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**SUBMISSIONS ON PROPOSED PLAN CHANGE 32
ROTORUA REGIONAL AIRPORT, AIRCRAFT NOISE CONTROLS
AND LAND USE CONTROLS**



CLOSING DATE: TUESDAY 28 FEBRUARY 201

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I Do wish to be heard in support of my submission.

If others make a similar submission, **I would not** (*delete one*) be prepared to consider presenting a joint case with them at any hearing.

.....
Signature of person making submission or person authorised to sign on behalf of person making the submission.

.....
Date

FORM 5:- Submission pursuant to Clause 6 of the First Schedule to the Resource Management Act 1991

**SUBMISSIONS ON PROPOSED PLAN CHANGE 32
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CLOSING DATE: TUESDAY 28 FEBRUARY 2011

Provision	Support/Op ose	Submission	
Please refer to the numbered heading eg 18f.1.1	Clearly indicate whether you support or oppose the specific provision.	State in summary the nature of your submission and the reasons for it.	State c change: provision
ALL	SUPPORT	PLEASE SEE ATTACHED LETTER OF SUBMISSION	APPRO DEVELO

20 February 2006

Manager Planning Services
Rotorua District Council
Private Bag RO 3029
Rotorua

Dear Sir / Madam

Submission: Airport operation and airport approach take-off obstacle limitation surfaces designation.

Submission: Protection of operational capability of airport and to provide for associated airport development

Submission: Rotorua airport, aircraft noise controls and land use controls

This submission supports the development of the Rotorua Regional Airport and the proposed changes to the Operative Rotorua District Plan as outlined in 'Rotorua District Proposed Plan Change No.32 which will enable these developments to occur.

The Rotorua Chamber of Commerce is an incorporated society with members drawn from the commerce community of Rotorua. It has 420 members representing a broad base of industry sectors. Member organisations collectively employ in excess of 6,000 local residents.

The Chamber is a partner in The Business Hub, a centre for business support and development for Rotorua. Whereas Destination Rotorua Economic Development has responsibility invested by Rotorua District Council for the economic development of the city, the Chamber of Commerce has a focus on business development. Both organisations are therefore concerned with the development of increased capability of industry in Rotorua to support the establishment of the city as a premier destination to live, work, play and invest.

The Chamber has been provided with a mandate to make a supportive submission by its membership through a comprehensive survey on the airport and airport services that was conducted in November/December 2005. This survey contained an identified section that included qualitative and quantitative questions on the development of trans-Tasman capability of the Rotorua Regional Airport. This has been followed up with individual members' consultations on various issues related to the development.

In February 2005, the update of the 2001 Sub-national Population Projections produced by the Statistics New Zealand projected that the population growth to 2026 for Rotorua would be between a minimum growth of -3% and a maximum of 20%. This would project the population of Rotorua to be between 65,000 and 81,000 twenty years in the future against a current population of 67,000. Through the development of The BrightEconomy Strategy and the formation of the BrightEconomy Advisory Board, the Rotorua District Council have adopted a positive approach to economic development to drive the growth to the upper level of this projection. We support this strategic goal.

The Chamber would like to make the following comments to support our submission.

1. Key indicators from survey of members

The Chamber received 160 responses to the above mentioned survey which represented a response rate of 27 percent. This is regarded as a high response rate for a survey and reflects the level of importance in which this issue is viewed by our membership. A copy of the results report is included with this submission. Key indicators from the survey are that 59 percent of respondents said that the level of suitability of the current trans-Tasman services for business purposes was unsatisfactory. In addition, 53 percent indicated an increase in business growth and 35 percent an increase in business efficiency if airport services are improved. In total 97 percent expected a beneficial impact on their business from a direct trans-Tasman service. Strong indications of support were received for Eastern seaboard destinations for commercial trans-Tasman connections.

