

**BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL**

**IN THE MATTER OF** the Resource Management Act 1991

**AND**

**IN THE MATTER OF** the Queenstown Lakes Proposed District Plan  
Designation 2 (Aerodrome Purposes  
Designation – Queenstown Airport)  
Designation 4 (Airport Approach and Land Use  
Controls Designation – Queenstown Airport)  
Designation 29 (Queenstown Lakes District  
Council Events Centre and Aquatic Centre)  
Designation 230 (Metservice Designation)

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**EVIDENCE OF JOHN CLIFFORD KYLE**

(Submitter 433 and Further Submitter 1340 and requiring authority for  
Designations 2 and 4)

7 OCTOBER 2016

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## TABLE OF CONTENTS

<b>1.</b>	<b>Introduction</b> _____	<b>1</b>
	Qualifications and Experience	1
<b>2.</b>	<b>Scope of Evidence</b> _____	<b>1</b>
	Queenstown Airport NORs	1
	Other NORs	2
	Documents Reviewed	3
<b>3.</b>	<b>Background Context</b> _____	<b>3</b>
	Queenstown Airport	3
<b>4.</b>	<b>Queenstown Airport - Designation 2 Aerodrome Purposes</b> _____	<b>4</b>
	Effects on the Environment	6
	Alternatives	13
	Reasonably Necessary	13
	Other Matters	14
	Planning Instruments	15
	Part 2	18
<b>5.</b>	<b>Designation 4 Airport Approach and Land Use Controls</b> _____	<b>19</b>
	Effects on the Environment	20
	Alternatives	21
	Reasonably Necessary	21
	Planning Instruments	22
	Part 2	22
<b>6.</b>	<b>Designation 29</b> _____	<b>22</b>
<b>7.</b>	<b>Designation 230 and 576</b> _____	<b>26</b>

## **1. INTRODUCTION**

### **Qualifications and Experience**

- 1.1 My name is John Kyle. I am a founding director of the firm Mitchell-Daysh Limited.
- 1.2 My qualifications and experience are set out in paragraphs 1.1 to 1.6 of my statement of evidence on Chapter 3 (Strategic Directions), Chapter 4 (Urban Development) and Chapter 6 (Landscapes) of the Proposed Queenstown Lakes District Plan (“PDP”), dated 29 February 2016.
- 1.3 I confirm my obligations in terms of the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014. I confirm that the issues addressed in this brief of evidence are within my area of expertise. I confirm that I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

## **2. SCOPE OF EVIDENCE**

### **Queenstown Airport NORs**

- 2.1 The Queenstown Airport Corporation (“QAC”) is a network utility operator and requiring authority under section 166 of the Resource Management Act 1991 (“RMA” of “the Act”). QAC is the requiring authority for Queenstown Airport.
- 2.2 Queenstown Airport is the subject of two designations in the operative Queenstown Lakes District Plan (the “Operative Plan”), namely:
- 2.2.1 Designation 2, Aerodrome Purposes; and
- 2.2.2 Designation 4, Approach and Land Use Controls.
- 2.3 These designations are proposed to be “rolled over”, with modifications in the PDP.
- 2.4 QAC gave notice to withdraw a third designation (Designation 3 – Air Noise Boundary) in March 2015. Designation 3 was withdrawn because it was subsumed by Plan Change 35 (“PC35”), which provides for an updated Air Noise Boundary to be included in the District Plan (Planning Map 31a). I therefore do not address Designation 3 in any further detail in this evidence.

2.5 In sections 4 and 5 of this statement of evidence, I address Designations 2 and 4 for Queenstown Airport, including the NORs given by QAC to roll over, with modifications, these designations in the PDP. More particularly, in sections 4 and 5 I will:

- 2.5.1 provide an overview of the activity / work to which each designation relates;
- 2.5.2 assess the effects on the environment of allowing the NORs to modify the designations;
- 2.5.3 provide an evaluation of alternatives to the notified NORs, insofar as it is necessary to do so;
- 2.5.4 assess whether the proposed modifications to the designations and the works enabled by them are reasonably necessary for achieving the objectives of QAC;
- 2.5.5 assess the NORs against the relevant planning instruments; and
- 2.5.6 assess the NORs in terms of Part 2 of the Act.

#### **Other NORs**

2.6 QAC also filed submissions and/or further submissions with respect to the following designations:

- 2.6.1 Designation 29, Queenstown Lakes District Council (“QLDC”) Multi-Purpose Indoor and Outdoor Recreation, Cultural and Conference Complex; and
- 2.6.2 Designation 230 and 576, Meteorological Service of New Zealand Limited Meteorological Purposes.

2.7 In section 6 of this statement of evidence I address the following matters, as raised in QAC’s submission:

- 2.7.1 Designation 29 and QAC’s proposed amendments to conditions relating to activities sensitive to aircraft noise (“ASAN”), mechanical ventilation and changes to the proposed planning maps;
- 2.7.2 Designation 230 and its location on Map 33 of the PDP.

## Documents Reviewed

- 2.8 In preparing this brief of evidence, I have read and reviewed:
- 2.8.1 QAC's Notice of Requirement for Designation 2 and 4;
  - 2.8.2 QLDC's Notice of Requirement for Designation 29;
  - 2.8.3 The correspondence from MetService regarding the rollover of Designation 230;
  - 2.8.4 The three section 42A reports prepared for Chapter 37 (dated 23 September 2016);
  - 2.8.5 QAC's evidence and the Council Right of Reply with respect to Chapter 36, in so far as it relates to mechanical ventilation;
  - 2.8.6 The relevant submissions and further submissions;<sup>1</sup>
  - 2.8.7 The High Court case *McElroy v Auckland International Airport Limited* [2008] 3 NZLR 262 and Court of Appeal case *McElroy v AIAL* [2009] NZCA 621;
  - 2.8.8 The relevant sections of the operative and proposed Regional Policy Statement for Otago.

## 3. BACKGROUND CONTEXT

### Queenstown Airport

- 3.1 I have described the history of Queenstown Airport, the important role it plays in the district, and the planning framework within which it operates in my statement of evidence on Chapters 3 (Strategic Directions), 4 (Urban Development) and 6 (Landscapes) of the PDP dated 29th February 2016.<sup>2</sup> Evidence was also presented on these matters at this same hearing by Mr Mark Edghill, who was then the acting Chief Executive of the QAC.
- 3.2 I note that these statements of evidence provide the contextual basis for some of the opinions I express in this statement. Copies of these statements of evidence are attached (as **Appendix A**), for the Commissioner's convenience.

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<sup>1</sup> Submission 5, 6, 79, 271, 433, 807 and Further Submissions 1030, 1117, 1097 and 1210.

<sup>2</sup> Hearing Stream 1B.

- 3.3 To provide context to the discussion that follows, I wish to highlight the following key points from the aforementioned evidence to demonstrate the national and regional significance of Queenstown Airport.
- 3.3.1 More than a third of the local Queenstown Lakes District economy is based on tourism and around half of all employment is related to the tourism sector;<sup>3</sup>
- 3.3.2 Over the previous 12-month period ending January 2016, Queenstown Airport accommodated in excess of 1.5 million passengers. Recent growth projections have indicated that passenger growth is set to continue, with 2.5 million passengers projected by 2025.<sup>4</sup>
- 3.3.3 Estimated total tourism spend facilitated by Queenstown Airport by 2037 is forecast to be between \$1.1bn and \$1.4bn;<sup>5</sup>
- 3.4 The ongoing operation and development of Queenstown Airport is therefore of significant importance to the social and economic wellbeing of the community due to the contribution made to the tourism industry, the economy and local employment (both directly and indirectly).

#### **4. QUEENSTOWN AIRPORT - DESIGNATION 2 AERODROME PURPOSES**

- 4.1 The stated purpose of Designation 2 within the Operative District Plan (unmodified by the NOR) is to *“protect the operational capability of the airport, while at the same time minimising adverse environmental effects from aircraft noise on the community to at least the year 2037.”*
- 4.2 Designation 2 currently permits certain airport related activities including:<sup>6</sup>
- 4.2.1 aircraft operations;
- 4.2.2 private aircraft traffic;
- 4.2.3 domestic and international aircraft traffic;
- 4.2.4 rotary wing operations; aircraft servicing;

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<sup>3</sup> Refer to paragraph 4.2 of my statement of evidence dated 29<sup>th</sup> February 2016.

<sup>4</sup> Refer to paragraph 4.4 of my statement of evidence dated 29<sup>th</sup> February 2016.

<sup>5</sup> Refer to paragraph 4.4 of my statement of evidence dated 29<sup>th</sup> February 2016.

<sup>6</sup> Refer to paragraphs (a) and (b) of the Operative Aerodrome Purposes Designation (page A1-74 of the Operative District Plan).

- 4.2.5 fuel storage and general aviation;
  - 4.2.6 associated activities, including buildings and infrastructure, navigational aids and lighting, car parking, offices and cafeteria, provided there is a functional need for these activities to be located on land subject to the Designation.
- 4.3 Designation 2 is subject to a number of conditions. In summary, these include conditions relate to:
- 4.3.1 building height and setbacks;
  - 4.3.2 hours of operation;
  - 4.3.3 non airport related activities;
  - 4.3.4 aircraft noise and other noise;
  - 4.3.5 airport noise mitigation;
  - 4.3.6 noise management plan; and,
  - 4.3.7 the eastern runway end safety area (“RESA”);
- 4.4 QAC has sought modifications to this designation, as set out in the NOR dated 30 March 2015. In summary, through this NOR QAC seeks to:
- 4.4.1 Amend and/or update the list of activities provided for by the designation to include the following additional (or rephrased) airport activities:
    - 4.4.1.1 airport or aircraft training facilities, and associated offices;
    - 4.4.1.2 Runways, taxiways, aprons, and other aircraft movement areas;
    - 4.4.1.3 Terminal buildings, hangars, control towers, rescue facilities, navigation and safety aids, lighting, car parking, maintenance and service facilities, catering facilities, freight facilities, quarantine and incineration facilities, border control and immigration facilities, medical facilities, fuel storage and fuelling facilities, facilities for the handling and storage of hazardous substances, and associated offices;

- 4.4.1.4 Roads, accessways, stormwater facilities, monitoring activities, site investigation activities, infrastructure and utility activities, landscaping, and all related construction and earthwork activities;
  - 4.4.1.5 Vehicle parking and storage, rental vehicle facilities, vehicle valet activities, public transport facilities;
  - 4.4.1.6 Retail activities, restaurants and other food and beverage facilities including takeaway food facilities, signage, and industrial and commercial activities, provided they are connected with and ancillary to the use of the Airport; and,
- 4.4.2 Amend and update the conditions of the Designation so as to:
- 4.4.2.1 Increase the maximum building height limit and reduce the building setback requirements to better cater for airport and airport related activities, and to ensure consistency with land use in the surrounding zones;
  - 4.4.2.2 Remove superfluous conditions, including conditions that are otherwise inherent in the designation, and those relating to the construction of the RESA;
  - 4.4.2.3 insert a new condition relating the maintenance and use of RESA; and
  - 4.4.2.4 update the legal descriptions of the land to which the designation relates.

### **Effects on the Environment**

- 4.5 Section 4 of the NOR provides an assessment of the environmental effects anticipated as a result of the modifications proposed to the designation. A summary of the key elements of this assessment is provided below:
- 4.5.1 The modifications to the Designation are minor in nature;<sup>7</sup>
  - 4.5.2 The proposed list of activities permitted by the designation more appropriately recognises and provides the range of airport related

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<sup>7</sup> Refer to section 4.2 of the Aerodrome Purposes Designation dated 30 March 2015.

activities that currently occur at Queenstown Airport and/or will likely occur in the future.<sup>8</sup>

4.5.3 The modifications assist the QAC in meeting its stated Objectives and Goals (as set out in the Queenstown Airport Corporation Statement of Intent for the Years 2015-2017);<sup>9</sup>

4.5.4 The conditions pertaining to the runway lengths and roading alterations are unnecessary in light of other corollary measures (such as other designation conditions, the outline plan process and CAA requirements);<sup>10</sup>

4.5.5 Modifications to building height requirements are consistent with the height limits for buildings in surrounding commercial zones and are more characteristic of the building height requirements at other New Zealand Airports;<sup>11</sup>

4.5.6 Modifications to the building setback requirements are consistent with the setback requirements in the adjoining zones and therefore consistent with the built form anticipated in these areas;<sup>12</sup>

4.5.7 Other modifications are minor and intended to improve clarity, including by removing conditions that are no longer required;<sup>13</sup>

4.5.8 The inclusion of three new parcels of land will not generate new effects as the land is already used for aerodrome related activities.<sup>14</sup>

4.6 The section 42A reporting officer agrees with the conclusions reached in the assessment of effects that accompanied the NOR.<sup>15</sup>

4.7 I also generally agree with the findings set out within the assessment of effects accompanying the NOR and consider that the actual and potential effects expected to arise from the proposed modifications. A requisite outline plan of works will provide further detail around how any effects that do arise from future works will be further avoided or mitigated.

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<sup>8</sup> Refer to section 4.2 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>9</sup> Refer to section 4.2 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>10</sup> Refer to section 3.3 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>11</sup> Refer to section 4.5 and 4.6 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>12</sup> Refer to section 4.7 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>13</sup> Refer to section 4.8 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>14</sup> Refer to section 4.8 of the Aerodrome Purposes Designation dated 30 March 2015.

<sup>15</sup> Refer to paragraph 6.6 of the section 42A report for Queenstown and Wanaka Airports dated 23 September 2016.

4.8 The following detailed assessment of effects therefore focuses on those elements of the NOR that are opposed by submitters.

*The Range of Activities provided for by the Designation*

4.9 Proposed conditions 1 (a) to (f) in the NOR set out, the range of activities sought to be provided for by the designation. The proposed additions and/or amendments to the list of permitted activities as stated in the operative designation are summarised at paragraph 4.4.1 above.

4.10 In order to determine whether the proposed range of activities is appropriate, it is appropriate to consider the overall purpose of the designation.

4.11 Designation 2 is described in the PDP<sup>16</sup> and NOR as being for “Aerodrome Purposes”.

4.12 The PDP defines aerodromes as:

*“... a defined area of land used wholly or partly for the landing, departure, and surface movement of aircraft including any buildings, installations and equipment on or adjacent to any such area used in connection with the aerodrome or its administration”.*

4.13 This definition largely accords with the definition of aerodrome contained in section 2 of the Civil Aviation Act 1990 and the definition of airport contained in section 2 of the Airport Authorities Act 1966.<sup>17</sup>

4.14 I understand that the Courts have given detailed analysis to the range of activities that can be properly considered as being “wholly or partly ... used in connection with the aerodrome or its administration”. I understand that in a case concerning Auckland International Airport the Court held that, in today’s terms, an aerodrome includes:

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<sup>16</sup> Schedule 37.2 of the PDP

<sup>17</sup> Under the Civil Aviation Act 1990, an “aerodrome” is defined as any defined area of land or water intended or designed to be used either wholly or partly for the landing, departure, and surface movement of aircraft; and includes any buildings, installations, and equipment on or adjacent to any such area used in connection with the aerodrome or its administration.

Under the Airport Authorities Act 1966, an “airport” is defined as any defined area of land or water intended or designed to be used either wholly or partly for the landing, departure, movement, or servicing of aircraft; and includes any other area declared by the Minister to be part of the airport; and also includes any buildings, installations, and equipment on or adjacent to any such area used in connection with the airport or its administration.

*“all facilities connected with the operation of airports and meeting the expectations of airport uses – travelers, staff, security and border agents, travellers’ services, “meeters and greeters” and general airport users”.*<sup>18</sup>

4.15 I defer to the legal submissions of Ms Wolt for further discussion and interpretation of the decision referred to above, but my understanding is that a broad range of activities legitimately make up a modern day airport.

4.16 I understand that Remarkables Park Limited (“RPL”) has filed a submission which opposes the list of activities identified in paragraph 1(f) of the designation. RPL’s submission states that the list of activities is “extremely liberal” and “potentially makes a range of activities permitted”.<sup>19</sup>

4.17 In my experience with airport planning over the past twelve years, the use of aerodromes has evolved well beyond the traditional ‘runways and terminals’ focus. Modern and sophisticated aerodromes now demand a diverse mix of commercial, industrial and retail land uses that serve the needs of passengers, crew, ground staff, airport workers and those that meet and greet travellers. They also need to be adaptable to respond to technological advances and growth in the aviation sector. Focus is also increasingly being placed on improving airport revenue to offset operational costs.

