

## Colin Harvey for Lake McKay Station

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- 1 I am Colin Harvey and my family interests own Lake McKay Station. I have a broad background in agriculture. Known primarily for the Ancare animal health business I founded, but also interests in new technology ventures, in my roles as a Council Member of Massey University, and as the founding Chairman of Hobbiton Tourist Venture in Matamata. I am an Officer of the New Zealand Order of Merit and hold degrees in Agriculture and Commerce.
- 2 Lake McKay Station is a 6500 ha property on the Pisa Range immediately behind the Luggate township. The property has gone through tenure review. It is bordered by the Luggate Gorge and divided by the Fall Burn (south branch of Luggate Creek) both of which are within corridors of DOC land.
- 3 Our summary today raises several concerns over the Council response to our submissions on the Proposed District Plan. In summary these are:
  - a. The boundaries for several SNAs on Lake McKay Station ,
  - b. Concern with the limited QLDC consultation process for SNAs.
  - c. The cost of pest control and rates remission for SNA's consider the size of these areas within Lake Mckay.
  - d. The potential loss of grazing income from not being able to develop SNA areas and being able to offset this with other development
  - e. The location of the ONL and the impact of this on future land use and the diversity of our business.
  - f. The inclination by QLDC to limit the development of the rural residential market based on the Dwelling Capacity i modelling exercise.
- 4 We have seen the PDP process as one that integrates with the long term planning for Land Use on Lake McKay Station. This is a major farming operation which covers some 7000 ha with a property value in excess of \$30 million. It must be appreciated irrigation systems, pasture establishment and animal breeding require planning at least five years ahead and our planning horizons for farming and land use are in excess of ten years. For example it has taken seven years to shift from a fine wool Merino farming operation to Wairere Merino based flock and stud. This shift has lifted lambing percentages from 80 to 150 while still producing a unique high quality wool. It has required intensification with irrigation systems, pasture development and breeding.
- 5 The plan, which overlaps with the PDP process includes further farm development, the implementation of SNA's, reserve areas in cooperation with Department of Conservation and others, public access and residential development. Residential development is a way to help absorb the cost of taking land out of production. Our plans for these areas are not just about protecting biodiversity for its own sake but on the integration of the SNA areas beside residential life style development to give public utility, access and enjoyment to what are some very unique indigenous vegetation in a unique setting. To defer parts of these plans as proposed by Council (Craig Barr in his Report on the Dwelling Capacity Model) makes no sense as it destroys looking at the total use situation over a long term period.

- 6 The issue of definition of SNA's remain a major one – over 400 ha of Lake McKay Station has been included in this classification. As we have discussed previously, the SNAs include several essential farm roads which contain major irrigation supply pipelines. It is illogical that parts of these have been excluded and parts included. This is a very significant area of land which as land owners we have created in indigenous vegetation by good stewardship. Our concern here is that there has not been sufficient consultation with the Council on the proposed SNAs on Lake McKay Station (LMS). We were pleased with the recommendation of the Panel to hear the submissions seeking amendments to the boundaries of the SNAs at the later time and that in the interim period there should be further consultation between the scientific experts representing the Council and the landowners with outstanding concerns on the SNA boundaries.
- 7 I will not dwell on this matter at this time. But the Commissioners should be aware that the consultation process followed by Council was not that which was represented to us in 2011 or that laid out by the Environment Court.
- 8 Further we are concerned that the SNAs had immediate legal effect when the PDP was notified before there was definitive agreement on the boundaries of some of the SNAs.
- 9 The cost of maintaining the SNAs are carried by the land owner this has not been addressed in Council's response. All the SNAs on Lake McKay are neighbouring to pasture land and they become sanctuaries for pest animals particularly rabbits but also stoats, ferrets possums and pest plants. There are 400 hectares of SNAs proposed on Lake McKay and the on-going cost of pest control will be significantly higher than if the SNAs were converted to pasture. This pest control requires the use of aerial poison drops at considerable expense.
- 10 A rates remission would only cover around a tenth of the annual expenditure on pest control but it is some recompense and worth pursuing. However the rates remission is onerous for the land owner who not only has to apply for the remission but in the process has to show there is an economic loss from the existence of the SNAs. We have requested that there is an addition to the policy in Chapter 33 to make this an easier process.
- 11 The placement of the Outstanding Natural Landscape (ONL) line has an effect on the proposed land uses on Lake McKay. It is obvious in the submissions there is a considerable variation in the views of Landscape architects to the placement of this line. They appear to be quite subjective with no real objective evidence. There needs to be solid agreement between Council, Landscape architects and landowners before an ONL classification is applied, as it does affect future land use and farming activities as proposed in Chapter 6 Landscapes 6.3.4.3.
- 12 The submission of Craig Barr and Mark Osborne in this PDP in limited dwelling capacity need to be challenged as the modelling it is based on is considerably flawed. Like the Soviet planner ignored the bread queues, these gentlemen have ignored the people sleeping in cars and on the beach in Wanaka over the Xmas period. Our gigantic seasonal variation is part of the character of our district and is recognised in the PDP Strategic direction. It goes with the demand for open spaces and low density rural housing. In my experience, which has included the creation of the likes of Hobbiton Movie Park and the launch of some two hundred new products, allowing a free market is the only way to have supply and demand match up. This type of capacity planning has created our economic problem of today.

History has shown that this type of demand planning is always wrong the question is just by how much..

13 I refer to Mike Kelly to elaborate on the Planning aspects of our submissions.