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Comments on applications for referral under the COVID-19 Recovery (Fast-track Consenting) Act 2020

This form is for local authorities to provide comments to the Minister for the Environment on an application to refer a project to an expert consenting panel under the COVID-19 Recovery (Fast-track Consenting) Act 2020.

Local authority providing comment	Otago Regional Council
Contact person (if follow-up is required)	Mat Bell
	Team Leader Consents
	s 9(2)(a)

Comment form

Please use the table below to comment on the application.

Project name	Silverlight Studios
General comment – potential benefits	The development will provide social and economic benefits to the region including jobs for construction, and also large ongoing employment at the facility. It will also become a tourist attraction. It will provide benefits to the New Zealand and international film industries as filming facility space is full.
General comment – significant issues	There are no significant issues identified. The Regional Plan Water for Otago is currently going through some plan changes. Proposed Plan Change 7 seeks to limit the granting of water permits for a short term of consent, while a new Land and Water Plan is developed in Otago. Proposed Plan Change 8 introduces some rules with regard to land disturbance and effects on water for residential development (if applicable). The applicant maybe able to connect to reticulation for water supply, and wastewater.
Is Fast-track appropriate?	There is no reason as to why this application could not use the Fast-track process.
Environmental compliance history	There is no Otago Regional Council compliance or enforcement history with Silverlight Studios
Iwi and iwi authorities	Te Runanga o Ngai Tahu, Te Ao Marama Inc and Aukaha
Relationship agreements under the RMA	No agreements currently in place
Insert responses to other specific requests in the Minister's letter (if applicable)	1. The applicant may need to discharge wastewater to land if they cannot connect to the Council's wastewater system. If this is the case: a. What potential environmental effects do you consider the proposal having on land and freshwater? The potential

environmental effects are discharges of contaminants to groundwater and surface water, and discharges of odour to air. However, this can be mitigated with appropriate treatment and an adequate disposal area. **b. What level of treatment would you expect before discharge?** Most large scale modern consented discharges are treated to secondary standard, some also have tertiary disinfection **c. Are there any reasons why discharge of treated wastewater is unsuitable in this location?** No, depth to groundwater is large, and suitable distance from the Clutha River/Mata-Au can be obtained **d. What information should the applicant provide to the expert consenting panel regarding wastewater discharge if this project is referred?** Confirmed depths to groundwater from the land disposal area, any neighbouring water bore or surface water abstraction locations, distance to the Clutha River/Mata-Au from the disposal field. Expected volumes of wastewater produced, treatment levels, land disposal methods. **2. The applicant may need to abstract groundwater for potable water. If this is the case: a. Is groundwater and freshwater in the area fully allocated or over allocated?** In terms of surface water there is currently no allocation limit set for the Clutha River/Mata-Au. Permitted activity provides for 100 litres per second and 1 million litres per day. The Wanaka Basin Cardrona Gravel Aquifer is fully allocated. There are consented water takes at the site, the applicant might be able to obtain through transfer of ownership. **b. What information should the applicant provide to the panel regarding potable water if this project is referred?** Namely the location of proposed take, volumes of water proposed, how water will be used efficiently, assessment against Proposed Plan Change 7. **3. The applicant proposes to convert and expand the existing reservoir to a lake. a. Are there any issues with this occurring?** As this is a man-made reservoir, Building Act requirements will need to be met. As it is not a bed of a lake or river defined under the RMA, consents for structures and bed disturbance is unlikely to be required. If damming 3 metres above ground level, a resource consent maybe required for damming water. Permitted stormwater discharge rules in the Regional Plan for Otago will need to be met. **b. What information should the applicant provide on earthworks and water takes for this activity if the application is referred?** An assessment of land disturbance rules in Proposed Plan Change 8, Construction mitigation measures to reduce or avoid adverse effects on water. An assessment on water availability, efficiency, effects on neighbouring users, an assessment against Proposed Plan Change 7 **4. If the project progresses to the expert consenting panel, are there any other technical reports that the applicant should provide in their consent application?** Groundwater effects assessment report, surface water effects assessment report. Wastewater design and effects assessment report. Stormwater management report. Planning assessments for Proposed Plan Change 7 and 8 of the Regional Plan Water for Otago. **5. If the project progresses to the expert consenting panel, are there any groups that the expert consenting panel should invite to provide comments on the application?** Depending on level of effects on ground and surface water, Department of Conservation, Otago Fish and Game, Te Runanga o Ngai Tahu, Te Ao Marama Inc and Aukaha. Surrounding groundwater users. **If so, please specify reasons.** If discharge treatment levels are not suitable, and contamination to groundwater is a potential effect these parties maybe affected. Depending on drawdown of groundwater, surrounding groundwater users maybe affected. **6. Does the applicant, or a company owned by the applicant,**

