

## FTA#063: Application for listed project under the Fast-track Approvals Bill – Homestead Bay Project for Schedule 2A

Date submitted to secretariat:	5 July 2024
Security level:	In-Confidence
To:	David TAPSELL, Chair – Fast-track Projects Advisory Group

Number of attachments: #	Attachments: 1. Application documents for Homestead Bay Project
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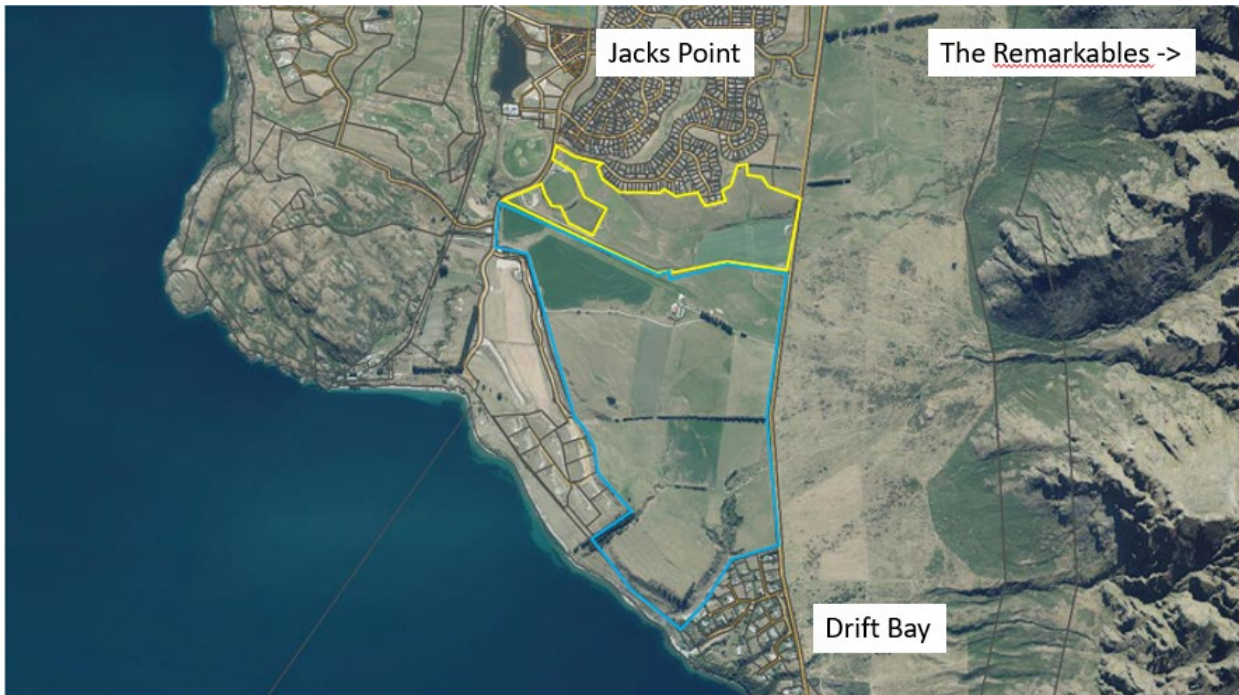
Applicant	Sector	Region	Identified in a priority/strategy?
RCL Homestead Bay Limited	Residential	Otago	Yes or No

### Ministry for the Environment contacts

Position	Name	Mobile	1 <sup>st</sup> contact
Principal Authors	Marlene Youl, Anna Galvin		
Manager	Stephanie Frame	s 9(2)(a)	✓
Director	Ilana Miller	s 9(2)(a)	

