

WINTON

BEST BY DESIGN

APPLICATION FOR MINISTERIAL REFERRAL
COVID-19 RECOVERY (FAST-TRACK CONSENTING) ACT 2020

LAKES DISTRICT RETIREMENT HOUSING EXPANSION PROPOSAL

WINTON PROPERTY LIMITED

JULY 2020



CONTENTS

1. EXECUTIVE SUMMARY	4
2. PROPOSAL BENEFITS	5
3. NORTHBROOK ARROWTOWN RETIREMENT VILLAGE	8
3.1 Description of the Project	8
3.2 Location of the Project	9
3.3 Commencement and Completion Dates and Staging	9
3.4 Assessment of Adverse Effects	9
3.5 Assessment of National Policy Statements and National Environmental Standards	11
3.6 Assessment Against Section 18 Criteria	11
3.7 Assessment Against Section 19 Criteria	12
3.8 Affected Persons	15
3.9 Consultation	15
3.10 Treaty settlements that apply to the geographical location of the project	15
3.11 Applicant's Legal Interest in the Land	15
3.12 Resource Consents Required	15
3.13 Other Legal Authorisations	16
3.14 Other Applications	16
3.15 Climate Change and Natural Hazards	16
3.16 Compliance or Enforcement Action	16
4. NORTHBROOK WANAKA RETIREMENT VILLAGE	18
4.1 Description of the Project	18
4.2 Location of the Project	19
4.4 Assessment of Adverse Effects	19
4.5 Assessment of National Policy Statements and National Environmental Standards	21
4.6 Assessment Against Section 18 Criteria	21
4.7 Assessment Against Section 19 Criteria	22
4.8 Affected Persons	24
4.9 Consultation	24
4.10 Treaty settlements that apply to the geographical location of the project	24
4.11 Applicants Legal Interest in the Land	24
4.12 Resource Consents Required	24
4.13 Other Legal Authorisations	24
4.14 Other Applications	24
4.15 Climate Change and Natural Hazards	24

5. RIVER TERRACE MASTERPLANNED RESIDENTIAL COMMUNITY	26
5.1 Description of the Project	26
5.2 Location of the Project	27
5.3 Commencement and Completion Dates and Staging	27
5.4 Assessment of Adverse Effects	28
5.5 Assessment of National Policy Statements and National Environmental Standards	29
5.6 Assessment Against Section 18 Criteria	30
5.7 Assessment Against Section 19 Criteria	30
5.8 Affected Persons	33
5.9 Consultation	33
5.10 Relevant Treaty Settlements	33
5.11 Applicants Legal Interest in the Land	33
5.12 Resource Consents Required	33
5.13 Other Legal Authorisations	33
5.14 Other Applications	34
5.15 Climate Change and Natural Hazards	34
5.16 Compliance or Enforcement Actions	34
 ATTACHMENT 1	 35
Economic Effects Assessment	35
 ATTACHMENT 2	 66
Location Plans	66
 ATTACHMENT 3	 70
Northbrook Arrowtown Retirement Village Site Layout and Bulk and Location Plans	70
 ATTACHMENT 4	 90
Northbrook Wanaka Retirement Village Site Layout and Bulk and Location Plans	90
 ATTACHMENT 5	 108
River Terrace Masterplan and Subdivision Plans	108
 ATTACHMENT 6	 116
Commissioner Decision – River Terrace, Cromwell	116
 ATTACHMENT 7	 214
Resource Consents Required	214

1. EXECUTIVE SUMMARY

Winton Property Limited is a New Zealand owned residential land developer, of note, with a range of land development projects underway throughout New Zealand. Winton has a proven track-record of creating sustainable, connected and vibrant masterplanned communities throughout New Zealand.

This application for referral is made to the Minister for the Environment pursuant to Section 20(1) of the Recovery (Fast-track Consenting) Act 2020 for the Lakes District Retirement Housing Expansion Proposal.

The Lakes District Retirement Housing Expansion Proposal comprises three individual projects, having a collective construction value of s 9(2)(b)(iii):

- Northbrook Arrowtown Retirement Village, Arrowtown
- Northbrook Wanaka Retirement Village, Wanaka
- River Terrace Master Planned Residential Community, Cromwell (including Northbrook Cromwell Retirement Village)

The proposal meets the purpose of this Act by promoting employment to support New Zealand's recovery from the economic and social impacts of COVID-19 while promoting the sustainable management of natural and physical resources.

Collectively and individually, the Lakes District Retirement Housing Proposal will deliver significant economic benefits, generate employment, increase housing supply (including retirement, affordable and community housing) and deliver positive environmental and sustainable outcomes. Any adverse environmental effects are either minor or can be adequately mitigated through conditions of consent.

These are job-rich projects, contributing in excess of 9,000 jobs over five years and nearly 15,000 jobs over 15 years. The three projects are "shovel ready" and fully funded. Work will commence on each site within 3 – 4 months of resource consent being granted.

Winton's commitment to the Lakes District is undeniable. **Over the last 10 years, Winton's investment (through development activity) within the Lakes District has been** s 9(2)(b)(iii). Winton continues to believe in the Lakes District and all that it has to offer and remains committed to providing benefit to the area which it feels innately and historically connected to. Winton's desire to help the Lakes District recover from the ravages of the global COVID-19 pandemic is clearly demonstrated by this submission and s 9(2)(b)(ii)

Winton respectfully seeks approval from the Minister for the Environment for the referral of the three projects.

2. PROPOSAL BENEFITS

The Lakes District Retirement Housing Expansion Proposal will provide significant and positive economic benefits to the communities of Central Otago and Queenstown Lakes through the provision of high-quality, environmentally responsive masterplanned developments.

The Lakes District Retirement Housing Expansion Proposal ("the Proposal") provides a mix of retirement, residential and affordable homes to meet the needs of a wide range of New Zealanders (both current and future generations). The homes will be built to meet modern standards, be fully insulated with double glazing and provide comfortable and modern indoor and outdoor spaces. Infrastructure, including roads and amenities, such as reserves, cycleways and playgrounds, will create neighbourhoods that are functional, attractive and that further local community aspirations.

The Proposal will result in **substantial positive public benefits** including:

Economic Benefits: The Proposal has a collective construction value of **\$9(2)(b)(ii)**. An Economic Effects Assessment ("EEA") has been prepared in support of this application to assess the economic benefits of the individual projects, including the resulting economic activity and impacts from both the construction and operational phases, to the local, regional and national economy. The assessment also identifies additional potential economic costs and benefits directly associated with the projects in terms of market responses and community wellbeing.

The report highlights:

- The reliance on the tourism and construction sectors (which have been catastrophically affected by COVID-19) increases the significance of the Proposal in respect to **retaining, supporting and growing not only construction industry specific jobs and infrastructure but the Regional and National economies as a whole** over the short term.
- The Proposal **contributes significantly to the QLD and COD GDP** totalling in excess of **\$9(2)(b)(ii)** over a 5-year period **\$9(2)(b)(ii)** over a 15-year period).
- While the economic contribution of these projects is in themselves significant, other potential economic benefits to the Queenstown Lakes District ("**QLD**") and the Central Otago District ("**COD**") include:
 - Safeguarding of existing infrastructure. While a potential short-term loss of jobs is an obvious impact of COVID-19, loss of business infrastructure, construction capital and skills are difficult for an economy to regain over the short to medium term, further repressing the District's potential recovery.
 - Provision of increased housing choice. The introduction of additional housing provides QLD and COD increased opportunities to meet potential growth in construction employment and the associated labour force requirement providing greater potential for indirect and induced benefits, through accommodating population growth and providing for the associated household spending.
 - Increased competitiveness for retirement housing (and the other commercial facilities within the projects) provide for a wider, more diverse and competitive market while also attracting additional household demand and wealth to the District.

A copy of the EEA is included as **Attachment 1**.

Generating employment: The Proposal will contribute in excess of 9,000 jobs over 5 years and nearly 15,000 jobs over 15 years.¹

Winton's **Construction Accord** provides amongst other things, training for workers looking to be re-deployed into the construction industry, 25% of low skilled positions to be filled by currently unemployed workers and the requirement for the living wage to be paid to all workers.

Increasing housing supply: Up to 1,105 residential and retirement units will be created, comprising a range of housing types and sizes. This variety of building form will meet the housing needs of diverse residents and household types (such as young families, professionals, retirees, people with disabilities).

¹ THESE ARE ALL JOBS CREATED THROUGH THE DIRECT CONSTRUCTION PHASE, INCLUDING DIRECT AND INDUCED EMPLOYMENT THROUGH ALL BUSINESS SECTORS.

s 9(2)(b)(ii)

Contributing to well-functioning urban environments: Each of the projects have been developed to be environmentally responsive. Sustainable design solutions will optimise the use of land and reduce unnecessary resource use, while functional design elements will create buildings, spaces, places, and transport networks that contribute positively to the health and wellbeing of the community. Commercial, health and educational services will be provided alongside residential living.

The respective projects within the Proposal **will also improve environmental outcomes by:**

- Improving water quality and receiving environments;
- Revegetation of watercourses;
- Landscape and amenity planting;
- Landscape protection areas and reserve areas to vest;
- Provision and extension of public walkways and cycleways; and
- Provision for public transport.

Contributing to **New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy** (in terms of reducing New Zealand's net emissions of greenhouse gases) the Proposal adopts an environmentally responsive approach to residential housing including measures to maximise building users' comfort and health while minimising energy use, low impact stormwater design, promotion of active modes (walking and cycling) and implementation of practices throughout the construction and building phases to optimise resource use.

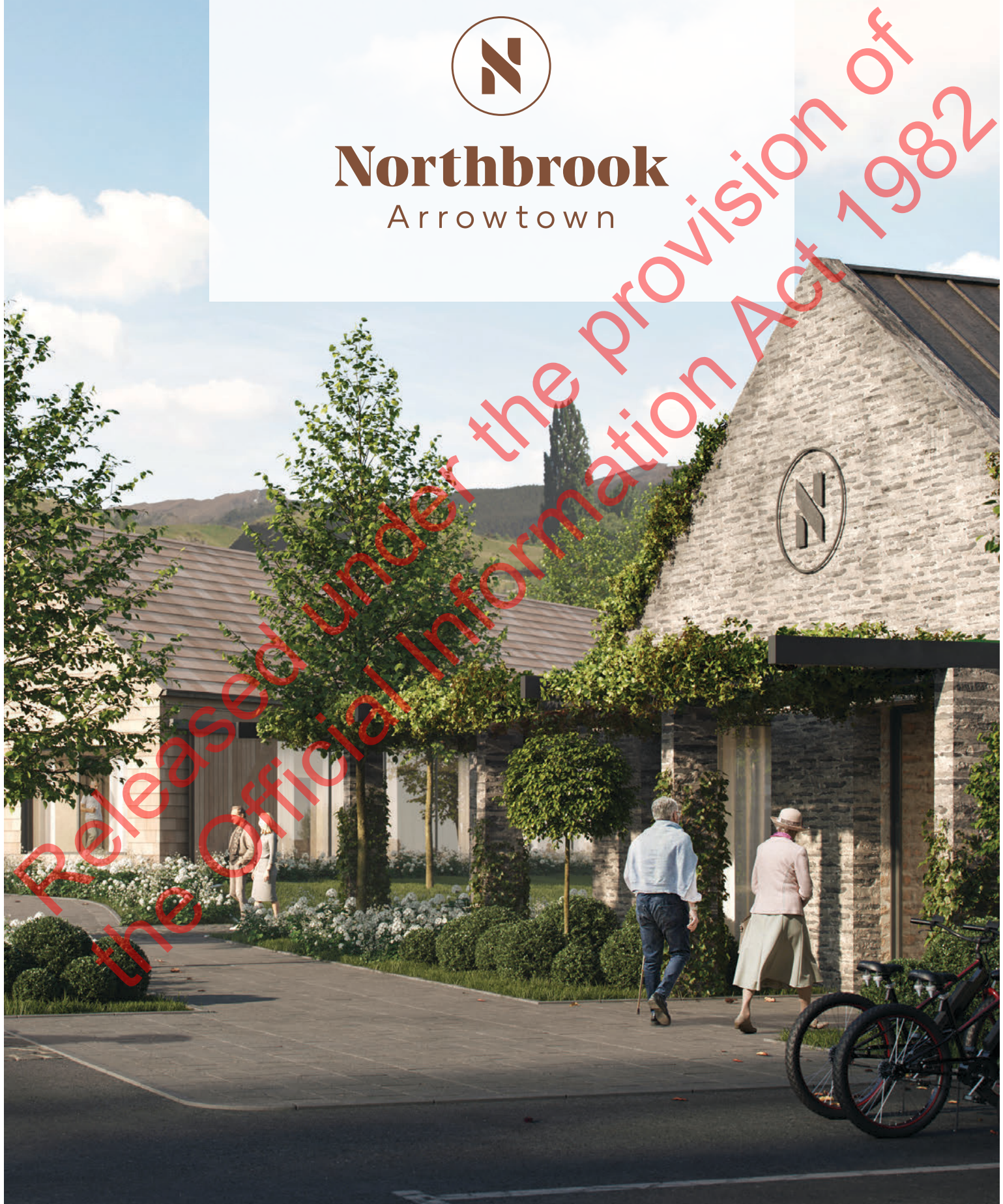
Referral by the Minister will enable the respective projects to progress significantly faster than the standard Resource Management Act planning process.

Overall, the Proposal represents a **significant opportunity to the QLD and COD economies to protect and sustain existing jobs and income, provide additional job opportunities** and income, while also providing additional competitive capacity for the medium to long-term recovery.

PROJECT 1



Northbrook
Arrowtown



3. NORTHBROOK ARROWTOWN RETIREMENT VILLAGE

3.1 DESCRIPTION OF THE PROJECT

Northbrook Arrowtown Retirement Village (**"Northbrook Arrowtown"**) is a proposal to construct and operate a retirement village and associated activities as follows:

- 162 retirement units, including a mix of stand-alone houses, semi-detached houses, terrace houses and apartments;
- Private hospital care home with 36 beds (including memory care) and associated facilities;
- Front of house and back of house facilities for administration, sales, reception, kitchen and goods received for the retirement village and care home;
- Clubhouse incorporating café, community centre and a small daily needs retail area;
- Active recreation building including a gym, pool and associated recreation facilities;
- Childcare Centre;
- Medical Centre;
- Ancillary and support buildings including a community shed, maintenance shed and potting sheds;
- Recreation areas providing for golf, tennis, bowling, petanque, and associated pavilion for shelter;
- Hard and soft landscaping, including plantings, throughout the development;
- Culverts, crossings and boardwalk over an ephemeral stream connecting the portions of the development and for vehicles and pedestrians;
- Earthworks within the ephemeral stream bed to create weirs and ponds;
- Roading and parking, and other infrastructure, to service the development; and
- Walking and cycling trails connecting to and extending the network outside and adjacent to the village.

The proposal will connect to the reticulated water and wastewater (local authority infrastructure), telecommunication and electricity systems. Connections to these services will be made at the boundary of the site. There is sufficient capacity within the existing infrastructure and utility systems to accommodate the development as proposed. Stormwater will be wholly managed on-site.

Attachment 3 includes a selection of overview plans and visuals. A full description of the Northbrook Arrowtown project, including supporting reports and plans outlining the comprehensive design and development plan for the village, is available on request.



3.2 LOCATION OF THE PROJECT

The site is located within the Queenstown area of the QLD, approximately 2km south west of Arrowtown, and 1km north of Lake Hayes, as shown in **Attachment 2**. The legal description of the site is Lots 2 - 4 DP 540788. Winton (via its fully owned subsidiary) is the owner of the property.

3.3 COMMENCEMENT AND COMPLETION DATES AND STAGING

Construction of the retirement village will be undertaken in stages as outlined in the table below.

Construction activities for Stage 1, which includes enabling works and the construction of the clubhouse, recreation building, private hospital and 30 retirement units, will commence on-site within 3 – 4 months of receiving resource consent.

The total construction value of the Northbrook Arrowtown project is s 9(2)(b)(ii). Commencement and completion periods for all stages are outlined as follows:

Stage	Details	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Stage 1	Enabling works, civils, clubhouse/cafe, recreation building, private hospital and construction of 30 retirement units					
Stage 2	Civils, childcare, medical and construction of 50 retirement units					
Stage 3	Construction of 55 retirement units					
Stage 4	Construction of 27 retirement units					
	QLD Only Capex (\$M)	s 9(2)(b)(ii)				
	QLD Only Jobs (construction)	250	1,472	775	655	269

3.4 ASSESSMENT OF ADVERSE EFFECTS

The following table describes the effects of the Northbrook Arrowtown project on the environment and summarises the degree to which those effects are adverse, based on expert technical reports commissioned for the project.

Description of effect	Degree to which the effect is adverse
Effects on landscape and visual amenity values, when viewed from public locations including roads (Arrowtown-Lake Hayes Road and Speargrass Flat Road) and a public walkway adjacent to the site	Less than minor adverse effects on landscape character and less than minor adverse effects on visual amenity values due to the retention of large open space areas, retention of existing vegetation, and new landscaping.
Effects on the rural and rural-residential amenity values of nearby properties	No more than minor adverse effects; generous setbacks (50m) and landscaping are provided between the development and neighbouring properties.
Traffic effects	No more than minor adverse effects; access roading already exists.

