

Jerry Rowley
Chairperson – Mount Barker Residents Association

Ms. Heather Ash
Chairperson
Silverlight Studios Expert Consenting Panel
Silverlight.fasttrack@epa.govt.nz

7th December 2021

Dear Chair,

SILVERLIGHT STUDIOS ACCOMODATION – FAST TRACK RESOURCE CONSENT APPLICATION

Thank you for the opportunity to once again comment on the rapidly evolving Silverlight Studios (SSL) proposals as regards the Corbridge land. In this respect we focus on the 69 page Edgar Planning document dated 29th October 2021, which presents SSL's proposal described as:

“Land use consent is sought to provide on-site accommodation as an activity ancillary to Silverlight Studios film production operations”

Given the number of paragraphs in the Edgar document that we feel obliged to comment on we include these as a separate document using the original para numbers and present our summarised position below.

1. When the original proposal for this film studio surfaced it was presented and widely reported as a centre of excellence facilitating New Zealand's thriving film and television content production capabilities and capacity owned by three New Zealand industry professionals. It was suggested that the facility have up to 4 studios, some permanent set construction and the ability and space to build substantial production specific sets of a more temporary nature.
2. A fair assumption was that this would attract meaningful high wage positions to the area, in general terms be a modern digitally based creative industry with a modest ecological footprint and so diversify the local economy from the primary production and tourism centricity which has both benefitted and blighted this area in recent times.
3. However, as the actual proposals have evolved, and the detail released, our anxiety regarding the **complete plan** for this currently rural zoned land has meaningfully increased. Our anxieties centre on two related concerns: that this project is not viable without significant tourism related activities, and that the pressures that this endeavour will bring to bear on the Upper Clutha's housing situation will combine to permanently, fundamentally and detrimentally change the nature of our region.

4. It is our view that the only way that the Fast-Track Resource Consent process should be used to approve this application is if the consent contains the following constraints:
 - a. That all proposed tourism related activities be prohibited.
 - b. That any accommodation facilities approved to be built on the site may only be used to facilitate the core creative activities originally described, specifically Film and TV production and associated education and training.
5. For the avoidance of doubt, we do not object to the core creative activities described. Further, we have no objection to the proposers stripping what they variously describe as “ancillary” or “secondary” activities (principally tourism and accommodation) out of this Fast-Track process and resubmitting them into the normal local council-controlled RMA structured consenting processes.

We expect you may rightly ask what gives rise to our concerns - let us attempt to succinctly explain.

We have had discussions with various experienced people and in summary they are surprised that a proposal of this magnitude is viable without substantial tourism related revenues. Further, it is felt that a normal operating model for facilities like this around the world does not offer local creative operators many full-time jobs at all. The local jobs that are created by similar enterprises tend to have a low median average wage and centre around support services such as: drivers, cleaners, food service, security staff and maintenance people.

Whilst SSL and their consultants have represented that visitor related activities are entirely secondary to their plans, that does little to allay fears when the written detail of this application is considered. The detail contained in this application (like the Land Use application before it) clearly contemplates a meaningful “film tourism component” and “hospitality and conference facilities” as part of the **complete plan**. It is outrageous that our local community has no transparency on the real plans for these components nor any ability to object or otherwise comment on them.

May we further suggest that the “cafes, bars, restaurants and visitor facilities” (including souvenirs stores) listed in the proposal, not to mention a Parisian boulangerie and even street vendors, resonate closely with a high visitor volume model found in Disneyland and Universal Studios film theme parks. This is dramatically different from the sophisticated low-impact creative enclave that many in Wanaka and the Upper Clutha would support and currently believe will be built.

Our regional council, the QLDC have declared a climate emergency and it is central Government policy to “reset” New Zealand tourism policies post Covid 19. It is overwhelmingly clear that most of the people who currently live, work and pay rates here in the Upper Clutha have no appetite whatsoever to return to the low-spend mass tourism model we’ve recently endured.

The nature of the consent your Land Use draft conditions suggests remains as a significant source of concern and we have commented on this in past submissions. The flexibility that

these draft conditions describe by which the successful applicant can transfer ownership of the consents to “nominated” parties (and they in turn to future nominated parties) turns this Fast-Track consent into a very valuable transferable asset – there is only one stakeholder who is enriched by that: the applicant.

Further, these unknown downstream “nominees” may use the approvals your consent grants as a “permitted baseline for any form of development”. So, it appears that the consent holder, and their downstream nominees, can actually avoid having to comply with the consent issued. All they would have to do is “give effect” to this consent, which would give it longevity, and a sequence of development proposals by potentially a stream of unknown “nominees” using this massive project as a permitted baseline could begin. That is obviously of major concern and let us remember how this proposal was originally pitched: three talented New Zealanders have come up with a cracking plan to build a sophisticated Film and TV production facility along with some educational and training facilities on some beautiful farmland.

