

Submission to the draft Spatial Plan

“Ko te kai a te Rangatira he kōrero” – the food of chiefs is dialogue.

FlightPlan2050

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April 2021

1 Introduction

Thank you for the opportunity to submit to the draft Spatial Plan.

We would first like to acknowledge the considerable amount of excellent work and expertise by many people that has delivered this draft for our consideration. It will have been a challenging task, but a worthy one, being the first opportunity for our community to develop such a broad-based, integrated and long-term vision for our district’s future urban development.

We accept the broad premise driving the need for this Spatial Plan, that the normally resident population of Queenstown Lakes District will continue to increase at a rate greater than most other regions. The growth in resident population may be faster or slower than anticipated by this plan, but we accept that the beauty of this region will continue to attract domestic and international migrants and we expect our district’s population will inevitably double and then double again.

This growth will continue, in our view, independent of tourism, where the long-term effects of Covid 19 and climate change on international travel are less certain. These, together with local and national calls for a reset of tourism make it difficult to predict visitor numbers or airport passenger movements in the long-term. This uncertainty does not, however, reduce the importance of planning for growth of the district’s resident population.

Indeed, the district’s spatial planning is a crucial tool to help mitigate the uncertainty of future tourism demand and to reduce local dependence on it. The spatial plan could either enhance the district’s economic diversification and strengthen its resilience or undermine both, depending on the framework chosen as we outline in our submission below.

Overall, we agree with the broad direction and many of the priorities of the draft Spatial Plan. The focus on concentrating urban development into a sensible pattern that would better support public transport, protect our outstanding natural landscape and ensure the efficient provision of publicly funded infrastructure is to be commended. As is the focus on our district’s well-being rather than GDP as the principal metric for the outcomes it seeks.

2 Summary

While an excellent start, this draft Spatial Plan has one glaring fault, a purposeful omission that if ignored would reduce the report’s credibility and undermine the capacity of this Spatial Plan to provide for the district’s best future potential.

2.1 High-level design failure.

It completely fails to consider alternative scenarios for the region's airports. The Spatial Plan Scenario Analysis Report makes plain that QAC's proposed dual airport plan is the only scenario considered (p 6).

2.2 Current suboptimal design.

This is a high-level design failure that will, if not rectified, lead in the near term to decisions that would lock-in sub-optimal new zoning on Frankton Flats based on the currently proposed Frankton Masterplan. That plan would:

1. Place high-density mixed-use zoning placed directly onto State Highway 6 along Five Mile. This proposed "Urban Corridor" is sub-optimal in that it risks:
 - a. creating a network chokepoint on the district's most important arterial route, and
 - b. congesting that urban centre by forcing all those who seek to transit it to pass directly through its centre.
2. Permanently split the potential Frankton metropolitan centre into two smaller, lesser, sub-centres.
3. Fail to provide the district with a sufficient metropolitan centre that could have the substance and character necessary to support economic diversification to high-value, low-impact, knowledge-based enterprise.

The need for this sub-optimal "Urban Corridor", severed shrunken centres and thwarted economic opportunity is entirely predicated on the assumption that Queenstown Airport and its associated air noise boundaries will continue to dominate Frankton Flats and surrounding areas. But this assumption is neither necessary nor certain. A credible alternative is being actively pursued with decisions likely made within 5 to 7 years, in the near term and well within the timeframe of this Spatial Plan.

2.3 Alternative airport scenario

The alternative airport scenario would be:

1. The establishment of CIAL's proposed regional airport near Tarras, together with
2. the relocation of all domestic and international scheduled services to CIAL's new airport
3. the closure of Queenstown Airport for all but vertical takeoff and landing (VTOL), and
4. relocation of fixed-wing general aviation (GA) to a new airfield on Queenstown Hill or to the existing airfield at Kingston.

This would allow for a vastly better urban plan for Frankton Flats, which the draft Spatial Plan clearly identifies as the district's major metropolis for the future.

2.4 A golden opportunity

This alternative airport scenario would enable the whole of Frankton Flats to eventually be developed as a fully integrated and fantastically liveable metropolitan centre. Housing some 30,000

people in a virtually carless campus, gloriously bound by lake, rivers and mountains, a central heart directly connected to its suburban limbs.

On Frankton Flats we could create an inspiring alpine campus that would have both the substance and character to attract those high-value, low-impact, knowledge-based enterprises that could provide a sustainable, low-emissions, economic future for our district.

Without the airport in Frankton, we would have a blank canvas on which to design one of the world's most liveable alpine centres. A magnet to attract the best of Kiwi and global talent. To create, as Sir Paul Callaghan called for 10 years ago, a place where talent wants to live.

It might take 10 to 20 years before scheduled air services could finally be relocated to CIAL's new airport near Tarras, but the massive positive benefits for our whole district would begin almost immediately. Companies and talent would be attracted from the moment a decision was made. Not tourists, these would be working residents creating exceptional value, growing prosperity and well-being without depleting our outstanding natural landscape or generating excessive climate change emissions.

2.5 Acknowledgement of risk enables mitigation strategies.

Simply acknowledging the alternative airport scenario presents a low-cost opportunity to obtain enormously high rewards directly favourable to the values and goals outlined for this Spatial Plan.

If it acknowledged this alternative airport scenario, the Spatial Plan could easily mitigate against the risk of permanently entrenching suboptimal development at Five Mile. An effective mitigation, for example, would be to simply delay decisions that would commit new zoning of this urban corridor. A delay of 7 to 10 years would be sufficient and would have minor adverse effects on the district's post-Covid development.

2.6 Uncertainty would be temporary.

The community is right now actively debating the future of the region's airports and a decision on the alternative scenario would most likely be resolved within the current decade. While it may take another decade before Queenstown Airport could be closed under the alternative scenario, the decision to relocate could be made in this near term. This would allow for the complete redesign of Frankton Flats with a vastly better outcome than the currently proposed masterplan that has a high-density Urban Corridor located on top of State Highway 6 and its potential to become the metropolitan heart of this district skewered into two much lesser sub-centres.

2.7 Minor cost for potentially massive benefits

A few years delay in rezoning of the proposed Urban Corridor would be a minor cost relative to the enormous gain for all the Spatial Plan's values and goals if Frankton Flats were redesigned as a single, comprehensive, integrated metropolis. Such gains are explained in more detail in sections 8 and 9 of this submission, and more fully in the appended draft report: *Part B – Queenstown Alpine Campus*.

2.8 Ladies Mile also at risk.

Failing to recognise the alternative airport scenario could also lead to irreversible mistakes in the Ladies Mile master planning that is currently underway. Early plans for this area suggested removal

of the current 80 m setback for buildings alongside most of the Ladies Mile section of State Highway 6. This existing setback is enough to enable the Ladies Mile roadway to be engineered as an emergency runway suitable for Hercules aircraft during civil defence emergencies, such as the anticipated AF8 earthquake. Such emergency air lift capacity would be necessary if the runway on Frankton Flats were closed.

If the Spatial Plan acknowledged the alternative airport scenario, then such important existing assets would be protected, at least for the 7 to 10 years during which the airport scenario questions will most likely be resolved.

2.9 Alternative airport scenario is real and credible.

The alternative airport scenario is not vague, fanciful or distant. We are in an active process of community and political debate that has been a forefront issue within the district these past three years. CIAL's purchase of 750 ha near Tarras provides a concrete basis for an alternative scenario and confirms the intent and capacity to deliver on it. The situation is likely to be resolved one way or the other within the next 7 or 10 years. With the growing debate and changing circumstances, it is increasingly credible that alternative outcomes to QAC's current dual airport plans are possible.

2.10 Temporary uncertainty assures best long-term outcome.

Given that the airport question is likely to be resolved, or at least better understood, within 7 or 10 years, it is unacceptable that a 30-year vision framework for the district's urban development does not allow for this temporary uncertainty. Particularly when ignoring alternative scenarios would unnecessarily, quickly and irrevocably lock in what are clearly major suboptimal outcomes on what is to be the principal metropolis centre for the district, and when simple, costless mitigation of these risks is possible if the alternative airport scenarios were considered.

2.11 The spatial plan is a long-term vision – please don't fly blind.

For these reasons, we ask that you require this draft Spatial Plan be amended to explicitly include the potential for change in our regional airport network. It should recognise the future potential closure of Queenstown Airport for all but VTOL, together with the development of an airport near Tarras for all scheduled domestic and international air services.

This Spatial Plan need not formulate a view or take a position of support or against either airport scenario. But it cannot blankly ignore the alternative scenario when there is real potential that it may eventuate, and when this would have such significant effects on spatial planning within the district.

The proposed new airport near Tarras is clearly within the 30-year timeframe of this Spatial Plan and its opening would certainly cause reflection on the wisdom of retaining Queenstown Airport in Frankton. Regardless of whether local political leadership supported it, a Tarras airport would force far greater recognition of Queenstown Airport's opportunity costs, and the enormous potential value for its high-density urban development as a fully integrated metropolitan centre.

As such, the Spatial Plan should at the very least consider the effects of alternative scenarios to ensure that it can anticipate and adapt to such changes and mitigate the overall strategy against potential risks.

That, after all, is the purpose of long-term spatial planning.

In the following submission, we:

- first identify the changes we seek to the draft Spatial Plan, then
- describe the risk of suboptimal outcomes from the current Frankton masterplan,
- call for leadership at a time when this is most needed,
- explain how no research or analysis has yet been done that could inform the public or decision-makers on the issues and opportunities at stake,
- explain how the alternative Tarras proposal becomes increasingly viable while QAC's expansion plans are challenged and weaken,
- identify the many benefits and opportunities possible through the alternative airport scenario, and
- explain how the alternative airport scenario would far more successfully deliver on all 16 of the Spatial Plan's strategies, creating far greater prosperity and well-being while better enhancing our environment and generating far less climate change emissions per person.

It becomes clear through our analysis that even QAC itself would become vastly more profitable and valuable for our district if it were to pivot from being a property company focused on airports to a property company focused on developing Frankton metropolitan centre (see section 8.2).

Also, we show that the proposed CIAL airport near Tarras *combined with* the closure of Queenstown Airport *and* densification of Frankton Flats provides by far the best long-term strategy to mitigate climate change (see section 8.5).

3 Changes sought.

We seek the following changes to the draft Spatial Plan.

3.1 Include the obvious alternative airport scenario.

We ask that the plan be amended to explicitly include the potential that two quite different airport scenarios could develop over the 30-year timeframe of the Spatial Plan. The two alternatives are, either:

1. QAC's dual airport scenario

This would have QAC continuing to provide for all scheduled flight services within the district, either with Queenstown Airport alone or with its dual airport plan using both Queenstown and Wānaka Airports, or

2. CIAL's new regional airport.

This would have all scheduled flight services relocated to CIAL's proposed new regional airport near Tarras, together with the closure of Queenstown Airport for all but VTOL operations, fixed wing GA operations transferred to a new airfield on Queenstown Hill or to Kingston airfield, and the development of all of Frankton Flats into a fully integrated, high-density metropolitan centre.

3.2 Remove the Urban Corridor from the priority list.

In recognising the potential closure of Queenstown Airport sometime in the next two or three decades, the Spatial Plan should recommend a delay of 10 years before any new zone changes are made to facilitate the Five Mile Urban Corridor.

This would provide the most effective and almost costless mitigation against substantial suboptimal outcomes for the urban development of the Frankton area.

3.3 Protect the Ladies Mile corridor

In recognising the need for alternative emergency air lift capacity in time of civil emergency, such as an AF8 earthquake, ensure the retention of existing 80 m building setback that exists along most of Ladies Mile, and have this extended for the full length of Ladies Mile.

This would ensure that the Ladies Mile stretch of State Highway 6 could be engineered to serve as an emergency runway able to service Hercules aircraft during times of civil emergency.

4 Risk of suboptimal outcomes

The currently proposed Frankton Masterplan highlights the risk this draft Spatial Plan is exposed to.

Because the Frankton Masterplan irrevocably assumes the presence and growth of Queenstown Airport and that its associated air noise boundaries will forever dominate Frankton Flats, the urban designers have been forced to locate new high-density commercial and residential zoning as far from the airport boundary as possible, placing it directly onto the district's most busy and important arterial route – State Highway 6 at Five Mile.

Such development would clearly be suboptimal, both compromising the district's major arterial route and congesting its planned retail/commercial centre. Notwithstanding all the aspirations for public and active transport that will hopefully reduce vehicle numbers, it will remain a major arterial for increasing numbers of people.

The proposed Frankton Masterplan runs the real risk of creating a permanent, inefficient transport chokepoint on this critical network link. This runs completely counter to all urban planning best practice throughout the country. Best practice seeks to remove through-traffic from city centres and improve mobility. Instead, this masterplan would build the district's largest metropolis directly onto its largest arterial route, compromising both.