2. The 'public good' of infrastructure developments

The development of the Rotorua Regional Airport is considered to be essential regional infrastructure for the development of business. However there will be considerable public good as a result of the improved capability. There will be an improvement of services and facilities for the benefit of all residents whether through personal use of the airport or by visiting friends and relatives. The impetus to economic growth as a result of this development will improve commercial opportunity, local employment, and eventually an economic and social return to the community of Rotorua.

3. Improved Services at the airport

The increase in traffic flow generated by a trans-Tasman service will create a greater demand for retail and other services at the airport. This will result in an increased range of food, books and magazines, gifts and duty free outlets. An increase in the shuttle bus and taxi services would also result. These developments will be an advantage to local residents using the airport for both domestic and trans-Tasman travel.

4. The personal advantage to starting an overseas holiday

As travel costs become more affordable, international travel, both long term and short break, is enjoyed by an increasing number of residents. For many, these holidays are taken in Australia, still the most popular destination for New Zealanders. Connection to international flights is currently by either a flight or road trip to Auckland adding considerably to the cost and the time of travel of the holiday. The availability of a direct connection to Auckland will be considerably more convenient and enable more advantage to be taken of a short break through less time spent on travel. Currently family and friends wanting to farewell departing passengers at the airport have to commit to the cost and time of traveling with them to Auckland. Overseas capability of Rotorua Regional airport will make this family farewell considerably easier.

5. Change to the character of the eastern Suburbs

To facilitate the proposed growth in the city, the Rotorua District Council long-term planning has identified the Eastern suburbs as one of the few areas offering opportunity for high residential growth. This area stretches from Ngapuna to Rotoiti. The residential in-fill of the area north of the airport will make a considerable change to the character of the area from rural to residential. This demand for residential development places importance on the protection of surrounding land adjacent to the airport for linked commercial and industrial development. The protection and designation of the land surrounding the airport to commercial and industrial use would be a more appropriate match to the increased capability and function of the airport.

6. The development of Rotorua as a desirable place to live, work, play and invest.

The development of infrastructure such as the airport increases the desirability of Rotorua as a location. Ease of access to the rest of New Zealand and the Eastern seaboard of Australia will enhance this positioning. It is suggested that this increased desirability will add impetus to population growth of the city. As an example, the impact of the opening of the direct route to Tauranga has already had an effect on increasing the commuter traffic between the two cities.

7. The development has the support of adjacent local authorities

The Trans-Tasman development of the airport has received support from the local authorities in adjacent districts and from Environment BOP. The Rotorua Regional Airport is seen as the appropriate location for the region's air transportation needs for the next 25 years. The development of the air transportation infrastructure will have social and economic benefits to whole Bay of Plenty region.

8. The development of infrastructure that supports the growth of business

In the recent survey conducted by the Chamber of Commerce 62 percent of respondents indicated that a direct service to Australia would assist their business. Amongst examples given by respondents of advantages to business were: easier access to off-shore markets, movements of participants in conferences, staff movements, staff incentives, road shows and a transit point to other markets.

9. The development of infrastructure that enables increased efficiency of business

The same survey indicated that 35 percent of organisations would see an increase in efficiency of business operations. Amongst examples of efficiencies suggested were: easier and faster access to off-shore markets because of there was no need for domestic connections or having to over-night in Auckland; movement of conference delegates both in and out of Rotorua; and better access to markets.

10. The international capability of the Rotorua Regional Airport will increased tourist traffic to Rotorua

The current connection between Auckland and Rotorua is inhibiting certain sectors of tourist traffic from including Rotorua on their itinerary. Larger groups, and some FIT's do not consider the small aircraft utilised on that route as appropriate or of sufficient capacity. The alternative of coach transport Auckland Rotorua is not seen as an option. The direct flight to Australia will enable entry through Australia direct to Rotorua and reposition the destination on itineraries. Several of the respondents to the Chamber Air Services and Airport survey indicated that tourist groups had been lost through the unsuitability of current services. An added advantage of the introduction of direct trans-Tasman services be a re-evaluation of the current Auckland Rotorua service.