Considering this we note with great interest the changing nature of the ownership of SSL. According to Companies Register public documents on the 4th March 2021 SSL had three shareholders with Mr Wallis owning 60% and his two colleagues 20% each. However, by the 10th September nine new shareholders have appeared on the register. Mr Wallis reportedly owns 51% of the company, and his new fellow shareholders seem to now include: an ex-COO and CFO of The Walt Disney Company and chairman of Walt Disney Parks and Resorts Worldwide; an Oregon USA based tech investor; an Australian based documentary producer; a group of people, some associated, and one with meaningful residential property development and ownership experience; not to mention a locally based real estate agent. It is interesting to see the backgrounds of the investors attracted to this opportunity.

In closing, we believe the people of the Upper Clutha will have no idea what **will be built, when it will be built or by whom** without meaningful constraints being included in your final consents addressing:

- tourism activities
- visitor accommodation
- and the transferability and nature of the approvals.

Thank you very much for your time and the opportunity to comment on the rapidly evolving proposal.

Yours sincerely

Jerry Rowley

Chair – Mount Barker Residents Association

**Invitation to comment on Silverlight Studios Limited Wanaka Proposal
Accommodation Fast Track Resource Consent Application
Comments of the Mount Barker Residents Association
7th December 2021**

Wanaka has a strong sense of community, a belief in the principles of local democracy and the right to “shape our place”. This was reflected in the two victories the Wanaka community had this year when the High Court overturned QLDC’s wrongful attempt to lease Wanaka Airport to QAC for 100 years, and then when QLDC retreated from their attempt to disestablish the Wanaka Community Board.

The Fast Track consenting process, which will result in three unelected panel members imposing their views of the future on our community, whether we like it or not, is completely at odds with the principle of local democracy and the right of a community to “shape its place”. Instead, the process has left our community out of the loop, uninformed and uninvolved. The only information has been that released by SSL. While members of the Wanaka community are vaguely aware of the Silverlight proposal, almost all of those believe the consent will be for a low-impact, high-value, creative centre of excellence owned and operated by three talented New Zealander industry professionals. Virtually no one has considered the adverse effects that could be caused by the tourist-oriented activities proposed by SSL. Nor has there been anywhere near sufficient information and conversation about the stresses the local housing market may come under if the full film theme park notion is allowed.

When the Silverlight proposal was first mentioned, it only referred to three or four studio buildings that would be built in the dip on the Corbridge farm, so that it couldn’t be seen from the river or the main road. If that was all it was going to be, that would have essentially been fine. However, as the proposal has been expanded and the true nature of the park revealed, including its inauthentic themed villages, Venetian boat rides and street vendors, there are genuine fears for the future of Wanaka. This is more so, given the lack of publicity and discussion regarding the potentially negative aspects of the proposal.

The fact that the applicant had not adequately considered the state of the local housing market, and their likely impact on it, when lodging the initial land use consent application casts one of a number of dim lights: either they don’t care about their impact on our community; or perhaps they are gaming the Fast Track process with familiar “bait and switch” tactics which only gradually reveal the **complete plan** they have.

This application proposes the construction of 314 bedrooms in the complex, the SkyCity Grand Hotel in Auckland has 312 bedrooms. May we suggest the panel contemplate the planning, submissions, hearings and appeals normally required in our locally controlled planning processes to allow the right solution be arrived at when the views of all legitimate stakeholders are considered with such a massive proposal. Yet the application to construct 314 bedrooms is only described as “ancillary” by the applicant. It does cause one to pause and think.

As a final introductory comment, economics and value analysis is changing rapidly and the concept that anything worthy can be valued in dollar bills has become a widely accepted nonsense. Many of the people that live here do so with this consciousness, they live here because it is a remarkable, powerful, enriching and unique place to live. It doesn’t have a price, but it has a very real and high value to the people that live, work and pay rates here. Your analysis of this evolving proposal would be severely compromised if you ignored this fact.

Specific responses (using the para numbers of the Edgar Planning Report – Assessment of Environmental Effects as supplied)

1.14 When the Silverlight Studios project was first announced, there was no mention of visitor accommodation, tourism activities and commercial shops and hospitality services. As such little or

no concern was expressed, as it was thought that there would be 3 or 4 film studios 3 or 4 kilometres away from town, with little impact on Wanaka, and few opportunities for jobs for the local community. Conversations with members of the local film and video scene indicated that there would be few, if any, jobs for them, as Silverlight would import its skilled workforce. Now as stated in this paragraph there could be up to 10 studios, an increase of 300% over what had been mentioned at the outset.