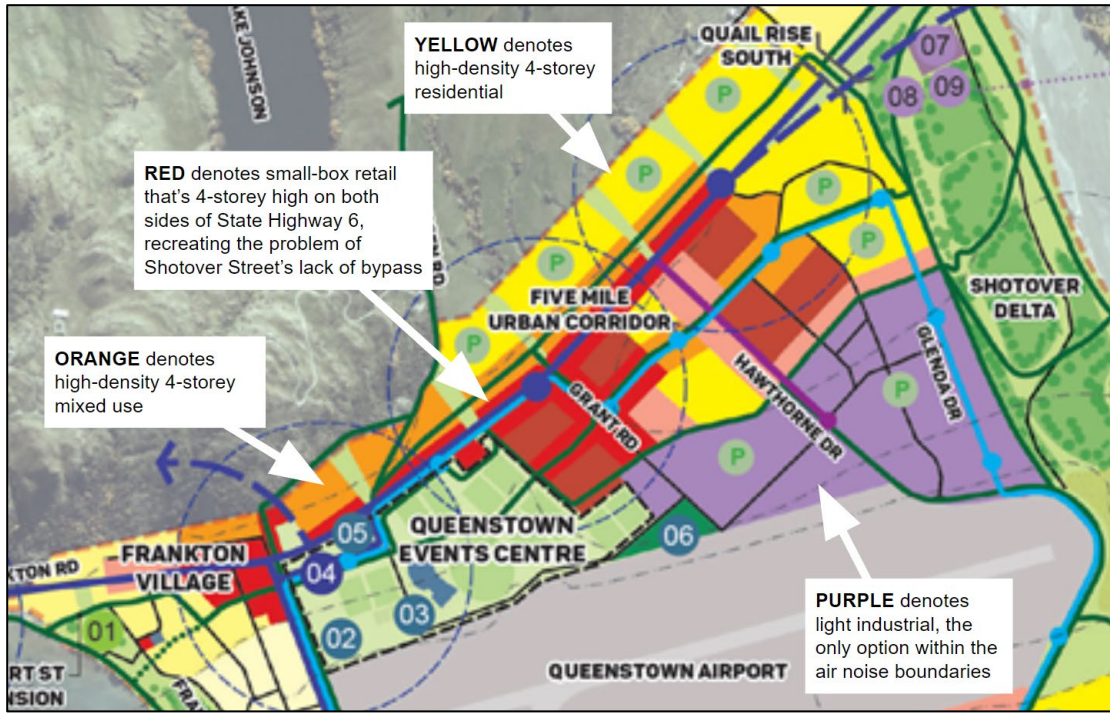
It would also permanently split the potential metropolitan centre of Frankton into two smaller, lesser, sub-centres.

And it would fail to achieve the extraordinary potential for substantially greater positive outcomes for all 16 strategies outlined in the draft Spatial Plan. These are explained further in Section 9 of this submission.

The need for this suboptimal Frankton Masterplan is caused solely because of the current location of Queenstown Airport. If the airport were relocated, then a very much better masterplan could be developed for Frankton Flats. (For example, see Chapter 3, starting at page 26 of the appended report, *Part B – Queenstown Alpine Campus*)

By ignoring alternative airport scenarios and *prioritising* the early development of this Frankton Urban Corridor, this draft Spatial Plan runs the risk of setting these suboptimal outcomes into concrete when it may not be necessary.

Frankton Urban Corridor – an airport casualty



RECREATING THE SHOTOVER STREET PROBLEM, STATE HIGHWAY 6 FROM THE BP ROUNDABOUT TO QUAIL RISE BECOMES A CONSTRICTED ARTERIAL ROUTE WITH INTENSIVE SMALL BOX RETAIL IN 4-STOREY-HIGH BUILDINGS ON EITHER SIDE.
BOFFA MISKELL DRAFT FRANKTON MASTERPLAN, JULY 2019

Once such high-density zoning was in place, and that is certainly feasible within a few short years using Council’s next 10-Year Plan cycle, it would be almost impossible to remove, even if a subsequent mayor and council chose to investigate or support the relocation of scheduled air services away from Queenstown Airport. The opportunity to develop a much more effective and coherent metropolis centre at Frankton would have been permanently lost, and an inefficient transport bottleneck and congested town centre would have been permanently locked in.

This suboptimal outcome could be easily avoided if the Spatial Plan simply acknowledged the risk of the alternative airport scenario. It could then determine appropriate mitigations that protect against such planning failures. Simply, for example, delaying the full rezoning of the Five Mile Urban corridor by 5 or 10 years would allow the airport location questions to be resolved before the Five Mile Urban Corridor zone change was locked in permanently.

Alternative design concept, Jerram/McLeod



THIS IMAGE SHOWS THE CONCEPTUAL ALPINE CITY DESIGN PROPOSED BY DAVID JERRAM AND GILLIAN MACLEOD. FRANKTON FLATS OFFERS A UNIQUE OPPORTUNITY FOR A FULLY INTEGRATED, HIGH-DENSITY SMART CITY.

1. CENTRAL PEDESTRIAN BOULEVARD
2. OVERBRIDGE CONNECTING TO LAKE
3. TRANSPORT HUB INTEGRATING SURFACE VEHICLES AND VTOL
4. EXISTING AIRPORT BUILDINGS REPURPOSED AS COMMUNITY FACILITIES, COUNCIL OFFICES OR CONFERENCE CENTRE
5. CONNECTIONS LINK RING ROAD TO INNER CARLESS COMMUNITY
6. INNER CIRCULAR ROUTE ENABLE EFFECTIVE CONTINUOUS PUBLIC TRANSPORT
7. NORTH-SOUTH ROUTES AND COMMERCIAL ZONE LINK ALL RETAIL/COMMERCIAL ZONES
8. SUBSTANTIAL MEDICAL/HOSPITAL PRECINCT MEETS DISTRICT'S NEEDS WELL INTO THE FUTURE

5 Ignoring alternative airport scenarios is a fundamental failure.

It is abundantly clear that the local political leadership under Mayor Boulton is opposed to the relocation of scheduled air services away from Frankton. The Spatial Plan, however, is more than Mr Boulton. It is a long-term vision and framework for the region that is professionally developed by QLDC in partnership with central government and Kāi Tahu and it needs good information on which to base sound decisions.

The question of airport growth and its location cannot be a sleepy, foregone conclusion that can be set aside and be simply assumed for this 30-year Spatial Plan. It is a hotly contested political debate that has raged in the region for three years and the outcome is far from certain.

5.1 Cornerstone decision

The airport location is the single biggest spatial planning variable over which the district has control, and the outcome will have massive effects on the district's spatial planning options. Locking into a single scenario without allowing for this alternative possibility carries the high risk of permanent

suboptimal planning, zoning and network outcomes that could have otherwise been easily mitigated against.

5.2 Uncertainty is temporary.

This active airport debate will not go on endlessly. We would expect some clarity of final outcomes over the next 5 to 10 years. It is both imperative and simple for this Spatial Plan to recognise this short-term uncertainty regarding the airport scenarios.

The uncertain outcome from the airport debate is also no reason for this Spatial Plan to simply run with the status quo and ignore the alternative scenario.

5.3 Council misguided.

Council under current leadership is pursuing the absurd view that a CIAL owned regional airport near Tarras would threaten its financial investment in QAC, despite the obvious commercial opportunity available to QAC if it switched from managing airport property to being the lead developer of the Frankton metropolitan centre.

On this false premise, Council has directed QAC to aggressively assert its commercial interests, to the extent of even hiding QAC's commercial planning from the statement of intent process (and, therefore, away from public scrutiny).

5.3.1 Private company or community well-being?

Council leadership appears misguided regarding its purpose under the LGA, which directs it to promote the social, cultural, economic and environmental well-being of its communities.

QLDC's ownership of the airport derives from this purpose, in that the airport is a strategic asset enabling transport connectivity that promotes its communities' well-beings.

The MartinJenkins report commissioned by Council showed that the district's future air connectivity and economic prosperity would be best served by a new regional airport. And CIAL's \$45 million land purchase shows that it is willing and able to undertake the financial, legal and construction responsibilities and risks for providing the new airport.

This provides an opportunity for Council to redeploy the assets tied up in QAC. The land and company would far more effectively promote the communities' well-being if it were developed as the district's principal metropolitan centre, as outlined in Section 9.

Instead, under current leadership Council views its ownership of QAC in the framework of private enterprise with QAC and CIAL as competing companies. Locked in this narrow view, Council has refused to investigate or consider how alternative use of Frankton Flats for urban development could improve the district's well-being.

Even in its focus on company competition, Council fails to acknowledge the massive financial gain possible if QAC could change to be the Frankton metropolis property developer instead of a property company leasing out airport space, as explained in Sections 8.1 and 8.2.

5.3.2 The need for control?

Council leadership also appears to believe it crucial that QLDC should own and control the region's airport. It fails to recognise that its communities' social, cultural, economic and environmental well-being could be perfectly well served by a well-functioning regional airport regardless of who owns it.

In a parallel situation, it would make no sense for the local Council to insist it should own and pay for the state highways within its district when the central government is prepared to do this.

6 We are currently uninformed.

QAC and Council have not commissioned any professional study or work to assess the alternative to retaining Queenstown Airport in Frankton, so there is yet no credible information available to help inform the public or decision-makers.

This ignorance has been purposefully achieved. Under the district's current political leadership, all planning and strategic analysis has been directed to explicitly avoid researching or understanding the issues or opportunities such a scenario may present. For example:

6.1 Frankton Masterplan terms of reference

The terms of reference of the Frankton master planning process were limited by the precondition that Queenstown airport would remain and expand within Frankton. Public consultation and workshops actively shut down and prevented any consideration or discussion of possibly designing Frankton with a relocated or reduced airport.

QLDC's general manager of property and infrastructure, advised by the CEO, refused to allow even the display of an alternative master plan for Frankton with the airport relocated at the public meeting where the draft masterplan was presented for feedback. This, despite the alternative masterplan having been prepared independently by urban design professionals.

6.2 MartinJenkins social and economic impact assessment

The MartinJenkins social and economic impact assessment of alternative airport scenarios was commissioned at a time of intense political pressure six weeks prior to elections. While it did include amongst its four alternative scenarios one of a new regional airport, this explicitly retained Queenstown Airport in Frankton. It could not, therefore, allow for the many benefits possible from the concentrated urban development of Frankton. This is despite the closure of Queenstown airport (for all but VTOL) being central to much of the community debate on the issue, including public forums hosted by two of the most affected community associations and attended by 300 people.

Even so, the MartinJenkins assessment found that a new regional airport would provide the greatest economic benefit for the region, with the only diminishing aspect being the scenario did not have it open for operation soon enough.

Council leadership appears to have ignored or suppressed these findings, having had no public or closed workshops for councillors to consider the report in the year since it was delivered. It has simply been received and put aside. In apparent window-dressing, QAC's statement of intent has simply noted it will "consider" the MartinJenkins report in its planning.

6.3 Spatial Plan consultation

6.3.1 MartinJenkins findings ignored.

Public consultation workshops for the Spatial Plan have also excluded any discussion of the relocation of Frankton Airport.

The Spatial Plan Community Consultation Report acknowledges concerns expressed in public workshops (p 11). The then-ongoing MartinJenkins socio-economic analysis was the reason given for not discussing the district's single biggest spatial planning variable at those workshops. Rather than community discussion, the planning process was to use the MartinJenkins "fact-based assessment ... to inform the draft Spatial Plan" (p 11 of the Consultation Report).

It's now more than a year since the MartinJenkins report was published, finding that a new regional airport would deliver the greatest economic prosperity for the district (even without factoring in the substantial benefits from the urban densification of Frankton enabled by the closure of Queenstown Airport).

It turns out that none of these findings have been reflected in this draft Spatial Plan. The idea of relocating Queenstown Airport has been completely excluded without any reasoning or explanation.

First, the MartinJenkins work was used to deflect discussion, now its findings are simply ignored.

6.3.2 Workshop maps unclear

In the Spatial Plan's Wakatipu workshops, the three maps used to choose between main centres, connected centres and dispersed options didn't even show the airport in Frankton.

How could anyone expect participants to choose the main centres option (development concentrated on Frankton Flats) when that area is obviously consumed by the airport, meaning no one would want to live there squashed into the periphery of this high industrial noise area. This puts into serious question the validity of conclusions that can be drawn from the choices participants made.

Misleading consultation maps



The “Main Centres” map used during Spatial Plan consultation. It’s disingenuous to think participants might select this option without prior discussion of alternative airport locations.

6.4 It’s time to get it right.

As a 30-year vision for our region, the Spatial Plan must surely grapple with the big strategic questions such as airport location rather than ignore them. And in doing so, surely it must seek good quality information on which to base its conclusions.

The responsibility of Council under the LGA, in addition to promoting its communities’ well-beings, is to enable democratic local decision-making and action by, and on behalf of, communities. Good decision-making requires good knowledge.

But under current leadership, Council has actively suppressed any investigation, consideration or discussion of the alternative airport scenario. In all relevant work, the Rationale report, the Frankton masterplan process, the MartinJenkins report, the Ladies Mile master plan, all QAC’s annual statements of intent, the 10-Year Plan and this Spatial Plan, any potential relocation of Queenstown Airport has been excluded from their terms of reference or analysis.

“Ko te kai a te Rangatira he Kōrero.” – The food of chiefs is dialogue.

Current political leadership does the opposite. It blocks any information gathering and shuts out all perspectives but its own. Ignorance is defined as a lack of knowledge, and this appears to be the state in which these major strategic community decisions regarding the airports are being made.

By excluding any consideration of alternative airport scenarios in the Spatial Plan, we would fail to ensure that its vision would indeed deliver the best spatial, urban and infrastructure planning for our district’s wellbeing.

Our communities deserve better. They have a right to expect that the development of a 30-year vision and framework intended to develop the best social, cultural, environmental and economic

well-being for them would take an unbiased and honest approach using merit-based analysis rather than a narrow commercial and politically driven predetermination.

6.5 Should be part of the 30-year vision.

It is clear from our independent analysis presented in the subsequent sections 8 and 9 and from the appended *Part B – Queenstown Alpine Campus*, that the alternative airport scenario would provide substantially greater benefits to the region compared with QAC’s dual airport plans. For this reason, the Spatial Plan should not be blind to these opportunities and should remain conceptually open to alternative airport scenarios.