11. The development of an Australian short-break tourist market

Direct flights from the eastern seaboard of Australia will enable a considerably shorter travel time from home to destination and make a weekend or three day break to Rotorua a more convenient 'break away' option. This may result in the development of a number of new holiday packages targeting this market e.g. an adrenalin packed adventure weekend. This could also provide an opportunity for smaller tourism operators who may not currently benefit from the group tour market.

12. A perception held by overseas travelers that Rotorua Regional Airport is close to Rotorua.

The name of Rotorua Regional Airport clearly positions the airport in the mind of the overseas traveler as being close to Rotorua. The development of the airport will confirm the Rotorua Regional Airport as the region's air transportation hub for for the next 25 years. This will negate the requirement for an alternative airport facility with a possible renaming to Bay of Plenty Regional Airport or Tauranga Airport. Any airport name not including 'Rotorua' could result in a change in perception of the proximity of the airport to the city of Rotorua.

13. Access to major Australian markets for the promotion of the new Energy Events Centre.

The development of Energy Events Centre will position Rotorua as the largest convention destination in New Zealand outside of the three major centres. The accommodation and services already established in the city enable Rotorua to host conferences of up to 2000 delegates. This makes Rotorua an attractive Australasian convention option. To take full advantage of this opportunity, Rotorua requires trans-Tasman capability of the Rotorua Regional Airport to provide the appropriate transportation links to attract this market.

14. Rotorua Regional Airport will be the closest international airport for in excess of 400,000 population.

The Rotorua Regional Airport will become a preferred point of departure to Australia for a considerable population. This will include south Waikato, Tauranga, Whakatane, Taupo and parts of Hawkes Bay. The projected growth of these combined regions could see a resident population in excess of 400,000.

15. Economic impact in job creation and visitor spend from an increased number of international visitors.

Direct flights from Australia will result in an increase in the number of inbound tourists to Rotorua. This will have an impact on the local economy: increase in accommodation usage; local transport; retail spending and attraction visitation. This will provide additional employment opportunities in the city, and could make tourism ventures more profitable through higher occupancy rates.

16. Business Plan

The demand forecasts and economic impact developed by APR Consultants Ltd indicate a positive feasibility of the development of trans-Tasman services, international capability and the required investment. The cumulative surplus shows a surplus after debt servicing within two to five years and a return on shareholder investment within the first 10 years.

We thank you for the opportunity to present this submission and trust that you will take the key points outlined above into account as part of your decision making process. We would appreciate the opportunity to make a presentation.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Roger Gordon', with a long horizontal flourish extending to the right.

Roger Gordon
Chief Executive Officer

Air Services in Rotorua

The results of a survey conducted by the Rotorua Chamber of Commerce in collaboration with the Rotorua District Council

Coverage of the survey

The Rotorua Chamber of Commerce conducted a survey in November/December 2005 of the satisfaction of businesses with domestic air services into and out of Rotorua, and with the services provided by the Rotorua Regional Airport, together with questions pertaining to the new proposed Trans Tasman link.

To ensure a wide and representative response to the survey, a questionnaire was circulated to the members of:

- the Rotorua Chamber of Commerce (380 members at the time of the survey);
- ITOC (the Inbound Tour Operators Council – about 50 members);
- @Home New Zealand (Bed and Breakfast and Lodge operators in the area – about 60 members);
- SKAL (senior executives within the tourism sector – about 40 members);
- SWAP (about 100 members); and
- a few small groups of other interested persons within the community.

There is some duplication of membership between the Chamber of Commerce, SWAP and SKAL.

In total, the survey questionnaire was sent to an estimated 600 business people who represent a comprehensive cross section of parties with an interest in air services and their impacts on business in Rotorua.

Responses to the survey

One hundred and sixty responses were received, a response rate of 27 percent. This is regarded as a high response rate for a mail or an email survey, especially if the length of the questionnaire and the number of questions are taken into account. It typically took respondents about 10 minutes to complete the survey (without completing the section for tourism operators) or 15 minutes (with completing the section for tourism operators).