## Project location

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## Key messages

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1. The Homestead Bay project is a residential development, subdivision and development at the southern end of Queenstown.
2. The project will comprise:
  - a. 2,800 residential lots
  - b. 1,100m<sup>2</sup> retail floorspace
  - c. Establishment of parks, trails, native revegetation
  - d. Construction of supporting infrastructure such as water bores, reservoirs, underground reticulation, wastewater pipes and pumps, roads etc
3. The project will require resource consents under the Resource Management Act 1991 (RMA).
4. The project site consists of freehold land registered to RCL Henley Downs Limited and RCL Jack's Point Limited, both of which have shared directors with the applicant organisation.
5. We have undertaken an initial (Stage 1) analysis of the application, and this is provided in Table A.
6. We consider the applicant **has** provided sufficient information to consider the project for inclusion on Schedule 2A (although we note it could still be included on Schedule 2B based on the information provided).
7. The project does not trigger the ineligibility criteria in clause 18 of the Fast-track Approvals Bill (the Bill). However, as the applicant is seeking an approval not enabled (Plan Change) by the Bill, this can't be listed.

8. Advice on PSGE development priorities and Māori development is provided in Table A. Table A also includes the relevant PSGEs or Māori groups and the settlement mechanisms, that will/may be impacted by the project and whether the project is low, medium or high impact on Treaty settlement/s and other relevant arrangements. Appendix 1 provides further detail on how this advice should be considered and our approach to analysis.

## Signature

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A handwritten signature in black ink, appearing to read 'S. Frame', is centered within a light gray rectangular box. The signature is fluid and cursive.

Stephanie Frame  
**Manager – Listed Projects**

**Table A: Stage 1 initial assessment of project eligibility and Treaty settlement assessment and advice<sup>1</sup>**

Project details	Project description	Approvals sought	Consultation undertaken	Does the project trigger the ineligibility criteria [clause 18]?				Discretionary ground to decline [clause 21(2)]	Eligibility [clause 17]	
				Treaty settlement land, Māori customary land, customary marine title, customary rights, aquaculture settlement area, or prevented by RMA clauses [clauses 18(a-e, g)]	Access arrangement under CMA where a permit can't be granted, or is listed in items 1-11, 14 [clauses 18(f,h)]	Activity on a national reserve under Reserves Act which requires approval under that Act [clause 18(i)]	Prohibited activity under EEZA or regulations under that Act, decommissioning-related activities, offshore renewable energy progressing ahead of permitting legislation [clause 18(j-l)]		Is the project eligible [clause 17(2)]	Would the project have significant regional or national benefits [clause 17(3)]
<b>High level summary</b>			Y	N	N	N	N			
<p><b>Schedule requested</b> 2A</p> <p><b>Project Name</b> Homestead Bay</p> <p><b>Applicant</b> RCL Homestead Bay Limited</p> <p><b>Company director/s</b> Noel John Kirkwood Russell James Naylor Warwick David Wightman</p> <p><b>Location</b> Homestead Bay has the Remarkables located to the east, Lake Wakatipu to the south and west and the Jacks Point Hill and Peninsula Hill to the west and northwest.</p> <p><b>Land Status</b> The project site consists of freehold land registered to RCL Henley Downs Limited</p>	<p>The Homestead Bay project is a residential development, subdivision and development at the southern end of Queenstown.</p> <p>The project will comprise:</p> <ul style="list-style-type: none"> <li>• 2,800 residential lots</li> <li>• 1,100m<sup>2</sup> retail floorspace</li> <li>• Establishment of parks, trails, native revegetation</li> <li>• Construction of supporting infrastructure such as water bores, reservoirs, underground reticulation, wastewater pipes and pumps, roads etc</li> </ul>	<p>The applicant seeks approval under the:</p> <ul style="list-style-type: none"> <li>• Resource Management Act 1991</li> </ul>	<p>Consultation has occurred with Queenstown Lakes District Council, Otago Regional Council, Aukaha, Te Ao Marama, Waka Kotahi and neighbouring landowners.</p> <p>Iwi confirmed project site not subject to any sites of value by manawhenua except for acknowledgement of the Kawarau (The Remarkables) wāhi tūpuna and Whakātipu-Wai-Māori as a Statutory Acknowledgement Area.</p>	No	No	No	No	<p>The project, or any part of it, is inconsistent with a relevant Treaty settlement, the NHNP Act, the Marine and Coastal Area (Takutai Moana) Act 2011, a Mana Whakahono ā Rohe, or a joint management agreement.</p> <p>No</p> <p>It is more appropriate to deal with the application under another Act.</p> <p>Potentially – this project is not enabled by the current zoning. It may be that the project would be more appropriately considered following a Plan Change under the RMA. We note that if a Plan Change does not occur the project may be able to be consented more easily under the fast-track regime than the RMA.</p> <p>The project may have significant adverse effects on the environment.</p> <p>No – the applicant has provided a summary of adverse effects and does not consider they will be significant.</p> <p>The applicant has a poor compliance</p>	<p>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.</p> <p>Potentially – under usual RMA processes this project may require a Private Plan Change to enable it.</p> <p>The impact referring this project will have on the efficient operation of the fast-track process.</p> <p>No</p> <p>Whether the application contains sufficient information to inform the referral decision.</p> <p>Yes</p>	<p>The project has been identified as a priority project in a central government, local government, or sector plan or strategy (for example, in a general policy statement or spatial strategy) or central government infrastructure priority list.</p> <p>Yes – the land corresponds with an identified “future urban area” in the Queenstown Lakes Spatial Plan 2021 and the Te Tapuae / Southern Corridor within which the land is located is identified as a “priority development area”</p> <p>The project will deliver regionally or nationally significant infrastructure.</p> <p>No – the applicant refers to housing as infrastructure, but housing does not meet the definition of infrastructure in the RMA.</p> <p>The project will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment.</p> <p>Yes - 2,800 residential homes and retail space and related infrastructure suitable for a well-functioning urban environment.</p> <p>The project will deliver significant economic benefits.</p> <p>Yes - the applicant anticipates high spend based on construction, benefits of addressing housing shortages, and nearby building retail spaces.</p> <p>The project will support primary industries, including aquaculture.</p> <p>No</p> <p>The project will support development of natural resources, including minerals and petroleum.</p> <p>No</p>