4.18 In my view, it is therefore appropriate for airport designations to be broadly defined in order to provide sufficient flexibility for airport operators to meet the expectations of users, respond to growth and to changes in the aviation sector.

4.19 I therefore do not support RPL’s submission.

#### *Building Heights and Set backs*

4.20 Condition 2 of the operative designation imposes a 9m height restriction on buildings. Condition 3 requires that all buildings are setback at least 10m from the Aerodrome Purposes designation boundary.

4.21 QAC’s NOR seeks to modify these development controls, increasing the height limit to 15m and reducing the building setback requirements to between 3 and 5m.

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<sup>18</sup> Paragraph 196 of *McElroy v Auckland International Airport Limited* [2008] 3 NZLR 262.

<sup>19</sup> Submission 807.96.

- 4.22 RPL has submitted in opposition to the proposed building height and setback amendments, citing that the changes are inconsistent with the use of the land for aerodrome purposes.<sup>20</sup> RPL seeks that the operative height and setback limits be retained.
- 4.23 The Remarkables Park Zone adjoins Queenstown Airport to the south and is comprised of 8 sub-zones referred to as “Activity Areas”. Within Activity Areas 3 to 8 a range of building heights are provided for, from 9 to 21m. With respect to setbacks, a building setback of 1.5m is required within these Activity Areas. By comparison, QAC’s proposed modifications seek to impose a building setback of 5m from any adjoining residentially zone land or public road and 3m from all other sites.
- 4.24 Despite the height limits proposed, it is important to note that the Airport is subject to obstacle limitation surfaces (“OLS”) which impose height restrictions on buildings and structures in order to maintain the safety of aircraft operations. These are imposed via Designation 4 and the Civil Aviation Authority. Therefore, a large portion of the area defined for Aerodrome Purposes will be subject to more stringent height controls than specified in Designation 2.
- 4.25 Furthermore, any work or project that is proposed to be constructed within the designated area will also be subject to the outline plan requirements under s176A RMA. Section 176A RMA requires that an outline plan show, among other things, how potential adverse environmental effects will be avoided, remedied or mitigated.
- 4.26 The proposed amendments to the building height and building setback requirements are, in my opinion, appropriate for managing potential effects at the boundary interface, and will ensure that the scarce land resource at Queenstown Airport is utilised efficiently and in a sustainable manner, and consistent with land use within the adjacent commercial zones.

*Non-Airport Related Activities*

- 4.27 The operative Designation currently contains a condition which states that “Non airport related activities are prohibited within the Aerodrome Purposes Designation”. The NOR proposes to remove this condition, for the reason that the term “non airport related activities” is not defined, and because the

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<sup>20</sup> Submission 807.97-98.

condition is superfluous given the designation only enables those activities which are expressly provided for as permitted activities.

- 4.28 RPL lodged a submission in opposition to this modification citing that no proper justification has been given for the proposed amendment.<sup>21</sup>
- 4.29 The section 42A officer recommends accepting this submission, citing that some activities that occur within the designation at Queenstown Airport are not airport related and specifically cites utilities as an example.<sup>22</sup> The section 42A reporting officer therefore considers that the existing condition is appropriate and should be retained as it ensures that any activity that is not associated with the operations of the Airport is required to comply with the underlying zone standards.<sup>23</sup>
- 4.30 In my opinion, the condition relating to “non airport related activities” is superfluous. As set out in section 176(1)(a) of the Act, section 9(3) of the Act does not apply to a public work, project or work undertaken by a requiring authority under the designation (my emphasis added). Put another way, the designation only serves to benefit the requiring authority when undertaking works expressly enabled by the Aerodrome Purposes Designation. Other activities undertaken by the requiring authority, or activities undertaken by persons other than the requiring authority are required to comply with the underlying zone rules.<sup>24</sup>
- 4.31 Furthermore, I understand it is an inherent requirement of a designation that activities authorised by the designation must be related to the purposes for which the requiring authority holds its requiring authority status. In my opinion, retention of this condition is therefore unnecessary. As far as I am aware, other designations within the District do not include a similar prohibition for activities are not in accordance with the purpose of designation or otherwise expressly provided for by the designation.
- 4.32 Notwithstanding the above, I note that proposed condition 1 (f) of the NOR seeks to expressly permit a range of activities “...*provided they are connected with and ancillary to the use of the airport*”. While this is stating what I consider is implicit in the designation, to ensure the designation is consistently

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<sup>21</sup> Submission 807.100.

<sup>22</sup> Refer to paragraph 6.10 of the section 42A report dated 23 September 2016.

<sup>23</sup> Refer to paragraph 6.11 of the section 42A report for Airports, dated 23 September 2016.

<sup>24</sup> Note that network utilities are subject to a specific set of rules contained in Chapter 30 of the PDP. The underlying zone rules therefore do not apply to network utilities.

administered in the future and to remove any potential ambiguity, in my view it would be appropriate to clarify all of the activities identified in subparagraphs (a) to (f) are permitted provided they are connected with and ancillary to the use of the airport. the proposed condition is set out in detail in **Appendix B**.

*Aviemore*

- 4.33 The land for which the designation relates is set out in the NOR.
- 4.34 RPL filed a submission in opposition to the mapped extent of the designation, seeking that Lot 1 DP473825 be uplifted from the designation.<sup>25</sup>
- 4.35 I understand that QAC intends to uplift the designation over this land. Ms Wolt deals with this further in her legal submissions.

*Mechanical Ventilation*

- 4.36 Condition 15 of the designation obliges QAC to offer part funding of mechanical ventilation of any Critical Listening Environments within existing buildings containing an ASAN located between the Air Noise Boundary and the 2037 60dB Noise Contour in the following year. Condition 16 of the designation sets out that the mechanical ventilation (as required by condition 15), shall be in accordance with Table 2 of Appendix 13 of the operative District Plan.
- 4.37 Mr D Jerram submitted in opposition to this condition, seeking that the condition be amended to require the mechanical ventilation system to provide a cooling as well as heating function (the latter already being prescribed in Table 2 of Appendix 13).<sup>26</sup>
- 4.38 I understand that this matter was canvassed during the hearing of submissions on Chapter 36, Noise of the PDP. As part of this hearing, QAC sought to amend the mechanical ventilation requirements of the PDP to provide both a heating and cooling function. In my view, this addresses the concerns expressed by Mr Jerram.
- 4.39 The Board of Airline Representatives (“BARNZ”) filed a further submission<sup>27</sup> in opposition to Mr Jerram’s submission, seek the retention of the mechanical ventilation requirements. I can advise that Ms O’Sullivan, one of my colleagues,

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<sup>25</sup> Submission 807.19-20.

<sup>26</sup> Submission 79.1

<sup>27</sup> Further submission 1077.5.

has discussed the proposed changes to the mechanical ventilation requirements with BARNZ who has since indicated its support the changes proposed.

### **Alternatives**

- 4.40 I understand that under section 171(1) (b) of the Act, consideration of alternative sites or methods of undertaking the work is required if the requiring authority does not have an interest in the land sufficient for undertaking the work, or it is likely that the work will have a significant effect on the environment.
- 4.41 Based on my evaluation contained in paragraphs 4.5 to 4.39, I do not consider that any significant environmental effects are likely to arise as a result of the modifications.
- 4.42 QAC owns most of the land subject to the designation.
- 4.43 The proposed modifications do not therefore require an assessment under section 171(1)(b).

### **Reasonably Necessary**

- 4.44 Under section 171(1)(c) of the Act an assessment is required as to whether the work and designation are reasonably necessary for achieving the objectives of the requiring authority for which the designation is sought.
- 4.45 The objectives of the QAC in managing Queenstown Airport are set out within the Queenstown Airport Corporation Statement of Intent for the Years 2015-2017. The objectives collectively give effect to the overarching goals contained in the 2015-2017 Statement of Intent, which is summarised as follows:
- 4.45.1 Deliver sustainable income growth through increased income diversification and cost management;
- 4.45.2 Promote the Airport and Queenstown Airport to grow visitor numbers;
- 4.45.3 Develop the Airport infrastructure and facilities to support the Districts' economic growth while maximising use and avoiding over-capitalisation;

- 4.45.4 Provide people using the Airport with a “wonderful experience” consistent with the Airport’s vision;
  - 4.45.5 Establish the Airport as a preferred place to work and do business within the District; and
  - 4.45.6 Operate as a socially and environmentally responsible part of the Queenstown Lakes District community.
- 4.46 I consider the modifications to the Aerodrome Purposes Designation are reasonably necessary for achieving the objectives of the Requiring Authority because:
- 4.46.1 They provide certainty for the QAC regarding the long term management, development and operation of the Airport and address unnecessary constraints imposed on the Airport by the current Designation.
  - 4.46.2 They will assist the airport in providing a memorable and superior experience for people using the Airport through providing for a range of activities to meet their needs, whilst maintaining development controls which protect the visual appearance and outlook of the Airport.
  - 4.46.3 They will increase the diversity of business and employment opportunities through allowing a range of ancillary airport related activities to establish at the Airport.
- 4.47 I note that since the NOR has been filed, two subsequent Statements of Intent have been issued by QAC. The proposed modifications, in my opinion, also assist QAC in achieving the later Statements of Intent.<sup>28</sup>

**Other Matters**

- 4.48 In 2009, QAC gave Notice of Requirement to amend Designation 2 in the District Plan as it related to the management of aircraft noise. This notice was given in conjunction with the promulgation of PC35 which, amongst other things, updated the Airport’s noise boundaries to provide for growth in predicted aircraft operations until 2037.

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<sup>28</sup> Refer to the Statement of Intent 2017-2019 and the Statement of Intent 2016-2018.

- 4.49 The effect of this notice was to include new conditions relating to the management and mitigation of aircraft noise in Designation 2 (the Aerodrome Purposes Designation).
- 4.50 PC35 and the associated NOR were confirmed by the Council, whose decision was appealed to the Environment Court by a number of parties. The Environment Court proceedings relating to these appeals were resolved in May 2013. The Environment Court confirmed the NOR, with modifications.<sup>29</sup> I understand the Court confirmed modifications were included in the NOR to modify Designation 2, notified as part of the PDP, with no further changes proposed. For the avoidance of doubt, I understand the PDP NOR for Designation 2 incorporates the Environment Court decision in its entirety and without further amendment.

### **Planning Instruments**

- 4.51 In accordance with section 171(1)(a), when considering a NOR, particular regard must be given to the relevant provisions of any national policy statement, regional policy statement (operative and proposed) and plans (operative and proposed).
- 4.52 I have considered the proposed modifications to Designation 2 under the relevant provisions of the Regional Policy Statement for Otago (“Operative RPS”), the Proposed Otago Regional Policy Statement (“Proposed RPS”) and Strategic Directions and Urban Development provisions of the PDP. I do not consider that there are any relevant national policy statements or regional plans that are relevant to this NOR.
- 4.53 The Operative and Proposed RPS provide specific policy recognition of infrastructure and acknowledge its importance in providing for the social, economic and cultural wellbeing of people and communities.<sup>30</sup> I provide a summary of the key provisions below. A copy of the provisions (in full) is attached as **Appendix C**.

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<sup>29</sup> NZENC93, Third Interim Decision, 8 May 2013 – noting that the noise boundaries are not yet confirmed in the vicinity of ‘Lot 6’.

<sup>30</sup> Note that I have only summarised those provisions that I consider to be of key relevance to this hearing. Please refer to Appendix C for the provisions in full plus other provisions that are not discussed in this statement, but are of relevance to the NOR.

*Operative Regional Policy Statement for Otago*

- 4.54 Chapter 9 of the Operative RPS addresses resource management issues relating to the built environment. In summary, Objective 9.4.2 seeks to promote the sustainable management of Otago's infrastructure to meet the present and reasonably foreseeable needs of Otago's people and communities.
- 4.55 Policy 9.5.2 seeks to promote and encourage efficiency in the development and use of infrastructure through encouraging development that maximises the use of existing infrastructure, promoting co-ordination amongst network utility operators in the provision and maintenance of infrastructure and avoiding or mitigating the adverse effects of subdivision, use and development of land on the safety and efficiency of regional infrastructure.
- 4.56 Policy 9.5.3 is also an important policy, as it seeks to promote and encourage the sustainable management of Otago's transport network. This includes through promoting a safer transport system.

*Proposed Regional Policy Statement*

- 4.57 The Proposed RPS also contains a number of provisions of relevance to this NOR. Decisions of the Proposed RPS were notified on 1 October 2016 and therefore some weight should be afforded to these provisions.<sup>31</sup>
- 4.58 Objective 4.3.5 of the Proposed RPS is one of the key objectives relating to infrastructure and seeks to ensure that infrastructure is managed and developed in a sustainable way. Most notably for Queenstown Airport, Policy 4.3.2 recognises the national and regional significance of airports.
- 4.59 Policy 4.3.3 aims to minimise the effects of infrastructure of national or regional significance through avoiding, remedying or mitigating adverse effects.<sup>32</sup>
- 4.60 Policy 4.3.4 is also of relevance as it seeks to protect nationally or regionally significant infrastructure from reverse sensitivity effects and seeks to avoid significant effects on the functional needs of infrastructure.

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<sup>31</sup> But noting the appeal period is yet to run.

<sup>32</sup> Note that there are other elements to this policy, however the extent to which they relevant to Queenstown Airport is limited.

*Proposed District Plan*

- 4.61 The PDP also contains a number of high order objectives and policies of relevance to this NOR. Most notably, Objective 3.2.8.1 seeks to maintain and promote the efficient and effective operation, maintenance, development and upgrading of the District's existing infrastructure and the provision of new infrastructure to provide for community wellbeing.
- 4.62 Policy 3.2.1.2.4 provides clear policy directive around the significance Queenstown Airport, recognising that Queenstown Airport makes an essential contribution to the prosperity and economic resilience of the District.

*Summary with respect to the Operative RPS, Proposed RPS and Higher Order Provisions of the PDP*

- 4.63 In my view, the proposed modifications to the Designation are consistent with the relevant matters raised in the Operative and Proposed RPS and the higher order matters raised in the PDP. Specifically:
- 4.63.1 Queenstown Airport is a significant generator and facilitator of economic activity in the District.
  - 4.63.2 The proposed modifications will provide for the sustainable growth and development of Queenstown Airport, an existing and significant infrastructural asset within the Queenstown Lakes District;
  - 4.63.3 QAC will retain the ability to provide for the growth in aircraft operations at Queenstown Airport and the growing demand to provide a range of activities and services at the Airport;
  - 4.63.4 The Airport's continued operation and growth will contribute positively to the local, regional and national economy, particularly the tourism industry;
  - 4.63.5 Providing flexibility in the range of activities permitted at the Airport will meet the reasonably foreseeable needs of passengers, visitors to the airport, those that work there, and the wider community who use the facility;
  - 4.63.6 The modifications to the built form conditions will ensure the efficient use of the limited land resource available at Queenstown Airport;

4.63.7 The retention of the built form standards (albeit in a modified form) ensure the Airport remains cognisant of the nature and scale of activities surrounding the Airport;

4.63.8 The retention of provisions relating to noise management will ensure that the Airport can continue to grow and operate, whilst managing its effects of the surrounding community.

4.64 In my view, the proposed modifications are consistent with the identified objectives and policies of the Operative and Proposed RPS and the higher order objectives and policies of the PDP.

## **Part 2**

4.65 The NOR meets the purpose of the Act by enabling the continued operation and growth of Queenstown Airport in an efficient and sustainable way.

4.66 Queenstown Airport is a significant existing physical resource that provides for the social and economic wellbeing of the community through direct and indirect employment opportunities and through its role in facilitating the movement of people and goods to the District and the wider Region. The Airport is a significant contributor to regional and national tourism, which largely underpins the local economy.

4.67 The amendments proposed via the NOR will ensure that Queenstown Airport is able to meet the needs of current and future generations through providing the ability to respond quickly to changes in the aviation sector and the demands and needs of its passengers.

4.68 I consider that the modifications to the Designation will not affect the life supporting capacity of air, water and soil ecosystems, and through appropriate development controls, coupled with the requirement for an outline plan of works for specific developments, the effects arising as a result of the proposed modifications can be appropriately avoided, remedied or mitigated.

4.69 With the exception of section 7(b), (c) and (f), the section 6 matters of national importance, section 7 other matters and section 8 Treaty of Waitangi are not relevant or not affected by the modifications proposed to this designation.

4.70 The modification proposed in the NOR will allow the Airport to be developed in an efficient manner and will allow QAC to best utilise an increasingly scarce land resource at Queenstown Airport.