	have any environmental regulatory compliance history in your region? None recorded
Other considerations	On the site there are water bores and an associated groundwater permit for irrigation. The site borders the Clutha River/ Mata-Au which contains a number of values in Regional Plan: Water. The majority of resource consents in proximity to the site are associated with rural irrigation.

Note: All comments, including your name and contact details, will be made available to the public and the applicant either in response to an Official Information Act request or as part of the Ministry's proactive release of information. Please advise if you object to the release of any information contained in your comments, including your name and contact details. You have the right to request access to or to correct any personal information you supply to the Ministry.

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Local authority providing comment	Queenstown Lakes District Council
Contact person (if follow-up is required)	Fiona Blight
	Manager Resource Consents
	s 9(2)(a)

Comment form

Please use the table below to comment on the application.

Project name	Silverlight Studios
General comment – potential benefits	<p>Queenstown Lakes District Council (QLDC or Council) considers that the proposal is appropriate as a COVID 19 Recovery Fast-track Consenting application under the Act. The unique, scale, and comprehensive nature of the proposal means that it is one that is not easily catered for by either the QLDC Operative or Proposed District Plan zoning and provisions.</p> <p>QLDC recognises that the project is distinctive from those that simply want to fast track “normal development” processes. It has the opportunity to provide new and distinct employment in the Wanaka area and to diversify the local economy. The proposal is aligned to the government’s agenda for developing the country’s film industry capacity, and should complement and strengthen the significance of the district as the countries third key film centre of excellence. Putting this project through the Fast Track Consenting process will provide the time efficiencies to be able to react to, and capture a slice of, the international film making industry in its recovery from Covid-19. This opportunity could be lost through a normal RMA process.</p> <p>The Covid-19 Fast Track Consenting process provides the opportunity for this development to be heard by an Environment Court appointed panel, who can apply the criteria afforded by this legislation to weigh up the significant long term economic benefits and diversity this development is likely to deliver for the Queenstown Lakes District community, against the adverse effects on things like landscape character, that are likely to be able to be managed to appropriate and acceptable levels.</p> <p>Attached are copies of both QLDC’s current statement on the film industry, which recognises the specific opportunities that exist from developing this industry (as opposed to this development per se), along with a brief summary of the contribution of the current film industry to the district. The OlsbergSPI benefits matrix demonstrates the spread of benefit from the sector across a local economy.</p>
General comment – significant issues	The timeframe and outcome that may result from the road closing process, if the unformed legal roads through the site need to be closed.
Is Fast-track appropriate?	<p>Yes, the Fast Track consenting process is appropriate for the reasons set out above under General Comments – potential benefits.</p> <p>Additionally, due to the anticipated positive economic outcomes for the District (and New Zealand), there is a strategic community benefit for the project to continue through the Fast</p>