Of the respondents, 54 percent were owners or directors of organisations, with a further 27 percent being involved in management. The business sector spread was broad with the highest number of responses coming from tourism and hospitality (41), the professional sector (31), service industry (20), and from retail (13).

The majority of respondents (67 percent) stated that their answers reflected their own individual travel patterns with 33 percent basing their opinion on their organisation's multiple traveller behaviour. Of all responses, 86 percent were based on first hand evidence.

Use of and satisfaction with air services

As expected Auckland (56 per cent), Wellington (53 percent) and Christchurch (35 percent) were the main destinations for domestic travel with 32 percent indicating the use of air travel to Auckland to connect with international services.

Asked about their level of satisfaction with current flight schedules, 77 percent said that these were acceptable, good or excellent, while 23 percent said that they were poor or very poor.

Twelve percent of respondents regard the reliability of the air services as poor or very poor; while 30 percent regard seat availability as poor or very poor. There is a lower level of dissatisfaction with flight cancellations (3 percent), delayed flights (6 percent) and overbooking (9 percent).

Two questions covered the frequency of air travel from Rotorua – current behaviour and future behaviour if changes to frequency and schedules were made. An evaluation of the responses suggests that changes to scheduling and/or destinations could result in up to 45 per cent increase in the use of air travel from Rotorua airport.

Cost was considered an important factor in travel planning with 90 per cent indicating it was a very important factor (43 percent) or a consideration. In 66 percent of cases cost had influenced travellers to use alternative transport.

Suggested improvements

When requested to suggest improvements to air services from Rotorua, the top response was cost (51 percent), followed by improved schedules (42 percent), and a broader range of destinations (40 percent). Respondents also made these suggestions:

- Better connections for international flights
- Direct flights to Australia
- Better scheduling of flights to and from Wellington and Christchurch particularly early morning and early evening
- Helpful and friendly front line staff at the airport.

Impact on business

Rotorua businesses believe that air services have a very important role to play in both attracting business to the city (74 percent of responses) and in helping existing Rotorua business to grow (96 percent). Of respondents, 38 percent considered that difficulties with flight capacity, scheduling or destinations was a direct cost or risk to their business.

The following cost or risk factors were mentioned:

- Unreliable flights resulting in missed meetings
- Inability to bring customers and clients to Rotorua on the day required
- Down time in Auckland waiting for international connections
- Additional overnight accommodation costs for business meetings in main centres
- Impact of scheduling of flights on cost of access to domestic markets outside of Rotorua
- Inability to bring large groups such as conferences to Rotorua
- Time is a big factor for business. Delays and schedules result in additional time and cost to business
- Lack of capacity on certain flights resulting in the need to travel the day before to make meetings hence additional cost.

Flying or driving to Auckland

Asked about their satisfaction with air services to NZ centres, Auckland came out at 19 percent Queenstown with 15 percent; Wellington with 14 percent and Christchurch with 13 percent of respondents with a low level of satisfaction;

Auckland is an important linkage for business and tourism. A flight time of 40 minutes and a land travel time to and from airports of between 45 and 90 minutes, dependent on the time of day, compares to a drive time from city centre to city centre of about 3 hours. Respondents indicated that 45 percent preferred to drive, 13 percent elected to fly and 40 percent made a choice dependent on circumstances. The influencers of the choice were cost (56 percent) and schedules (43 percent).

Services between Rotorua and Australia

In the general section of the survey the question was asked “What is the level of suitability of the current connection services from Rotorua through to Australia?”

About 59 percent of the 138 respondents said that the level of suitability was low; about 40 percent said it was average; and only 1 percent said that it was excellent. Asked if a direct flight to Australia would assist their business, 62 percent of the 150 respondents said yes, and 38 percent said no. The replies to these two questions give a significant indication of the importance of an improved air service link between Rotorua and Australia.

