

UNDER the Resource Management Act 1991
("RMA")

AND

IN THE MATTER OF an application for resource consent to
subdivide land at 60 Otatara Road and 190
Dunns Road, Otatara, Invercargill
("Application")

**STATEMENT OF EVIDENCE OF NIGEL RUSSELL FINNERTY
ON BEHALF OF INVERCARGILL AIRPORT LIMITED**

CORPORATE

1. INTRODUCTION

Qualifications and Experience

- 1.1 My full name is Nigel Russell Finnerty.
- 1.2 I am the Chief Executive of Invercargill Airport Limited ("**IAL**"). I have been in this position since April 2016. My responsibilities include developing strategic and operational plans, as well as overseeing the financial performance and legislative compliance of Invercargill Airport ("**Airport**"). I am also a CAA approved Senior Person accountable for the safe and efficient operation of the Airport.
- 1.3 I hold an honours degree in Engineering, majoring in Naval Architecture from the Australian Maritime College.
- 1.4 I have over 6 years' experience in the aviation sector and, prior to joining the Airport, have held senior leadership and management roles at New Zealand Aluminium Smelters, where I also had operational responsibility for many areas of compliance such as stack emissions. I am familiar with the Application and am authorised to give this evidence on behalf of IAL.

2. SUMMARY

- 2.1 The Airport is a strategic infrastructure asset of regional significance. The Airport serves as a critical transport link and lifeline utility for the Southland

region. The Airport has shown strong levels of growth in recent years (particularly with the introduction of the direct A320 aircraft Auckland service) and is generally recovering well from the impacts of COVID-19 (prior to COVID, the Airport was up to 355,000 rolling average passengers annually and was growing). As well as having a strong passenger service, freight is becoming an increasingly critical part of the Airport's operations. Domestic tourism has increased over COVID with record numbers of people travelling by Air to Stewart Island from the Airport.

- 2.2 For the Airport to be able to meet demand both now and into the future, it is important that the Airport's current operations and future development are adequately provided for. IAL is continuously planning to ensure that its infrastructure is safe and fit for purpose. The nature of airport infrastructure means we need to look to the long term when we are planning. An airport's planning horizon is typically 20-30 years.
- 2.3 An important part of ensuring that the Airport can operate efficiently both now and in the long term is about managing development near the Airport. While IAL works hard to manage its effects, the reality is that aircraft generates effects, like noise, that extend beyond our landholdings. If development around the Airport is not managed carefully, those effects can give rise to complaints and risk IAL having to constrain its lawful operations as a result.
- 2.4 The height of buildings and vegetation in proximity to the Airport is increasingly posing real safety risks to the Airport's operations, and takes time and cost for us to manage. Management of these activities and development is important to minimise critical operational safety risks such as wildlife hazards or aircraft damage if the Obstacle Limitation Surface ("**OLS**") is breached.
- 2.5 With population growth in Invercargill, there is an increasing number of subdivisions and redevelopment in the city. IAL understands the provision of housing in Invercargill is important to support the growth of Southland. IAL supports growth in Invercargill and Southland, and is simply concerned to ensure that urban development occurs in appropriate locations and in a way that does not adversely affect the Airport, as a critical regional asset.
- 2.6 IAL has several concerns with the Application. The site that is the subject of the Application currently does not have any noise sensitive activities on it. A development of this scale, which will introduce new dwellings this close to the Airport, has the potential to impact IAL's operations. If the Application was to proceed, any potential impacts must be proactively managed at the start of the process as any future issues will inevitably become the Airport's problem.

Comprehensive controls are also important to ensure that the people who move in understand they live next to an airport and their amenity will be reduced.