Effects during construction of the project	Less than minor adverse effects; will be managed through a construction management plan.
Geotechnical hazards	Less than minor adverse effects; building foundations to be reviewed by geotechnical engineer during detailed design phase.
Effects on the Council's reticulated services	No adverse effects as the Council's services have sufficient capacity for the development.
Stormwater and flood management effects	No adverse effects as sufficient capacity within the site to manage storm and flood waters with no downstream effects.
Effects on groundwater resources of the site and wider environs	No adverse effects as construction will not affect any aquifer. On balance, groundwater effects are positive from the change of landuse from farming to residential.
Effects on ecological values within the site and the wider environs including aquatic values of tributaries to Lake Hayes and Lake Hayes itself	No more than minor adverse effects. On balance, effects on aquatic ecological values within the site and wider environs are positive due to the proposed riparian revegetation and protection and change of land use from farming to residential.
Soil contamination risks	No adverse effects as potential contamination sources have been remediated.
Effects on heritage values	No adverse effects as no known heritage items or cultural or archaeological values within the site; accidental discovery protocols will be adopted.
Effects from lighting	Less than minor adverse effects of lighting on night sky, and when viewed from beyond the site.
Effects from noise	No adverse effects due to distance from any potential noise receivers in the surrounding area.
Economic effects	No adverse effects; effects are positive for the community through the increase in dwelling units for the increasing elderly population and through the jobs created during construction and in the operation of the village and associated medical and childcare facilities.

In summary, the anticipated and known adverse effects of the project on the environment are either non-existent or at most no more than minor. There are distinct positive effects on the environment.

3.5 ASSESSMENT OF NATIONAL POLICY STATEMENTS AND NATIONAL ENVIRONMENTAL STANDARDS

National Policy Statement for Urban Development Capacity 2016 ("NPS-UDC")

The Northbrook Arrowtown project is consistent with, and will assist the implementation of, objectives and policies of the NPS-UDC which are directly relevant to the project. The Northbrook Arrowtown project will achieve an urban environment which will:

- QA1 ...enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing.
- QA2 ... meet demand, and ... provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations.
- OC1 ... provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations in the short, medium and long term.
- OC2 ... respond to evidence about ... market activity and the social, economic, cultural and environmental wellbeing of people and communities and future generations, in a timely way.

National Policy Statement for Freshwater Management 2017 ("NPS-Freshwater")

The NPS – Freshwater seeks to improve the health and wellbeing of New Zealand's freshwater bodies. The NPS – Freshwater seeks to achieve this outcome primarily through the objectives and policies of regional plans relating to freshwater. The project will affect surface water and groundwater which drains into Lake Hayes in the Wakatipu Basin. Water quality within Lake Hayes is under significant threat as a result of eutrophication primarily caused by excess nitrogen and phosphorous levels. The project will reduce the levels of nitrogen and phosphorous emanating from the property and entering Lake Hayes, thereby improving water quality in Lake Hayes. That water quality improvement will achieve relevant objectives and policies of the relevant regional policies and plans and will therefore help to implement the objectives and policies of the NPS – Freshwater.

National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health ("NESCS")

The Site has been assessed under the NESCS and it is highly unlikely that the site poses any risk to human health. In addition to Preliminary Site Investigations, Detailed Site Investigations, Site Remedial Action Plans and Site Validation Reports, recent testing confirmed that the site is suitable for the development as proposed. The Project is a Permitted Activity under Section 8(4) as there is a highly unlikely risk to human health associated with the development as proposed. Accordingly, no consent is required under the NES.

3.6 ASSESSMENT AGAINST SECTION 18 CRITERIA

The Northbrook Arrowtown project meets the criteria in section 18 on the basis that:

- Section 18(1) The project meets all the criteria set out in Section 18.
- Section 18(1A) The project will help to achieve the purpose of the Act – as set out in Section 3.7 below.
- Section 18(2)(a) The project is not described as a prohibited activity in the Resource Management Act 1991, regulations made under that Act, (including a national environmental standard), or a plan or proposed plan.
- Section 18(2)(b)(i) The project does not occur on land returned under a Treaty settlement.
- Section 18(2)(b)(ii) Not Applicable
- Section 18(2)(c)(i) The project does not occur in a customary marine title area under the Marine and Coastal Area (Takutai Moana) Act 2011.
- Section 18(2)(c)(ii) Not Applicable
- Section 18(2)(d)(i) The project does not occur on land protected by a Customary Rights Recognition Order issued under the Marine and Coastal Area (Takutai Moana) Act 2011.
- Section 18(2)(d)(ii) Not Applicable

3.7 ASSESSMENT AGAINST SECTION 19 CRITERIA

The Northbrook Arrowtown project will help achieve the purpose of the Act, having regard to the following matters:

a. The project's economic benefits and costs for people or industries affected by COVID-19:

The QLD has been significantly affected by COVID-19 due to the loss of international tourism activities and the consequential effects on employment. The Project is 'shovel-ready' and will have substantial economic benefits for both the QLD economy and the national economy.

The EEA concludes that the total GDP impact over a 15-year period is in the order of $\$9(2)(b)(ii)$. This is considered conservative as it does not capture any spending generated by future residents of the development (or their visitors).

Employment (annual jobs) that could be sustained within the QLD ranges from 1,472 during the peak of construction to an estimated 118 permanent jobs¹ once the development is fully operational. In terms of the national economy, the total combined GDP impact for New Zealand over 15 years is estimated to be $\$9(2)(b)(ii)$.

The project will not impose any costs on the QLD other than development costs met by the developer and ongoing Council servicing costs met by additional rating income from the project.

b. The project's effect on the social and cultural well-being of current and future generations

Providing for the retirement demographic is an essential component of the social and cultural well-being of any community.

A market analysis undertaken by Urban Economics concluded that by 2028 there is a requirement for an additional 3 – 4 large retirement villages in the QLD and COD catchments. Further, there is a requirement for an additional 10-12 childcare centres and 1-2 additional medical centres in the QLD to meet demand by 2028. The Project will help provide for this demand shortfall for current and future generations.

The project demonstrates a comprehensive approach to socially sustainable design. The village and its dwellings have been designed to be universally accessible for elderly residents. Public transport connections and extensive pedestrian and cycle trails (link with wider public networks) all encourage social connectivity and reduced vehicle use. On site facilities provide close-proximity destinations for residents, and services such as a medical practice and childcare centre will benefit the wider community and further contribute to the social interactions for and with residents.

Accommodation within the village has been designed to be adaptable, safe and suited to an aging-in-place philosophy, with seamless transition to higher levels of care. These socially sustainable and site-wide accessibility benefits are underpinned by Lifemark design standards to cater for the needs of people of all stages in life.

Engagement with Te Ao Marama and Aukaha (and the respective Rūnaka /Rūnanga they represent) is on-going. The need for a Cultural Impact Assessment is currently being considered by Te Ao Marama and Aukaha representatives.

The provision of retirement living in a location that (in relation to effects on the environment, particularly landscape and ecological effects) can absorb the change and result in improved ecological outcomes will enable the community to provide for its social, cultural and environmental wellbeing.

c. Whether the project would be likely to progress faster by using the processes provided by this Act than would otherwise be the case

The project will progress faster by using the processes provided for by this Act than would otherwise be the case.

A rezoning proposal, which would enable the Project, has been working its way through the RMA planning process since October 2015 as part of the QLD District Plan Review ("DPR"). At the current rate of progress of DPR Environment Court hearings, an Environment Court decision could be a year away. If the zone is approved, resource consent must then be obtained, and would take at least three to four months. Commencement of construction would be at least a further three to four months beyond consent approval date.

To summarise, this project will progress approximately 18 months faster under this Act than would otherwise be the case.

¹ IN ADDITION TO EMPLOYMENT MULTIPLIERS, THIS INCLUDES DIRECT PERMANENT EMPLOYMENT FROM NEW BUSINESS CREATED ON-SITE

d. Whether the project may result in a public benefit by:**i. Generating employment**

The EEA concludes that employment created by the Project within the QLD ranges from 1,472 during the peak of construction to an estimated 118 permanent jobs once the development is fully operational.

ii. Increasing housing supply

A market analysis undertaken by Urban Economics concludes that the forecast demand growth for retirement village living will result in the requirement for an additional 3 – 4 large retirement villages by 2028 in the QLD and COD catchments. The project will increase housing supply to help meet that demand.

iii. Contributing to well-functioning urban environments

An extensive masterplanning process has been undertaken to develop a well-functioning urban environment both within and external to the site. Key attributes of the masterplan include:

- Higher density and community services are clustered near the entrance with density diminishing towards external boundaries, with the medical centre and childcare centre located to provide direct access for the public while maintaining connection to the retirement village;
- A mix of housing typologies and sizes are provided for;
- The site and its dwellings have been designed to be universally accessible for elderly residents;
- Landscaping has been designed to include extensive native plantings with paths through and along watercourses, community orchards and edible gardens, and public and private amenity plantings;
- Public transport connections and extensive pedestrian and cycle trails (linking with wider public networks) are provided to encourage social connectivity and reduced vehicle use;
- On-site facilities provide close proximity destinations for residents, and services such as a medical practice and childcare centre will benefit the wider community and further contribute to the social interactions for and with residents;
- Accommodation within the village has been designed to be adaptable, safe and suited to an aging-in-place philosophy, with seamless transition to higher levels of care. These socially sustainable and site-wide accessibility benefits are underpinned by Lifemark design standards to cater for the needs of people of all stages in life;
- Landscaping and pedestrian pathways link green spaces throughout and connect to existing landform features and external public connections;
- A comprehensive approach to environmental sustainable design underlines a commitment to providing energy efficient, high quality housing. These initiatives have informed the development's initial design phases and will continue to be promoted and refined as design progresses; and
- Solar design was a key development principle with housing and building siting/orientation designed to respond to local climatic considerations and positioned to respond to site contours. The buildings are also designed to high performing thermal envelope specifications to exceed current New Zealand building code standards.

iv. Providing infrastructure in order to improve economic, employment, and environmental outcomes, and increase productivity

If this criterion is intended to apply to physical infrastructure such as roading, it is not applicable. If it is intended to apply to social infrastructure, these benefits have been described above.

v. Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity

The environmental benefits of the project include:

- Reduction in nitrogen entering sensitive receiving waterways from the property by ~40% compared to the current land use and by ~70% compared to alternative productive farming use;
- Positive effects on aquatic communities and waterways from reduced nitrogen, phosphorous and faecal bacteria inputs (as a consequence of ceasing and preventing farming on site);
- Revegetation of watercourses comprising 30,000 native plants;
- Further landscape / amenity planting across an area of 3.5 hectares;
- 30ha retained in its existing open character (protected in perpetuity as landscape protection areas);
- Enhanced bird habitat for indigenous bird species;
- Provision for public transport connections, on-site facilities, and electric vehicle charging points to reduce

- vehicle use and emissions; and
- Clean air heating sources to residential units.

Winton has already undertaken the following works within the site and neighbouring land:

- 17,000 natives planted on valley walls and wilding species removed;
- Riparian planting of some 5,000 natives along a circa 700m stretch of creek and removal of stock access to a sensitive waterway;
- Continued protection of, and enhanced habitat for trout and native fish (Kōaro);
- Water monitoring programmes in place (both creek & groundwater); and
- Contaminated material has been remediated.

vi. Minimising waste

Waste minimisation will be a key consideration through the detailed design and construction phases. Measures include utilising offsite construction technologies and early contractor engagement to identify opportunities for waste reduction (along with improved health and safety practices, material selection, and overall quality). Construction management plans will reduce construction waste and will include measures such as SiteWise Green Certificates and methods such as a REBRI waste management plan.

vii. Contributing to New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy (in terms of reducing New Zealand's net emissions of greenhouse gases)

The Project provides for public transport connections, on-site facilities and electric vehicle charging points to reduce vehicle use and emissions. Some 30,000 native plants will also be planted (along with the 23,000 plantings already undertaken by Winton on this and neighbouring land).

viii. Promoting the protection of historic heritage

Historic heritage is not affected by the Project. The design of the buildings and landscape features have been influenced by the local Arrowtown vernacular and neighbouring heritage features.

ix. Strengthening environmental, economic, and social resilience, in terms of managing the risks from natural hazards and the effects of climate change

The risks from natural hazards and the effects of climate change have been considered and will be managed through the design and construction phases.

x. Whether there is potential for the project to have significant adverse environmental effects, including greenhouse gas emissions

There is no potential for the Project to have any significant adverse effects on the environment, including on greenhouse gas emissions.

3.8 AFFECTED PERSONS

The following parties are affected by the proposal:

Affected Party

Queenstown Lakes District Council	Local Authority
Otago Regional Council	Regional Authority
Te Ao Marama Inc	Papatipu Rūnanga (representing Oraka-Aparima Rūnaka, Waihopair Rūnaka and Awarua Rūnanga)
Aukaha	Papatipu Rūnanga (representing Te Rūnanga o Waihao, Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtakou, Hokonui Rūnanga)
Fish and Game Otago	Government Agency
Department of Conservation Te Papa Atawhai	Government Agency

3.9 CONSULTATION

Consultation is underway with the following parties in respect to the project:

- Te Ao Marama Inc;
- Aukaha;
- Fish and Game Otago; and
- Department of Conservation.

3.10 TREATY SETTLEMENTS THAT APPLY TO THE GEOGRAPHICAL LOCATION OF THE PROJECT

Not applicable. There are no Treaty settlements that apply to the geographical location of the project.

3.11 APPLICANT'S LEGAL INTEREST IN THE LAND

Winton (via its fully owned subsidiary) is the owner of the property on which the Northbrook Arrowtown project is to occur. There are no impediments to the applicant's ability to undertake the work as proposed and within the timeframes set out in this application.

3.12 RESOURCE CONSENTS REQUIRED

Land use resource consents under Section 9 of the Resource Management Act 1991 ("RMA") are required to give effect to the project. The types of resource consents required fall into the following general categories:

- residential activities;
- earthworks and construction of buildings and structures (bridges) over and within proximity to waterbodies;
- commercial activities (café, childcare centre and medical centre);
- transportation matters (design of parking spaces, manoeuvring, vehicle crossings);
- earthworks; and
- traffic generation and parking.

Consent is required under the Regional Plan: Water for Otago (Part 13) to give effect to the project. The types of resource consents required fall into the following general categories:

- construction of crossings over an ephemeral stream;
- disturbance of the bed of the ephemeral stream for works exceeding 10 hours in duration; and drilling of land over an aquifer, for the purposes of directional drilling of a wastewater pipeline.

No resource consents are needed by anyone other than the Applicant. The full list of required consents is included in **Attachment 7**.

3.13 OTHER LEGAL AUTHORISATIONS

No other legal authorisations are required to commence the project.

3.14 OTHER APPLICATIONS

Winton has not previously made a consent application under the RMA in respect of the same or a similar project.

3.15 CLIMATE CHANGE AND NATURAL HAZARDS

- There is no significant risk to the project associated with natural hazards or climate change that would affect the use of the site for the activities proposed.
- The risk from geotechnical hazards are less than minor and can be appropriately mitigated as part of detailed design.
- The effects of climate change have been considered in the design of the access around the site and buildings.

3.16 COMPLIANCE OR ENFORCEMENT ACTION

Not Applicable

Released under the provision of
the Official Information Act 1982

PROJECT 2



Northbrook
Wanaka



4. NORTHBROOK WANAKA RETIREMENT VILLAGE

4.1 DESCRIPTION OF THE PROJECT

Northbrook Wanaka Retirement Village ("Northbrook Wanaka") is a proposal to construct and operate a retirement village and associated activities as follows:

- 92 retirement units;
- Private hospital care home with 36 beds (including memory care) and associated facilities;
- Front of house and back of house facilities for administration, sales, reception, kitchen and goods received for the retirement village and care home;
- Clubhouse incorporating café, community centre and a small daily needs retail area;
- Active recreation building including a gym, pool and associated recreation facilities;
- Hard and soft landscaping, including plantings, throughout the development;
- Roading and parking, and other infrastructure, to service the development; and
- Walking and cycling trails connecting to and extending the network outside and adjacent to the village.

The proposal will connect to the reticulated water and wastewater (local authority infrastructure), telecommunication and electricity systems. Connections to these services will be made at the boundary of the site. There is sufficient capacity within the infrastructure and utility systems to accommodate the development as proposed. Stormwater will be wholly managed on-site.

The retirement village will be located on a vacant residential section within the existing Northlake residential development. Site layout and bulk and location plans included as **Attachment 4**.



4.2 LOCATION OF THE PROJECT

The site is located approximately 5.0km from the Wanaka township as shown on the plan included in **Attachment 2**. The legal description of the site is Lot 2008 DP 545513 and Lot 66 DP 371470. Winton (via its fully owned subsidiary) is the owner of the property.

4.3 COMMENCEMENT AND COMPLETION DATES AND STAGING

Construction of the retirement village will be undertaken in stages as outlined in the table below.

Construction activities for Stage 1, including site-wide enabling works and bulk services will commence on-site within 3 – 4 months of receiving resource consent.