	<p>Track Consenting process. The site is large and from the application information it appears that it can accommodate the proposed development in relative isolation from other activities.</p> <p>With regard to Section 18 of the Act, the project is not a prohibited activity under the Resource Management Act 1991 or the Queenstown Lakes Operative or Proposed District Plans. The activity is not on land returned under a Treaty settlement, and will not occur in a customary marine title area or a protected customary rights area.</p>
Environmental compliance history	QLDC is not aware of any environmental compliance issues with this site or with the applicant.
Iwi and iwi authorities	Ngai Tahu through its established RMA organisations for the QLDC area, being Aukaha and Te Ao Marama. These two organisations undertake any required liaison with the seven Runanga affiliated to the District, and with Te Runanga o Ngai Tahu (TRoNT), and provide comments and approvals on behalf of Runanga on projects.
Relationship agreements under the RMA	N/A
Insert responses to other specific requests in the Minister's letter (if applicable)	<p><i>Have you had any discussions with the applicant on the provision of three waters infrastructure to the site?</i></p> <p>No.</p> <p><i>Is it possible for the proposed development to connect to Council's existing reticulated three waters infrastructure? If not, what type of upgrade is likely to be required?</i></p> <p>Storm water:</p> <p>QLDC has no concerns over the ability to collect and treat storm water appropriately on the site.</p> <p>Water:</p> <p>The proposal states that water will come from three private bores on the site, and that there is a water race from Luggate Creek. The engineering report accompanying the application provides an estimated potable water demand, and states that the level of demand estimated is comfortably serviceable via bore supply.</p> <p>The engineering report also refers to the QLDC owned bore and water main which is associated with Corbridge Water Supply Scheme. This is a small water scheme and should the applicant wish to utilise water from this scheme for this development, the applicant will need to provide as part of its application information detailing how much water is required so that modelling could be undertaken to confirm that there is capacity in the scheme for the desired supply.</p> <p>Wastewater:</p> <p><u>On-site treatment and disposal option</u> – is primarily a matter for Otago Regional Council. For an application proceeding through a normal RMA process QLDC would require evidence that any on-site treatment and disposal was not going to affect water aquifers used by QLDC to extract water for municipal supplies.</p> <p><u>Connection to the Wanaka Wastewater treatment plant Wanaka Airport</u> – the engineering report with the application states that the estimated total daily peak wastewater demand will be 85m³/day. The additional flow into the Wanaka Wastewater treatment plant will need to be modelled to understand impacts during peak time. However, if the model shows that the additional volume exceeds peak demand flows, capacity options are available such as holding wastewater on site and pumping to the wastewater treatment plant outside peak times. The site is currently not covered in the QLDC Wanaka Wastewater treatment plant resource consent, and therefore it's highly likely that QLDC would need to alter its resource consent from Otago Regional Council to include this wastewater disposal into the current plant. QLDC has a planned upgrade to the Wanaka Wastewater treatment plant (referred to as Project Pure) that is included in the Long Term Plan. This upgrade includes QLDC renewing its resource consent from Otago Regional Council to reflect the increased capacity that the upgraded plant will provide. When this upgrade is delivered, wastewater from the proposed Silverlight film studio development will be</p>

able to be accommodated automatically without modelling or a further alteration to the QLDC resource consent.

Is the proposal likely to have any effect on the operation of the Corbridge Water Supply Scheme or the wastewater treatment plant located near Wanaka airport?

Corbridge Water Supply Scheme – see response under Water above.

Wanaka Wastewater treatment plant at Wanaka Airport – see response under Wastewater above.

The applicant will need to stop an unformed legal road and provide alternate public access across the site.

- a. ***How long do you anticipate this road closure process to take?***
- b. ***Are there likely to be issues which may prevent or delay the road closure?***
- c. ***What information regarding the public access across the site should the applicant provide with any consent application?***

Response to a.

If a road closure is required then QLDC will need to undertake this in accordance with the process set out in the Local Government Act 1974. The timeframe for this will depend on how quickly approval can be obtained from the Minister of Lands¹ and whether or not there is any public opposition to the road closures, which will trigger an Environment Court decision² with associated timing. Should the approval of the Minister of Lands be provided, and there is no opposition to the road closures, then the process can be concluded by Council and could only take 2 to 4 months.

Response to b.

Apart from the risk of opposition during the Local Government Act road closing process, QLDC is not aware of any other issues that may prevent or delay the road closure. Council currently has no plans to form the two unformed legal roads that run through the site and is not aware of any changes proposed to the current location of the formed Stevenson Road from state highway 6 around the western side of Wanaka Airport. Significantly there are no parcels of land in other private ownership that will be left landlocked by the closure of the unformed legal roads through the Corbridge Estates site. All will retain frontage to a legal road whether formed or unformed.

Response to c.