3. OVERVIEW OF INVERCARGILL AIRPORT

- 3.1 The Airport is situated on the South Coast of New Zealand, three kilometres from Invercargill's city centre. It is the southernmost controlled airport in New Zealand.
- 3.2 IAL's vision is to be New Zealand's leading full-service regional airport, with a thriving airport community connecting Southland to the world. IAL is a growing business providing an aerodrome that is safe and has excellent customer service.
- 3.3 IAL is a substantial landowner, with title to approximately 440 hectares of land. IAL, has approximately 80 businesses, licences and leases on site that directly or indirectly employ approximately 160 people.
- 3.4 The Airport has three runways, one main sealed runway and two grass runways. The main sealed runway is the third-longest commercial runway in New Zealand and is long enough to operate all narrow body aircraft operating in New Zealand and across the Tasman, including the Boeing 737, Airbus A320 and A321. This sets us apart from every other regional airport in New Zealand and, as we have much bigger aircraft (jets) operating, it also means we have a different noise profile.
- 3.5 The Airport's terminal apron and gate facilities can sustain aircraft to the size of an Airbus A321. As the only regional, and non-international airport in New Zealand operating aircraft with more than 90 seats, we are designated as a fully secure airport with passenger and baggage screening managed by Aviation Security.
- 3.6 The Airport has a range of commercial activities associated with the Airport's operations both for our passengers, including car parking and car rental services, and our aircraft operators, including hangars, aviation fuel storage facilities and airline ground support equipment storage. These facilities and services are all a critical part of a modern airport.
- 3.7 As Ms O'Sullivan explains in her evidence, IAL is a requiring authority and we hold designations to enable our airport operations.¹

¹ Statement of Evidence of Kirsty O'Sullivan, dated 29 April 2022, at paragraph 3.2.

4. THE IMPORTANCE OF IAL'S OPERATIONS

- 4.1 The Airport is a strategic infrastructure asset of local and regional importance. For the year ended 30 June 2021, the Airport saw a total of 303,878 passenger movements, and approximately 10,000 scheduled aircraft movements.² Pre-COVID, our passenger numbers had reached 355,000 over a 12-month rolling average and was growing quickly.
- 4.2 The Airport serves as a critical transport link and lifeline utility for the region, and plays a key role in ensuring the continued movement of people and goods between Southland and the rest of New Zealand. The Airport is an important part of Southland's economy. As we are a long way South, that connection is not only important for the region's economy and prosperity, but it is important for people to know they have a robust link (and lifeline if needed) with the rest of the country and to the world.
- 4.3 The Airport also hosts air ambulance and other medical flights which occur frequently (and often at night). The region's rescue helicopter operating to and from Southland Hospital in Invercargill refuels at the Airport. The Royal New Zealand Air Force also uses the Airport as a base of operations when conducting some Southern Ocean marine patrols. We also have Mainland Air flying medical staff between Dunedin and Invercargill up to 4 days per week.
- 4.4 Southlanders are good travellers, and the Airport serves as an important connection for the Southland region to the rest of New Zealand. The Airport currently accommodates daily flights to and from major urban centres including Auckland, Wellington and Christchurch. The Airport is also currently the country's primary air gateway to Stewart Island which has become a destination of choice for many New Zealanders, and the Airport's connection to the Island is a strong feature of the operation of the Airport. The Airport also serves as a designated alternate option for Queenstown Airport during the winter ski season and in the event of weather diversions. The Airport is also certified to accommodate small private international passenger flights with up to 14 people on board.
- 4.5 While aircraft operations at the Airport are primarily focused on passenger services, freight is also becoming a more important aspect of the Airport's operations, facilitating growth for both the local and broader regional economy. The direct jet operations to Auckland have increased freight through the Airport

² Invercargill Airport "Annual report 2021", available at <https://invercargillairport.co.nz/wp-content/uploads/2021-ial-annual-report.pdf>.

and as Southland's output of high value, perishable, fast to market goods increase, reliable airfreight is becoming an important means of transport.

- 4.6 We conducted a freight survey (in 2020 just before the first lockdown) which shows that this type of freight will grow and that exporters (both internationally and nationally) will look to use airfreight as a viable option to move their goods to market. With the time differences to places we export to internationally, we need to have the operational flexibility to meet those demands, including enabling freight movements outside our usual hours of operation if required.
- 4.7 The Airport has shown strong domestic growth in recent years with the introduction of the direct Auckland service. Despite the international border closure, the Airport's operations have recovered well from the downturn due to the COVID-19 pandemic. We expect to be back to our pre-COVID flight schedule by mid-2022.
- 4.8 Given the importance of the Airport's operations to Southland and the wider region, it is critical to IAL that the Airport's current operations and future development plans are provided for. The Airport needs to have the operational flexibility to deliver the levels of service required, both now and into the future.