Over eighty of the respondents who indicated that a direct flight to Australia would assist their business then named their preferred destinations and frequency. Services to Sydney, Brisbane and Melbourne were the clear favourites. Other destinations mentioned were: Cairns, the Gold Coast, Adelaide, Perth and Canberra. Some respondents suggested Sunday departures and Friday returns to capitalise on the working week. Others suggested daily connections.

Some respondents gave specific examples of advantages to their businesses of Trans-Tasman services for conferences, staff incentives, road shows, and training purposes. Surprisingly few of the respondents could see the advantages of using the Australian

cities as a transit point for connections onto Asia or Europe or for traffic inbound from these areas.

In reply to the question: “How would a direct service to Australia assist your business?” there were 122 responses. The top responses were: business growth (53 percent) and an increase in business efficiency (35 percent). Among the other responses were: save time, increase cargo capacity, make Rotorua a more assessable conference venue, cost savings to group travelers who would not have to overnight in Auckland, increased guest numbers, and increased tourism.

There were a small number of negative responses on the issue of a Trans-Tasman service from Rotorua. These included making Hamilton a fully international airport, the biosecurity risk, and the noise factor.

In total, 97 percent of the respondents expect a beneficial impact on their business from a direct Trans-Tasman service.

Asked how often they would use a direct flight between Rotorua and Australia, the most frequent reply from the 154 respondents was Infrequently (45 percent); Once a Quarter (31 percent); and Once a Month (11 percent). Five per cent would use the service either Once a Week or Two or Three Times a Month, while 3 percent would use the service More Than Once a Week.

Facilities at the Rotorua Regional Airport

Respondents were asked: “What Rotorua airport facilities are important to you?”

Most of the respondents ticked more than one of the facilities. Of the respondents, 87 percent indicated that Parking was important to them; 70 percent indicated that Security was important; 53 percent ticked Terminal Comfort; 75 percent wanted IT Facilities and 16 percent Meeting Facilities; and 27 percent ticked Catering as important.

The following facilities and services were also suggested:

- A baggage carousel; and a baggage area that is not outdoors
- A covered walkway from the terminal to the plane; an air bridge
- A business or Koru Club lounge; designated parking near check-in for frequent fliers
- Custom clearance facilities and a bonded warehouse with secure storage for perishable goods
- Fast and efficient check-in, baggage facilities and custom clearance
- Better coach parking for tour groups; easy access to excellent taxis
- Lower cost parking, and a period of grace before parking fees apply; 30 minutes free parking
- Professional, helpful, customer-friendly and pleasant staff
- An area licensed to serve alcoholic drinks, snacks and light meals

- An area with meeting facilities
- A comfortable area for travelers during delays
- Information for guests: brochures and posters
- Cleanliness, including a tidy car park; improved signage
- General good ambiance; music; lighting; the landscaping around the airport; how the airport looks and presents itself, both from the road and from the tarmac.

This question about facilities at the Rotorua Regional Airport attracted a large and detailed response, and is obviously a matter close to the hearts of the users of the airport.

Responses from the tourism sector

Sixty-one respondents (38 percent of all the respondents) completed the section of the questionnaire that was targeted specifically at businesses in the tourism sector. Of these, 74 percent are involved with groups and 70 percent with FIT (free, independent traveler) traffic. Obviously some deal within both sectors.

When asked: “Does the air service provided to/from any of the domestic airports in New Zealand impact on the level of tourist inflow to Rotorua?” over 95 percent of the respondents involved in tourism responded in the affirmative.

The respondents made it quite clear that Rotorua tourism is affected by limited services and insufficient seating capacity on some routes. These limitations on domestic routes have a negative impact especially on visits by larger travel groups and on conference business. The limited capacity on the Auckland/Rotorua and the Rotorua/Wellington routes were mentioned many times with examples of lost business, lost group traffic, and lost conference venue opportunities for Rotorua. The obvious answers to these issues are additional capacity and/or greater frequencies of flights.

Respondents also mentioned the four-hour bus ride from Auckland to Rotorua. Many tourists do not want to use a bus on this route. One comment was: “People are by-passing Rotorua because they cannot get here easily and quickly enough”.