The total construction value of the Northbrook Wanaka project is s 9(2)(b)(iii). Commencement and completion periods for all stages are outlined as follows:

Construction Programme Staging		Yr 1	Yr 2	Yr 3	Yr 4
Stage 1	Site wide enabling works and bulk services				
Stage 2	Vertical construction of facility buildings and care pods (36)				
Stage 3	Vertical construction of apartments (92 apartments across 30 blocks)				
Stage 4	Site wide civil and landscaping works				
QLD Only Capex (\$M)		s 9(2)(b)(ii)			
QLD Only Jobs (construction)		78	394	709	633

4.4 ASSESSMENT OF ADVERSE EFFECTS

The following table describes the effects of the Northbrook Wanaka project on the environment and summarises the degree to which those effects are adverse, based on expert technical reports commissioned for the project.

Description of effect	Degree to which the effect is adverse
Effects on residential amenity values within the Northlake Special Zone	No adverse effects as the Northbrook Wanaka project is within an area zoned for residential and commercial development. The larger communal buildings are set into a part of the site where they can be best visually absorbed by landform and existing vegetation. The overall building coverage is approximately 18% as opposed to the 40% maximum anticipated in the rules for the Zone.
Effects on landscape character	No adverse effects as the location and the design absorb the built form into the natural frame, in an area anticipated for development. Proposed vegetation will further blend the development into the natural and built setting.
Traffic effects	No adverse effects as the traffic generation created by the retirement village unit can be accommodated within the adjacent roading network. The proposed internal roading and footpath layout will operate safely and efficiently.

Effects during construction of the project	Any potential adverse effects less than minor; will be managed through construction and environmental management plans.
Geotechnical hazards	Adverse effects less than minor; building foundations to be reviewed by geotechnical engineer during detailed design phase.
Effects on the Council's reticulated services	No adverse effects as the Council's services have sufficient capacity for the development.
Stormwater effects	No adverse effects as there is sufficient capacity within Northlake's onsite stormwater system to deal with the project's stormwater; there will be no effects downstream.
Effects on groundwater resources of the site and wider environs	No adverse effects as no potential land contamination sources and construction will not affect any aquifer.
Effects on ecological values	No adverse effects as there are no significant ecological values on the site; the existing kānuka will be maintained and complemented by additional planting.
Soil contamination risks	No adverse effects as there is no contamination sources within the site.
Effects on heritage values	No adverse effects as no known heritage features or cultural or archaeological values within the site; accidental discovery protocols will be adopted.
Effects from lighting	No adverse effects due to the setback of buildings from boundaries; a degree of lighting is anticipated with the residential activity that is provided for by the zoning.
Effects from noise	No adverse effects due to the proximity to neighbouring residential sites; the open space terrace and adjacent roads also provide a buffer.
Economic effects	No adverse effects; effects are on balance positive for the community through the provision of additional retirement units and facilities and through the creation of jobs during construction and the operation of the village.

In summary, the anticipated and known adverse effects of the Northbrook Wanaka project on the environment are either non-existent or at most no more than minor, and there are distinct positive effects on the environment.

4.5 ASSESSMENT OF NATIONAL POLICY STATEMENTS AND NATIONAL ENVIRONMENTAL STANDARDS

National Policy Statement for Urban Development Capacity ("NPS-UDC")

The Northbrook Wanaka project is consistent with, and will assist the implementation of, objectives and policies of the NPS-UDC which are directly relevant to the project. The Northbrook Wanaka project will achieve an urban environment which will:

- | | |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| QA1 | ...enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing. |
| QA2 | ... meet demand, and ... provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations. |
| OC1 | ... provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations in the short, medium and long term. |
| OC2 | ... respond to evidence about ... market activity and the social, economic, cultural and environmental wellbeing of people and communities and future generations, in a timely way. |

National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health ("NESCS")

The NESCS seeks to ensure that land affected by contaminants in soil is appropriately identified and assessed before it is developed, and if necessary, the land is remediated or the contaminants contained to make the land safe for human use. Preliminary and detailed site investigations undertaken on the site confirm that the Northbrook Wanaka Project is permitted and no consent is required under the NESCS.

4.6 ASSESSMENT AGAINST SECTION 18 CRITERIA

The Northbrook Wanaka Project meets the criteria in section 18 on the basis that:

- | | |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 18(1) | The project meets all the criteria set out in Section 18. |
| Section 18(1A) | The project will help to achieve the purpose of the Act – as set out in Section 4.7 below. |
| Section 18(2)(a) | The project is not described as a prohibited activity in the Resource Management Act 1991, regulations made under that Act, (including a national environmental standard), or a plan or proposed plan. |
| Section 18(2)(b)(i) | The project does not occur on land returned under a Treaty settlement. |
| Section 18(2)(b)(ii) | Not Applicable |
| Section 18(2)(c)(i) | The project does not occur in a customary marine title area under the Marine and Coastal Area (Takutai Moana) Act 2011. |
| Section 18(2)(c)(ii) | Not Applicable |
| Section 18(2)(d)(i) | The project does not occur on land protected by a Customary Rights Recognition Order issued under the Marine and Coastal Area (Takutai Moana) Act 2011. |
| Section 18(2)(d)(ii) | Not Applicable |

4.7 ASSESSMENT AGAINST SECTION 19 CRITERIA

The Northbrook Wanaka project will help achieve the purpose of the Act, having regard to the following matters:

a. The project's economic benefits and costs for people or industries affected by COVID-19

QLD has been significantly affected by COVID-19 because of the loss of international tourism activities and the consequential effects on employment. The Project is 'shovel-ready' and will have substantial economic benefits for both the QLD economy and the national economy.

The EEA concludes that the total GDP impact over a 15-year period to the district is in the order of \$9(2)(b)(iii). This is considered conservative as it does not capture any spending generated by future residents of the development (or their visitors).

The project will create (at peak during construction) over 700 jobs with on-going operational employment being ~83 per annum.

In terms of the national economy, the total combined GDP impact for New Zealand over 15-years is estimated to be a further \$9(2)(b)(iii) and 1,110 jobs.

The Northbrook Wanaka Project will not impose any costs on the QLD other than development costs met by Winton and ongoing Council servicing costs met by additional rating income from the Project.

b. The project's effect on the social and cultural well-being of current and future generations

Providing for the retirement demographic is an essential component of the social and cultural wellbeing of any community.

A market analysis undertaken by Urban Economics concludes that by 2028 there is a requirement for an additional 3 – 4 large retirement villages in the QLD and COD catchments. Further, there is a requirement for an additional 10-12 childcare centres and 1-2 additional medical centres in the QLD to meet demand by 2028. The Project will help provide for this demand shortfall for current and future generations.

A comprehensive approach to socially sustainable design has been undertaken. The village have been designed to be universally accessible for elderly residents. Shared paths (linking with other public networks within the Northlake community) all encourage social connectivity and reduced vehicle use. On-site facilities provide close proximity destinations for residents, and services such as a medical practice and childcare centre will benefit the wider community and further contribute to the social interactions for and with residents.

Accommodation within the village has been designed to be adaptable, safe and suited to an aging-in-place philosophy, with seamless transition to higher levels of care. These socially sustainable benefits and site-wide accessibility are underpinned by Lifemark design standards to cater for the needs of people of all stages in life.

The provision of retirement living in a location that – in relation to effects on the environment, particularly visual amenity – can absorb the change and result in improved outcomes that will enable the community to provide for its social, cultural and environmental wellbeing.

c. Whether the project would be likely to progress faster by using the processes provided by this Act than would otherwise be the case

The project will progress faster by using the processes provided for by this Act than would otherwise be the case. It is likely that the project will progress approximately 12-to-18 months faster under this Act than would otherwise be the case.

d. Whether the project may result in a public benefit by:

i. Generating employment

The EEA concludes that the employment (annual jobs) created within the QLD ranges from over 700 jobs during the peak of construction to an estimated 83 permanent jobs once the development is fully operational.

ii. Increasing housing supply

A market analysis undertaken by Urban Economics concludes that the forecast demand growth for retirement village living will result in the requirement for an additional 3 – 4 large retirement villages by 2028 in the QLD and COD catchments. The project will increase housing supply to help meet that demand.

iii. Contributing to well-functioning urban environments

An extensive masterplanning process has been undertaken to ensure a well-functioning urban environment both within and external to the site. Key attributes of the proposed development include: An extensive masterplanning process has been undertaken to ensure a well-functioning urban environment both within and external to the site. Key attributes of the proposed development include:

- The overall building coverage is approximately 18% as opposed to the 40% maximum anticipated within the currently planning rules for the site, resulting in improved site amenity and reduced bulk form effects, over and above those permitted by the Plan;
- A mix of housing typologies and sizes are provided for;
- The site and its dwellings have been designed to be universally accessible for elderly residents;
- Landscaping has been designed to include extensive native plantings with paths throughout the site;
- Shared paths (linking with wider public networks) are provided to encourage social connectivity, active modes and reduced vehicle use;
- Accommodation within the village has been designed to be adaptable, safe and suited to an aging-in-place philosophy, with seamless transition to higher levels of care. These socially sustainable benefits and site-wide accessibility are underpinned by Lifemark design standards to cater for the needs of people of all stages in life;
- A comprehensive approach to environmental sustainable design underlines a commitment to providing energy efficient, high quality housing. Such initiatives have informed the development's initial design phases and will continue to be promoted and refined; and
- Solar design was a key development principle with housing and building siting/orientation designed to respond to local climatic considerations and positioned to respond to site contours. The buildings are also designed to high performing thermal envelope specifications to exceed current New Zealand building code standards.

iv. Providing infrastructure in order to improve economic, employment, and environmental outcomes, and increase productivity

If this criterion is intended to apply to physical infrastructure such as roading, it is not applicable. If it is intended to apply to social infrastructure, these benefits have been described above.

v. Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity

Landscape and amenity planting across the site will enhance native plant communities and indigenous biodiversity within the site and surrounding area.

vi. Minimising waste

Waste minimisation will be a key consideration through the detailed design and construction phases of the project. Measures include the utilisation of off-site construction technologies and early contractor engagement to identify opportunities for waste reduction (along with improved health and safety practices, material selection, and overall quality), and construction management plans to reduce construction waste that include measures such as SiteWise Green Certificates and methods such as a REBRI waste management plan.

vii. Contributing to New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy (in terms of reducing New Zealand's net emissions of greenhouse gases)

The design of the site (including the location of buildings and the design of paths and crossings) encourages active modes within and across the site. The provision of shared paths throughout the site, coupled with site amenities within the site and wider Northlake development, reduces the need / reliance on private motor vehicles. Sustainable construction methodologies will be implemented throughout the course of construction to minimise waste, promote energy efficiency and utilise sustainable building materials.

viii. Promoting the protection of historic heritage

Not Applicable

ix. Strengthening environmental, economic, and social resilience, in terms of managing the risks from natural hazards and the effects of climate change

The project manages risks from natural hazards and the effects of climate change have been considered and managed in the design of the access around the site and buildings.

x. Whether there is potential for the project to have significant adverse environmental effects, including greenhouse gas emissions

There is no potential for this project to have any significant adverse effects on the environment, including on greenhouse gas emissions.

4.8 AFFECTED PERSONS

The following parties are considered affected by the proposal:

Affected Party	
Queenstown Lakes District Council	Local Authority
Aukaha	Papatipu Rūnanga (representing Te Rūnanga o Waihao, Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Hokonui Rūnanga)
Callum Fraser Urquhart and Dunmore Trustees (2019) Limited (the Oranga Puawai Family Trust)	Adjacent Landowner

4.9 CONSULTATION

No consultation has been undertaken in respect to the project.

4.10 TREATY SETTLEMENTS THAT APPLY TO THE GEOGRAPHICAL LOCATION OF THE PROJECT

Not applicable. There are no Treaty settlements that apply to the geographical location of the project.

4.11 APPLICANTS LEGAL INTEREST IN THE LAND

Winton (via its fully owned subsidiary) is the owner of the property on which the project is to occur. There are no impediments to the applicant's ability to undertake the work as proposed and within the timeframes set out in this application.

4.12 RESOURCE CONSENTS REQUIRED

Land use resource consents under Section 9 of the RMA are required to give effect to the project. The types of resource consents required fall into the following general categories:

- residential intensity;
- bulk and location requirements;
- transportation matters (design of parking spaces, manoeuvring, vehicle crossings); and
- traffic generation.

A full list of required consents is available on request. No resource consents are needed by anyone other than the Applicant to give effect to the project. The full list of required consents is included in **Attachment 7**.

4.13 OTHER LEGAL AUTHORISATIONS

No other legal authorisations are required to commence the project.

4.14 OTHER APPLICATIONS

Winton has not previously made a consent application under the RMA in respect of the same or a similar project.

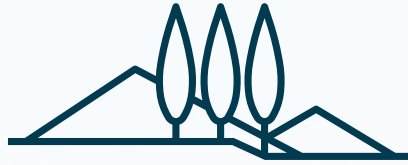
4.15 CLIMATE CHANGE AND NATURAL HAZARDS

There is no significant risk to the site associated natural hazards or climate change that would preclude the use of the site for the activities proposed.

4.16 COMPLIANCE OR ENFORCEMENT ACTION

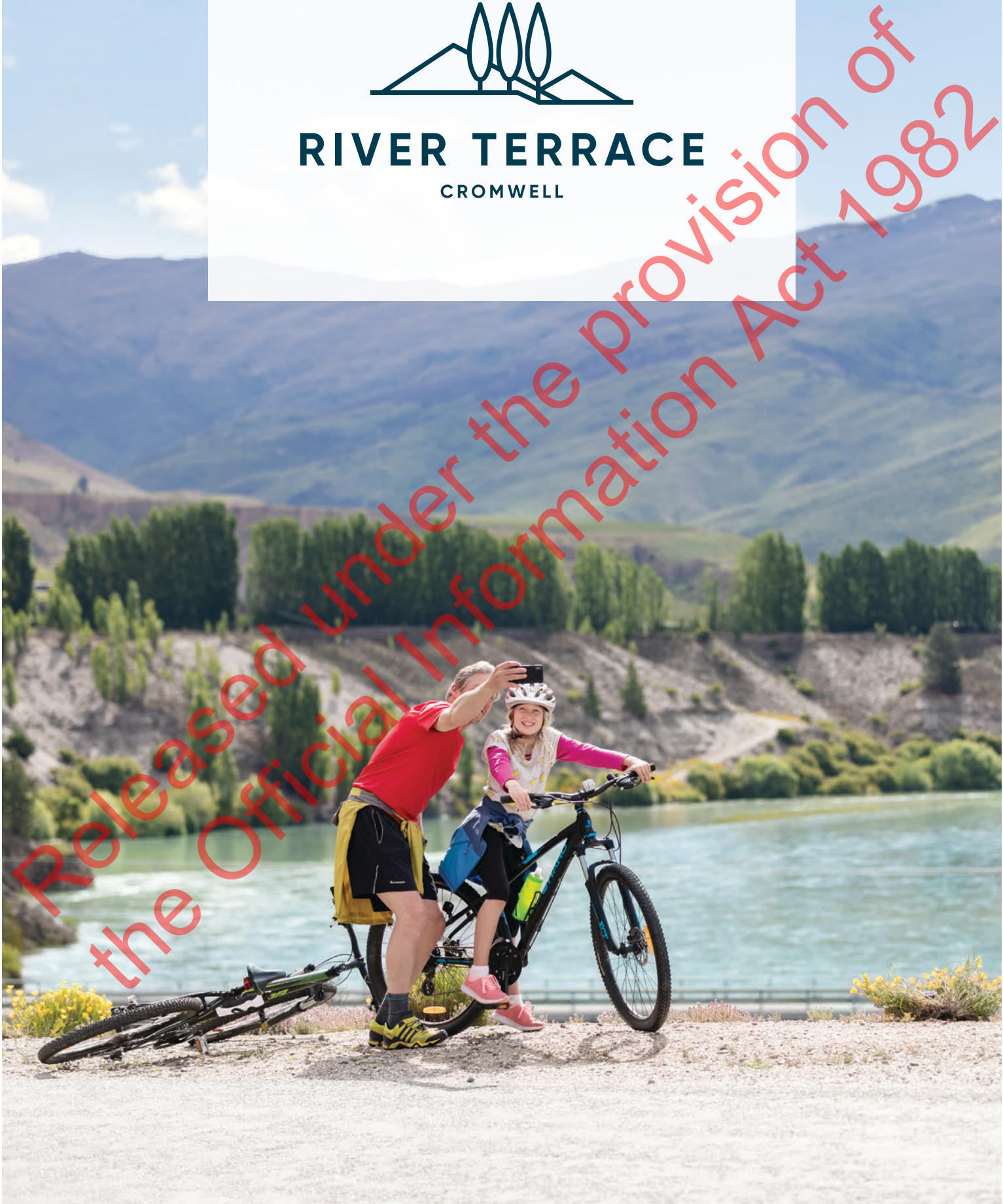
No compliance or enforcement action has been taken against the applicant under the Resource Management Act 1991. Enforcement action has however been taken against a wholly owned subsidiary of the applicant, Northlake Investments Limited ("NIL"), in relation to a discharge of sediment by NIL's contractor into a waterway in the Otago Region. NIL appealed the decision of the Environment Court to the High Court and has subsequently sought leave to appeal from the Court of Appeal; the outcome of which is pending. The Applicant has and continues to take a responsible and structured approach to environmental management and compliance. This is the only enforcement action taken against the applicant, or any of its subsidiaries, over the past 10 years of land development activities in New Zealand.

