

**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)

---

**SUMMARY OF EVIDENCE OF MARK EDGHILL**

**(16 March 2016)**

---

Lane Neave  
Level 1, 2 Memorial Street  
PO Box 701  
Queenstown  
Solicitor Acting: Rebecca Wolt  
Phone: 03 409 0321  
Fax: 03 409 0322  
Email: rebecca.wolt@laneneave.co.nz

Mitchell Partnerships  
Level 2, 286 Princes Street  
PO Box 489  
Dunedin  
Kirsty O'Sullivan  
Phone: 03 477 7884  
Email: kirsty.osullivan@mitchellpartnerships.co.nz

## **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.

## **2. QUEENSTOWN AIRPORT CORPORATION LIMITED – AN OVERVIEW**

- 2.1 QAC was formed in 1988 to manage Queenstown Airport. QAC is a Council Controlled Trading Organisation (**CCTO**) under the Local Government Act 2002.
- 2.2 QAC is currently 75.01% owned by QLDC and 24.99% owned by Auckland International Airport.
- 2.3 QAC is a requiring authority for Queenstown Airport under the Resource Management Act 1991 and 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
- 2.4 QAC also manages Wanaka Airport on behalf of QLDC, and has a caretaker role for Glenorchy Aerodrome, including ground maintenance.

## **3. QUEENSTOWN AIRPORT PRESENTLY**

- 3.1 Queenstown Airport operates a mixture of scheduled flights, private jets, and general aviation. It is the fastest growing airport in New Zealand and the fourth busiest by passenger numbers.
- 3.2 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. Private jets are also a growing market, both short and long haul, with aircraft flying direct from north Asia and West Coast USA.

3.3 Queenstown 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.

#### **4. GROWTH AND DEVELOPMENT OF QUEENSTOWN AIRPORT**

4.1 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. 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.

4.2 To accommodate the ongoing passenger and aircraft movement growth, QAC has invested heavily in developing infrastructure and improving operational efficiency and overall visitor experience. Recent examples of significant capital investment include:

4.2.1 the \$17 million 4,100m<sup>2</sup> extension to the Airport international terminal building; and

4.2.2 the \$18 million upgrade of the Airport's airfield infrastructure, including runway and lighting upgrades, to enable it to accommodate after dark (evening) flights for the first time from winter 2016.

4.3 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 to a 16-hour window. This will allow the Airport to expand capacity in the short term without building additional terminal infrastructure. I note these flights will need to comply with the noise limits introduced by Plan Change 35.

4.4 QAC also seeks to designate and acquire part of Lot 6 DP 304345 for Aerodrome Purposes. The designation and acquisition of part of Lot 6 will importantly, but without limitation:

4.4.1 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;

- 4.4.2 Provide additional grass and paved apron areas and space for hangars for corporate jets and general aviation, along with additional hangar space for Code C aircraft (i.e. jets).
- 4.4.3 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:
- 4.4.3.1 further expansion of the terminal;
  - 4.4.3.2 additional apron areas around the terminal for scheduled aircraft;
  - 4.4.3.3 additional carparking for public and rental vehicles etc.
- 4.4.4 Improve the noise environment for the Airport's neighbours, who experience a higher level of aircraft noise under the existing GA configuration.
- 4.5 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.
- 4.6 The Court is expected to confirm the 16ha designation once an aeronautical study has been completed and CAA approval is obtained for the operations enabled by the designation. The aeronautical study is underway.

*Plan Change 35*

- 4.7 My full statement of evidence (dated 29 February 2016) provides a detailed update on the roll out of the noise mitigation package, as required by the amendments to Designation 2 (Aerodrome Purpose) associated with Plan Change 35. In summary, over the past year, QAC has been working through its aircraft noise mitigation obligations as required by the Designation, and has focussed on progressing 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, in consultation with the affected landowner.

- 4.8 Once noise mitigation works are underway for these 13 homes, attention will turn to the properties within 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.
- 4.9 Although the PC35 noise boundaries have not yet been finally confirmed by the Environment Court, QAC is proceeding with meeting its obligations under the Designation associated with the Plan Change as it is very mindful of its objectives as a CCTO, specifically its objective to exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates, and of its need to manage growth in accordance with community expectations.

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

- 5.1 A 2014 economic assessment undertaken by Market Economics<sup>1</sup> assessed that Queenstown Airport facilitates tourism spending of between \$592m and \$638m, sustaining between 14,855 and 15,948 jobs, and predicted that by 2037 total tourism spending facilitated by the Airport will be between \$1.1bn and \$1.4bn. An earlier 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.
- 5.2 Currently, more than 350 people work in and around Queenstown Airport.
- 5.3 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.
- 5.4 Consequently, Queenstown Airport can be considered a significant strategic resource and provides substantial direct and indirect benefits to the local and regional economy.

---

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

## **6. SUMMARY**

- 6.1 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.
- 6.2 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.
- 6.3 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.

**M Edghill**

**16 March 2016**