Another respondent gave the example of wanting to host a conference in Rotorua for 800 people. Of those, 600 had to fly into Rotorua. This capacity was not available, and the conference went to Christchurch.

Others mentioned:

- not being able to fly to Rotorua on a specific date and time for a conference;
- the case of at least seven large incentive groups from North America excluding Rotorua from their travel plans due to lack of capacity from Christchurch to Rotorua over the last two to four years;
- those on a short holiday preferring to fly;

- missing out on two group bookings in 2005 because of unavailability of flights; and
- a major conference cancelled due to limited seat availability from Wellington.

Conclusions and recommendations

Air services and airport facilities are considered critical to the viability and growth of business in the city. The survey suggests a significant level of dissatisfaction by business with certain aspects of air services to and from Rotorua and that current services are directly imposing additional costs and challenges to businesses operating in the city. A review of cost and scheduling to better meet the needs of Rotorua business travelers could possibly result in considerably higher corporate usage of air services.

There is obviously a serious problem with domestic air access to Rotorua that is affecting group, special interest, conference, incentive, and corporate markets. This issue was identified by the Rotorua Chamber of Commerce in early 2005 and led to the decision to undertake this survey.

In response to direct approaches by the Chamber, both Air New Zealand and Qantas said that the short distance between Auckland and Rotorua meant that a larger capacity aircraft would only just reach its cruising altitude before it needs to descend into Rotorua. This makes the use of jets on this route non-viable.

A Trans-Tasman Regional Airport in Rotorua would alleviate the problem. Flights directly between Sydney, Melbourne, and Brisbane and Rotorua would allow a review on the Auckland/Rotorua route. It is this flight that would appear to be where the major problems occur for the group, conference, and incentive traveler. As one respondent commented: "It takes four hours to bus from Auckland to Rotorua, but only three hours to fly into Rotorua from Sydney."

Direct Trans-Tasman flights would open up completely different market segments for tourism in Rotorua. Visitors would come from Australia to Rotorua for a weekend. The flights would encourage visitors interested in staying in the Bay of Plenty region for longer periods, such as a week. The average stay of visitors in Rotorua would increase above the current 2.2 nights giving better utilization to the hospitality sector. There would be an increase in international repeat client arrivals.

Rotorua is a New Zealand tourism icon. Being directly linked to Trans-Tasman jet access, its appeal will extend far beyond Australia. There will be an opportunity for international connections in Sydney, Melbourne, and/or Brisbane from flights originating in Asia, America, Europe, Britain, the Middle East, India, South Africa and other countries. Visitors would be able to transit in Australia and to make a direct connection from Australia to Rotorua.

Trans-Tasman flights will increase Rotorua's opportunity to bid for large conferences, incentive travel, sports events, and group movements. The District's tourism and economic future will be much brighter. Australia is New Zealand's largest international

tourism market. With Trans-Tasman flights, Rotorua can become an adventure travel park for Australians, just three hours away.

In the main, the tourism infrastructure is already in place or is being constructed. The suitability of tourist attractions to clients who will have the time to stay longer at each attraction will have to be reviewed. Smaller tourist attractions, and those off the beaten track, that are usually overlooked by short-stay international visitors, could expect an increase in visitor numbers if they can provide a high quality product.

This survey has confirmed that Rotorua's current level of air services is inhibiting business and tourism growth. Although a significant percentage of questions were targeted towards the tourism sector that would gain considerably from Trans-Tasman services, the results of the survey indicated wider support. The strength of the support indicates that other business sectors also clearly see advantages in better access to markets, better utilization of time and the opening up of more benefits for the region as a whole. It follows, therefore, that this is not just an initiative for the tourism sector but will carry benefits for a wider range of users, domestically and internationally. With Trans-Tasman services, strong marketing and promotion, and excellent, client-focused services the Rotorua Regional Airport will offer huge economic benefits to the region well into the future.

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