There is a crucial role for the central government and Kāi Tahu, as partners in developing this spatial plan, to ensure that it will achieve the best well-being outcomes for the district, when Council adopts such a narrow and predetermined view of the airport.

7 Is the alternative airport scenario credible?

If it were highly unlikely that Queenstown Airport would ever be relocated, then it would be reasonable for the Spatial Plan to ignore CIAL’s Tarras proposal and its potential impact on Queenstown Airport.

But this is not the case. The likelihood has increased substantially over the past two years, and the decision whether to relocate the airport is almost wholly a political one that is far from impossible, even in the near term.

7.1 Hanging on to the old ways

The refusal to consider or assess the relocation of Queenstown Airport results from incumbent inertia controlling the political process. As such, it is open to change at every electoral cycle, is susceptible to public opinion and influenced by new information, all of which are near-term events that fall well within the 30-year timeframe of this Spatial Plan.

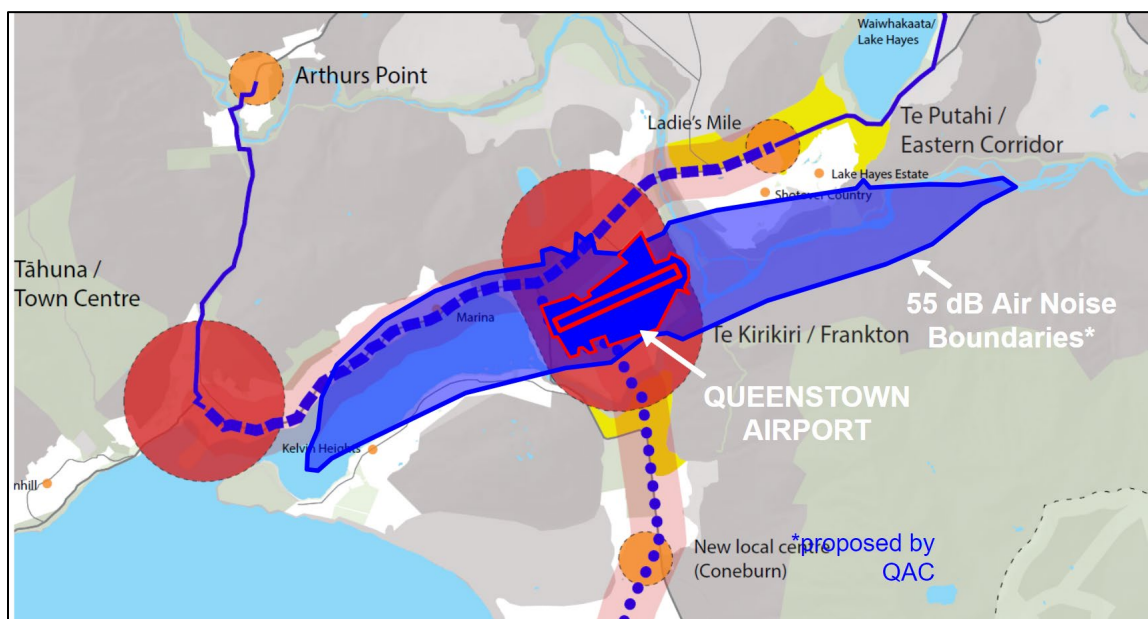
Any new idea such as relocating Queenstown Airport needs time to take hold. The first reason Mayor Boulton gave to retain the airport in Frankton in an interview with Crux (21/5/2019) was “the airport was put there for the very good and proper reason because it’s close to the town.” But when the airport was first gazetted in 1936 it was also a time when the steamboat Earnslaw carted sheep to the steam train Kingston Flyer, and the largely empty Frankton Flats was some distance from Queenstown and used only occasionally by small aircraft.

Our district, and indeed the world, is experiencing rapid change and such thinking has little merit when we are engaged in developing a 30-year, forward looking vision for our rapidly growing district.

7.2 Times have changed.

As the illustration below shows, we are no longer dealing with a small airport occasionally used near Queenstown, but with a large and rapidly expanding international jet airport situated in the dead centre of the district’s major metropolis.

A busy international Jet Airport in the centre of town!



Map illustration of the Wakatipu connected centres as proposed in the draft Spatial Plan (page 52) with the property boundary of Queenstown Airport and the 55 dB air noise boundaries superimposed.

It is impossible to imagine that any urban planner would ever recommend the situation illustrated above if they were planning the district from scratch. If it were necessary and there was absolutely no other way to resolve the district's need for air connectivity, then maybe. But that is not the case.

7.3 We are not trapped – we have choices.

The MartinJenkins report confirmed that this district's need for air connectivity would most effectively be provided by a new regional airport. CIAL's \$45 million purchase of 750 ha near Tarras and its commitment to undertake all the costs and risks for the research, analysis, consultation, design, legal consenting, financing and construction of a new regional airport make it possible.

Our district's air connectivity is not dependent on having its major international airport located in the middle of Frankton. We have choices.

7.4 Obstructive political leadership

Current leadership in the district refuses even to acknowledge we have a choice. Far from seeking information or analysis that could inform our choices, our leadership is obstructing any information gathering, excluding it from the terms of reference of all analysis, planning or consultation, and publicly denouncing alternative options with often ill-informed statements such as a new airport would cost more than \$2 billion (it wouldn't), that it's morally reprehensible for CIAL to undermine the commercial value of QAC (it wouldn't, QAC's value could quadruple several times over as a Frankton property developer), that it would be legally impossible to achieve, and so forth.

7.5 Listen to the experts.

It is far more instructive to listen to the voices of those knowledgeable professionals who have skin in the game.

Senior executives at Christchurch International Airport Ltd, with commercial experience, industry-specific expertise and resource to properly assess the situation have determined it worth putting \$45 million up front to secure land near Tarras, a consolidated holding five times the size of Queenstown Airport. They estimate the total cost of the new airport to be \$800 million, with planning, consent and construction potentially achievable within 10 years.

Similarly, Air New Zealand has advised QAC, in its submission on the proposed expansion of air noise boundaries, that QAC would be unlikely to meet the airline's future service requirements even with its dual airport strategy and explicitly called for a new regional airport.

7.6 Major changes increase the likelihood of airport relocation.

Other major changes have occurred since Mr Boulton's interview with Crux where he described the notion to relocate Queenstown Airport as "the silliest thing I've heard."

7.6.1 QAC expansion plans rebuffed.

QAC has suffered massive public resistance to its dual airport expansion plans. Its public consultation for the expansion of its air noise boundaries in the Wakatipu saw the district's largest ever community response, with 92.5% of 1507 submissions being opposed. Its expansion plans for Wānaka Airport has seen 3 ½ thousand residents join in active opposition, with Wānaka Stakeholders Group engaging in legal action to challenge the process and plans.

7.6.2 MartinJenkins finds greater prosperity from new regional airport.

The MartinJenkins economic and social impact assessment identified that a new regional airport would enable greater economic prosperity than QAC's dual airport strategy. In that pre-Covid assessment, the analysis showed a new airport would be even better if operational within 10 years, rather than their 15-year presumption.

7.6.3 CIAL purchases 750 ha near Tarras.

Catching many by surprise, CIAL's land purchase has replaced the hypothetical with a real and credible alternative, one with the incentive and capacity to deliver. It has also expanded influence and control beyond local political leadership.

7.6.4 Covid 19 challenges business-as-usual tourism economy

Covid 19 has caused a seismic disruption of the district's economy, massively exposing its high dependence on international tourism.

This has led to significant community reflection and calls for change. The business-as-usual model dependent on high-volume tourism is being seriously questioned, openly challenging the presumptive need for visitors to be able to access their hotels within 15 minutes of landing, instead of taking one hour if the airport were near Tarras.

It's hard to achieve fundamental structural change when the economy is barrelling along as it has for the past 10 years in Queenstown Lakes District. The shock from Covid 19 gives a rare opportunity to reflect and rebuild. This increases the willingness for our community to consider fundamental structural changes such as the densification of Frankton and consequent relocation of Queenstown Airport.

7.6.5 Increased calls for economic diversification.

The major economic disruption caused by Covid 19 has also accelerated demands for economic diversification.

The immediate proximity of Queenstown Airport on Frankton Flats inhibits such diversification by both overcooking tourism and undermining the potential to develop the Frankton Flats as a world-class, walkable, smart city campus specifically designed to meet the needs and aspirations of knowledge-based enterprise – a place where, as Sir Paul Callaghan extolled, talent wants to live.

(See Chapter 3, starting at page 26 of the appended report, *Part B – Queenstown Alpine Campus an example of such a design*)

7.6.6 Climate change increasingly drives policy.

Public concerns regarding climate change are growing rapidly and increasingly drive public policy and commercial activity.

While climate activists have been quick to condemn the new airport proposal near Tarras, with 94% of Wānaka Stakeholders Group surveyed members citing climate change is their primary opposition to this new airport proposal, these objections could quickly change into support. A thorough emissions analysis that included the closure of Queenstown Airport (for all but VTOL) and the urban densification of Frankton would show a new Tarras airport could offer far more effective mitigation of climate change than QAC's dual airport proposal or having only Queenstown Airport operating scheduled air services.

Proper emissions analysis comparing QAC's dual airport proposal against CIAL's new airport near Tarras combined with the densification of Frankton as the district's major fully integrated metropolitan centre would soon have those concerned with climate change advocating for the redesign and densification of Frankton instead of retaining its airport.

This is explained more fully in Section 8.4.

7.6.7 QAC's lease of Wānaka Airport quashed

Just five days after this submission's deadline, the High Court quashed the contract between QLDC and QAC that had given QAC a 100-year lease of Wānaka Airport. The decision was based on shonky Council process (not using the Long-Term District Plan) and a poor consultation process (not fairly representing the nature of the decision).

This is a major setback for QAC's dual airport plans. It had required the lease's long-term certainty before it would invest \$300-\$400 million in the airport's development. With Wānaka communities' substantial and well organised opposition to jet aircraft it is difficult to imagine QAC could ever again obtain such a lease contract from Council.

QAC has been adamant that Queenstown Airport alone cannot meet future demand. With this major setback to QAC's development of Wānaka Airport, the door is now wide open for CIAL's proposed airport near Tarras to take the overflow.

With five times the land holding of Queenstown Airport – land purchased at prices a thousandfold cheaper than Frankton Flats – the proposed new airport could easily accommodate all the ancillary business and service operations and has already been described as a preferred option by Air New Zealand, the principal airline client.

Once a full-sized, modern airport near Tarras were operational it would become untenable to not use the Queenstown Airport land for desperately needed development of the Wakatipu's major metropolitan centre.

7.6.8 Replacement of RMA legislation.

The proposed abolishment of the RMA and its replacement likely next year with legislation specifically intended to facilitate wise, integrated urban and network development is another major enabling change that increases the likelihood for Queenstown Airport's closure in favour of a new regional airport near Tarras.

CIAL will find the legal process easier, as a thorough and integrated network analysis will unequivocally show its advantages ahead of QAC's dual airport plans.

7.6.9 National oversight of infrastructure networks

Less certain, but also possible, is that the air transport network be considered under some government oversight, such as national roads with the NZTA. Central government is reviewing the country's national infrastructure and how best to all plan for them.

The current debacle that proposes three competing international airports within 70 km, all driven by independent, competing local interests despite mostly public ownership, is obviously not the best way to develop the most effective national air transport network. Already there are many calls to central government to take some initiative to resolve these conflicts to achieve a more effective outcome.

Any such national oversight would almost certainly favour a single regional airport together with the closure of Queenstown Airport and densification of Frankton.

7.7 Possible, even likely.

What may have been a fanciful idea just two years ago is now a real possibility. It is increasingly untenable to propose a 30-year, long-term vision for an urban spatial plan in the Queenstown Lakes District that flatly ignores these trends and uncertainty regarding the district's airports.

8 Would the alternative airport scenario be desirable?

Better for QAC. Better for Council and ratepayers. Better for climate change mitigation. Better for economic prosperity. Better for social, cultural, economic and environmental well-being.

These positive outcomes are unequivocal and become obvious to anyone prepared to investigate.

In this section we outline the better commercial outcomes for QAC and its shareholders. We then explain how it offers the most effective and robust mitigation against climate change.

In the following Section 9, we explain how all 16 of the spatial plan's strategies seeking to improve well-being would have substantially better outcomes if Queenstown Airport were relocated and Frankton Flats developed as a comprehensive metropolitan centre.

For more evidence and detail, we have appended to this submission the draft report titled Part B – Queenstown Alpine City Campus and ask that you read this as part of our submission.

8.1 Massively increase commercial value of QAC.

Even the business case for QAC falls greatly in favour of relocation.

8.1.1 Ten-fold increase in asset value

Queenstown Airport Corp's 165 ha Frankton landholdings currently valued at \$220 million would more than quintuple in value to upwards of \$2 billion if this were rezoned from its current predominantly rural general zoning to high-density mixed-use.

Most of Queenstown Airport's land is currently zoned rural general and valued at just \$35 m² while land zoned high-density mixed-use outside the air noise boundaries sells upwards of \$1800 m².

With the company majority-owned by Council, such zoning change would be no different and less difficult than the processes being applied to Ladies Mile or proposed for the Five Mile Urban and Southern Transit corridors.

8.1.2 Ten-fold increase in enterprise value

QAC's pre-Covid enterprise value of \$480 million would similarly balloon if its commercial focus changed from airport property management to developer of the Frankton metropolis.

QAC is fundamentally a property management and development company. It is not involved in aircraft management or operations, airline scheduling, flight control, customs or border protection. Its business revenue comes from developing buildings and leasing these to various retail stores, charging aircraft for landing on the runway it maintains and car parking fees.