5. APPROACH TO AIRPORT PLANNING

- 5.1 In order to ensure that the Airport's operational capabilities are protected and that it can meet demand in future, IAL is continuously planning for growth and development. A core part of this planning is making sure that our infrastructure is safe and fit for purpose. This includes ensuring that our operational assets are future proofed in a way that enables the Airport to operate in an efficient manner. We have robust asset management and life cycle plans to maintain the infrastructure and plan for renewals where required.
- 5.2 The nature of airport infrastructure and the level of capital investment required means that IAL needs to plan sufficiently far into the future. This is achieved through "masterplanning" the land use and development of the Airport and surrounding area. Masterplans are high level strategic documents that are commonly used by airport operators to set the path for long term planning and investment (up to 30 years). IAL recently updated its Masterplan, which was finalised in March this year, and looks out to 2041.

6. THE NEED TO MANAGE DEVELOPMENT NEAR THE AIRPORT

6.1 A key part of ensuring that the Airport can operate efficiently now and into the future is managing development near the Airport, both in terms of its location, the nature of development and its scale/form. This is more important than ever before with the population growth in Invercargill which is resulting in increasing residential pressure on land around the Airport. While IAL acknowledges that urban development is important to support the growth of Invercargill, it is critical that this occurs in a way that does not adversely affect the Airport's current and future operations.

6.2 Managing development around the Airport is important to manage the effects of aircraft operations (such as noise) on sensitive activities and minimise potential and serious operational safety risks to aircraft flying in and out of the Airport, such as bird strike and obstacles penetrating the OLS.

Effects of aircraft operations

6.3 IAL works hard to manage its operations in a way that minimises its impact on the surrounding environment. However, the nature of aircraft operations means that effects, such as noise, cannot be internalised within our landholdings. This means that development around airports will be exposed to aircraft noise and other effects. That is part of the reality of living near an airport.

6.4 Where activities that are sensitive to the effects of aircraft, like residential dwellings, locate near the Airport, there is the potential for people to complain about the effects of the Airport's operations. IAL considers itself a critical member of our community and is cognisant of the impacts an airport can have on the those who live around us.

6.5 When we do identify risks that affect our operations (eg a breach of the OLS) or a complaint is received, it is time consuming for the Airport to work to resolve it (time that could be avoided at the outset if development is managed properly). We received a complaint just a few weeks ago from a resident who recently moved to Invercargill (in the Windsor area which is approximately 6km away from the Airport) and was concerned about the noise, frequency and proximity of aircraft to their home and wants to see changes to flight paths.

6.6 This is just one example and an insight into what is likely to become a more common occurrence as intensification occurs around the Airport (if it is not managed in a careful way). These complaints and engagement with residents have the potential to put pressure on IAL to constraint the Airport's activities

which can in turn restrict operations and prevent future growth. That would not be a good outcome for the Southland region or New Zealand.

- 6.7 For this reason, development needs to be carefully managed around airports. Ideally, development should only occur near the Airport where it is compatible with the Airport's operations (eg commercial and business activities) and development that is sensitive to the effects of aircraft (like residential) should be avoided where possible. Where such development does occur near the Airport, it should be undertaken in a way that ensures that it is a healthy living environment for everyone who resides there.

Impacts on operational safety

- 6.8 The height of buildings and vegetation in proximity to the Airport also poses safety risks to the Airport's operations. Airport height and obstacle clearance restrictions are important for the safe and efficient functioning of our operations. IAL has an OLS in place to manage the height of buildings and other structures near the Airport. This is a mandatory requirement at airports and serves an important function of ensuring that aircraft can safely take off, land and navigate around the Airport without interference.
- 6.9 Despite these controls being in place, IAL still has to closely monitor development in the vicinity of the Airport to ensure these controls are not infringed. We have to regularly monitor the height of trees and structures around the airport to ensure they do not breach the OLS. We are currently working with landowners in the vicinity of the Airport with vegetation on their properties to manage the height of trees around the Airport. This can be a long, costly and stressful process for all involved. This is just one example of why it is preferable to avoid development near the Airport in the first place.
- 6.10 While a low possibility, there is also a risk that an aircraft can overshoot a runway. The consequences of this are obviously high. IAL has measures in place, such as Runway End Safety Areas ("**RESA**") to minimise the risk of this occurring. However, this is another reason why it is necessary to carefully manage development near the Airport, particularly at the end of the runway in areas like Otatara.

