

Memo

To:	Neil Harkin (Senior Resource Consents Planner)
From:	Richard Powell (Infrastructure Development Engineering Manager, P&I)
Date:	Tuesday, 28 October 2025
cc:	
Subject:	Property & Infrastructure Input – RCL Homestead Bay (s53 Request for Comment)

Purpose

1. This memo provides Property & Infrastructure (P&I) input to support QLDC's response to the Expert Panel under section 53 of the Fast-track Approvals Act 2024 for the RCL Homestead Bay application.
2. It outlines P&I's preliminary assessment of key servicing, transport, and infrastructure-related matters, including a review of the proposed conditions (Application, Appendix T). The focus is on identifying key issues, areas of clarification, and proposed refinements to ensure alignment with Council's long-term servicing framework and its currently planned funding for infrastructure in the Te Tapuae Southern Corridor (TTSC).
3. P&I's position is also guided by the TTSC Structure Plan, which sets out the Council endorsed corridor wide approach for integrated water, wastewater, stormwater, and transport servicing across the corridor.

1. Wastewater

Wastewater Servicing

4. The RCL Application includes two options for servicing for wastewater:

Option A: To collect, treat and dispose of wastewater within the site via a standalone system.

Option B: To collect wastewater and pump to a connection point on Council's existing wastewater network.

Option A – Onsite standalone system

5. The technical viability of an onsite standalone system has been tested through a specific peer review by SLR Consulting New Zealand Ltd commissioned by the Otago Regional Council (ORC). QLDC accepts this assessment and the recommended changes to the conditions within.
6. SLR's peer review supports the technical feasibility of the wastewater discharge system but highlights critical areas requiring further monitoring, design refinement, and consent condition adjustments to ensure long-term environmental protection and compliance.

7. If ORC through its written comment to the Panel advise that this servicing approach is deemed (from its perspective) to be technically feasible (despite the critical gaps identified by SLR), this option is still less than optimal for the overall servicing of the Southern Corridor and not preferred by Council due to long-term risks relating to:
 - a. Water quality - Increased potential for nutrient leaching into ground water and altering stream ecology and potentially increasing nutrient transport to Lake Wakatipu.
 - b. Maintenance – Relying on a private entity to manage the operation and maintenance to meet the discharge consent parameters.
 - c. Cumulative environmental effects – Ground water quality degradation, Stream flow alteration, stress on land treatment areas and effects on drinking water supplies.
8. Council's preferred solution remains connection to the TTSC infrastructure, consistent with the recently endorsed TTSC Structure Plan.
9. QLDC objects to the proposal to vest, either now or in the future, the proposed standalone wastewater system. Conditions should be included to ensure that it is not mandatory for the standalone system to be vested in Council.
10. It is also noted that Option A does not align with the special condition 1 from the Overseas Investment Office consent that requires Completion of development works with the definition of External Infrastructure referring to (external) infrastructure upgrades, rather than delivering its own on-site infrastructure solution:

Development Works mean:

- a. *Development of at least 1,700 residential sections on the land or if the relevant authority does not approve of 1,700 residential sections, the number of residential sections that is approved of; and*
- b. *Delivery of at least NZD \$50 million of External Infrastructure for the Land, to connect to existing QLDC infrastructure.*

External Infrastructure means the infrastructure upgrades required for the project to proceed, which may include the augmentation of the municipal sewage system; construction of a sewage pipe from the Land back to the municipal sewage facility in Frankton, bringing a water supply to the Land and construction of a water reservoir; and the construction of a pipe bridge across the Kawarau River.

Option B – Connect to existing Council network

11. RCL's proposed option for connecting to Council existing wastewater network is to collect wastewater from the development through a gravity network which drains to wastewater pump stations located at low points within the site. These pumps will in turn convey wastewater through a pipe to be installed along the state highway and ultimately connect to the existing Hanley Farm Wastewater Pumpstation. Hanley Farm Pumpstation the wastewater is conveyed north to the Shotover Wastewater Treatment Plant (WWTP).
12. Council has a number of significant concerns with Option B, which in summary are:
 - a. In respect of the wastewater main heading north to Hanley Farms Pump Station, RCL's proposed alignment along the highway is not QLDC's preferred alignment as it

requires pumping to a higher point and is in a remote location from other potential connections.