Whether or not the unformed roads do need to be closed, or whether the development could accommodate them remaining legal and unformed. If they need to be closed then more specific information and plans on how public access will be retained and provided through the site, particularly to the Clutha River.

The project may provide up to 300 jobs during construction and up to 1,200 during operation. Is there sufficient housing in the area to provide accommodation for workers?

The Council's current Housing and Business Capacity Assessment analysis being used for the Draft Queenstown Lakes Spatial Plan³ shows that there is sufficient housing capacity to meet existing demand requirements in the short (0-3 year), medium (3-10 year), and long term (10-30 year),

¹ Because these roads are located rurally, approval from the Minister of Lands is required as a first step in the process.

² A final decision not open to appeal.

³ Developed in conjunction with Central Government.

through the zoning provided in the Operative and Proposed District Plan for the district under a low, medium and high growth scenario⁴.

This includes capacity for approximately 5,080 dwellings in greenfield areas in the Wanaka Urban Growth Boundary (UGB) and 3,490 dwellings of infill capacity (excluding redevelopment), within the Wanaka UGB. Significant further capacity is likely to come on line shortly with the approved special housing area (SHA) development in Hawea, and imminent decisions on the Proposed District Plan for Hawea, Luggate and Cardrona Village.

Council's detailed population demand projections (pre Covid-19), indicate demand for dwellings in the Wanaka Ward will grow to 12,217 by 2058 up from 7,590 dwellings in 2018.

The analysis indicates potential for significant shortfalls in the provision of housing at lower value price bands in the Upper Clutha Ward, notwithstanding the extent of available capacity relative to projected population demand.

What potential environmental effects do you consider the proposal having?

The key adverse environmental effects that are likely to be generated from the proposal have been identified by the applicant and are outlined in the application documentation. The application is supported by key preliminary assessments – landscape visual, traffic, three waters, economic.

With regards to landscape, the site is not located within an Outstanding Natural Landscape. Rather, it is located within a Rural Character Landscape, a different classification (a section 7c matter) to an Outstanding Natural Landscape (ONL) or Outstanding Natural Feature (ONF), which is a section 6 matter of national importance.

Understanding the values of this landscape is still important in terms of understanding potential adverse effects. Proposed District Plan objectives and policies for this area have recently been confirmed through a series of Environment Court decisions which generally require maintenance and enhancement of the values in this area (as opposed to the protection of values in the ONL and ONF).

If the project progresses to the expert consenting panel, are there any technical reports that the applicant should provide in their consent application?

Completed full assessments for the following:

- Landscape visual assessment
- Integrated Transport Assessment
- Acoustic assessment
- Water supply and wastewater – information on any water requirements from the QLDC owned bore / requirements from the Corbridge Water Supply Scheme
- Economic and Social Impact assessment
- Lighting assessment

If the project progresses to the expert consenting panel, are there any groups that the expert consenting panel should invite to provide comments on the application? If so please specify reasons.

- Ngai Tahu as the relevant iwi – as above via Aukaha and Te Ao Marama.
- Waka Kotahi NZ Transport Agency as the road controlling authority for state highway 6 re traffic generation and safety performance / requirements for intersection of state highway and access to development.
- Queenstown Airport Corporation due to site being approximately 1 km north of Wanaka airport and runway.

⁴ Based on heavily discounted rates of infill development and a conservative approaches to the feasibility of this capacity.

	<ul style="list-style-type: none"> • Fire and Emergency New Zealand – due to the size, scale and nature of the proposed development/activities and the reliance on firefighting water supply from the manmade lake (or on site tank supply). <p><i>Does the applicant, or a company owned by the applicant, have any environmental regulatory compliance history in your district?</i></p> <p>QLDC is not aware of any environmental compliance issues with this applicant.</p>
Other considerations	<p>Attachment A – QLDC Working Position Statement Future of Film in the Queenstown Lakes District, October 2020.</p> <p>Following Page – Contribution of the Current Film Industry to the District.</p>

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Contribution of the Current Film Industry to the District

Production Expenditure

Source: [Stats New Zealand Screen Industry Survey 2018](#)

Expenditure on film production in the region:

- **\$48 million** (Otago & Southland region)
- **\$35 million** (Queenstown Lakes)

Employment

Source: [Film Otago Southland Member Directory](#)

307 people registered with Film Otago Southland as being employed in the screen industry or offering key services to the screen industry across the Otago and Southland region.