Through this property experience, QAC already has the skills and competencies that would allow it to pivot and achieve far greater business value from its 165 ha Frankton land by developing a high-density metropolis than it currently can using the land as an airport.

Owning 165 ha centrally located in the developed metropolis of Frankton, QAC could become one of the largest and most profitable commercial property companies in New Zealand.

8.2 Better for QAC shareholders.

Queenstown Lakes District Council would be far better recompensed if QAC changed from airport to urban property management.

8.2.1 Greater profit and distributions

Instead of an uncertain pre-Covid \$5 million annual dividend, QLDC would get far greater and more certain annual dividends. QAC could itself develop new commercial and multi-tenant residential properties, undertake joint venture developments, or sell long-term lease rights to develop and occupy. Substantial annual dividends would be permanently assured, presenting a significant revenue for council to offset against rates or substantially increase infrastructure investment across the district.

QLDC would also get 75% of any capital disbursement should QAC sell land titles freehold, possible at prices ten-times more than it is currently valued.

8.2.2 Greater rates revenue.

Currently QAC pays just \$456,000 annual rates to council. This council revenue would increase to a minimum \$16.5 million if the bare airport land were rezoned as high-density mixed-use, based on current rating formulas. These annual rates would more than double as urban development increased the property values.

8.2.3 Lower infrastructure costs

While the increase in its rate revenues would incur a financial liability for council services and infrastructure, these could be provided at significantly lower cost because of the central concentration on Frankton Flats than if they were provided in more dispersed suburban networks as currently planned.

8.2.4 Community captures capital gain

A tremendous advantage is that Council – and therefore local community – would get most of the windfall \$2 billion value gain from the 165 ha that would be rezoned from predominantly rural general to high-density mixed-use. That wealth can be used to fund community infrastructure.

In all other developments throughout the district, with the lone exception of Lakeview, this financial bonanza has gone to the few private and already wealthy people who owned the land.

8.3 Better for climate change.

Developing the whole of Frankton Flats as a comprehensive single metropolitan centre with the airport relocated would offer our region its best possible mitigation against climate change.

Certainly, three international airports within 70 km makes no sense in the face of climate change (or for any reason). A single regional airport near Tarras instead of QAC's dual model – that would have two major airports within 50 km – would be better.

But the greatest long-term climate change mitigation is only possible if all of Frankton Flats was used for the district's principal metropolitan centre. This would require the relocation of scheduled air services away from Queenstown Airport (though retaining VTOL integrated with a surface transport hub).

The whole of Frankton Flats could then be developed to house the next 30,000 people in a fully integrated, virtually carless metropolitan centre with both the necessary substance and character to support those high-value, knowledge-based enterprises that could provide a sustainable, low emissions, prosperous economic future for our district. A future that reaches beyond tourism.

This conclusion becomes inevitable when all the following effects are considered.

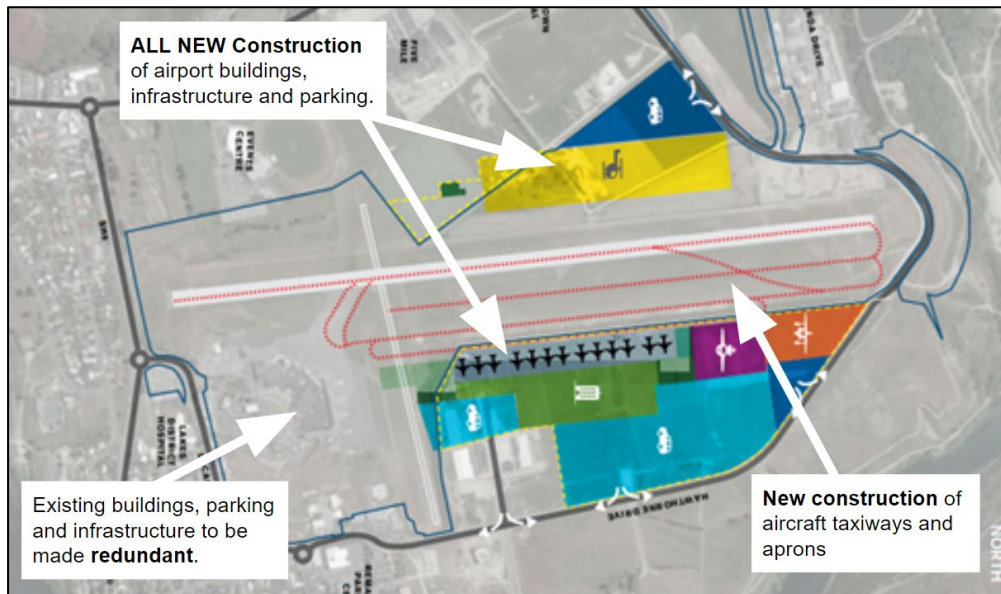
8.3.1 Less airport *construction* emissions compared with QAC's dual airport plans.

Many people object to a new greenfield airport primarily because of the excessive greenhouse gas emissions (GHG) caused from its construction. Better, they argue, to have QAC's dual airport model using the existing Queenstown and Wānaka Airports.

This view fails to recognise that QAC's dual airport expansion plans proposed more GHG emissions-producing construction than CIAL's single new regional airport would.

This is evident from Queenstown Airport’s master plan and its public statements announcing a \$400 million development of Wānaka Airport. The 30-year plan envisaged 5.1 million passenger movements through Frankton plus 3 million in Wānaka, requiring a full rebuild of all terminals, parking and other facilities at Queenstown Airport, as well as new construction in Wānaka equivalent in size to the existing Queenstown Airport facilities. Also included was a new aircraft taxi runway at Queenstown Airport and a newly constructed jet-capable runway at Wānaka Airport.

New everything proposed by QAC for Queenstown Airport’s expansion.



QUEENSTOWN AIRPORT MASTERPLAN OPTIONS, OPTION 2.

NOTE: OPTION 3 IS SIMILAR BUT WITH THE MAIN TERMINAL ON THE NORTH SIDE OF THE RUNWAY.

QAC, Aug 2017

New everything proposed by QAC for Wānaka Airport’s expansion.



QAC ANNOUNCED \$400 MILLION CONSTRUCTION ANTICIPATED AT WĀNAKA AIRPORT TO GROW ITS CAPACITY TO THAT OF THE EXISTING QUEENSTOWN AIRPORT, 30 APRIL 2019

IMAGE BY ANIMATION RESEARCH AND NOTATED BY FLIGHPLAN2050

With the many duplicated facilities resulting from using two locations, QAC's total planned construction and associated GHG emissions for its dual airport model would exceed that needed to achieve similar passenger volumes at a new single greenfield regional airport built by CIAL.

But the airport is only one part of the construction equation, and in fact, the smaller part. Far more significant is the urban, suburban and infrastructure network construction as the resident population throughout the district doubles and then doubles again.

8.3.2 Less construction emissions in the Wakatipu

Population projections require that we must plan for substantial new urban construction within the Wakatipu and broader district over the foreseeable future.

In this regard, we accept the broad premise of the 30-year Spatial Plan that the normally resident population of Queenstown Lakes District will continue to increase at a rate greater than most other regions. This, despite New Zealand's fertility rates being below replacement and already evident population decline in most regions. The beauty of this district will continue to attract domestic and international migrants over the long-term, much as Auckland and Tauranga do, and we cannot prevent them from settling in this district.

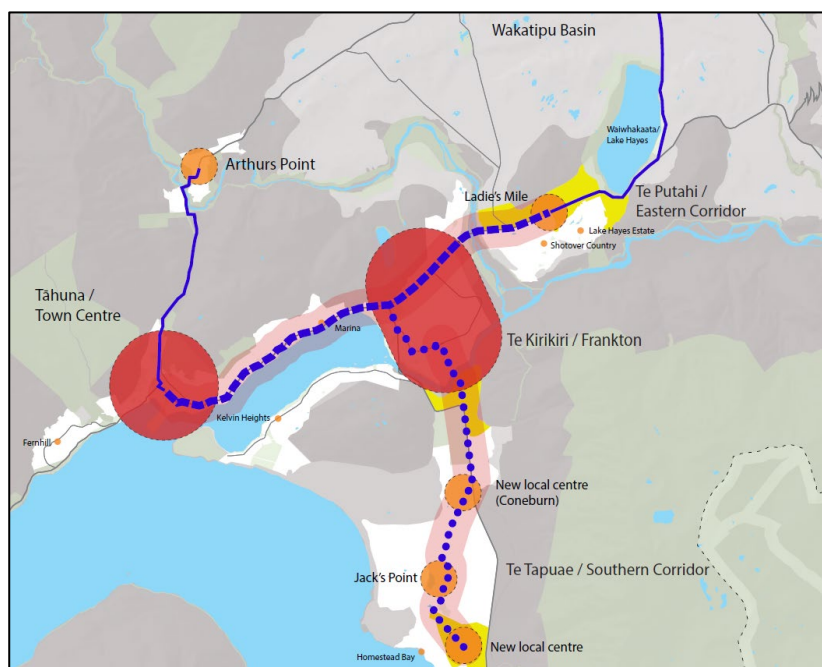
The growth in resident population may be faster or slower than forecasts predict, but we accept that some 30,000 new residents need to be accommodated in the Wakatipu within the next 30 to 40 years, with the population likely to double again in the decades following.

The question, then, is where and how do we accommodate the increasing residential population in healthy, sustainable, low emissions communities?

The simple answer is urban density.

Urban density allows much greater efficiencies in construction on a per-housing-unit basis. By closing Queenstown Airport (for all but VTOL) as many as 30,000 people could be accommodated on

Sensible spatial planning centred on Frankton.



Frankton Flats, with this concentration being central to and contiguous with the five suburban spokes already radiating from it.

This concentration of population on Frankton Flats would also enable much greater efficiencies in the construction and installation of the district's networks, including drinking water, stormwater, sewage, electricity, telecommunications and transport.

Beyond that, there is tremendous opportunity for all the new urban development on Frankton Flats to be transformational best practice construction focused on reducing emissions and improving climate resilience. Three key factors drive the foundation for such an outcome:

- **Council control**
As the effective owner of the whole 165 ha central block of Frankton Flats, Council would control both the zoning and development. Impelled by its declaration of a climate emergency, Council could set rules and standards to ensure best green construction practice for buildings and infrastructure.
- **A clean slate**
The Queenstown Airport land presents a rare 165 ha blank canvas for the centre of a substantial metropolitan centre. This enables focus on an integrated design that ensures all infrastructure and systems achieve the lowest lifetime emissions. This together with Council control over the whole site, creates opportunities for greater efficiencies, for example with district heat systems.
- **Goal alignment**
Building green is directly aligned with the long-term vision of creating a place where talent wants to live. The outstanding natural environment is core to this district's identity and its greatest asset. Leveraging this, the aspiration to develop the world's most sustainable and liveable alpine centre would precisely attract the talent and investment needed for a sustainable economic future beyond tourism.

In contrast, if Queenstown Airport remained in Frankton, then all new residents must be accommodated elsewhere in the Wakatipu Basin. A snowball of developments such as the currently promoted Ladies Mile would be needed, each with fundamentally lower density than possible for a central Frankton metropolitan centre. This would cause more land area coverage and create an inefficient web for infrastructure. The dispersed centres and lack of concentration would force continued dependence on private vehicles, inhibiting the mode shift to active and public transport and clogging the district's road network.

Greatly increased urban density and network centralisation on Frankton Flats would result in much greater reduction in per-person emissions from urban and infrastructure construction within the Wakatipu than otherwise possible. The reduced emissions from this would far outweigh the construction emissions of a new airport.

8.3.3 Lower network *operational* emissions in the Wakatipu

Moving the airport and densifying Frankton would also greatly reduce long-term operational emissions compared with retaining Queenstown Airport.

A metropolitan centre housing 30,000 people concentrated onto Frankton Flats and contiguously linked to already existing suburban populations would enable more dense, more central and more efficient infrastructural networks. This would ensure substantially less long-term operational

emissions than if that population were spread more widely in small, dispersed centres within the Wakatipu Basin without a central density.

8.3.4 Less surface *transport* emissions

A Tarras location *combined with* the densification of Frankton Flats would also reduce surface travel emissions, through:

- **Reduced transport emissions in the Wakatipu**

The densification of Frankton Flats to accommodate 30,000 people in a virtually carless community, making it the central hub directly connected to its five suburban spokes, would far more effectively reduce transport emissions than possible under this draft Spatial Plan. The central density and shortened distances would substantially increase the mode shift to active and public transport and reduce the need for private vehicle use.

The increased mode shift to public transport would have an additional multiplier effect. A switch to electric buses would rapidly reduce the proportion of road users using carbon fuels.

This much greater mode shift, carless town of 30,000 and reduced commuter distances, together with the electrification of public transport, would much more significantly reduce the district's surface transport emissions than what would be possible under this draft Spatial Plan.