- b. There is not sufficient capacity in the Hanley Farms Pump Station to accept the wastewater for the 1438 dwellings currently being consented, nor the total 2531 residential lots that would be enabled when the super lots are consented / developed in the future.
 - c. There is a constraint in, and therefore not sufficient capacity in the conveyance network across Frankton flats, from the Kawarau River to the WWTP for the 1438 dwellings currently being consented, nor the total 2531 residential lots that would be enabled when the super lots are consented / developed in the future.
13. In respect of the proposed alignment of the wastewater main, Council's preferred alignment is along the bottom of the valley generally following Homestead Bay Road and Howdens Drive. It is acknowledged that there is currently no legal rights to install the conveyance infrastructure within the Homestead Bay Road section, this being a private road, however Council would like to see flexibility in the conditions to require this alignment if it becomes available.
14. The Hanley Farm Wastewater Pumpstation is currently undergoing an upgrade (with funding allocated in the LTP under 'Hanleys Farm Pump Station') that will initially provide capacity for an additional 1200 dwelling units within the TTSC. This first stage upgrade is intended to service growth from within land within the TTSC that is already zoned for development in Council's PDP, and post upgrades will not include any capacity to service RCL's subject development site.
15. The capacity of the Hanleys Farm Pump Station cannot be increased beyond the 1200 dwelling units until the downstream conveyance constraint from the Kawarau Bridge, across the Frankton flats and to the Shotover Treatment Plant is removed through the construction of additional pipe capacity. When the downstream constraint is addressed, the flow rate from the Hanley Farm Wastewater Pumpstation can be increased (by turning up the pump) to cater for an additional 1900 dwelling units above the 1200 provided by the current upgrade, which would be available for the development that is proposing 1438 dwelling units at this stage. These upgrades would then provide capacity for a total of 6200 dwelling units within the wider catchment.
16. The third issue is the existing constraint north of the Hanley Farm Wastewater. For the Homestead Bay development to connect to the Hanley Farm Wastewater Pumpstation, there would need to be additional infrastructure built north of the pump station that would then remove the constraint in the downstream network, being the conveyance system across the Kawarau River, and through the Frankton area to reach the Shotover Wastewater Treatment Plant. While this is in the LTP to be upgraded within the years 2027 – 2028, QLDC cannot commit to completing this upgrade for when it is required to meet the Homestead Bay development timeframes. Council will not be able to provide that commitment until a sufficient level of feasibility confirmation, design and pricing have been completed (which has not occurred at this time). There is still a level of uncertainty as to what the design solution will be – there are design options that are to be worked through, and then priced. To ensure Council can provide this upgrade in time to meet demand generated by this development, a condition of consent should be included to ensure RCL fund their portion of this upgrade up front or as it is constructed.

17. In summary:

- a. QLDC are not in a position to allow the RCL Proposal to connect to the Hanley Farm Wastewater Pumpstation as there is not currently any capacity, and the increased capacity that will result from current upgrades is intended for growth within the existing zoned land along the southern corridor.
- b. With upgrades to the conveyance infrastructure across the Frankton Flats to the treatment plant the flowrate of the Hanley Farm Wastewater Pumpstation can be increased to accommodate the proposed dwelling unit equivalents from the Homestead Bay development.

2. Water Supply

- 18. RCL propose to service the Homestead Bay development with potable water via a new scheme that consists of a new bore field, treatment plant and reservoir storage all located within the development site.
- 19. If this servicing approach is deemed to be technically feasible, it is still less than optimal for the overall servicing of the Southern Corridor and not preferred by Council due to the inefficiency on having a standalone water supply system, long-term risks relating to water quality and maintenance. Council's preferred approach is connection to the TTSC Infrastructure consistent with the approved TTSC Structure Plan.
- 20. As part of its overall work in planning for efficient and effective 'whole corridor' water infrastructure, Council is looking at the option of incorporating the bore source and associated water treatment plant into the overall servicing plan for water supply. A 'southern water supply zone' could be connected to the QLDC water network that services Hanley Farm and the trunk main that continues down Homestead Bay Road. Further modelling is being undertaken to determine the technical feasibility of this, the quantity of water required from the bore(s) and the optimum placement of the reservoir storage.
- 21. Because of this Council objects to RCL's proposal to vest to Council its on-site solution, either now or in the future. Conditions should be included to ensure that it is not mandatory for the standalone system to be vested. Vesting would be considered appropriate if it is demonstrated that the proposed system can connect to and provide benefits to the wider network servicing the Southern Corridor.

3. Stormwater

Stormwater and Flood Management

- 22. P&I acknowledges the peer-reviewed stormwater assessment provided by the Applicant.
- 23. Remaining issues include:
 - a. Confirmation of downstream capacity and cumulative effects – this has not been verified by QLDC;
 - b. Ownership and long-term maintenance responsibilities for any private systems, this will need to be verified by QLDC at the time of Engineering Acceptance.

24. Design acceptance and ongoing compliance should be secured through enforceable consent conditions and Engineering Review by QLDC. The proposed under Condition 24 z). in Appendix 4 suitably cover this requirement.

Summary of Position:

25. Generally acceptable subject to confirmation of downstream capacity, long-term maintenance arrangements, and explicit integration with Council's wider corridor drainage network.

4. Transport

General Comments

26. The proposal will generate additional traffic within the Southern Corridor, including at the Jack Hanley Drive / Māori Jack Road intersection and SH6 connection points.
27. Required upgrades are identified but sequencing, delivery, and cost-sharing arrangements remain unresolved. The reference to Austroads intersection and sight-distance standards in the draft conditions is supported and should be retained.
28. Given the scale of development, there should be a requirement to help fund key infrastructure outside of their development (bus lanes or the A7 connection) to offset the effects of increased traffic generation, this is in addition to any works planned as part of the 'Southern Corridor Network Optimisation' line item within the LTP which is covered by Development Contributions.