4.71 Overall, I consider that the proposed NOR assists in achieving Part 2 of the Act.

## 5. DESIGNATION 4 AIRPORT APPROACH AND LAND USE CONTROLS

5.1 Designation 4 currently provides for take-off climb and approach surfaces and transitional surfaces (together the “obstacle limitation surfaces” or “OLS”) in relation to the main runway and cross wind runway at Queenstown Airport. The OLS impose height and obstacle clearance restrictions around the Airport which are important for the safe and efficient functioning of aircraft using the Airport, and, in particular the safety of aircraft operations.

5.2 Figure 1 below provides a three-dimensional overview of the OLS described in Designation 4.

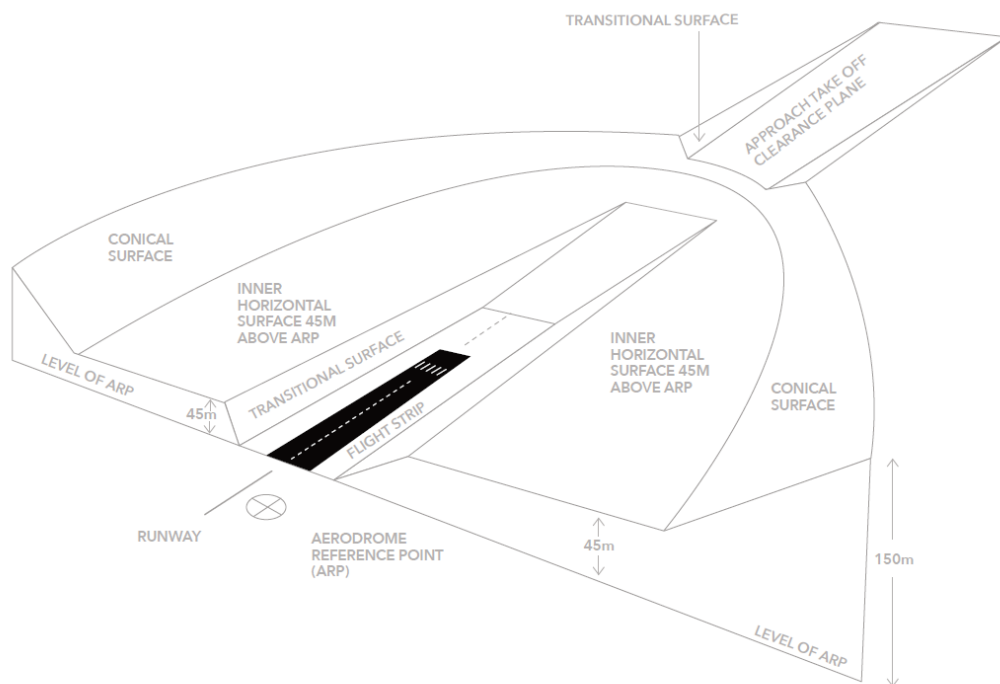


Figure 1: A three-dimensional depiction of an obstacle limitation surface surrounding an airport.

5.3 QAC has sought modifications to this designation, as set out in the NOR dated 30 March 2015. The full suite of changes proposed to the Designation are set in

detail in the NOR, however in summary, QAC seeks the following amendments to the text contained in Designation 4:

- 5.3.1 Removal of the objective at the start of the Designation;
  - 5.3.2 Replace references to “mean sea level” with “Airport datum level”, as per Figures 1 and 2.
  - 5.3.3 Insert a definition of object, insofar as it relates to the application of the Designation;
  - 5.3.4 Include a new paragraph within each OLS description setting out the pre-conditions when penetration of the OLS may be acceptable.
  - 5.3.5 Update the description of the inner horizontal surface to reflect Figure 1. Specifically, the text of the designation requires amendment to ensure that the transitional surface originates from a point 150m either side of the main runway centerline, as shown in Figure 1.
  - 5.3.6 Include reference, within each OLS description, that certain activities will be prohibited unless approved by QAC.
  - 5.3.7 Modify the designation text to ensure it is clear in its intent and application.
- 5.4 A copy of Figures 1 and 2 of the PDP are attached as **Appendix D** for the Panel’s convenience.

#### **Effects on the Environment**

- 5.5 As set out in the NOR, the modifications to the Designation do not have any material effect on the existing OLS controls.
- 5.6 The amendments proposed to the text of the Designation seek to improve clarity and interpretation of the measures imposed by the Designation. The amendment defining the origin of the transitional surface is purely a descriptive amendment to ensure consistency with Figure 1.

- 5.7 RPL lodged a submission in opposition to this change, citing that the amendment has implications for the RPZ in relation to the take off/climb approach slopes and other plans/controls within the RPZ.<sup>33</sup>
- 5.8 A present, the designation text and Figures 1 and 2 are inconsistent. The designation text describes the origin (or start point) of the inner edge as being located 75m either side of the main runway. By comparison, Figures 1 and 2 show the origin of the inner edge has being 150m either side of the runway centreline. It is my understanding that this error has persisted for some time and occurred when the OLS was originally inserted into the Operative District Plan.
- 5.9 I understand that in practice, Figures 1 and 2 are used by QAC to identify whether a proposal is overlaid by the OLS and whether the proposed object or structure is likely to penetrate the defined surface. For those objects or structures that warrant closer analysis (i.e. the proposed heights are close to penetrating the OLS), a surveyor or similar will usually assess the proposal against the Figures in the designation.
- 5.10 Accordingly, it is the Figures that are relied on in practice to determine the location of the OLS, which correctly depict that. As noted, the text of the designation is inconsistent with the Figures, which is undesirable in my view and should be corrected.
- 5.11 I therefore support the amendments proposed to the strip width.

### **Alternatives**

- 5.12 As there are no significant adverse effects arising from the proposed modifications, alternative methods have not been considered.

### **Reasonably Necessary**

- 5.13 As set out in the NOR, the objectives of the requiring authority for this designation are:
- 5.13.1 To provide for the safe operation of aircraft approaching and departing the Airport.

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<sup>33</sup> Submission 807.99.

- 5.13.2 To maintain and enhance operating capacity at the Airport.
  - 5.13.3 To meet international aviation standards and CAA rules in relation to protection of flight paths
  - 5.13.4 To provide the community with certainty and clarity as to the height restrictions for properties affected by obstacle limitation surfaces.
- 5.14 The proposed modifications are considered to be reasonably necessary for achieving these objectives because the designation text does not accurately describe the purpose of the obstacle limitation surfaces at Queenstown Airport. The amendments are therefore necessary to ensure that the necessary Civil Aviation Regulations are achieved and the Airport's operating capacity and safety (as discussed in paragraph 5.10) is maintained.

### **Planning Instruments**

- 5.15 The relevant planning instruments have been described with respect to the Queenstown Airport Aerodrome Purposes Designation in paragraphs 4.51 to 4.71.
- 5.16 Despite being an assessment for Designation 2, the principles of providing for the future operation and growth of Queenstown Airport are applicable to this NOR. I therefore adopt the assessment in paragraphs 4.51 to 4.71 for the purposes of this NOR.

### **Part 2**

- 5.17 In my view, the proposed amendments to the designation are reasonably necessary to ensure that appropriate obstacle limitation surfaces are applied to the airspace around Queenstown Airport. The operational safety of aircraft using Queenstown Airport is assisted by the designation.
- 5.18 The changes proposed do not alter the sustainable management premise under which this designation was originally established; in my opinion they better serve this outcome.

## **6. DESIGNATION 29**

- 6.1 Designation 29 relates to the Queenstown Lakes District Council Events Centre and Aquatic Centre.

6.2 Designation 29 directly adjoins the QAC's landholdings to the northwest of the Airport. Designation 29 is subject to the following three Queenstown Airport related overlays:

6.2.1 The Queenstown Airport Outer Control Boundary ("OCB");

6.2.2 The Queenstown Airport Approach and Land Use Controls designation; and,

6.2.3 The Queenstown Airport Aerodrome Purposes Designation.

6.3 It is on this basis that QAC filed submissions with respect to Designation 29.

*Outer Control Boundary*

6.4 The OCB is defined in the PDP as "...a boundary as shown in the District Plan Maps, the location of which is based on the predicted day/night sought levels of 55dB Ldn from airport operations in 2037."

6.5 The land affected by Designation 29 is located within the OCB and is subject to an underlying Rural land use zoning.

6.6 The provenance of the OCB is described in my statement of evidence dated 29<sup>th</sup> February 2015 (refer to **Appendix A** attached). To provide context to the following discussion, I wish to highlight the following points from my earlier statement of evidence:

6.6.1 QAC initiated PC35 and an associated NOR to alter Designation 2 in or around 2008. The purpose of PC35 was to put in place an appropriate management regime for land use around Queenstown Airport while providing for the predicted ongoing growth of the aircraft operations to 2037.

6.6.2 Accordingly, the Plan Change updated the Airport's noise boundaries<sup>34</sup> (Air Noise Boundary ("ANB") and OCB to provide for predicted growth in aircraft operations to 2037, and amended various zone provisions relating to the use of land within those updated noise boundaries likely to be affected by increased aircraft noise.

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<sup>34</sup> Prior to which the OCB being contained in the Operative District Plan and the ANB in Designation 3.

- 6.6.3 The foundation of the land use management approach adopted in PC35 is the New Zealand Standard for Airport Noise Management and Land Use Planning, NZS6805:1992 (“NZS6805”);<sup>35</sup>
- 6.6.4 NZS6805 recommends that all new activities sensitive to aircraft noise (“ASAN”)<sup>36</sup> within an airport’s ANB and OCB are prohibited, where this can be practicably achieved;<sup>37</sup>
- 6.6.5 In line with NZS6805, PC35 sought to prohibit new Activities Sensitive to Aircraft Noise inside the OCB in the Rural Zone and to require mechanical ventilation for new dwellings or for alteration or additions to existing dwellings inside the Rural zone.
- 6.7 The operative Events Centre designation makes provision for daycare facilities to establish on site provided the parents or guardians are of children attending the daycare are, at the time of requiring childcare, using the Events Centre / Aquatic Centre in accordance with its designated purpose.<sup>38</sup> The designation also requires that any room containing childcare facilities shall be acoustically treated to achieve an indoor sound level of Ldn 40dBA.<sup>39</sup> It is important to note that childcare facilities fall within the definition of an ASAN.
- 6.8 QLDC’s NoR seeks to remove both of these requirements, however no justification for the change or ensuing assessment of effects is provided. QAC therefore submitted in opposition to these amendments, seeking the inclusion of new conditions akin to operative conditions 16 and 18.<sup>40</sup>
- 6.9 The section 42A reporting officer has recommended accepting QAC’s submission, citing that adverse noise effects could be exacerbated if the children are exposed to aircraft noise for an extended period of time (my paraphrasing).<sup>41</sup>

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<sup>35</sup> Paragraph 5.11 of the Statement of Evidence of Mr Kyle, Hearing 1B, dated 29 February 2016.

<sup>36</sup> Activity Sensitive to Aircraft Noise is defined in the Operative and Proposed Plans as meaning “any residential activity, visitor accommodation activity, community activity and day care facility activity as defined in this District Plan including all outdoor spaces associated with any educational facility, but excludes activity in police stations, fire stations, courthouses, probation and detention centres, government and local government offices”.

<sup>37</sup> Paragraph 5.22 and 5.27 of the Statement of Evidence of Mr Kyle, Hearing 1B, dated 29 February 2016.

<sup>38</sup> Refer to Condition 16 of operative Designation 29 (page A1-32 of the Operative District Plan).

<sup>39</sup> Refer to Condition 18 of operative Designation 29 (page A1-32 of the Operative District Plan).

<sup>40</sup> Submission 433.129.

<sup>41</sup> Refer to paragraphs 7.44 to 7.45 of the section 42A report for General Designations, dated 23 September 2016.

- 6.10 In principle, I consider that the proposed new conditions achieve an appropriate compromise between restricting the exposure of ASAN (in this case, children at a childcare facility) to the effects of aircraft noise, while also acknowledging the function and purpose of the Events Centre may, at times, necessitate some Community and/or Day Care type activities. This approach is also largely consistent with the operative Designation. In my view however, it would be appropriate to make the conditions stand alone, in order to ensure that they apply to all ASAN that may be established at the Events Centre and not just those relating to day care facilities or community activities. A copy of the recommended condition is set out in **Appendix B**.
- 6.11 The NOR also contained a new condition providing for community activities that support the overall operation of the Events Centre.<sup>42</sup> QAC lodged a submission in opposition to this condition, seeking that it explicitly require any community activities to be directly related or ancillary to the operation of the Events Centre.<sup>43</sup>
- 6.12 The section 42A reporting officer has recommended rejecting QAC's proposed condition, noting that it is implicit that the activity would have to accord with the purpose of the designation, being the "Multi Purpose indoor and outdoor recreation, cultural and conference complex".<sup>44</sup>
- 6.13 Consistent with the views expressed above in paragraph 4.32 with respect of Designation 2, I consider that it would be appropriate to impose a condition on the designation that states that all activities undertaken at the Queenstown Events Centre shall be directly related or ancillary to the operation of the Queenstown Events Centre. Refer to **Appendix B** for my recommended condition.

*Airport Approach and Land Use Controls Designation*

- 6.14 The Queenstown Airport Approach and Land Use Controls designation is described in section 5 above.
- 6.15 QLDC's NOR seeks to make a number of changes to the conditions of Designation 29 relating to the height of buildings and structures. Again, the

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<sup>42</sup> Refer to condition 7 of the NOR for Designation 29 (undated).

<sup>43</sup> Submission 433.129.

<sup>44</sup> Paragraph 7.46 of the section 42A report for General Designations, dated 23 September 2016.

NOR contains no justification for, or assessment of the potential effects of the proposed changes.

- 6.16 QAC lodged submissions in opposition to proposed Conditions 10a, 12(a), 13(f) and 14 of Designation 29, seeking to ensure that the integrity of the Airport Approach and Land Use Controls designation is not compromised.<sup>45</sup>
- 6.17 The section 42A reporting officer has recommended accepting QAC's submissions and proposed the inclusion of a new condition that seeks to protect the obstacle limitation surfaces at Queenstown Airport.<sup>46</sup> I consider the proposed condition to be appropriate and note that it accords with operative conditions 13 and 19(g) which seek to manage the effects of activities, buildings and structures at the Events Centre on these surfaces.

#### *Aerodrome Purposes Designation*

- 6.18 There is a small portion of the land in the operative District Plan that is designated for both recreation purposes under Designation 29 and aerodrome purposes under Designation 2. The specific area of land is shown in Figure 7 of the section 42A report. As described in the NOR, QLDC seeks to uplift Designation 29 from this area of land.
- 6.19 QAC filed a submission with regards to Planning Map 31a, seeking that the map be updated to correctly illustrate the revised extent of the Designation 29.
- 6.20 The section 42A reporting officer has recommended amending Planning Map 31a and 33 to clearly identify that the small triangular section of land identified in Figure 7 of the section 42A report is contained within Designation 2 and not Designation 29. In my view, this resolves QAC's submission, and I support the recommendation.

## **7. DESIGNATION 230 AND 576**

- 7.1 Designation 230 is for meteorological purposes. It provides for an automatic weather station at Queenstown Airport.
- 7.2 QAC filed two submissions with respect to these designations. These submissions sought to clarify the location of the MetService designation.

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<sup>45</sup> Submission 433.129

<sup>46</sup> Refer to paragraphs 7.51 to 7.52 of the section 42A report.

- 7.3 Attached as **Appendix E** is a copy of Map 33 of the PDP. In the centre of QAC's Aerodrome Purposes Designation is a small area shown as Designation 230. To the north of this designation (and still within QAC's Designation 2) is Designation 576.
- 7.4 Attached as **Appendix F** is a copy of the plans provided by MetService when they gave notice of their requirement to roll over Designation 230. As is evident from this plan, the MetService site is located in the position shown as Designation 576 of the PDP and not the location shown as Designation 230.
- 7.5 In the schedule of Designations, there is no Designation 576.
- 7.6 While it would be appropriate to clarify with MetService, it appears that Designation 230 and Designation 576 represent the former and new location of the automatic weather station. As the automatic weather station no longer exists at the site shown as 230 on Planning Map 33, it would be appropriate for it to be removed.