- **More central and efficient airport transfers**

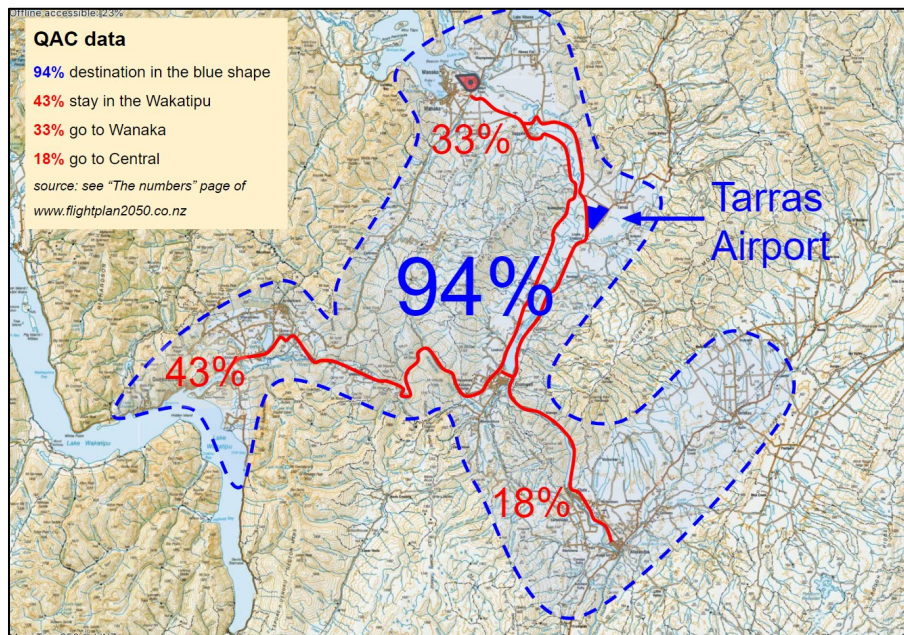
Many people falsely presume that a regional airport near Tarras would increase the surface travel emissions for those using the airport. They argue it would force more people to travel through the Kawarau Gorge, a drive time of one hour instead of 20 minutes for those in the Wakatipu. But data published by QAC suggests otherwise.

Queenstown Airport has changed dramatically in the decade pre-Covid, growing three-fold in passenger movements. Where it once was a destination airport, it now services the region, not just the Wakatipu. More than half of those using Queenstown Airport travelled in and out of the Wakatipu for their flights, with most travelling to the Upper Clutha and Central Otago.

This is according to written data published by QAC during its air noise boundary consultation and is based on a study commissioned by QAC that used telecommunications ping-technology to track the movements of passengers' cell phones after they disembarked.

That data shows just 43% of those arriving through the airport stayed in the Wakatipu, while 51% travelled to the upper Clutha or Central Otago. This suggests there would be little net change in the surface kilometres travelled by those using the regional airport whether it was based in Frankton or near Tarras.

Traveller destinations after landing at Queenstown Airport.



DESTINATION CATCHMENT FOR TRAVELLERS USING QUEENSTOWN AIRPORT
SOURCE: QAC DATA ANALYSED BY FLIGHTPLAN2050

To our knowledge, this is the only study that has attempted to analyse the destinations of those who use Queenstown Airport. The numbers used by most formal reports, such as Rationale, MartinJenkins, the Ten-Year Plan and this spatial plan, rely on unsubstantiated, seat of the pants estimates that have become facts solely because they are so often repeated.

So, it is far from clear on the information available whether shifting to near Tarras would increase or decrease the total surface kilometres travelled by people accessing the airport. But, by using electric airport express buses, a Tarras location would more surely reduce the GNG emissions from this surface transport.

Airport express buses would be substantially more effective for an airport located near Tarras than one based in Frankton or for QAC's proposed dual airports. Experience shows that even with 3,100,000 annual passenger movements, there are no airport express bus services to Wānaka or Central Otago from Queenstown Airport. In contrast, if the airport were near Tarras we would already expect airport express bus services to transport hubs in Queenstown, Wānaka, Cromwell and Alexandra. These buses would reduce vehicle numbers. Also, we could more quickly increase the proportion of travellers conveyed by renewable electricity through the electrification of the bus fleet than would be possible with a fleet of private vehicles.

It is reasonable to conclude that there would likely be a reduction in airport transfer GNG emissions if scheduled air services were relocated to near Tarras.

- **Reduced travel from Christchurch to Otago**

An international airport near Tarras would also reduce surface travel from Christchurch to Otago. Many international tourists currently arrive through Christchurch Airport before driving directly to the Queenstown Lakes District. Some sources suggest this is as much as

75% of Christchurch Airport's international arrivals but, again, there is currently an absence of hard research to support such crucial information.

- **Reduced tourism imperative**

If the district's economy relied less on tourism, then there would be less business imperative to grow tourism demand. Reducing the demand for long-haul tourism may be the district's best way to reduce GNG emissions, but this strategy would only be acceptable if there were alternative drivers for sustainable economic well-being.

Section 8.5.5 below outlines the far greater economic diversification possible by closing Queenstown Airport (for all but VTOL) than by retaining it in Frankton.

Without the airport's closure, the inability to develop a fully integrated metropolitan centre on Frankton Flats would keep the district far more dependent on tourism. This continuing dependence would have local business more actively promoting and enabling tourism demand, with the increased number of tourists increasing surface transport in the region.

In contrast, removing the airport from Frankton, and thereby enabling greater development of knowledge-based businesses, would reduce the business imperative to grow tourist numbers.

In this way, a new regional airport near Tarras could better support the district's transition away from a tourist-centric economy and thereby reduce the consequent surface travel emissions.

A full analysis of all surface emissions that included each of these effects would almost certainly find that future surface transport emissions in aggregate and per person across the district would be reduced if a single regional airport were located near Tarras *combined with* the densification of Frankton Flats.

8.3.5 Accelerate economic diversification to reduce dependence on long-haul air travel.

How can our urban spatial plan best support the development of a low impact, low emissions economy?

The most potent climate change mitigation our district could do is to diversify its economy away from tourism. Long-haul tourism relies on fossil-fuelled flights which are a major contributor to GNG emissions, and so ipso facto is unsustainable in the long-term. High volume tourism also has significant negative impacts on our local environment.

Covid 19 has temporarily collapsed this industry and gives an insight of its long-term future in the face of zero emissions targets set for 2050. While we strive to recover from this economic shock, we must retain this insight and use the next 30 years to aggressively transition the district's economy.

But economic diversification is not easy. The scant progress made over past decades despite regular calls for diversification shows the current structures and strategies fail to deliver on this goal. Clearly, an outstanding natural environment and airport at our doorstep are not the answer.

The district is remote and has negligible natural resource beyond its environmental values, leaving little scope for most industry sectors. Knowledge-based enterprise is promoted as the district's best future option. It offers low impact, low emissions businesses that earn the high incomes necessary to live in this district and has virtually costless reach to global markets. The district's outstanding environment provides leverage to create what Sir Paul Callaghan called for 10 years ago: a place where talent wants to live.

Current efforts to attract high-earning remote workers are commendable as a first step, but a remote-working community offers only a weak platform for the district's well-being, economic diversification or prosperity. A collection of such workers does not make a thriving knowledge enterprise centre, as most parents of students quickly realised during Covid 19 shutdowns – having their children complete lessons at home on their laptops fell far short of the collective learning experience they were missing out on.

To succeed, a transition to knowledge enterprise needs population density. Such business thrives on high-frequency face-to-face interactions, serendipitous meetings and an extended ecosystem of complementary businesses. It needs depth and substance to attract and sustain a pool of exceptionally talented people and must offer career and social opportunity for themselves, their family and their friends.

We have the chance to create such a centre.

Removing Queenstown Airport from Frankton Flats would provide a blank canvas on which to design one of the world's most liveable alpine centres. A fully integrated and fantastically liveable mixed-use metropolitan centre housing our next 30,000 residents in a virtually carless campus, gloriously bound by lake, rivers and mountains, a central heart directly connected to its environment and suburban limbs.

On Frankton Flats, we could create Sir Paul Callaghan's place where talent wants to live. An inspiring alpine campus that would have the necessary *substance* and *character* to attract the best of Kiwi and global talent. An extensive community of high-value, knowledge-based enterprises that could provide a sustainable, low-emissions, prosperous economic future for our district.

But, by retaining the airport in Frankton, this draft Spatial Plan would prevent this opportunity and inhibit future diversification to knowledge-based enterprise. The dispersed centres suburban developments proposed in the Wakatipu would dissipate rather than concentrate knowledge enterprise. The small commercial centre in the proposed Ladies Mile development, for example, may provide suburban shopping convenience, but could never support a sustained knowledge economy. And the draft plan's limited development proposed for Frankton Flats is severely constricted by the airport and the associated air noise boundaries, undermining the very qualities that might have attracted talent and knowledge enterprise.

The most useful long-term climate change mitigation in this district is only possible if Queenstown Airport were closed (for all but VTOL) to enable the densification of Frankton Flats into a single comprehensive metropolitan centre.

Currently, the draft Spatial Plan would structurally and systemically inhibit the diversification of this district's economy.

8.3.6 Existing airport infrastructure is not the answer.

Would we minimise GNG emissions if we contained Queenstown Airport within its current air noise boundaries and forced excess demand to the airports of Dunedin and Invercargill? In addition to

avoiding airport construction emissions, some hope this would have a choke effect to suppress the demand growth of long-haul tourism, thereby reducing flight emissions.

It's a fair question that deserves strong independent analysis. The answer will have several parts:

- **Uncertain, possibly minimal, effect on total flight emissions**

Limiting the number of arrivals at Queenstown Airport may have little effect on the total number of international tourists travelling to New Zealand or, more specifically, the total number of international and domestic flights. It may even increase total flights with some international tourists destined for Queenstown Lakes being forced to enter New Zealand elsewhere and then switch to a domestic flight.

- **More emissions from longer flights**

Queenstown (and Tarras) are closer to Melbourne, Sydney and Brisbane than any of New Zealand's other international airports (Auckland Airport is about the same distance to Brisbane). So, directing international flights, or even Auckland and Wellington domestic flights, to Dunedin or Invercargill, forces them to fly further, increasing their GNG emissions for every flight.

- **Queenstown is a high-emissions airport**

Scheduled flights using Queenstown Airport produce appreciably more GNG emissions than when operating at other airports. This embeds more long-term, systemic operational emissions than if those flights were instead directed to CIAL's proposed airport near Tarras.

A significant proportion of aircraft emissions are generated during takeoff and landing, particularly on shorthaul domestic and trans-Tasman flights. Challenging terrain, short runway and adverse weather cause every scheduled landing and takeoff at Queenstown Airport to generate appreciably more emissions than if the flight were at any other NZ airport.

The short runway and minimal runway-end safety areas require far higher acceleration and deceleration rates, both using more fuel. The difficult terrain requires both slower speeds to enable tighter turns and steeper descents and climbs. These require standard procedure of 24° of wing flap below 10,000 feet, increasing drag and fuel consumption, compared with only 3° typical elsewhere and applied only at much lower altitudes. The adverse weather and challenging runway compounds all these issues, with higher rates of delayed landings and diversions which then further require additional surface travel.

- **Additional surface travel**

Those unable to fly directly to Queenstown Lakes District will travel by road from Dunedin and Invercargill. The MartinJenkins analysis for this scenario assumed that 20% of unmet airport demand would arrive by road, equating to 336,000 visitors, generating about 40 buses or 500 cars per day each way to Dunedin or Invercargill. GNG emissions of this surface travel adds to the extra emissions from these longer flights.

- **Inability to centralise and intensify population in the Wakatipu**

The net emissions reduction in both construction and operation from the densification of Frankton Flats into a single, fully integrated metropolitan centre far outweighs the

construction emissions of a single new greenfield airport, as explained previously.

- **Reduced economic diversification**

Dependence on tourism drives its growth and the resulting GNG emissions. Tourism demand is not an independent variable; it is fuelled by local business product development and marketing that specifically target tourists.

Economic diversification to low-impact, low-emissions, long-term sustainable but still high-value enterprise is the key to reducing local business pressure to grow tourism. Reducing this pressure is perhaps the most effective way Queenstown Lakes could address climate change.

Achieving such economic diversification would most benefit from the creation of a fantastically liveable metropolitan centre that would have the necessary substance and character to attract and support knowledge enterprise. Frankton Flats offers the best, most easily achieved, and lowest emissions location for such a centre, but the airport would need to move.

- **Choking can lead to death**

The idea to retain Queenstown Airport but restrict its size as a mechanism to manage the growth of tourism is an example of cutting off your nose to spite your face. Retaining the airport on Frankton Flats would prevent the sensible development of an integrated metropolitan centre that is essential for the district's sustainable, low emissions future prosperity and well-being.

Economic diversification to knowledge enterprise requires a town of sufficient density and substance, and with the character that could attract talented people. There is nowhere else in the district where this is viable or so easily achievable as Frankton Flats. Without this economic transition, the future prosperity and well-being of the district is at risk. Gold was a boom-and-bust economy. Tourism may last longer, but it's long-term future in the face of finite oil reserves and more urgent climate change mitigation is equally uncertain.

The efficient concentration of infrastructure networks, transport and housing mode shifts, and low emissions construction would all be substantially inhibited if the airport remained in Frankton.

The opportunity cost of using Frankton Flats for an airport instead of for a town is massive. If flight volumes diminish in the long-term, as many predict, then that opportunity cost becomes even greater. It would then be even more crucial to have located airport services where land is a thousandfold cheaper and with little alternative use, than to have increasingly redundant airport land returning diminishing value while it continued to prevent the sensible, low emissions, urban development of the Wakatipu.

We accept that there is merit in controlling tourism numbers. But the crude method of using constraints on Queenstown Airport would work counter to the managed growth and reduced emissions goals of those who promote it.

The analysis we have done to date convinces us that retaining a restricted Queenstown Airport in combination with the Dunedin and Invercargill airports would cause greater GNG emissions than the FlightPlan2050 proposal.

8.3.7 Conclusion

Our analysis and modelling unequivocally show that a single regional airport near Tarras *combined with* the densification of Frankton to accommodate 30,000 inhabitants would have the lowest long-term emissions per person compared to all other scenarios, including one with only ZQN.