237 of these are based in Queenstown Lakes

Economic Multipliers of Screen Industry (national)

Source: [Ministry of Economic Development Discussion Paper “Growth and Dynamics of the New Zealand Screen Industry”](#)

Table 14 - Total Economic Impact of Impact of the production and post-production sector in 2008 - PricewaterhouseCoopers report (NZ\$ million)

Type of impact	Gross Output (NZ\$m)		Value Added (NZ\$m)		Employment (FTEs)	
	Direct	Total	Direct	Total	Direct	Total
Multiplier		2.28		2.56		2.40
Impacts	1,266	2,890	373	955	3,470	8,328

(Source: PricewaterhouseCoopers; Butcher Partners; Statistics New Zealand)

Relevant statistics from an Olsberg SPI study into the Screen Industry’s Role in Economic Recovery

Source: [Global Screen Production – The Impact of Film and Television Production on Economic Recovery from COVID-19](#)

- Global value of screen production industry: \$177 billion
- Gross value added: \$414 billion
- Demand for content has risen through the pandemic. Netflix added 10 million new subscribers in Q2 2020 while Disney+ had added 54.5 million subscribers by 4th May, less than six months after launch.
- Screen production has unique attributes that mean it is likely to be a faster option for kickstarting economic recovery than most other sectors
- The analysis in a recent SPI study shows how quickly the economic impact of Screen production is delivered

- For example, a major \$220 million budget film shows that an average of \$10 million per week was spent during the 16-week shoot
- The pipeline of projects waiting to resume or start shooting is filled with shows stopped during COVID-19, plus those that have been fast-tracked in development
- The breadth of the production supply chain also means the economic benefits of production reach far and wide throughout an economy
- On average, 67% of below-the-line production costs are spent in business sectors outside of the film and television production industry
- Production spend also flows widely throughout an economy – including to sectors hit particularly hard by the pandemic

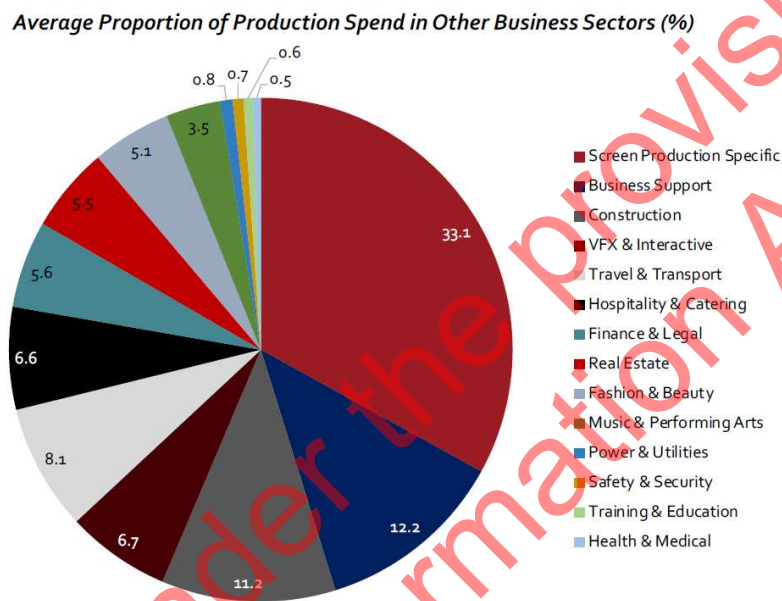


Figure 13: Supply Chain Analysis – Mid-Budget Film



Working Position Statement

Future of Film in the Queenstown Lakes District



From: Strategy and Development; Economic Development; Film Office

16 October 2020

Background

In developing Vision Beyond 2050, the community has committed to developing a district that provides opportunities for all, enables breath-taking creativity and takes pride in sharing our places¹. Economic diversification is essential to achieving this. It will mitigate the risk of tourism being impacted by events such as pandemics and will offer alternative sources of income for residents.

