject to any of these restrictions on eligibility.

Conclusion on eligibility

57. The Application form to become a listed project requires an assessment of how the project is eligible and meets the purpose of the Act.
58. In interpreting this, we have addressed the most relevant (non-exhaustive) criteria for consideration under clauses 17(2) and 17(3) of the Bill. Overall, our conclusion based upon the supporting evidence provided, is that the Gibbston Village will be consistent with the purpose of the Act, and has regional if not national benefits, in particular by the provision of significant economic benefits, the supply of housing, addresses housing needs, and will contribute to a well-functioning urban environment.
59. It is made clear in the application that the fast-track process will greatly assist the project in its viability, timeframe, and consenting costs. This will enable the significant benefit the project is expected to deliver to be available to the Queenstown Lakes District and Otago Region at an earlier time. This is especially important when the demand for housing and schooling in the region is expected to increase beyond the current, already unsustainable levels.
60. Criteria in cl 17(2) are further met due to the extensive detail and thoroughness of the application, which will assist in the efficient operation of the fast-track process. The information required on the application form, as detailed in the table at above, has also been provided.

Yours faithfully

TODD & WALKER LAW



Rosie Hill

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Email: s 9(2)(a)

Report	Summary of conclusions
Developer vision	<p>The ethos behind this project application is a vision to create an active and vibrant community / village with an engaged residential population in the day to day life of Gibbston. We aim to create a sense of identity among those choosing to live, work, and play in the Gibbston Village.</p> <p>Stage 1 of the project is immediately serviceable and ready to create approximately 175 Dwellings (The Orchard). GVS aims to have these sections taken to market end of 2025 with titles obtained by early 2026.</p>
Economics report	<p>The package of proposed developments within the Gibbston Village project are of a scale and impact which are judged to be regionally significant under the Fast-Track Approval Bill purpose and eligibility criteria.</p> <p>The 900 dwelling units could conservatively house at least 5.7% of projected population growth in Queenstown Lakes over the next 30 years and 2.3% of Otago's population growth. The provision of commercial spaces and a school also contribute to being a well-functioning urban environment.</p> <p>Labour supplied by residents of the proposed Gibbston Village residential subdivision could generate \$140 million of GDP annually.</p> <p>In addition to the ongoing benefits from lifting the housing supply, there will also be a range of one-off regionally significant economic impacts that will occur because of spending on planning, design, engineering, infrastructure, site preparation, and building processes to develop the Gibbston Village.</p>
Urban Design / landscape	<p>Overall, the Gibbston Village site is considered to have a moderate sensitivity to change noting the level of development which is anticipated by the underlying Resort zoning and current consented developments which are yet to be constructed. The proposal is consistent with the anticipated character, albeit at a higher residential density but retaining a high level of open space and open character. Cumulative adverse effects of the Gibbston Valley Village development have been assessed as Less Than Minor.</p> <p>The centrality of the Vintners' village, open space and school site, as well as active links between development areas and beyond the site supports the project being an active, living, walkable and vibrant self-sustaining community. High quality urban design controls are imposed to respond to character of Gibbston Valley, while ensuring that typologies and built form will be affordable.</p>
Typologies and design	<p>Example typologies, design guidelines, planting palette, and associated conditions for land use consent building are all provided to ensure a high quality overall design and consistency of the proposal, indicatively, this includes:</p> <ul style="list-style-type: none"> • 336 standalone houses (generally 3 bedrooms)

	<ul style="list-style-type: none"> • 326 duplexes (generally 3 bedrooms) • 238 terraced housing <p>These typologies are expected to have increased demand in coming years, as projected in the Queenstown Housing Capacity Assessment 2021.</p>
Servicing and engineering	<p>Servicing reports have been commissioned in respect of:</p> <ul style="list-style-type: none"> • Geotechnical hazards • Earthworks • Stormwater • Wastewater • Water supply • Network utility services (electricity, telecommunications and gas) <p>Reticulated stormwater, water supply and wastewater is currently managed by the existing resort utility infrastructure company, Gibbston Valley Resort Infrastructure Limited (GVRIL). Electrical power and telecommunications infrastructure will be supplied underground by Aurora Energy and Chorus NZ respectively, from their existing networks. Private gas infrastructure is also installed and available for future provisioning. Overall there is a significant amount of existing approved infrastructure servicing to the site, and preliminary investigations show that further servicing options are feasible where upgrades or new connections are required.</p>
Transport	<p>A relatively large proportion of the Site can be progressed without the need for any infrastructure improvements to increase capacity (between 65 – 88% of the entire development). For the remainder, possible upgrades have been identified and are located within land under the control/ownership of GVS or otherwise in the road corridor. This therefore means that no third party land is required for any intersection improvements.</p>
Planning assessment	<p>This assessment provides a summary of consultation with Council, community groups, the Housing Trust and local iwi. Planning assessment concludes:</p> <p>Overall effects are minor in terms of:</p> <ul style="list-style-type: none"> • Cultural impact • Heritage • NPS urban development • NPS highly productive soil • Acoustic / reverse sensitivity • Assessment against PDP objectives and policies