PROJECT 3



RIVER TERRACE

CROMWELL



5. RIVER TERRACE MASTERPLANNED RESIDENTIAL COMMUNITY

5.1 DESCRIPTION OF THE PROJECT

River Terrace Masterplanned Residential Community ("River Terrace") is a proposal to create a masterplanned residential community which comprises:

- A 100-unit retirement village and 36-bed private hospital (Northbrook Cromwell Retirement Village);
- 751 residential allotments comprising range of allotment sizes;
- A range of housing typologies residents; and
- Neighbourhood commercial centre (including childcare centre).

The proposal will connect to the reticulated water and wastewater (local authority infrastructure), telecommunication and electricity systems. Infrastructure capacity reports have been prepared and confirm that upgrades to the local authority infrastructure will be required to accommodate the development as proposed. The Applicant will cover the full costs of the necessary infrastructure upgrades. Stormwater will be wholly managed on-site.

The masterplan and subdivision scheme plan are included as **Attachment 5**.



5.2 LOCATION OF THE PROJECT

The site is located approximately 3km from the Cromwell township as shown in **Attachment 2**. The legal description of the site is Lot 1 DP 541276 and Lot 2 DP 541276.

5.3 COMMENCEMENT AND COMPLETION DATES AND STAGING

Construction will be undertaken in stages as outlined in the table below. Construction activities for Stage 1, which includes the development of 350 housing lots, s 9(2)(b)(ii), the retail centre and associated amenities, green spaces (including children's playgrounds and parks) and offsite bulk infrastructure upgrades, will commence on-site within 3 – 4 months of receiving resource consent.

The total construction value of the River Terrace project is s 9(2)(b)(iii). Commencement and completion periods for all stages are outlined as follows:

Construction Programme Staging		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8
Stage 1	Development of 350 housing lots, s 9(2)(b)(ii), the retail centre and associated amenities, green spaces (including children's playground and parks) and offsite bulk infrastructure upgrades.								
Stage 2	Retirement village - enabling works, civils, clubhouse/cafe, recreation building, private hospital and construction of 30 retirement units. Development of 200 housing lots and associated amenities, green spaces (including children's playground and parks).								
Stage 3	Retirement village – construction of 40 retirement units. Development of 151 housing lots and associated amenities, green spaces (including children's playground and parks).								
Stage 4	Retirement village – construction of 30 retirement units.								
COD Only Capex (\$M)		s 9(2)(b)(ii)							
COD Only Jobs (construction)		292	1,906	1,299	264	485	491	528	421

5.4 ASSESSMENT OF ADVERSE EFFECTS

The following table describes the effects of the River Terrace project on the environment and summarises the degree to which those effects are adverse, based on expert technical reports commissioned for the project.

Description of Effect	The degree to which the effect is adverse
Effects on landscape character	Low adverse effect on the landscape character of the site and immediately surrounding lands. The distinct character of the wider Cromwell Flats, which is a mix of rural and urban activities, will be retained and the wider landscape will be affected to a low degree.
Effects on visual amenity values, when viewed from public locations including roads.	No more than low adverse effects which will decrease to very low as landscape planting matures. The Project will not detract from views of the landscape's more natural enclosing mountains.
Effects on the rural amenity values of nearby properties	Minor adverse effects; while the site will transition from a rural to a residential site, the open space and landscape enhancement planting proposed will not create adverse amenity effects.
Integration with existing residential zoned land within Cromwell	Minor adverse effects; it is Winton's assertion that expansion of the town is required to accommodate future residential land in line with the growth projections. Recognising that all growth cannot be accommodated within the existing urban boundary, a southern expansion (incorporating the subject site) becomes the logical, and potentially only next step to accommodate future growth.
Traffic effects	No more than minor adverse effects on the basis that upgrades to the local roading network and state highway intersection are proposed.
Effects during construction of the project	Less than minor adverse effects; will be managed through a construction management plan.
Geotechnical hazards	No adverse effects.
Effects on the Council's reticulated services	No adverse effects; infrastructure will be upgraded at the Applicants expense to enable connection to the Council's reticulated water and wastewater systems.
Stormwater and flood management effects	No adverse effects; all stormwater can be managed within the site.
Effects on groundwater resources of the site and wider environs	No adverse effects.
Effects on ecological values within the site and the wider environs	No adverse effects and will rather entail opportunity for ecological enhancement through proposed landscaping and open space areas.

Loss of productive land	Less than minor adverse effect having regard to the limited size of the upper terrace, differences in productive potential between the upper and lower terraces, and the potential for the lower terrace to be subdivided into Rural Residential lots.
Soil contamination risks	No adverse effects. A remedial action plan will be prepared to ensure identified contaminated land is removed from the site and disposed of accordingly.
Effects on heritage values and archaeology	No more than minor effects on heritage and archaeology.
Effects from lighting	Any potential adverse effects of lighting on night sky, and when viewed from beyond the site, are less than minor.
Effects from noise	No adverse effects due to distance from any potential noise receivers in the surrounding area.
Effects within the site from noise generated outside the site	More than minor adverse effects on the basis that there will be adverse noise effects outdoors, associated with the operation of the adjacent speedway and adjacent horticultural activities. While outdoor living style will be compromised at times, indoor noise effects can be mitigated with an appropriate sound insulation and ventilation requirements and boundary treatments (e.g. fencing). While the noise effects could be significant when they are being generated, the noise effects are intermittent, and the occupants of the Site will not be expecting a consistently quiet environment. Land covenants (registered on all Titles) will ensure that they are aware that the neighbours of the site are permitted to generate high levels of noise from time to time.
Reverse Sensitivity Effects	Reverse sensitivity effects will be avoided by the use of registered land covenants and by establishing a resident's association to collectively manage noise complaints / concerns.
Economic effects	No adverse effects; effects are on balance positive for the community through the increase in dwelling units for the increasing elderly population and through the jobs created during construction and in the operation of the commercial centre.

5.5 ASSESSMENT OF NATIONAL POLICY STATEMENTS AND NATIONAL ENVIRONMENTAL STANDARDS

National Policy Statement for Urban Development Capacity ("NPS-UDC")

The NPS-UDC requires local authorities to enable development capacity for housing and business through land use planning and infrastructure. While Cromwell has not been identified as a high-growth urban area, the development provides for the development of a range of affordable housing choices that will contribute to the needs of residents and the wider community, and future generations that aren't otherwise provided by the Operative Plan.

In this regard, River Terrace is consistent with, and will assist the implementation of, objectives and policies of the NPS-UDC which are directly relevant to the project. The Northbrook Wanaka project will achieve an urban environment which will:

- QA1 ...enable people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing.
- QA2 ... meet demand, and ... provide choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations.

- OC1 ... provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations in the short, medium and long term.
- OC2 ... respond to evidence about ... market activity and the social, economic, cultural and environmental wellbeing of people and communities and future generations, in a timely way.

National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health ("NESCS")

The NESCS seeks to ensure that land affected by contaminants in soil is appropriately identified and assessed before it is developed, and if necessary, the land is remediated or the contaminants contained to make the land safe for human use.

The detailed site investigation has identified areas across the site with soils exceeding the NESCS rural residential land use scenario adopted guideline values and therefore the proposed subdivision requires a consent under the NESCS. A remedial action plan has been prepared, in accordance with Ministry for the Environment Guidelines, to guide the remediation of the site to ensure it is suitable for residential development as proposed.

5.6 ASSESSMENT AGAINST SECTION 18 CRITERIA

The River Terrace project meets the criteria in section 18 on the basis that:

- | | |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 18(1) | The River Terrace project meets all the criteria set out in Section 18. |
| Section 18(1A) | The River Terrace project will help to achieve the purpose of the Act – as set out in Section 5.7 below. |
| Section 18(2)(a) | The River Terrace project is not described as a prohibited activity in the Resource Management Act 1991, regulations made under that Act, (including a national environmental standard), or a plan or proposed plan. |
| Section 18(2)(b)(i) | The River Terrace project does not occur on land returned under a Treaty settlement. |
| Section 18(2)(b)(ii) | Not Applicable |
| Section 18(2)(c)(i) | The River Terrace project does not occur in a customary marine title area under the Marine and Coastal Area (Takutai Moana) Act 2011. |
| Section 18(2)(c)(ii) | Not Applicable |
| Section 18(2)(d)(i) | The River Terrace project does not occur on land protected by a Customary Rights Recognition Order issued under the Marine and Coastal Area (Takutai Moana) Act 2011. |
| Section 18(2)(d)(ii) | Not Applicable |

5.7 ASSESSMENT AGAINST SECTION 19 CRITERIA

The River Terrace project will help achieve the purpose of the Act, having regard to the following matters:

a. The project's economic benefits and costs for people or industries affected by COVID-19

While information regarding the potential impacts of COVID-19 on the COD are limited, it is expected that unemployment in COD could rise as high as 10.8% by March 2021. The reliance on the tourism and construction sectors to the COD economy therefore increases the significance of the project in retaining, supporting and growing not only construction industry specific jobs and infrastructure but the Regional and National economies as a whole over the short term.

b. The project's effect on the social and cultural well-being of current and future generations

Given that the potential impacts of COVID-19 are likely to be most strongly felt over the next several years, the level of investment proposed by the River Terrace project into the district economy will provide significant benefit to the retention and support of businesses and infrastructure providing greater sustainability for the district's longer term economic wellbeing and recovery.

The ability of the fast-track process to also consider projects with cross-boundary issues is relevant to the consideration of this project. The severe housing affordability challenges facing Queenstown and Wanaka has a significant bearing on (inter-generational) residential growth and affordability in Cromwell.

c. Whether the project would be likely to progress faster by using the processes provided by this Act than would otherwise be the case

Utilising the fast-track process will significantly expedite the project and enable immediate and substantial steps to deliver significant quantities of affordable residential product into the Cromwell market. The alternate standard resource consent process is likely to exceed 36 months on the basis that the application would be publicly notified and a hearing required (the decision of which may be subject to an appeal). The other option is to wait for the District Plan review, the timing of which is uncertain and likely to be a number of years away

d. Whether the project may result in a public benefit by

i. Generating employment

The project will create over 1,900 jobs for the COD during peak construction. An additional 617 over a 15-year period to the regional economy and a further 3,483 jobs over a 15-year period to the national economy.

ii. Increasing housing supply

Growth forecasts produced by both Winton and the Central Otago District Council confirm that the existing zoned land within the district is insufficient to accommodate projected long-term residential growth. In addition, the market analysis undertaken by Urban Economics concludes that the forecast demand growth for retirement village living will result in the requirement for an additional three to four large retirement villages by 2028 in the QLD and COD catchments. River Terrace will increase housing supply to help meet that demand. The Project will result in the construction of:

- 100 retirement units; and
- 751 residential dwellings s 9(2)(b)(ii)

The Project will increase housing supply to help meet that demand.

iii. Contributing to well-functioning urban environments

The project will deliver a high-quality, liveable urban environment that fosters the well-being of people and the natural environment. An extensive masterplanning process has been undertaken to ensure a well-functioning urban environment both within and external to the site. Key attributes of the proposed masterplan include:

- Higher density and commercial services are clustered adjacent the eastern boundary of the site to provide acoustic benefit to the residential sites within the site.
- A mix of housing typologies and sizes are provided for.
- The site has been designed to be universally accessible for a range of residents. Affordable housing underpins the philosophy of the subdivision.
- Significant areas of open space and public amenity areas have been provisioned throughout the development.
- Landscaping has been designed to integrate the development within the environment in which it is located, while providing amenity to the residents of the development.
- Extensive pedestrian and cycle trails (linking with wider public networks) are provided to encourage social connectivity, active modes and reduced vehicle use.
- On-site facilities provide close proximity destinations for residents, and services such as a childcare centre will benefit the wider community and further contribute to the social interactions for residents.
- The retirement village has been designed to be adaptable, safe and suited to an aging-in-place philosophy, with seamless transition to higher levels of care. The socially sustainable benefits and site-wide accessibility are underpinned by Lifemark design standards to cater for the needs of people of all stages in life.
- A comprehensive approach to environmentally sustainable design underlines a commitment to providing energy efficient, high quality housing. Such initiatives have informed the development's initial design phases and will continue to be promoted and refined.
- Solar design was a key development principle with housing and building siting/orientation designed to respond to local climatic considerations and positioned to respond to site contours. The buildings are also designed to high performing thermal envelope specifications to exceed current New Zealand building code standards.

iv. Providing infrastructure in order to improve economic, employment, and environmental outcomes, and increase productivity

Public infrastructure will be developed or upgraded to give effect to the project as proposed. s 9(2)(b)(ii)

v. Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity

- Creation of 9.6 hectares of local purpose reserves and/or green space which will encourage and provide for enhanced biodiversity within and surrounding the site;
- Substantive amenity and enhancement landscape planting; and
- Low-impact stormwater design to be implemented throughout the site such that all stormwater can be treated in accordance with Council's Engineering Standards.

vi. Improving environmental outcomes for coastal or freshwater quality, air quality, or indigenous biodiversity

- Creation of 9.6 hectares of local purpose reserves and/or green space which will encourage and provide for enhanced biodiversity within and surrounding the site;
- Substantive amenity and enhancement landscape planting; and
- Low-impact stormwater design to be implemented throughout the site such that all stormwater can be treated in accordance with Council's Engineering Standards.

vii. Contributing to New Zealand's efforts to mitigate climate change and transition more quickly to a low-emissions economy (in terms of reducing New Zealand's net emissions of greenhouse gases)

- Extension of and connection to the existing Bannockburn Road cycleway to encourage active modes (and decrease reliance on vehicles);
- High performing thermal envelope specifications for residential buildings to exceed current New Zealand building code standards; and
- Clean air heating and ventilation sources for residential units.

viii. Promoting the protection of historic heritage

The remains of two early water races, constructed in the 1870's to provide irrigation to land on the Cromwell Flats will be partially retained where these are located within a proposed reserve area. Where the races extend across the main spine road or within proposed residential allotments, they will be filled to enable the development as proposed.

ix. Strengthening environmental, economic, and social resilience, in terms of managing the risks from natural hazards and the effects of climate change

The risks from natural hazards and the effects of climate change have been considered and will be managed through the design and construction phases.

x. Whether there is potential for the project to have significant adverse environmental effects, including greenhouse gas emissions

Not Applicable.

5.8 AFFECTED PERSONS

The following parties are affected by the proposal:

Affected Party	
Central Otago District Council	Local Authority
Te Ao Marama Inc	Papatipu Rūnanga (representing Oraka-Aparima Runaka, Waihopair Runaka and Awarua Runaka)
Aukaha	Papatipu Rūnanga (representing Te Rūnanga o Waihao, Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Hokonui Rūnanga)
Jones Family Orchard	Adjacent Landowner
Highlands Motorsport Park	Adjacent Landowner
Central Motor Speedway	Adjacent Landowner

5.9 CONSULTATION

No consultation has been undertaken with the abovelisted parties in respect to the project.

5.10 RELEVANT TREATY SETTLEMENTS

Not applicable. There are no Treaty settlements that apply to the geographical location of the project.

5.11 APPLICANTS LEGAL INTEREST IN THE LAND

Winton (via its fully owned subsidiary) is the owner of the property on which the River Terrace project is to occur. There are no impediments to the applicant's ability to undertake the work as proposed and within the timeframes set out in this application.

5.12 RESOURCE CONSENTS REQUIRED

Landuse consent (under Section 9 of the RMA) and subdivision consent (under Section 11 of the RMA) is required to give effect to the development as proposed. The types of resource consents required fall into the following general categories:

- subdivision allotment size;
- residential intensity;
- bulk and location requirements;
- commercial activities including childcare centre;
- transportation matters (design of parking spaces, manoeuvring, vehicle crossings);
- bulk earthworks; and
- traffic generation.

No resource consents are needed by anyone other than the Applicant. The full list of required consents is included in **Attachment 7**.

5.13 OTHER LEGAL AUTHORISATIONS

The property contains the remains of two early water races, constructed in the 1870s to provide irrigation to land on Cromwell Flat. The northern race is located at the base of the escarpment through the middle of the property, and the southern race is located near the southern boundary. The races have subsequently been truncated by 20th century development on either side of the site, with the remaining portions falling into disuse and being partly filled in by natural accumulation processes; both races are almost imperceptible on the site.

While it is proposed to retain the majority of the northern race, that part of the race that extends across the main spine road, along with the entire southern race is proposed to be filled to enable the development as proposed. An authority under the Heritage New Zealand Pouhere Taonga Act 2014 is required.

5.14 OTHER APPLICATIONS

An earlier proposal to rezone the property was declined by Independent Commissioners appointed by the Central Otago District Council in late 2019. A copy of the decision is included as **Attachment 6**.