The Queenstown Lakes District Council (QLDC) through its Film Office and support for Film Otago Southland considers the development of the film industry in the district as one of the ways QLDC can work to achieve the Vision Beyond 2050 and enhance the wellbeing of our people. It is a key component of its recovery programme² and economic diversification initiatives³. Education and Startup support are also supported by QLDC, and other areas of focus are being explored through the development of a diversification plan.

The Queenstown Lakes district is the third largest film production hub in New Zealand, with an established crew base and ancillary amenities (such as accommodation and transport services) well-placed to support the film industry. With great air connectivity to primary production hubs in Auckland and Wellington, the district has already attracted high profile talent keen to live and work amongst established, world-renowned filming locations.

What do we want to achieve?

Our goal is to develop a thriving, sustainable local film industry that contributes to the diversification of the district's economy, through its world-class production capability and ease of doing business. A key factor in achieving this goal is to secure a steady pipeline of production work and film-related business that maximises benefits for both the local film industry and wider community.

A recent Queenstown film industry hui identified the need for better film infrastructure, marketing and attraction, location access, creative development and workforce training in order to develop the industry. These focus areas also align with the New Zealand Screen Sector Strategy 2030.⁵

The key outcomes for the district are the realisation of:

- A range of industry-critical infrastructure to suit all weather conditions, catering for a wide variety of production sizes and types.
- Outstanding training and development opportunities for both the above- and below-the-line industry members. This will result in a local workforce capable of servicing a

¹ <https://www.qldc.govt.nz/your-council/our-vision-mission>

² <https://www.qldc.govt.nz/recovery>

³ Strategic background can be found in the 2015 QLDC Economic Development Strategy - <https://www.qldc.govt.nz/community/economic-development>

⁴ On average, 67% of productions costs are spent in business sectors outside of screen production - <https://www.o-spi.co.uk/wp-content/uploads/2020/06/Global-Screen-Production-and-COVID-19-Economic-Recovery-Final-2020-06-25.pdf>

⁵ <https://screensectorstrategy.nz.files.wordpress.com/2020/08/aotearoa-new-zealand-screen-sector-strategy-2030-final-august-2020.pdf>

wider variety of productions, as well as generate opportunities for developing home-grown content in the region.

- Leading-edge technology solutions, supported by high-speed connectivity and great communications coverage.
- Ongoing ease of access to critical filming locations.

How do we get there?

Working within the usual legislative and regulatory envelopes, QLDC supports in principle the development of a district wide portfolio of projects that would help:

- Protect and enhance our existing film offering (which is predominantly focused on location filming)
- Diversify and develop the industry beyond the existing offering

There are currently a number of film infrastructure proposals in circulation from the industry and property developers that could help to achieve the above. While some of these are similar to each other in nature, the portfolio of proposed projects can be seen as offering complementary solutions for different industry needs and opportunities.

Projects that support the existing industry as well as adding new education and/or technology opportunities will be particularly attractive for the district, as they offer benefits to other areas of the diversification focus.

The council's role in supporting the film industry includes:

- Promotion and facilitation – The council's Film Office works to promote the district as a filming destination, facilitate productions on the ground and generate support for the development of the district's production capabilities. It is recognised by and connected to industry decision-makers, as well as key agencies such as the New Zealand Film Commission, the Regional Film Offices of New Zealand network and the screen industry guilds.
- Central government collaboration – The council can work with central government agencies to determine initiatives that will strengthen the local and national industry, understand the role played by film infrastructure and identify methods for reducing risk.
- Advocacy and political support – The council can help advocate for resources and policy settings that will foster the industry.
- Regulatory – The council has a role in film permitting and related building and resource consents. It must perform this role following set protocols and timeframes (which in the case of consents are set by central government).
- Funding – The council currently provides a Film Office and contributes to Film Otago Southland. It has experienced a severe reduction in income due to Covid-19 and is not in a position to financially support or underwrite film infrastructure. However, council will offer support to any proposals for private or public funding and investment.

In all the above roles, the council has to balance its enthusiasm for supporting the industry with its legislative and regulatory obligations, which take into account impact on the environment and community. It aims to appropriately promote, facilitate, support and advocate for the district's overall film industry rather than individual businesses or projects.