1.15 Now it looks as though the film studios will be inextricably linked to the replica cities and towns such as this Italian village. We find it puzzling that replica villages are in such consistent demand and are suspicious that these “villages” will be created to attract tourists rather than for dedicated use as film sets.

1.16 The comments on 1.15 apply equally to the supposed “seaside village” or “small town USA”.

1.19 There is no detail regarding the “local film crew” that is supposed to “service the studios”. For this to be of any value, the opportunities for members of the local film and video community need to be spelt out, as otherwise the comments made by those members are likely to prevail – i.e. few if any meaningful jobs for locals.

1.21 As we object to any notion of “film tourism” the “Medieval Village and Hall and Lake Village” need to be financially viable as film sets not Fantasyland venues.

1.22 The “comprehensive self-sustaining film park....plus the innovative architectural approach” make us suspicious that the real intent of Silverlight is to create a tourist attraction, in order to make the film studios viable. We were also under the impression that the cancellation of the LoTR series frees up a lot of “film making infrastructure and crew within New Zealand”

1.23 The ancillary facilities that are intended to include “cafes, restaurants, visitor, hospitality and conference facilities” go well beyond what should be necessary for a set of film studios on a farm outside Wanaka. This comment only heightens our concern that tourist activities will be used to support the viability of the film studios. Further, the notion that 3rd party specialist film equipment companies would base operations on exceptionally expensive real estate in a rural town not serviced by a major airport nor in fact decent courier services is hard to believe.

1.24 Here Silverlight’s real ambition for the **complete plan** is laid bare. This paragraph clearly shows that Silverlight wants to build a multi-dimensional theme park like Disneyland or Universal Studios, specifically designed for high volume mass domestic and international tourists, rather than concentrate on making films in a few purpose-built studios. We cannot believe that these extra components are secondary to the film studios (despite the comment from Market Economics to the contrary).

1.25 The assertion that the film studios and associated activities will be environmentally friendly fails to take into account the environmental impact of the masses of visitors, especially from overseas, that they wish to attract. May we remind the panel that the QLDC has declared a climate emergency and, along with central government, is actively pursuing a “reset” of tourism strategies.

2.1 We have little objection to the building of suitable capacity to accommodate only those directly involved in film and television production, post production and associated study and training programmes. This capacity should not be available for occupation by any unrelated third parties, including “visitors”.

2.2 If jobs are truly in the film industry, then we have no objection, but if they’re tourism-related, our economy does not need them or benefit from them.

2.5 Silverlight’s intention is to provide accommodation for 26% of the “Silverlight workforce and students/trainees on site ...in a mix of studio, one bed, two bed and three bed apartments.” If the number is 1,200 people (with comments from other consultants that the number may get as high as 4,100 people), how does Silverlight expect Wanaka and the surrounding towns to house the rest of

their workforce? The impact of 74% of their expected minimum workforce being forced on the already heavily stretched local housing market is unsustainable and most worrying for Wanaka.

2.6 The panel can easily resolve the issue of what is a visitor versus what isn't, regardless of their length of stay, by simply prohibiting the provision of accommodation on site to anyone not directly involved in the current slate of Film and TV productions and the related education and training facilities.

10.1 This is a most interesting paragraph. We regard it uncontroversial to state that the best way of achieving the purpose the act describes is in the encouragement of investment towards high median wage industries, further if those industries were creative (as opposed to extractive), probably digital and operated intelligently they would also support, or at least only marginally harm, the "sustainable management of natural and physical resources". Within this context we are entirely supportive of the core creative enterprise of film and television production with associated education and training facility. The trouble with this proposal, or at least what we believe is the **complete plan**, is the tourism component. The industry of tourism throughout the world is based on minimum or at least a low median wage workforce, in other words every job you add to this workforce reduces the nations net per capita income and that is bad for New Zealand and its citizens. (The matter becomes more nuanced if the enterprise is highly profitable but the benefit of that tends to heavily favour shareholders as opposed to employees and that then raises other issues including ownership, tax residency, offshore IP license pricing, etc.). Further, high volume tourism, as all of us who live here (or Rio, or Venice, or Koh Phi Phi) can attest, has a very high social impact on local communities and particularly on pristine environments such as the Upper Clutha basin. The ultimate conclusion is that if this proposal is only viable with the tourism activity proposed then it is not viable when total impact to our community, our pristine and remarkable place and even our nations finances are truly and appropriately "valued".