<sup>1</sup> **Disclaimer:** Given time and scope constraints, the initial assessment is solely based on information provided by applicants. There may be additional relevant information which has not been provided to MfE.

and RCL Jack's Point Limited, both of which have shared directors with the applicant organisation.								<p>history under the relevant legislation.</p> <p><b>Yes</b> – applicant notes one abatement notice and two infringements being issued, however with over 1,700 lots constructed this is minimal.</p> <p><b>The project involves an activity that would occur on land that the Minister for Treaty of Waitangi Negotiations considers necessary for Treaty settlement purposes.</b></p> <p><b>No</b></p> <p><b>The project includes an activity that is a prohibited activity under the RMA.</b></p> <p><b>No</b></p>				<p><b>The project will support climate change mitigation, including the reduction or removal of greenhouse gas emissions.</b></p> <p><b>No</b> – applicant notes potential reduction in travel emissions by providing housing closer to Queenstown</p> <p><b>The project will support adaptation, resilience, and recovery from natural hazards.</b></p> <p><b>Yes</b> – applicant notes designed to divert flooding and debris flows off the Remarkables catchment away from the development areas</p> <p><b>The project will address significant environmental issues.</b></p> <p><b>No</b></p> <p><b>The project is consistent with local or regional planning documents, including spatial strategies.</b></p> <p><b>Yes</b>– applicant states the project sites has been identified as a future urban area within the Queenstown Lakes Spatial Plan, and that document also identified the site for a “local center”.</p>
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**PSGE Settlement Priorities and Māori Development assessment –**

*This table provides an overview. In the time available, it has not been possible to undertake a detailed review of all Treaty settlement and related matters, or to engage with the relevant PSGE, iwi or Māori groups in relation to the potential impacts of the project. If the project does progress through the fast-track process, it will be important this more detailed and comprehensive analysis is undertaken (there are some mechanisms in the proposed legislation such as the clause 13 report and the requirements to invite comment from these groups, which are intended to address these matters).*

Advice on Māori development and PSGE settlement priorities includes information relating to:

- where projects align explicitly with PSGE or iwi strategic objectives/vision/other strategic documents.
- where projects contribute towards addressing historical or systemic inequities faced by Māori. This would be undertaken through an equity assessment; and/or are being led by or in partnership with a Māori entity or business;
- to relevant provisions in Treaty settlements, Joint Management Agreements outside of settlement; Mana Whakahono ā Rohe; Iwi Environment Management plans; implications for groups yet to settle their historical Treaty of Waitangi claims; and implications arising under the Marine and Coastal Area (Takutai Moana) Act 2011 and Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019.