**J Kyle**

**7 October 2016**

## **Appendix A**

**Copy of the Statement of Evidence of Mark Edghill dated 29 February 2016**

**Copy of the Statement of Evidence of John Kyle dated 29 February 2016**

**BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL**

**IN THE MATTER OF** the Resource Management Act 1991

**AND**

**IN THE MATTER OF** the Queenstown Lakes Proposed District Plan

Chapter 3 (Strategic Direction), Chapter 4 (Urban Development) and Chapter 6 (Landscape)

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**STATEMENT OF EVIDENCE MARK EDGHILL**

**(29 FEBRUARY 2016)**

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## 1. INTRODUCTION

### Qualifications and Experience

- 1.1 My full name is Mark Dugdale Edghill. I am the Acting Chief Executive Officer of Queenstown Airport Corporation Limited (**QAC**) and am authorised to give evidence on its behalf.
- 1.2 I was appointed Acting Chief Executive in August 2015, having served as Chief Financial Officer for QAC since February 2014.
- 1.3 I hold an Honours degree from Durham University, am a Fellow of The Institute of Chartered Accountants in England & Wales, a Fellow of CPA Australia and a member of Chartered Accountants Australia and New Zealand.

### QUEENSTOWN AIRPORT CORPORATION LIMITED – AN OVERVIEW

- 1.4 QAC was formed in 1988 to manage the Airport. Prior to this the Airport was operated by the Crown, Queenstown Lakes District Council (**QLDC**) and Arrowtown Borough Council as the Queenstown Airport Authority.
- 1.5 QAC was formed pursuant to section 3(A) of the Airport Authorities Act 1966. A copy of the Order is **attached** to my evidence and marked "**A**". QAC is also a requiring authority in terms of the Resource Management Act 1991 and copies of the Order in Council and Gazette Notice are and marked "**B**".
- 1.6 Queenstown Airport is a 'lifeline utility' under the Civil Defence Emergency Management Act 2002. Under this Act, lifeline utilities have a key role in planning and preparing for emergencies and for response and recovery in the event of an emergency. As a lifeline utility QAC must, amongst other things, ensure that the Airport is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency.
- 1.7 QAC is currently 75.01% owned by QLDC and 24.99% owned by Auckland International Airport. QAC also manages Wanaka Airport on behalf of QLDC, and has a caretaker role for Glenorchy Aerodrome, including ground maintenance.

## **2 QAC STATUTORY FRAMEWORK, OBJECTIVES AND STATEMENT OF INTENT**

2.1 As an Airport Authority established under the Airport Authorities Act, Queenstown Airport must be operated or managed as a commercial undertaking (section 4(3)).

2.2 QAC is a Council Controlled Trading Organisation (**CCTO**) for the purposes of the Local Government Act 2002. Section 59 sets out the principal objectives of a CCTO which are to:

- a) achieve the objectives of its Shareholders, both commercial and non-commercial, as specified in the statement of intent; and
- b) be a good employer; and
- c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- d) conduct its affairs in accordance with sound business practice.

2.3 QAC's business is also subject to regulatory control under the Airport Authorities Act 1966 and complies with the disclosure requirements of a specified airport company pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations.

2.4 The company's governance is also covered by the Companies Act 1993.

2.5 QAC's aeronautical operations are governed by the Civil Aviation Act 1990 and Civil Aviation Rules Part 139.

2.6 QAC's decisions relating to the operation of the Airport must be made in accordance with its statement of intent and its constitution and relevant legislation discussed above, including of course the Resource Management Act.

2.7 QAC's vision, as set out in the statement of intent 2016-2018 is to:

*"Seize the challenge to make Queenstown easy to get to, with an airport experience that leaves a wonderful first and lasting impression."*

2.8 To achieve this vision and to be successful over the next five years, QAC has the following strategic objectives:

1. Deliver excellent service consistently throughout a period of significant growth and infrastructure development.
2. Grow passenger volumes.
3. Expand airport capacity to meet the anticipated growth in aircraft movements and passenger volumes.
4. Grow non-aero revenue.
5. Pursue operational excellence including being an outstanding corporate citizen within the local community.

### **QUEENSTOWN AIRPORT HISTORY**

2.9 The Airport was first licensed by the Civil Aviation Authority in 1935. Commercial airfield ventures commenced at the site after the Second World War, when a number of buildings were established. The first commercial flight was recorded in 1947. This signalled the start of the growth and development of Queenstown Airport as a regional airport.

2.10 By the early 1950s regular commercial activities, including the first scheduled passenger service between Queenstown and Dunedin, had commenced. By the early 1960s Mount Cook Airline was providing scheduled flights from the Airport.

2.11 In 1968 the runway (then 1341 metres in length) was sealed and by the early 1970s a small terminal building was established for passenger use.

2.12 In 1988 QAC was formed to operate the Airport.

2.13 In 1990 extensions (in width) to the runway and terminal (check-in area) were undertaken to provide for the first jets, operated by Ansett. This was followed by the first Boeing Jet (Boeing 737-300) operated by Air New Zealand in 1992.

- 2.14 Further extensions to the runway in the mid to late 1990s enabled fully laden jet aircraft, including Boeing 737, to fly direct from Queenstown to any New Zealand destination. Return Trans-Tasman services were also introduced at this time. Also during this time Airways Corporation upgraded its facility from a Flight Service to full Air Traffic Control and built a new Control Tower at the Airport.
- 2.15 In 1995 the Council notified its review of the District Plan which addressed the Airport and provided for its growth until 2015, through the introduction of noise boundaries, amongst other measures. I understand these noise boundaries are contained within the printed version of the Operative District Plan, although they are now very outdated, and are superseded by the Plan Change 35 noise boundaries. I will discuss Plan Change 35 in more detail shortly.
- 2.16 The development of the Airport progressed more significantly in 2001, with the completion of a 1891m (sealed length) runway, and construction of additional aprons. The terminal building was also refurbished at this time, although this soon reached capacity, and a further expansion was pursued.
- 2.17 Around 2007 the roading infrastructure associated with the Airport was upgraded, which included QAC providing land and capital to build access to the Remarkables Park shopping centre, along with the roundabout at the Airport entrance on SH6.
- 2.18 Further terminal expansions were undertaken in 2009, 2010, 2011, 2012 and most recently in 2015. These expansions variously accommodated additional retail and food and beverage space, increases in the baggage handling and reclaim areas, and arrival and departure areas for international and domestic passengers.
- 2.19 Runway End Safety Areas (**RESA**) were constructed over 2009 - 2011 at both ends of the main runway, to extend the safety areas to accord with a CAA requirement and retain international flights. These involved significant civil engineering works, arguably the largest of their type since the construction of the Clyde Dam.
- 2.20 Runway lights were installed in July 2011, with the aim of minimising the number of disruptions to flight schedules and enhancing safety in poor weather conditions. Further lighting is required to accommodate flights after dark, as I describe shortly.

- 2.21 A number of further significant projects have been undertaken more recently, some of which will be explained in further detail shortly.
- 2.22 The history of development of Queenstown Airport over the last 75 years shows that the Airport is constantly changing and expanding to meet the needs of operators and passengers.

### **3 QUEENSTOWN AIRPORT PRESENTLY**

- 3.1 Queenstown Airport operates a mixture of scheduled flights, private jets, general aviation and helicopters. It is the fastest growing airport in New Zealand and the fourth busiest by passenger numbers.
- 3.2 The Airport provides an essential link for domestic and international visitors to New Zealand's premier destinations, including Queenstown and Milford Sound. It serves as the direct international and domestic gateway to the lower South Island.
- 3.3 The Airport receives direct scheduled services from New Zealand's main metropolitan ports of Auckland, Wellington and Christchurch, which provide strong regional links throughout the country, as well as from the Australian cities of Sydney, Melbourne, Brisbane and Coolangatta. Auckland and Sydney airports are the major international gateway airports for long haul visitors. Private jets are also a growing market, both short and long haul, with aircraft flying direct from north Asia and West Coast USA.
- 3.4 The Airport is also one of New Zealand's busiest helicopter bases and is heavily used for tourist 'flightseeing', especially to Milford Sound and Mount Cook, on fixed-wing and rotary-wing aircraft.
- 3.5 Today the main runway has a sealed length of 1,911m plus a 90m RESA at each end. There is a secondary crosswind runway for light aircraft and this plays an integral part in 'organising the sky' for the approximately 24,000 aircraft landings per year (both scheduled and non-scheduled) at the Airport. On a busy day the Airport air traffic controllers can handle over 180 aircraft movements per day.

## **QAC'S LANDHOLDINGS**

- 3.6 QAC owns approximately 137 ha of land on Frankton Flats, comprising:
- a. 83ha incorporating the airfield, runways and aprons, rescue fire facilities and air traffic control tower;
  - b. 8ha of terminal, car parking, road network and commercial land leased to airport-related businesses;
  - c. 17ha of land currently used by General Aviation;
  - d. 17ha of undeveloped land recently rezoned for industrial purposes through Plan Change 19, located to the north of the main runway;
  - e. 12ha of undeveloped rural and golf course land. The golf course land is leased to QLDC for a nominal annual rate.
- 3.7 A plan showing QAC's landholdings and its designation boundaries is attached to Mr Kyle's evidence.

## **GROWTH AND DEVELOPMENT OF THE AIRPORT**

- 3.8 A sustained period of outstanding passenger growth in the past six months to December 2015 has set new records, with the total number of passengers through the Airport hitting 1.5 million for the first time over a 12 month period. This number was comprised of 1,067,947 domestic and 441,461 international passengers. The greatest percentage growth was observed in the international market, with international passengers increasing by 25.9% (or 90,818 passengers) and domestic passengers by 10.1% (or 97,859 passengers) on the previous year.
- 3.9 For the first 6 months of the 2016 financial year, QAC achieved a Net Profit After Tax of \$6.2 million. This result compares with a profit of \$4.7 million for the previous corresponding period, an increase of 31%. In line with its dividend policy, QAC has paid an interim dividend of \$1.0 million to its shareholders, with 75.01% payable to Queenstown Lakes District Council and 24.99 % to Auckland Airport.
- 3.10 Growth shows no sign of slowing in the coming years. The Airport's current forecast is that passenger numbers will grow to approximately 2.5 million by 2025.

3.11 To accommodate the ongoing passenger and aircraft movement growth, QAC has invested heavily in developing infrastructure and working alongside airline and airport partners to introduce innovations and technology to improve operational efficiency and overall visitor experience. Significant capital investment in infrastructure has been required over the past few years, most recently the \$17 million 4,100m<sup>2</sup> extension to the Airport international terminal building and the \$18 million project designed to improve the Airport's airfield infrastructure and enable it to accommodate after dark flights for the first time from winter 2016. These are discussed in more detail below.

#### *Terminal Expansion*

3.12 The recent 4100m<sup>2</sup> terminal expansion includes a new international arrivals area, new customs and Ministry for Primary Industry areas, duty free shopping, a new baggage carousel dedicated solely to international arrivals, and toilets and service areas. In addition, the existing international departure lounge has been more than doubled in size to provide for extra toilets, seating and retail.

#### *After Dark/Evening Flights*

3.13 On the back of delivering the significant terminal expansion, QAC's next focus is to introduce evening (after-dark) flights for winter 2016, which will allow the Airport to expand capacity in the short term without building additional terminal infrastructure. Evening flights will allow the Airport to use its full consented operational hours between 6am and 10pm, moving from an 8-hour operating window during the winter peak to a 16-hour window. I note these flights will need to comply with the noise limits introduced by Plan Change 35.

3.14 To further explain, Queenstown Airport has long been consented, in terms of the District Plan and Airport Designation, for flights to occur up until 10pm. However, in practice evening flights have only been able to occur in summer, as flights are currently limited to daylight hours under the CAA's Aeronautical Information Publication for Queenstown Airport.

3.15 In May 2014 QAC obtained CAA and Australia's Civil Aviation Safety Authority (**CASA**) approval-in-principle for after dark air transport operations to and from Queenstown Airport. This approval was issued against a comprehensive Foundation Safety Case, which set out the infrastructure and lighting upgrades required at Queenstown Airport, and the operational and procedural controls that will be adopted

by airlines in their independent Operator Safety Cases for after dark flights. The CAA and CASA approval will enable aircraft to operate at Queenstown:

- a. From 6am to sunrise, where sunrise is after 6am (for example, in winter).
- b. From sunset (or more correctly Evening Civil Twilight) to 10pm. During winter in particular this provides a much longer window for flights to arrive and depart Queenstown than was previously the case.

3.16 Evening flights will provide a significant benefit for travellers and business, with an extended operating window giving more flexibility, better connectivity across airline networks, and improved airport experience with peak times spread out and less pressure on facilities and services. As an example, for leisure travellers it would make weekend holidays from Auckland and Australia possible year-round. It would also give business people more flexibility with their travel plans and potentially allow people to base themselves in Queenstown and commute to other main centres more easily. The biggest immediate benefit will be increasing the flying window during the short winter months, which are also our busiest passenger months.

3.17 QAC commenced the physical works required to accommodate evening flights in November last year, with an \$18m runway and lighting infrastructure upgrade. This work includes resurfacing and widening the runway (from 30m to 45m), and improved navigational infrastructure through the installation of a comprehensive aeronautical lighting package (runway, taxiway, approach and apron lights).

3.18 This project is due to be completed in April 2016. Airlines are in the process of developing their own operational safety cases for regulatory (CAA) approval to operate at Queenstown Airport after dark. Air New Zealand has already announced it will commence evening flights into and out of Queenstown this winter from 1 July, subject to regulatory approval.

3.19 The introduction of evening flights will mark a step-change for the Airport as a major local employment hub as it moves to a 'split-shift' operating model to cater for the extended operating window. This will create a number of job opportunities, adding to the 350-strong team already working in and around the Airport.

3.20 Ensuring it is ready for evening flights will be a key focus for QAC over the next 6 months.

*Acquisition of Lot 6*

3.21 QAC also seeks to designate and acquire part of Lot 6 DP304345 for Aerodrome Purposes. Lot 6 is owned by Remarkables Park Limited (**RPL**) who opposes both the designation and acquisition. Discussions have been ongoing with RPL since at least 2008, however unfortunately agreement has not been reached and the matter is before the Court.

3.22 The designation and acquisition of part of Lot 6 will importantly, but without limitation:

- a. Provide for appropriate (safe) clearances for the formation of a Code C taxiway parallel to the main runway so as to increase that runway's capacity;
- b. Provide additional grass and paved apron areas and space for hangars for general aviation and helicopter activities, along with additional hangar space for Code C aircraft (i.e. jets).
- c. Enable general aviation and helicopter bases and activities (**GA**) to move from the south western area of the Airport (near Lucas Place) so as to enable essential growth around the Airport including:
  - i. further expansion of the terminal;
  - ii. additional apron areas around the terminal for scheduled aircraft;
  - iii. additional carparking for public and rental vehicles etc.

3.23 These works are essential for the ongoing development of the Airport, and the project has been recognised as one of “national significance” by the Minister for the Environment.

3.24 While the GA operators remain in their current locations along Lucas Place, the Airport's landslide activities cannot be expanded to the detriment of neighbours who experience a higher level of aircraft noise under the existing configuration.

- 3.25 In the most recent decision on Lot 6 (22 December 2015), the Court found in favour of QAC on the following points:
- a. Reconfirmed its finding that the new GA precinct should be established to the south of the main runway and proposed taxiway, and on Lot 6 land;
  - b. That the area of Lot 6 land required is about 16ha and not the 8ha originally decided.
- 3.26 The Court is expected to confirm the 16ha designation once an aeronautical study has been completed and CAA approval is obtained for the works enabled by the designation. The aeronautical study for this is underway.

*Plan Change 35*

- 3.27 QAC's counsel and its planning witness, Mr Kyle, have explained the background to and detail of Plan Change 35. My evidence provides an update on the roll out of the noise mitigation package, as required by the amendments to Designation 2 (Aerodrome Purpose) associated with the Plan Change.
- 3.28 Following work in 2013/14, which involved forming the Queenstown Airport Community Liaison Committee and adopting the Noise Management Plan, and discussing options with our affected neighbours, QAC has been working through its aircraft noise mitigation obligations as required by the Designation.
- 3.29 QAC's primary focus over the past year has been to progress works on the 13 homes most affected by aircraft noise located within PC35 Air Noise Boundary (**ANB**). This has involved each home being assessed by noise management experts and individual acoustic treatment package reports being developed.
- 3.30 These acoustic packages were then worked through and put into action in two trial houses. Project manager RCP worked with contractors to test a number of different scenarios to ensure that when work is undertaken on each home, proven best practices which achieve optimal acoustic results with the least impact to the people living in the house are adopted.