Reasons for the decision included:

- the proposal will be subject to significant levels of noise from lawfully established horticultural and motorsport activities which constitutes a significant adverse effect in terms of nuisance and amenity; and
- the site is poorly integrated with the urban form of Cromwell.

The Project has been amended to take into account matters raised by submissions, largely in respect to reverse sensitivity and noise, including:

- a range of acoustic attenuation and ventilation home treatment measures to address day-to-day noise, infrequent noise from frost fans and helicopters and noise generated by the adjacent motorsport activities which occur only 16 days and 20 evenings per annum;
- landuse and building typology and location used to manage the effects of noise generated by adjacent landuses;
- a range of allotments sizes with the average allotment size being 346m²;
- establishment of a residents' association to manage any effects of adjacent activities on residents (single point of contact to manage any collective issues e.g. noise); and
- refinement to the no-complaints covenant.

5.15 CLIMATE CHANGE AND NATURAL HAZARDS

There is no significant risk to the site associated natural hazards or climate change that would preclude the use of the site for the activities proposed.

5.16 COMPLIANCE OR ENFORCEMENT ACTIONS

Not Applicable

ATTACHMENT 1
ECONOMIC EFFECTS
ASSESSMENT



PROPERTY ECONOMICS



LAKES DISTRICT RETIREMENT

HOUSING EXPANSION PROPOSAL

ECONOMIC EFFECTS ASSESSMENT

Client: Winton Property Limited

Project No: 51893

Date: July 2020

SCHEDULE

Code	Date	Information / Comments	Project Leader
51893.10	July 2020	Report	Tim Heath / Phil Osborne

DISCLAIMER

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TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	5
2. INTRODUCTION	9
2.1. OBJECTIVES	9
2.2. INFORMATION & DATA SOURCES	10
3. LAKES DISTRICT MARKET (PRE COVID-19)	11
3.1. QUEENSTOWN LAKES DISTRICT MARKET	11
3.2. CENTRAL OTAGO MARKET	14
3.3. REGIONAL ECONOMY.....	16
4. POST COVID-19 ECONOMIC IMPLICATIONS FOR THE LAKES DISTRICT	17
5. PROPOSED DEVELOPMENTS.....	19
6. POTENTIAL ECONOMIC ACTIVITY GENERATION	20
6.1. TOTAL ECONOMIC ACTIVITY.....	20
6.2. ASSUMPTIONS.....	21
6.3. NORTHBROOK ARROWTOWN RETIREMENT VILLAGE	23
6.4. RIVER TERRACE MASTER PLANNED COMMUNITY, CROMWELL.....	25
6.5. NORTHBROOK WANAKA RETIREMENT VILLAGE	27
6.6. TOTAL ECONOMIC CONTRIBUTION TO QLD, COD AND NATIONAL ECONOMY	29
7. OTHER ECONOMIC COSTS AND BENEFITS	30

LIST OF TABLES

TABLE 1: ECONOMIC IMPACT SUMMARY FROM THE LAKES DISTRICT RETIREMENT HOUSING EXPANSION PROPOSAL.....	7
TABLE 2: QUEENSTOWN LAKES DISTRICT EMPLOYMENT ACTIVITY AND TRENDS.....	12
TABLE 3: CENTRAL OTAGO DISTRICT EMPLOYMENT ACTIVITY AND TRENDS	15
TABLE 4: OTAGO REGIONAL EMPLOYMENT COUNT BY SECTOR.....	16
TABLE 5: TOTAL GROSS QLD ECONOMIC INJECTION NORTHBROOK ARROWTOWN	23
TABLE 6: TOTAL GROSS COD ECONOMIC INJECTION RIVER TERRACE.....	26
TABLE 7: TOTAL GROSS QLD ECONOMIC INJECTION NORTHBROOK WANAKA	28

LIST OF FIGURES

FIGURE 1: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – NORTHBROOK ARROWTOWN.....	24
FIGURE 2: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – NORTHBROOK ARROWTOWN.....	24
FIGURE 3: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – RIVER TERRACE	26
FIGURE 4: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – RIVER TERRACE	26
FIGURE 5: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – NORTHBROOK WANAKA.....	28
FIGURE 6: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – NORTHBROOK WANAKA.....	28



1. EXECUTIVE SUMMARY

1. This economic report illustrates the potential economic impacts on the Queenstown Lakes and Central Otago District's ('Lakes Districts') resulting from three large development projects proposed by Winton Property Limited (WPL) in Queenstown, Wanaka, and Cromwell.
2. Over the past two decades the Queenstown Lake District (QLD) has been one of the fastest growing economies in the country. The district has experienced employment growth in excess of 200% from 2000 compared to a national growth rate of 43% over the same period. Over this same period the Central Otago District (COD) has seen growth of approximately 85%¹.
3. While the vast majority of the growth in the QLD are jobs related to the tourism sector, which accounts for 55.6% of Gross Domestic Product (GDP), the Construction sector has experienced substantial growth (the highest proportional growth over the past 20 years), representing the single most productive sector within the QLD economy following the tourism sector. Prior to COVID-19, the QLD construction industry contributed over 10% to the district's GDP in 2019 and comprised approximately 3,000 EC's² or 13% of the district's employment. The COD also saw substantial growth in the construction industry with 1,400 of their 12,000 jobs situated in this sector.
4. Before COVID-19, growth in tourism within the QLD was expected to increase at 6% per annum over the next 13-years.
5. This growth within the QLD tourism and the QLD construction sectors has attracted and retained businesses that represent a contribution of almost 70% to the district's economy, with the construction sector in the QLD representing nearly twice that of the national average.

¹ Statistics NZ Business Frame Data

² EC or Employment Count is the standard employment measure utilised by Statistics NZ

6. The size and contribution of the tourism and construction sectors to the QLD therefore means that these industries are now heavily dependent on sustained and continuing growth in order to keep the district from reaching the estimated unemployment rates and deep recession now predicted in the post COVID-19 economy.
7. While there is no one agreed position on the economic impacts of COVID-19 on the National, Regional or District economies, there are several impact estimates emerging. For the QLD, these include:
 - a) Loss in GDP upwards of 40% (i.e. a loss of \$1.2b from 2019 \$3b);
 - b) Job losses from 25% to 30% or 7,000-9,000 jobs (significantly greater than the national 9% estimates);
 - c) Yearly losses (to March 2021) of 91% international tourism spending and 21% domestic tourism spending;
 - d) 18-fold increase (from February to April 2020) in Ministry of Social Development welfare recipients.
8. While information regarding the potential impacts on the COD are limited, it is expected that unemployment could rise as high as 10.8% by March 2021. The impacts on COD are expected to be lower due to the fact that over 75% of visitor spend is domestic compared to 37% for QLD.
9. The reliance on the tourism and construction sectors to both districts economies therefore increases the significance of the WPL Lakes District Retirement Housing Expansion Proposal in retaining, supporting and growing not only construction industry specific jobs and infrastructure but the Regional and National economies as a whole over the short term.
10. The three projects comprising the Lakes District Retirement Housing Expansion Proposal have been assessed on both the construction phase of each project and the on-going operational and spending phase. These projects are:
 - a. **Northbrook Arrowtown Retirement Village, Queenstown** – a 162-unit, 36 bed private hospital with associated facilities including a café/community centre, recreation facilities, medical centre and childcare.
 - b. **River Terrace Master Planned Community, Cromwell** – a master planned residential community of 751 residential lots (including affordable homes), retail space, 100-unit retirement village with 36 bed private hospital.
 - c. **Northbrook Wanaka Retirement Village, Wanaka** – a 92-unit, 36 bed private hospital with associated facilities including a café/community centre and recreation facilities.
11. Table 1 below summarises the likely contribution of each project to the relevant district's economy over 5-year and 15-year periods. It shows that significant levels of District GDP result from each proposed project, totalling over **s 9(2)(b)(ii)** over a 5-year period (nearly **s 9(2)(b)(ii)**

over a 15-year period), and contributing in excess of 9,000 jobs over 5 years and nearly 15,000 jobs over 15 years.

TABLE 1: ECONOMIC IMPACT SUMMARY FROM THE LAKES DISTRICT RETIREMENT HOUSING EXPANSION PROPOSAL³

Project	Total GDP (\$m)		Total Employment ECs			
	Year 5	Year 15	Year 5	Year 15	Peak Employment	Operational Employment
Northbrook Arrowtown (QLD)	s 9(2)(b)(ii)		3,421	4,102	1,472	118
River Terrace (COD)	s 9(2)(b)(ii)		4,245	8,246	1,906	342
Northbrook Wanaka (QLD)	s 9(2)(b)(ii)		1,857	2,260	700	83
Combined WPL Economic Contribution	s 9(2)(b)(ii)		9,523	14,608		

12. As each project moves from development to operation, the sectors within the economy that benefit change from predominantly construction and construction services to operational and household expenses.
13. While the economic contribution of these projects are in themselves significant, there are other potential economic benefits to the QLD and COD likely to result from these projects including:
 - a) **Safeguarding of existing infrastructure.** While a potential short-term loss of jobs is an obvious impact of COVID-19, loss of business infrastructure, construction capital, and skills are difficult for an economy to regain over the short to medium term, further repressing the district's potential recovery.
 - b) **Provision of increased housing choice.** The introduction of additional affordable housing provides increased opportunity to meet potential growth in construction employment and the associated labour force requirement providing QLD and COD greater potential for indirect and induced benefits, through accommodating population growth and providing for the associated household spending.
 - c) **Improving the competitive nature of the Lakes District retirement village offer.** It is clear that, with only 10% of the 70 plus age group⁴ within the Lakes District residing in retirement villages that this segment of the housing market is unrepresented. Coupled with low vacancies this represents a clear market opportunity for the QLD and COD economies to provide a competitive product in a sought-after location.
 - d) **Increased competitiveness.** Increased competitiveness for retirement housing (and the other commercial facilities within the projects – e.g. childcare, medical)

³ The operational employment for both Northbrook developments includes the addition of on-site jobs

⁴ Urban Economics Evaluation for Market Potential of Retirement Villages in Queenstown, June 2020

provide for a wider, more diverse and competitive market while also attracting additional household demand and wealth to the district.

14. Overall, the three projects represent a significant opportunity to the QLD and COD economies to protect and sustain existing jobs and income, provide additional job opportunities and income, while also providing additional competitive capacity for the medium to long-term recovery.
15. If projects in the order of these three do not proceed immediately, job losses of 25- to-30% (7,000-9,000) and a decline in GDP of § 9(2)(b)(i) (40% of § 9(2)(b)(i)) over the next 12 months are expected in QLD and unemployment of over 10.8% in the COD. This will not only impact the local economy, but it will also have the effect of further impacting the recovery of the national and regional economies.
16. While providing significant economic impetus to the QLD and COD economies, the value to the rest of New Zealand is also substantial with the combined impact on national GDP (over and above that at a district level) over § 9(2)(b)(i) over the next 15 years.

2. INTRODUCTION

Property Economics has been engaged by WPL to undertake an assessment of economic effects of the Lakes District Retirement Housing Expansion Proposal for three large development projects in the Queenstown Lakes and Central Otago Districts.

This analysis is designed to assess the economic implications of each proposed project in terms of the resulting economic activity and impacts from both the construction and operational phases on the local (district level), regional, and national economies.

Additionally, the assessment will identify other potential economic costs and benefits directly associated with the projects themselves in terms of market responses and community wellbeing.

The proposed developments are anticipated to start within the short term (following approval).

2.1. OBJECTIVES

The objectives of this report are to:

- (1) assess the economic activity resulting from specific land uses to identify high-level economic costs and benefits; and
- (2) to quantify the economic impacts of the individual and combined proposed developments.

This analysis undertakes a high-level assessment of the primary sector land uses proposed. The key objectives of the economic effects' analysis include:

- Review and outline information pertaining to the actual measured or potential estimated economic impacts of COVID-19 on the local and regional economies.
- Undertake a high-level economic assessment of the three projects highlighting the impact on the local, regional and national economies.
- Provide commentary on each individual projects' ability to provide diversity to the local and regional economies.
- Provide commentary on qualified economic costs and benefits associated with the projects with particular attention on any social (community) benefits.

2.2. INFORMATION & DATA SOURCES

Information has been obtained from a variety of reputable and reliable data sources and publications, including:

- Census of Population and Dwellings 2013 - Statistics NZ
- Business Frame Employment Data 2019 – Statistics NZ
- Otago Regional Policy Statement – Otago Regional Council
- Queenstown Lakes Operative District Plan – Queenstown Lakes District Council
- Covid Economic Scenarios - Infometrics
- Targeted Covid Relief – NZIER INSIGHT
- RTO Tourism Spend Data - MBIE
- Proposed Developments – Winton Property Limited
- Northbrook Arrowtown Retirement Village and Private Hospital Economic Report – Market Economics, June 2020
- Evaluation for Market Potential of Retirement Villages in Queenstown – UE, June 2020
- National Input / Output Tables (2016) - Statistics NZ
- Regional Input / Output Tables – Property Economics

3. LAKES DISTRICT MARKET (PRE COVID-19)

3.1. QUEENSTOWN LAKES DISTRICT MARKET

The following sections outline the economic environment and trends (pre-COVID) within the QLD market. While the impacts of COVID-19 will inevitably alter this environment (as discussed in the following section), no historic or recorded data is currently available to accurately assess the impacts of the projects on a post COVID-19 economy. That is, any commentary would be based on forecast scenarios. As such, the projects are assessed in light of recorded data from Statistics NZ and the relativity of the results can subsequently be considered conservative (compared to if they were assessed against post COVID-19 data).

It remains prudent to assess the flow-on effects of the proposed projects based on this economic structure due to the fact that construction projects will serve to retain employment and businesses within the targeted industries therefore more likely to create the 'multiplier effects' that would have been seen pre-COVID.

Table 2 illustrates the economic 'make up' of employment composition and employment trends in the QLD over the past 19 years.

Over the past two decades QLD has seen rapid employment growth in nearly all sectors.

Over this period (2000 – 2019) the economy has altered significantly with growth being experienced in more sustainable areas such as professional services and wholesale trade. This, along with growth in the construction sector, has rivalled hospitality (accommodation and food services) for growth.

TABLE 2: QUEENSTOWN LAKES DISTRICT EMPLOYMENT ACTIVITY AND TRENDS

ANZSIC	2000	2006	2008	2009	2010	2015	2017	2018	2019	# Growth (2000 - 2019)	# Growth (2018 - 2019)
A - Agriculture, Forestry and Fishing	384	600	430	448	428	527	525	515	556	+ 45%	+ 8%
B - Mining	21	28	3	3	15	15	18	33	39	+ 86%	+ 18%
C - Manufacturing	268	419	442	412	420	569	722	858	895	+ 234%	+ 4%
D - Electricity, Gas, Water and Waste Services	24	57	72	47	44	65	93	118	119	+ 396%	+ 1%
E - Construction	562	1,701	1,819	1,723	1,520	1,877	2,367	2,752	3,054	+ 443%	+ 11%
F - Wholesale Trade	129	210	227	261	200	339	514	621	604	+ 368%	- 3%
G - Retail Trade	1,209	2,041	2,169	2,116	2,289	2,447	2,954	3,048	3,241	+ 168%	+ 6%
H - Accommodation and Food Services	3,165	4,231	4,420	4,174	4,466	6,038	7,021	7,391	7,527	+ 138%	+ 2%
I - Transport, Postal and Warehousing	435	714	636	672	695	879	1,046	1,092	1,259	+ 189%	+ 15%
J - Information Media and Telecommunications	132	240	220	201	228	249	249	218	246	+ 86%	+ 13%
K - Financial and Insurance Services	127	228	315	293	296	294	267	263	274	+ 116%	+ 4%
L - Rental, Hiring and Real Estate Services	185	433	472	480	477	650	819	840	919	+ 397%	+ 9%
M - Professional, Scientific and Technical Services	251	720	830	863	815	1,051	1,272	1,491	1,691	+ 574%	+ 13%
N - Administrative and Support Services	493	1,089	1,050	919	997	1,369	1,579	1,871	2,016	+ 309%	+ 8%
O - Public Administration and Safety	120	171	274	306	327	405	476	573	666	+ 455%	+ 16%
P - Education and Training	297	458	504	549	570	861	960	999	1,019	+ 243%	+ 2%
Q - Health Care and Social Assistance	214	324	374	390	418	529	705	826	922	+ 331%	+ 12%
R - Arts and Recreation Services	675	945	849	1,019	1,163	1,331	1,573	1,650	1,561	+ 131%	- 5%
S - Other Services	231	353	377	374	411	536	586	692	678	+ 194%	- 2%
Total All Industries	8,922	14,962	15,483	15,250	15,779	20,031	23,746	25,851	27,286	+ 206%	+ 6%

	2000	2006	2008	2009	2010	2015	2017	2018	2019	Growth (2000 - 2019)	Growth (2018 - 2019)
Industrial	1,440	3,125	3,190	3,125	2,895	3,740	4,730	5,415	5,905	310%	9%
Retail	3,900	5,635	5,925	5,665	6,085	7,580	8,920	9,330	9,640	147%	3%
Commercial	1,970	3,790	4,025	3,925	4,080	5,255	6,120	6,760	7,280	270%	8%
Other	1,610	2,410	2,340	2,535	2,725	3,460	3,975	4,345	4,460	177%	3%
Total	8,920	14,960	15,480	15,250	15,785	20,035	23,745	25,850	27,285	206%	6%

Source: Property Economics, Statistics NZ

Visitor numbers have increased exponentially over the past decade. In 2005, Queenstown Airport accommodated just over 600,000 arrivals and departures with 6.5% of these international visitors. By 2017 these numbers grew to over 2,000,000 (230% growth in 12 years), with 28% (1,300% growth in 12 years) of these from international visitors⁵.