- 6.11 Bird strike also poses a threat to the safe operation of the Airport. A recent report on bird incidents at Airports lists Invercargill as a medium risk category aerodrome for bird strikes with an upward trend in risk.³ IAL takes bird strike very seriously and is actively involved in bird management on its landholdings. We have some drains within our landholdings which we actively manage to minimise the presence of birds and risks of bird strike. We are also in the processes of preparing an extensive wildlife management plan for the Airport given the increasing level of bird activity we are currently seeing.
- 6.12 As IAL does not have control over land around the Airport, it is important that development occurs in a way that minimises the creation of additional off-site waterbodies or other habitats that could attract bird life, and consequential risks to the Airport's operations. Farming activities such as ploughing and grazing of stock in winter tends to provide a food source for birds in winter which brings birds into close proximity to the aerodrome.

7. THE APPLICATION

- 7.1 IAL first became aware of the Application in around January 2020. During the preliminary stages, the developer contacted IAL to discuss the Application and seek our written approval to the Application. Over the course of our engagement, we raised several concerns with the proposal, including the potential for a number of noise sensitive activities to be introduced to an area of high noise and risk of potential bird strike.
- 7.2 In May 2020, we received a copy of the developer's resource consent application and after further correspondence where IAL raised a number of concerns about lack of information (including a lack of assessment of effects on the OLS and no information about measures to detract birds during the site development), the developer provided some further information and proposed some further measures, including a land covenant to manage the height of vegetation.
- 7.3 However, IAL remained concerned with the Application given its location to the Airport and the number of allotments proposed. For this reason, IAL was not willing to provide its approval to the developer's proposal.

³ Civil Aviation Authority of New Zealand "Bird Incident Rate Report: October to December 2021" 5 April 2022 available at <https://www.aviation.govt.nz/assets/Uploads/Bird-incident-rate-report-2021-Q4.pdf>.

7.4 For the reasons I have outlined in my evidence, there is a need to ensure that development near the Airport is managed very carefully. IAL still has a range of concerns with a residential subdivision of this scale proceeding in this location. In terms of just how close the Site is to the Airport, it is located:

- (a) within the Airport's air noise boundaries, which as Mr Peakall explains means the site will be subject to high levels of aircraft noise;⁴
- (b) approximately 970 metres from the end of the 022 runway and approximately 880 metres from the end of our 90 m RESA; and
- (c) where the OLS is approximately 16m above mean sea level (at its lowest point) and 31m (at its highest point) but as Ms O'Sullivan explains in her evidence, with the existing ground level, the maximum height for buildings and vegetation on the Site is in reality much lower than this.⁵

7.5 While IAL acknowledges the need for housing in and around Invercargill, it is IAL's desire that this type of development should not occur within the designated noise boundaries where possible. I understand from Ms O'Sullivan's evidence that some residential development is anticipated under the planning framework (provided the developer can first demonstrate that the subdivision should be approved). In light of that, it is imperative that the impacts on the Airport are properly considered and it is demonstrated that any impacts will be managed now and into the future.

7.6 The fact is, residential development on this land will create a living environment where aircraft noise will be experienced by occupants and, as Mr Peakall explains in his evidence, will be of some nuisance to those occupants.⁶ For this reason, if the Application does proceed, a comprehensive set of controls need to be imposed on the developer (and future landowners) to alleviate what will almost certainly become an environmental issue in the future (and one that will inevitably become IAL's problem to address).

⁴ Statement of Evidence of Stephen Jack Peakall, dated 29 April 2022, at paragraphs 4.4, and 5.17.

⁵ Statement of Evidence of Kirsty O'Sullivan, dated 29 April 2022, at paragraph 5.27.

⁶ Statement of Evidence of Stephen Jack Peakall, dated 29 April 2022, at paragraphs 2.5 and 5.8.

7.7 In involving ourselves in this Application, we are doing our best to take responsible actions now to manage potential future impacts of this Application before they become future problems for the Airport and those who will eventually live in this community.

Nigel Russell Finnerty

29 April 2022