We look forward to comprehensive, professional analysis to test and challenge our findings. In the meantime, we ask those concerned about climate change to retain an open mind. We should all demand more robust analysis, but it would be wrong to presume CIAL's proposed airport near Tarras would be worse for climate change than existing or alternative scenarios.

8.4 Better for communities' well-being.

Careful analysis shows that a similar quantum benefit would accrue across the district for most stakeholders and the community generally, substantially enhancing the district's social, cultural, economic and environmental well-being.

In the following Section 9, we explain how all 16 of the spatial plan's strategies seeking to improve well-being would have substantially better outcomes if Queenstown Airport were relocated and Frankton Flats developed as a comprehensive metropolitan centre.

As well as the significant commercial and economic prosperity, the district and its communities would have greatly improved social cultural and environmental well-being. We encourage you read the appended *Part B – Alpine City Campus* for an explanation of these.

9 Aligned with the Spatial Plan goals and values.

If an alternative airport scenario were detrimental to achieving the Spatial Plan's values and goals, then it could be understandable that the plan might resist acknowledging it.

But this is not the case. The CIAL Tarras proposal combined with the closure of Queenstown Airport for all but VTOL would far more effectively achieve the values and goals set out in the draft Spatial Plan.

In this section we focus on the draft Spatial Plan's five Desired Outcomes and the 16 Strategies it proposes to achieve these outcomes.

The Queenstown Lakes Spatial Plan					
Whaiora Grow Well					
GOAL					
PRINCIPLES	HAUORA WELLBEING Decisions about growth recognise social, economic, environmental and cultural considerations	AUMANGEA RESILIENCE Ensuring communities and visitors are resilient to shocks of the future, including adapting to climate change	WHAKAUKU SUSTAINABILITY Programmes and activities are delivered according to sustainable development principles and work towards zero emissions		
	SPATIAL ELEMENTS: Illustrate how and where the area will grow				
OUTCOMES	Consolidated growth and more housing choice	Public transport, walking and cycling are everyone's first travel choice	A sustainable tourism system	Well-designed neighbourhoods that provide for everyday needs	A diverse economy where everyone can thrive
STRATEGIES	1. Increase density in appropriate locations 2. Deliver responsive and cost-effective infrastructure 3. Improve housing diversity and choice 4. Provide more affordable housing options	5. Ensure land use is concentrated, mixed and integrated with transport 6. Coordinate a programme of travel demand initiatives 7. Prioritise investment in public transport and active mode networks	8. Improve coordination across the tourism system 9. Ensure infrastructure supports a great visitor experience 10. Promote a car free destination	11. Create well-connected neighbourhoods for healthy communities 12. Design to grow well 13. Enhance and protect the Blue-Green Network	14. Diversify the economy 15. Make spaces for business success 16. Establish efficient and resilient connections

PAGE 2 OF THE DRAFT SPATIAL PLAN

For each of the Desired Outcomes and Strategies, we explain how a fully integrated and comprehensive metropolitan centre covering the whole of Frankton Flats, enabled by the relocation of scheduled air services from Queenstown Airport to near Tarras, would far more effectively achieve the goals and values of the Spatial Plan.

9.1 Desired outcome: Consolidated growth and more housing choice

9.1.1 Strategy 1 – Increase density in appropriate locations.

Frankton Flats Metropolitan Centre.

Frankton Flats is the most appropriate location in the whole district for increased density. This is abundantly clear from the map provided on page 52 in the draft Spatial Plan which shows the large metropolitan centre of Te Kirikiri / Frankton. This total metropolitan densification of Frankton makes perfect sense of all spatial planning elements, including the transport and other infrastructure networks.

Historical Precedence

This has been obvious from the outset. When the Otago Provincial Council first reviewed the Wakatipu district as part of William Rees land lease applications in 1861, the then superintendent

Major John Richardson designated Frankton Flats for the future township. That's why William Rees located his homestead in Queenstown Bay, because if he based himself more centrally on Frankton Flats, he would have forfeited the right to purchase the 80 acres surrounding his homestead. For the same reason, when moving from Queenstown Bay he relocated not onto the Flats but to the south of Kawarau Falls. It's also why the hospital that he helped build was located on the Flats, the presumed site for the township.

Construction Suitability

Frankton Flats is amongst the most geologically stable land in the Wakatipu, significantly reducing seismic risk for urban construction. It offers the largest concentration of flat, stable and easily used land for construction. It is one of the sunniest locations in the Wakatipu, greatly increasing its liveability, especially in winter.

Existing Ring Road and Transport Network

Frankton Flats already has a fully formed ring road in place that is well-connected to the suburban developments that spring from it, like spokes from the central hub of a wheel, such as Quail Rise, the eastern corridor, the southern corridor, Kelvin Heights, and Goldfield Heights through to Queenstown.

This ring road would give multiple access points to the space inside while protecting it from unnecessary through traffic and congestion, creating the most fantastically liveable, virtually carless, fully integrated place to live in the district.

Existing Metropolitan Facilities

Frankton already has a substantial collection of retail, commercial, educational, medical, sporting, recreational and cultural facilities that would all be fully accessible using active transport for the 30,000 residents that could be accommodated within the Flats. Much of the Wakatipu's future population could easily choose to be carless if based on Frankton Flats.

Rezoning Simplicity

Council, through QAC, is the 75% majority owner of the 165 ha of Queenstown Airport, which simplifies the rezoning from its current mostly rural-general to high-density mixed-use.

Community Captures Value

QAC ownership would also deliver 75% of the massive multi-billion-dollar gain in land value directly to Council and therefore to the district's communities instead of to a few lucky private landowners.

This value, together with similarly massive increases in QAC's enterprise value and annual dividends paid to Council – as it pivots from being an airport provider to metropolis developer – would provide unprecedented resource for Council future funding of districtwide infrastructure.

No other location could deliver such financial benefit to the district's communities.

Draft Spatial Plan Vision Is Undermined.

The draft Spatial Plan's failure to use all Frankton Flats as a fully integrated metropolis is shown on page 60 of the draft plan. Instead of a single, large centre shown on the first map on page 52, the grand vision diminishes into two smaller, lesser, disconnected centres, neither being sufficient to ever give the district a decent sized or fully integrated metropolitan centre that could help promote the region's development beyond its tourist centric economy.

Even worse, the diminished vision would degrade future liveability with an Urban Corridor on State Highway 6 that would both restrict a vital arterial route and congest the urban centre being created with the inevitable through traffic.

Instead of the existing ring road becoming an effective protector and nourisher of a carless centre, the proposed split into two centres to the north and south of the Flats would force more traffic to travel back and forth.

Conclusion

The alternative airport scenario would much more effectively enable location of greatest urban density onto Frankton Flats, the most appropriate location.

9.1.2 Strategy 2 – Deliver responsive and cost-effective infrastructure.

The full use of Frankton Flats for a fully integrated high-density metropolitan centre would:

1. Enable by far the most efficient and effective infrastructural networks for the Wakatipu Basin,
2. Enable far more effective district-wide supply chain with greater cost and operational efficiencies improving their effectiveness and profitability,
3. Provide significantly more ongoing Council revenue to fund future infrastructural investment throughout the district.
4. Enable more cost-effective air connectivity.

These are each explained below.

1. In the Wakatipu Basin

Public, private and active transport, the three waters, energy, communications, and all such networks could be delivered much more efficiently and provide much more effective utility if the Frankton metropolitan centre included the whole of Frankton Flats. The much greater central concentration and stronger connection of that centre to the suburban spokes would ensure this.

The densification of Frankton would also enable the most cost-effective construction and operation of these networks, reducing the collective burden on ratepayers.

The draft Spatial Plan already acknowledges this, with the presence of Queenstown Airport on Frankton Flats being the principal reason not to pursue the concentrated centre strategy.

Delaying the development of the Frankton metropolitan centre for the one or two decades it will take to establish CIAL's proposed airport near Tarras will improve the outcome. New Zealand's mode shift from standalone suburban homes to higher urban concentration is accelerating, driven by the needs of climate change, transport efficiencies, cost savings and government policy. The delay will facilitate greater densification than people might currently accept, further improving the cost-effectiveness of infrastructure.

2. More Efficient District Supply Chain

The CIAL proposed airport near Tarras would more effectively deliver a cost-effective supply chain network for the district and the wider Otago region. The Tarras distribution hub would combine with and strengthen that already developing at Cromwell. Both Tarras and Cromwell are the state highway gateways to the district and, unlike Queenstown, are within a single day's return trip from Christchurch for commercial transport drivers.

The greater availability of land at significantly lower prices than in the Wakatipu and the ability to service both Wakatipu and Wānaka markets from a single base, have seen many distribution, construction and other light industry companies centre their operations from Cromwell. This improves their profitability by reducing overheads, duplication and employment costs. It also enables more affordable accommodation options for their employees, compared with the extreme costs they might face in the Wakatipu or Wānaka centres.

CIAL's proposed airport near Tarras would consolidate this development, allowing for greater efficiencies in scale, co-location and network effects. These would all strengthen the district supply chain and reduce the need for light industrial land use within the scarce and increasingly expensive Wakatipu and Wānaka centres.

QAC's current dual airport plans could never deliver a more cost effective or efficient supply network for the region than CIAL's proposed single regional airport. The dual airports plan would cause far greater inefficiencies than just the inevitable and unnecessary duplication costs inherent in the construction and operation of two airports instead of one.

This same inefficiency and greater cost would also permanently undermine all ancillary businesses associated with or servicing the airports, airlines, travellers or distribution channels, and even the airlines themselves. These would all face unnecessary increased fixed, operational and employment costs from the need to operate from two geographically separate and comparatively expensive locations. These extra costs would come with no compensatory increase of revenue, as their market would have been split rather than the two locations adding together as a larger market. QAC's dual airport plan would permanently undermine the profitability and therefore wages of all such businesses.

3. Funding Source for Districtwide Infrastructure

As explained previously, the urban densification of QAC's 165 ha landholding on Frankton Flats would provide a massive source of funds to Council that could be used for additional infrastructure investment throughout the district.

As QAC pivoted from being an airport provider to Frankton metropolis developer, Council would benefit from 75% of:

- the massive multi-billion-dollar gain in QAC's rezoned land value,
- a massive increase in annual dividends paid from QAC, if it retained ownership of the 165 ha in the middle of metropolitan Frankton, selling long-term lease development options. Such lease revenues could last in perpetuity, with QAC among the country's largest property investment companies,
- occasional capital return if QAC chose to sell rather than lease some land, and
- far greater rates revenue from the rezoned 165 ha.

4. More Responsive and Cost-Effective Air Connectivity

Our district is isolated and distant, and so relies heavily on air-transport.

This is currently provided by QLDC through its 75% ownership of QAC, which comes at massive cost to the ratepayers of this district, a cost of which most people are unaware or choose to ignore.

There is, for example, enormous value, as much as \$2 billion, tied up by the airport in QAC's 165 ha of Frankton land and this land use has enormous opportunity cost given it could otherwise be used for the district's major metropolitan centre. QAC needs extensive borrowing to develop and maintain its airport infrastructure.

QAC's proposed dual airport expansion is unquestionably an inefficient and unnecessarily costly infrastructure model. Major regional and international airports benefit from scale, enabling multiple capital, operational and network efficiencies. QAC's dual airport model that would locate two major hubs within 50 km runs completely counter to this logic. The only reason prompting QAC into this model is that airport expansion at Frankton is limited. It's choice to develop an overflow second airport near Wānaka is fundamentally flawed.

With CIAL already having paid \$45 million for land near Tarras, it is clear CIAL is fully prepared to take over all scheduled air services necessary to maintain and enhance the district's air connectivity.

A single, centrally located regional airport would provide far more cost-effective connectivity infrastructure for the district and wider region.

Queenstown Airport is out on a limb relative to the region's needs. Whereas once a destination airport with most travellers destined for Queenstown, it now serves the region. More than half of travellers are destined for outside the Wakatipu, mostly into central Otago, according to data published by QAC during its air noise boundary consultation. This suggests that CIAL's location near Tarras would be more convenient for most users.

A central airport location near Tarras would be far more responsive to the district's changing needs. It would enable a vastly more efficient and cost-effective travel and supply chain network. It would have far less opportunity costs. It would be more resilient to a downturn in air travel.

CIAL's 750 ha landholding near Tarras is sufficient to provide significant expansion if necessary. But equally, if demand for long haul travel were to trend downwards because of Covid 19 or climate change, then airport operations could easily decrease with little investment or opportunity costs.

This contrasts with the QAC dual airport model which would have sunk more capital into dual facilities and, much more concerningly, have far greater opportunity costs. The cost of not having used Frankton Flats for a comprehensive metropolitan centre and instead having it committed to

decreasing air services is untenable. Even today there is thousandfold difference between the opportunity cost for QAC's Frankton land compared with CIAL's bare, dry farmland near Tarras.

Conclusion

Relocation of all scheduled air services to a CIAL's proposed airport near Tarras would release several billion dollars of land value to the benefit of ratepayers that could be used to fund other necessary infrastructure, return many times more annual revenues to QLDC through substantially increased rates and dividend revenues from QAC, which would help offset residents' rates, provide substantially more funding for capital and operational infrastructure investment throughout the district and allow far more effective use of Frankton Flats for a metropolitan centre. It would create a more efficient, cost effective supply and transport network, ensure greater resilience and responsive capacity for increase or decrease in air travel. It would ensure far more cost-effective, resilient and responsive capacity for all infrastructure networks within the Wakatipu.

The alternative airport scenario would much more effectively deliver responsive and cost-effective infrastructure.

9.1.3 Strategy 3 – Improve housing diversity and choice.

Improved Housing Density.