This growth has had a material impact on every sector of the QLD economy. Retail spend over the past 6 years has increased by over 77% (compared to 34% for the Region, or 17% when excluding the District), while GDP per capita is the 4th highest across all Territorial Authorities.

⁵ <https://www.queenstownairport.co.nz/corporate/airport-statistics>

This significant growth and pressure has also resulted in a residential property market that has experienced the highest rise in house prices nationally, as well as pressure on infrastructure (due to the high ratio of visitors to permanent residents).

This growth was expected to continue strongly. Tourism was projected to grow at a rate of over 6% per annum over the next 13 years, and Queenstown Airport was pursuing an extension to its noise contours and increased capacity to cater for a projected 150% increase in passenger movements to over 5 million per annum.

Population growth rates are also set to outstrip national averages with Statistics NZ medium projections indicating an annual growth rate of 2.2% compared to 1% nationally.

The growth in tourism experienced in the QLD over the past 19 years has seen both its contribution to GDP increase (up nearly 50% from 2000), and its regional and national significance grow (with Queenstown regional tourism organisation (RTO) growth rates of 6.3%, compared to 2% nationally).

International visitors to the QLD in 2017 contributed \$845m to national GDP. This trend was expected to continue over the foreseeable future, with growth rates of 6% per annum expected to at least 2031.

These tourism growth rates (to March 2020) have been the primary factor driving both business and residential demand (in the form of permanent residents and for rental properties) to the point that:

- Residential property prices have exceeded all other areas nationally, both in terms of increases and more recently in average nominal value;
- There was a significant shortage of rental properties, with rental costs (recently averaging \$690 / week) among the highest in the country;
- Residents, with pressure from sources such as AirBnB, have sought locations (such as Cromwell) further from the tourist centres of Queenstown and Wanaka both for accessibility and affordability.

The construction sector has experienced the second largest nominal growth in the QLD over the past 19 years with employment (EC's) increasing 440% to over 3,000 (EC's) in 2019. At the same time, this sectors contribution to district GDP has increased to over 10% (\$327m in 2019 in comparison to \$65m in 2000) increasing this sector's importance to the overall QLD economy and contributing alongside tourism to business and residential demand.

3.2. CENTRAL OTAGO MARKET

The Central Otago economy has also experienced growth beyond that of the regional, and national averages. With employment growth of 83% over the past 19 years being driven by the construction, administrative support (office), and food and accommodation sectors.

More recently however, the district's economy has seen a slowing of this growth relative to QLD. While 'keeping up' with the national rate of GDP growth over the past 3 years, it has shown signs that its competitiveness in relation to administrative (office) employment has reduced.

In terms of the construction sector, while not experiencing the nominal growth experienced by QLD, COD has seen substantial movements in this sector's importance and relative contribution to the district's economy. In 2000 this sector contributed 7% to the district's GDP (\$55m) increasing to over 13% by 2019 (\$173m).

Growth of over \$39m in the last 10 years situates construction as the third fastest growing sector (in terms of contribution to GDP) in the COD economy.

TABLE 3: CENTRAL OTAGO DISTRICT EMPLOYMENT ACTIVITY AND TRENDS

ANZSIC	2000	2005	2010	2015	2017	2018	2019	# Growth (2000 - 2019)	# Growth (2000 - 2019)
A - Agriculture, Forestry and Fishing	2,517	3,161	2,966	4,149	4,254	3,514	3,593	+ 1,076	+ 41%
B - Mining	3	3	18	33	30	33	33	+ 30	+ 1000%
C - Manufacturing	514	486	581	729	677	671	607	+ 93	+ 18%
D - Electricity, Gas, Water and Waste Services	150	72	140	125	116	269	147	-	- 2%
E - Construction	489	1,090	1,094	1,102	1,229	1,377	1,432	+ 943	+ 193%
F - Wholesale Trade	176	249	274	376	583	436	502	+ 326	+ 185%
G - Retail Trade	653	844	958	1,011	1,033	1,073	1,152	+ 499	+ 76%
H - Accommodation and Food Services	315	581	616	776	867	875	950	+ 635	+ 202%
I - Transport, Postal and Warehousing	250	379	343	407	441	496	436	+ 186	+ 74%
J - Information Media and Telecommunications	57	57	48	60	63	51	51	- 6	- 11%
K - Financial and Insurance Services	60	90	114	72	66	110	75	+ 15	+ 25%
L - Rental, Hiring and Real Estate Services	69	102	152	87	111	132	153	+ 84	+ 122%
M - Professional, Scientific and Technical Services	220	310	338	355	416	420	488	+ 268	+ 122%
N - Administrative and Support Services	326	667	868	1,068	1,325	1,203	1,180	+ 854	+ 262%
O - Public Administration and Safety	138	160	172	194	198	184	224	+ 86	+ 62%
P - Education and Training	428	432	521	531	568	609	607	+ 179	+ 42%
Q - Health Care and Social Assistance	509	688	734	788	793	805	841	+ 332	+ 65%
R - Arts and Recreation Services	75	81	133	185	187	215	188	+ 113	+ 151%
S - Other Services	117	162	201	246	243	264	268	+ 151	+ 129%
Total All Industries	7,066	9,614	10,271	12,294	13,200	12,737	12,927	+ 5,861	+ 83%

	2000	2005	2010	2015	2017	2018	2019	Growth (2000 - 2019)	Growth (2018 - 2019)
Industrial	1,725	2,540	2,630	3,070	3,395	3,415	3,385	96%	-1%
Retail	920	1,340	1,480	1,670	1,770	1,815	1,960	113%	8%
Commercial	1,040	1,625	1,970	2,150	2,510	2,460	2,515	142%	2%
Other	3,380	4,110	4,190	5,405	5,525	5,045	5,070	50%	0%
Total	7,065	9,615	10,270	12,295	13,200	12,735	12,930	83%	2%

3.3. REGIONAL ECONOMY

Table 4 illustrates the regional economy with proportionately more subdued growth than the QLD over the same period. This illustrates the significance of the QLD to the region, with the QLD growing at four times the regional rate and escalating from 11% of the regional economy in 2000 to over 23% by 2019. Over this same period COD has also increased its relative contribution to regional employment, contributing over 11% of Otago's regional employment in 2019.

TABLE 4: OTAGO REGIONAL EMPLOYMENT COUNT BY SECTOR

ANZSIC	2000	2006	2008	2009	2010	2015	2017	2018	2019	# Growth (2000 - 2019)	# Growth (2018 - 2019)
A - Agriculture, Forestry and Fishing	6,960	7,869	8,309	8,420	8,187	9,811	9,637	8,921	9,184	+32%	+3%
B - Mining	295	387	504	503	548	545	617	691	714	+142%	+3%
C - Manufacturing	11,205	11,307	11,092	10,185	9,543	8,532	9,085	9,362	9,009	-20%	-4%
D - Electricity, Gas, Water and Waste Services	629	588	584	697	642	739	811	1,015	983	+56%	-3%
E - Construction	3,865	7,154	7,667	7,485	6,928	7,912	8,986	9,633	10,668	+176%	+11%
F - Wholesale Trade	2,417	2,814	2,955	3,291	2,866	3,507	3,789	3,738	3,761	+56%	+1%
G - Retail Trade	8,502	10,823	11,165	10,587	10,786	11,264	11,849	12,149	12,473	+47%	+3%
H - Accommodation and Food Services	7,688	10,505	10,821	10,137	10,165	12,569	14,054	14,242	14,349	+87%	+1%
I - Transport, Postal and Warehousing	2,961	3,754	3,484	3,499	3,532	3,888	4,060	4,399	4,702	+59%	+7%
J - Information Media and Telecommunications	1,572	1,823	1,784	1,747	1,674	1,653	1,831	1,729	1,745	+11%	+1%
K - Financial and Insurance Services	1,243	1,500	1,747	1,660	1,562	1,513	1,293	1,543	1,394	+12%	-10%
L - Rental, Hiring and Real Estate Services	832	1,375	1,457	1,437	1,502	1,506	1,803	1,881	1,960	+136%	+4%
M - Professional, Scientific and Technical Services	2,831	4,237	4,705	4,686	4,586	4,971	5,581	5,845	6,175	+118%	+6%
N - Administrative and Support Services	2,724	5,388	5,880	5,723	5,251	4,350	4,905	5,490	5,549	+104%	+1%
O - Public Administration and Safety	2,791	3,259	3,372	3,577	3,297	4,179	4,600	4,829	5,119	+83%	+6%
P - Education and Training	9,001	9,404	10,094	10,144	10,505	9,576	9,969	10,345	10,952	+22%	+6%
Q - Health Care and Social Assistance	9,494	10,359	10,627	11,075	11,175	11,777	11,881	12,070	12,448	+31%	+3%
R - Arts and Recreation Services	1,831	2,588	2,515	2,690	2,905	3,139	3,302	3,499	3,382	+85%	-3%
S - Other Services	2,428	3,092	3,057	2,953	2,923	3,093	3,303	3,586	3,485	+44%	-3%
Total All Industries	79,269	98,226	101,819	100,496	98,577	104,524	111,356	114,967	118,052	+49%	+3%

	2000	2006	2008	2009	2010	2015	2017	2018	2019	Growth (2000 - 2019)	Growth (2018 - 2019)
Industrial	21,360	26,030	26,255	25,560	23,935	25,095	27,190	28,400	29,425	38%	4%
Retail	15,035	19,750	20,365	19,205	19,425	21,950	23,795	24,255	24,670	64%	2%
Commercial	15,515	21,685	23,175	22,990	22,350	22,505	24,420	25,760	26,365	70%	2%
Other	27,355	30,755	32,025	32,745	32,865	34,975	35,950	36,555	37,590	37%	3%
Total	79,265	98,220	101,820	100,500	98,575	104,525	111,355	114,970	118,050	49%	3%

Source: Property Economics, Statistics NZ

4. POST COVID-19 ECONOMIC IMPLICATIONS FOR THE LAKES DISTRICT⁶

COVID-19 has had a profound economic and social impact across the globe, within New Zealand, and especially the QLD.

QLD contributed over \$3b to the regional (23%) and national (1%) economies in 2019, but by the middle of April 2020 the national and international 'shut down' resulting from Covid-19 had all but ceased the movement and spend from international tourists into the area.

The standout and likely enduring characteristic of the COVID-19 pandemic is the high level of uncertainty which it has generated and which permeates large swathes of social and economic activity, process and structure throughout the country and the society in which it takes place. While a recession seems inevitable, the depth and duration of recession, and characteristics of the recovery, are highly uncertain.

While historic numbers are not available to assess projects against a post-COVID economy, it is however important to consider the economic effects from proposed development projects on a potential post-COVID economy.

In economic terms, a considerable premium lies on the restoration and recovery of economic wellbeing in production, distribution and employment. It is therefore important to consider potential economic impacts in light of this recovery rather than simply benchmarking these impacts against past economic performance.

Given this, a reasonable approach to understanding the impacts of proposed developments is to consider impacts in the context of:

- Their direct impact on employment. Employment is commonly the biggest determinant of social, economic and wellbeing outcomes for individuals, families, and communities. Employment and the creation of jobs will be critical to recovery at a district and national wide level.
- The level of investment and the confidence this can re-establish in a given market. In particular, how it may stimulate re-investment in jobs, infrastructure, and systems (for example housing, health, and education assets).
- Their ability to provide impact within and over the short term.
- How flexibility, innovative, and adaptive they are in responding to current and future needs.

These aspects are discussed further in section 7 of the report.

It is not surprising that the potential impacts on the QLD economy are likely to be more severely felt than other regions and the national averages. QLD's economic reliance on tourism has

⁶ Including both the QLD and COD.

meant that over 50% (55.6% contribution in 2019) of GDP originates in this sector, with international tourist outnumbering residents by nearly 40 to 1.

Several potential economic realities for QLD have been forecast with estimates indicating [negative] impacts on GDP upwards of 40% (equivalent to a loss of \$1.2b), with job losses ranging to 25% or 30% (7,000 to 9,000 job losses). These impacts are likely to be materially disproportionate to the national impacts and so the response and focus of support on this economy must be equally as focussed.

It is highly unlikely that the tourism sector will support the same levels of employment in the short to medium term. It is therefore important that infrastructure and jobs are maintained and new jobs created in sectors outside of the tourism sector to keep those traditionally employed in the tourism sector in employment, facilitate future recovery, and provide a stable employment and income base.

Projects such as those proposed by WPL provide the much needed catalyst to the economy supporting the previously buoyant construction industry from also falling over and creating new jobs for those previously employed in sectors such as tourism. This activity not only significantly enhances the post-COVID economy, responds to demand that was already present pre-COVID, but it also provides a base for future growth and sustainability once the tourism sectors stabilise.

5. PROPOSED DEVELOPMENTS

The three proposed WPL development projects assessed in this report, and their associated components, include:

1. **Northbrook Arrowtown Retirement Village**, located in Queenstown and including:
 - 162 retirement units;
 - 36 bed private hospital (including memory care);
 - Commercial and community facilities (including recreation facilities, childcare, medical centre, clubhouse including a café, small corner retail and community centre).
2. **River Terrace Master Planned Community**, located in Cromwell and including:
 - 751 residential lots (including affordable homes);
 - Retail space;
 - Open space;
 - 100-unit retirement village, 36 bed private hospital.
3. **Northbrook Wanaka Retirement Village**, located in Wanaka and including:
 - 92 retirement units;
 - 36 bed private hospital (including memory care);
 - Community facilities (including recreation facilities, clubhouse including a café and community centre).

Essentially the developments fall into the categories of providing:

- Retirement housing;
- Aged care;
- Community facilities;
- Affordable housing;
- Commercial spaces;
- Education.

6. POTENTIAL ECONOMIC ACTIVITY GENERATION

This economic impact estimates the total additional gross injection (Added Gross Domestic Product (GDP)) into the QLD and COD economies brought about by the three proposed developments.

The initial specifications and details have been provided by WPL and represent the development's configuration and costings at this point in time.

It is important to note that this is a gross injection and is not site specific.

It also assesses the likely economic impacts upon QLD and COD business activity given the composition of activities above.

Although there are undoubtedly economic benefits that are specific to the locations, they are primarily driven by proximity to transport corridors, efficiencies, ownership opportunities, site size and the opportunity costs associated with other sites.

The economic impacts likely to be experienced as a result of the anticipated developments are broken down into two phases:

1. The development phase which includes the construction costs (CAPEX⁷) of the development and the proportion of those costs that are retained within the District; and
2. The second phase is the on-going operations (OPEX⁸) of the anticipated developments.

Both these phases are measured in terms of their expected direct, indirect, and induced economic impacts upon the district economy.

The direct economic impacts are derived from the actual spending / expenses incurred through the operation of the anticipated development.

Indirect economic impacts are the increased spending brought about by those firms / households and their employees / occupants, who supply the development., while induced economic benefits are measured in terms of the additional income that will be spent in the area due to increased business activity.

6.1. TOTAL ECONOMIC ACTIVITY

Phase one includes construction costs, which have been valued for the overall developments.

The impact of this injection on the initial business cycle has been calculated. This 'construction multiplier' was based on the national input-output tables produced by Statistics New Zealand (2016 based on 106 sectors), which were then assessed at a district level based on QLD and COD's economic activity, composition and productivities.

⁷ CAPEX – Capital Expenditure

⁸ OPEX – Operational Expenditure

This estimates the 'leakage' from the regional economy (within specified sectors), and therefore the overall district production (within a given business cycle) for each \$1 injected.

This was performed for the general residential / commercial / industrial construction, commercial and retail sectors. These multipliers are based on 'net' flows by broad sector type and are therefore approximations.

Total output impacts to the QLD and COD catchments for the proposed developments include:

- Direct Construction Cost x 'Construction Multiplier' +
- Direct Development Cost x 'Development Multiplier' +
- Direct Increased Commercial Spending x 'Commercial Multiplier' +
- Indirect Business Spend x 'Commercial Multiplier' +
- Induced Retail Spending x 'Retail Multiplier'

Each identified multiplier relates simply to the economic sector from which the activity is generated.

6.2. ASSUMPTIONS

The following assumptions have been applied in this impact analysis in order to assess the level of economic injection into the overall economy at this time. This has some (limited) impact on the distributional effects of the costs and benefits but can be quickly adjusted to accommodate more specific construction and on-going costs and injections.

1. For the purposes of this Economic Impact Assessment it has been assumed that the construction costs will fall within the definition of the following categories (based on a standard 'special' commercial ratio): 'non-residential construction', 'non-building construction', 'other construction services'.
2. Associated (and estimated) land costs have been included in the financial repayment assessment for each project.
3. Financial or loan costs on capital primarily fall outside of the local district and impact the national economy.
4. The origin of labour has been assessed based on regional labour movements furnished by Statistics NZ based on 2013 data. However, employment data has been updated as per the Business Frame data⁹ to March 2019.
5. This report deals with the economic impact of proposed development on the QLD and COD. These are specifically the direct impacts related to the operation and construction of the proposed development.

