

Hon James Meager

Minister for the South Island
Minister for Hunting and Fishing
Minister for Youth
Associate Minister of Transport



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JMITC-15

Melita Raravula
Application Lead, Fast Track Team

By email: substantive@fasttrack.govt.nz

Fast-track Approvals Act substantive application – RCL Homestead Bay (FTAA 2024)

Dear Melita

Thank you for the opportunity to comment on RCL Homestead Bay Limited's substantive application under the *Fast-track Approvals Act 2024* (FTAA 2024).

The FTAA 2024 has been established to provide a regime that makes it easier and quicker for regionally and nationally significant infrastructure projects to gain the approvals needed for development, in support of the Government's economic growth objectives.

This application is for the Homestead Bay subdivision and residential development of 2,500 residential units and approximately 11,00m² commercial use.

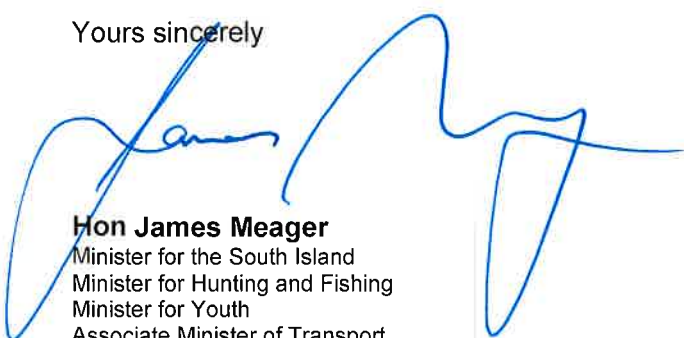
I have considered the information provided in the substantive application and its alignment with the priorities of my South Island and Associate Transport portfolios. My view is that this project aligns with the Government's strategic priorities of housing development and economic growth.

The Government Policy Statement on land transport 2024 seeks to unlock access to greenfield land for housing development and supporting greater intensification, which this project would accomplish. I would like to take this opportunity to note my support for the Homestead Bay application to receive the substantive approvals it requires.

From my South Island Portfolio perspective, housing has been identified as a priority in the Queenstown-Lakes District, where affordability and supply are significant challenges. Further comments specific to this are outlined in Annex One.

My comments do not cover an assessment of impacts on the local transport network. I understand that Otago Regional Council, Queenstown-Lakes District Council, and the New Zealand Transport Agency have also been invited and can provide comment on the operational impact of the project on the local transport network.

Yours sincerely



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Annex One – South Island portfolio comments

Project overview

1. RCL Homestead Bay Limited has lodged an application with the Environmental Protection Authority for fast-track approval under the Fast-track Approvals Act 2024 to develop the Homestead Bay project (the project).
2. The project includes the subdivision and development of approximately 2,531 residential dwellings, a commercial precinct, and public amenities such as parks, walkways, and native revegetation areas, supported by integrated infrastructure including on-site wastewater treatment to enable housing delivery at scale in a location with limited existing capacity.
3. The site is located south of Jack's Point, within the Queenstown-Lakes District, and is intended to address a critical shortage of housing in one of New Zealand's most supply-constrained and high-cost housing markets.
4. RCL Homestead Bay Limited has provided an economic assessment drafted by Urban Economics in April 2025 to support the application for the project:
 - a. The construction phase is projected to contribute approximately \$720.30 million to gross domestic product (GDP) and support around 4,420 full-time equivalent (FTE) jobs in the construction sector over the build period.
 - b. Once operational, the development is expected to contribute \$89.20 million annually to regional GDP and sustain approximately 920 FTE jobs through household expenditure and the operation of the proposed commercial precinct.
 - c. The development is expected to have an average projected sale price of \$1.22 million per dwelling, approximately \$500,000 (29 per cent) lower than the current average local sale price of \$1.72 million.

Comments

5. Based on the economic analysis provided, the project is expected to deliver regionally significant residential and mixed-use development outcomes, including a substantial increase in housing supply and the integration of supporting infrastructure such as internal roads, utilities, and on-site wastewater treatment.
6. The project is anticipated to strengthen the Queenstown-Lakes District's long-term economic capacity by enabling population retention, supporting workforce, housing, and contributing to the resilience of the local economy. It also aligns with regional priorities to address housing affordability and enable well-functioning urban environments.
7. The project aligns with the National Policy Statement on Urban Development by contributing to a well-functioning urban environment and helping meet medium-term housing capacity requirements in a high-growth area.