- 3.31 In addition to field testing mitigation options, QAC has completed the following:
- a. Preliminary design work for the 13 homes that qualify for the full noise mitigation package (i.e. sound insulation and mechanical ventilation).
  - b. Drafted legal agreements for presentation to homeowners which have been subsequently approved by the Queenstown Airport Liaison Committee.
  - c. Held one-on-one meetings with each homeowner to present and discuss the bespoke noise mitigation design solution for their home and the legal documentation.
- 3.32 Once noise mitigation works are underway for the first 13 homes, attention will turn to the properties with the 60 dB L<sub>dn</sub> 2037 Noise Contour and QAC will contact owners regarding mechanical ventilation proposals for their homes. This phase involves a further 123 homes and is timed to begin mid 2016.
- 3.33 Noise mitigation works will continue in annual or two-yearly tranches for the next 20 years.
- 3.34 QAC's approach is guided by its obligations in the Aerodrome Purposes Designation and the Noise Management Plan, which was formulated through the notice of requirement and Plan Change 35 process.

#### *Masterplanning*

- 3.35 Developing a 30 year Masterplan over the next 12 months is also a key focus for QAC. The project outline has been completed and consultants will be appointed in May, with plans started to be developed over winter. Once confirmed, the Masterplan will guide the long-term development of the Airport.

#### **QAC's CONTRIBUTION TO THE DISTRICT**

- 3.36 A 2014 economic assessment undertaken by Market Economics<sup>1</sup> has assessed that Queenstown Airport facilitates tourism spending of between \$592m and \$638m, sustaining between 14,855 and 15,948 jobs, and that by 2037 total tourism spending facilitated by the Airport will be between \$1.1bn and \$1.4bn.

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<sup>1</sup> Market Economics Report titled "Queenstown Airport: Mixed Use Zone, Economic Assessment November 2014".

- 3.37 An economic analysis undertaken for PC35 indicated that in 2037, gross output of the Airport will increase to \$522 million and will sustain the equivalent of 8,100 full time workers each year. This is likely understated, given current growth projections.
- 3.38 Currently, more than 350 people work in and around Queenstown Airport. In addition to QAC, the Airport's management company, the wider airport community comprises approximately 60 businesses, from retailers, rental car providers and general aviation operators to airlines, ground handling services and border security agencies. There are also a number of auxiliary service providers and contractors who work with these businesses to support the airport's operations.
- 3.39 The introduction of evening flights later this year and the move to a 'split-shift' operating model to cater for the extended operating window will create a number of further job opportunities, and inevitably lead to increased tourist spending in the District.
- 3.40 Consequently, Queenstown Airport can be considered a significant strategic resource and provides substantial direct and indirect benefits to the local and regional economy.

### **SUMMARY FOR QUEENSTOWN AIRPORT**

- 3.41 QAC's business success and growth is intrinsically linked to the fortunes of the region's tourism and visitor industry. In turn, this industry depends on QAC providing effective air connectivity for New Zealand and overseas visitors, along with a world-class passenger service and experience for all visitors.
- 3.42 Land constraints, constrained airspace, heightened international airport aviation security requirements, and phenomenal growth means Queenstown Airport will continue to evolve solely as a commercial airport. For QAC that means an airport that is able to meet the future needs of scheduled 'Regular Passenger Transport' (RPT) services and associated passengers, the special demands of the private jet market, and the region's commercial general aviation industry as a hub for visitor flightseeing.

3.43 QAC will continue to work closely with aviation and tourism partners to identify growth opportunities for the future, particularly in off peak months, to ensure its infrastructure is developed to meet demand. We see the need for the community to continue to invest in the region's infrastructure and tourism to both maintain a quality visitor experience and to handle the anticipated growth from new and emerging long haul markets.

3.44 Growth projections remain very strong and QAC is mindful it needs to manage this growth in line with community expectations and any District Plan requirements. Given this growth, and the significant contribution the Airport makes to the community, it is imperative, in my view, that new noise sensitive activities around the Airport are carefully managed.

#### **4. WANAKA AIRPORT**

4.1 Wanaka Airport accommodates aircraft movements associated with scheduled general aviation and helicopter operations, and is a major facilitator of commercial helicopter operations within the District.

4.2 Wanaka Airport provides a complementary and supplementary facility to Queenstown Airport.

4.3 QAC provides aeronautical and property expertise to QLDC in relation to the management of Wanaka Airport, and receives a fee from QLDC for the management of the airport calculated on a cost recovery basis only. This includes the cost of onsite airport staff, aeronautical advisory support, property management services, accounting and administration services, management input to the airport's development, and fulfilling compliance obligations.

**M Edghill**

**29 February 2016**

**BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL**

**BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL**

**IN THE MATTER OF** the Resource Management Act 1991

**AND**

**IN THE MATTER OF** the Queenstown Lakes Proposed District Plan

Chapter 3 (Strategic Direction),  
Chapter 4 (Urban Development) and  
Chapter 6 (Landscape)

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**STATEMENT OF EVIDENCE JOHN CLIFFORD KYLE**

**(29 FEBRUARY 2016)**

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## 1. INTRODUCTION

### Qualifications and Experience

- 1.1 I hold an honours degree in Regional Planning from Massey University, obtained in 1987. I am a Partner with the firm Mitchell Partnerships, which practices as a planning and environmental consultancy throughout New Zealand, with offices in Auckland, Tauranga and Dunedin.
- 1.2 I have been engaged in the field of town and country planning and resource and environmental management for 28 years. My experience includes a mix of local authority and consultancy resource management work. For the past 22 years, this experience has retained a particular emphasis on providing consultancy advice with respect to regional and district plans, designations, resource consents, environmental management and environmental effects assessment. This includes extensive experience with large-scale projects involving inputs from a multidisciplinary team.
- 1.3 An outline of the projects in which I have been called upon to provide environmental planning advice in recent times is included as **Appendix A**.
- 1.4 I am familiar with and have made numerous visits to Queenstown Airport and the areas surrounding the Airport. I have assisted the Queenstown Airport Corporation with planning matters for more than a decade. I am generally familiar with planning issues in the Queenstown Lakes District, having actively practiced there since 1994.
- 1.5 I advise that I have read and agree to comply with the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2014. In particular, unless I state otherwise, this evidence is within my scope of expertise and I have not omitted to consider material facts known to me that might alter or detract from the opinions I express.
- 1.6 My firm, Mitchell Partnerships Limited (**MPL**) has been commissioned by Queenstown Airport Corporation (**QAC**) to provide resource management planning advice with respect to the Proposed Queenstown Lakes District Plan (**Proposed Plan**). My firm prepared the submissions and further submissions on behalf of QAC.

## Scope of Evidence

1.7 In this brief of evidence, I will:

- Set out the planning context for Queenstown and Wanaka Airports;
- Provide an overview of the strategic significance of Queenstown and Wanaka Airports and why they warrant recognition in the Proposed Plan;
- Provide the contextual background and genesis behind Plan Change 35 and the associated Notice of Requirement initiated by QAC in 2008;
- Set out why the provisions that were settled via the Environment Court process as part of Plan Change 35 (**PC35**) remain the most suitable means of managing the effects of aircraft noise at and around Queenstown Airport;
- Explain how the higher order objectives and policies of PC35 should be carried forward and incorporated into the Proposed Plan; and,

## 2. QUEENSTOWN AIRPORT – PLANNING CONTEXT

2.1 QAC operates the regionally and nationally significant Queenstown Airport, and the regionally significant Wanaka Airport. Mr Edghill has provided some context about QAC and the role of Queenstown and Wanaka Airports in facilitating the transportation of people and goods to the region. I do not intend to repeat that here.

2.2 Queenstown Airport is managed by QAC. QAC is a network utility operator and a requiring authority under section 166 of the Resource Management Act 1991 (the **RMA** or the **Act**).

2.3 Queenstown Airport is the subject of three designations in the operative Queenstown Lakes District Plan (**Operative Plan**), namely:

- **Designation 2 – Aerodrome Purposes:** The purpose of this designation is to protect the operational capability of the Airport, while at the same time minimising adverse environmental effects from aircraft noise on the community at least to year 2037;

- **Designation 3 – Air Noise Boundary:** This designation defines the location of the Airport’s Air Noise Boundary (**ANB**). The location of the ANB shown in the designation is outdated however, and was updated, to provide for airport operations until 2037, via noise boundaries promulgated as part of Plan Change 35; and,
- **Designation 4 – The Approach and Land Use Control (transitional slopes and surfaces):** The purpose of this designation is to provide obstacle limitation surfaces around the Airport to ensure the safe operation of aircraft approaching and departing the Airport.

2.4 Excepting Designation 3, these designations are proposed to be “rolled over” (with modifications), in the Proposed Plan. Designation 3 has been subsumed by Plan Change 35 which provides for an updated ANB to be included in the District Plan (Planning Map 31a) (refer to paragraph 5.31 of my evidence for further background). QAC has therefore given notice of its intent to withdraw Designation 3.

2.5 Maps depicting the extent of Designation 2 (Aerodrome Purposes) and two figures showing the extent of Designation 4 (Approach and Land Use Controls) are attached in **Appendix B**. The extent of QAC’s landholdings (designated and undesignated) is attached as **Appendix C**.

### 3. WANAKA AIRPORT – PLANNING CONTEXT

3.1 The Queenstown Lakes District Council (**QLDC**) is the requiring authority for Wanaka Airport, with QAC managing the operations of the Airport on QLDC’s behalf.

3.2 Wanaka Airport is designated for “Aerodrome Purposes” (Designation 64) and a designation exists for “Approach and Land Use Control” purposes (Designation 65) in the Operative Plan. The purpose of these designations is to:

- Protect the operational capability of the Airport, while at the same time minimising adverse effects from aircraft noise (Designation 64); and,
- Define essential airport protection measures, transitional slopes and surfaces, aircraft take off climb and approach slopes and airport height and obstacle clearances (Designation 65).

- 3.3 These designations are also proposed to be “rolled over” (with modifications), in the Proposed Plan.
- 3.4 A map depicting the extent of these designations is attached as **Appendix D**.

#### **4. THE NATIONAL AND REGIONAL SIGNIFICANCE OF INFRASTRUCTURE**

- 4.1 Queenstown and Wanaka Airports comprise significant infrastructure that plays a critical role in providing for the economic and social wellbeing of the Queenstown Lakes District.

##### **Queenstown Airport as a facilitator of economic growth and wellbeing**

- 4.2 Research undertaken by QLDC in 2013<sup>1</sup> estimated that more than a third of the local economy is based on tourism and around half of all employment is related to the tourism sector<sup>2</sup>.
- 4.3 Queenstown Airport serves an important role in facilitating the movement of people and goods, which in turn feeds the District’s tourism industry and commerce more generally. Queenstown Airport is the primary arrival and departure port for many visitors to the District.
- 4.4 As explained by Mr Edghill, over the previous 12 month period, Queenstown Airport accommodated in excess of 1.5 million passengers. Recent growth projections have indicated that passenger growth is set to continue, with 2.5 million passengers projected by 2025.
- 4.5 Based on the Ministry of Business, Innovation and Employment tourism forecasts and passenger number growth rates, total tourism spending is projected to increase by between 3.4 per cent and 3.9 per cent per annum. A 2014 economic assessment<sup>3</sup> indicated this is expected to take the total tourism spending facilitated by Queenstown Airport to between \$1.1bn and \$1.4bn by 2037. However, that amount will likely now be significantly greater, given the Airport’s most recent growth predictions.

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<sup>1</sup> Market Economics Limited “*Queenstown Airport Mixed Use Zone, Economic Assessment*” November 2014.

<sup>2</sup> Note, these figures did not the wider tourism activities inputs (supply chains).

<sup>3</sup> Market Economics Limited “*Queenstown Airport Mixed Use Zone, Economic Assessment*” November 2014.

- 4.6 Quite clearly the economic impact of the Airport both now and in the future is significant. Moreover, as indicated in the evidence of Mr Edghill, Queenstown Airport comprises an important tourist gateway into the Queenstown Lakes District. In recent times, the growth in passenger numbers has been pronounced, with greatest percentage growth occurring in international passengers. Queenstown is a nationally significant tourist destination. Tourism is a crucially important industry to the New Zealand economy as a whole. It is evident that the on-going ability of Queenstown Airport to function is essential to the tourism industry, both regionally and nationally.
- 4.7 The on-going ability of Queenstown Airport to function and grow without undue constraint is therefore of significant importance to the tourism industry, both regionally and nationally.
- 4.8 Because the tourism industry is such a significant contributor to the District's economy, the ongoing operation and development of the Airport is also of significant importance to the social and economic wellbeing of the community.

#### **QAC as a Lifeline Utility Entity**

- 4.9 Queenstown Airport is a lifeline utility under the Civil Defence Emergency Management Act 2002 (**CDEM**) in respect of its operation of Queenstown Airport. Accordingly, QAC has duties under that Act which are aimed at ensuring the wellbeing of people and the community is maintained during and after an emergency.
- 4.10 While not an identified lifeline utility under the CDEM, Wanaka Airport is likely to provide important air access to the Queenstown Lakes District in the event that road access is compromised during an emergency event<sup>4</sup>.

#### **Regional Policy Statements (RPS)**

- 4.11 The Operative and Proposed Regional Policy Statements for Otago provide specific policy recognition of infrastructure and acknowledge its importance in providing for the social, economic and cultural wellbeing of people and communities. Of note are the following provisions:

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<sup>4</sup> In the Queenstown Lakes District Council Emergency Management Plan 2013-2016.

*Operative Regional Policy Statement for Otago*

- Queenstown Airport is recognised in the explanation to issue 9.3.3<sup>5</sup> of the RPS as one of the region's major airports.
- Objective 9.4.2<sup>6</sup> seeks to promote the sustainable management of Otago's infrastructure to meet the present and reasonably foreseeable needs of Otago's communities.
- Policy 9.5.2<sup>7</sup> seeks to promote and encourage efficiency in the development and use of Otago's infrastructure through:
  - Encouraging development that maximises the use of existing infrastructure while recognising the need for more appropriate technology;
  - Promoting co-ordination amongst network utility operators in the provision and maintenance of infrastructure;
  - Encouraging a reduction in the use of non-renewable resources while promoting the use of renewable resources in the construction, development and use of infrastructure; and
  - Avoiding or mitigating the adverse effects of subdivision, use and development of land on the safety and efficiency of regional infrastructure.
- Policy 9.5.3<sup>8</sup> aims to promote and encourage the sustainable management of Otago's transport network through:
  - Promoting the use of fuel efficient modes of transport; and
  - Encouraging a reduction in the use of fuels which produce emissions harmful to the environment; and
  - Promoting a safer transport system; and
  - Promoting the protection of transport infrastructure from the adverse effects of land use activities and natural hazards.

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<sup>5</sup> Issue 9.3.3, page 123 of the Operative Regional Policy Statement for Otago 1998.

<sup>6</sup> Objective 9.4.2, page 125 of the Operative Regional Policy Statement for Otago 1998.

<sup>7</sup> Policy 9.5.2, page 126 of the Operative Regional Policy Statement for Otago 1998.

<sup>8</sup> Policy 9.5.3, page 127 of the Operative Regional Policy Statement for Otago 1998.

*Proposed Regional Policy Statement*

- Objective 3.5<sup>9</sup> aims to ensure that infrastructure of national and regional significance is managed in a sustainable way.
- Policy 3.5.1<sup>10</sup> seeks to recognise the national and regional significance of infrastructure, including airports (as noted in subparagraph (e)).
- Policy 3.5.3<sup>11</sup> seeks to protect infrastructure of national or regional significance, by:
  - Restricting the establishment of activities that may result in reverse sensitivity effects;
  - Avoiding significant adverse effects on the functional needs of infrastructure;
  - Avoiding, remedying or mitigating other adverse effects on the functional needs of the such infrastructure;
  - Assessing the significance of the adverse effects on those needs, as detailed in the “Significance threshold” schedule (Schedule 3) of the Proposed Regional Policy Statement);
  - Protecting infrastructure corridors for infrastructure needs, now and for the future.

4.12 The Proposed Plan is required to give effect to the Operative and have regard to the Proposed Regional Policy Statements.

**Summary**

4.13 It is clear from the above that Queenstown and Wanaka Airports comprise significant infrastructure that contributes to the social and economic wellbeing of the community. In my opinion, it is therefore imperative that such infrastructure is properly recognised and provided for in the Proposed Plan. Put simply, the wider benefits that accrue from the airport should attract significant weight in preparing and confirming the provisions of the Proposed Plan.

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<sup>9</sup> Objective 3.5, page 59 of the Proposed Regional Policy Statement for Otago 2015.

<sup>10</sup> Policy 3.5.1, page 59 of the Proposed Regional Policy Statement for Otago 2015.

<sup>11</sup> Policy 3.5.3, page 60 of the Proposed Regional Policy Statement for Otago 2015.