The draft Spatial Plan already recognises that the "Main Centres" option of focusing urban densification across all Frankton would achieve the greatest housing diversity.

Past market-led developments have resulted in an overabundance of standalone, low-rise housing primarily because these developments provide the easiest, low risk return for developers. The eastern and southern corridors proposed in the draft Spatial Plan go some way to improving housing density and therefore increasing housing diversity.

The full urbanisation of Frankton Flats, with the airport relocated, would further diversify housing by including a significant amount of higher-density central metropolis housing.

A mode shift in housing needs to occur, like that required for transport. The increased housing densities in the proposed eastern and southern corridors begin this mode transition. Within a couple of decades, the time needed to relocate scheduled air services to Tarras, this mode transition will have accelerated, meaning even greater density will by then be acceptable for the Frankton metropolitan centre.

Relocating Queenstown Airport and the densification of Frankton, together with the proposed eastern end southern corridors, would enable far greater diversity and choice of housing than enabled by the draft Spatial Plan.

Avoiding Worker Slums

Much of the multistorey apartment opportunity zoned in the draft Spatial Plan, within the proposed Urban Corridor for example, would be best suitable for mid-range apartments that provide for worker accommodation, rentals and lower cost homes. That site, hemmed in against the hills to the north and the arterial urban corridor to the south, and impacted by aircraft noise, would be like apartments developed in Gorge Road, providing needed density but still within a narrow range and limited in scope.

In contrast, a fantastically liveable Frankton metropolitan centre covering sunny Frankton Flats would be a highly desirable place to live, well suited for a wide variety of high-density housing in 5 to 7 storey complexes within a mixed-use zone. New developments in New Zealand, such as Wynyard

Quarter in Auckland and the harbourfront apartments in Wellington, demonstrate the quality and attraction of inner-city living.

Greater Council Control

Relocation of the airport would provide Council with far more influence over the density, quality and affordability of the district's housing. It would have control of both the district plan and zone rules and be the controlling owner of 165 ha in the middle of Frankton Flats, through its ownership of QAC. This would give it enormous capacity to shape the urban design and development of the Frankton metropolitan centre.

Continued QAC ownership of the land using long-term lease of development rights could greatly help mitigate the excessive cost of land, improving housing affordability and increasing diversity of ownership models.

Economic Diversification and Increased Prosperity

Creating a fantastically liveable and mostly carless metropolitan centre on Frankton Flats would do far more than intensify housing options. With the design focus on developing the world's most liveable knowledge campus, it would provide enormous impetus to diversification of the district economy by attracting high-value, knowledge-based enterprise.

Much is made of our district's beauty and it is falsely presumed by many that this would be sufficient to attract knowledge enterprise. The evidence proves otherwise. Knowledge enterprise needs a collective density to thrive. Most parents who have watched their university aged children stuck in their bedrooms during Covid 19 trying to keep up with courses online, instinctively know their kids are missing out. The ability to work remotely is not the same as, and falls far short of, developing a thriving knowledge-based economy.

Conclusion

Relocation of the airport to use all of Frankton Flats for a fully integrated metropolitan centre would provide the greatest diversity, affordability and choice for accommodation within the district.

9.1.4 Strategy 4 – Provide more affordable housing options.

Using the whole of Frankton Flats for the district's largest metropolitan centre would provide massively more options for affordable housing, by:

1. a quantum increase (165 ha) in land zoned high-density mixed-use,
2. a quantum reduction in land area in the Wakatipu constrained by air noise boundary designation, which restricts activities sensitive to aircraft noise such as residential, visitor accommodation, community activity, childcare facilities, schools and certain areas of hospitals. Removing the designation would significantly increase land available for high-density mixed-use,
3. reducing the threat of air noise boundary designations around Wānaka Airport and the consequent restrictions on the logical residential expansion of Luggate and Albert Town,
4. much greater densification being appropriate within the Frankton metropolitan centre than would be possible within the draft Spatial Plan's eastern and southern corridors, or the urban corridor at Five Mile,
5. unprecedented control of land values and the negative impacts of these on housing affordability, by Council (through QAC) being able to retain ownership of 165 ha in the middle of the district's largest metropolitan centre.

This would open options for different home ownership models such as JVs or social impact investment (e.g. Toru apartments), possible council or government investment in social housing or commercial build-to-rent investments. By QAC selling long-term lease rights-to-develop rather than private ownership titles, it could effectively limit the escalating price of land and protect housing affordability within the Frankton metropolitan centre,

6. transferring significant employment to areas with substantially more affordable housing options by relocating the airport, ancillary and supply chain business operation to Cromwell and near Tarras, and
7. by greatly increasing the attraction of this district for high-value, knowledge-based enterprise that pays incomes much more able to afford accommodation costs in the district through having the most fantastically liveable Alpine City Campus that would attract New Zealand and global talent.

These combined effects would substantially improve housing affordability for future workers in our district. They are only possible through the relocation of Queenstown Airport.

9.2 Desired outcome: Public transport, walking and cycling are everyone's first travel choice.

9.2.1 Strategy 5 – Ensure land use is concentrated, mixed and integrated with transport.

A Great Vision Destroyed

The map of the Wakatipu shown on page 52 of the draft Spatial Plan makes the most sense for Wakatipu's transport network. But the presumed continuing presence of Queenstown Airport on Frankton Flats undermines the coherency of this vision, resulting in the much less effective plan shown on page 60.

The page 60 map shows a high-density urban corridor that would severely constrict State Highway 6, and two smaller, lesser, disconnected centres to the north and south of the Flats. This would:

1. obstruct those seeking to transit through North Frankton,
2. congest that proposed commercial centre by having no suitable bypass route,
3. split Frankton's two centres apart and so undermine the potential for a single central transport node,
4. increase the need for non-active transport between the sub- centres,
5. reduce the viability of active transport options within Frankton, and
6. reduce the central urban density that is so essential for the efficient operation and successful adoption of public transport.

These outcomes would be substantially inferior to one where the whole of Frankton Flats was designed as a fully integrated, comprehensive, mixed-use metropolitan centre.

A Better Alternative

Using the whole of the Flats to create a single, large metropolitan centre would keep the State Highway arterial routes intact, avoiding the constriction risk of the proposed urban corridor and separating the motorised transport away from intense retail and public walking zones.

The existing ring road would provide excellent access between the metropolitan centre, its encircling facilities and the suburban spokes radiating outwards.

The ring road would define and protect the metropolitan centre as a virtually carless zone eminently suitable for safe, active transport within and well connected with active transport routes to the suburban spokes.

This protected, carless centre could aspire to be the world's most wonderfully liveable metropolitan centre, a magnet for Kiwi and global talent with as many as 30,000 people able to live healthy lives independent of car ownership.

Relocating Queenstown Airport to allow sensible development of a single, integrated metropolitan centre on Frankton Flats would far more effectively ensure land use is concentrated, mixed and integrated with transport.

9.2.2 **Strategy 6** – Coordinate a programme of travel demand initiatives.

Any such program would achieve much better results if it were clear from the outset that the whole of Frankton Flats was to become a single, fully integrated metropolitan centre as I have described in Strategy 5 above.

9.2.3 **Strategy 7** – Prioritise investment in public transport and active mode networks.

Again, any such program would achieve much better results if it were clear from the outset that the whole of Frankton Flats was to become a single, fully integrated metropolitan centre as I have described in Strategy 5 above.

9.3 Desired outcome: A sustainable tourism system

9.3.1 **Strategy 8** – Improve coordination across the tourism system.

A Tourism Reset Is Needed

The proximity of landing 15 minutes instead of one hour from hotel accommodation is not necessary, or even in the best interests of local tourism.

For decades we have heard of Queenstown tourism's aspiration to move up the value chain, while local economic data continues to show trends of declining productivity. Similarly, we hear of strategies to increase the time visitors stay with little progress made, and to better disperse visitor numbers to the region, but we continue to find them heavily concentrated into Queenstown and local activity hotspots.

Despite the long-running failings of all three strategies, we have local leadership obstructing any discussion of the possible relocation of Queenstown Airport to allow you to use of the Frankton land.

Yet, Queenstown Airport's immediate proximity in the middle of town is likely the biggest impediment to achieving the three strategies identified above. The immediate proximity of the airport enables and amplifies the high-volume bums on seats demand profile aligned with short-stay, opportunistic travel.

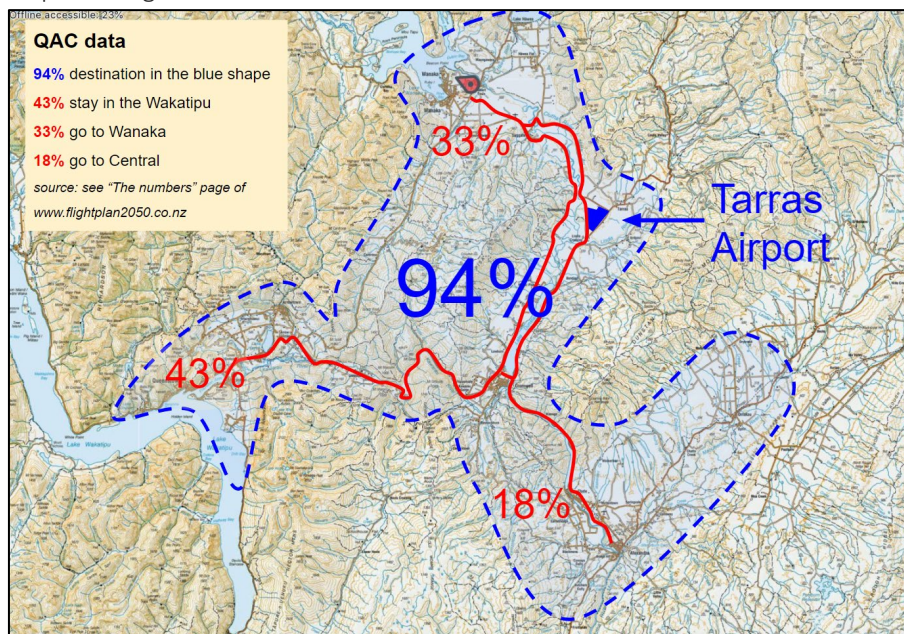
Appropriate Distance for the Region

Tourist destinations the world over show that a one-hour drive from the airport to the hotel is perfectly acceptable. Most of the famous destinations we have researched, whether Whistler, Phuket, Gold Coast, Chamonix and many others, are significantly more than an hour's drive from the nearest airport.

Google maps shows CIAL's Tarras property is under one hour's drive from Frankton. We recently confirmed this with a 7.5 m campervan, not a sports car. From CIAL's land near Tarras we reached Cromwell in 13 minutes and the BP roundabout in Frankton in 54 minutes.

More than half the Wakatipu population lives to the east of this BP roundabout and so less than one hour's drive to the proposed airport. For the travellers from Central Otago, including Wānaka, Cromwell and Alexandra who, according to QAC data make up about half of the airport users, the Tarras location would be far closer and more convenient than Queenstown Airport's location in Frankton.

Map showing traveller destinations



DESTINATION CATCHMENT FOR TRAVELLERS USING QUEENSTOWN AIRPORT
SOURCE: QAC DATA ANALYSED BY FLIGHTPLAN2050

Those in the Wakatipu who are affluent or too time precious to bear an additional 40 minutes' travel for a domestic or international flight, new electric drone taxis will likely be available to speed the trip.

Zephyr Airworks' autonomous flying taxi



GOOGLE FOUNDER LARRY PAGE'S COMPANY ZEPHYR AIRWORKS HAS PARTNERED WITH AIR NEW ZEALAND TO BRING THESE ELECTRIC, AUTONOMOUS FLYING TAXIS TO NEW ZEALAND. THEY AIM TO LAUNCH A COMMERCIAL NETWORK IN NEW ZEALAND BY 2024.

Destination Management

A high-quality destination such as Queenstown Lakes does not need an international airport in the middle of its Main Street.

Indeed, the evidence of the failing three strategies would suggest the opposite, Queenstown is too accessible, too easy to flit in and out of on low-cost flights enabled by high-volume packages. A destination strategy with the airport located an hour away could well be more successful in developing a demand profile for longer-staying, higher-value visitors.

CIAL's Tarras location would far more likely succeed in delivering the benefits of tourism more widely across the region than Queenstown Airport ever could, or than could QAC's dual airport model.

Queenstown Airport's location in the centre of the Wakatipu has increasing detrimental effects on the value and quality of the destination and of visitors' experience of it. Jet aircraft noise negatively impacts the lived experience of both residents and tourists well beyond the designated arbitrary air noise boundary limits.

The image below shows the hypothetical situation where Queenstown Airport has been superimposed onto Wānaka in approximately the same position and size that it currently has in Frankton. What if we suggested QAC were to build this instead of its proposed expansion at the Wānaka Airport site 10 km out of town? Can we imagine for a moment the response from the Wānaka community and its tourism businesses if this were seriously proposed?

This mock-up image shows ZQN placed into Wānaka as it is currently in Frankton



Yet, this is precisely the situation facing the Wakatipu communities, a situation this draft spatial plan would entrench. Expanding or just retaining Queenstown Airport in Frankton would permanently degrade the environment and destination qualities that are most valued by visitors and local communities alike.

The industrialised Frankton Flats dominated by Queenstown Airport further erodes the quality of this destination. It could never aspire to the outstanding, world leading Alpine city campus that Frankton Flats could become – an inspirational magnet for both visitors and talented enterprise looking for a permanent home.

Conclusion

Queenstown-based tourism would be better off in the long-term if the airport were relocated to CIAI's site near Tarras. Regional tourism businesses would also benefit more from having the airport located centrally in Otago.