10.3 This assertion is entirely meaningless without supporting evidence. Anyway, the area impacted by the proposal is Wanaka and the Upper Clutha, not Queenstown, which is 70 kilometres away. Tourism might benefit Queenstown through having more people, more flights and more campervans, but Queenstown grew up as a tourist destination. Wanaka grew up as a rural service and lifestyle town that does not rely on tourism anywhere near as much as Queenstown, nor have the infrastructure to support it.

11.2 We are not simply interested in "economic benefits and costs" regardless of how Market Economics see things. We are interested in social license, the fabric of our local community, the preservation of this remarkable and largely pristine place and the sensible development and diversification of local enterprises, see 10.1 above. Regardless, at the moment building companies in Wanaka cannot find land to build on, projects are being deferred, land prices are extremely high, and rental prices are the highest in New Zealand. The building sector is booming because of the expectations of people moving here for the lifestyle offered. We cannot see how on earth Silverlight could manage to start any building whatsoever, noting the dearth of building companies with capacity, the lack of skilled tradesmen, the lack of affordable housing and the high rental prices able to be demanded here, unless of course they propose to import their entire construction force.

11.3 May we respectfully state that the applicants form to date on the "social responsibility" they profess leaves us somewhat underwhelmed. Building onsite accommodation to meet 26% of the perceived minimum need does not address how our community will cope with the other 74%.

11.4 If workers come from outside Wanaka, there will be no benefit for Wanaka:

- Exactly what local businesses will operate at Silverlight?
- Why would local people need onsite accommodation?
- The proposal does not address the climate change impact of more international workers
- Non-local workers are likely to get paid here but take their money home – where is the benefit to Wanaka?
- Silverlight says that it is solving the housing crisis but fails to admit that the accommodation is only for a bare minimum (26%) of the proposed workforce coming from out of the region.

11.5 See response to 2.6 above. The accommodation should not be available for non-production associated visitors. If SSL want to provide 3rd party accommodation services refer them to QLDC's resource consent processes where "visitor" accommodation consents are professionally and competently handled within the terms of the district plan and council policies.

11.6 This, like 1.24 previously, shines more light on what may be the **complete plan**. Quite simply, the local community, the wider region and the country needs to know if this project is viable as the core creative enterprise (of Film and TV production and associated education and training services) is proposed. SSL have themselves described the tourism services and now the accommodations' proposed as "secondary" or "ancillary" components of their plan. Yet at every available opportunity they are requesting flexibility which would suggest that this project needs these secondary revenue streams to be viable. Are they peripheral or are they in fact pivotal to the plan? It is our view that studios and training facility need to stand on their own feet and as such you should prohibit non associated occupation of the accommodations permitted.

11.7 This paragraph refers to a "master development lease model". This term is only mentioned twice in the application, with no explanation of what it means or, more importantly who the lessor and the lessee are. We doubt that Silverlight can make this project happen on their own, so who are the players behind Silverlight? Consider this: if the panel consents to this proposal without severe limitations on use of accommodations and tourism prohibited and you allow the transferability to unnamed "nominees" along with this notion that the consents can form a "permitted baseline" for future development then what you have done is create a transferable asset of immense value to the applicant and no known value to New Zealand and especially dramatic risk for those of us that live in and love the Upper Clutha. We won't know **what will be built, when it will be built or by whom**.

11.10 This paragraph contains a very bland statement that "the project is likely to support and enhance the social and cultural well-being of current and future generations". For the reasons given repetitively above, we fail to see how the **complete plan** will benefit the lifestyle communities of Wanaka and its surrounds, how it will create jobs for locals (beyond cleaning hotel rooms and making cups of coffee) and how it will preserve the current social and cultural well-being of the people who make up our community.

11.13 This paragraph does not say whether these jobs will be given to people in the Upper Clutha or if they will come from outside the region. These are also construction jobs of which our existing workforce and infrastructure are already overserved and of course of a temporary nature.

11.14 While "Jobs.....in the design, consenting/regulation and construction sectors and are expected to be supported for 6 to 12 months of each phase" may be the case, who will get these jobs? And how will Silverlight get builders, given the current workloads described?

11.15 The creation of these "10 (x3 = 30) permanent, full time jobs" is insulting. This is an incredibly small number of permanent jobs, taking into account the expected total workforce of 1,200 to 4,100 people. Further, the jobs are all very low paid ones, which is unlikely to make a difference to anyone in Wanaka.

11.17 This is a very vague and waffly statement and it will not help the crises that Silverlight will itself have created for our community.

Jerry Rowley
Chair
Mount Barker Residents Association