4.14 Given the role of the Strategic Directions chapter of the Proposed Plan in setting the policy framework for the management of growth, land use and development, it is important in my view that the significance of infrastructure is recognised and provided for within this chapter. It is also required in order to give effect/have regard to the Operative and Proposed Regional Policy Statements. My colleague, Ms Kirsty O'Sullivan, will provide evidence with respect to the form that such policy recognition should take. I have reviewed her evidence and endorse what she has to say in this respect.

## **5. PLAN CHANGE 35 - THE GENESIS AND BACKGROUND TO THE PLAN CHANGE**

5.1 In 2008 QAC initiated Plan Change 35 (**PC35**) and an associated Notice of Requirement (**NOR**) to alter Designation 2. The purpose of PC35 was to put in place an appropriate management regime for managing land use around Queenstown Airport while providing for the predicted ongoing growth of the aircraft operations to 2037. Accordingly, the Plan Change updated the Airport's noise boundaries<sup>12</sup> (Air Noise Boundary (**ANB**) and Outer Control Boundary (**OCB**)) to provide for predicted growth in aircraft operations to 2037, and amended various zone provisions relating to the use of land within those updated boundaries likely to be affected by increased aircraft noise.

5.2 Specifically, PC35 sought changes to the following chapters of the Operative District Plan:

Chapter 4 District Wide Issues;

Chapter 5 Rural Areas

Chapter 6 Queenstown Airport Mixed Use

Chapter 7 Residential Areas

Chapter 11 Business and Industrial Areas;

Chapter 12 Special Zones

Chapter 14 Transport

Appendix 1 Designations

Appendix 13 (relating to Sound Insulation and Ventilation Requirements);  
Definitions;

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<sup>12</sup> Prior to which the OCB being contained in the Operative District Plan and the ANB in Designation 3.

- 5.3 In conjunction with the land use management regime proposed by PC35, the associated NOR proposed to introduce obligations for QAC (via its Aerodrome Purposes Designation) to undertake and fund noise mitigation works for those existing houses within the updated noise boundaries likely to be exposed to increased levels of aircraft noise.
- 5.4 PC35 was adopted by QLDC and following the hearing of submissions, was confirmed on 1<sup>st</sup> November 2010.<sup>13</sup>
- 5.5 PC35 was the subject of a number of appeals to the Environment Court. The appeals were largely resolved by agreement in early 2012, which was jointly presented to the Court during the course of two hearings and the filing of subsequent memoranda.
- 5.6 During the course of the Court proceedings the provisions were, at the Court's direction, redrafted by the parties to correct errors, ambiguities and inconsistencies contained in QLDC's decision on the Plan Change. A final set of provisions, giving effect to the Court's directions, was filed jointly by the parties in May 2013.
- 5.7 To provide some context for the Panel, I attach as **Appendix E** of my evidence, the full suite of provisions confirmed by the Environment Court on 8<sup>th</sup> May 2013. The three interim Environment Court decisions that relate to PC35 and together confirm its provisions and those of the associated NOR are attached as **Appendix F** to my evidence. I note the Noise Management Plan included in the Appendix contains a summary of QAC's noise mitigation obligations under the Designation. This may be of some assistance to the Panel in understanding the more technical aspects of PC35.
- 5.8 I note that the Environment Court confirmed PC35 provisions affect the following chapters of the Proposed Plan:
- Chapter 3 Strategic Direction;
  - Chapter 4 Urban Development
  - Chapter 7 Low Density Residential

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<sup>13</sup> Excepting provision for a limited number of scheduled flights after 10pm, which decision was accepted by QAC (i.e. not appealed).

- Chapter 15 Local Shopping Centre
- Chapter 17 Airport Mixed Use
- Chapter 21 Rural
- Chapter 36 Noise
- Chapter 37 Designations

- 5.9 It is therefore appropriate in my view to provide an overview of PC35 and the associated NOR in this phase of the hearing of submissions on the Proposed Plan in order to ensure the Panel has the contextual background necessary to consider QAC's submissions on the chapters which are the subject of this hearing and on later chapters.
- 5.10 In order to understand why, in my opinion, the Environment Court confirmed provisions remain the most current and appropriate means of managing the effects of aircraft noise on activities sensitive to aircraft noise (ASAN), and why similar provisions should be incorporated in the Proposed Plan, I will provide some background around the promulgation of PC35, and how the provisions were developed.

**New Zealand Standard on Airport Noise Management and Land Use Planning (NZS6805:1992)**

- 5.11 The foundation of the approach adopted by PC35 is the New Zealand Standard for Airport Noise Management and Land Use Planning, NZS6805:1992 (the **New Zealand Standard** or the **Standard**). This Standard is recognised as the key guiding document for managing aircraft noise at New Zealand airports.
- 5.12 As noted, PC35 seeks to provide for growth in aircraft operations at the Airport until 2037, that being 25 years from when the Plan Change was first promulgated. The initial part of the PC35 process involved undertaking aircraft noise monitoring, and modelling how this would change over time, out to the year 2037<sup>14</sup>. The modelling determined that the noise boundaries contained in the Operative District Plan were quickly becoming out of date and that QAC needed to investigate how best to provide for its future operational requirements.

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<sup>14</sup> This work was carried out by Marshall Day Acoustics. The modelled aircraft noise predictions utilised flight growth projections which were forecast by Airbiz Limited.

5.13 In approaching the task of how best to provide appropriate aircraft noise management provisions in the District Plan, the decision was taken to respect the structure of the Operative District Plan, as far as could be achieved. Reliance on a designation approach (addressing QAC's obligations), in tandem with the imposition of new or amended objectives, policies and methods within the zones that relate to land around the Airport (addressing the community's obligations) was determined to be the best approach to managing the effects of aircraft noise at Queenstown Airport. This approach has since been endorsed by the Environment Court<sup>15</sup>.

5.14 I maintain of the view that this approach remains the most appropriate and should be carefully considered in formulating the Proposed Plan.

#### **Air Noise Boundary (ANB)**

5.15 The New Zealand Standard recommends the *implementation of practical land use planning controls and airport management techniques to promote and conserve the health of people living and working near airports, without unduly restricting the operation of airports*.<sup>16</sup>

5.16 The New Zealand Standard sets out that a balance needs to be achieved between accommodating the needs of the Airport on an on-going basis and providing for the health and the amenity values enjoyed by those occupying and using land surrounding the Airport.

5.17 One of the techniques advocated in the New Zealand Standard for achieving this outcome is the imposition of an ANB. An ANB is a "*mechanism for local authorities to establish compatible land use planning and to set limits for the management of aircraft noise at airports where noise control measures are needed to protect community health and amenity values*"<sup>17</sup>.

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<sup>15</sup> Refer to the three interim decisions attached as Appendix F of my evidence.

<sup>16</sup> New Zealand Standard 6805:1992: Airport Noise Management and Land Use Planning (NZS 6805:1992); Section 1.1.3, page 5.

<sup>17</sup> NZS 6805:1992, Section 1.1.2, page 5.

- 5.18 The ANB comprises a noise boundary inside of which noise exposure is expected to exceed 65dB L<sub>dn</sub>. The New Zealand Standard recommends that new residential activities, schools, hospitals or other noise sensitive uses should be prohibited inside the ANB<sup>18</sup>. The approach adopted within PC35 in respect of the ANB was therefore guided by the New Zealand Standard, with amendments as necessary to reflect the current nature and scale of established activities occurring around the airport.
- 5.19 The ANB at Queenstown Airport, as amended by PC35<sup>19</sup>, includes land which accommodates a number of existing residential dwellings in Frankton, particularly to the west of the main runway. Where such circumstances apply, the New Zealand Standard advocates that steps should be taken to provide existing residential dwellings with appropriate acoustic insulation to ensure a satisfactory internal noise environment. QAC therefore offered, as part of PC35 and the associated NOR package, to fund mitigation measures, including acoustic insulation and mechanical ventilation for existing dwellings within the proposed ANB to the extent necessary to achieve an internal noise environment of 40dB L<sub>dn</sub>. QAC is obliged to provide this mitigation treatment through conditions of Designation 2.
- 5.20 It is important to understand that the ANB (as amended by PC35) reflects the position of the 65dB L<sub>dn</sub> boundary in the year 2037. In reality, the growth in flight numbers at Queenstown Airport, and thus the aircraft generated noise increase, will be gradual over time. QAC is therefore obligated to complete acoustic insulation mitigation of these existing residential properties within the ANB ahead of the full noise exposure limit being reached at that particular property.
- 5.21 As set out by Mr Edghill<sup>20</sup>, QAC has recently commenced with this work, offering acoustic mitigation packages to 13 houses within the 2037 ANB.
- 5.22 The New Zealand Standard recommends that no new<sup>21</sup> ASANs should be provided for in the ANB, however during the promulgation of PC35 QAC recognised that historical development and associated zoning for residential purposes has occurred in close proximity to the Airport runway. QAC therefore

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<sup>18</sup> NZS 6805: 1992, Table 1, page 15.

<sup>19</sup> And attached to the legal submission of R Wolt dated 29 February 2016.

<sup>20</sup> Paragraph 3.29 of the Evidence in Chief of Mr Mark Edghill, dated 26 February 2016.

<sup>21</sup> "New" includes alterations and additions to existing ASAN.

adopted a more moderated approach to that recommended by the Standard whereby new residential dwellings and alterations and additions to existing dwellings are able to be built inside the ANB, provided they occupy an already zoned site and where the dwelling incorporates appropriate sound insulation and mechanical ventilation measures, at the property owner's cost.

- 5.23 While the 2037 ANB extends over the Residential, Remarkables Park, Rural and Airport Mixed Use zones of the District Plan, existing residential dwellings are only provided for by zoning and exist within the Residential Zone.
- 5.24 At the time PC35 was promulgated, residential dwellings were a permitted activity in the Residential Zone<sup>22</sup>. These existing development rights were therefore "grandfathered" in the new PC35 provisions. I understand that QAC intends to support the grandfathering approach for properties in the Proposed Plan subject to retention of the Operative Plan standards regarding density and lot size. Despite being a more moderate approach than the New Zealand Standard, I agree that the continuation of this approach is appropriate.
- 5.25 As indicated earlier, PC35 also introduced proposed new acoustic insulation and mechanical ventilation requirements for any new or alterations or additions to existing buildings containing ASAN located within the new ANB, to be provided at the property owner's cost, at the time of development. This approach was considered appropriate because the provisions of PC35 provide a definitive flag to property owners within the ANB that their property will experience high levels of aircraft noise should they choose to construct new dwellings within this area.

#### **Outer Control Boundary**

- 5.26 The New Zealand Standard identifies that the Outer Control Boundary (OCB) is based on a noise contour at or beyond which aircraft noise should not exceed 55dB L<sub>dn</sub>.
- 5.27 The New Zealand Standard recommends that any new residential dwellings, schools, hospitals or other noise sensitive uses (ASANs) should be prohibited within the OCB, unless the District Plan permits such uses. Then they should

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<sup>22</sup> Subject to compliance with Site and Zone Standards. These include Zone Standards 7.5.5.3vi and 7.5.6.3viii require residential properties and other ASANs to meet an internal design sound level of 40dB L<sub>dn</sub>.

be subject to a requirement to incorporate appropriate acoustic insulation to ensure a satisfactory internal noise environment. The New Zealand Standard also recommends that alterations or additions to existing residences or other ASANs inside the OCB should be appropriately insulated from aircraft noise to achieve an acceptable internal design sound level.

5.28 Generally in line with the New Zealand Standard, PC35 sought to prohibit any new ASAN inside the OCB in the Rural, Industrial and Frankton Flats zones and to require mechanical ventilation for new dwellings, or for alterations or additions to existing dwellings inside the Rural, Residential, Frankton Flats and Remarkables Park zones. The cost associated with such works is met by the developer, at the time the development work is undertaken. This approach is consistent with the approach advocated within the New Zealand Standard.

5.29 In practical terms, what has been found from sound insulation studies around other New Zealand airports is that the level of mitigation required within the OCB can be readily grouped as follows:

- Modern houses located between 55.0 to 58.0dB Ldn – will generally achieve 40dB Ldn inside with windows slightly ajar.
- Modern houses located between 58.0 to 65.0dB Ldn – will generally achieve 40dB Ldn inside with windows closed and thus mechanical ventilation is required to provide an alternative form of ventilation

5.30 PC35 also promoted strong policy based dissuasion against the promulgation of further plan changes that would result in land within the OCB being rezoned for noise sensitive (ASAN) development. Whilst it is accepted that some land around the Airport has been allowed to develop in a way which incorporates ASANs or where ASANs have been previously consented<sup>23</sup>, in my view it is important to now recognise that any future opportunity to similarly develop currently undeveloped land should be dissuaded.

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<sup>23</sup> Frankton Flats Zone for example.

5.31 A good deal of land has historically been dedicated to urban development (including provision for ASANs) on land at Frankton, sometimes in very close proximity to the Airport runway. Moreover, more recent initiatives (such as PC19 for example) have reflected an on-going desire to continue to consolidate development (including ASANs) at Frankton. A cautious approach to the location of further ASANs on land around the Airport was adopted via PC35 and in my opinion, should be transferred through to the Proposed Plan. Having said that, the PC35 approach pays a good deal of respect to the pattern of urban development that already exists on land around the airport, as evidenced by the grandfathering of existing development rights (refer to paragraph 5.24).

### **Notice of Requirement**

5.32 To complement the land use management regime established under PC35, QAC gave notice of requirement to alter Designation 2 to introduce obligations on QAC for the management and mitigation of noise generating activities at the airport. In summary, this NOR:

- Obliges QAC to offer 100% funding of noise mitigation for Critical Listening Environments of buildings located within the ANB (65dB Noise Contour) that existed at the time the NOR was confirmed. This mitigation is required to achieve an indoor design sound level of 40dB Ldn or less based on the 2037 Noise Contours;
- Obliges QAC to offer to part fund retrofitting, over time, of mechanical ventilation of any Critical Listening Environment within existing buildings containing ASAN between the ANB and the 2037 60dB Noise Contour. Specifically, QAC is required to provide 75% funding;
- Sets out QAC's monitoring requirements for aircraft noise at Queenstown Airport to ensure compliance with noise limits at the defined noise boundaries;
- Requires QAC to prepare and implement a Noise Management Plan; and,
- Establishes and sets out the purpose of the Queenstown Airport Liaison Committee.

The confirmed Environment Court NOR conditions have been included in the notified Aerodrome Designation (Designation 2), and as explained by Mr Edghill, QAC has commenced giving effect to them. These matters will be addressed in detail in the relevant hearing for the Designation.

### **Zone Specific Rules**

5.33 I do not intend to address the zone specific rule structure established during PC35 in any detail today, nor how the proposed zone rules should be integrated into the relevant zone chapters, as these will be addressed at later hearings in due course. For context however, the Proposed Plan should ensure that Queenstown Airport is protected from reverse sensitivity effects arising from ASAN as follows:

- Recognise, within the higher order provisions of the Proposed Plan, the need to manage existing and limit the establishment of further noise sensitive activities in proximity to Queenstown Airport to ensure that the operational capacity and integrity of the Airport is not significantly compromised now or in the future.
- Within the Low Density Residential zone (or areas of land proposed to be rezoned from Low Density Residential zone in the Operative Plan to an alternative zoning in the Proposed Plan), require any new and alterations or additions to existing buildings containing ASAN to provide mechanical ventilation for Critical Listening Environments on sites located within the PC35 OCB, and mechanical ventilation and sound insulation for sites located within the PC35 ANB, to achieve an Indoor Sound Level of 40dB Ldn, based on 2037 Noise Contours<sup>24</sup>. Failure to achieve this standard should result in a non-complying activity status.
- Within the Rural and Industrial zone, prohibit any new ASAN within the PC35 OCB. For alterations or additions to existing buildings containing ASAN, require mechanical ventilation of Critical Listening Environments for sites located within the OCB, to achieve an Indoor Sound Level of 40dB Ldn, based on 2037 Noise Contours.
- Within the Remarkables Park zone, prohibit all residential, visitor accommodation and community activities within the 2037 60dB Noise Contour. For all new and alterations or additions to existing buildings

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<sup>24</sup> The 2037 noise contours are the predicted airport noise contours for Queenstown Airport for the year 2037 in 1dB increments from 70dB Ldn to 55dB Ldn inclusive.

containing residential, educational facilities or visitor accommodation, within the specified area shown as Figure 2 (refer to the full suite of Environment Court endorsed provisions attached as **Appendix E** for Figure 2) require Critical Listening Environments to achieve an Indoor Sound Level of 40dB Ldn, based on 2037 Noise Contours<sup>25</sup>.