<b>Ineligible projects - based on the considerations at cl18(a–e) of the Fast Track Approvals Bill (version as at introduction)</b>	The project does not appear to be ineligible according to the information provided in the application.
<b>Affected Māori group/s</b>	<p>The applicant has identified the following groups with interests in the project area:</p> <ul style="list-style-type: none"> <li>• <b>Aukaha:</b> a Ngāi Tahu consultancy agency which supports Ngāi Tahu rūnanga aspirations in areas including environment, health, social services and cultural design. It is owned by five rūnanga: Te Rūnanga o Waihao, Te Rūnanga o Moeraki, Te Rūnanga o Ōtakou, Kāti Huirapa Rūnanga ki Puketeraki and Hokonui Rūnanga. Regarding Aukaha's work in the environment space, they work with the five papatipu rūnanga above to protect the mauri of the environment and support them to exercise their role as kaitiaki by providing professional planning advice on behalf of mana whenua in their role as treaty partners with councils and central government.</li> <li>• <b>Te Ao Marama Inc:</b> the Iwi liaison entity representing Southland four rūnanga (Te Rūnanga o Awarua, Hokonui Rūnanga, Ōraka/Aparima Rūnanga, and Waihōpai Rūnanga) for resource management and local government issues.</li> </ul> <p><u>Ngāi Tahu</u></p> <p>We have identified Ngāi Tahu as an iwi whose area of interest includes the proposed project site. Information from Te Kāhui Māngai confirms the proposed project location as being within the area of interest for Ngāi Tahu as provided in Ngāi Tahu Claims Settlement Act 1998.<sup>2</sup></p>
<b>Has the applicant consulted with those Māori groups?</b>	<p>The applicant states they have engaged with Aukaha and Te Ao Marama Inc on this project and have provided details of the consultation in their application:</p> <ul style="list-style-type: none"> <li>• The applicant says initial letters notifying Aukaha and Te Ao Marama Inc of the proposed project were sent in December 2022.</li> <li>• An initial online meeting was held in February 2023 to discuss the proposal with s 9(2)(a) (Aukaha) and s 9(2)(a) (Te Ao Marama Inc) who confirmed that they would like an assessment of the proposal against the mānawa kāi tahu (outcomes) from the Queenstown Lakes District Council Spatial Plan and against the issues and policies in the Kāi Tahu Ki Otago Natural Resource Management Plan 2005 and Te Tangi a Tauira – The Cry of the People (Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008).<sup>3</sup> These assessments were provided to s 9(2)(a) and s 9(2)(a) (Te Ao Marama Inc) over May and June 2023. Note these assessments were not provided with the application.</li> </ul>