9.3.2 Strategy 9 – Ensure infrastructure supports a great visitor experience.

An airport that delivers visitors into the middle of town does not support a great visitor experience. For the visitor, there is little to be gained from shaving off half an hour in travel time if that causes the destination that they value to become an overcooked industrial zone degraded by the constant howl of jet aircraft taking off and landing.

Transport infrastructure would far more surely support a great visitor experience if it first protected and enhanced the destination qualities most valued by those visitors, by:

1. removing the constant jet aircraft noise and the industrial zone from the middle of the Wakatipu Basin,
2. avoided excess jet aircraft noise from negatively impacting the Wānaka environment,
3. facilitating the development of an outstanding alpine city campus that is a delight to visit and live in,
4. developing a modern new regional airport centrally for the region. A single, central airport that could enable the most effective scheduling by airlines for timing and destinations, suffer

the least disruption from adverse weather, and provide the safest operation

5. ensuring that the region's airport would have sufficient land and space at affordable prices to enable efficient and profitable operation of all ancillary businesses, such as airline support and maintenance, rental vehicle parking, supply chain logistics and so forth.,
6. ensure that this is available at a single location, so all these businesses are not forced to operate unnecessarily from two separate locations, and therefore not forced to endure additional capital, operational and employment costs. Two airport locations would increase these costs without commensurate increase in market access or revenues,
7. providing a high-quality, fully electric, express airport bus service, with on-board power and Wi-Fi for passengers, to connect with transport nodes in Queenstown, Wānaka, Cromwell and Alexandra, and
8. ensuring that primary destinations such as the Wakatipu and Wānaka areas have high quality public and active transport options connecting walkable centres.

Other infrastructure may also support a great visitor experience. But without question, Queenstown Airport located in central Frankton does not, and nor would the dual airport network.

Transport infrastructure would more surely support future visitor experience if Queenstown Airport were relocated in favour of CIAL's proposed new regional airport near Tarras.

9.3.3 Strategy 10 – Promote a car free destination.

In Strategy 5 above we outlined how the relocation of Queenstown Airport away from Frankton with all scheduled services moved to CIAL's proposed new airport near Tarras would far more effectively enable public and active transport than would retaining Queenstown Airport in the middle of Frankton.

If Frankton were instead designed as a fully integrated metropolitan centre, some 30,000 people could live and stay there without using cars. The concentrated urban density would maximise the potential and effectiveness of public transport connections to other areas within the Basin, such as Queenstown Bay, Arrowtown, the eastern corridor, the southern corridor and Kelvin Heights.

The fully electric airport express bus service outlined in Strategy 9 above would then deliver visitors from CIAL's new central regional airport to transport nodes in Queenstown, Wānaka, Cromwell and Alexandra. The greatly enhanced public and active transport network centred on the metropolitan centre of Frankton would enable visitors to reach their accommodation and to use these systems for the duration of their stay. Queenstown and Frankton would each provide excellent carless environments.

The visitor and residential concentration into the main centres will better facilitate public transport options to activities such as the ski fields, golf and so on.

9.4 Desired outcome: Well-designed neighbourhoods that provide for everyday needs.

9.4.1 Strategy 11 – Create well-connected neighbourhoods for healthy communities.

Relocating the airport away from Frankton would far more effectively enable development of well-connected neighbourhoods for healthy communities.

Designing one of the world's most fantastically liveable Alpine city campuses on Frankton Flats would be the total focus of this strategy. To be the magnet for Kiwi and international talent it needs to be a great community in which to live and work. Planning to accommodate as many as 30,000 people within the Frankton metropolitan centre would ensure it was large enough to attract a wide selection of low-impact, knowledge-based enterprise that would provide vitality and economic diversification.

A fully integrated metropolitan centre covering all of Frankton Flats would enable a vital, prosperous and safe carless environment with all facilities within easy, safe active transport reach.

The perimeter boundaries, being geographic boundaries of rivers and mountains and the existing ring road, provide effective containment to help avoid urban sprawl and ensure that a comprehensive and cohesive plan can be developed.

It would be exceptionally well-connected to the existing suburban areas that span out from it, including the proposed eastern and southern corridors.

Significantly, it would ensure the existing urban boundaries currently within the Basin would remain intact for many decades, well beyond the 30-year vision of this spatial plan. This concentration would more easily enable quality facilities and infrastructure to support healthy communities and mobility to be funded and continue to protect the Wakatipu's open spaces and outstanding natural environment.

CIAL's new airport near Tarras would provide additional sustainable employment for people in the smaller settlements of Cromwell, Pisa Moorings, Hawea and Luggate, increasing the viability of existing and new community facilities for these areas.

A 12 km radius around the Queenstown and Wānaka Airports includes some 60,000 residents. QAC's dual airport plan would have jet aircraft noise impact on them all. Major existing and proposed residential density in the Wakatipu is centred on the airport and in direct line with the jet aircraft flight paths, including Goldfield Heights, Kelvin Heights, Frankton, Shotover Country, Lake Hayes Estate, Five Mile and Ladies Mile, all within 4 km of the Queenstown Airport runway. QAC's proposed increased air noise boundaries would extend development restrictions over an additional 3100 houses.

In contrast, a 12 km radius around CIAL's proposed airport near Tarras includes fewer than 100 residential homes. Cromwell is some 25 km distant from the proposed Tarras site, just 5 km closer than it currently is to Queenstown Airport. Pisa Moorings is 15 km from the proposed CIAL site, about the same that Walter Peak on Lake Wakatipu and Peregrine Wines in the Gibson valley are from Queenstown Airport.

Protecting the Wakatipu and Wānaka residential centres from excessive jet aircraft noise will promote healthier communities.

9.4.2 Strategy 12 – Design to grow well.

The sequenced development of focusing first on the eastern and southern corridors before designing and developing the full Frankton metropolitan centre supports the grow well principle by:

1. Meeting near term demand by giving early access to new areas for high density suburban development in a way that supports public and active transport and integrates well with the future Frankton metropolitan centre,
2. Providing the time needed to rigorously evaluate the alternative airport scenarios and, if chosen, to construct CIAL's proposed new airport near Tarras, an alternative fixed wing GA airfield on Queenstown Hill or at Kingston, and to relocate all scheduled airline services to Tarras to enable the closure of Queenstown Airport for all but VTOL.
3. Providing the time for further urban density mode shift by our community, so that the fully integrated Frankton metropolitan centre can achieve the district's highest density, able to accommodate 30,000.

This sequence provides the best long-term outcome for all the Spatial Plan's strategic goals.

9.4.3 Strategy 13 – Enhance and protect the blue-green network

The future densification of Frankton Flats as a single, fully integrated metropolitan centre is the most effective way our district could protect its blue-green network for future generations in the long-term.

Good design and densification of the eastern and southern corridors provides a first step to accommodating growth of future residential population. This would be sufficient for the next two or so decades. Progressing from there onto the development of a fully integrated Frankton metropolitan centre, after the airport scheduled services were relocated to CIAL's new airport near Tarras, would ensure the outer urban boundaries could be contained for a considerable time beyond the 30-year vision of this current Spatial Plan.

9.5 Desired outcome: A diverse economy where everyone can thrive.

9.5.1 Strategy 14 – Diversify the economy

Create a Magnet for Talent

A beautifully designed, fantastically liveable, environmentally friendly and fully integrated metropolitan centre based on Frankton could become the world's most attractive centre for New Zealand and global talent to live. A magnet to attract precisely the high-value, low-impact, knowledge-based enterprise most suited for our district's economic diversification.

Creative talent requires urban intensity. Face-to-face relationships are essential. Multiple enterprises, serendipitous networking, co-location and community scale are crucial elements for a centre of knowledge-based enterprise. Accommodating 30,000 in a beautiful urban campus bounded by our mighty rivers, lakes and mountains would provide the necessary scale.

We could develop such a centre on Frankton Flats. We could aspire to be the world's best living campus for talent enterprise just as we have always sought to be amongst the world's best tourism destinations.

Non-delivery

The draft Spatial Plan would fail to deliver on this opportunity. By prioritising the airport ahead of community and good urban design, it would fail to provide an attractive urban Centre of the scale and character needed.

Environmental grandeur alone is not sufficient to attract knowledge-based enterprise, as should be well evident by now.

Simply attracting people able to work remotely also falls massively short of the opportunity we would otherwise have to become a high-value creative knowledge centre.

Knowledge enterprise does need good air connectivity, and a full-service airport near Tarras within one hour's drive or 10 minutes flight by drone taxi would amply provide this. An expanding international airport delivering screaming jets into the middle of their work and living space would not.

9.5.2 Strategy 15 – Make spaces for business success

Optimise for Business Success

Relocation of all scheduled air services to CIAL's proposed airport near Tarras together with a fully integrated metropolitan centre on Frankton Flats would provide the best opportunity for our district's business success, by:

1. avoiding the extra capital, operational and employment costs and inefficiencies for the airport, airlines, all ancillary and associated businesses and any other supply chain businesses, by avoiding the need to duplicate services and operate from two or three separate locations without commensurate increase in market size or revenues,
2. allowing all such businesses to locate in areas with substantially more space and cheaper lease, land and build costs compared with the excessive costs and confined premises in the Wakatipu,
3. enabling all such business to attract employment at wage rates more aligned with the businesses' local accommodation and housing costs,
4. increasing the general supply of light-commercial land through shifting most airport related businesses out of the Wakatipu.
5. attracting significant numbers of high-value knowledge-based business to the area by providing a fantastically liveable, high-density metropolitan campus at the scale they need,
6. supporting the development of all tourism, agriculture, wine production and other businesses throughout the district and greater region by having resilient, cost-effective air connectivity centrally located at a single base central in the region,
7. strengthening and enhancing the district's supply chain through concentrating distribution and light industry into Cromwell and by the new regional airport,
8. increasing local tourism resilience by helping reset away from the current high-volume, low value visitor profile that is exacerbated by excessive proximity of the airport,
9. ensuring local tourism businesses' sustainable long-term future by protecting its golden goose, the environment, from the degradation caused by excessively frequent jet aircraft noise and from future suburban sprawl,

10. supporting fixed wing GA tourism by providing a dedicated, fit for purpose airfield, either on Queenstown Hill or at the existing Kingston airfield,
11. supporting helicopter and other VTOL operators (including electric taxi drones) by integrating their Wakatipu operations with a surface transport hub on Frankton Flats within the Frankton metropolitan centre,
12. increasing the resilience and productivity of the hospitality industry by increasing local custom through increasing the proportion of residents employed within high income knowledge-based businesses,
13. increasing the district's economic resilience through significantly decreasing the proportion of its GDP based on tourism relative to high-value, knowledge-based business located in the Frankton Alpine City Campus,
14. protecting businesses' long-term ability to attract staff by better managing the district's housing affordability as explained previously in Strategy 4,
15. providing greater concentration of commercial activity to enable more efficient supply and B2B operations, and
16. providing more cost-efficient transport and other infrastructure networks that reduce congestion and other operational costs.

9.5.3 Strategy 16 – Establish efficient and resilient connections.

It should by now be clear that a far more resilient and efficient transport and infrastructure network would be established if all ZQN's scheduled air services were relocated to CIAL's proposed airport near Tarras, fixed wing GA relocated to a new airfield on Queenstown Hill or to Kingston aerodrome, all VTOL integrated with a surface transport hub on Frankton Flats and all of Frankton Flats was developed as a fully integrated, evenly dense, fantastically liveable metropolitan centre.

More resilient air connectivity

CIAL's proposed airport near Tarras has far more seismically stable geological characteristics than Queenstown or Wānaka Airports and its state highway surface connections are more substantial, resilient and provide more alternative connections. Its open airspace and meteorological profile ensure far less weather disruption of delays, redirections or cancellations of flights. A single airport with the region's scheduled air services ensures economies of scale and more comprehensive flight schedules for destination choices and travel times. CIAL is a significantly more substantial business than QAC and better able to fund ongoing investment in the airport's capacity and facilities.

More resilient and efficient infrastructure networks

The concentration of transport and other network infrastructures centred on the Frankton metropolitan centre would ensure far greater efficiency and enable more concentrated investment to ensure resilience than would be provided by the draft Spatial Plan.

Emergency airlift capability

Retaining the existing 80m building setback on State Highway 6 At Ladies Mile would ensure that roadway could be engineered to enable use by Hercules aircraft in the event of a civil emergency, such as the AF8.

More resilient urban structures

Frankton Flats is some of the most seismically stable ground in the Wakatipu Basin, ensuring that the substantial investment in infrastructure networks and urban construction would be best able to

survive major earthquakes, substantially reducing the potential of functional damage, financial loss and human injury.

10 Conclusion

In this submission we have provided a vision for Queenstown Lakes District. An aspirational vision to develop the world's most fantastically liveable, environmentally sustainable alpine metropolitan centre. One with the substance and character to be a magnet for Kiwi and global talent, enabling high-value, low-impact, knowledge-based enterprise to flourish, reducing our district's economic dependence on unsustainable long-haul tourism and construction.

Opening the door to such aspiration requires just an exceedingly small step. It simply requires that the Spatial Plan should acknowledge the possibility that CIAL's proposed airport near Tarras provides an alternative to QAC's current airport plans.

Such acknowledgement would then prompt the removal of the Five Mile Urban Corridor from the Plan's priority list and a requirement to retain the existing 80 m building setback from State Highway 6 along Ladies Mile.

Thank you for taking the time to read and consider our submission.

Yours sincerely,

John Hilhorst
FlightPlan2050

For your further information, we include in the following pages as an appendix the draft report: **Part B – Queenstown Alpine City Campus**. This report is being prepared independently by FlightPlan2050 and will be published later this year.