⁹ Business Frame Data – provides Statistics NZ measure of employment in an area by ANZSIC sector.

6. The economic activity generated is based on the developments gross activity and does not consider this redirecting growth opportunities from elsewhere in the catchments. As stated, this assessment is not site specific.
7. For the purposes of this report an 6% discount rate has been applied.
8. Labour movements are based on average retention rates rather than specific company locations.
9. The proportion of materials and labour internalised in direct benefits to QLD and COD are based on standardised labour movements as well as employment (depicted in Tables 2 and 3) and production composition within the District. The amount of each 'flow-on' dollar retained in QLD and COD are based on the movement of resources (including labour) between other districts and regions.

Phase 2 involves the on-going activity generated by each project.

There are several key assumptions that are included for each project including during Phase 2:

1. All activity resulting from the on-going operations is net to the economy. In terms of specific projects, this assumes that the development of additional facilities (such as homes or retirement units) meets a demand that would not otherwise be met (or it creates its own demand), e.g. the provision of affordable housing increases the competitive market within QLD and COD, thus generating additional residential demand and providing a product that would not otherwise be supplied.
2. Where possible specific operational accounts have been utilised, in all other cases industry averages have been applied.
3. While finance has been based on total construction costs, QLD and COD rates have been based on a 20% margin over and above total development value.

6.3. NORTHBROOK ARROWTOWN RETIREMENT VILLAGE

Northbrook Arrowtown Retirement Village (Northbrook Arrowtown) is located in Queenstown and includes:

- Retirement Village (162 units)
- 36 bed Private Hospital
- Club House
- Recreation Facilities
- Medical Centre
- Childcare Centre

Construction costs include:

- Total Construction s 9(2)(b)(ii)
- WPL Fitout s 9(2)(b)(ii)
- Medical Centre Fitout s 9(2)(b)(ii)
- Childcare Fitout s 9(2)(b)(ii)

Operational costs at capacity include:

- Wages and Salaries s 9(2)(b)(ii)
- Village s 9(2)(b)(ii)
- Club House s 9(2)(b)(ii)
- Rates s 9(2)(b)(ii)
- Childcare s 9(2)(b)(ii)
- Medical Centre s 9(2)(b)(ii)

Table 5 outlines the resulting impacts on the QLD economy¹⁰ as a result of both the development and the on-going operation of the Retirement Village and facilities¹¹. While Figures 1 and 2 illustrate the overall impact on the regional and national economies in terms of GDP and employment over the 15-year period.

TABLE 5: TOTAL GROSS QLD ECONOMIC INJECTION NORTHBROOK ARROWTOWN

(\$m)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
CAPEX	s 9(2)(b)(ii)															
OPEX (Plus Final Demand)	s 9(2)(b)(ii)															
Multiplier																
TOTAL NET QLD ACTIVITY	s 9(2)(b)(ii)															
Total Employment	250	1,472	775	655	269	68	68	70	69	70	69	68	67	66	66	4,102

¹⁰ It is important to note that CAPEX figures in Table 5 do not align with the preceding direct expenses. Table 5 represents the impact on QLD economy including both the indirect and induced impacts on the CAPEX expenditure.

¹¹ Note that CAPEX and OPEX spend included in Table 5 excludes construction and operational costs that are spent outside the QLD in other regions.

FIGURE 1: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – NORTHBROOK

ARROWTOWN

s 9(2)(b)(ii)

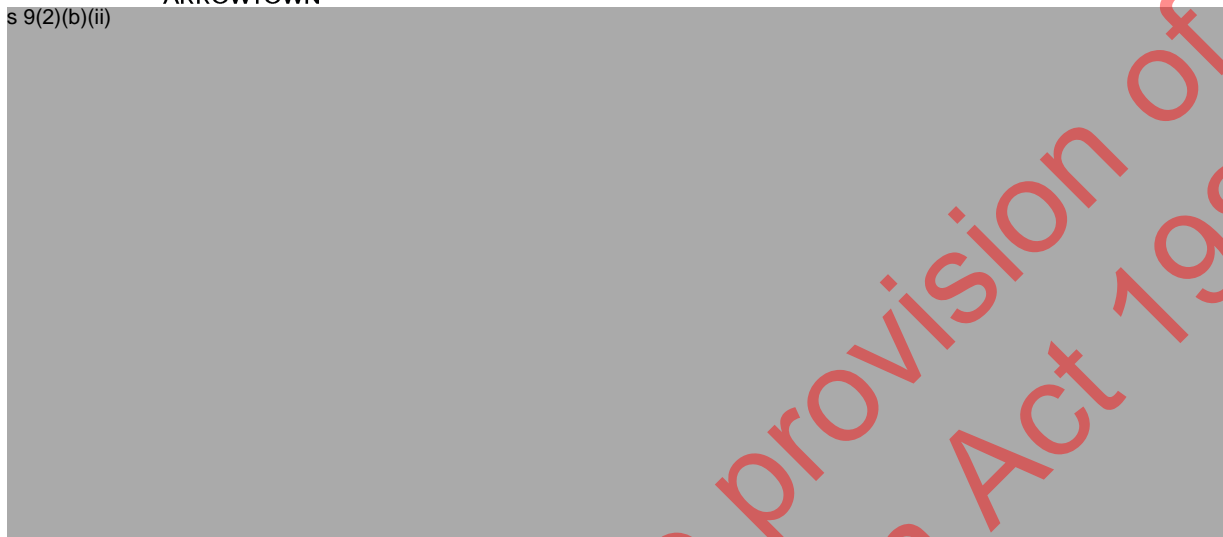


FIGURE 2: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – NORTHBROOK

ARROWTOWN

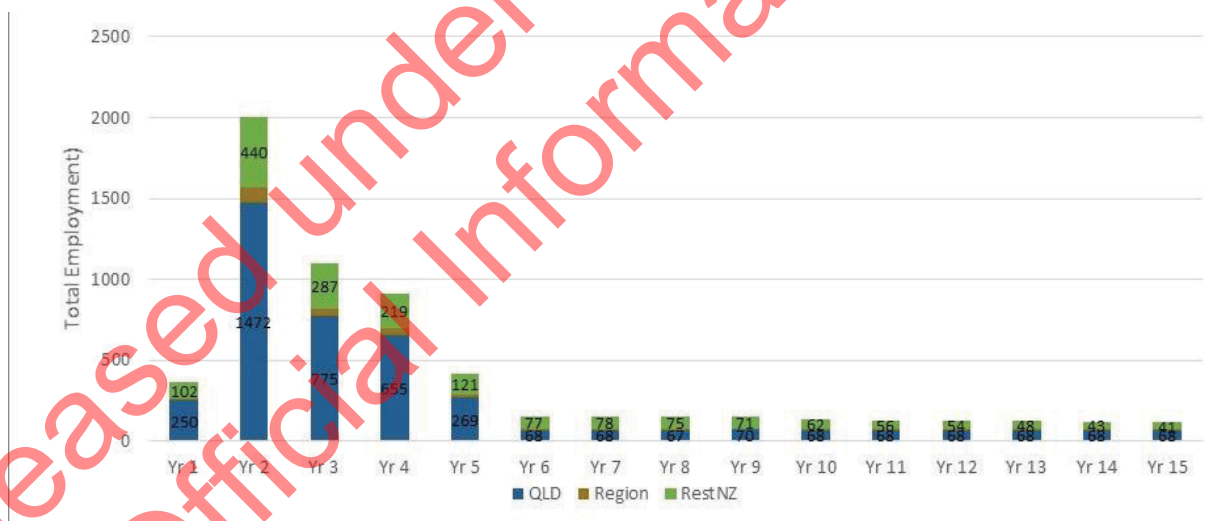


Table 1 indicates that the total impact on business activity within QLD as a result of the proposed Northbrook Arrowtown Retirement Village over an operational (retirement village) 15-year period is estimated to be in the order of s 9(2)(b)(ii)

In terms of employment multipliers this would contribute on average 680 jobs per year to the QLD during the first 5 years of construction, with a peak during construction in year 2 of nearly 1,000¹² jobs. Beyond Year 15 this will continue to contribute up to 118 jobs within the QLD¹³.

Regionally, Northbrook Arrowtown is expected to contribute an additional $\text{\$ } 9(2)(b)(ii)$ in GDP and 253 jobs over the 15-year period (over and above the impact on QLD). At a national level the development provides for a further $\text{\$ } 9(2)(b)(ii)$ in national GDP and 1,774 jobs over the 15-year period.

6.4. RIVER TERRACE MASTER PLANNED COMMUNITY, CROMWELL

River Terrace Master Planned Community (River Terrace) is located in Cromwell and includes:

- 751 residential lots (including affordable homes)
- Retail space
- Open space
- 100-unit retirement village, 36 bed private hospital

Construction costs include:

- Total Construction (incl Fitout) $\text{\$ } 9(2)(b)(ii)$
- Total Civils (incl utilities) $\text{\$ } 9(2)(b)(ii)$

Operational costs include:

- Average Income and Spending from 751 additional households
- Proportional retirement operating budget to Northbrook Arrowtown

The level of on-going economic injection resulting from this project is based on the introduction of an additional 751 households to the local area which, in themselves, provide additional economic activity due to household spending, etc. (rather than the potential business relocation potential).

Table 6 outlines the resulting impacts on the COD economy as a result of both the development and the on-going operation of River Terrace¹⁴. While Figures 3 and 4 illustrate the overall impact on the Regional and National economies in terms of GDP and employment over a 15-year period.

¹² NB These are all jobs created through the direct construction phase including indirect and induced employment through all business sectors (not solely construction jobs)

¹³ Beyond Year 15 the national contribution is likely to diminish as financial loans are repaid. Additional to the indirect and induced jobs outlined are approximately 52 jobs directly provided onsite.

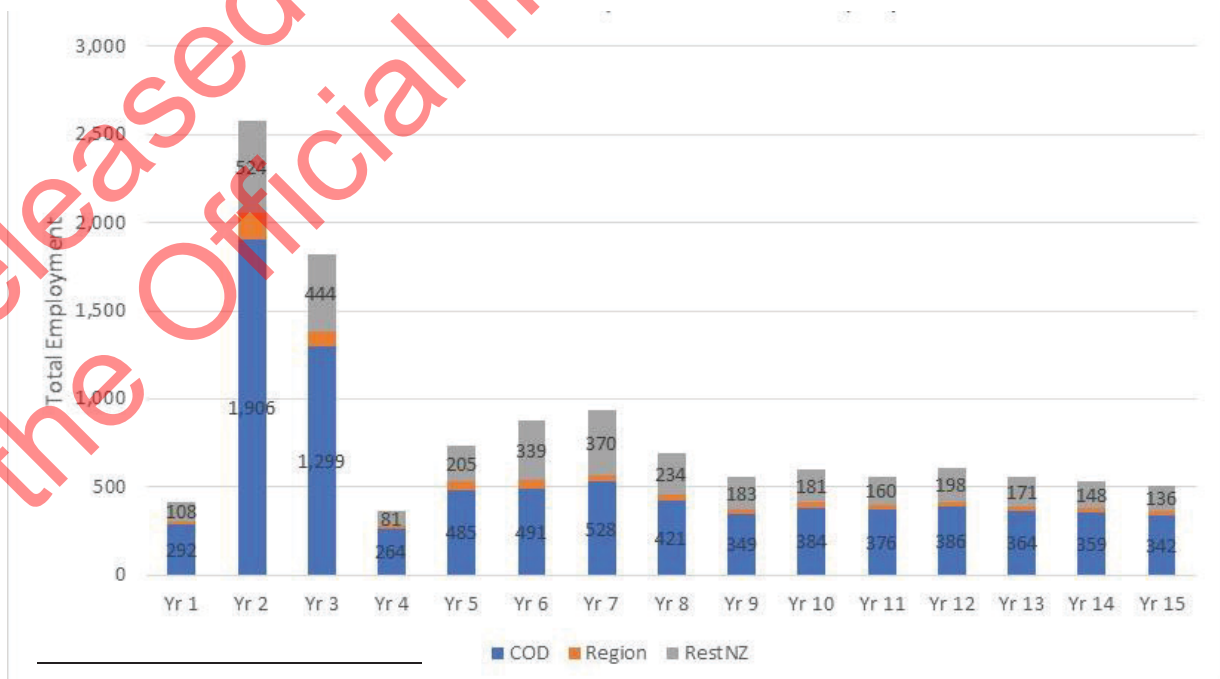
¹⁴ Note that CAPEX and OPEX spend included in Table 6 excludes construction and operational costs that are spent outside the COD in other regions.

TABLE 6: TOTAL GROSS COD ECONOMIC INJECTION RIVER TERRACE¹⁵

(\$m)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
CAPEX	s 9(2)(b)(ii)															
OPEX (Plus Final Demand)	s 9(2)(b)(ii)															
Multiplier																
TOTAL NET COD ACTIVITY	s 9(2)(b)(ii)															
Total Employment	292	1,906	1,299	264	485	491	528	421	349	384	376	386	364	359	342	8,246

FIGURE 3: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – RIVER TERRACE

s 9(2)(b)(ii)

FIGURE 4: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – RIVER TERRACE

¹⁵ Note The level of economic activity within COD is lower (even given the arbitrary nature of the Territorial Boundaries) than QLD as a result the proportional retention of activity is proportionately lower than the QLD projects

Table 6 illustrates that the total impact on business activity within COD as a result of the River Terrace development over an operational (retirement village and additional household spend for the housing) 15 year period is estimated to be in the order of $\$9(2)(b)(ii)$

In terms of employment multipliers this would contribute 1,900¹⁶ jobs during the peak year of construction, and 350 per annum once construction is completed.

At a regional level, River Terrace is expected to contribute an additional $\$9(2)(b)(ii)$ in GDP and 617 jobs over the 15-year period. At a national level, the development provides for a further $\$9(2)(b)(ii)$ in national GDP and 3,483 jobs over the 15-year period.

6.5. NORTHBROOK WANAKA RETIREMENT VILLAGE

Northbrook Wanaka Retirement Village (Northbrook Wanaka) is located in Wanaka and includes:

- Retirement Village (92 units)
- 36 bed Private Hospital
- Club House
- Recreation Facilities

Construction costs include:

- Total Construction $\$9(2)(b)(ii)$
- Total Fitout $\$9(2)(b)(ii)$

Operational costs include:

- Average Operational Expenses $\$9(2)(b)(ii)$
- Average Other Expenses $\$9(2)(b)(ii)$
- Labour Proportion $\$9(2)(b)(ii)$
- EBIT $\$9(2)(b)(ii)$

Table 7 outlines the resulting impacts on the QLD economy as a result of both the development and the on-going operation of Northbrook Wanaka¹⁷. While Figures 5 and 6 illustrate the overall impact on the regional and national economies in terms of GDP and employment over a 15-year period.

¹⁶ NB These are all jobs created through the direct construction phase including indirect and induced employment through all business sectors (not solely construction jobs)

¹⁷ Note that CAPEX and OPEX spend included in Table 5 excludes construction and operational costs that are spent outside the QLD in other regions.

TABLE 7: TOTAL GROSS QLD ECONOMIC INJECTION NORTHBROOK WANAKA

(\$m)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
CAPEX	s 9(2)(b)(ii)															
OPEX (Plus Final Demand)	s 9(2)(b)(ii)															
Multiplier																
TOTAL NET QLD ACTIVITY	s 9(2)(b)(ii)															
Total Employment	78	394	709	633	42	39	39	42	41	39	42	39	38	38	38	2,259

FIGURE 5: DISTRIBUTION OF TOTAL GDP IMPACTS (\$M) OVER 15 YEAR PERIOD – NORTHBROOK

s 9(2)(b)(ii)

FIGURE 6: DISTRIBUTION OF TOTAL EMPLOYMENT OVER 15 YEAR PERIOD – NORTHBROOK

The preceding table illustrates that the total impact on business activity within QLD as a result of Northbrook Wanaka over an operational (retirement village) 15 year period is estimated to be in the order of $\$9(2)(b)(ii)$. Total contribution over the first 5 years is expected to be $\$9(2)(b)(ii)$.

In terms of employment multipliers this would contribute over 38 jobs during the peak construction year within QLD, with the ongoing operational local employment benefitting by 38 jobs per annum.

Regionally, Northbrook Wanaka is expected to contribute an additional $\$9(2)(b)(ii)$ in GDP and 133 jobs over the 15-year period. At a national level the development provides for a further $\$9(2)(b)(ii)$ in national GDP and 1,110 jobs over the 15-year period.

6.6. TOTAL ECONOMIC CONTRIBUTION TO QLD, COD AND NATIONAL ECONOMY

Given the individual assumptions relating to demand and supply it is possible to aggregate the three proposed WPL developments and assess their relative combined value of the Lakes District Retirement Housing Expansion Proposal to the QLD and COD economies

Over a 15-year period, the three developments and their operations are expected to contribute over $\$9(2)(b)(ii)$ to the QLD and COD economies and contribute over 1,500 jobs per annum on an on-going operational (and household spend) basis.