	<ul style="list-style-type: none"> <li>• A further online meeting was held on 22 May 2023 with s 9(2)(a) and s 9(2)(a) to discuss progress with the master planning for the project. The applicant notes s 9(2)(a) and s 9(2)(a) appreciated the analysis of iwi management plans and the early consultation. They confirmed that the plan change site is not subject to any sites of value by mana whenua except for the statutory acknowledgement over Whakātipu-Wai-Māori (Lake Wakatipu) and the significance of the Kawarau (The Remarkables) as a wāhi tūpuna. They also noted that the land was within an area identified for urban growth in the Queenstown Lakes Spatial Plan, to which they were partners.</li> <li>• During consultation Aukaha and Te Ao Marama Inc noted that their key interest is how stormwater is going to be dealt with onsite, and the applicant says subsequent reporting has been undertaken. A draft plan change was sent to both Aukaha and Te Ao Marama Inc in November 2023 along with a message inviting feedback. A further follow up email was sent to Aukaha and Te Ao Marama Inc in early January 2024. No feedback was provided directly to the applicant.</li> <li>• An email was sent in April 2024 to both organisations, advising of the intent to apply for referral under the Fast Track legislation. The applicants engineering consultants have recently prepared a further report detailing the Stormwater treatment strategy, and the intention is to send this the iwi authorities and invite feedback.</li> </ul>
<p><b>Impact/s of the project on Māori development and PSGE settlement priorities and related matters</b></p>	<p><b><u>Impacts on PSGE settlement priorities and Māori development</u></b></p> <p>There is no information in the application to suggest that this application is made by or on behalf of a Māori organisation, or that the project will have a direct benefit in terms of Māori development. The applicant does note the land proposed for the project is within an area identified for urban growth in the Queenstown Lakes Spatial Plan,<sup>4</sup> both Aukaha and Te Ao Marama Inc were partners in the development of this plan, alongside Queenstown Lakes District Council and central Government.</p> <p>In the time available, we have identified the following relevant plans and documents:</p> <ul style="list-style-type: none"> <li>• Kāi Tahu Ki Otago Natural Resource Management Plan 20055</li> <li>• Te Tangi a Tauira – The Cry of the People (Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008)<sup>6</sup></li> </ul> <p>It is not possible to confirm from those documents that the project does or does not align with the strategic priorities of the relevant Ngāi Tahu groups.</p> <p>A full analysis of the plan would need to be undertaken in conjunction with the relevant Ngāi Tahu groups before any firm conclusions can be reached. That is a matter to be considered in more detail in subsequent stages if this progresses through the fast-track processes.</p> <p><b><u>Impact on Treaty settlements and other relevant arrangements</u></b></p> <p><b>Ngāi Tahu Claims Settlement Act 1998</b></p> <p>Statutory acknowledgements</p> <p>This Treaty settlement contains a number of statutory acknowledgements. The applicant has identified Lake Wakatipu as a relevant statutory acknowledgement area.<sup>7</sup> The applicant says their land (where the project site is proposed) does not directly adjoin the lake, however it is adjacent. The applicant says no works are anticipated within the statutory acknowledgement area.</p> <p>The applicant notes they have also contracted Heritage and Archaeology Origin Consultants to undertake a Heritage and Archaeological Assessment of the project site. The assessment identifies the earliest human occupation of the Otago region by Polynesian settlers around 1280AD and the importance of Lake Wakatipu and the wider area as places to gather food and other resources is recorded in the Ngāi Tahu Claims Settlement Act 1998. The applicant states the assessment concluded Homestead Bay (the proposed project location) is understood to not have been used intensively by Māori due to its distance from the lakes edge and the lack of natural shelter nearby. The assessment identified no archeologically recorded Māori sites in the area. Furthermore, the applicant says Kā Huru Manu Atlas has not identified any points of interest to Māori within or near the site.</p> <p>Generally, a statutory acknowledgement by the Crown of a 'statement of association' between the iwi and an identified area. A council must have regard to the statutory acknowledgement when deciding whether the iwi is an 'affected person' for the purposes of notification decisions under the Resource Management Act 1991 (the RMA). The same applies to the Environment Court when considering participation in hearings under s274 of the RMA. A council must send summaries of applications for resource consents to the iwi. The PSGE (or any member of the iwi) may, as evidence of the association with a statutory area, cite the statutory acknowledgement in submissions that are made to a consent authority, the Environment Court or the Environmental Protection Authority. The Environment Court must also have regard to a statutory acknowledgement in considering appeals on applications for archaeological authorities within the project area under the Heritage New Zealand Pouhere Taonga Act 2014.</p> <p>An impact of listing this project under Schedule 2 Part A is that the Ministers will not have to exercise their 'referral discretion' including considering the Treaty settlement impacts through that process, nor will they have the benefit of the clause 13 report. There is a requirement on the expert panel to invite comment from the PSGE on the application (noting this is an automatic right to participate, which is currently discretionary under the statutory acknowledgement). For a Schedule 2 Part B listing, Ministers will have to exercise their 'referral discretion' including considering the Treaty settlement impacts through that process, and they will have the benefit of the clause 13 report. The expert panel will also be required to invite comment from the PSGE on the application (again, noting this is an automatic right to participate, which is currently discretionary under the statutory acknowledgement).</p> <p>Listing this project, and the fast-track process generally, will not provide equivalent weight to the statutory acknowledgement, which may limit the influence of the iwi compared to the usual consenting regime. For example, under the RMA process, if a PSGE is notified due to the statutory acknowledgement, the PSGE has the right to make a submission, attend a hearing, appeal to the Environment Court, and appeal to the High Court and higher courts. The fast-track process does not provide exactly the same rights to the PSGE (particularly the potential right to make a submission and then participate in a hearing and de novo appeal), but as noted above there are some other enhanced rights of participation.</p> <p><b><u>Other matters</u></b></p> <p>In the time available, officials have not identified any other impacts for the Marine and Coastal Area (Takutai Moana) Act 2011 (noting the project area is not in the common marine and coastal area), groups yet-to-settle their historical claims, Joint Management Agreements outside of settlement or Mana Whakahono ā Rohe.</p>
<p><b>Is the project considered low, medium or high impact (based on assessment criteria above)</b></p>	<p>From the information available we consider this project is likely to be of medium impact. This is due to the project's proximity to the statutory acknowledgement area Lake Wakatipu, and the lack of information provided in the application regarding feedback from the relevant Ngāi Tahu groups on the project received during consultation.</p> <p>An impact of listing this project under Schedule 2 Part A is that the Ministers will not have to exercise their 'referral discretion' including considering the Treaty settlement impacts through that process, nor will they have the benefit of the clause 13 report. For Part A projects, there is a requirement on the expert panel to invite comment from the PSGE on the application.</p>
<p><b>Has the Ministry for the Environment undertaken engagement?</b></p>	<p>Officials consider engagement would be beneficial to confirm the relevant Ngāi Tahu's groups support for the project but were unable to undertake this in the time available.</p>
<p><b>Additional comments/context</b></p>	<p>N/A</p>

