Before the Queenstown Lakes District Council

In the Matter of

the Resource Management Act 1991

And

In the Matter of

the Queenstown Lakes Proposed District Plan

Chapter 17 (Airport Mixed Use Zone)

Evidence of Rachel Tregidga for Queenstown Airport Corporation Limited (Submitter 433 and Further Submitter 1340)

Dated: 1 December 2016

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- 1. My name is Rachel Tregidga. I am the General Manager, Property of Queenstown Airport Corporation Limited (QAC).
- In February of this year, Mr Edghill, as QAC's Acting Chief Executive, presented corporate evidence which set out (among other things), future growth predictions and passenger numbers based on the previous 12-month period. By way of update:
 - long range forecasts now predict that domestic passenger numbers will double and international passenger numbers will nearly triple by 2026.
 - For the twelve months ending October 2016, Queenstown Airport welcomed a total of 1.7 million passengers. This represents a 19% increase on the previous year's passenger numbers, including a 19% increase in domestic passengers, and an approximately 18% increase in international passengers.¹
- 3. QAC is mindful that there is a need to manage passenger growth in line with community expectations, and that local infrastructure and tourism facilities need to have the capacity to keep pace with this growth.
- 4. Accordingly, QAC is currently in the process of undertaking a 30-year Master Plan. The Master Plan is intended to provide a roadmap to implement airport developments that continue to serve the local community and region, deliver an excellent visitor experience, maximise asset values, and generate sustainable growth in returns and value to our community and partners.
- The master planning process will provide guidance on requirements for future aeronautical operations and opportunities for commercial development.
- 6. QAC is working closely with key stakeholder groups in the development of the master plan and will seek input from the airport and wider community as the plan takes shape.

¹ By comparison, the passenger numbers presented in February 2016 set out that Airport has reached a record 1.5 million passengers for the 12 month period ending December 2015.

- 7. Of relevance to this hearing, the master plan process will address, at a high level, future development and design outcomes at the Airport, including the formulation of urban design principles for future development. QAC will engage on the masterplan with the airport and wider community next year, and anticipates that the feedback received from this engagement will have a bearing on the urban design direction and final urban design principles and guidelines.
- 8. With respect to the range of activities anticipated at Queenstown Airport in the foreseeable future, it is important to understand that modern day airports are no longer simply transportation facilities. Today's airports are commercial enterprises and need to create additional revenue streams beyond traditional revenue sources (such as landing fees, gate leases, and passenger service charges). Additional revenue streams introduce alternative means to make profit, provide for infrastructure investment, and mitigate against counter-cyclical business downturns.
- 9. In order to accommodate predicted growth in aircraft operations, including providing the necessary airside and landside infrastructure, while remaining competitive, QAC is seeking the ability to establish a broader range of activities than are currently enabled at the Airport.
- 10. The activities QAC seek to be enabled are consistent with the range and types of activities found at other New Zealand airports. These activities will cater for both airport visitors and workers, and will enable QAC to efficiently utilise its landholdings, while ensuring that direct aviation functions are not compromised in the long term.
- 11. A common offering at many of both NZ and the world's international airports is airport related visitor accommodation. This type of accommodation is typically located on or within a short walking distance from the main airport terminal and generally caters for transiting or short stay visitors, as well as delayed passengers and overnighting airline crew, who may require accommodation at short notice.
- 12. It is QAC's desire to meet the growing need and demand for alternative and convenient options for these short stay, transiting, overnighting or delayed visitors, passengers and crew that motivates the inclusion of short stay visitor accommodation in the Airport Mixed Use Zone.

- 13. With respect to Wanaka Airport, I note that the Queenstown Lakes District Council is in the process of undertaking public consultation on the future governance of Wanaka Airport, therefore it is premature for QAC to comment on future activities of the Airport at this time. However, a strategic review of Wanaka Airport undertaken by Astral Consulting in 2016 identified a range of activities that are contemplated to occur in the short term at Wanaka Airport. As manager of Wanaka Airport, QAC broadly supports the strategic direction set out in the Astral report.
- 14. With respect to tenancies at Wanaka Airport, there are a number of leases at the Airport ranging from approximately 200m² to 2,600m². The majority of the airport tenants hold ground leases.
- 15. I understand that restrictions on the gross floor area of 'non-aviation' and 'non-ancillary' activities are proposed. Based on advice from Mr Kyle, I understand that such activities would require resource consent as a non-complying activity. I also understand that this would mean the Consent Authority could consider the appropriateness or otherwise of these activities establishing at this site, in a similar manner to the process followed for the granting of resource consent for the ski distribution warehouse that currently operates at the Airport. As such, QAC does not support a restriction of gross floor areas for the described activities within the Mixed Use Zone at Wanaka Airport.

R Tregidga