Specific design comments

29. The points below are comments relating specifically to the design concept provided with the application, no specific conditions are recommended in these instances as it is anticipated these points can be addressed at the detailed design stage through the Engineering Acceptance process:
- a. Consideration should be given during the detailed design stage to the width of the back berm to ensure appropriate pedestrian visibility splays are provided at vehicle crossings between the lot boundary and the footpath (in accordance with the NZTA Pedestrian Network Guidance).
 - b. Some of the cross sections only provide 0.6 m back berms which could result in negative safety impacts for pedestrians and cyclists on shared paths.
 - c. The limited separation between shared paths and lot boundaries creates a higher risk for cyclists who will be moving at faster speeds than pedestrians and who might not be able to stop as quickly. Where there are many vehicle crossings and especially where there is also limited separation between the shared path and the lot boundaries, consideration should be given to having separated on road cycle facilities instead.
 - d. Shared path widths vary throughout the development – it would be good to keep these consistent and at a minimum 3 m wide in accordance with best practice to mitigate risks of conflicts between pedestrians and cyclists.

- e. Some cross sections show footpath widths of 1.5 m width. All footpaths should have at least a 1.8 m wide through route, in line with the NZTA Pedestrian Network Guidance.
- f. Appropriate traffic calming needs to be provided on all roads to ensure operating speeds are met. Traffic calming cannot only rely on parking.
- g. Pedestrian crossings on all intersection legs should be provided that align with pedestrian desire lines, to avoid people with wheelchairs or prams to have to cross the road twice to continue straight on a footpath.
- h. No traffic calming is proposed for the main Collector Road – since this will be the highest traffic volumes, traffic calming at active mode crossings need to be considered to lower the risk of conflicts and the severity of crashes between path users and vehicles.
- i. The indicative design for Heavy Vehicle tracking in Figure 10-15 looks good and recommend that similar approaches are adopted throughout the development where necessary. Recommend that this is future proofed for articulated buses since the tracking curves are not that different.
- j. Where raised safety platforms are provided at shared paths, recommend that they have both a cycle and pedestrian crossing and not just a zebra crossing.
- k. Provisions required for solid waste (wheelie bin) collection

Summary of Position:

- 30. Support in principle, subject to confirmed cost-sharing, delivery sequencing, and network integration consistent with the Te Tapuae Structure Plan.

5. Development Contributions

- 31. The approach to Development Contribution Notices (DCNs) and infrastructure cost recovery must be clarified.
- 32. Any developer-funded works that offset DCNs should be documented through a Development Agreement or equivalent.
- 33. P&I notes that connection and use of any capacity within any existing Council owned networks will be subject to cost recovery through DCNs or other mechanisms once that infrastructure is operational.

6. Information Gaps / Clarifications Required

- 34. Information gaps and clarifications required are:
 - a. Confirmation of groundwater availability, quality, and sustainability for proposed bores.

- b. Updated assessment of standalone wastewater system performance and disposal capacity.
- c. Alignment and timing for future connection to the Southern Corridor mains.
- d. Finalisation of cost-sharing and sequencing for SH6 and local road upgrades.
- e. Finalisation of cost-sharing and sequencing for wastewater upgrades.
- f. Confirmation of asset ownership, maintenance, and governance arrangements.

7. Overall Position

35. From a Property & Infrastructure perspective, the RCL Homestead Bay proposal is capable of support in principle, provided that:

- a. It aligns with the Te Tapuae Southern Corridor Structure Plan and does not compromise the preferred coordinated servicing approach.
- b. Any interim private systems are designed to enable future connection to the Southern Corridor network.
- c. Cost-sharing, sequencing, and maintenance responsibilities are clearly defined.
- d. QLDC is not committed to vesting any infrastructure at this stage.

36. P&I's comments are based on the information currently available and may require refinement if further design material is submitted.

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Property & Infrastructure

Appendix A – Response to Proposed Conditions (Appendix T)

Condition Topic	Key P&I Response / Recommended Change	Rationale
General Provisions	Insert wording clarifying that QLDC's acceptance of any infrastructure for vesting will be at its sole discretion, subject to separate agreement.	Avoids any implied commitment by Council to accept ownership.
Water Supply	Retain provision for on-site bore and treatment as an interim solution; add note that long-term servicing is via connection to the Te Tapuae Southern Corridor network.	Reinforces preferred servicing framework and avoids long-term reliance on bores.
Wastewater	Clarify that private treatment/disposal is acceptable only as an interim measure; add requirement that design must enable future connection to Council infrastructure.	Ensures compatibility and future integration.
Stormwater	Confirm requirement for detailed design approval by QLDC and long-term maintenance responsibilities for private assets.	Maintains performance and reduces liability.
Transport	Retain Austroads intersection/sight-distance references; add condition that any departures require QLDC approval supported by a safety audit.	Maintains safe access and design integrity.
Financial / DCNs	Include note that any offset of DCNs or infrastructure contribution must be formalised through a Development Agreement.	Provides cost-recovery transparency.