## Appendix One: Approach and considerations for Treaty settlement advice on listed project applications advice in Table A

1. Ministers have advised the Advisory Group should receive advice from officials on “Māori development and PSGE settlement priorities” relevant to each application. Note this differs from section 13 requirements of the current Fast Track Consenting Bill that ‘Ministers must consider Treaty settlements and other obligations report’ as these reports will not be in existence at the time, although matters identified in section 13 (2)(a)-(j) will be considered as part of official's analysis.
2. We have interpreted “Māori development” and “PSGE priorities” to mean primarily projects that:
  - a. align explicitly with PSGE or iwi strategic objectives/vision/other strategic documents; and/or
  - b. contribute towards addressing historical or systemic inequities faced by Māori. This would be undertaken through an equity assessment; and/or
  - c. the project is being led by or in partnership with a Māori entity or business.
3. Given the time constraints and limited engagement this advice cannot be considered as comprehensive and does not intend to reflect their views and should not be read as such.
4. Engagement with PSGEs and other relevant groups has been considered based on potential high-risk factors including, but not limited to, if:
  - a. a project will take place on or effect any taonga or areas of significance that are protected by Treaty settlement arrangements.
  - b. a project will have a substantive and/or ongoing environment impact on any taonga or areas of significance.
  - c. a project will include a consenting arrangement that will require a significant take, or be ongoing for an extended period, in relation to a taonga or area of significance, or in regions where PSGEs have specific planning mechanisms in place.
  - d. PSGEs or other Māori entities have previously strongly contested the project or a similar type of project, particularly where court action has been taken.
  - e. The project is clearly in conflict with or undermines PSGE priorities.
  - f. Engagement would be required to maintain and uphold the Te Tiriti Crown relationship.
5. In limited circumstances where engagement occurs, it has been brief. Where engagement has been undertaken it is reflected in our analysis but should not be taken to mean that our Treaty Partners endorse our advice.