Regional GDP will be impacted by an additional $\$9(2)(b)(ii)$ over this period, while the developments will add a further $\$9(2)(b)(ii)$ to the national GDP.

Importantly, with the expected level of construction, over $\$9(2)(b)(ii)$ of this injection is likely to occur in the next 5 years (assuming no supply restrictions). With a current GDP for QLD at $\$9(2)(b)(ii)$ per annum¹⁹ this represents the potential for proportionate growth of $\$9(2)(b)(ii)$.

Given that the potential impacts of COVID-19 are likely to be most strongly felt during this period, this level of investment into the district economies goes beyond this nominal level of input with the retention and support of businesses and infrastructure providing greater sustainability for the district's longer term economic wellbeing and recovery.

¹⁸ NB These are all jobs created through the direct construction phase including indirect and induced employment through all business sectors (not solely construction jobs)

¹⁹ <https://ecoprofile.infometrics.co.nz/Queenstown-Lakes%20District>

7. OTHER ECONOMIC COSTS AND BENEFITS

Due to the diverse nature of the projects assessed, there are a range of potential economic costs and benefits that are likely to be achieved within the market beyond the direct economic activity (employment and GDP) generated.

There are essentially five primary considerations that contribute to the overall economic benefit of the proposed developments.

1. **Opportunity and Equity:** The development of proposed retirement villages and associated facilities / amenities has the potential to increase the competitive profile of the QLD and COD providing opportunity for employment retention within and between the local economies.

The opportunity to retain employment is vital for the economic well-being of the district's economies. This in turn is likely to increase population growth and provide greater economies of scale and productivity.

2. **Increased Retention:** Increased retention of employment provides for population retention, greater levels of amenity, and improved community investment.
3. **Operational Efficiencies:** Along with increasing labour productivities, the development of additional employment and households is likely to improve overall business efficiencies increasing the competitive environment for the district.

As identified, the construction industry within QLD and COD have seen the greatest proportional growth over the past 15 years. This is in part due to the ability for the growing market to internalise demand for growth into district activity and jobs. These improved densities are also likely to improve infrastructure provision and lower marginal costs.

The provision of additional affordable housing provides greater levels of permanent residents within the area providing for greater agglomeration benefits and resource efficiencies.

4. **Housing:** A key consideration for these districts is the ability for employees to be located within an area that is accessible and affordable. A key driver of unaffordable housing is the demand directed through business location. The motivation for WPL is to redirect that demand to an area that typically has lower demand and therefore lower land and build values.

Additionally, the development of 751 dwellings is likely to provide some additional options to the general market while providing greater levels of amenity afforded by a master planned development.

5. **Competitive Demand:** The provision of an additional 354 retirement units across both districts not only facilitates greater choice and is likely to have a positive impact on product pricing, but also provides the districts with the ability to attract an increasingly diverse resident demographic enabling greater population growth and ensuing economic activity.

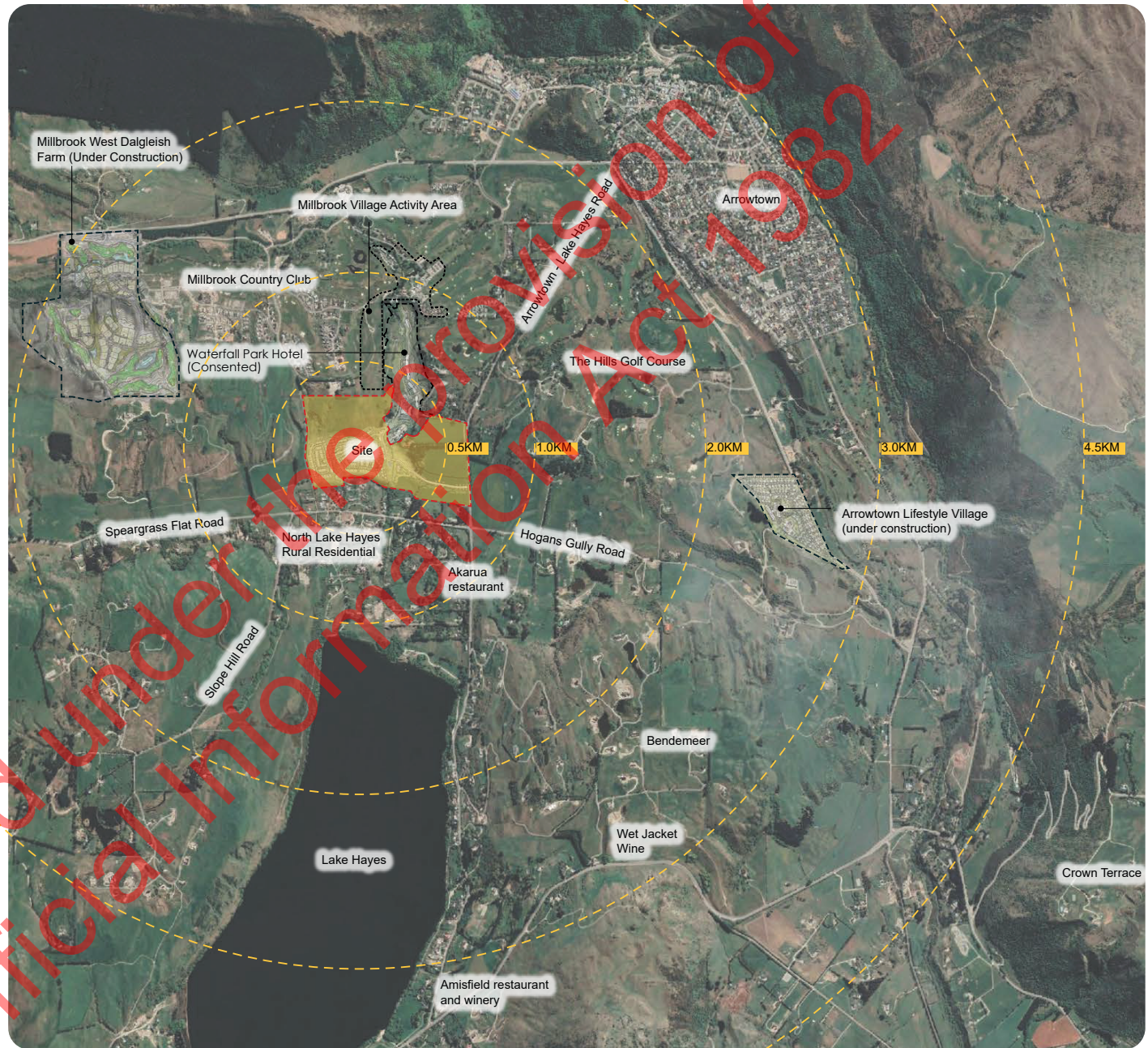
ATTACHMENT 2

LOCATION PLANS



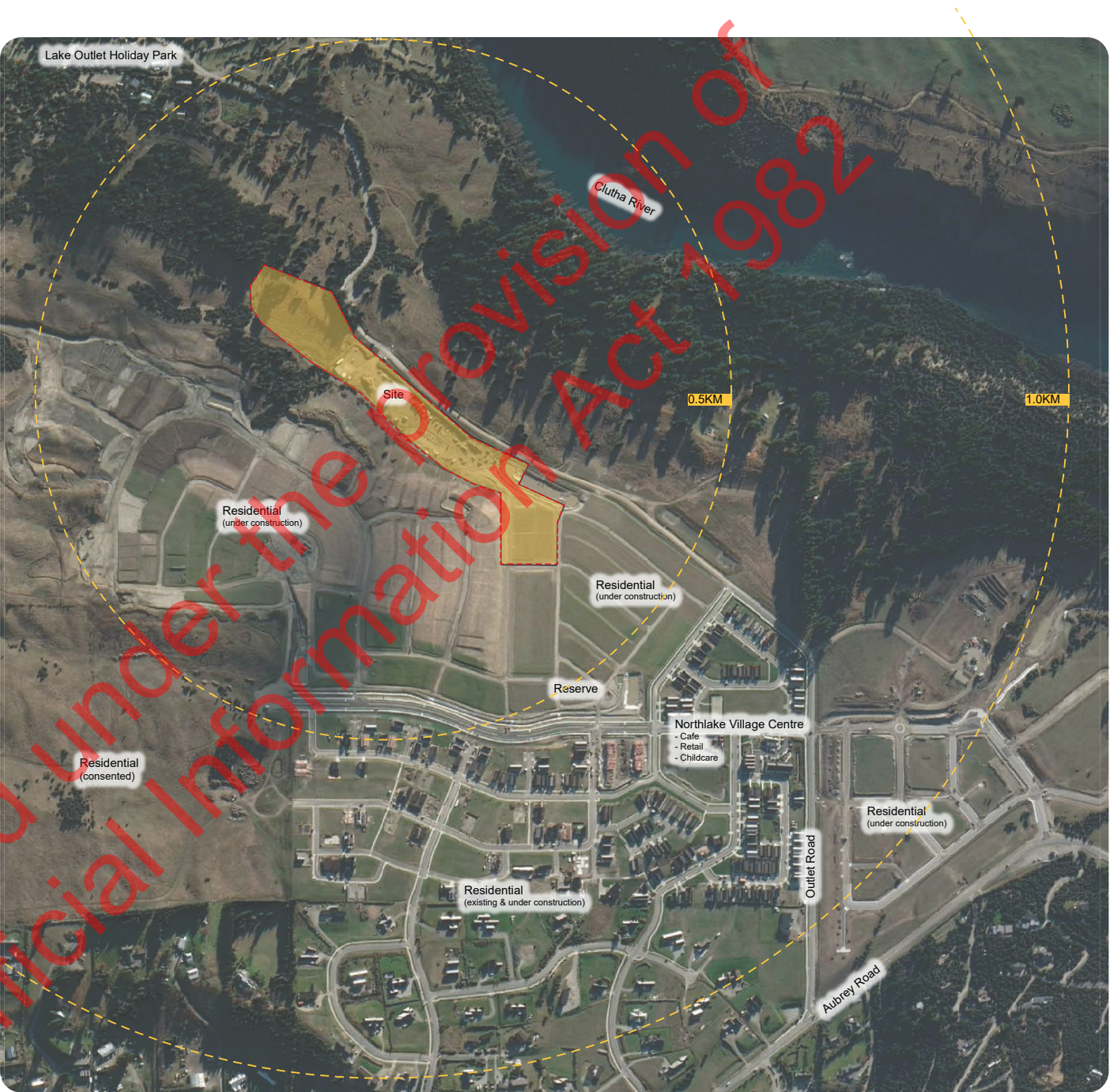


Northbrook Arrowtown Site Location

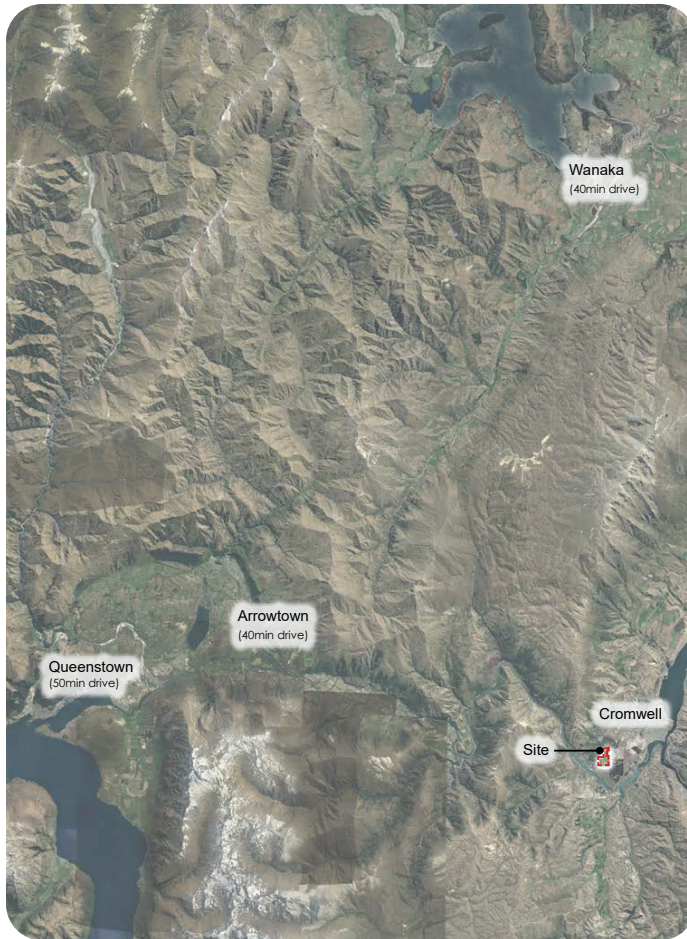




Northbrook Northlake Site Location



Northbrook - Northlake - Site Location - Greater Area Map



River Terrace Cromwell Site Location



ATTACHMENT 3
NORTHBROOK ARROWTOWN
RETIREMENT VILLAGE SITE
LAYOUT AND BULK AND
LOCATION PLANS





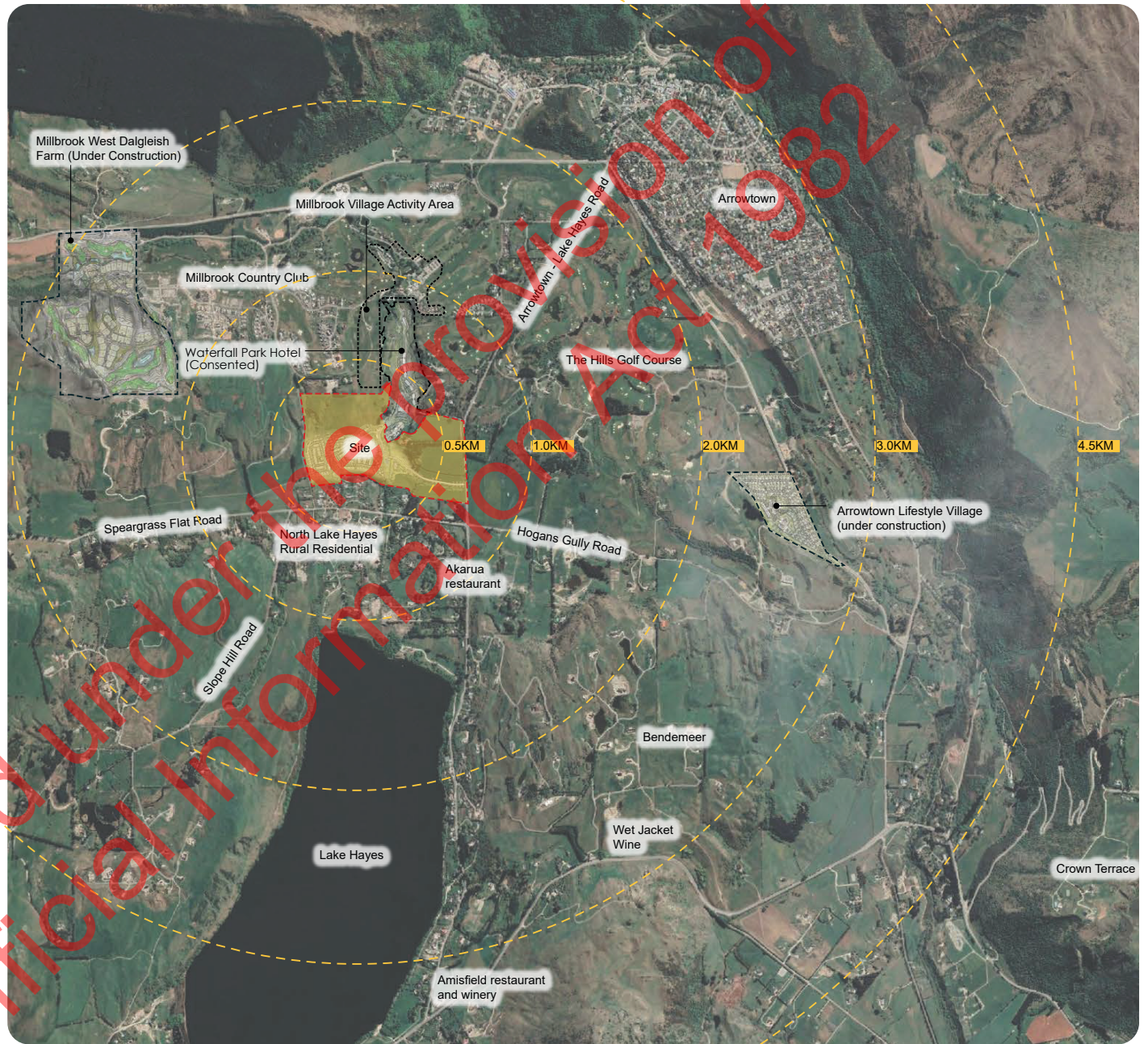
Northbrook

Arrowtown





Northbrook Arrowtown Site Location





KEY:



Public Transport Node



Key Road Links



Waterfall Park Access Road, Hotel and Legal Road



Existing Public Trail (shared cycle and pedestrian)



Proposed Public Trail (shared cycle and pedestrian)



Existing Esplanade Reserve



Consented Waterfall Park Access Road Public Trail