- Within the Frankton Flats A Zone, specify a maximum threshold for visitor accommodation units, health care facilities and educational facilities and Critical Listening Environments these activities to achieve an Indoor Sound Level of 40dB Ldn, based on 2037 Noise Contours. All other ASAN within the zone are prohibited.
- Ensure that the number of ASAN occurring within the PC35 ANB and OCB is maintained as far as can be achieved at the levels currently anticipated by the Operative District Plan, avoiding an increase in the number of sensitive receivers being exposed to aircraft noise within the ANB and OCB.
- Ensure that appropriate noise boundaries are in place to enable operations at Queenstown Airport to continue and expand to meet foreseeable future demand until 2037.

## **6. HIGHER ORDER PC35 PROVISIONS**

6.1 PC35 introduced two new objectives into the operative District Plan. The proposed new objectives were deliberately specific to Queenstown Airport on the basis that the Airport is the pre-eminent commercial airport in the district and it has increasingly become so since the operative District Plan was first notified in 1995. The objectives were included in the District Wide Issues section of the District Plan to reflect this significance.

6.2 District Wide Objective 7 seeks to:

*Maintain and promote the efficient operation of Queenstown Airport and set appropriate noise limits in order to protect airport operations and to manage the adverse effects of aircraft noise on any Activity Sensitive to Aircraft Noise.*

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<sup>25</sup> The 2037 noise contours are the predicted airport noise contours for Queenstown Airport for the year 2037 in 1dB increments from 70dB Ldn to 55dB Ldn inclusive.

- 6.3 This objective is primarily directed at achieving the balance sought by the New Zealand Standard. It clearly acknowledges the need to set noise limits for the management of aircraft noise at the Airport. It recognises that land use planning methods can be an effective way to manage exposure to aircraft noise around airports. It is a recognised fact that despite best endeavours in adapting aircraft technology and flight management, it is not possible to avoid aircraft noise on land around airports. Whilst changes in aircraft design have progressively yielded reductions in the noise signature of most aircraft, modelling can only be based on the quietest technology currently available and not some unknown future technology.
- 6.4 Uncontrolled use of airport infrastructure can unnecessarily expose people to high levels of noise, and in turn reverse sensitivity concerns in response to this noise can constrain the operation of airports. The objective is intended to address the need to place suitable limitations on aircraft noise, consistent with the approach advocated within the New Zealand Standard.
- 6.5 As indicated earlier, Queenstown Airport is a key strategic asset to the District and it is important to plan now for its future. PC35 Objective 7 reflects this importance and should be incorporated in Chapter 4 of the Proposed Plan without further amendment.
- 6.6 District Wide Objective 8 seeks to:
- Manage urban growth issues on land in proximity to Queenstown Airport to ensure that the operational capacity and integrity of the Airport is not significantly compromised now or in the future.*
- 6.7 This objective is directed at managing urban growth on land around the Airport. It also endeavours to ensure that land use planning decisions encourage compatible uses rather than those that will conflict directly with Airport operations. In my opinion this objective is still relevant in the context of the Proposed Plan and will assist to sustain the potential of the Airport to meet the reasonably foreseeable needs of future generations, through ensuring only appropriate development takes place in the immediate vicinity of the Airport, and reducing the potential for reverse sensitivity effects that could compromise Airport operations.

- 6.8 This objective recognises that Frankton is one of the Council's preferred locations for accommodating urban growth. As expressed earlier, it is essential that this growth is managed in a way that ensures that the potential for incompatibility is mitigated as far as can be possible.
- 6.9 I consider that adequate balance has been achieved within the PC35 objectives between the interests of the Airport, and those of the surrounding community, noting again the PC35 provisions have been endorsed by the Environment Court. The existing investment in Airport infrastructure at Frankton is significant. This infrastructure is well developed and can be enhanced to accommodate projected growth in flight numbers. If the operation of the Airport is unduly curtailed and projected growth is not accommodated, then this will compromise the attractiveness of Queenstown as a destination for airlines, which could result in the curtailment of regular passenger services over time. This would likely have a significant effect on the essential underpinnings of the Queenstown economy.
- 6.10 Limiting the ability for new ASANs to establish on land not yet developed around the Airport is in my opinion appropriately precautionary, and is a method supported by the New Zealand Standard. Any relaxation of that approach has the potential to lead to reverse sensitivity effects on the Airport and poor land use planning outcomes in the future. In my opinion, any decision that brings additional people to the impact of aircraft noise would not appropriately provide for the needs of future generations.
- 6.11 I understand that the section 42A report has recommended rejecting QAC's submission with respect to carrying forward PC35 Objectives 7 and 8 and their associated policies into Chapter 4 of the Proposed Plan. Whilst the Council Officer notes that it is important to translate the substantive objectives, policies and rules from PC35 into the Proposed Plan, he considers that QAC's amendments would create a lengthy Chapter 4 with an unbalanced focus on the Airport's interests ahead of more general urban development considerations. The Council Officer considers that QAC's key objectives are provided for in lower order chapters<sup>26</sup>.

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<sup>26</sup> Paragraph 12.72, page 28 of the section 42A Hearing Report for Chapters 3 and 4 of the Proposed Plan.

- 6.12 I disagree with the recommended approach of the Council Officer, for the reasons set out above. The two objectives discussed in this section and their attendant policies have been extracted directly from the Urban Development chapter of the Operative District Plan, as amended by PC35. These policies provide the fundamental objective and policy framework that underpins the lower order chapters referred to by the Council Officer. Without them there may be insufficient foundation for the related provisions in the lower chapters. In my opinion, the approach proposed by the Council Officer is therefore not the most appropriate in terms of section 32.
- 6.13 I note that Objectives 7 and 8 and associated policies proposed by QAC have been endorsed by the Environment Court. During this process, the provisions were closely scrutinised

## **7. CONCLUSIONS**

- 7.1 All too often the experience in New Zealand (and off shore) is that insufficient foresight has been applied to the protection of significant assets such as airports, meaning unwise land use decisions are taken to allow sensitive uses to encroach on the footprint of impact created by such facilities. Already ports, airports and other industries in New Zealand have had their operations curtailed due to reverse sensitivity concerns. Whilst I accept that compromise is often necessary, early recognition that facilities such as airports inevitably grow and development is important in informing land use planning decisions. The best form of protection available to avoid reverse sensitivity concerns is to avoid development “coming to the effect” in the first place.
- 7.2 The provisions developed via PC35 enable Queenstown Airport to continue to host growth in commercial airlines and other aviation use of its facilities in line with growth projections to 2037, whilst recognising and safeguarding the Airport as an existing strategic asset, the growth enabled by PC35 will yield a substantial benefit to the regional and national economies. The provisions of PC35 therefore assist in safeguarding Queenstown Airport as an existing strategic asset.

7.3 Given this, the currency of the PC35 provisions, and the recent and extensive Court proceedings involving QAC, QLDC and other affected parties to achieve them, it is imperative in my opinion that the Proposed Plan adopts and incorporates the land use management regime established under PC35, without substantive amendment.

**John Kyle**

**29 February 2016**

## **Appendix B**

### **Recommended Conditions**

## DESIGNATION 2

Recommended new condition, as per paragraph 4.32 of John Kyle's Statement of Evidence dated 7 October 2016. Underlines show additions to the Council Officer's recommended conditions (dated 23 September 2016) and strikeouts show deletions.

### Permitted Activities

1. The nature of the activities authorised by this designation are described as follows:
  - (a) aircraft operations, private aircraft traffic, domestic and international aircraft traffic, rotary wing operations, aircraft servicing, general aviation, airport or aircraft training facilities, and associated offices.
  - (b) Runways, taxiways, aprons, and other aircraft movement areas.
  - (c) Terminal buildings, hangars, control towers, rescue facilities, navigation and safety aids, lighting, car parking, maintenance and service facilities, catering facilities, freight facilities, quarantine and incineration facilities, border control and immigration facilities, medical facilities, fuel storage and fuelling facilities, facilities for the handling and storage of hazardous substances, and associated offices.
  - (d) Roads, accessways, stormwater facilities, monitoring activities, site investigation activities, infrastructure and utility activities, landscaping, and all related construction and earthwork activities.
  - (e) Vehicle parking and storage, rental vehicle facilities, vehicle valet activities, public transport facilities.
  - (f) Retail activities, restaurants and other food and beverage facilities including takeaway food facilities, signage, and industrial and commercial activities, ~~provided they are connected with and ancillary to the use of the Airport.~~
2. The activities authorised in Condition 1 must be connected with and ancillary to the use of the airport.

## DESIGNATION 29

Recommended amendments to the proposed conditions, as per paragraphs 6.12 and 6.13 of John Kyle's Statement of Evidence dated 7 October 2016. Underlines show additions to the Council Officer's recommended conditions (dated 23 September 2016) and strikeouts show deletions.

## Allowed Activities

3. General activities allowed to occur (both indoor and outdoor) within the QEC shall include:
  - (a) Provision of sporting/recreational activities and events.
  - (b) Provision of commercial recreational activities.
  - (c) Provision of cultural/commercial activities such as concerts, shows, musicals, carnivals, fairs, market days, meetings, exhibitions, parades, rallies and filming.
  - (d) Provision of conferences (including gala dinners).
  - (e) Informal and designated parking associated with the operation of the QEC.

4. The activities authorised in Condition 3 must be connected with and ancillary to the operation of the Queenstown Events Centre.

~~4-5.~~ The provision of day care facilities and school holiday programmes for children. Parents and/or guardians whose children are attending the school holiday programmes do not have to remain at the QEC whilst their children are being cared for or partaking in organised programmes. The day care facility shall be restricted to use by children whose parents or guardians are at the time of requiring the childcare, using the site for its designated purpose. The hours of operation for the day care facility and school holiday programmes shall be limited to 7am to 7pm, daily.

~~Any room/s containing *Activities Sensitive to Aircraft Noise* shall be designed to achieve an Indoor Design Sound Level of 40 dB Ldn within any Critical Listening Environment, based on the 2037 Noise Contours. Compliance shall be demonstrated by either installation of mechanical ventilation to achieve the requirements in Table 5 of Chapter 36 (Noise) or by submitting a certificate to Council from a person suitably qualified in acoustics stating that the proposed construction will achieve the Indoor Design Sound Level with the windows open.~~

5. The provision of small-scale temporary and permanent retailing that supports the overall operation of the QEC. Any permanent retailing operation is to be located within the Central Development Area and shall be limited to a gross floor area of 100m<sup>2</sup> per tenancy/business.

6. A permanent café and/or restaurant can be established within the Central Development Area, provided that such a café and/or restaurant shall not exceed a gross floor area of 100m<sup>2</sup> that is directly associated with the café and/or restaurant.

~~7. The provision of community activities that support the overall operation of the QEC.~~

~~Any new or altered parts of existing buildings containing an Activity Sensitive to Aircraft Noise shall be designed to achieve an Indoor Design Sound Level of 40 dB Ldn within any Critical Listening Environment, based on the 2037 Noise Contours. Compliance shall be demonstrated by either installation of mechanical ventilation to achieve the requirements in Table 5 of Chapter 36 (Noise) or by submitting a certificate to Council from a person suitably qualified in acoustics stating that the proposed construction will achieve the Indoor Design Sound Level with the windows open.~~

## **Buildings**

15. Any new buildings and additions or alterations to existing buildings and any rooms containing Activities Sensitive to Aircraft Noise shall be designed to achieve an Indoor Design Sound Level of 40 dB Ldn within any Critical Listening Environment, based on the 2037 Noise Contours. Compliance shall be demonstrated by either installation of mechanical ventilation to achieve the requirements in Rule 36.6.3 of Chapter 36 (Noise) or by submitting a certificate to Council from a person suitably qualified in acoustics stating that the proposed construction will achieve the Indoor Design Sound Level with the windows open.

## **Appendix C**

**Select provisions from the operative and proposed Regional Policy Statement  
for Otago and the Strategic Directions Chapter of the PDP**

## Operative Regional Policy Statement for Otago

Queenstown Airport is recognised in the explanation to issue 9.3.3<sup>1</sup> of the RPS as one of the region's major airports.

Objective/Policy #	Objective Policy Detail
Objective 9.4.1	To promote the sustainable management of Otago's built environment in order to:  (a) Meet the present and reasonably foreseeable needs of Otago's people and communities; and (b) Provide for amenity values, and (c) Conserve and enhance environmental and landscape quality; and (d) Recognise and protect heritage values.
Objective 9.4.2	To promote the sustainable management of Otago's infrastructure to meet the present and reasonably foreseeable needs of Otago's communities.
Objective 9.4.3	To avoid, remedy or mitigate the adverse effects of Otago's built environment on Otago's natural and physical resources
Policy 9.5.2	To promote and encourage efficiency in the development and use of Otago's infrastructure through:  (a) Encouraging development that maximises the use of existing infrastructure while recognising the need for more appropriate technology; and (b) Promoting co-ordination amongst network utility operators in the provision and maintenance of infrastructure; and

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<sup>1</sup> Issue 9.3.3, page 123 of the Operative Regional Policy Statement for Otago 1998.

Objective/Policy #	Objective Policy Detail
	<ul style="list-style-type: none"> <li>(c) Encouraging a reduction in the use of non-renewable resources while promoting the use of renewable resources in the construction, development and use of infrastructure; and</li> <li>(d) Avoiding or mitigating the adverse effects of subdivision, use and development of land on the safety and efficiency of regional infrastructure.</li> </ul>
Policy 9.5.3	<p>To promote and encourage the sustainable management of Otago’s transport network through:</p> <ul style="list-style-type: none"> <li>(a) Promoting the use of fuel efficient modes of transport; and</li> <li>(b) Encouraging a reduction in the use of fuels which produce emissions harmful to the environment; and</li> <li>(c) Promoting a safer transport system; and</li> <li>(d) Promoting the protection of transport infrastructure from the adverse effects of landuse activities and natural hazards.</li> </ul>
Policy 9.5.5	<p>To maintain and, where practicable, enhance the quality of life for people and communities within Otago’s built environment through:</p> <ul style="list-style-type: none"> <li>(a) Promoting the identification and provision of a level of amenity which is acceptable to the community; and</li> <li>(b) Avoiding, remedying or mitigating the adverse effects on community health and safety resulting from the use, development and protection of Otago’s natural and physical resources; and</li> <li>(c) Avoiding, remedying or mitigating the adverse effects of subdivision, landuse and development on landscape values.</li> </ul>

## Proposed Regional Policy Statement (decisions released 1 October 2016)

Objective/Policy #	Objective Policy Detail
Objective 4.3.5	Infrastructure is managed and developed in a sustainable way.
Policy 4.3.1 – Managing infrastructure activities	<p>Manage infrastructure activities, to achieve all of the following:</p> <ul style="list-style-type: none"><li>(a) Maintaining or enhancing the health and safety of the community;</li><li>(b) Avoiding, remedying or mitigating adverse effects of those activities on existing land uses, including cumulative adverse effects on natural and physical resources;</li><li>(c) Supporting economic, social and community activities;</li><li>(d) Improving efficiency of use of natural resources;</li><li>(e) Protecting infrastructure corridors for infrastructure needs, now and for the future;</li><li>(f) Increasing the ability of communities to respond and adapt to emergencies, and disruptive or natural hazard events;</li><li>(g) Protecting the functional and operational requirements of lifeline utilities and essential or emergency services.</li></ul>
Policy 4.3.2 – Nationally and regionally significant infrastructure	<p>Recognise the national and regional significance of all of the following infrastructure:</p> <ul style="list-style-type: none"><li>(a) Renewable electricity generation activities, where they supply the national electricity grid and local distribution network;</li><li>(b) Electricity transmission infrastructure;</li><li>(c) Telecommunication and radiocommunication facilities;</li><li>(d) Roads classified as being of national or regional importance;</li></ul>

Objective/Policy #	Objective Policy Detail
	<ul style="list-style-type: none"> <li>(e) Ports and airports and associated navigation infrastructure;</li> <li>(f) Defence facilities</li> <li>(g) Structures for transport by rail.</li> </ul>
<p>Policy 4.3.3 – Adverse effects of nationally and regionally significant infrastructure</p>	<p>Minimise adverse effects from infrastructure that has national or regional significance, by all of the following:</p> <ul style="list-style-type: none"> <li>(a) Giving preference to avoiding their location in all of the following: <ul style="list-style-type: none"> <li>(i) Areas of significant indigenous vegetation and significant habitats of indigenous fauna;</li> <li>(ii) Outstanding natural features, landscapes and seascapes;</li> <li>(iii) Areas of outstanding natural character;</li> <li>(iv) Outstanding water bodies or wetlands;</li> <li>(v) Places or areas containing significant historic heritage;</li> </ul> </li> <li>(b) Where it is not possible to avoid locating in the areas listed in a) above, avoiding significant adverse effects on those values that contribute to the significant or outstanding nature of those areas;</li> <li>(c) Avoiding, remedying or mitigating other adverse effects;</li> <li>(d) Considering offsetting for residual adverse effects on indigenous biological diversity.</li> </ul>
<p>Policy 4.3.4 – Protecting nationally and regionally significant infrastructure</p>	<p>Protect infrastructure of national or regional significance, by all of the following:</p> <ul style="list-style-type: none"> <li>(a) Restricting the establishment of activities that may result in reverse sensitivity effects;</li> <li>(b) Avoiding significant adverse effects on the functional needs of such infrastructure;</li> <li>(c) Avoiding, remedying or mitigating other adverse effects on the functional needs of such infrastructure;</li> <li>(d) Protecting infrastructure corridors from sensitive activities, now and for the future.</li> </ul>

Objective/Policy #	Objective Policy Detail
Objective 4.5	Urban growth and development is well designed, reflects local character and integrates effectively with adjoining urban and rural environments
Policy 4.5.7 Integrating infrastructure with land use	<p>Achieve the strategic integration of infrastructure with land use, by undertaking all of the following:</p> <ul style="list-style-type: none"> <li>(a) Recognising the functional needs of infrastructure of regional or national importance;</li> <li>(b) Locating and designing infrastructure to take into account all of the following: <ul style="list-style-type: none"> <li>i. Actual and reasonably foreseeable land use change;</li> <li>ii. The current population and projected demographic changes;</li> <li>iii. Actual and reasonably foreseeable change in supply of, and demand for, infrastructure services;</li> <li>iv. Natural and physical resource constraints;</li> <li>v. Effects on the values of natural and physical resources;</li> <li>vi. Co-dependence with other infrastructure;</li> <li>vii. The effects of climate change on the long term viability of that infrastructure;</li> <li>viii. Natural hazard risk.</li> </ul> </li> <li>(c) Locating growth and development: <ul style="list-style-type: none"> <li>i. Within areas that have sufficient infrastructure capacity; or</li> <li>ii. Where infrastructure services can be upgraded or extended efficiently and effectively;</li> </ul> </li> <li>(d) Coordinating the design and development of infrastructure with land use change in growth and redevelopment planning.</li> </ul>

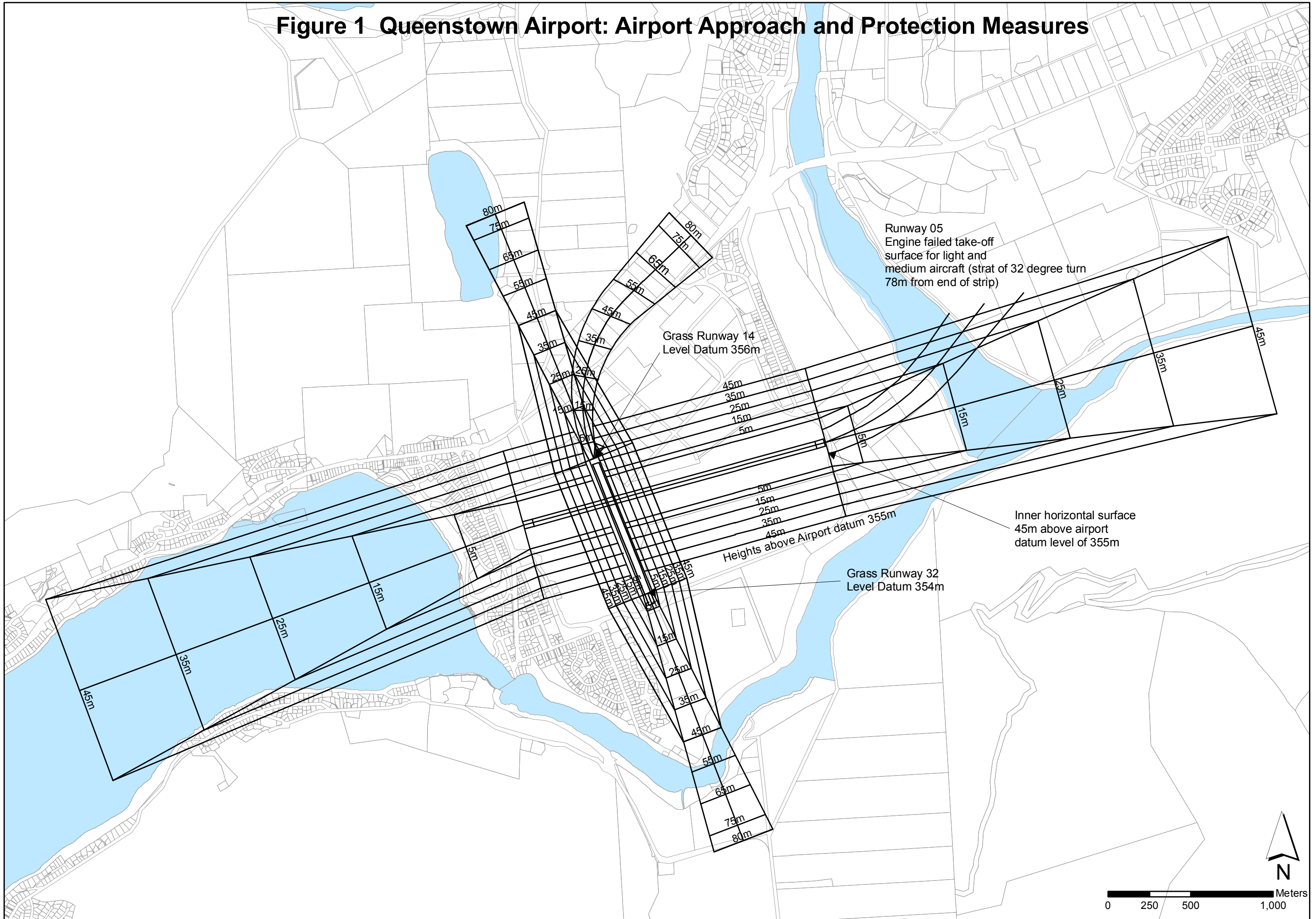
## Proposed District Plan Provisions

Objective/Policy #	Objective Policy Detail
Objective 3.2.1.2	The key mixed use function of the Frankton commercial area, is enhanced, with better transport and urban design integration between Remarkables Park, Queenstown Airport, Five Mile and Frankton Corner.
Policy 3.2.1.2.4	Recognise that Queenstown Airport makes an essential contribution to the prosperity and economic resilience of the District.
Objective 3.2.8.1	Maintain and promote the efficient and effective operation, maintenance, development and upgrading of the District's existing infrastructure and the provision of new infrastructure to provide for community wellbeing.
Policy 3.2.8.1.1	Ensure that the efficient and effective operation of infrastructure is safeguarded and not compromised by incompatible development.
Objective 4.2.5	Maintain and promote the efficient operation of Queenstown Airport and set appropriate noise limits in order to protect airport operations and to manage the adverse effects of aircraft noise on any Activity Sensitive to Aircraft Noise.
Policy 4.2.5.1	To ensure appropriate noise boundaries are established and maintained to enable operations at Queenstown Airport to continue and to expand over time.

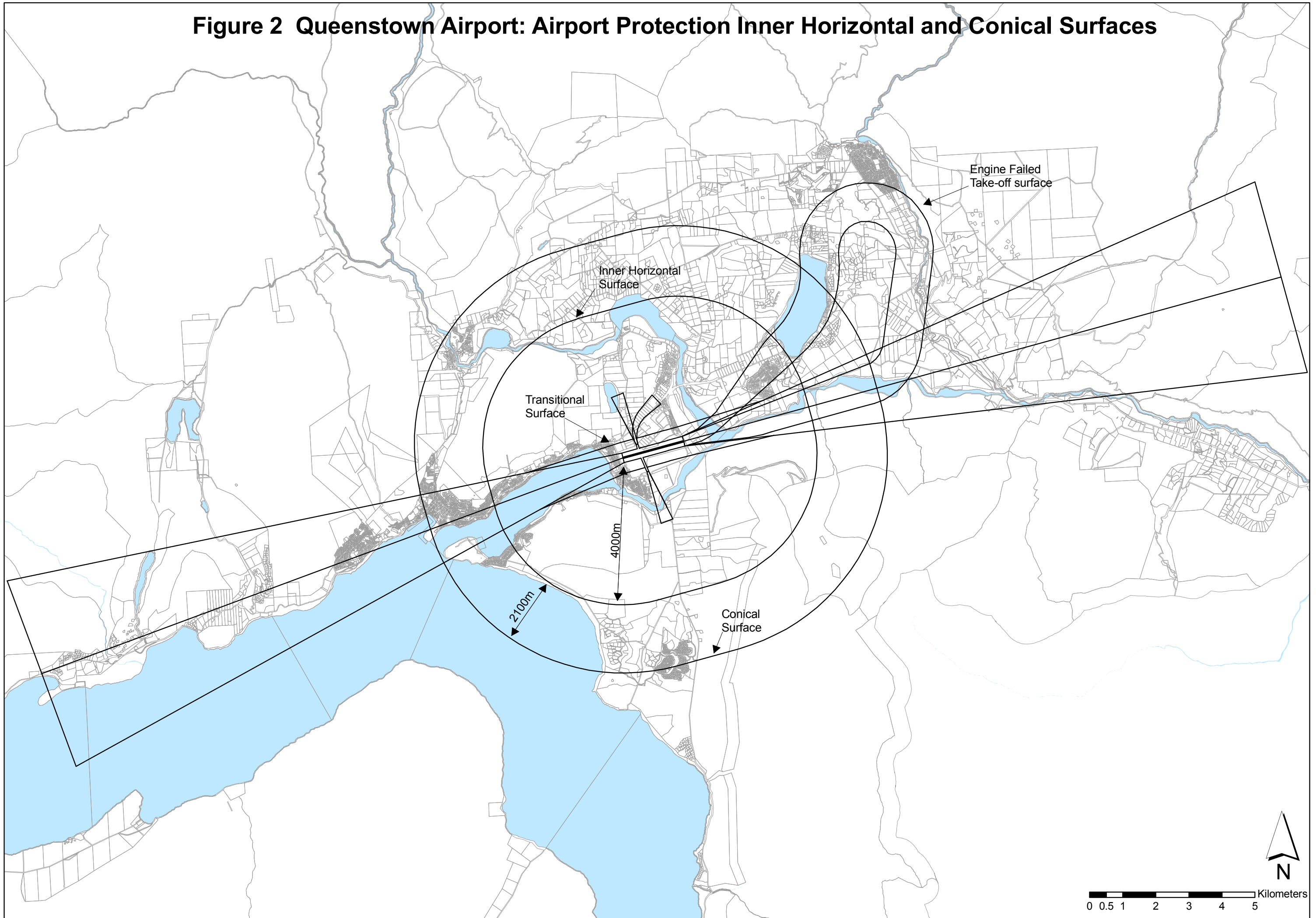
## Appendix D

### Figure 1 and Figure 2 of Designation 4

**Figure 1 Queenstown Airport: Airport Approach and Protection Measures**

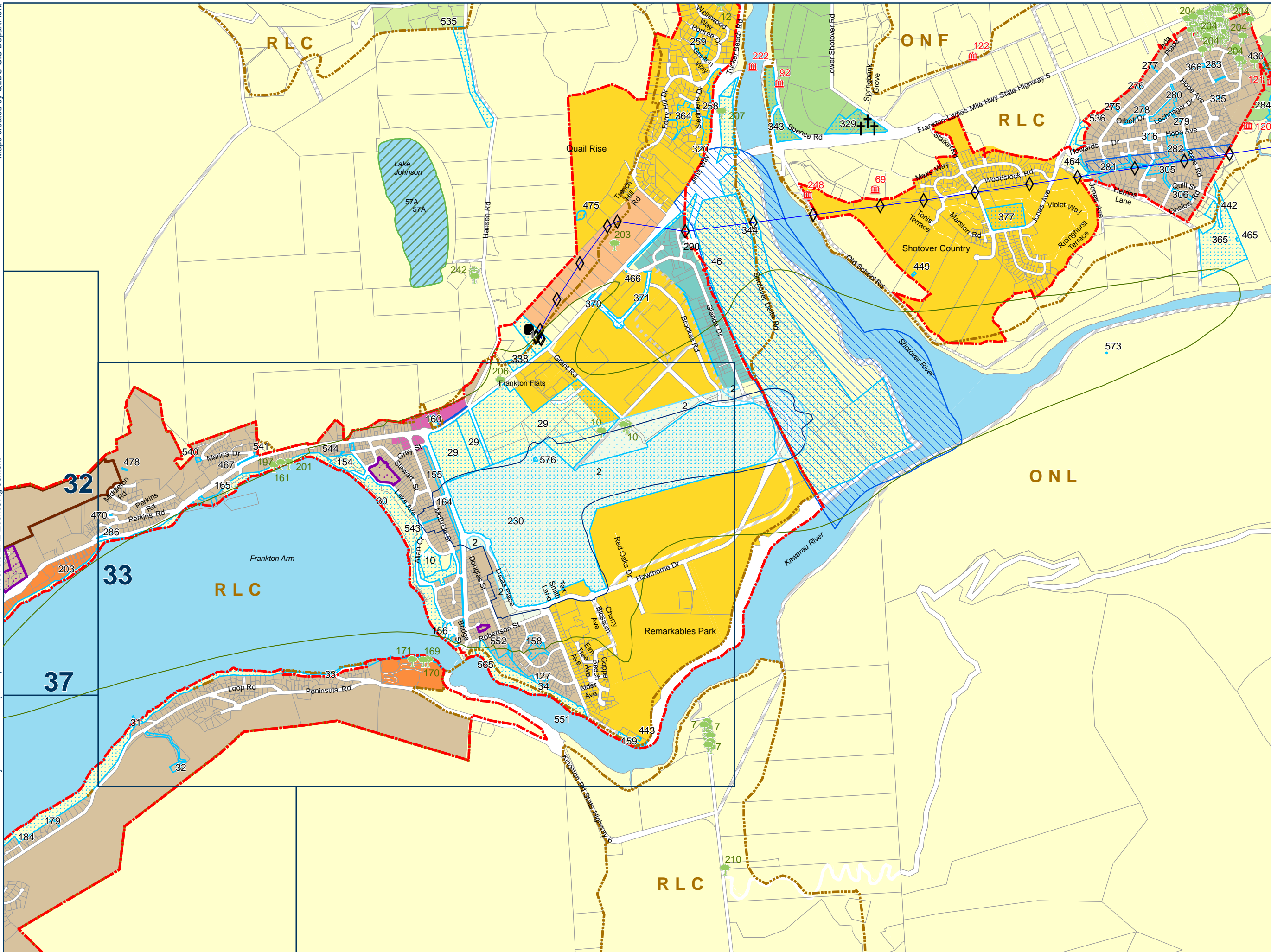


**Figure 2 Queenstown Airport: Airport Protection Inner Horizontal and Conical Surfaces**



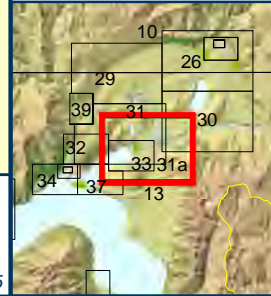
**Appendix E**

**Map 33 of the Proposed District Plan**

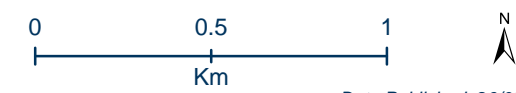


- Legend**
- Transpower AC Substation
  - ◇ Transpower Pylons
  - ⊕ Open Cemetery
  - 🏠 Historic Heritage Features
  - 🌳 Protected Tree
  - Transmission Corridor
  - ▭ Parcel/Road Boundary
  - Landscape Classification (ONF, ONL, RLC)
  - Urban Growth Boundary
  - Queenstown Airport Air Noise Boundary (Ldn65)
  - Queenstown Airport Outer Control Boundary (Ldn65)
  - 🌿 Significant Natural Area
  - Unformed Roads
  - Queenstown Heights Overlay Area
  - ▭ Designated Areas
  - Visitor Accommodation Sub-Zone
  - ▭ Building Restriction
  - Medium Density Residential
  - Low Density Residential
  - High Density Residential
  - Local Shopping Centre
  - Airport Mixed Use Zone
  - Industrial A Zone
  - Rural
  - Rural Residential
  - Rural Lifestyle
  - Special Zones
  - Water

31a



**Proposed District Plan Map 31a - Queenstown Airport**



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## **Appendix F**

### **Copy of MetService Plans**

